

Tools for Transition

Update

Winter 2012

Organic Cattle Ranchers Say “Know Your Market”



Photo provided by: Marion and Christina Linn.

Marion and Christina Linn operate a 1,000 acre ranch in Pine River, Minnesota on land that has been in the family for four generations. They are following in the footsteps of Marion's father – raising Black Angus feeder calves.

Decision to Transition. In fall 2008, however, Marion and Christina broke with tradition by certifying their land as organic and bringing in 175 already certified cow-calf pairs from Canada. Although the Linn's land easily qualified for certification, the animals arrived two weeks before certification could be awarded and the animals lost their organic status. “The loan process for the animals just moved more quickly than the certification paperwork,” says Christina. “But we continued organic practices and [in 2009] our first calves were certified.”

Each year, the Linn's wean 180 calves. Weaning occurs twice each year to correspond with the Linn's early fall and spring calving schedule. Feeder calves are grazed and fed field crops such as alfalfa hay, oats and peas until being sold for finishing. The Linns rotate animals every 3-5 days depending on pasture conditions. Pastures are improved and regularly maintained through soil conditioning, frost-seeding and applied manure in fall.

Despite the relatively smooth transition to organic four years ago, the Linns continue to face challenges, such as sourcing organic inputs, winning community acceptance of their “unusual farming practices” and finding markets that offer a premium for organic yearlings.

Sourcing Inputs. The Linn family (including Marion's father) typically sourced winter hay from nearby farmers and occasionally purchased seed, lime and fertilizer from a conventional supplier 25 miles away. Since certifying, however, Marion and Christina have found it difficult, if not expensive and time consuming, to source needed inputs from certified organic suppliers.

Winning Community Acceptance. The Linn family, long-standing members of the Cattlemen's Beef Association and well-respected within the conventional ranching community, regularly are questioned by other ranchers who ask about the amount of extra work involved with certification.

Finding Buyers. Despite booming markets for certified organic milk and grains, organic beef sales have been slow to develop. The Linns have been unable to connect with buyers who will pay a significant premium for organic yearlings and instead have sold animals into conventional markets. They were considering dropping certification for this reason when, in the fall of 2012, Marion and Christina realized their long-term dream of marketing organically. A South Dakota buyer purchased 90 certified organic yearlings, paying a premium equal to \$0.30/lb above the top steer price. The Linns hope to develop this sale into a long-term marketing opportunity.

For More Information:

Read more about the Linn's transition experience online: <http://eorganic.info/toolsfortransition/farmers>.

The Tools for Transition Project is funded by USDA NIFA Grant MIN-14-G12. Project partners are the University of Minnesota's Department of Applied Economics, Center for Farm Financial Management, and Minnesota Institute for Sustainable Agriculture; the Minnesota Colleges and Universities' Farm Business Management Program, and the Minnesota Department of Agriculture.

Tools For Transition *Update* Continued

Resource: Guide to Organic Contracts

Results from the 2007 Organic Farmer Survey, conducted by the Minnesota Department of Agriculture, show that 38 percent of certified organic crop farmers prefer to contract sales in advance of harvest.¹

If you're one of these farmers or if you're thinking about contracting, check out a new resource from the Farmers Legal Action Group (FLAG) called the *Farmers' Guide to Organic Contracts*.



The 2012 publication, available for free on-line, includes:

- An overview of contract laws important to farmers;
- A *Quick Organic Contract Checklist* and practical toolkit farmers can use to review and negotiate contract offers;
- Highlighted sections illustrating how federal organic regulations interact with organic contracts;
- Examples and discussion of over 100 types of organic contract provisions; and
- Detailed information about solving the types of contract disputes that commonly arise in the organic market.

For more information or to download a copy of the guide, visit:

<http://flaginc.org/topics/pubs/arts/FGOC2012.pdf>

^{1/} There were 114 crop farmers who responded to this question on the survey. For more survey results visit the Minnesota Department of Agriculture: <http://www.mda.state.mn.us/>.



TFT Participants Receive \$50 Off MN Organic Conference

The 2013 Minnesota Organic Conference (MOC) is scheduled for January 11-12 in St. Cloud.

As usual, the conference schedule is jam-packed with educational workshops, lively speakers, and plenty of time for tradeshow visits.

All *Tools for Transition* participants will be reimbursed \$50/farm to help defray conference registration fees. To do so, register for the conference, pay the registration fees and submit reimbursement forms afterwards (forms available from Gigi DiGiacomo at the pre-conference workshop or by mail and email). Gigi can be reached at: 612-624-7258.

Visit the MOC website to register for the conference: www.mda.state.mn.us/organic.

Share the News: Scholarships Available to Transitioning Farms!



Financial management scholarships are available to transitioning and newly certified (less than 3 years) dairy producers and field crop farmers. Scholarships pay up

to 90 percent of Farm Business Management (FBM) Program tuition annually (tuition is approximately \$1,700/year). For more information about the FBM program, visit: <http://www.fbm.mnscu.edu/>

Share the news! Contact Meg Moynihan at meg.moynihan@state.mn.us or 651-201-6616 for scholarship handouts or for an electronic copy of the above scholarship announcement for use in your newsletter or website!

To Learn More About the Tools for Transition Project visit our website: <http://eorganic.info/toolsfortransition>. Or contact Rob King, Department of Applied Economics, University of Minnesota, king@umn.edu, 612-625-1273.