

Organic



I S S U E

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This newsletter is published by the Organic Trade Association, the North American trade association committed to the promotion of organic products in the marketplace, and the protection of the integrity of organic standards. Its membership includes more than 1,600 producers, processors, distributors and retailers of organic foods, fibers, farm and garden supplies, and health and beauty products. OTA is your leading resource for information about this industry.

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Going Greener: Organic companies build on their roots

By Ellen Keelan

As the concept of “sustainable consumption” shifts from an oxymoron to a way of life, organic companies increasingly are forging a path toward greener business practices.

It’s a natural progression, says Nancy Hirshberg, Vice President of Natural Resources at yogurt and dairy producer Stonyfield Farm, which recently converted its entire product line to organic. “If you think of sustainability as being about people, economics, and the environment, then organic is the epitome of all those. Organic really is an environmental management system.”

Melissa Schweisguth, Manager of Marketing and Full Circle Sustainability at Dagoba Organic Chocolate, agrees. “The true spirit of organic reaches beyond basic farming principles to embrace environmental, social, and economic sustainability. Organic companies are increasingly implementing deeper sustainability efforts, based on a desire to run one’s business in a way that honors the true meaning of organic.” At Dagoba, as at many companies whose products originate around the globe, this “Full Circle Sustainability” framework includes supporting the health and viability of the ecosystems and communities from which it sources its cacao.

Such efforts are driven by



Photo: Tim Callahan

consumer demand as well as company ethics, according to Natalie Reitman-White, Sustainability Coordinator for Organically Grown Company (OGC), an organic produce wholesaler. “Organic consumers are quick to say, ‘We love your tomatoes, but why are they in this sort of packaging?’” says Reitman-White. “Consumer expectations have been ratcheted up, and they expect us, as organic businesses, to lead the way.”

That’s required some creative rethinking for organic companies as they assess their procurement and distribution processes. “Health, social equity, and justice are at the root of why people got into organic,” says Reitman-White. “Now that organic products are a legitimate part of the market, our next big project is to bring those

values into the rest of the business model.” In response, OGC is developing greener and more socially conscious ways to get its product from origin to consumer.

“A lot of sustainability isn’t necessarily about doing something very dramatic, but about getting better at what you already do,” says Reitman-White. For OGC, that means using cutting-edge technology to reduce its trucks’ energy consumption. “We’re using routing software to get smarter about drop-offs, and training our drivers to operate more efficiently, including installing on-board computers that give them feedback on how they’re doing.”

Other initiatives run the gamut from carbon offsetting—Stonyfield was the first U.S. manufacturer to

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offset 100 percent of its facility emissions and continues to serve as a consultant to businesses new to the practice—to eco-friendly packaging, such as compostable packaging used by Pangea Organics, a body and skin care company working to incorporate sustainability into its business from top to bottom.

“Being sustainable doesn’t just mean making organic soymilk anymore,” says Pangea’s founder and CEO Joshua Onysko. “We want to educate consumers about true sustainability and take this to the next level.” To support initiatives already in place, including a wind-powered factory, organic products that biodegrade within 48 hours, and an organic garden to feed its employees, Pangea is launching a lifecycle analysis of its product line and company with the aim of making its problems and solutions public. “Corporations are running the world right now,” says Onysko. “We can at least teach them to be more sustainable.”

That education piece for consumers as well as for businesses is also central to Pizza Fusion, an organic, eco-friendly restaurant franchise based out of Fort Lauderdale, FL, says Vaughan Lazar, the company’s co-founder. Along with core initiatives that include a 98 percent organic menu, pizza delivery in hybrid cars, and restaurants built according to LEED (Leadership in Energy and Environmental Design) certification, Pizza Fusion offers eco-themed classes for kids, community efforts such as beach clean-ups, and an “education wall” in every restaurant featuring descriptions and samples of the green materials it uses.

To encourage sustainability efforts, the Organic Trade Association (OTA) in June 2007 launched a Sustainability Practices Forum for its members to discuss ideas and challenges related to sustainable

business practices, including ways to increase efficiencies in operations, reduce solid waste generation, employ green packaging options, measure and reduce greenhouse gas emissions, and more.

Among its sustainability practices, OTA and show partner Diversified Business Communications for the past two years have purchased Green Tags from the Bonneville Environmental Foundation to offset the energy used during the annual All Things Organic™ Conference and Trade Show in Chicago. In 2007, they also purchased Green Tags for the approximately 700 hotel rooms in the All Things Organic™ block, and encouraged attendees and exhibitors to “green” their travel. As a result, approximately 162,400 pounds of greenhouse gases—equivalent to planting 22 acres of trees or taking 13 cars off the road for a year—were offset.

All Things Organic™ exhibitors are also required to use biodegradable sample ware and booth drapes made from organic fiber. For the 2007 event, OTA negotiated with show service providers to reduce the use of petroleum-consuming floor equipment, reducing fumes on the show floor during setup—an effort strongly welcomed by workers at McCormick Place.

OTA also includes sustainability issues at its annual All Things Organic™ Conference. The 2007 event included a member seminar on “Organic Manufacturers as Environmental Stewards: Calculate your Carbon Footprint.” Plans for the April 26-29, 2008, conference include a session entitled “Sustainability How-To for the Organic Industry: Creating Your Business Plan.”

“The future of sustainable business practices goes beyond working as individual units,” say Diana Simmons, Sustainability Manager, and Shauna Sadowski, Sustainable Food Systems Manager, at energy food and drink producer Clif Bar. Clif Bar launched its journey toward sustainability in 2001 with a commitment to going organic; it now uses 20 million pounds of organic ingredients a year. “To be successful at our sustainability goals, we must work together throughout our value chain—with our customers, our employees, our suppliers, nonprofit groups, government, and so on—to enhance existing systems and design new systems that contribute to the health of the planet,” according to Simmons and Sadowski.

Increasingly, companies are getting that message, according to Stonyfield’s Hirshberg. “We’re getting calls three to four times a week from businesses saying, ‘We want to be green. How do we start?’ They’re no longer even saying, ‘We want to lead.’ They’re saying ‘If we don’t do this, we’ll be left in the dust.’”

That’s good news for the many organic companies with longstanding commitments to sustainability. Most already have green business practices in place, gaining the respect of their peers and consumers.

“I think we’ll see consumers asking for increased commitment and verification,” says Dagoba’s Schweisguth. “Higher use of renewable energy, total carbon neutrality, increased pasture access for dairy cows, source transparency, and long-term sustainability plans, for example. Organic and natural foods companies that have been at the forefront of this movement will be essential in continuing to raise the bar and set standards with integrity and transparency.” ❖

Organic sales top \$17.6 billion

U.S. sales of organic products grew overall by 21 percent in 2006, to reach \$17.656 billion, according to the *Organic Trade Association’s 2007 Manufacturer Survey*.

U.S. sales of organic food and beverages grew by 20.9 percent during 2006 to reach \$16.718 billion, up from \$13.831 billion in 2005. This represents approximately 2.8 percent of all U.S. retail sales of food and beverages.

Meanwhile, U.S. sales of nonfood organic products (organic supplements, personal care products, household products and cleaners, pet food, flowers, and fiber products such as linens and clothing) grew from \$744 million in 2005 to \$938 million in 2006, reflecting a 26 percent growth rate.



Quote of Note

“With the new attention to climate change and the reduction in carbon loading in the environment, we must begin with an urgency the expedited national and worldwide conversion to organic agriculture.”

—Jay Feldman of Beyond Pesticides, in *Pesticides and You*, Spring 2007

Organic news

- Visitors to the Statue of Liberty who stop in at the Crown Café will find organic food offerings on the menu. Evelyn Hill, Inc., which operates the restaurant and a gift shop on Liberty Island under contract with the National Park Service, also sells organic t-shirts in the gift shop.
- Canyon Ranch, a leader in health and wellness vacations, recently added organic milk, eggs, chicken and beef to its organic offerings. It operates resorts in Tucson, AZ, and Lenox, MA, as well as SpaClubs at The Venetian in Las Vegas, at Gaylord Palms Resort in Kissimmee, FL, and onboard the ocean liner QM2. A new Canyon Ranch Living healthy living community will open in Miami Beach in early 2008.
- The University of Wisconsin in River Falls is using a \$459,849 grant from USDA to set up an organic farm and organic meat production on its campus. The money is also being used to establish a sustainable-agriculture major at the campus, and help the 11-county Chippewa Valley Technical College system to develop related classes. The university is partnering with Chippewa Valley Technical College and the Midwest Organic Sustainable Education Services (MOSES) to implement the grant.
- Wholesome Harvest, a coalition of many small family farms, now includes a three-digit farmer identification number on every package of meat it sells. Consumers buying a package of Wholesome Harvest meat in a supermarket can visit the Wholesome Harvest web site (www.wholesomeharvest.com), enter the code, and read about the small American farm family who raised the meat.
- Similarly, Dole Fresh Fruit International, Ltd., includes stickers bearing farm codes on its organic bananas sold in U.S. stores. Dole encourages consumers to visit its www.doleorganics.com web site and enter the code to see information about the farm where the organic bananas were grown.
- Supermarket chain Pathmark Stores, Inc., has introduced organic coffee to its grocery shelves, including 10- and 12-ounce packages and self-serve bulk displays.
- Bigg's, a Midwest supermarket chain, has earned organic retailer certification for produce by Quality Assurance International for its 12 stores in the Greater Cincinnati, OH, area.
- The Kroger Co. is expanding its Private Selection organic food line by 60 products, including pasta, waffles, tea, peanut butter, snacks and milk. The line will carry the USDA Organic seal.
- U.S. military commissaries have recently tripled the organic products offered recently, according to the U.S. Department of Defense's Defense Commissary Agency as reported July 31 by *Sustainable Food News*.

- The production of organic t-shirts sold at the Farm Aid 2007: A HOMEGROWN FESTIVAL held in September at Randall's Island, NY, and on Farm Aid's web site was supported in part by a grant from the Martin Fabert Foundation of Seattle, WA, as channeled through the Organic Trade Association. Among the offerings at the festival were 100 percent, local, organic, humanely raised and family-farmed food.

Consumer trends

- A report by Dawn D. Thilmany, Jennifer Keeling-Bond and Craig Bond of Colorado State University explored consumers' willingness to buy local fresh produce. Entitled "Buy Local, Buy Fresh? Exploring Local Fresh Produce Consumer Motivations and Interests," the study found that consumers who directly purchase produce are willing to pay a premium of 7- 23 percent more for organic, local or nutritionally superior produce than were supermarket customers
- The Natural Marketing Institute (NMI) has cited "fundamental core values" as a significant consumer trend, with consumers wanting to feel better about what they have. As a result, the percentage of primary grocery shoppers who agree that organic foods and beverages are worth paying an extra 20 percent increased from 17 percent in 2002 to 26 percent in 2006, according to NMI's *2007 Health & Wellness Trends Report*.

Research updates

- **Nutritional profile:** Preliminary findings from the four-year European Union-funded Quality Low Input Food (QLIF) Project indicate some organic foods have more nutritional value than their non-organic counterparts. Findings announced by Professor Carlo Leifert of the Tesco Centre for Organic Agriculture at Newcastle University, United Kingdom, show organic fruit and vegetables have up to 40 percent more antioxidants than non-organically grown produce, while organic milk contains up to 60 to 80 percent more antioxidants than conventionally produced milk in the summer, and 50 to 60 percent higher levels in the winter. Organic milk also was found to contain higher levels of vitamin E. The research is scheduled to run for an additional year.
- **Organic research agenda:** The Organic Farming Research Foundation has posted a 76-page publication, *2007 National Organic Research Agenda*, prepared by Jane Sooby, Jonathon Landeck and Mark Lipson.

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Go to <http://ofrf.org/publications/pubs/nora2007.pdf> to download the report.

- **Organic enhances human milk:** A European research team led by Swiss scientist Lukas Rist has found that mothers consuming mostly organic milk and meat products have about 50 percent higher levels of ruminic acid, a conjugated linoleic acid, in their breast milk. Study results were published in the June 2007 *British Journal of Nutrition*.
- **Dead Zone update:** The coast-wide extent of the Gulf of Mexico “Dead Zone” mapped along Louisiana and Texas totaled 20,500 square kilometers (7,900 square miles), similar to the size of New Jersey, according to an update from Nancy Rabalais, chief scientist for Northern Gulf of Mexico Hypoxia Studies, Louisiana Universities Marine Consortium (www.gulfhypoxia.net/news/documents/PressRelease07.pdf).
- **Plants and antibiotics:** Evaluating the impact of antibiotic feeding in livestock production on the environment, scientists at the University of Minnesota conducting a greenhouse study found that food crops can accumulate antibiotics from soils spread with manure containing antibiotics. Results from the study, published in the July-August 2007 issue of the *Journal of Environmental Quality*, showed that corn, lettuce and potatoes all take up antibiotics in the soil, with concentrations in plant tissue increasing correspondingly to the levels in the manure. Not only were antibiotics found in

plant leaves but also diffused into potato tubers, indicating that root crops that directly come into contact with soil may be particularly vulnerable to antibiotic contamination. Antibiotic use is prohibited in organic livestock practices.

- **Pesticide-autism link?** A California Department of Public Health study has concluded that women living near California farm fields that are sprayed with organochlorine pesticides may be more likely to give birth to children with autism spectrum disorders. However, because of the small number of women and children studied, researchers cautioned that this finding is “highly preliminary.” The research, entitled “Maternal Residence Near Agricultural Pesticide Applications and Autism Spectrum Disorders Among Children in the California Central Valley,” is available on the *Environmental Health Perspectives* web site.
- **Pesticides and brain cancer:** French research published in *Occupational and Environmental Medicine* online in June 2007 found that agricultural workers with extensive exposure to pesticides had elevated risk of brain cancer. Dr. Isabelle Baldi of the University of Bordeaux and colleagues in France studied 221 adults who developed brain cancer between 1999 and 2001 and 442 adults from the general population of the same age who were free of the disease. The overall risk of brain cancer was 29 percent higher for those with occupational exposure to pesticides. However, farmers, vineyard workers and others with the highest exposure had a two-fold higher risk of developing a brain tumor. ❖

