

Farm-level organic sales approach \$5.5B in 2014

By CAROL RYAN DUMAS
Capital Press

Sales of organic products from U.S. farms have increased substantially, jumping 72 percent to \$5.45 billion from \$3.16 billion since the federal government last conducted a comparable survey in 2008.

Although the value of sales have increased, the National Agricultural Statistics Service reported last week that both the number of organic farms and the amount of organic acreage has dropped.

NASS reported 14,093 organic farms, 447 fewer than in 2008, and 3.67 million acres, almost 407,000 less. The service attributed the decline, at least in part, to differences in the survey methodology.

Ten states represented 78 percent of organic sales, according to the survey.

Farms in California claimed \$2.2 billion in sales, 41 percent of total national sales. It led the nation in number of organic operations, at 2,805, and in acreage, more than 687,000 acres.

Washington state posted the second-highest sales at \$515 million, up from \$282 million in 2008. Oregon came in fourth

Organic farms, land and value of sales

(Certified and exempt organic*)

Area	Farms		Acres		Sales (\$ millions)		Transition acres	
	2014	2008	2014	2008	2014	2008	2014	2008
Calif.	2,805	2,714	687,168	470,903	2,231.2	1,148.7	17,046	NA
Idaho	161	254	125,141	148,425	65.7	10.1	4,568	12,967
Ore.	525	657	204,166	70,946	237.1	105.6	4,452	4,569
Wash.	716	897	73,841	65,937	514.9	82.2	2,687	6,071
U.S.	14,093	14,540	3,670,560	4,077,337	5,455	3,165	122,175	194,384

NA — withheld to avoid disclosing data for individual farms.
* Exempt — farms that follow the National Organic Standards and have less than \$5,000 in annual sales can be exempt from certification. These exempt farms may use the term "organic" but may not use the "USDA Organic" seal.

Source: USNASS. Capital Press graphic

at \$237 million, up from \$156 million.

Nationwide, crops accounted for \$3.3 billion in sales, led by lettuce at \$264 million, apples at \$250 million, grapes at \$195 million, and corn for grain at \$155 million.

Livestock and poultry products accounted for \$1.5 billion in sales, and milk accounted for almost \$1.1 billion in sales. Livestock and poultry sales, at \$660 million, were led by broilers at \$372 million.

Nationwide, 78 percent of product was sold to wholesale markets, 14 percent directly to retail and 8 percent directly to consumers.

While the majority of product was sold wholesale, 40 to 60 percent of farms in Washington, Oregon and Idaho sold some product directly to consumers, as did 20 to 40 percent in California and 45 percent nationwide.

Total production expenses increased from \$2.5 billion in 2008 to almost \$4 billion in 2014, with feed and hired labor combined comprising 46 percent of expenses. Nationwide average per-farm expenses increased from \$171,978 in 2008 to \$208,722 in 2014. Expenses were significantly higher in California at \$616,379 and Washington at \$485,708.

The survey shows 1,365 farms are transitioning an additional 122,175 acres to organic production. Nearly 5,300 organic farms, 39 percent, intend to increase organic production over the next five years, 43 percent intend to maintain production and 5 percent intend to decrease or discontinue organic production.

The 2014 organic survey offers nearly 600 pages of details on farm-level organic sales, farms and land in organic operation, crops and products being produced, how they are marketed, and producers' age, years in organic, expenses, and practices.



Courtesy of Assemblyman Jim Patterson

California Assemblyman Jim Patterson, R-Fresno, stands with workers from Fresno-based Gerawan Farming at a rally at the state Capitol earlier this year for a bill that would have given workers more of a voice in state labor proceedings. The workers are trying to end their representation by United Farm Workers.

Supporters of dumping union will fight ruling

By TIM HEARDEN
Capital Press

Attorneys and supporters of a union-decertification effort at Fresno-based Gerawan Farming Inc. say their fight is far from over despite a judge's unfavorable ruling last week.

In a 192-page decision issued Sept. 17, Administrative Law Judge Mark Soble nullified an election held by workers nearly two years ago because of what he called "misconduct" by Gerawan during the petition drive.

Soble alleged that Gerawan gave an unfair advantage to employees trying to oust the United Farm Workers by granting petitioner Silvia Lopez special time off work to lead the effort and allowing her to block the farm's exit on one day to collect signatures.

The judge also took issue with a \$20,000 grant to Lopez from the California Fresh Fruit Association, whose president, Barry Bedwell, responded that the grant was made at the request of other growers not directly involved in the election and not at the behest of Gerawan.

Armando Elenes, the UFW's national vice president, said Soble's ruling speaks for itself.

"The decision was really

not regarding the ballots," Elenes said. "The ballots happened after the fact. The entire focus of the hearing and investigation had nothing to do with the ballots. It was everything to do with how the election was obtained."

However, Ronald Barsamian, an attorney for Gerawan, said Soble's ruling is essentially a recommendation that has to be acted on by the state's Agricultural Labor Relations Board, which in 2013 overruled a local official and ordered the decertification election. The farmworkers' votes have remained locked up and uncounted pending the state's investigation of the petition effort.

"Obviously we're confident about this because we would like to think that the board ... is going to look at the bottom line, and that is, is the ALRB going to protect workers' right to vote and certainly to have their ballots counted?" Barsamian said.

Paul Bauer, the attorney representing Lopez, said the farmworkers' desire not to be represented by UFW wasn't unduly influenced by the company.

"Just because they wanted the same thing doesn't mean there were any nefarious dealings by the employer," Bauer said.

Post Holdings buys Willamette Egg Farms

By ERIC MORTENSON
Capital Press

In its \$90 million purchase of Willamette Egg Farms, Post Holdings, Inc. is buying one of the Pacific Northwest's leading egg producers and a leader in the industry's adoption of cage-free hen housing.

Post Holdings, a St. Louis-based company whose products include the Post brand breakfast cereals, announced Sept. 23 it is buying Willamette from family owners Gordon Satrum and his son, Greg Satrum.

Willamette Egg raises Leghorns and Rhode Island Reds and produces approximately 2 million eggs a day from its facilities in Canby, Ore., and Moses Lake, Wash. They're sold throughout the Northwest, into Northern California and as far



Eric Mortenson/Capital Press

Willamette Egg Farms co-owner Greg Satrum has been an industry leader on hen nesting standards. Post Holdings of St. Louis has purchased the company for \$90 million.

as Hawaii, Guam and Saipan.

In a news release, Post said Willamette Eggs will be folded into its Michael Foods division, which makes "value added" egg products, cheese, refrigerated potato products and other dairy case items.

In a prepared statement, Post President and CEO Rob Vitale said the purchase fits well with Michael Foods.

"Willamette Egg will further increase our leadership as the country's largest provider of cage-free egg products and contributes to additional geographic flock diversification," Vitale said in a news release.

In May, the company reported roughly 20 percent of its egg supply had been impacted by a deadly bird flu outbreak that hit the Midwest, according to The Associated Press.

In addition to the bird flu problem, U.S. chicken and egg producers have been criticized for keeping chickens in cramped cages. Led by Greg Satrum, Willamette Egg has been a leader in adopting larger cages and what are called "enriched colo-

ny systems" that allow hens to engage in natural behavior such as perching, nesting and scratching.

In recent years, Willamette Egg has built highly automated cage-free facilities in which chickens are able to perch, hop down to the floor to mingle with the flock and retreat to nesting boxes. Eggs are carried from the building on a conveyor system, while special lighting calms the birds and simulates day and night patterns.

Greg Satrum in 2011 struck what some viewed as an unusual partnership with the Oregon Humane Society. The two supported Oregon and Washington legislation that increases cage sizes over a 15-year period, giving the industry time to phase in expensive infrastructure changes.

Oregon Ag Department beefs up staffing

By MATEUSZ PERKOWSKI
Capital Press

BOARDMAN, Ore.— The Oregon Department of Agriculture plans to create about 26 new positions with an increase in funding from lawmakers.

The agency fared well during the 2015 legislative session, with total funds growing to nearly \$106 million over the next two years. That's up from \$97 million during the previous biennium, ODA Director Katy Coba said.

ODA will hire five new regulatory laboratory employees and upgrade its testing equipment, which is long overdue, she said at the Sept. 23 meeting of the Oregon Board of Agriculture in Boardman.

Three new people will also be hired to implement the agricultural water quality program, Coba said. Under that program, the agency uses aerial photography to identify problems in selected watersheds

known as strategic implementation areas.

Landowners are encouraged to seek help from local soil and water conservation districts to correct problems on their properties, but ODA does have enforcement authority to issue fines.

Seven new strategic implementation areas were established this year, and ODA will identify six more next year, Coba said.

Concerns about pesticides led the legislature to devote more than \$1.7 million in additional money to the agency's pesticide program.

Those funds will be dedicated to four new pesticide investigators, a customer service representative and a case reviewer, she said.

As the federal government rolls out its new food safety rules, ODA will fund three full-time natural resource specialists.

To fully implement the

Food Safety Modernization Act, which was signed into law in 2011, Congress will need to appropriate substantially more money to help states with outreach to farmers, Coba said.

It's currently unclear what role ODA employees will play in on-farm inspections of produce operations, she said.

It's possible the agency may focus on education and leave enforcement to the U.S. Food and Drug Administration, she said.

With recreational marijuana now legal in Oregon, the agency will also hire a marijuana policy analyst, Coba said.

While the Oregon Liquor Control Commission has primary jurisdiction over recreational marijuana, ODA will likely be involved in the regulation of pesticides and edible products, she said.

Currently, no pesticides are registered for marijuana, which remains illegal under federal law, she said.

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