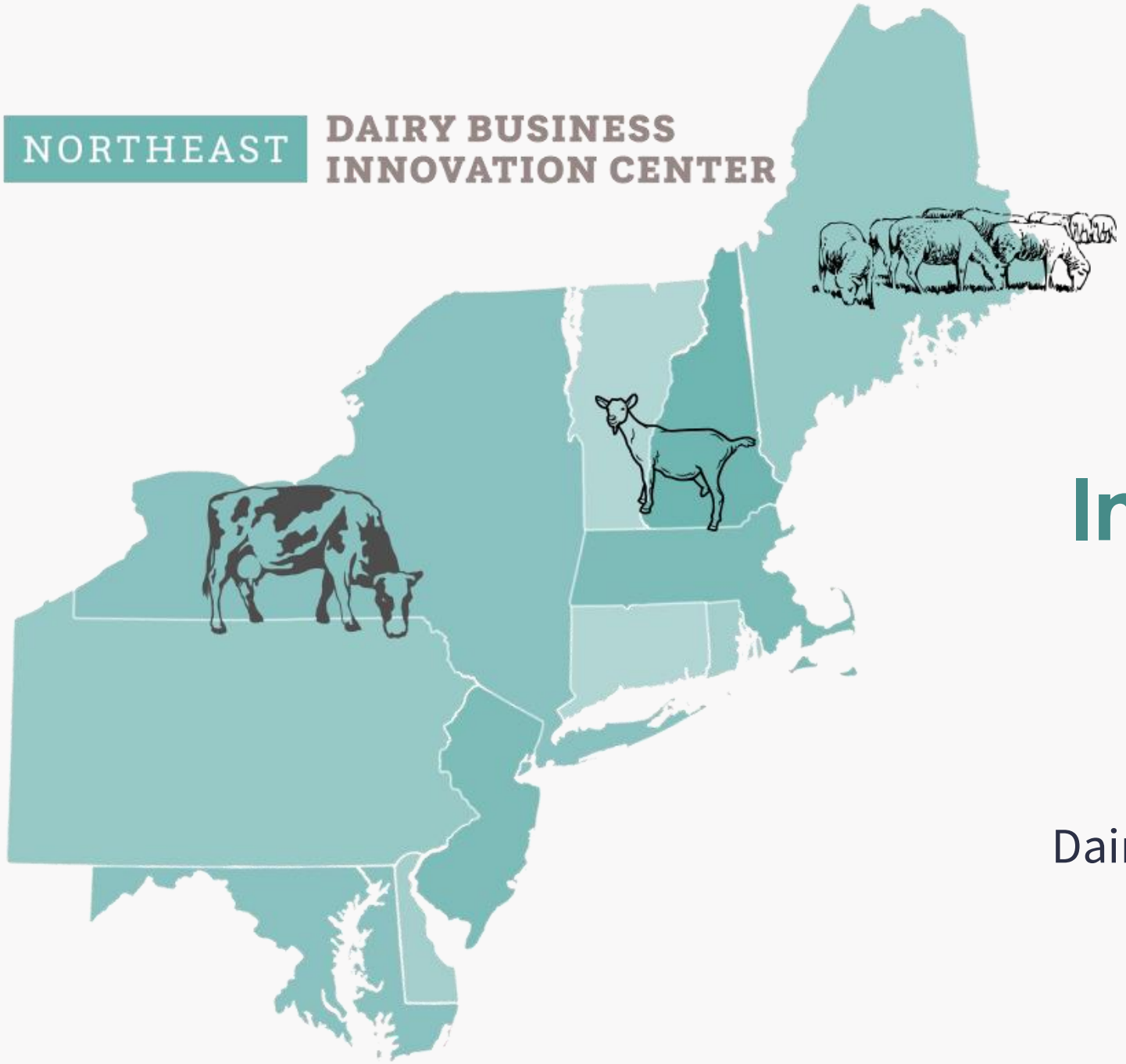
NORTHEAST DAIRY BUSINESS INNOVATION CENTER



Program and Impacts Overview

2019-2024

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NE-DBIC Team

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NE-DBIC Represents Dairy Farm Diversity

- New York is 5th in the nation for total milk production
- Vermont has highest % of dairy sales of total ag receipts of any state in the US at 63%
- Rhode Island is 48th for milk production
- Northeast is only region in the US where every state's average herd size is less than 250
- Region has high percentage of organic farms as a proportion of total number of farms

Investment Priorities

Investing in farms and processors to promote the development, production, marketing, and distribution of dairy products supported by market research and technical assistance.

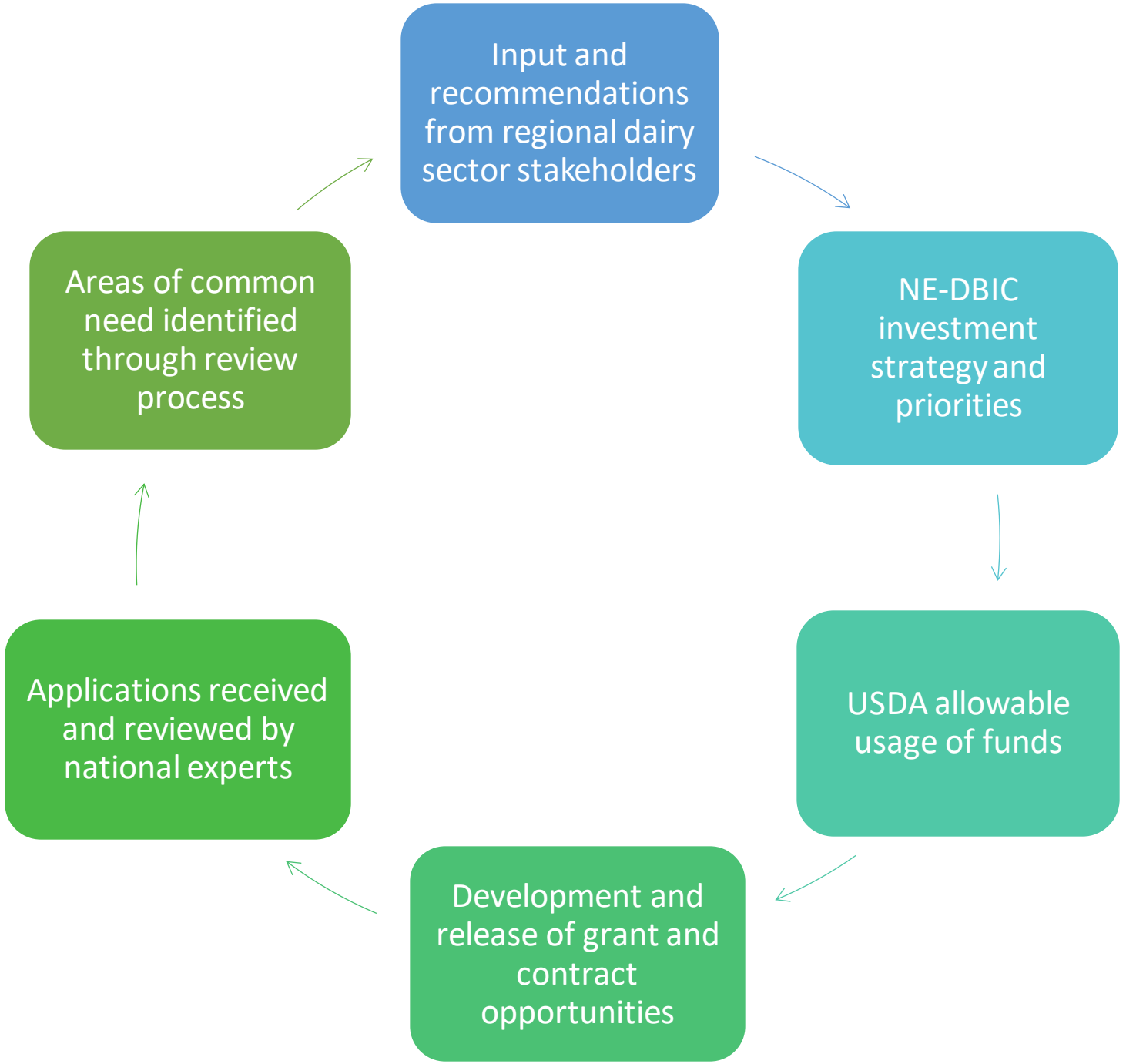
1. Connection to Consumers
2. Business Management
3. Support for Rural Communities
4. Leadership in Climate-Forward Strategies

Investment Strategy

The NE-DBIC utilizes funds to serve dairy businesses that are representative of the diversity found in the Northeast.

Our awards provide the necessary investment to help businesses reach their goals and achieve increased success.

Investment Priorities to Funding Opportunities



Funding Development Example: **Existing Processor Expansion Grants**

Need: Danone/Horizon exited the region, impacting 187 organic farms. USDA Secretary Vilsack asked NE-DBIC to provide recommendations on what the region needed to be more resilient. The Organic Task Force identified processing development as a critical need, among four other areas. All DBIs received an additional $20 million award from USDA

Goal: Invest critical funds in track-record processing facilities to quickly scale-up the volume of regional milk processed in key locations, improving farmer pay price while building processing capacity

Funded projects: $12.2 million

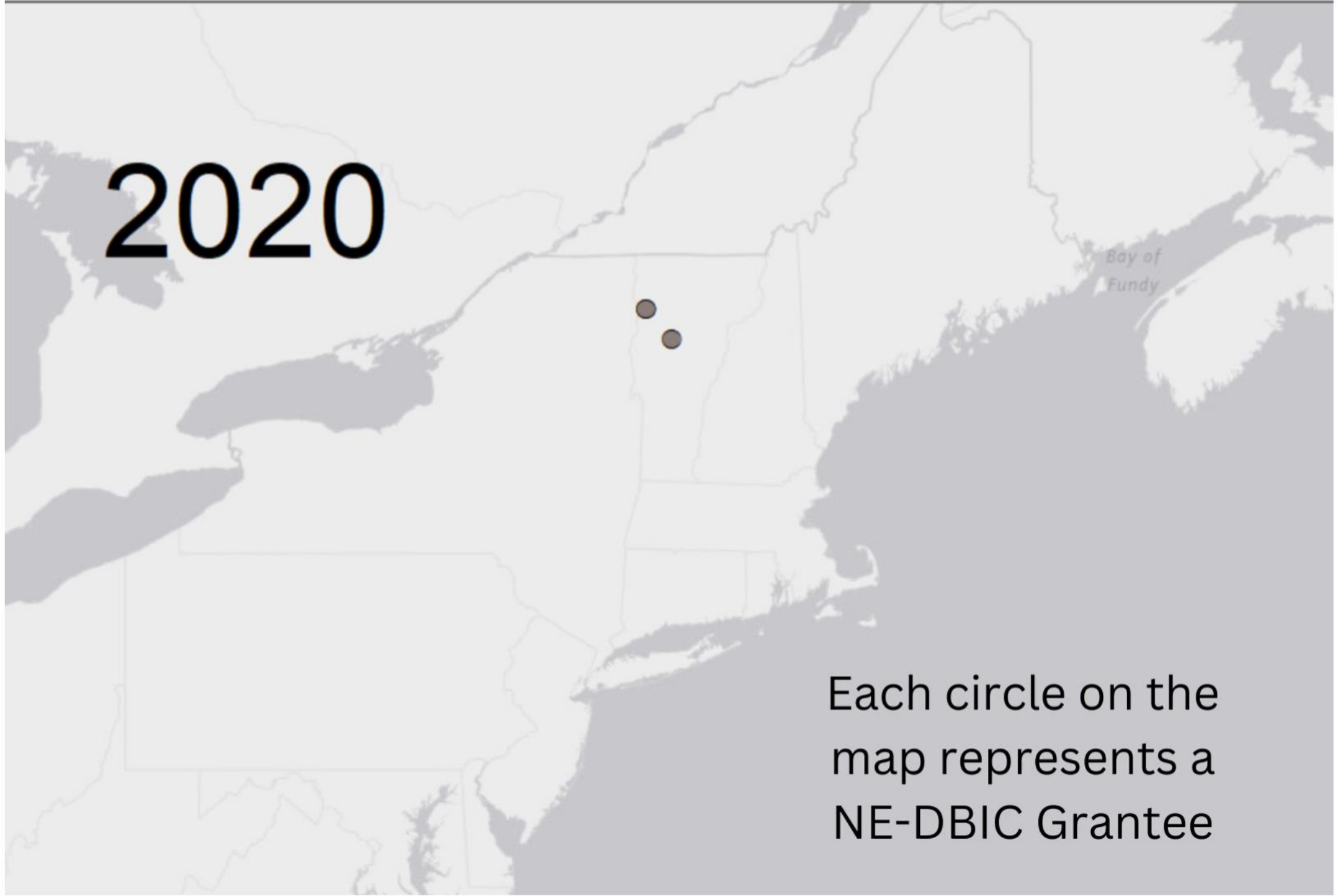
Tier 1 (100,000+ pounds daily): 5 projects, $4.37M	Tier 2 (1,000-100,000 pounds daily): 13 projects, $5.88M	Tier 3 (<1,000 pounds daily): 17 projects, $2.03M

Grant Impacts

Tier 1 (100,000+ pounds daily): 5 projects, $4.37M	Tier 2 (1,000-100,000 pounds daily): 13 projects, $5.88M	Tier 3 (<1,000 pounds daily): 17 projects, $2.03M

NE-DBIC has awarded a total of 295 projects with $28.98 million in funds

By the end of 2024, another $8+ million will be awarded


2020
Bay of Fundy
Each circle on the map represents a NE-DBIC Grantee

NE-DBIC Grants 2020-2024

Projects & Investments

2019 – 2023

Education & Events

- Dairy herd management technical assistance
- Dairy farmer technical assistance cohorts
- Production education for cheesemakers
- Missouri Learning Journey
- International export market development
- Northeast Dairy Innovation Summit

Project Spotlight:
Dairy Farmer TA Cohorts

- **Goal**: provide cohort-structured education to dairy farmers to increased grazing quality or quantity, home-grown forage enhancement, develop alternative herd management approaches, innovate staffing and business management, and/or build marketing and education focused on dairy production practices.
- **Funded projects**:
  - 21 cohorts across nine states
  - Led by Extension, milk buyers, nonprofits, and subject matter experts
  - 200+ farmers participating
- **Outcomes to date:**
  - The Cleveland Farm (2020 cohort) realized feed cost savings of $34,000 during first year - Scott says, “I’m very pleased with how this went. I should have done this ten years ago.”
  - A New Hampshire/Vermont cohort of 11 eleven farmers received a total additional $709,000 in investment because of TA supported applications to state and federal programs

Competitive Grants

- Multi-Business Agritourism
- Dairy Marketing and Branding
- Goat & Sheep Dairy Supply Chain
- Dairy Food Safety and Certification
- Business Viability and Technical Assistance
- Packaging Innovation
- Farm and Processor Innovation
- On Farm Milk Storage and Handling
- Existing Processor Expansion
- Processor Research and Development

Project Spotlight:
Marketing & Branding Grants

- **Goal**: provide professional services to value-added business to support marketing and brand development through labeling, e-commerce, social media, imagery, and strategy
- **Funded projects**:
  - 3 rounds, 32 grants totaling $1.2 million
  - All scales of processors have benefited
- **Grant impacts:**
  - We exceeded our dreams and goals for this grant! In 2020 we did $17.6k in online sales. In 2021 with the help of our team through this grant we did $40k in online sales. We increased our customer visits by 69%.
  - We have seen significant sales increases since the rebrand, $50,000 more than the prior year and demand up 40%
  - Our annual sales have gone from $750,000 before the grant to a projected $1 million for 2023

Project Spotlight:
Dairy Packaging Innovation Grant

- **Goal**: to reduce the use of virgin plastic in the dairy supply chain by supporting modernized packaging initiatives that prioritize sustainability, scalability, and marketability
- **Funded projects**:
  - AgriMark/Cabot (VT)
    - Plastic film for 8-ounce blocks
  - Big Picture Farm (VT)
    - Whole packaging line revamp for goat milk caramel
  - Cellars at Jasper Hill (VT)
    - Plastic film for shelf-ready packages and consumer education
  - Stonyfield (NH)
    - Yo-baby pouch light weighting
  - Vermont Creamery (VT)
    - Multi-layer plastic film for chevre logs
- **Details:**
  - $1.1 million in funds granted
  - 2-year projects
  - Educational/information sharing required

Louisa Conrad and Lucas Farrell of Big Picture Farm, reacting to notification of their grant

Project Spotlight: **Dairy Farmer Modernization & Innovation Grants**

- **Goal**: support the trial and adoption of farm projects that demonstrate use of new or unusual strategies, equipment, or production practices. All projects are required to have an educational outreach component.
- **Priorities**: reduction in fuel use, energy efficiency, labor efficiency and safety
- **Funded projects**:
  - 49 projects, $2.7 million awarded
  - Awards supported:
    - Farm robotics
    - Feed and forage management
    - Animal health and monitoring
    - Virtual fencing
    - Manure handling
    - Extended lactation study for goats

Project Spotlight: **Existing Processor Expansion Grants**

- **Cabot/AgriMark – Vermont:** The Cabot facility produces "cracker-cut" cheese, a retail ready product that meets growing consumer demand for convenience products. Millions of packages are currently hand-packed, impacting production and sales volume. The investment of $1 million will modernize the cracker cut line, provide automated packaging, and significantly increase production while moving staff into higher skilled positions.
- **Casco Bay Butter – Maine:** Additional processing and packaging lines will increase butter throughput for own label, private label, and co-packed butter. As a result of the investment of $644,000, they will triple production capacity and allow the business to source all butter from the Northeast region
- **Swallow Ridge Farm – New Hampshire:** New processing equipment will allow production of pasteurized milk cheeses and increase capacity for raw milk cheeses. The business will double their sourcing of local milk and expand into new markets as a result of a $52,631 grant

Research and Development

- New England distribution network study
- Goat dairy development needs
- Consumer perception study and marketing toolkit
- Sensory and microbial research of specialty cheese
- Goat and sheep consumer demand
- Dairy Product Innovation Challenge with Cornell University
- Workforce and apprenticeship program development

Project Spotlight:
Cornell Dairy Product Innovation Challenge

- **Goal**: drive development and innovation of market responsive dairy products
- **Outcomes to date:**
  - 53 projects in first stage
  - 10 finalists
    - Received $20,000, three months of industry mentoring, and time at the Cornell dairy processing lab
  - 3 winners
    - Receive $55,000, ongoing mentorship, and product development support
  - lu.lu Ice cream – goat milk gelato
  - Terra Firma Farm – ready to use ice cream mix
  - Oakfield Corners – Mexican style cheeses

Funding Totals

- Applications Received – 859
- Total Request – $72.4 million

- Total Awards – 295
- Total Funds – $28.98 million
- Average Award – $98,200

Contact

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