**18** CapitalPress.com June 3, 2016

## Farm looks to organic for higher prices

By MARGARETT WATERBURY For the Capital Press

During the last 18 months, commodity milk prices have dropped almost 45 percent.

Today, conventional milk prices are nearly on par with prices from the 1990s. That volatility has forced dairy farmers to get creative about managing their cash flow and operations.

Some have brought breeding and feed production totally in-house to exercise better control over input

Others have moved toward automation to reduce their need for labor.

And others, like Meadowood Dairy in Turner, Ore., have begun to transition to organic production in pursuit of higher, more stable prices.

Brian Christiansen is the manager at Meadowood Dairy, and a fourth-generation dairy farmer. His family moved to Turner in 1986, purchasing a former peppermint farm with no buildings, no house, no driveway and no electricity.

Since then, their herd has grown from 115 cows to 270, mostly registered Holsteins as well as a few Brown Swiss.

Until recently, Meadowood Dairy sold primarily to Safeway. But as of July 1 it'll be selling exclusively to Organic Valley.

"We were tired of the violent swings in the price of conventional milk. The stability and profitability of organic was the only way we could transition the dairy from Mom and Dad's generation to mine," Christiansen said.

While many of the requirements for organic certification weren't a major change for Meadowood Dairy, meeting the organic feed requirements has been a challenge.

"We've always pastured the cows," Christiansen said, "but it takes 365 days of only organic feed to transition, and during that time you're being paid conventional milk prices.'

The switch to organic has also necessitated some changes in pasture plantings. Previously, Meadowood Dairy had grown field corn for silage, but that crop is difficult to grow organically.

Now, Christiansen is switching from field corn and replacing it with a dwarf variety of Sorghum-Sudangrass, which fares better in organic conditions.

Meadowood Dairy's pasturing program is less intensive than that of many other farms. Instead of tight rotations where cows fully graze a single pasture before moving onto the next, Meadowood's cows rotate a little more casually.

"We have nine-acre pastures. One herd of cows goes in for two days, and then they move on to the next. The other herd follows behind through the same fields," Christiansen said. "Other people probably get more grass off of the ground than we do, but we have as many acres as we do cows, and we've always pastured that way. It's a little unconventional, but that's how we do

Christiansen is hopeful that Meadowood's organic transition will lay the groundwork for ongoing, sustainable profitability for his generation and those to come.

"The best thing that's happened for dairy in the West has been the growth in organics. At 240 cows, we don't have the economies of scale that larger dairies do," he said. "The ability of organics to get a good price for farmers has kept quite a few dairies in business that might have otherwise gone out. It's a huge economic undertaking to get there, but hopefully the reward will be worth

near Turner, Ore.

## Joyce Capital, Inc.

In agriculture, nothing is certain. Your interest rate should be.

We offer competitive interest rates for your agricultural financing needs:

- Term agricultural loans (purchases & refinances)
- FSA Preferred Lender
- Amortizations up to 25 years

CONTACT: Kevin Arrien, or Joe Lodge at Joyce Capital, Inc. **Agricultural Loan Agents** (208) 338-1560 • Boise, ID joe@arrien.biz







## Ag Chains Plus, Inc.

Your Connection for Solutions!

Office (503)-769-1500 Fax (503)-769-1499 1079 Wilco Road, Stayton, OR 97383

www.agchainsplus.com



Courtesy of Meadowood Dairy A Brown Swiss heifer relaxes on a sunny day at Meadowood Dairy

..THE VALLEY'S LEADING SOURCE FOR CHAINS, BEARINGS, & SPROCKETS