

## **Regarding the proposal by the Organic Trade Association OTA to implement an Organic Research and Promotion Program – Organic Check-off**

**We do support exempting all organically certified operations from paying into Check-off programs**

**We do not support the establishment of a federal, USDA mandated, ‘Organic Research and Promotion Program’**

1. We believe that an Organic Check-off, by increasing sales of all organic products will only increase the volume of imports and drive down the profitability of organic farming in the United States. An Organic Check-off will discourage farmers from transitioning to organic production.
2. We believe that the advantages of pooling check-off funds within the federal program will be outweighed by the restrictive guidelines, heavy bureaucracy, lack of accountability, cost of administration, a history of using check-off funds inappropriately, and poor representation of farmers’ priorities in use of research dollars. The rules and regulations of a check-off program cannot be changed under the generic legislation that OTA plans to use.
  - a. ***The 2012 investigation by the Office of the Inspector General of the Research and Promotion Check-Off Programs highlighted the failing of the existing programs and confirmed farmers’ distrust of those programs.***
3. We believe that the success of the Federal Research and Promotion Programs has often been judged by consumer recognition of advertising slogans rather than its impact on sales of product and effect on farm families across the country through relevant research and promotion programs.
4. We believe that existing Check-off programs have not demonstrated that they contribute to keeping family farm producers in business. We continue to see declining farm numbers and increasing concentration in agriculture while these commodity research and promotion programs are in effect. ‘Got Milk?’, ‘The Incredible Edible Egg’, ‘Beef, It’s What’s for Dinner’ and ‘Pork, The Other White Meat’, to name a few, may be nice sounding promotional terms but producers legitimately ask, **“Who benefits from those slogans?”**
  - a. *Between 1992 and 2004, U.S. farms with hogs declined from over 240,000 to fewer than 70,000. Currently 20 pork entities produce 50 percent of all the hogs in the U.S. Very few independent hog producers remain in business and the market is dominated by the integrated meatpackers. The pork check-off fund will generate \$72 million in 2012. (Source: USDA)*
  - b. *The Wheat check-off was designed to increase wheat exports. Current wheat exports are below the 10-year average, with the wheat check off having been in place since 1980. (2011/2012 crop year exports are projected to be 27.9 million metric tonnes vs. the 10 year average of 28.3 million metric tonnes.) (Source: Wheat Growers Association)Export level in 1980 was 39.4 tonnes; in 2000 it was 27.3 tonnes*
  - c. *‘Beef, it’s what’s for Dinner,’ campaign. This advertising effort is funded by a \$1.00 per head check-off assessed every time a live animal changes hands. This checkoff program has been in effect since 1989 and millions of dollars have been “checked off” and millions spent on very creative advertising. What has happened to beef per capita consumption during the time of the campaign? Beef per capita consumption has declined from 88 pounds per person to less than 60 pounds today (USDA, ERS beef per capita consumption, boneless equivalent weight basis).*
  - d. *Since the start of the ‘Got Milk’ campaign in October 1993, the consumption of fluid milk has dropped year by year (per capita US consumption of fluid milk in 1993 was 24.37 gallons, in 2010*

*it was 20.69 gallons), as have the number of dairy farms (in 1993, there were 124,945 dairy farms but only 51,481 in 2011). (Source: USDA AMS)*

- e. *The “Incredible Edible Egg” campaign was started in 1977. Since then, consumption of eggs has declined. In 1987, there were around 2,500 operations with flocks of 75,000 hens or more. In 2012, there are 179 egg producing companies with flocks of 75,000 hens or more (Source: USDA AMS).*

**In summary, we do not think past Check off programs have been beneficial to farmers, and we are strongly opposed to initiating an organic Check off program. Organic farmers who are aware of the organic Check off proposed by OTA are overwhelmingly opposed to it. We urge you to resist OTA’s efforts to impose a Check off program on organic farmers.**

**Respectfully Submitted**

**Northeast Organic Dairy Producers Alliance (NODPA)**

**Northeast Organic Farming Assoc. of New York, Inc. (NOFA-NY)**

**Organic Farmers Agency for Relationship Marketing Inc. (OFARM)**

**Midwest Organic Dairy Producers Alliance (MODPA)**

**Food and Water Watch**

**Francis Thicke, dairy farmer and National Organic Standards Board member**