

ORGANIC TRADE ASSOCIATION

# Grain, Pulse, and Oilseed Council

**2017 ANNUAL REPORT**



*Organic*  
SINCE 1985  
trade association

The Organic Trade Association's Grain, Pulse, and Oilseed Council is made up of member companies with a role in the organic grain space. Its members cover the entire supply chain from growers to processors to manufacturers, all of whom are committed to ensuring the resilience and profitability of organic grain, pulse, and oilseed production in the United States.

The council's main work project for the year has been to continue the effort of the U.S. Organic Grain Collaboration – a pre-competitive collaboration of organic grain companies focused on identifying and overcoming barriers to the growth of domestic organic grain acreage. The Organic Trade Association, and a contract partner, Sustainable Food Lab, support the U.S. Organic Grain Collaboration in its efforts.

The Grain Council has conducted periodic conference calls and regular in-person meetings at Organic Trade Association conferences and trade shows including Natural Products Expo East, Natural Products Expo West, and the trade association's annual Policy Conference. At these meetings, the larger Grain Council has heard reports from the ongoing work of the U.S. Organic Grain Collaboration, and provided feedback to guide the ongoing collaborative approach to growing domestic supplies of organic grains. In addition, the Grain Council has discussed its role in developing the Organic Trade Association's 2018 Farm Bill priorities, and provided input into structuring the Global Organic Supply Chain Integrity Task Force, charged with developing a white paper on best practices for the organic industry to take to improve supply chain integrity.

Grain Council members proposed that the Organic Trade Association pursue development of organic price elections for USDA Commodity Credit Corporation storage loans as part of its 2018 Farm Bill priorities. These loans allow farmers to borrow against a stored crop for cash-flow purposes, but currently organic farmers can only borrow the conventional price value. Hopefully, changes to the Farm Bill will create an organic price for these storage loans, so organic farmers can borrow against the full value of their stored crops. A common barrier to organic grain farming in the U.S. is the lack of adequate storage capacity at processing facilities. Better access to



*Fred Kirschenmann, President of the Stone Barnes Center for Food and Agriculture, speaks to a group of organic farmers about the importance of soil health during the North Dakota State University Carrington Research Station Organic Field Tour.*

## Council Members





*Farmers examine oat variety trials during the NDSU Carrington Research Station Organic Field Tour.*

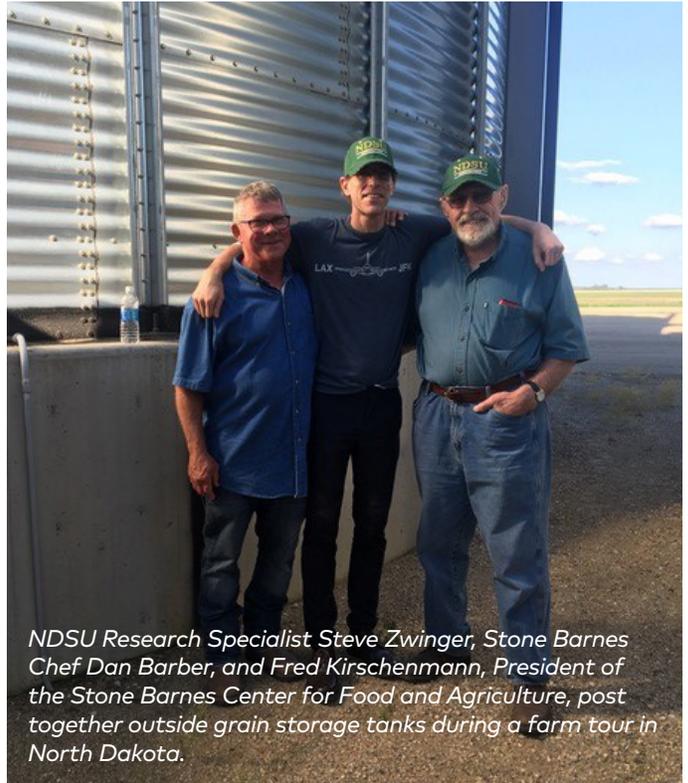
storage loans may provide a mechanism for organic farmers to remain profitable as they store crops over the winter for sale to their customers.

### **The U.S. Organic Grain Collaboration**

Seven OTA member companies--Annie's, Ardent Mills, Clif Bar, Grain Millers, Stonyfield, Organic Valley, and King Arthur Flour--have brought forward company resources to continue the ongoing work of the U.S. Organic Grain Collaboration. Contracting with Sustainable Food Lab for organizational support, the collaboration designed a work plan to continue to identify and overcome barriers to growth in organic grain acreage in two areas of the country: Aroostook County, Maine, and the Northern Great Plains (North & South Dakota and Montana).

#### **Aroostook County**

Aroostook County, Maine, is an important agricultural area for New England. Previously, grains played an important part of the crop rotation of the area, but as grain prices decreased and the availability of disease and pest controls increased, the grain rotation went out of style. The U.S. Grain Collaboration is focused on bringing it back into the area's farmers' repertoire and help them transition to organic production. Convincing farmers to plant new crops, particularly ones they are unfamiliar with, and convincing them to transition to organic are no easy tasks. However, working with local partners like Maine Organic Farmers and Gardeners Association, Maine Grain Alliance, and Maine Malting Association, the case was made at the Maine Grain Conference this past winter that organic grain rotations can play a key role for produce farmers transitioning into organic and realizing the premiums organic markets offer.



*NDSU Research Specialist Steve Zwinger, Stone Barnes Chef Dan Barber, and Fred Kirschenmann, President of the Stone Barnes Center for Food and Agriculture, post together outside grain storage tanks during a farm tour in North Dakota.*

To follow up on conversations at the Maine Grain Conference, the collaboration sponsored two farm tours in the area. During these tours, local farmers learned about harvest and post-harvest handling of organic grains, how critical grains are to the success of growing organic potatoes and other produce in Maine for disease and weed interruptions, and discussed making connections with local grain buyers who are interested in developing local organic sources for feed and malting purposes. Area farmers also learned of the importance to connect with prospective organic produce buyers, as organic produce is critical to ensuring that farmers remain profitable as they switch to organic production and incorporate lower value grains into their rotations. Towards the end of summer 2017, the collaboration will organize meetings and tours between Aroostook area farmers and produce buyers looking to source more products from New England for the large metropolitan markets in the Northeast.

#### **Northern Great Plains**

The U.S. Organic Grain Collaboration has focused its work in the Northern Great Plains in two main areas during 2017. One was to continue hosting engagement sessions at local industry events to hear from farmers on what their main struggles. The second was to develop an organic enterprise budget calculator tools for farmers to use as they work up their rotations and transition plan.

This summer's engagement session coincided with North Dakota State University's Organic Field Day in Carrington, ND. This research station, home to Dr. Steve Zwinger's organic grain breeding trials, brings in many organic and transitioning farmers wanting to hear more about progress in developing grain varieties adapted to organic growing conditions. This year's event included a talk from chef and local grain enthusiast Dan Barber of Stone Barns and Blue Hill Restaurant.

Hearing from organic and transitioning farmers attending the event confirmed the need for the organic industry to continue its investment into seed breeding research as well as training extension agents in the intricacies of organic crop production. North Dakota State University had previously considered allocating resources to support a single organic extension specialist to serve the whole state. However, in talking with farmers, it became clear that training all extension staff in organic production techniques was necessary to serve a state as broad and vast as North Dakota. The collaboration will be looking at a funding mechanism and partners for future work in supporting the education of extension agents in the Northern Great Plains.

### **Enterprise Budget Calculators**

In partnership with Montana State University and North Dakota State University, the U.S. Organic Grain Collaboration funded the development of two cash-flow enterprise budget calculator tools. Enterprise crop budgets are an important tool for planning future crop production and understanding the economic impacts of agronomic choices. For established and transitioning organic producers, having a detailed budget can help avoid costly mistakes while also providing a tangible resource to use for other goals such as securing financing.

*The Organic Trade Association Grain, Pulse, and Oilseed Council is Chaired by Matt Dillon of Clif Bar. Jonathan Reinbold of Organic Valley serves as Vice Chair, and Shauna Sadowski of Annie's is the Secretary. The Council is supported by Nate Lewis, OTA's Farm Policy Director.*

## **Maintaining the momentum in 2018**

As the U.S. Organic Grain Collaboration celebrates concrete successes in helping farmers overcome barriers to organic grain production, it will be reevaluating its approach to engagement in each of the two regions. For the Northern Great Plains, the focus will be on ensuring existing extension staff get the training they need to support organic farmers in that region. In Aroostook County, Maine, the focus will be on connecting farmers with produce buyers, to make the case for a wholesale shift to organic production practices with organic grains being a critical aspect of the rotation. The collaboration will continue to report to the Grain Council as a whole and get feedback from the group on its progress.

Additionally, as the Organic Trade Association continues its work on the 2018 Farm Bill, aspects of the Farm Bill platform affecting grain production will continue to be vetted through the council for its support and feedback.

The lack of such calculators had been identified as a barrier for farmers looking to transition to organic, as they had no way to readily estimate yields, costs, and prices for their production as they went through their transition phase and entered into the organic market. These two separate tools accommodate the different climates and production realities from the Dakotas to Montana.

The council will launch the calculators with a press release in early Fall, announcing their availability for download at [OTA.com](http://OTA.com) and on partner university websites.



### **Headquarters**

444 N. Capitol St. NW, Suite 445A  
Washington, DC 20001  
(202) 403-8520  
[OTA.com](http://OTA.com) | [info@ota.com](mailto:info@ota.com) | [@OrganicTrade](https://www.instagram.com/OrganicTrade)

### **Locations**

Washington, D.C. | Brattleboro, VT  
Santa Cruz, CA | Corvallis, OR | Olympia, WA