Organic Dairy News. Organic cows continue to leave Western organic dairy herds to be sold into slaughter auctions, as some producers elect to ease back from organic dairy production. At an auction in Oregon last week, organic cows sold for slaughter continued to bring a premium over conventional cows, a premium greater than last month. The top ten organic cows auctioned brought an average price of $1.8379 a pound, compared with a $1.1476 average for the top ten conventional cows. The current top 10 organic price is up from $1.8324 last month while the top 10 conventional price is down from last month’s $1.1506 average. Last week the top 100 organic cows brought $1.5631 versus $0.9543 for the top 100 conventional cows.

A number of organic processors are actively recruiting existing conventional dairy producers and young farmers to transition into organic dairy production. Recent high prices for conventional milk are being cited as an encouraging factor, allowing transitioning producers to receive higher than normal conventional milk pay prices during the transition process.

A factor being watched by existing organic dairy producers as well as farmers considering transitioning into organic dairy, is organic feed supplies and cost looking forward. That is leading to active evaluation of the 2014 organic feed harvest to better plan ahead for herd size and feed variables.

Organic - Conventional Milk Half Gallon Price Spread. The conventional-organic milk half gallon average advertised price spread is $1.51. This spread is calculated from the organic milk half-gallon average advertised price, $3.66, and the conventional milk half-gallon average advertised price of $2.15. The price spread this year has ranged between $0.67 and $2.55.

Organic 8 Ounce Milk. The U.S. weighted average price of organic 8 ounce milk this period is $1.00, unchanged from two weeks ago but up 20 cents from one year ago. All ads are priced $1.00.

8 Ounce Block Organic Cheese. Organic cheese (8 ounce blocks) has an average price of $3.99 up from $3.83 two weeks ago.

8 Ounce Shredded Organic Cheese. Organic cheese (8 ounce shredded) has an average price of $3.99, unchanged from two weeks ago.

8 Ounce Organic Cream Cheese. All ads for organic cream cheese appeared in the Northwest, priced $2.99, unchanged from two weeks ago.

1 Pound Organic Butter. All ads for organic butter appeared in the Northeast, priced $6.49.

Organic Yogurt. The weighted average price of 4-6 ounce organic yogurt is $1.23, 4-6 ounce organic Greek yogurt is $1.50, and 32 ounce organic yogurt is $3.49.

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ORGANIC GRAIN AND FEEDSTUFF MARKETS: Prices are steady on all organic grains, with market activity slow to moderate. Demand for organic corn and wheat is light to good, organic soybeans light to moderate, and light to moderate for other smaller organic grains. Producers and processors continue to be focused on harvesting efforts, especially in light of recent cold temperatures and storm activity moving throughout the country. Other concerns included moisture levels and test weights, drying costs, storage, transportation, and wheat quality and availability (e.g. protein levels, weather challenges, associated plant diseases). Additional livestock and grain market news information is available at: www.ams.usda.gov/LSMarketNews