

Greatest challenge is financial hurdle of transition period

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And it's not for everyone," he said. "You've got to be present in the field, and timing is everything. It's hard to fix a wreck once you get started."

And there's a lot of paperwork. Every single thing has to be documented, he said.

The impetus for going organic has to be more than money. It's about producing a healthy product, he said.

Help wanted

Demand for organic food is booming with no sign of slowing, far outstripping on-farm production and boosting U.S. organic farm gate sales 72 percent since 2008.

On-farm organic sales reached nearly \$5.5 billion in 2014, the USDA National Agricultural Statistics Service reported in its 2014 Organic Survey, which was released last month.

Given the growing appetite for organic products, the industry could move well beyond claiming just 5 percent of the U.S. food supply, according to the Organic Trade Association.

To say there's abundant opportunity for farmers is a "gross understatement," said Nate Lewis, OTA senior crop and livestock specialist.

U.S. organic sales, including non-food products, hit \$39.1 billion in 2014. That's an 11.3 percent increase year over year, noticeably outshining the 3 percent increase in comparable conventional sales, according to OTA.

"Demand is far outstripping supply, especially for grain and pulses," Lewis said.

But there are significant obstacles to getting into organic production, he said.

The greatest challenge is the financial hurdle of the three-year transition period. Without the use of conventional fertilizers and pesticides, the producer is faced with lower yields but is not yet able to benefit from the higher prices organic crops generally bring, said.

Playing into that is a lack of organic-specific technical assistance, which runs the gamut from USDA agencies to university extension specialists, he said. In addition, crop insurance has largely been unavailable for organic production, he said.

"Support and a safety net have been lacking in the organic sector," he said.

Easing in

Some transitioning farmers have it a little easier than others. Matt Townsend's transition into organic is with himself and not with the land, which is already certified.

Taking an early buyout from United Airlines, where he worked for 27 years as a mechanic, he had planned to farm on a small conventional farm he purchased near Wilder, Idaho. That plan changed when he met and became engaged to an organic farmer's daughter.

He spent two summers working for his fiancée's father, Mike Heath, in Buhl. He farmed with him last year and has just completed his first year on his



Photos by Carol Ryan Dumas/Capital Press

Founded in 1904, Sunset Butte Ranch is transitioning to the next generation.

own on the family farm that is being transitioned to his fiancée.

Townsend said he knew a bit about farming and that crops should be rotated to care for the soil but he can't imagine going into organics without a mentor.

Heath invited him to learn from the mistakes he has made in more than 25 years of organic production, and the learning curve wasn't so steep — although this year was harder than last year, he said.

He realizes his transition into organic is unique. He didn't have to weather the three-year transition period and didn't have as tough a learning curve as most, but it is demanding, he said.

"You really have to be on top of it. If you get behind, you really don't have anything to fall back on. The weeds are the big thing. If you get behind, it's going to hurt your yield and make a mess of things," he said.

Roadblocks

Healthy price premiums are creating a lot of interest in organic farming, more than OTA has previously seen. But there aren't many farmers making the move, which underscores the financial barrier and lack of technical assistance, Lewis said.

"Despite prices, if you can't make it through that three years (of transition), it's not a viable option," he said.

For instance, there is a dire need for organic grains — reflective of the drastic increase in organic corn and soybean imports.

But with the price plummet in the conventional sector dragging down organic prices too, those farmers might not be in a financial position to weather the transition period, he said.

Oats, wheat, corn and soybeans are in the greatest demand right now, with some wheat contracts at four times conventional prices and some corn and soybean contracts at three times conventional prices, he said.

"The premium is dangling a carrot on the stick. But it's so far away, they can't see how to get



Tim Cornie discusses beneficial bugs in his corn crop with Darcy Sexton, a student of soil microbiology who is helping him analyze and build soil health on his farm in Buhl, Idaho.

there," he said.

"We need to be meeting producers where they are. We need that on-ramp. What gets complicated is how to build that on-ramp," he said.

The industry needs to share in that financial hurdle. Some food companies do that through a direct relationship with the producers who will be supplying the companies, and it's working well, he said.

The industry also needs to institutionalize transitional certification, perhaps through USDA's Process Verified Program, to enable transitioning producers to market their crops at some premium, he said.

While USDA is genuinely interested in extending the safety net to organic producers and has made some recent improvements, it'll take a fundamental shift in the agency — from crop insurance to conservation programs, he said.

"You can't just add the word 'organic' and have it work," he said.

Other areas of need include organic research aimed at weeds, pests, plant breeding, apprenticeship programs, a stable labor force and bringing young

farmers into agriculture, he said.

OTA is addressing all these issues on the national and regional basis, he said.

Veteran advice

Given current strong demand and high prices, longtime organic growers anticipate more entrants into their industry. But it's not for everyone, they warn.

It takes commitment and a different style of management, and there are no quick fixes, Heath, the organic farmer, said.

Some get out as quickly as they get in, feeling it's just not worth it, he said.

It takes talent, and there are always "ins" and "outs" and spikes in bad years for conventional agriculture, said Nate Jones, who has run a diversified organic operation at King Hill, Idaho, for more than 25 years.

People get in, have a bad year, think it's too much of a headache and get out, he said.

The two veteran growers, however, are ready to help newcomers to organic production — which they say is as much philosophy as it is practice.

The hardest part is the transition phase, and the best way to go about it is to grow alfalfa.



New organic grower Matt Townsend prepares to start a tractor at Sunset Butte Ranch in Buhl, Idaho.

Organic farms, land in production, 2014*

Item	U.S.	Calif.	Ore.	Idaho	Wash.
Farms – 2014	14,093	2,805	525	161	716
– 2008	14,540	2,714	657	254	887
Acres – 2014	3.7 million	687,168	204,166	125,141	73,841
– 2008	4.1 million	470,903	105,605	148,425	82,216
Transitional acres**					
– 2014	172,863	19,642	5,637	4,688	2,955

* Includes exempt organic — farms that follow the National Organic Standards and have less than \$5,000 in annual sales can be exempt from certification.
 ** Includes organic, exempt organic and non-organic farms.

Source: USDA NASS

Capital Press graphic

It's easy to sell and take care of, offers good weed control and soil fertility, and insects can be controlled by timing cuttings, Heath said.

Ground coming out of conventional production might not support other crops, and three years of alfalfa will result in good soil condition, he said.

The best thing to put in is pasture and grass and graze it so the soil builds up. But alfalfa is great because it cleans up any weed problem and gives the ground a rest from tillage, Jones said.

tification is important to get the bonuses, he said.

Growing organic demands a lot of record keeping, and operations are subject to routine audits and inspections by the certifying agency and USDA.

Jones recommends newbies get help in figuring out how to fill out all the paperwork, which requires a basic understanding of nutrient management and weed control.

Certification

Certification costs vary widely, depending on the certifying agent and the size, type and complexity of the farm. Certification costs may range from a few hundred to several thousand dollars, according to USDA Agricultural Marketing Service.

Typically, there is an application fee, annual renewal fee, assessment on annual production or sales and inspection fees.

Once certified, producers can apply for assistance from the USDA Organic Certification Cost-Share Program — which can reimburse eligible operations up to 75 percent of their certification costs.

Nearly 80 agents nationwide are currently authorized to certify organic farms.

Longtime organic growers also advise new growers to seek out a mentor and network with others in the business.

Things can be a little scary that first year or two. Most organic growers are happy to help novice growers, and the importance of that networking can't be overstated, he said.

Police delayed announcing deaths of wolves

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went to the area the following day and found the male wolf dead as well. Police have said the wolves' bodies were within 50 yards of each other.

State police and ODFW did not announce the deaths until Sept. 16. OSP spokesman Lt. Bill Fugate said at the time that investigators delayed disclosing the information because they did not want to tip their hand.

The pair had pups that would have been about 5 months old when the adult wolves died. An ODFW spokeswoman said the pups have not been seen, but they should be weaned at this point and are most likely "free-ranging" and able to fend for themselves.

Police ask that anyone with information about the case contact Coggins at 541-426-3049, call the TIP Hotline at 1-800-452-788 or email TIP@state.or.us.

'You can't have 13 states where it doesn't apply and 37 where it does'

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A federal district judge in North Dakota in August blocked the rule in 13 states, including Idaho. The judge declined to extend the ruling to other states, pending a review by the 6th Circuit. Meanwhile, the EPA said the rule was in effect in 37 states, including Washington, Oregon and California.

Washington State Dairy Federation policy director Jay Gordon said the 6th Circuit was right to keep the country under one rule.

"You can't have 13 states where it doesn't apply and 37 where it does," he said. "We are the United States of America, not parceled up. It made perfect sense to me."

The 6th Circuit, in its ruling, said a "whirlwind of confusion" surrounds the law. Gordon said meetings with regulators to try to understand the new rule has left him frustrated. "You always leave the meetings

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Jack Field, executive vice president of Washington Cattlemen's Association

thinking, 'I don't think I got my questions answered.'"

Some 18 states sought the injunction in the 6th Circuit. Seven states, including Washington and Oregon, intervened and asked the court to deny the motion.

Several environmental groups also asked the court to let the new rule stand.

The 18 opposing states argued that the EPA's new definition of "waters of the United States" overextends the reach of the Clean Water Act and spoils the federal and state collaboration in protecting waters.

States that support the new rule argued they will be harmed if upriver states were lax about protecting

waters.

In the 2-1 ruling, the court said the opponents have raised enough objections to suggest they might have a winning case. Judge David McKeague said granting the stay "honors the policy of cooperation" between states and the federal government on the Clean Water Act.

"The sheer breadth of the ripple effects caused by the rule's definitional changes counsels strongly in favor of maintaining the status quo for the time being," McKeague wrote.

"A stay allows for a more deliberate determination whether this exercise of executive power ... is proper under the dictates of feder-

al law," he wrote. "A stay temporarily silences the whirlwind of confusion that springs from uncertainty about the requirements of the new rule and whether they will survive legal testing."

Lawsuits have been filed against the new rule in federal courts across the country. The Washington Cattlemen's Association is the lead plaintiff in a suit pending in the U.S. District Court for Minnesota. The association's executive vice president, Jack Field, called the 6th Circuit ruling "wonderful news," but said the rule's opponents should continue lobbying Congress to repeal it.

"Folks should not let off on the phone calls and emails to legislators, letting them know how important it is we kill the rule and start over," he said.

The Washington Farm Bureau made the same appeal in an email to its mem-

bers Oct. 9.

"Today's action is only a temporary reprieve, and getting to a final court ruling will take years, at great cost to all involved," the email stated.

The Judicial Panel on Multi-District Litigation referred the case to the 6th Circuit for initial review. McKeague and Judge Richard Griffin said they were satisfied the issue was properly before them.

The dissenting judge, Damon Keith, said the court should first rule it has exclusive jurisdiction before issuing a stay.

The court will make a ruling on its jurisdiction in a "matter of weeks," McKeague wrote.

Meacham said the ruling doesn't foreshadow a eventual victory for the rule opponents. "We believe we will prevail in the long run because we're right," she said.