FINAL REPORT

SURVEY OF ORGANIC FEED GRAIN SUPPLY IN THE NORTHEAST REGION

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Survey of Northeast Organic Feed Grain Supply
Final Report

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Introduction

This document represents fulfillment of obligations defined in the Cooperative Agreement # 12-25-A-4113 (project #4297) between the Agricultural Marketing Service-USDA and Cornell University. The project was designed to assess the availability of organically certified feed grains for livestock production in the Northeast region. Data were collected using a mail survey. One survey was sent to farmers who grow organic grains for sale as livestock feeds and/or to feed in their own dairy farm operations and in other livestock enterprises. A second survey was sent to businesses that sell organic grains to dairy and livestock producers. The survey covered ME, VT, NH, MA, RI, CT, NY, NJ, DE and PA. Data from MD and WV are included in the survey covering the southern region of the US.

Methods

Farmer Survey

In order to gain a more complete picture of the organic feed grain supply in the Northeast, our farmer survey included certified livestock and dairy producers in addition to producers of organic grains. Many livestock and dairy farmers produce organic grains to feed their own animals, and we were concerned that these farmers might not appear on certifiers' lists of organic grain producters if they were not selling grains.

In order to identify farmers to be surveyed, we first compiled a list of 26 potentially relevant certifying organizations using information available from the USDA National Organic Program and the Organic Farming Research Foundation. We sent letters to these certifiers (see Appendix), both state-level and national programs, and followed up with phone calls to: 1) verify that they do currently certify grain, livestock, and/or dairy producers in the ten states we are studying (CT, DE, MA, ME, NH, NJ, NY, PA, RI, and VT); and 2) ask if they would be willing to go through their records, identify the grain, livestock and dairy producers, and send contact information to us. We offered each organization $50-$100 for their assistance, depending on the amount of time involved.

Of the 26 certifiers contacted, we determined that 13 organizations currently certify grain, livestock and/or dairy farmers in the Northeast (see Appendix). Every one of them was willing to share their lists of farmers. Through this process we identified 561 farmers for our survey.

Meanwhile, we drafted the survey instrument and sent it to three key contacts for their review: one organic grain farmer/processor active in a new NYS organization of organic grain growers; the Director of NOFA-NY; and an ex-farmer and current Education Director of NOFA-NY.

Reviewer feedback was incorporated in the final survey instrument (see Appendix). We also sent a copy of the survey to all 18 certifying organizations for their information.

Surveys were mailed to 561 Northeast producers in three batches between September 6 and September 30, 2002, along with a cover letter (see Appendix) and list of Cooperating Organizations. Follow-up postcards were mailed to non-respondents 2-3 weeks after their initial mailing.

Farmer Sample. Cooperating certifiers were able to identify most of the 561 Northeast producers in our sample as grains, dairy, and/or livestock producers. Livestock was defined to include poultry as well as beef, sheep, goats and other non-dairy animals. The breakdown of farmers in our sample by state and by product is shown in Table 1. The total of subcategories exceeds 561 (100%) because some producers are listed for multiple products.

Table 1. Farmers and Suppliers Surveyed

Breakdown of farmers surveyed* by state and type						**Suppliers surveyed,* breakdown by state**	
	Total	**Grain**	**Dairy**	**Livestock**	**Unidentified**		
CT	11	0	0	11	0	CT	1
DE	0	0	0	0	0	DE	0
MA	17	2	1	14	0	MA	1
ME	90	25	44	21	0	ME	1
NH	0	0	0	0	0	NH	0
NJ	17	4	0	11	2	NJ	0
NY	177	85	89	14	3	NY	14
PA	170	143	78	10	11	PA	10
RI	0	0	0	0	0	RI	0
VT	79	9	52	18	0	VT	8
Total	**561**	**268 (48%)**	**264 (47%)**	**99 (18%)**	**16 (3%)**	**Total**	**35**

*Includes non-respondents as well as respondents

Producers of organic grains, dairy and livestock are very unevenly distributed across the Northeast region. Grain production is concentrated heavily in New York and Pennsylvania, with very little production either to the north or south. Livestock and dairy operations are more widely distributed, however certifiers did not report any producers of organic grains, dairy or livestock in the states of Delaware, New Hampshire and Rhode Island.

Supplier Survey

Cooperating certifiers also identified 35 firms involved in buying and selling organic grains. We developed a separate survey instrument for these firms (see Appendix), and had it reviewed by an organic grain producer/processor. The supplier surveys were mailed out October 25. Follow-up letters and duplicate surveys were mailed to non-respondents two weeks later. Since some of these supply firms are farmer-owned, some farmers participated in both the farmer survey and the supplier survey.

The breakdown of organic grains supply firms in our sample by state is also shown in Table 1. The distribution of organic grain suppliers more or less parallels the distribution of organic livestock and dairy producers. The exception is Maine, which reported a large number of dairy and livestock farms but only one grain supply firm.

Results

Respondents

Of the 561 farmers who were sent surveys, 247 responded, for a response rate of 44%. Thirty-two responses were not useable for various reasons (did not in fact produce grains, livestock or dairy; missed survey deadline; quit farming; declined to participate; etc.) leaving 215 useable responses. Some farmers did not answer every question, so we have indicated the number of data points included in various calculations.

Twenty-seven of the 35 suppliers who were sent surveys responded, for a response rate of 77%. Ten of these indicated that they do not in fact sell grains for use as livestock feed, leaving 17 useable responses from confirmed organic feed grain suppliers. Again, some suppliers did not answer every question, so we have indicated the number of data points in calculations. Both farmer and supplier responses are summarized in Table 2.

Table 2. Response summary	Farmer survey	Supplier survey
Number of surveys sent	561	35
Number of responses	247	27
Response rate	44%	77%
Number of useable responses	215	17

Farmer respondents: producers and purchasers of organic feed grains. We received useable responses from 215 organic farmers. Of these respondents, 203 farmers (94%) are involved in raising livestock or dairy animals, as shown in Table 3. Eighty-three farmers (39%) produce organic feed grains, and 159 farmers (74%) purchase organic feed grains for their own livestock. Interestingly, 20 respondents (9%) raise certified organic animals but do not produce any grains, nor do they purchase any grains. These farmers are apparently feeding forage-only diets, including “grass-fed” meat producers and pasture-based dairy farms, some with seasonal milking.

Table 3. Respondents: Breakdown of purchasers and producers of organic feed grains

	Raise livestock or dairy		Do not raise livestock or dairy	Total
	Purchase organic feed grains	Do not purchase org. feed grains		
Produce organic feed grains	47 (22%)	24 (11%)	12 (6%)	83 (39%)
Do not produce organic feed grains	112 (52%)	20 (9%)	NA	132 (61%)
Subtotals	159 (74%)	44 (20%)	NA	NA
Total	203 (94%)		12 (6%)	215 (100%)

Distribution of producers, purchasers and suppliers by state. Table 4 shows the distribution of producers, purchasers and suppliers of organic feed grains among our respondents. This distribution is consistent with that of our overall sample (Table 1.)

Table 4. Respondents: Number of organic feed grain producers, purchasers, and suppliers by state

	Producers	Purchasers	Suppliers
CT	0	3	0
DE	0	0	0
MA	2	5	0
ME	6	35	0
NH	0	0	0
NJ	1	1	0
NY	41	48	7
PA	31	45	6
RI	0	0	0
VT	2	22	4
Total	**83**	**159**	**17**

Organic feed grain purchases

We asked farmers to estimate the number of tons of organic feed grains they will purchase in 2002, 2003, and 2004 (Table 5). Overall, 152 respondents projected purchases of 17,522 tons in 2002; 150 respondents projected 20,936 tons in 2003; and 145 respondents projected 22,748 tons in 2004. Although the different number of respondents for each year complicates the picture somewhat, this indicates an increase of at least 30% over two years. However, this increase largely reflects the plans of one very large farm, which is projecting a major expansion of its organic feed grain purchases. Without this expansion, there would be a 13% increase in purchases from survey respondents (from 17,522 tons to 19,748 tons).

Table 5. Projected purchases* of organic feed grains 2002-2004

	2002 Purchases			2003 Purchases			2004 Purchases		
	N	Average tons/farm	Total tons	N	Average tons/farm	Total tons	N	Average tons/farm	Total tons
Produce organic feed grains	44	98	4326	43	131	5,636	42	181	7,592
Do not produce organic feed grains	108	122	13196	107	143	15,300	103	147	15,156
Total	152	115	17522	150	140	20,936	145	157	22,748

*Among the 159 farmer-respondents who do purchase organic feed grains

Acres in Organic Production

Total organic crop acreage, 2002

Among the 83 producers of organic feed grains, the average organic acreage in 2002 was 289 acres per farm for all organic crops, for a total of 23,672 acres among respondents. This acreage includes pastures and crops other than grains.

Eight farms also raise some crops conventionally. These farms average 201 conventional acres per farm for all crops, for a total of 1610 conventional acres.

Thirteen farms reported acreage in transition to organic production. These farms average 100 transitional acres per farm for all crops, for a total of 1302 transitional acres. Eleven of these farms reported a total of 772 acres that will be certified in 2003; six farms reported an additional 530 acres that will be certified in 2004.

Organic feed grain acreage, 2002

Of the 83 producers of organic feed grains, 75 reported their 2002 acreage for each of 8 major crops, as shown in Table 6. The total organic feed grain acreage for all crops on these 75 farms is 6,453 acres. Corn is the most widely produced organic feed grain, with a total of 2,024 acres being grown by 52 farmers. As might be expected, there is significant variation in the number of crop acres among farms. For example, the smallest reported corn acreage was one-half acre; the largest, 300 acres. Five producers reported growing feed grain crops in addition to the 8 we listed for them. These include peas (2), buckwheat (3), sorghum (1), barley/oats/peas mix (1), and barley/pea mix (2).

Table 6. Organic feed grain acreage by crop, 2002

Grain	Number of producers	Percent of producers	Total acres	Average acres/farm	Median acres/farm	Standard deviation	Lowest acreage	Highest acreage
Corn	52	63%	2,024	38.9	24.5	47.1	0.5	300
Soybeans	28	34%	1,260	45.0	27.5	58.5	3	275
Oats	26	31%	626	24.1	20	17.0	3	75
Wheat	21	25%	793	37.8	20	39.9	1	160
Rye	14	17%	270	19.3	13.5	19.8	3	70
Triticale	4	5%	156	39.0	30	35.8	6	90
Spelt	16	19%	583	36.4	28	32.7	3	120
Barley	24	29%	621	25.9	17	23.1	2	80
Other	5	6%	120	24.0	26	16.6	6	40
Total N	75	NA	6,453	86.0	NA	NA	NA	NA

Acreage for on-farm feeding versus acreage for sale, 2002

We were interested in knowing how much organic feed grain is being produced for sale to other farmers versus how much is being fed to the growers' own livestock. Of our 83 confirmed organic feed grain producers, 76 provided information on the acreage devoted to each of these purposes, as shown in Table 7.

Fifty-four farmers reported growing organic grains for feeding their own livestock; while only thirty-two reported growing grains for sale as livestock feed. On the other hand, the total acreage being grown for sale (4,017 acres) is almost double the acreage being grown for on-

farm feeding (2,394 acres). This is consistent with the fact that there are almost twice as many purchasers of organic feed grains (159) as there are producers (83). Oats, barley and triticale are the exceptions, with more acreage being devoted to on-farm feeding than to sale.

Table 7. Acreage devoted to on-farm feeding versus for sale, 2002 (Total N = 76)

	Production for on-farm feeding			Production for sale as feed		
	Number of farms	Average acres/farm	Total acres	Number of farms	Average acres/farm	Total acres
Corn	39	25.4	989	19	54.2	1,029
Soy	11	18.9	208	18	58.4	1,052
Oats	20	17.5	349	10	27.7	277
Wheat	11	12.4	137	15	47.1	707
Barley	18	19.2	346	8	34.4	275
Rye	7	13	91	8	22.4	179
Triticale	4	22.8	91	1	65	65
Spelt	9	20.3	183	8	54.1	433
Total	**54**	**NA**	**2,394**	**32**	**NA**	**4,017**

Projected organic feed grain acreage, 2002-2004

We asked producers to estimate the acres of each crop they will plant in 2003 and 2004 for the purpose of feed grain production. Table 8 shows a projected **44% increase** in total feed grain acreage from 6,453 acres in 2002 to 9,309 acres in 2004. This increase exceeds the 1302 acres respondents reported as being in transition to organic production. Presumably their intention is to use land currently organically certified for the production of other crops or pasture, or to rent additional certifiable land to expand grain production.

Average acres per farm devoted to organic feed grain production is projected to increase from 86.0 acres in 2002 to 129.3 acres in 2004, a **50% increase**. Interestingly, these increases are projected to take place between 2002-2003, while acreage is projected to hold steady between 2003-2004. Note also that these projections are based solely on our sample of established feed grain producers, and do not account for the entry of new feed grain producers in 2003 and 2004.

Table 8. Projected organic feed grain acreage by crop, 2002-2004

	2002			2003			2004		
Grain	N	Total acres	Average acres	N	Total acres	Average acres	N	Total acres	Average acres
Corn	52	2,024	38.9	56	2,647	47.3	56	2,694	48.1
Soybeans	28	1,260	45.0	38	1,931	52.2	36	1,923	54.9
Oats	26	626	24.1	28	906	32.3	28	912	32.6
Wheat	21	793	37.8	26	1,285	49.4	28	1,317	47.0
Rye	14	270	19.3	15	201	13.4	15	250	16.6
Triticale	4	156	39.0	7	198	28.2	5	148	29.6
Spelt	16	583	36.4	18	700	41.2	19	785	43.6
Barley	24	621	25.9	27	1,006	38.7	27	963	37.0
Other	5	120	24.0	11	627	57.0	9	317	35.2
Total	**75**	**6,453**	**86.0**	**73**	**9,499**	**130.1**	**72**	**9,309**	**129.3**

Yield Results

Organic feed grain yields, 2000 - 2002

We asked producers to report their yields in bushels per acre for 2000 and 2001, and to estimate yields for 2002. The results are shown in Table 9.

Table 9. Organic feed grain yields, 2000-2002

	2000		2001		2002 Reported		2002 Calculated	
Grain	N	Average bu/acre	N	Average bu/acre	N	Average bu/acre	N	Average bu/acre
Corn	29	114.4	35	98.6	33	98.5	32	91.1
Soy	23	31.6	26	27.8	19	32.5	17	27.8
Oats	14	61.6	10	60.2	21	59.1	18	64.7
Wheat	7	53.6	11	39.5	17	47.7	12	41.2
Rye	4	37.5	8	37.8	9	36.2	8	34.3
Triticale	0	NA	1	40.0	3	54.0	2	45.0
Spelt	16	67.3	16	70.2	14	75.4	9	76.4
Barley	7	44.7	9	46.3	14	48.4	11	52.3
Total N	55	NA	52	NA	57	NA	57	NA

Note that the average yield figures for 2000, 2001 and for "2002 reported yields" are not weighted by acreage. That is, they were calculated by summing the average yields reported by all farms and dividing by the number of farms. In contrast, the "2002 calculated yields" take into account the number of acres over which each farmer's average yield was spread. That is, they were derived by first multiplying each farm's 2002 acreage for a given crop by its reported average yield, providing the number of bushels produced for each crop for each farm. These bushels were then summed across all farms for "total bushels produced," and then divided by the total acreage reported by all farms for that crop. In most but not all cases the calculated average yields are slightly below the average reported yields.

Yield variation. As with acreage, there is considerable variation in yields among organic feed grain producers. This variation is illustrated in Table 10 for 2002 yield data.

Table 10. Reported organic yields by crop, 2002

Grain	Number of producers	Average bu/acre	Median bu/acre	St deviation bu/acre	Lowest bu/acre	Highest bu/acre
Corn	33	98.5	100	43.3	20	200
Soy	19	32.5	30	12.1	10	60
Oats	21	59.1	64	23.8	10	90
Wheat	17	47.7	50	13.9	25	70
Rye	9	36.2	38	9.7	20	50
Triticale	3	54.0	60	12.2	40	62
Spelt	14	75.4	78	21.2	40	109
Barley	14	48.4	49	19.8	10	80
Total N	57	NA	NA	NA	NA	NA

Estimated total organic feed grain production, 2002

Using the calculated average yield figures and the total reported acres for each crop, we calculated the total bushels of each organic feed grain produced by the 75 farms that provided acreage data. Results are shown in Table 11. Corn production, at 184,386 bushels, accounts for 47% of the total 392,451 bushels produced in 2002.

Table 11. Total organic feed grain production, 2002

Grain	Calculated ave bu/acre	Total acres*	Total bushels
Corn	91.1	2,024	184,386
Soybeans	27.8	1,260	35,028
Oats	64.7	626	40,502
Wheat	41.2	793	32,672
Rye	34.3	270	9,261
Triticale	45.0	156	7,020
Spelt	76.4	583	44,503
Barley	52.3	621	32,478
Other**	55.0	120	6,600
Total	**NA**	**6,453**	**392,451**

*Reported by 75 farms
**Yield of "Other" is estimated at 55 bu/acre

Organic feed grain sales, 2002-2004

Seventeen suppliers reported the number of tons of each organic grain they expect to sell as feed in 2002, 2003, and 2004. Twelve of these suppliers also estimated the percentage of each grain crop that is grown in the Northeast, and the percentage that they sell in the Northeast. These percentages were used to calculate the results shown in Table 12.

Table 12. Suppliers: Organic feed grain sales by crop, 2002

Grain	Tons Sold in 2002	Percent of Total	Percent Grown NE	Tons Grown NE	Percent Sold NE	Tons Sold NE
Corn	17,257	60%	16%	2,761	96%	16,567
Soy	5,575	20%	24%	1,338	99%	5,519
Oats	570	2%	74%	422	94%	536
Wheat	1,051	4%	63%	662	95%	999
Barley	1,289	5%	37%	477	98%	1,263
Rye	26	0.1%	0%	0	0%	0
Triticale	346	1.2%	100%	346	100%	346
Spelt	119	0.4%	100%	119	100%	119
Other	2,354	8%	4%	94	100%	2,354
Total	**28,586**	**100%**	**21%**	**6,003**	**97%**	**27,728**

Again, corn is by far the predominant feed grain sold by suppliers in the Northeast, accounting for 60% of tons sold in 2002. Overall, 21% of the organic feed grain sold in the Northeast is produced in the Northeast. However, most of the small grains sold *are* produced in the region. Comments provided by both farmers and suppliers suggest that Canada is the primary source of grains produced outside the region. Not surprisingly, almost all (97%) of the organic feed grain sold in the Northeast is sold to buyers in the Northeast.

As shown in Table 13, there is considerable variability in the volume of organic feed grain sales among suppliers in the Northeast. Projected sales for 2002 range from 1.25 tons to 8,483 tons. Most suppliers expect to increase their sales volume over the next two years, particularly in 2003. Overall, suppliers project a 39% increase in sales of organic feed grains over the next two years, from 28,586 tons in 2002 to 39,858 tons in 2004.

Table 13. Suppliers: Projected organic feed grain sales, 2002-2004

	Total tons sold in 2002	Total tons will sell in 2003	Total tons will sell in 2004
Total	28,586	35,489	39,858
Average	1,682	2,088	2,345
Median	587	650	650
STDEV	2,373	2,860	3,297
Min	1.25	1.25	1.25
Max	8,483	10,100	12,019

Farmer-owned versus nonfarmer-owned supply firms. Table 14 compares farmer-owned organic feed grain supply firms to nonfarmer-owned firms. Farmer-owned firms outnumber nonfarmer-owned 10 to 7, but they account for less than half the total volume of organic feed grains sales. Most farmer-owned firms sell 100% Northeast-produced grains, while the larger, nonfarmer-owned firms are selling mostly grains imported from outside the region.

Table 14. Suppliers: Organic feed grain sales by farmer-owned versus nonfarmer-owned firms

	Farmer Owned	Non-farmer Owned	Total
Number of firms	10	7	17
Total tons sold	8,686	19,900	28,586
Percent of total sales	30%	70%	100%
Average tons sold per firm	869	2,843	1,682
Median tons sold per firm	115	1300	587
Average % of firm's sales grown NE	82%	21%	66%
Median % of firm's sales grown NE	100%	12%	33%

Producers' and suppliers' perceptions of the organic feed grain supply in the Northeast

Producers' perceptions

Organic feed grain producers were asked: "Please describe any specific challenges you face or anticipate over the next 2-3 years in producing or marketing your organic feed grain crops, or in fulfilling your own livestock's requirements for organic feeds." Fifty-six producers responded with comments, which are summarized in Table 16.

Table 16. Producers: Challenges in producing or marketing organic feed grains

Type of challenge	Number reporting
Supply challenges Price of organic feed grains (4) Availability of organic feed grains (1)	**5**
Marketing challenges Finding good buyers (6) Other (2)	**8**
Production challenges Weather (12) Weeds (11) Availability of land (5) Finding/paying for certified seed (5) Equipment needs (4) Soil fertility (3) Storage facilities (3) Other (7)	**30**

Challenges relating to the supply of organic feed grains. Only 5 producers reported having or anticipating any challenges relating to the supply of organic feed grains. Of these, four related to price. Several producers explicitly denied having or anticipating any problems with the supply of organic feed grains. All of the comments we received from producers relating to availability and/or price of organic feed grains are provided below:

> "Availability of clean organic grain at a competitive price (is a challenge)" (PA)

> "We've never had trouble locating organic grain, but we have trouble justifying the high cost. We receive a premium for our organic milk, but not enough to purchase much additional grain. Why aren't we purchasing more grain with our lower expected yields? Luckily we have carryover from last year." (NY)

> "We have been producing organic dairy for five years and have been through other years of "organic crop shortage" yet have always been able to find the feed to meet our animals' needs with 100% organic feeds. The price of grain increases in short years but that is as it should be." (NY)

> "I can always find organic grain whenever I need it. I don't sell any crops off the farm, and I don't believe there will ever be a shortage of organic grain. We don't need these huge factory farms that are claiming they can't find enough organic

feed, they are only trying to put us small family farms out of organic business. I would like to have a reply with your comments on this concern. Thank you." (PA)

"If the organic grain market prices remain steady, we would probably prefer to buy the grain needed for the 40-45 cow dairy herd. We would then have more acres available for grazing and to make hay and haylage." (PA)

"Last winter I had a hard time finding hay. This winter I have enough hay on hand or close. Any average year I should have corn. I could always get from XX… (supply company) …if I'm willing to pay their price." (PA)

Challenges in marketing organic feed grains. Eight producers reported having or anticipating challenges in marketing their organic feed grains. All of the comments we received from producers relating to marketing are provided below:

"Finding buyers for the crops we grow (is a challenge)." (PA)

"Sometimes hard to find a good market." (NY)

"We still have a marketing problem. Need to find more and better markets." (NY)

"New regulations and certification fees are getting too! high to justify if prices fall. Prices need to be double conventional to justify effort to do organic. This year September conventional wheat soared past organic prices at harvest. Buyers have to set prices earlier. We need mills that will bank crops so growers can share risk and gains in the market ups and downs." (PA)

"I think we need some competition in the wheat business so we can get our money for sure." (PA)

"The biggest problem I see is making the connections with the farmers that have feed to the ones that need it. Some kind of publication or newsletter, maybe. The Amish don't have internet. The mills want to buy cheap and sell high." (PA)

"Poor economic conditions whereas consumers will not be able to purchase organic foods…" (NY)

"Better service… (is needed) …from mills in local area to better use grain wisely -- feed testing and balancing rations, etc." (ME)

"We plan to open a feed mill in the fall 2003 to market processed organic feeds." (ME)

"I do not foresee any cultural or market impediments." (NJ)

"I do not believe marketing and selling any organic products is difficult." (NY)

Suppliers' perceptions

Three out of four suppliers of organic feed grains report that they have not experienced any significant problems in meeting the demand for organic grains for livestock feed in the past two years (Table 15.) Three out of four do not anticipate any problems in meeting the demand for 2003-2004. Those that have experienced problems cited insufficient product availability; some related this to recent drought. Those anticipating problems cite price, drought, and "not enough."

Table 15. Suppliers: Perceptions of supply problems	
Has your firm had any significant problems in the past two years in meeting the demand for organic grains for livestock feed ?	No -- 12 Yes -- 4
Do you anticipate any problems in meeting the demand for organic grains for livestock feed in 2003 and/or 2004?	No -- 10 Yes -- 5

> "The most consistent, quality certified organic grain supply we have found is… (XX Company) …in Ontario, Canada. Our feed business has grown the organic grain portion of the business by 20-30% each month! We started selling organic grain in June 2001, and after comparing all other options for suppliers, settled on XX based on their products' form, formulations, labeling, etc. Farmers and families have had excellent results with their harvests of chickens, turkeys, ducks, goose, lamb, beef, pork, eggs, rabbits and organic manure to compost their vegetable and berry gardens! Customers also buy horse and dog food from us as well as some human grains." (VT)
>
> "Organic hay and forage is going to be just as important a concern for many farmers this winter and spring of 2003." (PA)
>
> "We are primarily a small flour mill and this feed comes from milling and cleaning scraps." (PA)
>
> "Due to the fact that the federal land grant colleges (i.e. Cornell) promote chemical agriculture, I can't convince any of my neighbors to farm organically. I only buy from one farmer in XX County. The others are afraid because they don't know how to farm without chemicals!" (NY)
>
> "Drought of 2002 was severe. Corn and soybean yields were about half or less." (NY)
>
> "We always have people calling for grain. We never have enough corn." (NY)
>
> "We try to source first from New York organic farmers, but when that supply is exhausted or when we need products they do not produce, we have not had problems finding timely supply in other US areas. (NY)
>
> "Our farm will be selling organic "bag" grain in the future for small producers in our state… I am very concerned with our local organic supplier's approach to the organic industry. Most of his raw product comes from Canada and he has said he doesn't care what his ingredients are or where they come from as long as they have a set of "papers with them." I feel that there is a definite loophole in the organic feed industry that needs to be closed. The volume of organic grains coming out of Canada is about ten times what we think they can produce. So I suspect they are slapping organic certification papers on conventional grain. We will probably buy local certified ingredients and process with a mixer-grinder to finish our animals, and distribute bag feed from a "reputable" out-of-state processor." (VT)

We close with the following comments, provided by a New York producer/processor who has been a leader in the development of organic grain and dairy farming in the region:

“We have long had a problem finding a market for all of the organic feed grains that New York farmers could produce. Because of this, most NY grain farmers grow all the food grade crops that they can. With the growth of organic dairy in the Northeast, demand has finally grown to meet the supply. Recent severe droughts in 1999, 2001 and 2002, along with cold and wet in 2000, have depressed production markedly. If normal weather returns, we’ll see much larger organic grain supplies.

Cheap imports are a growing threat to organic markets and prices in the entire USA…. We are finding that cheaper Canadian organic feed has displaced most of the American grain that used to be sold in New England. Massive amounts of Chinese organic feed grade soybeans are being sold into Europe and this is reducing the export market that North America used to supply. Brazil, Argentina and China will need to rotate feed grains with their soybean crops and will need to find markets for this grain.”

Much of the crops destined for human food grade actually ends up in the animal feed market – small grains that are low test weight or low protein, flaxseed meal, small soybeans, oats that don’t make oatmeal grade due to poor color or weight, dry bean splits, off-grade peas… These may be hard to count but they contribute significantly to feed supplies.”

“We see the demand increasing sharply as Dairylea brings more dairy farms into transition. We feel strongly that there should be more support and encouragement for crop farmers in the Northeast to produce greater quantities of organic feed grains. The development of the regional supply must be better linked to the increasing demand. And the best way to do that is through education and development of organic and potentially organic crop farms in the Northeast.”

Appendix

Letter to Certifiers

List of Cooperating Organizations

Farmer Cover Letter

Farmer Survey Instrument

Supplier Cover Letter

Suppliers Survey Instrument

August 23, 2002

To: Certifying Organizations for Organic Farms

From: R. David Smith

Re: Survey of Organic Feed Grain Supply in the Northeast US

Cornell University has contracted with USDA's Agricultural Marketing Service to conduct a survey of the availability of organically grown feed grains for livestock production in 10 Northeast states. USDA-AMS is collecting this information as part of its work to address a requirement in the 2002 Farm Bill. The requirement is for the Secretary of Agriculture to undertake efforts to assure that there are no undue barriers to farmers' entry into the production of organic crops and animal products.

One of the ways USDA is seeking to comply with this requirement is to conduct a nationwide survey of organic feed grain produced in 2002 as well as the amount projected for production in 2003 and 2004. These data will assist in assuring there is an adequate feed grain supply for farmers who wish to engage in the production of organic livestock and dairy products. We and USDA will be sharing this information with you, and others who have an interest at the end of the study.

It is our intent to gather the information using a very brief mail survey. Farmers and possibly feed grain brokers and processors will complete the survey during the fall and early winter of 2002. Depending upon the response rate, we may utilize telephone interviews as well. The project, including summarizing the data for the Northeast region, must be completed by the end of 2002.

I am writing to seek your assistance and possibly your collaboration in this project. One of our first tasks is to develop a list of farmers (feed grain growers, dairy farmers and livestock producers) and grain buyers whom we could invite to participate in the survey. We hope that you would be willing to help us develop that list individuals and their mailing addresses, phone numbers and other pertinent contact information. Responses from survey participants will be confidential, as will the contact information of the participants should you share this information with us.

Joanna Green will be contacting you by phone early next week (August 26-27) to discuss the project in more detail, to explore your interest is assisting us and to seek comments on the project as well as any ideas or advice you might offer to ensure our success.

Thanks in advance for your time, consideration of this project and, hopefully, for your assistance and collaboration in its successful conclusion. Joanna and I look forward to your response and to the possibility of working with you to carry out the project.

If you have questions or need additional information, Joanna will be able to provide that when she calls. You may also contact me (607-255-7286 or rds4@cornell.edu) or Joanna (607-255-7229 or jg16@cornell.edu.)

cc: Joanna Green
Anu Rangarajan, NEON

Survey of Northeast Organic Feed Grain Supply

Cooperating Organizations

We would like to thank the organizations and certification programs that are cooperating in this study of the supply of organic feed grains in the Northeast. As of September 10, 2002, cooperators include:

Demeter Association*

Farm Verified Organic/ International Certification Services*

Global Organic Alliance*

Massachusetts Independent Certification*

MOFGA Certification Services LLC.*

New Hampshire Dept. of Ag. & Markets

New York Certified Organic

Northeast Organic Farming Association of Connecticut*

Northeast Organic Farming Association of New Jersey*

Northeast Organic Farming Association of New York

Northeast Organic Farming Association of Vermont

NOFA-NY Certified Organic LLC*

Organic Crop Improvement Association International*

Oregon Tilth Certified Organic*

Pennsylvania Certified Organic*

Stellar Certification Services*

Vermont Organic Farms*

*Confirmed certifiers of organic livestock, dairy and/or grain producers in the Northeast

FARMER COVER LETTER

«First_Name» «Last_Name»
«BusinessOrganization»
«Street_Address»
«City», «State» «Zip_Code»

September 13, 2002

Dear «First_Name» «Last_Name»:

We would greatly appreciate your assistance in completing the enclosed survey. As you are probably aware, the National Organic Program will come into effect in October 2002. The 2002 Farm Security and Rural Investment Act requires that a study be conducted to examine the supply of organic feed grains to ensure that there are no impediments to the adoption of organic animal production. USDA's Agricultural Marketing Service has therefore contracted with Cornell University to survey producers in the region in order to determine the anticipated supply of organic feeds for the next three years.

Your name was provided to us by one of the many organic certifying organizations cooperating in this study. Certifiers are also interested in documenting the extent of organic feed grain production in the region. As Sarah Johnston of NOFA-NY says, "This study is extremely important to the organic industry and to the integrity of the organic standards. We are hoping that every producer of organic feed grain takes the time to fill out the survey."

Please be assured that all information will be kept strictly confidential and only aggregated data without reference to individual sources will be sent to the USDA. This survey should take approximately 10-15 minutes and can be returned in the enclosed, self-addressed, stamped envelope. As the information requested is time sensitive, **please complete and return the survey no later than September 27, 2002.** If you do not produce organic grain for livestock feed, please answer question 1 and 2 only, and return the survey so that we have that information for our records.

Your assistance with this brief survey is greatly appreciated. We wish that we did not have to ask for your help in such a busy time of year, however we have been given only a short time in which to complete the study. Many thanks on behalf of the USDA Agricultural Marketing Service, Cornell University and cooperating certifying organizations. Should you have any questions in completing this survey, please do not hesitate to contact me (at 607-255-7286 or rds4@cornell.edu) or Joanna Green (at 607-255-7229 or jg16@cornell.edu.)

Sincerely,

R. David Smith
CALS Professor of Agricultural and Food System Sustainability

Survey of Northeast Organic Feed Grain Supply

Cornell University, USDA Agricultural Marketing Service,
and Cooperating Organizations

We appreciate your taking the time to complete this questionnaire. Your answers will help us better understand the anticipated supply of organic feed grains in the Northeast. Please circle your response and/or fill in the blank where requested. All information will be kept confidential -- only aggregate data will be sent to USDA. Please return in self-addressed envelope by **September 27**. Thank you for your help!

1. Do you **purchase** any certified organic grains to feed to your own livestock? (Circle one)
   Yes No NA – I do not raise any livestock

   If yes, what is your best estimate of the total number of tons of all certified organic grains that you will **need to purchase** in 2002, 2003, and 2004 to feed to your own livestock?

   2002: _____tons 2003: _____tons 2004: _____tons

2. Do you **produce** certified organic grains for use as **feed** for dairy animals, poultry or other livestock on your own farm, or for sale to others for livestock feed? (Circle one)

   Yes Please go on to Question 3.
   No Stop here. Please return this questionnaire in the envelope provided. Thank you!

3. How many **total crop acres** (all crops) are you farming in 2002?

   Organic: ____acres Conventional: _____acres Transitional: _____ acres

   If you have acreage in transition to organic, how many acres will become certifiable for the first time in 2003? _____ acres In 2004? _____ acres

4. Of the **feed grain acreage** you are producing in 2002, how many acres are in each of the following categories?

Grains for livestock feed	**Number of certified organic acres**			**Number of non-organic acres (conventional, transitional)**
	To feed your own livestock (approx)	**To be sold for feed (approx)**	**Total organic acres**	
Corn				
Soybeans				
Oats				
Wheat				
Barley				
Rye				
Triticale				
Spelt				
Other (what?)				

5. What were your **average yields** for each **organic** feed grain crop in 2000 and 2001? What are your actual or expected yields for 2002?

Organic feed grain	Bushels per acre		
	2000	2001	2002
Corn			
Soybeans			
Oats			
Wheat			
Wntr wheat			

Organic feed grain	Bushels per acre		
	2000	2001	2002
Rye			
Triticale			
Spelt			
Barley			
Other (What?)			

6. How many **organic acres** of each **feed grain** crop do you plan to farm in 2003 and 2004?

Organic feed grain	Number of acres planned	
	2003	2004
Corn		
Soybeans		
Oats		
Wheat		
Wntr wheat		

Organic feed grain	Number of acres planned	
	2003	2004
Rye		
Triticale		
Spelt		
Barley		
Other (What?)		

7. In addition to the acreage you are *planning* to use for organic feed grain production in Question 5, please estimate the number of **additional potential acres** that could be available to you for certified organic feed grain production in 2003 and 2004.

   Additional 2003 acres: _____ Additional 2004 acres: _____

8. Please describe any specific challenges you face or anticipate over the next 2-3 years in producing or marketing your organic feed grain crops, or in fulfilling your own livestock's requirements for organic feeds:

_____
_____
_____
_____
_____

We appreciate your taking the time to complete this questionnaire. Please return the survey in the self-addressed envelope. Thank You!

David Smith (607-255-7286) and Joanna Green (607-255-7229)
162 Morrison Hall, Cornell University, Ithaca, NY 14853

SUPPLIER COVER LETTER

Name
Business
Address
City, State, Zip

October 25, 2002

Dear Name:

As part of a national study of the supply of organic feed grains, we are conducting a survey of **businesses that sell organic grains for use as livestock feed** in the Northeast. The name of your business was provided by one of the many organic certifying organizations cooperating with us in this study. (If in fact you do not sell any organic grain for use as livestock feed, please answer question 1 only, and return the survey so that we have that information for our records. Thanks.)

Why are we doing this study? As you are aware, the National Organic Standards have just come into effect this month. The 2002 Farm Security and Rural Investment Act requires that a study be conducted to examine the supply of organic feed grains to ensure that there are no impediments to the adoption of organic animal production. USDA's Agricultural Marketing Service has therefore contracted with Cornell University to survey producers and suppliers in the region in order to determine the anticipated supply of organic feeds for the next three years.

Earlier this fall we surveyed farmers who produce organic grains. If you are a farmer as well as a grains supplier, you may have already completed our farmer survey. (Thank you!). We would like to ask that you complete this short survey as well, since it will provide additional information about the supply of organic feed grains in our region.

Please be assured that all information will be kept strictly confidential and only aggregated data without reference to individual sources will be sent to the USDA. This survey should take approximately 5-10 minutes and can be returned in the enclosed, self-addressed, stamped envelope. As the information requested is time sensitive, **please complete and return the survey by November 10, 2002.**

Your help is greatly appreciated. Many thanks on behalf of the USDA Agricultural Marketing Service, Cornell University and cooperating certifying organizations. Should you have any questions, please don't hesitate to contact me (at 607-255-7286 or rds4@cornell.edu) or Joanna Green (at 607-255-7229 or jg16@cornell.edu.)

Sincerely,

R. David Smith
CALS Professor of Agricultural and Food System Sustainability

Survey No. _____

Suppliers Survey

Survey of Northeast Organic Feed Grain Supply

Cornell University, USDA Agricultural Marketing Service,
and Cooperating Organizations

We appreciate your taking the time to complete this questionnaire. Your answers will help us better understand the anticipated supply of organic feed grains in the Northeast. Please circle your response and/or fill in the blank where requested. All information will be kept confidential -- only aggregate data will be sent to USDA. Please return in self-addressed envelope by **November 10.** Thank you very much!

1. Does your firm **sell** organic grains or grain products for use as **livestock feed**? (This includes feed-grade byproducts of soybeans and grains otherwise intended for human consumption.) Circle one:

   Yes No

2. Does a farmer or farm family own this firm?

   Yes No

3. Approximately how many tons of each of the following organic grains will your firm sell in the form of **livestock feed** in 2002? Also, please estimate the percentage of each crop that is grown, and sold, in the Northeast region (CT, DE, MA, ME, NH, NJ, NY, PA, RI, VT)

Organic grain	**Tons sold as livestock feed 2002** (Do not include sales for human consumption)	**Approximate percent grown in Northeast**	**Approximate percent sold to Northeast buyers**
Corn			
Soybeans			
Oats			
Wheat			
Barley			
Rye			
Triticale			
Spelt			
Other (what?)			
Total Tons Sold			

4. How many total tons of organic grains do you expect to sell as **livestock feed** in…

   2003: _____ total tons 2004: _____ total tons

5. Has your firm had any significant problems in the past two years in meeting the demand for organic grains for **livestock feed**? (Circle one)
   No
   Yes If yes, please describe:

6. Do you anticipate any problems in meeting the demand for organic grains for **livestock feed** in 2003 and/or 2004?
   No
   Yes If yes, please describe:

Are there any other comments you would like to share with us?

We appreciate your taking the time to complete this questionnaire. Please return it in the self-addressed envelope. Thank You!

David Smith (607-255-7286) and Joanna Green (607-255-7229)
162 Morrison Hall, Cornell University, Ithaca, NY 14853