

Organic farming systems

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New Ag Network
Midwest Organic Team
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Organically grown soybeans.
Lenawee Co., MI.



Grain storage site at the Vogel Organic Farm. Sanilac County, MI.



Organic Farmers' Agency for Relationship Marketing

Mission: To coordinate the efforts of marketing groups to benefit and sustain organic producers.

Organic co-ops, such as OFARM, aid farmers' marketing efforts.

Marketing certified organic field crops

Dave Campbell*

Interested in growing and selling certified organic field crops? While considering what crops to grow, plan a market strategy to ensure the most profitable crop choices.

The implementation of the USDA-NOP (National Organic Program) in October of 2002 has opened the door to an increased volume of crops available to market, especially crops for sale into the livestock (or feed) market. During the couple of decades prior to 2002, organic production focused more on crops grown for human consumption.

To qualify for certified organic markets, farmland must be free of the prohibited substances listed in the USDA Organic Rule, for 36 consecutive months. The land must also pass an inspection by an accredited USDA certification agency before any product can be sold as "certified organic."

The majority of field crops sold organically are grains, although a fair amount of hay is transported and sold as certified organic as well.

Key points for marketing and storing organic crops

- ◆ Organic grain marketing cannot be accurately tied to the Chicago Board of Trade (CBOT).
- ◆ Know the cost of production as well as prices received in your surrounding area for the crops intended to be sold. Many farmers choose to belong to a marketing association or an organic farmer co-op, rather than engage the market on their own. www.ers.usda.gov/Data/OrganicPrices/ and www.ofarm.org/index.html (click on "about us" and "target price list").
- ◆ Be sure you understand the terms of the contract. Don't be afraid to negotiate the terms (price, payment schedule, delivery schedule, storage premiums, etc.). Review the contract with your marketing co-op or an experienced organic farmer before selling any grain.
- ◆ Be sure to have adequate bin space with good aeration. Unlike conventional grain operations, organic farmers will usually need to store their grain through the winter months, and sometimes into the next growing season. Expect a storage fee premium to be written into the contract to compensate the farmer.
- ◆ It is imperative to regularly check your grain, especially in warmer months, to make sure it stays in good saleable condition. Visually inspect the grain and monitor moisture levels by probing samples throughout the bin. A good drying floor along with a fan with appropriate capacity is highly recommended. A grain stirator is also recommended, especially in corn.



Always inspect transport trailers and sign a transportation cleaning affidavit to ensure an adequate audit trail.

- ◆ Always send a ‘representative’ sample of the grain or forage to the potential buyer and keep a portion of this same sample for verification purposes if the need should ever arise.
- ◆ The farmer will need to inspect the semi-trailer before loading grain into the trailer. Once the cleanliness of the trailer meets your approval you will need to sign a “transportation cleaning affidavit” to verify that you have taken responsibility for the cleanliness of the trailer hauling your grain to ensure an adequate audit trail.
- ◆ Marketing your crops to local livestock farmers can be very beneficial to both the buyer and seller. Hay sold out of the area is usually sold as big square bales, due to transportation costs.
- ◆ When selling hay off your farm, the nutrients in that forage that were extracted from the soil leave also. Careful consideration needs to be given to selling forages off the farm because of the impact it can have in depleting nutrients and soil organic matter from the cropland. This is especially important if you don’t have a consistent source of livestock manure or compost to apply back onto the farm’s soil.

Reference

“Background Information” National Organic Program, October 2002.

“OFARM Quarterly” Special Edition 2008. www.ofarm.org/index.html.

Additional references

OPX at New Farm reports prices on vegetables and grains, www.rodaleinstitute.org/Organic-Price-Report.

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The Midwest Organic Team is a division of the New Ag Network. The team consists of researchers, extension educators and certified organic farmers.

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