

Statement of

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Committee on Agriculture

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Chairwoman Stabenow, and Ranking Member Roberts, I am Kristen Holt, President of Quality Assurance International (QAI) and Senior Vice-President of Food Safety and Quality at NSF International (Appendix 1). Today, I am testifying on behalf of the more than 6,500 certified organic operations represented by the Organic Trade Association (Appendix 2), where I serve as Treasurer-elect of the Board of Directors. Thank you for the opportunity to provide testimony regarding the opportunities for growth in the organic agricultural sector in Michigan and across the country in preparation for the upcoming reauthorization of the Farm Bill.

NSF international is an independent, not-for-profit organization that develops standards, certifies products, and provides testing, auditing, education and risk management to improve public health and safety. NSF employs more than 1,000 scientists, engineers, and environmental and public health professionals worldwide. NSF employs more than 460 people in the state of Michigan and was founded at the University of Michigan, School of Public Health, in 1944. NSF acquired QAI, Inc. (Quality Assurance International), a pioneer in organic certification, in 2004. QAI is accredited by the U. S. Department of Agriculture (USDA) to the National Organic Program (NOP). As a leading certifier in the United States, QAI takes seriously its role of verifying that the standards of the National Organic Program are being met from the farm to the consumer , so consumers know when they purchase organic products, they are getting a product that meets the strict standards that require crops be grown without toxic and persistent pesticides, that animal are raised in humane conditions, and that food is processed without the use of unapproved synthetic additives. QAI is an important part of NSF's

public health mission because of the positive impact organic agriculture has on the environment and public health. QAI certifies approximately 1,700 organic operations, mostly in the United States,, and has grown by 70% since it was acquired by NSF. QAI certified more than 60,000 organic products in 2010.

Profile of the Organic Agriculture and Products Industry

QAI has experienced steady growth as the organic industry has continued to expand in response to growing consumer demand. Organic remains the fastest-growing segment of the food industry at more than 18% average growth rate from 1997-2008. Organic agriculture was a \$29 billion industry in 2010, and the sector grew by 8% compared to less than 1% growth for the food industry as a whole¹. The latest data indicate that 96% of organic operations nationwide are planning to maintain or increase employment levels in 2011, four times the rate of the economy as a whole². While the worst economic downturn in 80 years affected Michigan and the nation, the organic industry continued to grow and prosper, hiring employees, adding farmers, and increasing revenue during the recession.

Ag Census data show U.S. organic farms have higher sales, higher production expenses, and higher operating profit than the average for all U.S. farms, creating real opportunity for rural economic livelihood. The organic industry supports 14,540 organic farms and ranches across the country. A total of 4.1 million acres of land are currently in organic management, and there are organic farms in all 50 states. In Michigan, there are 460

¹ Organic trade Association 2011 Organic Industry Survey

² Manpower Employment Outlook Survey, March 2011

certified organic operations (Appendix 3) with farm-gate sales of over \$71 million per year. Michigan ranks 11th in the country in organic output, with a 16% growth rate from 2005 to 2008.³ There are 68,000 acres under organic cultivation in the state. All this positive data indicate that the organic sector will continue to play a contributing role in revitalizing Michigan's—and America's—rural economy through diversity in agriculture.

The U.S. Department of Agriculture has set an agency-wide strategic goal of increasing the number of certified organic operations by 25%, and Michigan is well-suited to take full advantage of the economic, environmental and public benefit of meeting this goal. With a 40:1 return on investment from the programs geared towards the organic sector in the 2008 Farm Bill, organic agriculture is a priority with a strong track record (Appendix 4). Policies and programs set forth in the 2012 Farm Bill will, in large part, determine how widely the positive impact of organic agriculture will be felt in rural America.

Organic Agriculture and the 2008 Farm Bill – What's working and what needs improvement for 2012

There is a critical set of national programs that works synergistically to provide the research, information, and regulatory oversight so that the organic industry can flourish. The 2008 Farm Bill contained several organic provisions that have proven vital to the organic industry. Increased funding for the National Organic Program to promulgate and enforce rules, providing more organic production and market data, increased funding for

³ 2001 Census of Agriculture: Organic Production Survey (2008). USDA, National Agricultural Statistics Service, Washington, D.C.

organic production research, and assisting in the conversion to organic farming have all contributed to the growth of the organic sector and the economic, conservation and public health benefit that accompany that growth. The high return on investment from these programs is a good investment for taxpayers. Additionally, advancements in conservation program compatibility with organic production and the availability of crop insurance products were made in the last Farm Bill. These advancements in the 2008 Farm Bill proved Congress' support for America's organic industry. This modest support for organic agriculture, of 125 million dollars in mandatory funding, over five years, was the first step and a modest down-payment on future innovations in agriculture that have already demonstrated an impressive rate of return of 40:1 (Appendix 4).

It is crucial for the health of the organic sector, rural livelihoods and agriculture as a whole that these modest building blocks in a promising, growing sector continue beyond 2012. We should optimize these programs and policies, and provide the tools necessary for more farmers to take advantage of all the organic sector offers so that our U.S. farmers can thrive and maintain their global competitiveness.

National Organic Program



Protecting the integrity of the USDA Organic Label is the highest policy priority for the organic sector. The authorized funding for the National Organic Program (NOP) has resulted in better compliance and enforcement of the standard globally. However, there is

still significant work to be done to institute a regulatory framework appropriate to a 29 billion-dollar-a-year industry. A strong NOP and trustworthy USDA Organic label are the backbone of the entire sector, and changes that move the industry backward rather than forward will place the future growth and health of this sector at risk. NOP enforces the national organic standards, accredits certifiers, develops equivalency agreements, and handles complaints – in essence, NOP ensures the integrity of the Organic seal. Funded through the annual agricultural appropriations process, NOP performs regulatory oversight of the organic label and ensures that consumers are getting what they expect and pay for when they choose foods with this label. These are essential functions to the survival and growth of the organic sector.

Staffing the National Organic Program at sufficient levels to carry out the intentions of Congress to regulate the organic industry is very important. The USDA Inspector General released a report in May 2010 pointing out the need to improve consistent interpretations of regulations, enforce regulations by accredited certifiers and the National Organic Program, and carry out timely investigations and rulings on potential violations. The organic industry depends on the integrity of the organic label for its market livelihood, and supports strong and consistent enforcement of the organic regulations. Additionally, the Organic Trade Association's membership has indicated that a lack of consistency of organic regulation enforcement has created problems across the entire organic supply-chain. QAI concurs that adequate resources must be provided to NOP to deliver this mandate. QAI's commitment to the strict enforcement of the standard must not create a competitive disadvantage for our clients. Regardless of where the food is produced, all

foods labeled as organic and sold in the United States must be certified to the NOP standards in a consistent manner. Currently, there are 53 domestic certifiers accredited by USDA-NOP and 41 foreign certifiers accredited by USDA-NOP to verify the requirements of the U.S. organic standards. Maintaining a level playing field in a global regulatory program such as the National Organic Program requires adequate resources for oversight of foreign accredited certifiers. Otherwise, the U.S. sector stands to lose a competitive advantage. Because of the resources made available in the 2008 Farm Bill, the National Organic Program is better prepared to handle issues that arise regarding organic violations, and is improving in the areas recommended by the Inspector General's Report, including consistent oversight of accredited certifiers.

However, the annual budget for the National Organic Program still does not meet the need of this growing sector. The program has demonstrated its competence and ability to institute quality systems, but, at this point, it is a straight-forward resource issue.

Adequate funding needs to be allocated and provided consistently over time to ensure market stability for on-going capital investment and continued growth, to create opportunity for entry by new and beginning farmers. This stable investment in organic creates trust in the organic seal and perpetuates growth in this thriving sector.

Organic Data Initiatives

The 2008 Farm Bill provided a small but significant initiative to fund basic USDA data collection on the organic sector. The Economic Research Service, the National Agricultural Statistics Service, and the Agricultural Marketing Service all collaborate on

this data collection initiative. Organic Data Initiatives (ODI) received \$5 million mandatory in the last Farm Bill, with an additional \$5 million authorized for each fiscal year through FY2012. Activities funded include the 2008 Organic Production Survey, the first-ever comprehensive survey of organic agriculture in the U.S.; economic reports; and price reporting for organic commodities. Data collection that is on par with the services provided to conventional producers must continue for organic agriculture, but the notion of one-time funding for data is insufficient. To NSF, or any business in America, data are critical to strategic planning, measuring what works and what doesn't and identifying and quantifying both opportunity and investment. But business or sector data are only valuable when provided on an ongoing basis and repeated over time.

As with agriculture as a whole and as a nation, we have decided this is an appropriate role for government, through the Ag Census and other means to provide critical data to the agricultural sector. This expanded data collection has proven invaluable for the organic industry by stabilizing prices, and helping businesses understand the value of organic products around the country. The Department of Agriculture does not have funding in place to repeat this critical survey as a regular follow-on to the Ag census. Providing consistent availability of current data is an area that could be improved upon in the upcoming Farm Bill.

Organic Research

Support for organic research was expanded in the 2008 Farm Bill to provide more grants to universities and other research institutions for organic production development. Continued research for organic production helps to increase farmers' income, provide

necessary tools to beginning farmers, and benefits both conventional and organic agriculture. Administered by USDA's National Institute of Food and Agriculture, the Organic Research and Extension Initiative (OREI) is USDA's flagship competitive grants program dedicated to organic research and extension activities. OREI funds research projects on organic agricultural systems ranging from improving weed management and developing organic seed to enhancing environmental sustainability and carbon sequestration on organic farms. The program is very competitive, and each year funds only a small percentage of eligible proposals.

Michigan State University received six awards totaling \$3,096,222 granted through USDA's Organic Research and Extension Initiative, making Michigan State the second largest recipient of OREI grants. Professor Scott Swinton of the Food Agriculture and Resource Economics at Michigan State and a recipient of OREI grants states that conventional farmers learn from organic farmers, borrow techniques they see as successful, and his surveys indicate taxpayers would be willing to pay additional dollars each year to support agriculture that is beneficial and less intensive. In order for Michigan to continue to lead the way in agricultural innovation, the 2012 Farm Bill must be based on the principle that research is a long-term strategic commitment worthy of sustained funding.

National Organic Certification Cost-Share Program

The 2008 Farm Bill also expanded the National Organic Certification Cost-Share Program to be funded at \$22 million over the life of the Farm Bill, providing organic

operations with 75% of the cost of annual inspections, up to \$750 per certification?. This low level of annual assistance reduces the cost burden of certification, which can be a long, expensive process, especially for small farmers, and helps eliminate a primary barrier for beginning farmers who want to enter the agricultural sector. Organic provides an attractive entry point for new farmers because the sector is growing faster and more profitable than non-organic farming. The National Organic Certification Cost-Share Program provides a way for these new farmers to enter this market.

The program has received due criticism in terms of effective implementation since 2008, but, in the last year, USDA, through dedicated staffing to administer the grants, has greatly improved cooperation with the State Departments of Agriculture, and overall program utilization, although administrative and state-level resource constraints still exist. Currently, 25% of Michigan's certified organic operations participate in the cost-share program. When OTA polls its members, the cost-share program consistently ranks high in effectiveness, especially among smaller members. Eliminating this program in 2012 would result in fewer organic farmers.

Organic Agriculture in Conservation Programs

In the 2008 Farm Bill, Congress recognized, that conservation programs should work hand-in-hand with the organic industry because by definition, organic farming improves the health of the farmland. A new provision was established, known as the Environmental Quality Incentive Program (EQIP). EQIP provides assistance of up to \$20,000 per year for a maximum of six years or \$80,000, to producers for conservation practices related to organic production as long as they are pursuing or meeting the requirements for organic

certification. This is the only program design to assist farmers in the transition to organic production practices.

The 2008 Farm Bill also allows exceptions to the Conservation Reserve Program (CRP) for new, socially disadvantaged farmers to begin the organic transition process

While mired in early complaints regarding implementation on the farm, the program's reputation in the field is improving. Recent programs such as season extended, soil conserving, and acreage utilization high-tunnel green houses have been very well received, especially by small farmers. In fact, Michigan again has been a leader through Michigan State University research into integration of "Organic Strategies and High Tunnels in Great Lakes Fruit Production," demonstrating the on-farm relevance of the program here in Michigan.

Crop Insurance

The 2008 Farm Bill mandated that the Federal Crop Insurance Corporation (FCIC) enter into one or more contracts to review the underwriting risk and loss experience of organic crops to determine the variation in loss history between organic and non-organic crops. This direction was intended to address the inequities in crop insurance that charge organic producers a 5% premium without a commensurate value-added price election. FCIC was directed to eliminate the premium surcharge for organic crop insurance, unless the review documented significant, consistent and systemic variations in loss history between organic and non-organic crops. Upon analyzing the data collected by the contractor in August, 2010, USDA eliminated the current five percent surcharge for

organic crops insured under ten crop insurance programs, including Figs, Florida Citrus Fruit, Florida Fruit Trees (Pilot), Macadamia Trees, Nursery, Pears, Peppers, Prunes, Texas Citrus Trees, and Texas Citrus Fruit.

FCIC submitted a report to Congress regarding organic crop insurance in January, 2010, which proves that while crop insurance for organically produced crops is expanding, there are 15 organic products reported by the National Agriculture Statistics Service that have no form of insurance available. Organic farmers face the same risks as conventional farmers when producing food and fiber, and should be offered the same protection as conventional farmers. The ultimate success of Congress' intent in 2008 will be based on the access of the Risk Management Agency (RMA) to reliable data. Continued support for organic data initiatives in 2012 will prevent this progress from stalling and address the needs of Michigan farmers.

Organic and the Farm Bill Baseline

The next farm bill will be subject to an ever-shrinking baseline that will not be large enough to pay for the continuation of all current agricultural programs. Programs that impact the organic industry extend beyond the Horticulture and Organic Agriculture title of the Farm Bill to conservation, trade, research, rural development and crop insurance. Because several of these programs are quite modest in size, they do not reach the criteria to be automatically included in the baseline of the next farm bill. It is understood that no part of the farm bill or other authorizing legislation is safe from cuts in the current fiscal environment. However, threats of lower, or elimination of, funding for programs that are

essential to the organic industry causes strong instability. This instability not only places a growing \$29-billion industry at risk, but hinders future investment and transition to organic. The organic industry needs basic funding stability in the programs that regulate and encourage continued growth. The 40:1 return on investment delivered via the organic programs should not be forgone because the investment is modest.

Principles for the upcoming Farm Bill

In conclusion, as you look ahead to the 2012 Farm Bill, the committee should invest in programs that work, and encourage policies that support farming systems that are intrinsically economically viable. Focus on areas best addressed by the public sector, such as long-term research and sector-based data initiatives. There is a critical set of national programs that work synergistically to provide the research, information, and regulatory oversight so that the organic industry can flourish. The committee should evaluate programs based on return on investment, and support policies that improve rural livelihoods as well as promote long-term sustainability of soil, water and human resources. And, also, that drive innovation and American competitiveness.

Support for the organic sector fares well under these principles. Full support for the mandatory and authorized organic titles from 2008 in 2012 would yield a return on investment equal to 40 dollars returned in tax revenue back to the federal government for every dollar spent; provide real economic opportunity and job creation to rural America, encourage beginning farmers and increase their likelihood of success, conserve natural resources, and make American agriculture more competitive across the globe.

Appendix 1:

NSF International and QAI background

Founded in 1944, NSF International is committed to protecting and improving human health on a global scale. NSF International is an independent, not-for-profit organization that provides standards development, product certification, testing, auditing, education and risk management for public health and safety. Manufacturers, regulators and consumers alike look to NSF International for the development of public health standards and certification that help protect the world's food, water, health, environment and consumer products. NSF conducts a wide array of independent audit, testing and certification services to verify that products meet public health and safety standards. Products that meet these standards bear the NSF Mark, which is respected worldwide. Widely recognized for its scientific and technical expertise in the health and environmental sciences, NSF employs more than 1,000 scientists, engineers, environmental and public health professionals worldwide. NSF employs more than 460 people in the State of Michigan.

NSF International was founded from the University of Michigan's School of Public Health as the National Sanitation Foundation to standardize sanitation and food safety requirements 66 years ago. To date, NSF has developed more than 70 public health and safety standards, and is now known as NSF International. NSF's expertise is recognized internationally, including being designated a World Health Organization (WHO) Collaborating Centre in food safety, water quality and indoor environments. NSF also maintains the Center for Public Health Education, which provides training and education opportunities for industry, users and regulators alike. As a third-party certification organization, NSF International's laboratories, audit programs and certification

programs are overseen by various accreditation bodies including the American National Standards Institute (ANSI). NSF maintains more than 50 accreditations, through periodic inspections, all of which serve to ensure that NSF follows established procedures, has qualified experts on staff, and has proper systems in place to ensure continued compliance. In total, NSF International certifies 347,000 products, performs more than 1,000,000 lab tests and conducts more than 100,000 audits per year worldwide, with offices in 27 countries.

As a pioneer in the development of environmental management systems standards, NSF provides registration services to ISO 14000 series standards, as well as management systems standards such as ISO 9000. NSF developed the American national standards for all materials and products that treat or come in contact with drinking water. In food safety, NSF developed the HACCP-9000 standard for managing quality and safety in the supply chain which is the basis for many food companies quality and safety programs. More recently, NSF has been active in sustainability standards through our National Center for Sustainability Standards for green building products and furnishings, as well as in the development of the standard for Personal Care Products containing Organic Ingredients. Additionally, NSF is addressing the greening of chemicals used in product manufacturing with a green chemistry standard to be released in 2011. NSF practices sustainability throughout its own operations, earning a Silver LEED certification (Leadership in Energy and Environmental Design) from the U.S. Green Building Council for its 80,000-square-foot laboratory addition in 2007. Locally, NSF received the 2010 Washtenaw County Environmental Excellence Award (for work with the county Waste Knot program, the Community Partners for Clean Streams program and the Pollution Prevention Program). NSF's commitment to the environment and human health was strengthened with the acquisition of QAI, a pioneer in organic certification, in 2004, two years after that National Organic Program was launched.

QAI has experienced steady growth as the organic industry has continued to expand in response to consumer demand. Organic remains the fastest-growing segment of the food industry at more than 8% AGR. QAI certifies approximately 1,700 organic operations,

mostly in the United States, and has grown by 70% since it was acquired by NSF. QAI is an important part of NSF's public health mission because of the positive impact organic agriculture has on the environment and public health. Since many NSF clients in the food industry require organic certification in addition to food safety services, it has been a valuable service to our clients and has helped NSF to grow. QAI certified more than 60,000 organic products in 2010.

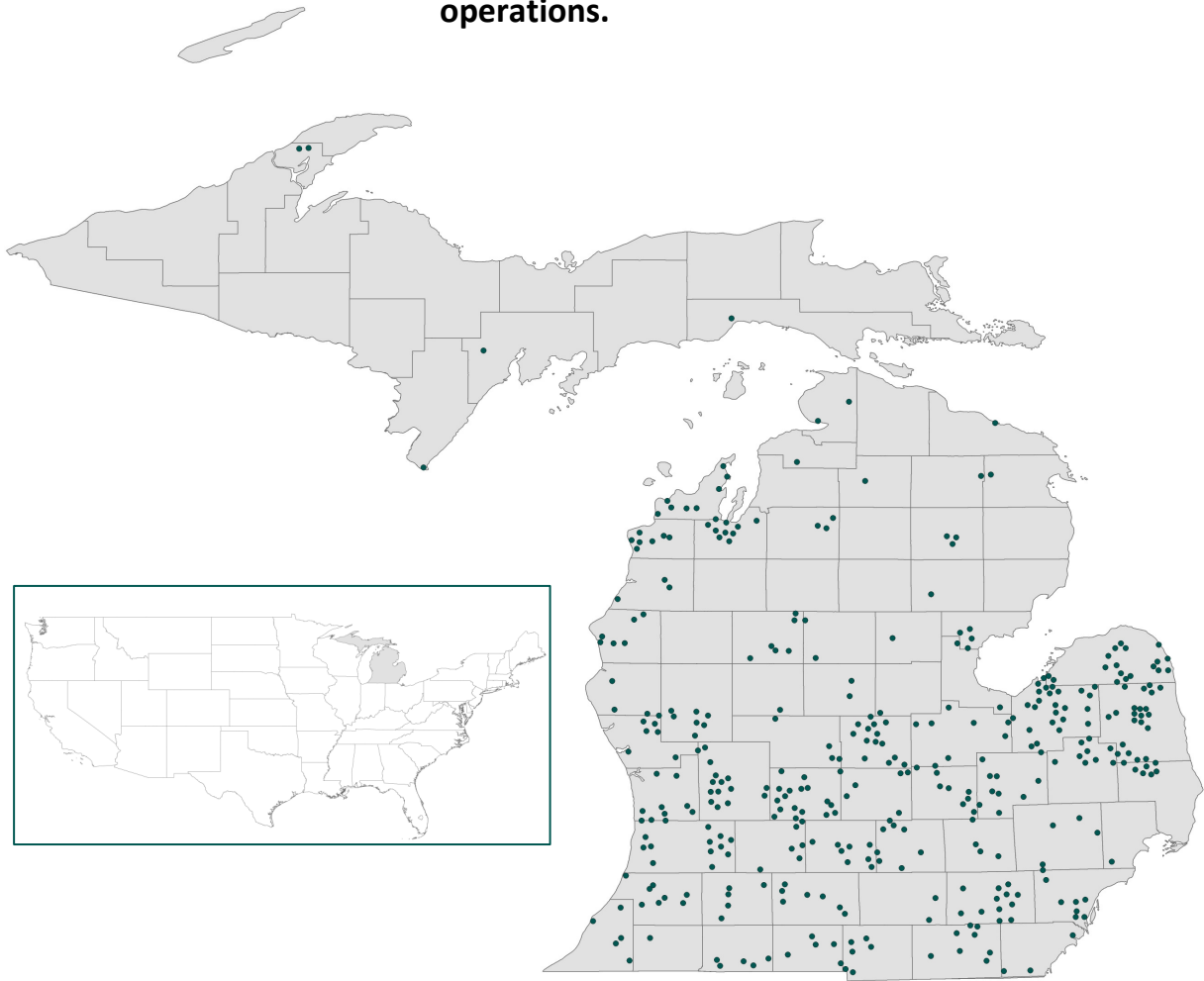
NSF International grows an organic garden on its property in Ann Arbor to promote organic agriculture and to help the hungry in Washtenaw County by donating the fresh, organic produce to Food Gatherers, a local food bank. In the past two years, NSF has donated over 650 lbs. of fresh organic produce.

Appendix 2:

The Organic Trade Association ("OTA") is the membership-based business association for organic agriculture and products in North America. OTA is the leading voice for the organic trade in the United States, representing over 6,500 organic businesses across 49 states. Its members include growers, shippers, processors, certifiers, farmers' associations, distributors, importers, exporters, consultants, retailers and others. OTA's Board of Directors is democratically elected by its members. OTA's mission is to promote and protect the growth of organic trade to benefit the environment, farmers, the public and the economy.

Appendix 3:

The state of Michigan has **460** certified organic operations.



Business	Scope	City	State
Blueberry Pier, The	Crops	Menominee	MI
Brad & Holly Jordan Farms	Crops	Winslow	MI
Burnette Foods	Crops	East Jordan	MI
Cherry Creek Organic Farms	Crops	Mio	MI
Chestnut Lane Farm	Crops	Traverse City	MI
Cloverland Apiary	Handler	Calumet	MI
Enos Bontrager	Crops	Gladwin	MI
God's Handiwork	Livestock	Hillman	MI
Guindon Farms	Handler	Cornell	MI
Hagley Farms	Crops	Standish	MI
Hill High Dairy	Livestock	Standish	MI
Ivan Morley Farms	Crops	Standish	MI
JD Farm	Handler	Rogers City	MI
J-Mar Stony Ridge Organic Farms	Livestock	Hillman	MI
Kennicott Kutts	Crops	Calumet	MI
Krause Organic Farm / Krause Organic Hay & Grain	Livestock	Engadine	MI
Maple River Farm	Crops	Pellston	MI
Naturally Nutty Foods, Inc.	Handler	Traverse City	MI
North Wind Gardens	Crops	Harbor Springs	MI

Business	Scope	City	State
Ronald Rosiek	Crops	Standish	MI
Schmucker's Organic Farm	Livestock	Mio	MI
Thomas Jurek	Crops	Standish	MI
Wangler & Sons Farm, Inc.	Crops	West Branch	MI
Wayne & Brenda Cummings	Crops	Mio	MI
Witt's Organic Gardens	Crops	Gaylord	MI
Blueberry Heritage Farms	Crops	Holland	MI
Boerman Dan	Crops	Newaygo	MI
Browns Orchard	Crops	Bear Lake	MI
C J Veggies	Crops	Zeeland	MI
Calvin Lutz Farm	Crops	Kaleva	MI
Carmody Farm	Crops	Marne	MI
Cherry Central Co-op dba Oceana Foods	Handler	Shelby	MI
Clockton Farm	Crops	Fremont	MI
Creative Co-Packing Solutions	Handler	Scottville	MI
David Hershberger	Crops	Holton	MI
Douglas Valley	Handler	Manistee	MI
Eco-Acres, LLC	Crops	Fennville	MI
Ezra A. Miller	Crops	Newago	MI
Food For Thought Farm	Crops	Honor	MI
Food for Thought, Inc.	Handler	Honor	MI
Fruitful Acres Farm	Crops	Bear Lake	MI
Funny Farm Organic Produce	Crops	Grant	MI
FWG Enterprises, LLC dba Grice Farms	Crops	Rothbury	MI
Graceland Fruit, Inc.	Handler	Frankfort	MI
Grassfields, Inc.	Crops	Coopersville	MI
Green Acres Farm	Crops	Holton	MI
Groundswell Community Farm	Crops	Zeeland	MI
Harley E. Miller	Crops	Holton	MI
Hazekamp Meats	Handler	Muskegon	MI
Hershberger, Oren	Crops	Holton	MI
Indian Summer Co-op, Inc.	Handler	Ludington	MI
J & N Greenhouse	Crops	Hudsonville	MI
Kismet Fruit Farm, LLC	Crops	Fennville	MI
Loew's Organic Farm	Crops	Dorr	MI
Magnum Coffee Roastery (L&K Coffee Company)	Handler	Nunica	MI
MI Food Processors	Handler	Ludington	MI
Michigan Turkey Producers Co-op, Inc.	Handler	Hart	MI
Miller, Ezra N.	Crops	Holton	MI
North Star Organics	Handler	Frankfort	MI
Northern Natural Organics, LLC	Handler	Kaleva	MI
Old Orchard Brands, LLC	Handler	Sparta	MI
Organic Gardens, LLC	Crops	Zeeland	MI
Orlie Miller	Crops	Fremont	MI
Orvan Miller	Crops	Newago	MI
Patrick Peterson	Crops	Ludington	MI
Peterson Farms, Inc. - Fresh	Handler	Shelby	MI
Peterson Farms, Inc. - Frozen	Handler	Shelby	MI
Peterson Farms, Inc. - Juice	Handler	Shelby	MI
Pleasant Hill Farm	Crops	Fennville	MI
RBD Farms	Crops	Ludington	MI
Rolling Acre Organic Farm	Crops	Newaygo	MI
Sandhill Organics, LLC	Crops	Grayslake	MI

Business	Scope	City	State
Smeltzer Orchard Company	Handler	Frankfort	MI
Troyer Farm	Crops	Holton	MI
Turtle Island	Crops	Ravenna	MI
Vander Zanden Farms	Livestock	Casnovia	MI
Vander Zenden Farms	Crops	Casnovia	MI
Victor Larson	Crops	Freesoil	MI
Walters Nursery, LLC	Handler	Holland	MI
Walters Seed Company, LLC	Handler	Holland	MI
Walton Orchard	Crops	Frankfort	MI
Ware Farm	Crops	Bear Lake	MI
West Michigan Beef Company	Handler	Hudsonville	MI
White-O-Morn Farms, Inc.	Crops	Beulah	MI
Bartech Manufacturing, Inc.	Handler	Grand Rapids	MI
CHES (Clarksville Horticulture Ext)	Crops	Clarksville	MI
Clover Family Farms	Crops	Ionia	MI
Elan Nutrition	Handler	Grand Rapids	MI
Green Meadow Organics	Handler	Ionia	MI
Green Meadow Organics	Livestock	Saranac	WI
Hearthside Food Solutions, LLC	Handler	Grand Rapids	MI
Herbruck Poultry Ranch	Crops	Saranac	MI
Heyboer Farms	Crops	Nashville	MI
Jennings Farm	Crops	Nashville	MI
Jim Heyboer	Crops	Nashville	MI
Kerry Ingredients and Flavours, Inc.	Handler	Kentwood	MI
King Milling Company	Handler	Lowell	MI
KlineKrest Strawberries Plus	Crops	Ionia	MI
Knox Farm	Livestock	Portland	MI
Knox Farm	Livestock	Portland	MI
Koeze Company	Handler	Grand Rapids	MI
Larry Curtiss	Crops	Lake Odessa	MI
Leroy Jay Michaud	Crops	Clarksville	MI
Litehouse, Inc.	Handler	Lowell	MI
Merlin Miller	Crops	Saranac	MI
Michigan Turkey Producers Co-op, Inc.	Handler	Wyoming	MI
Michigan Turkey Producers Co-op, Inc.	Livestock	Wyoming	MI
Mizkan Americas, Inc.	Handler	Belding	MI
MSU Long Term Ecological Research (LTER) Project	Handler	Hickory Corners	MI
Pearson Foods Corporation	Handler	Grand Rapids	MI
R & M Townsend Farm	Crops	Woodland	MI
R. Vierzen Farms	Crops	Saranac	MI
Rogers Farm	Handler	Portland	MI
Roskam Baking Company	Handler	Grand Rapids	MI
Shroeder Company-Grand Rapids	Handler	Grand Rapids	MI
Starlight Farms, Inc.	Crops	Lake Odessa	MI
Twin City Foods, Inc.	Handler	Lake Odessa	MI
Zook Farms	Crops	Lake Odessa	MI
Adams Farms	Crops	Owosso	MI
Campbell Farms	Livestock	Crystal	MI
Crossroads Organic Farms	Crops	Middleton	MI
Curley / Ladd Farm	Crops	Traverse City	MI
Dan Rossman	Handler	Lakeview	MI
Dishwash Farms	Crops	Marion	MI
Eric Anderson	Crops	St. Louis	MI

Business	Scope	City	State
Fordos Farms	Crops	Merrill	MI
Forest Garden Organic Farm	Crops	Maple City	MI
Garthe Farms, LLC	Crops	Northport	MI
Gourmet Organic Products, LLC, DBA, Good Neighbor Organic Vineyard Winery	Handler	Suttons Bay	MI
Graham Farms	Handler	Rosebush	MI
Great Lakes Tea & Spice Company, LLC, The	Handler	Glen Arbor	MI
Great Northern Roasting	Handler	Traverse City	MI
Green Meadow Organics	Livestock	Ithaca	MI
Higher Grounds Trading	Handler	Traverse	MI
Hilhof Farm	Crops	Hersey	MI
James Monroe	Crops	Alma	MI
Karry Barolo	Handler	Traverse City	MI
Kaufmann Farms	Handler	Ashley	MI
Kellogg Farm	Crops	Carson City	MI
Lanczynski Farm	Crops	Chesaning	MI
Leelanau Coffee Roasting Company, Inc.	Handler	Glen Arbor	MI
Light of Day Organics	Livestock	Traverse City	MI
Lucas Dairy	Crops	Marion	MI
Maple Arbor Farm	Crops	Sears	MI
Michigan Turkey Producers Co-op, Inc.	Livestock	Carson City	MI
Mid-Michigan Specialty Crops	Handler	Ithaca	MI
Nelson Farm	Crops	Elwell	MI
New Mission Organics	Crops	Traverse City	MI
Omena Organics	Crops	Omena	MI
Oryana Food Coop, Inc.	Handler	Traverse City	MI
Quiet Acres Dairy	Livestock	Marion	MI
Rev Rosanne Wyant	Crops	Remus	MI
Ron Parling	Crops	St Louis	MI
Shaver's Produce	Handler	Alma	MI
Shepherd Organic Farms, LLC	Crops	Hemlock	MI
Shoreline Fruit, LLC	Handler	Williamsburg	MI
Silverwind Ranch	Crops	Evart	MI
Silverwind Ranch	Crops	Evart	MI
Star Dust Hill Farm	Livestock	Lake	MI
Steven Anderson	Crops	St. Louis	MI
Stoney Creek Farm	Crops	Hubbarston	MI
Stuckey Farm	Handler	Alma	MI
Sweeter Song Farm	Crops	Cedar	MI
Tessin Farm	Crops	Freeland	MI
Thomas Organic Farm	Handler	Henderson	MI
Thomas Organics	Crops	Henderson	MI
Thomas Prout	Crops	Mt Pleasant	MI
Tomasek Farm	Handler	Corunna	MI
Traditions Organic Farm	Crops	Alma	MI
Triple D Orchards	Handler	Empire	MI
Underwood Farms	Crops	Perrinton	MI
Almar Orchards	Crops	Flushing	MI
Arnold Farms	Handler	Caro	MI
Baker Farms	Crops	Swartz Creek	MI
Barriger Farms	Crops	Unionville	MI
Bierlein Farm	Handler	Reese	MI
Bierlein Gamebirds and Farm	Crops	Reese	MI

Business	Scope	City	State
Brink Farms	Crops	Akron	MI
Brown Farm	Handler	Vassar	MI
Bruce Findlay	Crops	Caro	MI
Clearwater Farms, Inc.	Crops	Caro	MI
David Schuette	Crops	Unionville	MI
David Sting Farm	Handler	Unionville	MI
Dieck Brothers Farms	Crops	Swartz Creek	MI
Doerr Farm	Handler	Montrose	MI
Ed Mantey & Sons, Inc.	Crops	Fairgrove	MI
Ewald Farms, Inc.	Crops	Unionville	MI
Fertile Valley Seed Farm	Crops	Unionville	MI
Green Meadow Organics	Livestock	Millington	MI
Hampshire Farms	Crops	Kingston	MI
James Buchanan	Crops	Gaines	MI
JLand Farm	Crops	Unionville	MI
Lawrence Farms	Crops	Millington	MI
Marsh Haven Farms	Handler	Davison	MI
Miller Eggs, Inc.	Crops	Cass City	MI
Nature's Pace Organics	Crops	Grand Blanc	MI
Northern Poultry Company	Handler	Freankenmuth	MI
Organic Bean & Grain, Inc.	Handler	Caro	MI
Organic Farmers of MI, LLC	Handler	Cass City	MI
Perish Farms	Crops	Browerville	MI
Rayner Farms	Crops	Fairgrove	MI
Reinbold Organic Farms	Handler	Caro	MI
Rudy Bricker Farm	Crops	Cass City	MI
Scott A. McCormick	Crops	Unionville	MI
Sting Farms	Crops	Unionville	MI
Twinbill Registered Jerseys	Crops	Burbank	MI
Ulrich Farms	Crops	Millington	MI
Van Hoof Farms, LLC	Handler	Munger	MI
Vollmar Family Farms, Inc.	Crops	Caro	MI
Wes Reinbold	Crops	Saginaw	MI
Westwind Milling Company, LLC	Handler	Linden	MI
Whetham Organic Farm	Handler	Flushing	MI
Zimba Dairy, Inc.	Crops	Deford	MI
A. Dongvillo Farm	Crops	St. Joseph	MI
Abbott Nutrition, a div of Abbott Laboratories	Handler	Sturgis	MI
Abronia Acres	Handler	Otsego	MI
Bear Foot Farm	Crops	Paw Paw	MI
Blue Dog Greens	Crops	Bangor	MI
Burnette Foods, Inc. - Hartford	Handler	Hartford	MI
Calsbeek Blueberry Farm	Crops	Coloma	MI
Cantu Farms	Crops	Lawrence	MI
Country Life Natural Foods	Handler	Pullman	MI
Cronkhite Farms	Crops	Burr Oak	MI
DeGrandchamp's Blueberry Farm	Handler	South Haven	MI
Eaters Guild	Crops	Bangor	MI
Elzinga and Hoeksema Greenhouses, LLC	Crops	Portage	MI
Export Ope's, LLC	Handler	Kalamazoo	MI
First, Harold & Jon	Crops	Dowagiac	MI
Fruit Belt Canning Company, Inc.	Handler	Lawrence	MI
Fry Farms	Livestock	Sturgis	MI
Hillside Orchards	Crops	Berrien Springs	MI

Business	Scope	City	State
Iron Creek Farm	Crops	Saint Joseph	MI
Karni Family Farm, LLC	Crops	Shelbyville	MI
Knappen Milling Company	Handler	Augusta	MI
Lake Breeze Organics	Crops	Paw Paw	MI
Michigan Milk Producers Assn.	Handler	Constantine	MI
Oak Hill Farms	Crops	Eau Claire	MI
Outlaw Farms	Crops	Niles	MI
Perfection Bakeries dba Aunt Millie's Kalamazoo Bakery	Handler	Kalamazoo	MI
Stutzman Farms	Crops	White Pigeon	MI
Van Elderen, Inc.	Handler	Shelbyville	MI
Welch Food, Inc.	Handler	Lawton	MI
Wiley Grass Farm	Crops	Schoolcraft	MI
Al's Organic Vegetables	Crops	Coldwater	MI
American Soy Products, Inc.	Handler	Saline	MI
Amos S. Steury Sr. & Sons	Crops	Quincy	MI
Bartholomew Farms	Crops	Ottawa Lake	MI
Bognar Farm	Handler	Jonesville	MI
Bur Oaks Farm, LLC	Handler	Ann Arbor	MI
Carpenter's Greenhouse & Produce	Crops	Allen	MI
Cinzori Farms	Handler	Ceresco	MI
Citizens, LLC	Handler	Charlotte	MI
Complete Organic Farming	Crops	Clinton	MI
Country Mill Farms, LLC	Crops	Charlotte	MI
Crafts Farm	Crops	Clayton	MI
Davison Farm	Crops	Eaton Rapids	MI
Eden Foods for American Soy Products	Handler	Saline	MI
Eden Foods, Inc.	Handler	Clinton	MI
Ford Farms, Inc.	Crops	Blissfield	MI
Frog Holler Farm	Crops	Brooklyn	MI
Garden Works Organic	Crops	Ann Arbor	MI
Graciem Organics	Crops	Ann Arbor	MI
Hemmy Acres	Crops	Cashton	MI
Integrity Organic Farms, LLC	Handler	Vermontville	MI
Kellogg Company	Handler	Battle Creek	MI
Kevin Root	Crops	Charlotte	MI
Kleen Grain	Handler	Blissfield	MI
Lamb Farm, LLC	Crops	Manchester	MI
Lorjon's	Crops	Belle Plaine	MI
McElroy Farms	Crops	Hillsdale	MI
MI Bean & Spelt	Handler	Eaton Rapids	MI
Nature's Best	Crops	Bronson	MI
Nature's Bounty Farm	Handler	Allen	MI
P. Todd Williams	Crops	Marshall	MI
Perfection Bakeries dba Aunt Millie's Coldwater	Handler	Coldwater	MI
Pleasant Lane Farm	Crops	Homer	MI
Robert's Packaging, Inc.	Handler	Battle Creek	MI
Ruesink Organic Farms	Crops	Adrian	MI
Schwartz Farms	Crops	Montgomery	MI
Semanske Organic Farms	Crops	Tecumseh	MI
Shetler's Organic Produce	Crops	Homer	MI
Something Better Natural Food	Handler	Battle Creek	MI
Steury & Sons Produce	Crops	Camden	MI
Steury's Organic Farm	Crops	Montgomery	MI

Business	Scope	City	State
Tantre Farm	Crops	Chelsea	MI
Turbo Farms	Crops	Eaton Rapids	MI
Whitetail Run Farm	Crops	Charlotte	MI
Wilson's Farm	Handler	Tipton	MI
WLS Organic Acres	Crops	Saline	MI
Xela Pack, Inc.	Handler	Bridgewater	MI
Afterglow Dairy	Crops	Osage	MI
Alan J. Rennells Farm	Handler	St. Johns	MI
Anderson Orchards	Crops	E. Lansing	MI
Andrew Schneider Dairy Farm	Livestock	Westphalia	MI
Baese Farm	Handler	Elsie	MI
Black Oak Farms	Crops	Bryon	MI
Bruce Harte	Handler	Bath	MI
CBI's Giving Tree Farm	Crops	Okemos	MI
Cori Nickels Farms	Crops	Durand	MI
D.F. Seeds	Handler	Dansville	MI
Farm, The	Handler	Bryon	MI
Ferris Organic Farm, LLC	Handler	Eaton Rapids	MI
Fogg Organic Farms	Crops	Leslie	MI
Full Circle Organic Farm	Handler	Howell	MI
Gary Stiles Farm	Handler	Durand	MI
GKI Foods	Handler	Brighton	MI
Havengreen Organic Dairy	Livestock	Fowler	MI
Hi-Lo Acres	Crops	Portland	MI
Michaelene Hearn	Handler	Clarkston	MI
Michigan Crop Improvement Association	Handler	Lansing	MI
Motave Meadows Farm	Crops	Howell	MI
MSU Student Organic Farm	Crops	East Lansing	MI
Randy Nobach	Crops	Eaton Rapids	MI
Rodney Kiger Farm	Handler	Elsie	MI
Taylor Farm	Handler	Elsie	MI
Wiggins Farm	Handler	Durand	MI
Willowbrook Farm	Crops	Elsie	MI
Mind, Body & Spirits	Handler	Rochester	MI
Wrigley's Rewards, LLC	Handler	Lake Orion	MI
Bay Shore Farms, Inc.	Crops	Snover	MI
Bill Krosnicki	Crops	Yale	MI
Booms Farm	Handler	Minden City	MI
Booms Farm	Handler	Ruth	MI
Boughan Farms	Handler	Clifford	MI
Brian Hacker	Crops	Ubly	MI
Brian Kolar Farm	Handler	Ubly	MI
Bullock Farms	Crops	Decker	MI
C & M Farms	Crops	Sandusky	MI
C Roy, Inc.	Handler	Yale	MI
Cedar Crest Farms	Handler	Bad Axe	MI
Darrell Zimmerman	Crops	Snover	MI
Dean Berden	Crops	Snover	MI
Den & Daughters 3R Dairy	Crops	Rushford	MI
DKB Farm & Services, LLC	Handler	Columbiaville	MI
Duda Farm	Handler	Bad Axe	MI
Dwight Bartle Farm	Handler	Brown City	MI
East River Organic Farm	Livestock	Snover	MI
Eli Yoder Farm	Handler	Brown City	MI
Elston Organic Farm, LLC	Crops	Brown City	MI

Business	Scope	City	State
Elston Organic Farm, LLC	Handler	Brown City	MI
Gene Vogel	Crops	Minden City	MI
Gornowicz Farm	Handler	Ubly	MI
Guza Farms	Crops	Harbor Beach	MI
Hicks Dairy	Livestock	North Branch	MI
Hill Farms	Crops	Ruth	MI
Hillman Farms	Crops	Yale	MI
James Nichols	Crops	Decker	MI
Katulski Farm & Processing	Handler	Yale	MI
Kleeland	Crops	Ruth	MI
Krow Acres	Crops	Marine City	MI
Lasceski	Crops	Filion	MI
Lasceski	Crops	Filion	MI
Lasceski	Crops	Filion	MI
Maple Creek Farm	Livestock	Yale	MI
Marinich Farms	Crops	Brockway	MI
Michigan Organic Farms, Inc.	Crops	Bad Axe	MI
Misiuk Farms	Crops	Casco	MI
Partlo Farms	Crops	Yale	MI
Raub Rae Farms	Handler	Brown City	MI
Red Hawk Farm, LLC	Crops	Allenton	MI
Robert Gaffke	Crops	Port Hope	MI
Roberts Farm	Handler	Minden City	MI
Roger Pringle	Crops	Snover	MI
Royal Hertiage Farms	Crops	Yale	MI
Scrimger Farm	Handler	Clifford	MI
Sensient Flavors, Inc.	Handler	Harbor Beach	MI
Simmons Family Farms	Crops	North Branch	MI
Slabaugh Farm	Handler	Brown City	MI
Steve & Hollie Walsh	Crops	Ubly	MI
Summerset Farm	Crops	North Branch	MI
Sunny Acres Farm	Crops	Snover	MI
Thistle Down Farms	Handler	Snover	MI
Thomas Sting Farm	Handler	Sebewaing	MI
Thumb Meadow Farm	Crops	Sandusky	MI
Thumb Oilseed Producer's Cooperative	Handler	Ubly	MI
Twin Pines Organic Farms	Handler	Minden City	MI
White Pine Farm	Crops	North Branch	MI
Coffee Express Company	Handler	Plymouth	MI
Jogue, Inc. - Northville Labs	Handler	Northville	MI
Sanviah Food and Beverages Corporation	Handler	Novi	MI
Fresh Roasted Almond Company	Handler	Warren	MI
Premier Coffee Roasters	Handler	Center Line	MI
Aunt Mid Produce Company	Handler	Detroit	MI
Capuchin Soup Kitchen's Earthworks	Crops	Detroit	MI
Eden Organic Pasta Company	Handler	Detroit	MI
Chartreuse LTD, Inc.	Handler	Trenton	MI
AmCane Sugar, LLC	Handler	Taylor	MI
Arbor Tea's	Handler	Ann Arbor	MI
Green Hope, LLC dba Rosewood	Handler	Ann Arbor	MI
Mirab USA	Handler	Taylor	MI
S&F Foods, Inc.	Handler	Romulus	MI
Temperance Distilling Company	Handler	Temperance	MI

Appendix 4: Data to support ROI Calculation

	US Organic Product Sales	Farm & Corporate Income Tax Revenue*	Organic Specific Funding
	(US \$ Billions)	(US \$ Millions)	(US \$ Millions)
2008	24.6	1,230	FY09 31.6
2009	26.6	1,330	FY10 38.15
2010	28.6	1,430	FY11 37.15
Total	79.8	3,990	112

*Tax income estimated by using AgCensus data to calculate gross margin and applying the corporate tax rate.