

A mix of gains, losses for 2015

MN dairy farm numbers fall, production rises

BY KRISTA KUZMA
Staff writer

Minnesota had losses and gains in the dairy industry in 2015. United States Department of Agriculture reports show dairy farm numbers continue to fall as milk production in the state continues to rise.

Minnesota ended 2015 with 3,380 dairy farms, a loss of 119 for the year. This number is lower than compared to the past two years, with 2014 losing 166 dairies and 2013 seeing a loss of 270.

“... cow prices were very good so if you’re getting out it was a good time to sell out. Margins were good in 2014,” said Marin Bozic, assistant professor in the department of applied economics at the University of Minnesota, about

one of the reasons why the previous two years had higher losses.

Having a quality feed from last year is another reason why 2015 had fewer dairy farmers who exited the business.



Marin Bozic
University of MN

“People tend to sell out when they have bad feed situation,” Bozic said.

Bozic isn’t surprised at the year-after-year drop in dairy farm numbers in Minnesota.

“This is a longstanding trend.

We have seen the consolidation in the dairy industry in the order of 3 to 5 percent a year for many years. I believe that trend will continue,” he said.

Of the total dairy farms in Minnesota, 3,119 of them are Grade A farms while 261 are Grade B.

Milk production ended on a positive note, with Minnesota producing

over 9.4 billion pounds in 2015, up from 9.1 billion pounds the year before. In the United States, production rose 1.2 percent from 2014 to 208.5 billion pounds in 2015. Milk production per cow in the U.S. for last year came in at 22,383 pounds.

“Last year was a very good year for the entire upper Midwest,” Bozic said.

Minnesota counties saw little changes in the rank by number of dairy farms. The top 10 Minnesota counties for number of dairy farms includes Stearns, 603 farms; Morrison, 244 farms; Todd, 211 farms; Ottertail, 179 farms; Winona, 149 farms; Wabasha, 117 farms; Goodhue, 116 farms; Benton, 93 farms; Houston, 80 farms; and Wright, 79 farms.

“I think perhaps the most interesting trend in terms of milk production in Minnesota in 2015 wasn’t so much the geographic location of dairy farms or the number of additions, but how quickly we change from a state that is short on milk and therefore has high premiums, to a state that basi-

Top 10 Dairy Counties in Minnesota

Stearns	603
Morrison	244
Todd	211
Otter Tail	179
Winona	149
Wabasha	117
Goodhue	116
Benton	93
Houston	80
Wright	79

cally flooded with milk and short on processing capacity,” Bozic said. “We are in quite a different situation than we were just two years ago when we were encouraging people to produce more milk. Now we are in a situation where we need to come together to see how we can incentivize our processors to expand their processing in the state.”

Grants available to help add value to agriculture

The Minnesota Department of Agriculture (MDA) announced that it is accepting applications for funding through the state’s Value Added Grant program. The grants are designed to help farmers, producers, and processors add value to their operations and the state’s agricultural economy. Governor Mark Dayton and the Legislature first established the grant program in 2013 to advance the Minnesota’s agricultural and renewable energy industries.

“Minnesota’s Value Added Grant program is a great way for farmers,

producers, and processors to grow their businesses,” said Lt. Governor Tina Smith. “In 2015, the Value Added Grant Program helped leverage \$7 million in private investment and supported the creation of 119 jobs. I encourage Minnesota Ag producers looking to grow their businesses to apply for funding before the March 8 deadline.”

Applicants have several options to boost their businesses with a portion of the \$1 million available through the Value Added grants:

- Start, expand or update livestock

product processing.

- Purchase equipment to start, upgrade, or modernize a business.
- Increase on-farm food safety.
- Increase processing and aggregating capacity to sell to schools, hospitals or others.
- Increase the use and processing of Minnesota agricultural products

Eligible applicants must be involved in production, processing or marketing Minnesota agricultural products. Farmers, businesses, agricultural cooperatives, or local government enti-

ties operating farmers markets or food hubs are eligible.

The grant reimburses up to 25 percent of the total project cost with a maximum award of \$150,000 and a minimum of \$1,000. Equipment purchases and facility improvements are eligible.

Applications must be received no later than 4 p.m. on Tuesday, March 8, 2016. Apply online, www.mda.state.mn.us/valueadded.aspx or submit an application by e-mail, mail, or in-person. Another application round is scheduled for later summer/fall 2016.



ZOSKE'S SALES & SERVICE, INC.

Sauk Centre, MN | Phone: 320-249-1239 | [WWW.ZOSKES.COM](http://www.zoskes.com)

OUTPERFORMS, OUTMANEUVERS AND OUTSPREADS THE COMPETITION BY A MILE.

MAX-TRAC

High Performance Spreader Tank



Engineered for professional haulers, Jamesway's new MAX-TRAC tankers deliver maximum performance. ▲

MAX-TRAC Steering is gentle on your fields and on your equipment. ▲



JAMESWAY



2006 Meyer 8500,
28L x 26 tires - \$19,000



2016 Zoske's front rolling hose cart
Call for pricing



New Roto-Mix VX-415,
single screw vertical, right side discharge, hay chain ring kit, digital E22500 scale head, \$31,950



JBS VMEC 2248,
728 cu. ft., non-steer spreader w/ 600 series tires



JBS VMEC 2048
600 cu. ft., non-steer spreader w/ 600 series tires

Complete selection of dragline hoses, couplers, and parts

ASK US ABOUT RENTAL OF JBS MANURE SPREADERS, LIQUID MANURE TANKS, PUMPS AND TIRE EMBLERS!

CALL FOR COMPLETE LIST OF INVENTORY OR VISIT WWW.ZOSKES.COM!

Northern MN and the Dakotas: Dan Meyer-320-249-1239

For Sales south of Hwy 14 in MN: Call Mike Stoppelmoor at 641-430-1586

IA Sales: 641-648-2980 / 888-402-1742

