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tom out of the spot market. The high and rising input costs will put real stress on these producers.

Thoughts to go forward

Historically, feed prices decline somewhat around harvest time but don't expect that to last much past the end of the year. This means producers would be wise to be planning to secure their 2008 feed supply in some fashion before the end of 2007—by contracting, buying ahead, or at the very least, talking with your regular supplier to make sure they will be able to meet your needs.

Some feed mills have said that they cannot take on new customers, so any farms contemplating transition should ensure a feed supply before starting transition. That admonition extends to ensuring a milk market as well. There are currently some farms out there that have completed their transition but had not locked in a market and have now found themselves without an organic market. It is imperative for dairy producers to have a guaranteed market, with signed contracts in place, before starting transition. Not doing so is a huge business risk.

Dry conditions bring concerns about adequate feed supply, not only for grain but for forage as well. If this low rainfall pattern continues, many of us dairy producers will have to analyze our situation and decide if our harvests will be adequate to carry us through the winter. If it's looking like it will not, then we should soon be considering alternate plans which could include converting grain crops to forage harvest, sowing summer annuals and hoping for enough moisture for success, purchasing forage, and / or selling livestock.

Alan Nation postulated in the July issue of Stockman Grassfarmer that "More and more organic producers are learning that a production model that merely substitutes organic inputs for conventional ones is never profitable for long as all the profit is soon bid into the inputs". We must all continue to learn and expand our knowledge base, think outside the proverbial box for new and better ways to farm that use fewer resources, and endeavor to find and refine a production model that can sustain itself both environmentally and economically.

One final thought—I haven't done the math (since the numbers needed are hard if not impossible to come by), but I would surmise that if McDonald's was to make the same announcement in the US that they just made in the UK, then the current surplus of organic milk would be gone. By the end of July, organic milk from British cows will be the dairy in all McDonald's coffee and tea served in that country. Organic milk is already a part of Happy Meals there. Let's hope McDonald's in this country follows their lead.

Kathie Arnold is an organic dairy producer in Truxton, NY and is the Policy Committee Chair for NODPA.

Organic Call To Action on Farm Bill

By Samuel Fromartz

Every so often, the broad coalition of organic food supporters – which include food companies, retailers, farmers, advocacy groups, and, of course, consumers – coalesce around one crucial issue.

This happened in 1997, when the first draft of organic regulations were released by the USDA and included such anti-organic practices as irradiation, genetically modified crops and sewage sludge fertilizer. The community sent an unprecedented number of comments to the USDA opposing the so-called "Big Three" and they were struck down in the final version of regulations.

In 2003, when a Georgia Congressman inserted a rider onto a bill in the dead of night and won passage for the right to use non-organic animal feed (sought by one of his chicken processors), the community rose up again. Led by opponents in Congress, the measure was rescinded in a subsequent bill.

Now, arguably, it's time for the organic community to rise up again, spreading the word through advocacy groups, in email, on blogs and most potently, at the check-out counters of natural food stores and co-ops.

What's the issue this time around?

The Farm Bill. Organic supporters have been pushing very hard in Congress to win a few crucial programs for organic farmers but the buzz is at a low level in Washington. Like many alternative programs in the farm bill – alternative, that is, to the usual feed trough of subsidies – organic doesn't rate very high. Organic farm research, for instance, gets less than 13 cents for every \$100 the USDA spends on research.

What are supporters of organic farming seeking?

- Basic research funds. Currently organic farming research and education gets about \$13 million from a patchwork of USDA programs. But only \$3 million of those funds is specifically dedicated for organic farming. Supporters want to increase those targeted funds to \$15 million annually in mandatory funding - this, out of a USDA research budget of about \$2 billion. Presumably, some of that money could go to fund organic dairy research programs, such as the new program at the University of New Hampshire.
- Certification cost share. Farmers can get up to \$500 annually to offset up to 75 percent of the costs of organic certification, but that money's only available until it runs out. This, by the way, is the only "subsidy" specifically targeted to organic farmers. Many states have run out of money and they won't get any more until the new farm bill is approved. Supporters are looking to increase the cost share to \$750 through \$25 million in

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 funding over five years.

- **Crop insurance.** Organic farmers must pay a 5 percent premium to receive crop insurance but their crop losses are compensated at the same rate as conventional growers (even though the organic crop is worth more). They want the USDA to correct this unfair practice, which is not based on any actuarial data on losses or yields, but rather a figure the insurance industry pulls out of the sky. With a decent insurance program in place, more grain farmers could convert to organic production and fill the current shortage in organic grains and forages.
- **Transition Support.** Dairy farmers don't need to be told about the costs of the organic transition. During the one-year-long herd conversion process, costs go up dramatically but the farmer still gets the conventional price for milk. Granted, that's been high lately, but that wasn't always the case in the past, nor will it be in the future. For crop farmers facing a three-year transition, the costs are also steep. Part of these costs reflect the learning curve in farming organically, since so many USDA extension offices are ignorant of organic methods. The organic lobby is pushing for \$50 million per year to help farmers with the transition process, with the funds split between technical and financial assistance.
- **Data Collection.** Right now there is little reliable data

on organic products, on the amount and sources of organic food imports, on the prices farmers get for their crops – all of the usual information available to conventional farmers. That discourages investment, skews crop insurance decisions and undermines the market. So supporters want some dedicated funds for this type of research.

Although the House Agriculture Committee nodded in the direction of organic farming in the mark up of the farm bill, much of the funding under consideration would be discretionary, not mandatory. The programs will only get funded if money can be found, which is highly unlikely in this tight fiscal climate. The organic reception might be better in the Senate, but the bottom line is money will only arrive if it is taken from somewhere else. The biggest pools of money remain in farm subsidy programs but they are also the programs with the most political clout. In the House, for example, the Agriculture Committee voted to keep all subsidies intact, despite the clamor in many quarters for reform. All of this will be played out in the coming months, though the final bill won't emerge until the House and Senate go into conference to merge their two versions of the bill.

Why does organic farming need these funds?

Demand for organic food now exceeds supply, be-

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cause US farmers are not converting fast enough to fill the gap. The costs of transition, the lack of knowledge about organic methods, and uncertainty about the market all play a role in inhibiting conventional farmers from making the switch. With American farmers lagging, production is increasingly shifting overseas – meaning U.S. farmers will lose out on a lucrative market in the future. Consumers will see more organic products from Mexico, China, Chile, Brazil, India, Australia, Italy and Turkey, including fresh and frozen produce, soybeans, grass-fed meat, grains and beans, and animal feed. That's not a bad thing, in terms of agricultural practices and creating opportunities in those countries, but it won't do anything for farmers in the US.

To press the cause, the Environmental Working Group launched a worthwhile site to generate 30,000 signatures to lawmakers by July 15. But everyone needs to step up to the plate, raising the issue with lawmakers, since most don't even know about it. The message: Support organic farmers in the 2007 Farm Bill!

The point is to win baseline funding for organic agriculture, so that it can be increased in the next farm bill. If the baseline is near zero, it isn't going to move at all – not in the next bill, or the one after that and farmers will continue to sit on the sidelines.

When you wonder why so many organic products are

originating overseas, you will have your answer: the modest government incentives and research U.S. farmers needed to pursue organic farming weren't available. So many didn't bother to switch.

Helpful Web Sites

Organic Farming Research Foundation policy update: http://ofrf.org/policy/federal_legislation/federal_legislation.html

For in-depth news on the farm bill from a sustainable perspective, [Blog From Rural America](http://www.cfra.org/blog) <http://www.cfra.org/blog>

For the perspective of an environmental and anti-subsidy advocate, the Environmental Working Group's Mulchblog: <http://www.mulchblog.com>

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*Aside from writing about food, agriculture and environmental issues, Fromartz works diligently in an organic garden a mile from the nation's Capitol building, relying on farmers for tips and advice. He also blogs on organic and related issues at Chews Wise, www.chewswise.com and will be one of our **featured speakers** at the 7th Annual NODPA Field Days (see pages 20 & 21 for more information on the 2-day event). ♦*

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