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35

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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INFORMATION FLIER – A PUBLICATION OF THE ORGANIC TRADE ASSOCIATION

Encouraging more farmers to produce organic ingredients

As sales of organic products continue to grow at a steady pace in the United States, manufacturers, grower and marketing cooperatives and others are recognizing the need for additional farmers to get on board.

According to the *Organic Trade Association's 2006 Manufacturer Survey* released in June, U.S. sales of organic products grew 17 percent overall in 2005 (see sidebar). Even so, fifty-two percent of respondents reported that a lack of dependable supply of organic raw materials has restricted their company from generating more sales of organic products.

Meanwhile, there is a need for additional research funding to further develop organic agriculture. The good news: there are numerous programs to encourage more farmers to choose organic practices, and to help provide resources so that they may do so.

For instance, organic-oriented programs received slightly more than \$2 million of the \$25 million allocated for U.S. Department of Agriculture's Risk Management Agency (RMA) partnership agreement funding in fiscal year 2005. This included \$555,000 for community outreach and assistance agreements, \$19,264 for small sessions programs, and \$1,461,841 for research and development agreements.

At OTA's Annual Meeting in May, incoming OTA President Jesse Singerman and OTA Executive Director Caren Wilcox said OTA would step up efforts to

disseminate information about programs to encourage growers to go organic and resources of use to organic growers. As a result, OTA currently is putting together a resource web page to do just that.

Here are a few examples of projects currently under way to help farmers who choose organic practices.

MOSES

Midwest Organic and Sustainable Education Services (MOSES) based in Wisconsin received \$115,000 through an RMA community outreach partnership for the current fiscal year ending Sept. 30. MOSES is using the money for a combination of projects for under-served minorities and for specialty crops, according to Faye Jones, executive director at MOSES.

One project has been to establish an Upper Midwest Organic Tree Fruit Growers Network, which has a quarterly newsletter, field days, an electronic list serve, and a resource section on the www.mosesorganic.org web site.

The funding also provides scholarships for minorities, women and other under-served farmers to attend the annual Upper Midwest Organic Farming Conference held in La Crosse, WI. This past year, 70 farmers received scholarships.

"This conference draws a lot of traditional, conventional farmers who are interested in exploring the possibility of going organic. I have heard some say, 'My neighbor

Organic sales growth

The U.S. organic industry grew 17 percent overall to reach \$14.6 billion in retail sales in 2005, according to the *Organic Trade Association's (OTAs) 2006 Manufacturer Survey*. Organic foods grew 16.2 percent in 2005 and accounted for \$13.8 billion in sales. Nonfood organic products—personal care products, nutritional supplements, fiber (linen and clothing), household cleaners, flowers, and pet food—grew 32.5 percent, to total \$744 million.

Organic foods' share of total retail food sales is up to 2.5 percent. Food categories with the greatest growth during 2005 included meat (55.4 percent), condiments (24.2 percent), and dairy products (23.5 percent). The fastest-growing non-food categories were organic flowers (50 percent), pet food (46 percent), and fiber (44 percent).

Sixty-one percent of respondents said they display the USDA Organic seal on their products. Of the 39 percent not currently using the seal, 53 percent intend to in the future. Also, 55 percent of respondents reported that the USDA labeling and certification programs had increased their sales of organic products. OTA contracted with *Nutrition Business Journal* to conduct the survey and analyze the results.

For a survey overview, go to www.ota.com/pics/documents/short%20overview%20MMS.pdf. Members of the media can contact dfisher@ota.com to request a copy of the Executive Summary.

Continued on Page 2

Encouraging Farmers — *Continued from Page 1*

dragged me to your conference and now I am almost certified,” Jones said.

The funds also are used to update the Upper Midwest Organic Resource Directory, listing certifying agencies, brokers, buyers, purchasers, processors, consultants, and related organizations.

Meanwhile, separate from this funding, MOSES has undertaken a “Help wanted: Organic farmers” campaign because it recognizes the need to transition farmers to organic practices. MOSES has hired Harriet Behar as an outreach specialist to work with farmers.

“We are seeing an increase in inquiries about going organic. Farmers are starving for information. Many do not want to go on the Internet but want to talk to a real person,” Jones said.

Minnesota

Meanwhile, the Minnesota Department of Agriculture has one person nearly working fulltime on organic matters. Meg Moynihan of the department is overseeing an organic farm business management project funded with \$278,730 in RMA money.

The Minnesota Department of Agriculture is offering tuition cost share to certified organic producers who enroll in a statewide Farm Business Management program offered through the Minnesota State Colleges and Universities system. In the program, organic farmers work one-on-one with an instructor to learn the principles of business management.

“You can be a great grower but you also have to be a good business person to market your products,” said Moynihan. The three-year project started in January 2006, and interest is exceeding expectations. “We planned to have 50 growers take part in the first year. Instead, we ended up with 63,” she said.

The project is also proving beneficial to instructors. “They want to learn more about organic production systems,” she added. Meanwhile, the independent banking community is excited about the project because banks want better financial understanding of organic agriculture for loan decision-making.

NOFA-NY

In the Northeast, the Northeast Organic Farming Association of New York (NOFA-NY) is using \$538,685 in RMA research and development partnership money to develop tools for those transitioning to organic dairying.

Collaborating with a veterinarian and consultants from Cornell University and the New England Small Farm Institute, the association in April began developing a self-assessment workbook for conventional dairy farmers who are considering going organic.

“The workbook helps them look at the challenges, and gives them a tool to determine whether organic is the management system they want. If organic is not a good match for their operation, they can determine that early in the process,” said Kate Mendenhall, co-manager for the project. The self-assessment workbook will be field-tested beginning in 2007.

In addition, the funds are helping finance a transition notebook. Eight experienced New York organic dairy farmers are helping to outline the steps, challenges and questions that arise.

“It is a grassroots process. The transition notebook will be a reusable resource that taps the expertise of successful experienced organic farmers,” said Mendenhall.

This notebook will also undergo extensive field-testing. It is geared primarily for the Northeast, but will be applicable to other dairy farmers who want to go organic, according to Mendenhall.

There is tremendous interest in organic dairy farming in the Northeast. New York had nine certified organic dairies in 1996; by early June 2006, there were 118 NOFA-certified organic dairies, with an additional 13 farms certifying their land and buying certifiable cows. “Another 85 farms are in some stage of transitioning and will begin shipping organic milk in 2006 and 2007, and they keep coming in!” Mendenhall said.

NOFA-VT

Some groups are using Sustainable Agriculture Research and Education (SARE) monies channeled through USDA’s Cooperative State Research, Education and Extension Service for organic projects. For instance, the Northeast Organic Farming Association of Vermont (NOFA-VT), in collaboration with Cornell University, is using a three-year SARE grant of \$116,962 to educate extension agents, veterinarians and other professionals about complementary treatments and preventive management for organic livestock operations.

According to Lisa McCrory, NOFA-VT’s dairy and livestock technical advisor, the monies will help fund three-day conferences in two locations during 2007 directed at extension agents, veterinarians, producers, and state agricultural agents.

“Currently, organic producers don’t have the professional support they need,” McCrory said.

The conferences will be designed to help veterinarians and other agricultural specialists to become more knowledgeable of organic farming methods and proven therapies and treatments. They will also learn how to be effective resources for organic producers.

NOFA-VT has an established dairy and livestock technical team. Since the 1990s, its staff has gone from one person overseeing 20 farms, to three persons overseeing 116 farmers. “By the end of 2007, we will see 200 certified organic dairy farms,” McCrory predicted.

Georgia Organics

For the past three years, Georgia Organics has taken part in RMA community outreach partnerships. Currently, RMA is providing

Continued on Page 4

Organic News

- Organic sales in U.S. Defense Department commissaries are expected to reach more than \$10 million during 2006, according to the Defense Commissary Agency. Organic milk, cereals, frozen pizzas and enchiladas are the top sellers (U.S. Marine Corps Press Release, Phone: 804-734-8773).
- The Woodbury County, IA, Board of Supervisors has adopted a policy requiring food service contractors for the county to purchase locally grown organic foods as long as they are competitively priced and of good quality (www.woodburyiowa.com/departments/economicdevelopment/press.asp).

Consumer trends

- Almost three-quarters (73 percent) of the U.S. population buy organic products at least occasionally, up from 55 percent in 2000, according to The Hartman Group. Core buyers, who buy organic products at least weekly, represent 23 percent of U.S. consumers, according to the report, *Organic2006: Consumer Attitudes & Behavior, Five Years Later & Into the Future*.
- *The Future of Food Retailing*, a new report from Packaged Facts, points out that major demographic, lifestyle and technological changes are creating conditions for the re-invention of food retailing. The report found that supermarkets have been adding organic and private label choices to help meet consumers' expectations.

Research updates

- Carrying out research in an orchard in central Washington, Stanford University graduate student Sasha B. Kramer and colleagues compared the environmental factors related to apple trees raised with conventional synthetic fertilizers, grown organically, or fertilized using integrated farming, combining organic and conventional agricultural practices. Nitrate leaching measurements were 4.4 to 5.6 times higher in the conventional treatment than in the organic treatments, with the integrated treatment half way between the two levels. The findings appear in www.pnas.org/content/vol103/issue12/#ECOLOG.
- The Department of Agricultural and Resource Economics at the University of California at Davis has released a cost and return study for organic beef production. See www.agecon.ucdavis.edu/.
- Organic corn hybrids grown in the 2005 Ohio organic corn performance test produced 13 percent more corn per acre than the statewide average yield, and topped the state average record high yield by four bushels per acre, according to an article posted at www.agriculture.purdue.edu/aganswers/story.asp?storyID=4174.



Environmental news

- A review article entitled "Pesticides and Parkinson's Disease—Is There a Link?" published in the February 2006 *Environmental Health Perspectives* (Vol. 114, No. 2) notes that there currently is enough evidence to conclude a generic association between pesticide exposure and Parkinson's disease, but it is insufficient to establish a causal relationship for any particular pesticide compound or combination of compounds (<http://www.ehponline.org/members/2005/8095/8095.html>).
- Soil is being swept away ten to 40 times faster than it is being replenished around the world, resulting in a loss in cropland the size of Indiana every year, according to a study by David Pimentel, professor of ecology at Cornell University, published in the *Journal of the Environment, Development and Sustainability* (Vol. 8, 2006). About 60 percent of the soil lost ends up in rivers, streams and lakes, increasing the chance of flooding and leading to contamination with fertilizers and pesticides.
- Because of the great positive impact of wild insects to farms, farmers should provide habitat for pollinators and other insects, according to conservation researchers Mace Vaughan of the Xerces Society for Invertebrate Conservation and John Losey of Cornell University. The value to farmers from wild insects eating pests on dozens of different crops equals about \$4.5 billion, with another \$3 billion from pollinating fruits and vegetables, according to an economic study authored by Losey and Vaughan in *BioScience* (Vol. 56, pages 311-323, 2006).
- Pesticide residues are widely found in U.S. streams, according to data for 1992-2001 released in March 2006 by the U.S. Geological Survey (USGS). "More than 80 percent of urban streams and more than 50 percent of agricultural streams had concentrations in water of at least one pesticide that exceeded a water-quality benchmark for aquatic life," the study found. The report, "Pesticides in the Nation's Streams and Ground Water, 1992-2001," is available at <http://pubs.usgs.gov/circ/2005/1291/>. ♦

Quote of Note

"Organic farming is a sophisticated combination of old wisdom and modern ecological innovations that help harness the yield-boosting effects of nutrient cycles, beneficial insects, and crop synergies."

-Brian Halweil, "Can Organic Farming Feed Us All?," in *World Watch* May/June 2006

To view this issue electronically, go to
<http://www.ota.com/news/whatsnews.html>



Linking Growers to Resources

See Page 1

Encouraging Farmers — *Continued from Page 2*

\$100,000 for a mentoring and marketing initiative for under-served organic specialty crop and livestock producers in Georgia, according to Karen Adler of Georgia Organics.

During this year, the program has set up ten mentoring groups. Each consists of an experienced organic farmer and a new or transitional farmer. New or transitional farmers visit the certified farm and get information, and vice versa. Discussed are farming practices and how to be financially successful.

George Organics also provides marketing tools to farmers, and produces four outreach programs and four in-depth workshops a year. Topics include business planning, record keeping, crop rotation planning, and certification.

Another effort has been to produce a local food guide to help link consumers with organic growers, wholesalers, manufacturers, farmers' markets, and community supported agriculture.

Organic Materials Review Institute

Meanwhile, the Organic Materials Review Institute (OMRI) based in Eugene, OR, has received a Western SARE grant of \$98,755 to provide materials and training for organic seed production and to expand a database concerning organic seed availability.

According to Brian Baker, OMRI's research director, OMRI is

developing a resource guide for growers wishing to produce organic vegetable seed.

In addition, OMRI is developing training materials for workshops for the Organic Seed Alliance's 2008 conference. The workshops will bring together conventional seed producers and organic producers interested in producing seed. "Part of the training will be directed at an audience proficient at seed production but not familiar with organic practices," Baker said, adding, "We have organic growers who don't know how to grow seed, and seed growers who do not know how to grow organically. What we need are both—organic growers who know how to grow seed, and seed growers who know how to grow organically."

Materials under development will focus on training organic farmers on the basics of growing organic seed. Serving as resource experts for these training materials are Alexandra Stone of Oregon State University and Zea Sonnabend of the Ecological Farming Association.

Meanwhile, augmented by private funds, OMRI is building a database listing the commercial availability of organic seeds for a wide range of annual crops. Seed companies will pay to enter updated data about their inventories. Growers and certifiers will then be able to check the database to find commercially available organic seed.

"The National Organic Program requires the use of organic seed wherever possible. Some seed companies have built large inventories of organic seed that just aren't being used," Baker said. ❖