



California
Institute for
Rural
Studies
221 G Street
Suite 204
Davis, CA
530.756.6555 v
530.756.7429 f
www.cirsinc.org

Improving Information on Organics: *Information Needs from a Producer's Perspective*

Ron Stochlic

California Institute for Rural Studies

Agricultural Outlook Forum

Arlington, VA

February 18, 2010



California
Institute for
Rural
Studies
221 G Street
Suite 204
Davis, CA
530.756.6555 v
530.756.7429 f
www.cirsinc.org

Introduction

- ◆ Access to timely, accurate information is vital to the success of all farm operations
- ◆ Principal informational needs:
 - Production
 - Marketing
 - Prices
 - Regulatory
 - Management
- ◆ Access to information is often more challenging for organic producers
 - Negative impacts on individual operators and the organic sector as a whole



California
Institute for
Rural
Studies
221 G Street
Suite 204
Davis, CA
530.756.6555 v
530.756.7429 f
www.cirsinc.org

Production Information

- ◆ Very high grower interest in improved access to organic production information
 - Fertility management
 - Weed control
 - Pest management
 - Disease management
 - Livestock management
- ◆ Access to technical assistance and production information is limited
 - Limited funding for organic research
 - Limited extension staff with organic expertise



California
Institute for
Rural
Studies
221 G Street
Suite 204
Davis, CA
530.756.6555 v
530.756.7429 f
www.cirsinc.org

Production Information

- ◆ General print and Internet resources not always applicable to regional contexts – different production, marketing, etc. needs
 - “When I have a question, I go to the web . . . but the information...is not specific to the region; it is from the west or east coast, but...is not specific to our pest cycles, our regional/local climates and soils. How do we access that information?” (Midwest organic grower) (Middendorf 2007)



California
Institute for
Rural
Studies
221 G Street
Suite 204
Davis, CA
530.756.6555 v
530.756.7429 f
www.cirsinc.org

Market Information

- ◆ Marketing is essential to the success of all farm operations
- ◆ 2008 Organic Survey
 - 74% of organic sales are local/regional
 - 44% local (< 100 miles)
 - 30% regional (100-500 miles)
- ◆ CIRS/AMS research – high marketing barriers among small/medium California organic growers
 - 85% reported marketing challenges
 - 39% - marketing is serious challenge
- ◆ USDA 2008 organic survey
 - Only 55% reported “sufficient organic marketing options”



California
Institute for
Rural
Studies
221 G Street
Suite 204
Davis, CA
530.756.6555 v
530.756.7429 f
www.cirsinc.org

Market Access

- ◆ Main marketing informational needs (CIRS/AMS)
 - Locating and accessing markets (65%)
 - Organic price information (49%)
- ◆ Buyers seeking local organic products also cited challenges connecting with growers
- ◆ Disconnect → need for better systems to provide growers and buyers with information about each other



California
Institute for
Rural
Studies
221 G Street
Suite 204
Davis, CA
530.756.6555 v
530.756.7429 f
www.cirsinc.org

Where do Growers Like to Get Market Information?

Information Source	Percent
Other farmers	76.3%
Websites and Internet resources	76.3%
Handlers	61.3%
Farmer organizations	57.0%
Magazines and newspapers	44.1%
Workshops and classes	40.9%
Conferences	30.1%
Cooperative Extension advisors	29.0%
Books	29.0%
Consultants	8.6%

Source: CIRS/AMS 2009



California
Institute for
Rural
Studies
221 G Street
Suite 204
Davis, CA
530.756.6555 v
530.756.7429 f
www.cirsinc.org

Market Information

- ◆ OFRF 4th Organic Survey (2004)
 - Need for improved public sector marketing information for organic growers
 - “Public resources [including]...*university-based resources, state agricultural departments and USDA...were* ranked as the *least useful resources...for* organic marketing information, with USDA ranked...as the least useful resource. These resources were also among those used the least frequently by respondents.”
- ◆ Would be good to know if that has changed since survey administration in 2002



California
Institute for
Rural
Studies
221 G Street
Suite 204
Davis, CA
530.756.6555 v
530.756.7429 f
www.cirsinc.org

Price Information

- ◆ Access to timely and accurate organic price information is essential to successful marketing
- ◆ Organic price data historically limited, but is improving
 - AMS Market News - expanded organic data collection with 2008 Farm Bill
 - Rodale Institute - Organic Price Report
- ◆ CIRS/AMS research
 - 78% would find improved organic price information helpful



California
Institute for
Rural
Studies
221 G Street
Suite 204
Davis, CA
530.756.6555 v
530.756.7429 f
www.cirsinc.org

Regulatory Information

- ◆ Regulations - principal challenge cited by organic producers (35%) (2008 Organic Survey)
- ◆ Growers need better information on interpreting organic standards
 - 20% cited challenges interpreting organic standards (CIRS/SAREP unpublished data)



California
Institute for
Rural
Studies
221 G Street
Suite 204
Davis, CA
530.756.6555 v
530.756.7429 f
www.cirsinc.org

Regulatory Information

- ◆ Grower confusions re: allowed and prohibited substances - can result in decertification
 - “I knew I could use a brand called Sun Oil. But there’s Sun Oil XP and SP. One is allowed and the other is prohibited. I used the wrong one. It was not my intent to apply a prohibited substance. I’m still angry about that.” (Grower)
- ◆ Confusions about international standards as well
 - Europe, Japan
- ◆ Grower frustration re: limited assistance from certifiers



California
Institute for
Rural
Studies
221 G Street
Suite 204
Davis, CA
530.756.6555 v
530.756.7429 f
www.cirsinc.org

Grower Communication and Information Sharing

- ◆ Information is a 2-way street
 - needs to flow to and from producers
- ◆ Particularly true for values-based marketing
 - increasingly important strategy for many small/medium growers
 - can't compete on price – must differentiate products based on values
 - local, sustainable, family-farmed



California
Institute for
Rural
Studies
221 G Street
Suite 204
Davis, CA
530.756.6555 v
530.756.7429 f
www.cirsinc.org

Communication and Information Sharing

- ◆ Growers must effectively communicate their farms' values to buyers
 - “It’s easy to grow a lot of food, but people want to know about you and the history of your farm. If you are faceless, nameless and don’t have a personal presence, you won’t survive.” (Grower)
 - Particularly challenging for immigrant farmers – cultural and linguistic barriers
- ◆ Growers need assistance using Internet as a marketing tool
 - also challenging for immigrant farmers
 - low computer skills



California
Institute for
Rural
Studies
221 G Street
Suite 204
Davis, CA
530.756.6555 v
530.756.7429 f
www.cirsinc.org

Consumer Education

- ◆ OFRF Survey:
 - “Respondents identified *consumer education about organic food and farming* as the most important means of improving their markets.... Respondents have consistently identified this as a top need.” (OFRF 2004)
- ◆ Need for increased consumer understanding of:
 - Health benefits
 - Environmental benefits
 - Production costs
 - Food safety
 - Differences between different attributes
 - organic, sustainable, natural, local, pesticide free, no-spray, etc.



California
Institute for
Rural
Studies
221 G Street
Suite 204
Davis, CA
530.756.6555 v
530.756.7429 f
www.cirsinc.org

Organic Conversion

- ◆ Lack of access to information can be a barrier to organic conversion
 - Difficult to obtain information and technical assistance on transitioning to organic production
 - “I could use some help navigating the transition. I’ve got one field close to being certifiable. But where do I go? It feels like you’re out here on your own.” (Transitioning grower)
- ◆ Also essential to get information to farmers considering transitioning about the realities of organic production and marketing



California
Institute for
Rural
Studies
221 G Street
Suite 204
Davis, CA
530.756.6555 v
530.756.7429 f
www.cirsinc.org

What do Buyers Think?

- ◆ CIRS/AMS research
 - interviews with 22 buyers
- ◆ High interest in purchasing from local growers
 - high frustration as well
- ◆ Buyers cited need to educate small/medium growers about how to successfully work with them – better understanding of:
 - ◆ Quality
 - ◆ Consistency
 - ◆ Pricing
 - ◆ Food safety
 - ◆ Packing
 - ◆ Post-harvest handling



California
Institute for
Rural
Studies
221 G Street
Suite 204
Davis, CA
530.756.6555 v
530.756.7429 f
www.cirsinc.org

What do Buyers Think?

- ◆ Buyers also cited need for improved grower understanding of wholesale markets
 - “Farmers should know the market conditions – pricing, competition – we don’t want someone just growing something without knowing whether it’s a good thing to grow.”
 - “Even small farms need to understand the markets. They should be planting crops based on what they need to make.”



California
Institute for
Rural
Studies
221 G Street
Suite 204
Davis, CA
530.756.6555 v
530.756.7429 f
www.cirsinc.org

What do Buyers Think?

- ◆ Buyers also stressed need for frequent and clear communication with growers
 - Need to know what a farmer has, in what quantity and when it is available
 - Need early knowledge, not when the product is ripe!
- ◆ “Telling the story” is important for buyers too
 - “We always want more information from growers. If we’re asking customers to pay more for food, we need to show them why and what the story is.”



California
Institute for
Rural
Studies
221 G Street
Suite 204
Davis, CA
530.756.6555 v
530.756.7429 f
www.cirsinc.org

Conclusions

- ◆ Organic growers have high informational needs

Informational need	Interest (1-4)
Consumer education	3.96
Organic-specific research & extension	3.79
Organic price reporting services	3.51
Directories of organic product buyers	3.48
Direct marketing information/development	3.46
Direct-to-retail buyer market information	3.30
Wholesale market information/development	3.16

Source: OFRF 4th National Organic Farmers Survey, 2004



California
Institute for
Rural
Studies
221 G Street
Suite 204
Davis, CA
530.756.6555 v
530.756.7429 f
www.cirsinc.org

Conclusions

Grower interest in informational support:

Informational Support	% Very Interested
More farmer-to-farmer networking	49.4
Systems to connect growers & buyers	41.6
Advice for marketing/business planning	40.4
Improved organic price information	38.2
Communications, developing marketing materials and "telling the story"	36.0
Organic marketing research and cooperative extension assistance	32.0
Assistance with technology, internet marketing, and websites	29.2

Source: CIRS/AMS 2009



California
Institute for
Rural
Studies
221 G Street
Suite 204
Davis, CA
530.756.6555 v
530.756.7429 f
www.cirsinc.org

Conclusions

- ◆ Positive change
- ◆ Informational gains in 2008 Farm Bill
 - \$78m: Organic Agriculture Research and Extension Initiative (OREI)
 - \$5m: Organic Market Data Collection
 - Organic conversion: financial and technical assistance for organic conversion
 - Agriculture and Food Research Initiative – classical research (non-transgenic plants and animals) added as a purpose



California
Institute for
Rural
Studies
221 G Street
Suite 204
Davis, CA
530.756.6555 v
530.756.7429 f
www.cirsinc.org

Recommendations

- ◆ Increased funding for organic research
- ◆ Increased technical assistance via traditional extension models
- ◆ Support for peer farmer-to-farmer mentoring and information-sharing
- ◆ Improved access to market and price data
- ◆ Educational efforts to increase consumer awareness and understanding of organic food