



COMMONWEALTH OF MASSACHUSETTS
EXECUTIVE OFFICE OF ENVIRONMENTAL AFFAIRS
DEPARTMENT OF FOOD AND AGRICULTURE

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JANE SWIFT
Governor

July 6, 2001

BOB DURAND
Secretary

JONATHAN L. HEALY
Commissioner

Daniel Smith
Executive Director
Northeast Dairy Compact
64 Main Street, Room 21
Montpelier, Vermont 05602

Dear Mr. Smith:

Massachusetts has seen a decline in the number of dairy farm certifications since the beginning of the Northeast Dairy Compact. However, the raw numbers do not tell the entire story. Attrition occurs in any business. Some firms go out of business, others enter into business, and still others consolidate or change product lines.

On July 1, 1997, Massachusetts had 332 dairy farms. On the same date in 2001, we now have 261 or a net loss of 71 farms. Actually, 84 dairy farms went out of operation and thirteen new dairy operations began, for the net loss of 71 farms.

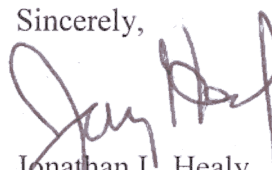
The 13 new dairy farms since the Compact came into being, is much higher than in any previous 3-year period. Also, ten other farms were consolidated into other existing farms within the state. In addition, four farms that went out of business in Massachusetts actually moved to adjoining states and are still in dairy and still operating in the New England region.

Massachusetts is a very diverse state agriculturally, and 40 farms have transitioned out of dairying to other agricultural enterprises. Thirty of these ventures are directly related to the dairy industry. They include the raising of replacement heifers, as well as growing silage, feed grain and hay. The remaining ten went into other agricultural venues such as vegetable production.

Only 24 dairy farms went totally out of farming during this period. The reasons varied but included selling the farm for development, retirement, death and other business decisions.

The Compact has helped stabilize the dairy industry in Massachusetts. It has served as an encouragement for farmers to stay farming and offered the incentive to new farmers to try. Without the Compact the attrition rate would have been precipitous.

Sincerely,



Jonathan L. Healy
Commissioner

