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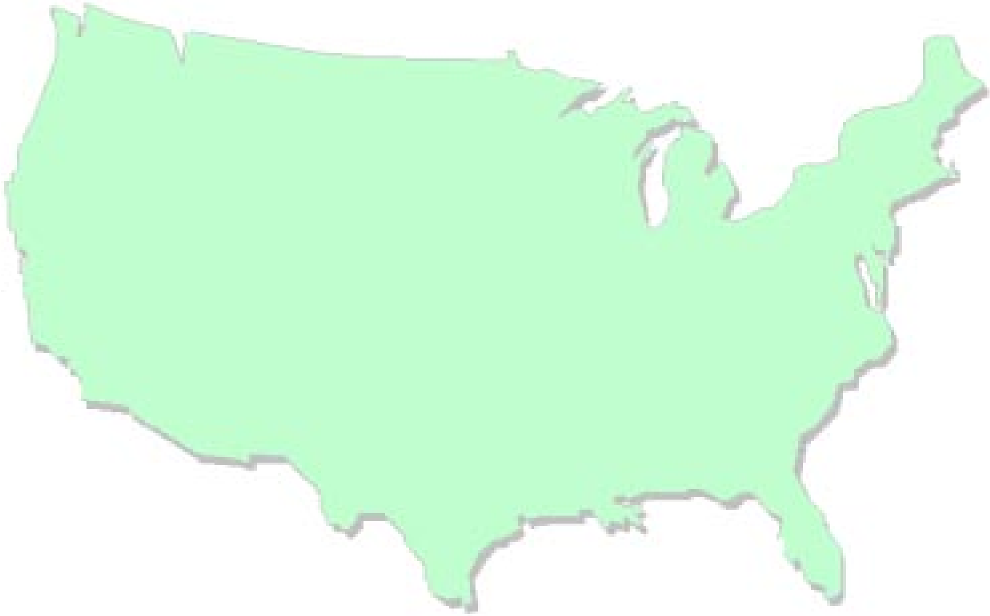
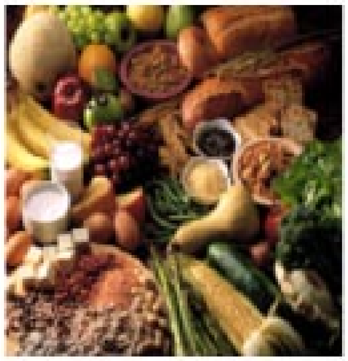
Organic Trade

The United States Market for Organic Food and Beverages





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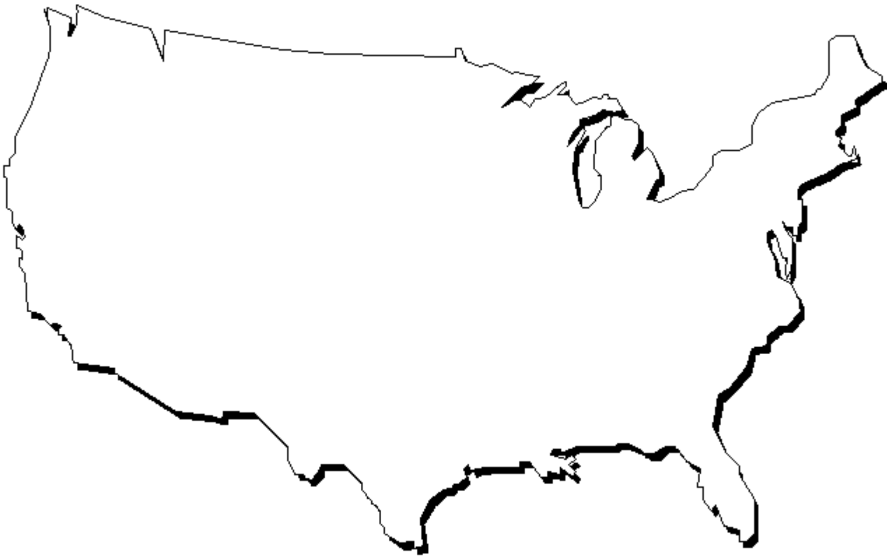

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http://www.intracen.org/mds/sectors/organic/ under "Studies"

INTERNATIONAL TRADE CENTRE

UNITED NATIONS
CONFERENCE ON
TRADE AND DEVELOPMENT

WORLD TRADE
ORGANIZATION

THE UNITED STATES MARKET FOR ORGANIC FOOD AND BEVERAGES

By

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Though the target audience for this market survey is producers and exporters in developing countries and transition economies, it is our hope that it will also prove useful for other companies, organizations and individuals interested in developing export trade to the United States.

All readers are invited to comment on this first version, ask questions, provide missing information or suggest improvements. The study will be updated regularly, as appropriate. Please contact kortbech@intracen.org.

March 2002

This document has not been formally edited by
the International Trade Centre UNCTAD/WTO

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INTRODUCTION AND GENERAL SUMMARY

Background

In recent years the world has seen a growing awareness of health and environmental issues, and sustainability has become the keyword whenever discussing economic development, in particular in relation to developing countries. It is a constantly growing number of concerned consumers, mainly in the industrialized countries of Western Europe, North America, Japan and Australia that are the cause of this development. The international community is becoming more and more conscious of these issues, and Government policies in industrialized as well as developing countries are increasingly formulated to encourage organic and other forms of sustainable agriculture.

In 1999, the International Trade Centre UNCTAD/WTO (ITC) published a market survey, entitled *Organic Food and Beverages: World Supply and Major European Markets*, financed by the Government of Denmark. It includes seven markets, i.e. Denmark, France, Germany, the Netherlands, the United Kingdom, Sweden and Switzerland. In addition to the country chapters, it also provides an overview of world supply of organic products and deals with certification procedures.

In 2001, the market study *World markets for organic fruit and vegetables* was published jointly by FAO/ITC/CTA. It provides detailed information on demand for organic fresh produce in the world's largest organic markets (United States, Japan and European countries) and gives case studies of seven developing countries that have established an organic export sector or are in the process of doing so.

This study, *The United States market for organic food and beverages* (first version) was posted on the ITC Web site for organic products (http://www.intracen.org/mds - What's New) early 2002. It provides detailed information on the U.S. market for organic products and describes distribution channels, market access, etc.

The above-mentioned studies all endeavour to fill an information gap amongst decision makers at government and non-government levels, in particular producers and exporters in developing countries, by providing comprehensive information on the supply situation and world markets for organic products.

Market prospects & business opportunities for developing countries and transition economies

With retail sales of organic food and beverages amounting to about $ 8 billion in 2000 (expected to reach about $ 9.5 billion in 2001), the United States is the world's largest market for this product group. Industry sources expect recent years' strong growth to continue over the short to medium term. According to the *Organic Consumer Trends 2001*, published by the Natural Marketing Institute in cooperation with the Organic Trade Association *(OTA)*, retail sales might reach $ 20 billion in 2005.

One of the main factors behind these very positive growth expectations is a strong and increasing consumer awareness of health and environmental issues, including a growing resistance amongst consumers towards food products made with genetically modified organisms (GMOs) and GM farming. Another important factor is the increasingly aggressive and targeted marketing and promotion by the retail sector, which is likely to intensify as mainstream retailers are moving into the organic trade. A similar effect is likely to result from the fact that the country's major food manufacturers are also taking an increasing interest in developing organic product lines.

The recently introduced national standards on organic agricultural production and handling are likely to have a significant positive impact on the further development of the organic industry throughout the value chain, from farmers to the final consumer, as there will be increased focus on organic products both within the industry itself and amongst consumers.

Although the overall picture looks very positive, a number of potential risk factors or threats should be borne in mind. For example, occasional oversupply of a given product may not only have immediate but also more long-term negative effects. Reduced price premiums for organic products and insufficient profitability amongst producers and traders are important factors. Furthermore other forms of environmentally friendly and sustainable agriculture are likely to result in increased competition in the future. Finally, unfavourable press, e.g. fraud (we have seen several examples recently), and scare stories are also factors that have to be reckoned with.

Even in the likely event that the above market forecast turns out to be realistic, growth rates are bound to slow down at some stage similar to what has happened in certain European markets after years of rapid growth, e.g. Denmark and Switzerland (although growth appears to be picking up again).

On balance, however, there is little doubt that the United States market will offer farmers and producers of organic products interesting business opportunities in the future, whether for domestic players or foreign traders who are looking for new markets. As far as developing countries are concerned, the following product categories are expected to be the most important:

- *products, mostly tropical*, that are not produced in the United States (or only in very small quantities): examples include coffee, cocoa and tea, most tropical fruit and vegetables (both in fresh and processed form, e.g. fruit juices, concentrates and pulp), various spices and herbs, dried fruit and nuts; suppliers will be producers in developing countries;
- *off-season products*, such as fresh fruit and vegetables, that are produced in the United States, but where there is an unmet demand during certain periods of the year (outside the US season); potential suppliers mainly will be producers in the southern hemisphere;
- *in-season products*, e.g. fruit and vegetables, for which there is a temporary or more permanent shortage because of strong and increasing demand; suppliers are likely to include producers in both developed and developing countries;
- *novelty* or *specialty products*, like high quality organic wines, certain ethnic food products or retail-packed food products; this segment is currently of particular interest to European food exporters, though some developing countries might also profit from such opportunities, e.g. wine exporters in Argentina, Chile and South Africa.

With certain exemptions, import demand in the foreseeable future is likely to be mainly for organic fresh produce (fruit and vegetables) and bulk-packed organic raw material or ingredients for further processing and packaging or re-packing, although other organic products may also find a market.

What developing countries and transition economies should do to enter the United States market

As it is easier to enter a new market during periods of strong growth, the current market situation should be exploited to the maximum by potential exporters to the United States, in order to secure a strong foothold before competition further intensifies, which is likely to happen over the next few years.

However, a considerable amount of work is necessary to build up an organic export trade in developing countries, both on the production side and on the marketing side. At country level a good agricultural supply base with appropriate national or international certification is absolutely necessary, while for the producer/exporter it is equally important to offer a range of high quality organic food products that meet the requirements of the market.

He/she should work, to the extent possible, in collaboration with other producers in the export country, e.g. through a cooperative or other group relationship. Working together can mean producing marketable quantities at better prices, broader assortments, and improved post-harvest treatment, processing, packaging, storage, transportation and administration. It may also help to cut the costs of certification and participation in foreign trade fairs, etc.

The producer/exporter must make sure that the organic certification will be recognized and accepted within the U.S. National Organic Program (NOP) and that export products meet all legal and market requirements (hygiene, weight, size, ripeness, colour, packing and other technical specifications) of the United States.

Exporters will find that a careful selection of market segments and distribution channels is of the utmost importance. A strong and reliable relationship with an importer or distributor is an absolute must in building up a profitable business. Depending on the product(s) in question, more than one importer (for different geographical areas) may be necessary in the longer run, although this would have to be justified by sufficient quantities of exportable products.

Exporters must keep themselves informed of market developments through information sharing, following trade journals and the Internet, etc. They should visit organic trade fairs regularly, e.g. those that are mentioned in this study.

While exporting can be a profitable business, the building up of a national market should not be ignored. A sizeable domestic market will help reduce over-dependency on one or more export market(s) and will also help to secure the necessary organic production base.

Developing countries should look at the United States not only as a potential future market for organic products but also consider it as a possible partner in various forms of co-operation within farming, processing, certification and marketing of organic products. There are a number of individuals, companies and other organizations that are interested in developing export projects in partnership with developing countries.

SUPPLY AND DEMAND

Domestic production

As in most other countries, it is difficult to obtain reliable and up-to-date production statistics on organic agriculture. However, a study, *U.S. Organic Agriculture,* published in 2000 by USDA's Economic Research Service (ERS), provides estimates on certified organic farmland acreage and livestock in the United States for the period 1995-97. In total, 1.3 million acres of farmland in 49 states were certified organic in 1997, and certified organic livestock was raised in 23 States. Table 1 below summarises statistics for certified organic agriculture.

Table 1 United States: organic agriculture in figures

U.S. certified organic	1992	1993	1994	1995	1996	1997	Change 1992-97	Change 1995-97
	1,000 acres						Percent	
Farmland								
Total	935	956	991	918	-	1,347	44	47
Pasture & rangeland	532	491	435	279	-	496	-7	78
Cropland	403	465	557	639	-	850	111	33
	Number							
Animals								
Beef cows	6,796	9,222	3,300	-	-	4,429	-35	-
Milk cows	2,265	2,846	6,100	-	-	12,897	469	-
Hogs and pigs	1,365	1,499	2,100	-	-	482	-65	-
Sheep and lambs	1,221	1,186	1,600	-	-	705	-42	-
Layer hens	43,981	20,625	47,700	-	-	537,826	1,123	-
Broilers	17,382	26,331	110,500	-	-	38,285	120	-
Unclassified/other	-	-	-	-	-	226,105	-	-
	Number							
Growers (plants & animals	3,587	3,536	4,060	4,856	-	5,021	40	3

Source: Economic Research Service, USDA. Numbers do not add up due to rounding.

ERS estimated that there were about 5,000 organic farmers in 1997 as certified by state and private certification bodies. According to the OFRF (see below), this number had risen to 6,600 in 1999, and to 7,800 by January 2000. In addition there is also an unknown number of uncertified farmers. With the new national standards on organic agricultural production and handling to be fully implemented by October 2002, the industry expects that a large number of these farmers will make a strong effort to become certified, as they will not otherwise be able to benefit fully from opportunities in the organic trade.

According to an industry source, about 80% of organic production currently comes from family farms, a far higher proportion than in the case of conventional farming. USDA producer surveys likewise indicate that, in the case of vegetables, organic growers have smaller acreages than do conventional growers. Organic growers have also traditionally carried out more direct marketing of their products, e.g. farm-gate sales, farmers' markets and sales to local stores and restaurants.

Although most organic production is done on relatively small farms, there are also several big scale organic farms, for example *Pavich Family Farms* in California with over 4000 acres of 100% certified organic soil and an additional 500 acres in transition to organic. It is the world's largest grower and shipper of organically grown table grapes and supplies the market place with over 60 varieties of fruits and vegetables marketed under the Pavich brand name. Pavich also works with certified organic farmers in Latin America and South Africa.

As shown in table 1, total certified farmland increased from 935,000 acres in 1992 to 1,347,000 acres in 1997, corresponding to an increase of 44%. While cropland benefited from this development and accounted for about 63% of the total farmland in 1997, pasture and rangeland acreage declined slightly to just below 37%. The five largest crop growing States (Idaho, California, North Dakota, Montana and Minnesota) together accounted for almost half of total cropland in 1997, while the ten largest States (including also Wisconsin, Colorado, Iowa, Florida and Nebraska) together account for two-thirds.

The following cropland was certified in 1997:

Grains: 291,013 acres, of which: mainly wheat (125,687), corn (42,703), barley (29,829) and oats (29,748); other grains included millet, rice, buckwheat, rye, sorghum and spelt;

Oilseeds: 31,433 acres, of which: mainly sunflower (10,894) and flax (8,053);

Beans: 96,183 acres, of which: mainly soybeans (82,143), followed by dry peas and lentils (5,187) and dry beans (4,641);

Hay and silage: 126,797 acres, of which: alfalfa (62,460) and haylage silage (11,579);

Herbs and nursery: 90,776 acres, of which: mainly wildcrafted herbs (83,388), followed by herbs, culinary and medical (6,407); and **greenhouse:** 378,928 square feet;

Vegetables: 48,227 acres, of which: lettuce (5,743), tomatoes (3,780), carrots (3,323) and mixed vegetables (16,830), the latter consisting of a wide range of different vegetables grown by small farms;

Fruit: 49,414 acres, of which: mainly grapes (19,299), apples (9,974), citrus (6,099) and tree nuts (4,908);

Other cropland: 116,333 acres, of which: trees for maple syrup (13,858), cotton (9,974), potatoes (4,335) and peanuts (2,969), as well as 31,798 acres of fallow land.

Though organic cropland has increased rapidly in recent years, only 0.23% of all U.S. cropland was certified organic in 1997. However, big differences existed between different types of crops. For example, just 0.1% of corn, soybean and cotton crops were grown under certified organic farming systems in that year, compared with 1-2% of oat, rye, dry pea and lentil, lettuce, apple and grape crops, and about one third of buckwheat, spelt, mixed vegetables and herbs (30.1-37.6%). There is currently no reliable information on domestic crop production in terms of output (tonnage), but the specialty grain as well as the fruit and vegetable sectors appear to be the most important.

In its survey the ERS sited the following obstacles to adoption of organic farming practices: “large managerial costs and risks of shifting to a new way of farming, limited awareness of organic farming systems, lack of marketing and infrastructure, inability to capture marketing economies, insufficient numbers of processors and distributors, and limited access to capital”. It is interesting to note that most, if not all, of these obstacles are the same as those faced by farmers in developing countries.

Comparison with Europe

It is interesting to compare the US organic agriculture (0.16% of all farmland was certified in 1997) with the situation in Europe. In EU+EFTA taken as a whole, an estimated 1.5% of total agricultural land was certified organic in 1997, while the figure was 2.93% by the end of 2000. It should be noted, however, that the conversion rate differs considerably between the various countries, as can be seen from the following examples: Austria (7.96%), Denmark (6.15%), Finland (6.79%), France (1.31%), Germany (3.2%), Italy (7.01%), the Netherlands (1.39%), Sweden (6.25), Spain (1.49%) and United Kingdom (2.85%); and outside the EU, e.g. Norway (2.01%) and Switzerland (9%). (SÖL Survey, August 2001:
http://www.organic-europe.net/europe_eu/statistics.asp.
Visit also: http://www.soel.de/publikationen/soel-internetpublikationen.html

Table 1 also indicates the number of certified organic animals. As shown, a very large increase has taken place over the period, 1992-97, in the case of milk cows (469%), layer hens (1,123%) and also broilers (120%). The States of New York (3,386 animals), Wisconsin (2,509) and Minnesota (2,425) had the largest numbers of milk cows in 1997; California (with 350,000 animals) and Virginia (62,400) were the largest producers of layer hens; Pennsylvania was the largest producer of broilers (29,000 animals).

The table also shows that, over the same period, the number of certified beef cows decreased by 35%, hogs and pigs by 65% and sheep and lambs by 42%. The State of Michigan had the largest numbers of beef cows (1,800), Washington had 450 pigs, while the largest producers of sheep and lambs were Pennsylvania (200), South Dakota (180) and Maine (169). Other certified animals included goats, fish and bee colonies, though no statistics are currently available.

While the above statistics on acreage may be indicative of the size of organic agriculture, there is currently no reliable information on domestic livestock production in terms of output (tonnage). However, less than one percent of total U.S. livestock production is certified organic. A major reason for this fairly low percentage has been that there was no organic label for meat and poultry until February 1999, when USDA approved a provisional label. Since then the market for meat is now growing, and so is the demand for organic animal feeds.

Food crops and non-meat animal food products are regulated by the FDA and have benefited from an organic label since 1990. This product group includes organic eggs and dairy products, the market for which has grown strongly in recent years.

The ERS study provides further detailed information on American organic agriculture. See http://www.ers.usda.gov/Emphases/Harmony/issues/organic/organic.html. It should also be noted that the ERS has just started a project to collect U.S. certified organic acreage statistics for 2000, which are expected to be published in 2002.

Though up-to-date figures are not available to give a complete picture, recent estimates by various U.S. certification bodies indicate that a further considerable growth in certified organic acreage has taken place from 1997 to 1999, e.g. 38% in California, 55% in Idaho, 55% in North Dakota and 150% in Washington.

Government policy on organic production

There is no United States Government programme existing to encourage farmers to switch to organic production. In fact, the existing farm support programmes and crop insurance programmes provided by the United States Government base their support on historical production and yields of affected fields and crops, which would be a disincentive to switching to organic production. There is, however, a pilot programme to offer organic crop insurance, which would provide some crop insurance coverage for the first time for organic fresh produce. This insurance could cover hail and other climatic impacts which up to now have not been covered for organic fresh produce through conventional Government programmes.

Some individual states are providing assistance in conversion to organic production. Iowa has approved organic production as an approved state conservation practice. Minnesota has implemented a cost share programme that pays for two-thirds of the cost for organic inspection and certification. The consensus at the state level is that these programmes only assist those farmers who are already interested in organic production and do not encourage most large fresh produce growers to consider conversion.

Production assistance is delivered through the United States "land grant" university system, which designates a university within each state as the Land Grant or agricultural university. Through the university, county extension agents are located in most production regions, and the development of assistance for organic conversion is determined and directed on a state-by-state basis.

Farmers' organizations

Special mention should be made of the Organic Farming Research Foundation (OFRF), the purpose of which is to foster the improvement and widespread adoption of organic farming practices. The mission of OFRF is to sponsor research related to organic farming practices, to disseminate research results to farmers and to growers interested in adopting organic production systems, and to educate the public and decision-makers about organic farming issues. Its *Third Biennial National Organic farmers' Survey* and other information is available online. Visit http://www.ofrf.org.

The Organic Farmers Marketing Association, or OFMA, was created to assist organic farmers in marketing, communication and public advocacy. OFMA consistently has representation at the National Organic Standards Board meetings, at meetings of the National Campaign for Sustainable Agriculture, etc. It works with USDA, EPA and the FDA on these same issues, for example, as one delegate organization to the UN sponsored Codex Alimentarius Commission. Visit web.iquest.net/ofma.

Imports and exports

As organic products are not classified separately by the *World Customs Organization* there are currently no foreign trade statistics on organic products, which makes it impossible to give an overview on international organic trade. Likewise there are no official statistics on U.S. imports and exports of organic products.

The International Standard Industrial Classification of all Economic Activities (ISIC) and the Central Product Classification System (CPC) have established (November 1999) a technical Working Group entrusted to elaborate agriculture and fishing needs in ISIC revision no.3, and to both review ISIC and CPC for their treatment of organic agriculture.

The Expert Group has expressed the view that organic farming, based on the inputs into process should be considered as a separate activity. This effort, co-ordinated by EUROSTAT Chair, is expected to be completed and presented to the UN statistical Commission in 2002.

However, according to OTA's *Export Study for U.S. Organic Products to Asia and Europe* (www.ota.com), "the United States annually exports more than $40 million in organic goods to the United Kingdom and organic products worth an estimated $40-$60 million to Japan. U.S. organic exports to Europe are growing approximately 15 percent a year, while exports to Japan have grown between 30 to 50 percent a year. Exports are anticipated to increase substantially now that the United States has national organic standards.

Market size (retail sales)

While there is little or no information available on the actual size of U.S. imports of organic products, the retail market for organic food and beverages can be estimated at about $ 8 billion in 2000, according to various industry sources. According to *The U.S. Organic Food Market* (November 2000), prepared by *Packaged Facts* report (see http://www.MarketReseach.com), the organic market increased from $ 6.5 billion in 1999 to $ 7.8 billion in 2000, a 20% increase, and is expected to reach $ 20 billion by 2005.

According to another survey *Organic Consumer Trends 2001* (published jointly by *The Natural Marketing Institute* and the *Organic Trade Association* in May 2000), retail sales of organic products have grown at a compounded annual growth of 22.74% over the past ten years and by 24.72% over the last three years. They projected retail sales of $ 9.3 billion in 2001 and also expect sales to reach about $ 20 billion by 2005. See table of contents and executive summary at http://www.nmisolutions.com.

MARKET CHARACTERISTICS

Definition of *organic* in the U.S. market

The new National Organic Program (NOP) of the USDA (to be fully implemented by 21 October 2002) determines four product categories:

- *100 percent organic:* products containing only organically produced ingredients;
- *organic:* products containing 95 percent organically produced ingredients by weight;
- *made with organic ingredients:* a product containing more than 70 percent organic ingredients. Up to three of the organically produced ingredients can be specified on the principal display panel of the packaging;
- *processed products containing less than 70 percent organically produced ingredients* cannot use the term organic in the principal display panel, but the ingredients organically produced can be specified on the ingredients statement on the information panel.

As of 21 October 2002 the USDA ORGANIC seal can be used on the two first product categories, provided that the requirements of the NOP are complied with. See paragraph on market access.

Market segments (product groups/industrial end-uses)

The NFM $4.5 billion sales figures for 2000 ($3.9 billion) included organic food and beverages sales of about $3.6 billion ($3.2 billion) and organic supplement sales of about $0.7 ($0.7 billion). 1999 figures are given in brackets.

Food and beverage sales can be further broken down, by product group, as follows:

Fresh Produce (fruit and vegetables): $953 million (833), packaged grocery: $652 million (692), bulk/packaged bulk: $482 million (437), frozen/refrigerated: $333 million (323), non-diary beverages (soy, rice, oat): $262 (157), dairy: $273 (171), food service (deli, restaurant, juice bar): $120 (127), bakery: $110 (98), snack foods: $105 (89), coffee/tea: $86 (78), other beverages, excl. beer/wine: $133 (68), home meal replacement: $32 (58), fresh meat/seafood: $44 (35) and beer/wine: $27 (6).

Sales of organic supplements can be broken down as follows:

Herbs/botanicals: $307 million (303), vitamins: $182 millions (159), minerals: $51 million (94), specialty (Ayurveda, hormones, EFAs): $91 (77), meal supplements: $28 million (47), sports supplements: $19 million (36) and homeopathy: $31 (12). Sales of organic non-food and non-supplements (personal care, house wares and pet products) amounted to $135 million (101).

Although the above figures only refer to sales by the natural products retailers, they do give an interesting picture of the relative importance of the various organic product groups.

According to the OTA's *2001 Manufacturers' Market Survey*, sales of U.S. manufactured organic products grew 38 percent during the past year (36 percent annually over the past five years), compared with an estimated 20 to 25 percent annual growth for the organic market in general.

The survey suggests continued strong growth in the industry and states "individual projected growth rates for 2000 to 2001 are: soyfoods and other meat/dairy alternatives (94 percent growth), fiber (53 percent growth), meat and poultry and eggs (59 percent growth), miscellaneous canned and jarred products (45 percent growth), and dairy (41 percent growth)."

Although the market for some product groups, e.g. meat and dairy products, does not seem to be of much interest for exporters in developing countries, most other food industries will need increasing quantities of foreign raw material and ingredients to meet the growing demand for manufactured organic products.

Import requirements

Although the United States is a very important producer of organic products and also produces quite a broad range of organic food and beverages, the country is far from self-sufficient in this area and needs to import significant quantities from all over the world to meet the requirements of a rapidly growing market. For developing countries the principal export items are likely to fall into one or more of the following broad categories:

- *tropical products (mostly)*, that are not produced in the United States (or only in small quantities; examples include coffee, cocoa and tea, most tropical fruit and vegetables (both in fresh and processed form, e.g. fruit juices, concentrates and pulp), various spices and herbs, dried fruit and nuts; suppliers will be producers in developing countries;
- *off-season products*, such as fresh fruit and vegetables, that are produced in the United States, but where there is an unmet demand during certain periods of the year; potential suppliers will mostly be producers in developing countries;
- *in-season products*, e.g. fruit and vegetables, for which there is a temporary or more permanent shortage because of strong and increasing demand; suppliers may include producers in both developed and developing countries;
- *novelty* or *specialty products,* like high quality organic wines, certain ethnic food products or certain retail-packed food products; this segment is currently of increasing interest to European food exporters, though some developing countries might also profit from such opportunities, e.g. wine exporters in Argentina, Chile and South Africa.

With certain exemptions, import demand in the foreseeable future is likely to be mainly for fresh produce and bulk-packed organic raw material or ingredients for further processing and packaging or re-packing, although other organic products may also find a market.

The specific product groups discussed below include those most likely to be of interest to developing countries:

- Fresh fruit and vegetables

This product group is the most important in terms of retail sales of organic foods (accounted for over 40% of the total in 2000) and is also amongst the biggest import products. It includes *tropical* fruit and vegetables all year round, e.g. banana, pineapple, papaya and mango, etc., *off-season* items as well as *in-season* items, which happen to be in short, supply from time to time.

Top vegetable prospects include: asparagus, avocados, beans, broccoli, cabbage, carrots, cauliflower, celery, chickpeas, cucumbers, eggplant, endive, garlic, lettuce, mustard, okra, onions, peas, squash, peppers, potatoes, radishes, tomatoes.

Top fruit and berry prospects include: apples, bananas, citrus, grapes, kiwi fruit, mangoes, melons, peaches, pears, pineapples, plums, strawberries, and various other berries.

For more detailed information on specific requirements see the recently published joint FAO/ITC/CTA market survey, entitled *World markets for organic fruit and vegetables: opportunities for developing countries in the production and export of organic horticultural products* (October 2001). Visit: http://www.intracen.org/mds (papers).

- Dried fruits and nuts, edible seeds and kernels

Although there is a considerable domestic production of these products, there is also a significant import demand, in particular of products that are not grown in the United States, but also for other items that may be in short supply. This category consists of:

Dried fruit, including: apples (e.g. rings or diced), apricots, dates, figs, raisins, Sultanas and tropical fruit, like banana, mango, papaya (paw paw) and pineapple.

Nuts, including: Brazil nuts, cashew nuts, chestnuts, decicated coconut, hazelnuts, Macadamia nuts, peanuts, pecan nuts, pistachio nuts, walnuts, water chestnuts.

Edible seeds, including: sesame, sunflower, pumpkin, poppy, flax.

- Processed fruit and vegetables

This product group consists of a broad range of various fruit and vegetables, processed in different forms, including:

- dehydrated fruit and vegetables, including freeze-dried items
- fruit and vegetable juices, concentrates and pulp/purée (canned, frozen, aseptic)
- canned fruit and vegetables
- frozen fruit and vegetables

Most of these products are used as ingredients or raw material by US food manufacturers, in particular in the case of juices, concentrates and pulp/purée, which are used not only in juices and juice drinks, but also in dairy products, baby food, bakery products, etc. Dehydrated fruit are used, for example, in desserts, dairy products, bakery products and baby food, whereas dehydrated vegetables are used, for example, in dried/instant soups and many forms of prepared and packaged food.

There is some import demand for certain canned organic fruit and vegetables (e.g. tropical items like hearts of palm), while frozen fruit and (mainly) vegetables are usually imported in bulk form and reprocessed or repacked by US manufacturers. It should be noted, however, that there is a very competitive US production of frozen fruit and vegetables from domestic crops. The principal manufacturer is *Cascadian Farm.*

Examples of import items include: apple and pear concentrate (70°), e.g. from Turkey, Argentina, Chile; white grape concentrate, e.g. from Argentina; pineapple concentrate (60°), e.g. from India and China; mango pulp, e.g. from Honduras, India and Sri Lanka, lemon juice (single strength), citrus juices and concentrates, e.g. from Brazil, Mexico and South Africa.

Imports of dehydrated vegetables include, for example, mushrooms, tomatoes, spinach, onions, squash, leeks, herbs, garlic and mixtures.

- Herbs, spices and essential oils

Major importers indicated that they import a full range of organic herbs and spices, and also several essential oils. Imports include, for example, basil, thyme, rosemary, dill, oregano, coriander, poppy seed and laurel, supplied by Egypt, Turkey and others. Other imported spices are: allspice (Guatemala), cardamom (Guatemala, Sri Lanka**)**, cinnamon (Indonesia), vanilla (Madagascar, Indonesia), cloves (Madagascar, Indonesia, Sri Lanka), black pepper (India, Sri Lanka, Indonesia), chillies/paprika (Africa, Spain), nutmeg (Indonesia, Sri Lanka) and ginger (Indonesia). A complete list may also include other spices as well as additional supplying countries.

During the time of this research, the trade reported an oversupply of most organic spices; the future development will depend greatly on how the National Organic Program will be enforced, according to one trade source.

There are a number of different brands at the retail level. *Frontier Natural Brands, Inc*., for example, offers a wide range of certified organic herbs and spices, as well as a smaller range of extracts, sold in small glass jars under its *Simply Organic* brand, as well as a similar range of seasonings, mixes and sauces, packed in sachets/pouches.

ForesTrade, Inc., Brattleboro, VT is believed to be the largest importer in the United States of tropical organic spices, though there are several other traders as well.
Essential oils, which are used not only in foodstuff but also very much as flavours in perfumes, aromatherapy and cosmetics, should likewise be mentioned here, as they are derived from spices, including those mentioned above, and are usually supplied by the same organic producers. Currently there appears to be a shortage of most organic essential oils.

- Coffee, tea and cocoa

Although organic products account for a very small share of US sales of coffee, cocoa and tea, it is significant that more and more organic items are found in food stores.

As far as **coffee** is concerned, consumers are offered a wide range of specialities, numerous manufacturers' brands and private labels, as well as labels certifying the product to be *Organic*, *TransFair* or *Bird Friendly* (shade-grown coffee), or a combination of these. For example, the same pack of a certain coffee may carry both an organic and a TransFair label (http://www.transfairusa.org) and sold under either a manufacturers' brand or a private label. Trade sources forecast US sales of organic coffee at about 11,000 metric tons in 2002, corresponding to about 1.1 per cent of total coffee sales in the country.

However, sales of organic coffee are growing, and several packers have introduced organic packs in the market, e.g. *Allegro Coffee Company* (a subsidiary of *Whole Foods Market, Inc.*), *Avelon (New Mexico Coffee Company)* and *Frontier Organic Coffee* (recently acquired by *Green Mountain Coffee*, though the former remains a distributor). Frontier organic coffee (bulk) range may serve as an example of what is being marketed:

- Single Origins: *Colombian, Guatemalan, Mexican, Peruvian, Sumatran*
- Blends: *Breakfast Blend, Mocha Java, Northwest Blend, Rainforest Blend, Special House Blend, Viennese Kaffeehaus Roast*
- Decafs: *Breakfast Blend, Espresso Roast, French Roast, Mexican Altura, Special House Blend*
- Dark Roasts: *Espresso Roast, French Roast, French Roast Guatemalan, Turkish Roast.*

It is interesting that the coffee shop chain *Starbucks* has started to support organic coffee growers and plans to offer such coffee together with its eco-friendly shade-grown coffee beans to its customers. In October 2001, it was retailing a *certified organic, shade grown coffee* from Mexico (whole bean coffee in packs of 227 g or 8oz), though it was not served in the coffee shops at this writing.

Most certified organic coffee currently comes from Latin America, in particular Mexico, Bolivia, Costa Rica, Guatemala, Nicaragua and Peru. Other suppliers include Indonesia, East Timor and Uganda, and importers are interested in tapping other sources of supply as well.

Important organic coffee importers include *Amcafe, Inc*., New Rochelle, NY; *Elan Organic Coffees*, San Diego, CA**;** *ForesTrade, Inc.*, Brattleboro, VT; *Moledina Commodities, Inc*., Yorba Linda, CA; *Organic Products Trading Co*., Vancouver, WA; *Peragon Coffee Trading Co*., White Plains, NJ; *Royal Coffee Co. Inc*., Emeryville, CA; and *Sustainable Harvest Coffee Co*., Emeryville, CA.

ORCA (The Organic Coffee Association) is an organization of organic coffee growers, importers, roasters and retailers dedicated to promoting the high standards of third-party certified organic coffee. Visit http://www.orcacoffee.org

Organic **tea** and **herbal tea** are also readily available in the US market, although no market estimates can be given. For example, a leading packer of specialty teas, *Celestial Seasonings, Inc*., Boulder, CO offers a range of organic teas and herbal teas, including: black tea, green tea, chamomile, Earl Grey, English Breakfast, green tea, green echinacea mint and chai (blend of cardamom, gloves, ginger, nutmeg).

The company allGoode Organics (Serenitea) in Santa Barbara, CA offers a range of organic herbal tea blends. *Eden Organic* (*Eden Foods*) offers a range of green teas. Other packers of organic teas include *Eco-Prima, Inc*. in Mamaroneck, NY (anupaecot@aol.com) and *Choice Organic Teas/Granum, Inc.* in Seattle (black, green, herbal, oolong) http://www.choiceorganicteas.com.

Mate tea, exported, for example, by the company *Chololo* in Paraguay and certified by Farm Verified Organic (FVO), is another product found in the US market.

Sales of organic **cocoa products** appear to be smaller than those of coffee and tea, though several items are appearing in the market, including different flavours of instant cocoa mixes and chocolate bars. Trade sources estimate that sales of organic chocolate correspond to less than one percent of the total retail chocolate market of about $ 14 billion.

Country Choice Naturals in Minneapolis, for example, produces four flavours of instant cocoa mix: *Chocolate Cinnamon Spice*, *Irish Chocolate Mint, Chocolate Orange Cream and Royal Chocolate*, marketed in pouches of 1 oz. and canisters of 12 oz. This company also packs chocolate cookies.

Most organic chocolate products currently seem to be imported from Europe. For example, *Edward & Sons* in Carpintera, CA markets the following range under its Edward's brand: Banana, Orange, Strawberry (all three "chocolate dipped fruit jellies") and Orange-Mints, Peppermints (both "chocolate covered fondants").

Chocolove in Boulder, CO supplies distributors with 61% and 73% dark chocolate made from Caribbean cocoa beans, while *Rapunzel* in Valatie, NY imports a range of Swiss chocolates. Several companies, including *Global Organics, Ltd*. in Arlington, MA and *Ciranda* in Hudson, WI, import or trade in cocoa powder, cocoa butter, cocoa liquor, etc.

Special mention should also be made of *Organic Commodity Products (OCP)* in Cambridge, MA, which trade in cocoa products and is involved in field development in cocoa producing countries, including Costa Rica and Ghana.

- Grains and flours

Though the United States is a large producer of organic grains, e.g. wheat, rice, millet, kamut, buckwheat, etc., it is also an important importer of rice and of non-traditional cereals like amaranth and quinoa, mostly produced in Latin America (e.g. Bolivia, Brazil, Mexico and Peru).

Breakfast cereals, flour for home baking and bakery products are all very important items in the US retail trade, but are mostly produced by domestic companies, though some foreign ingredients are used.

The *Alvarado Street Bakery*, Rohnert Park (north of San Francisco), claims to be America's largest organic bakery. Visit http://www.alvaradostreetbakery.com/.

- Dried legumes (pulses)

The United States is a major producer of legumes including beans, but it imports significant quantities of various pulses, including lentils, garbanzo beans, black beans, pintos and chickpeas.

- Oil crops; vegetable oils and fats

Many developing countries produce organic oil crops, for example:

Coconut (Colombia, Costa Rica, Dominican Republic, Honduras, India, Madagascar, Sri Lanka); *Olives* (Mediterranean countries, Argentina); *Safflower seed* (Argentina, Paraguay); *Sesame seed* (Bolivia, Brazil, Burkina Faso, China, El Salvador, Gambia, Guatemala, India, Malawi, Mexico, Nicaragua, Paraguay, Peru, Sri Lanka, Sudan, Turkey and Uganda); *Sunflower seed* (Argentina, China, Paraguay, Uganda, Uruguay).

Special mention should be made of soy bean, which is an important oil crop used also for the production of food items that replace meat and dairy products, for instance soymilk, tofu and cheese. The United States is the world's largest producer of soybeans. Other major producers are China, India, Brazil, Argentina, Bolivia, Paraguay and the European Union. The search for GMO-free soy and soy products for use in the production of organic and conventional food products is growing strongly and may open new opportunities for developing countries.

A large volume of vegetable oils and fats are produced in developing countries, including the following: palm, soybean, rapeseed, sunflower, coconut, palm kernel and olive oils. Developing countries produce also minor oils and fats, such as sesame, safflower, jojoba oils and shea butter.

The Unites States is an importer of many of the above items.

- Sugar and other sweeteners

Although there is significant domestic production of organic sugar, imports are needed to meet demand as the market is growing rapidly, both for sales in retail packs and as an ingredient in bakery products, snacks, etc. The most important U.S. producer of organic sugar is *Florida Crystals* in Palm Beach, which grows organic sugar cane domestically (10,000 acres) and in Paraguay (25,000 acres). Brazil is another important producer. The *Balbo Group*, which is the largest company, has a processing plant in San Francisco. Several other countries are also supplying the U.S. market. Other organic sweeteners include honey, maple syrup and agave juice.

- Alcoholic beverages

There is a potential import demand for organic wine, e.g. from South Africa and Latin America, and organic rum from the Caribbean.

- Food additives and supplements

As shown earlier, there is a very large market in the United States for organic food additives and supplements. Many developing countries may be able to supply the US industry with organic ingredients. Examples of such items include: annatto, a natural food colourant produced from the pulp surrounding the seed of the tropical American tree Bixa orellana. It is produced in East Africa and in tropical America; Guar gum (obtained from a legume with the same common name) and carob gum (from the leguminous carob or locust bean tree) and other gums are produced in the Mediterranean basin, East Africa and Asia. Among the numerous other products in this category are alginates (obtained from marine brown algae like kelp) and carrageenin (from red algae).

- Processed food products

American organic food manufacturers offer an almost complete range of processed foods, including baby food, cereal products, preserves, canned and jarred items, dried and frozen food, ready meals and other convenience foods. The United States imports increasing amounts of some of these products.

The European Union, Switzerland, United States, Canada, Japan, Australia and New Zealand are the main producers of this category of products, though some developing countries, including Argentina and Brazil, also produce such products in exportable quality.

- Animal products

Though many developing countries produce organic meat, dairy products and eggs, there does not seem to be much import demand for most of these products. However, this study has not investigated this market in detail.

- Non-food products

Although not covered by this survey, it should be noted that there is a growing demand for a range of non-food organic products, including animal feeds (to feed organic livestock), seed grains (to grow organic crops), natural pesticides and repellents, flowers and pot plants, cotton, hemp, jute, leather, sisal, wood and wood products, wool, and ingredients for cosmetics and cleaning products. For example, sales of organic fibre products have grown 22 percent annually over the past five years, according to an OTA survey.

Private sector organic fiber standards (revised fourth draft) have recently been posted on OTA’s Web site http://www.ota.comaos_revisions.htm for comments. Reference should also be made to the IFOAM standards for textile processing.

Promotion and consumer education

Advertising and promotion

Advertising and promotion play an increasing role in the organic food trade, and private labels and manufacturers' brands alike are being promoted heavily by the food industry and the retail sector. The intensity of such activities has increased considerably in recent years, as the conventional food sector has become more interested in organic products.

Generic promotion is carried out, for example, by OTA. In September 2001 its tenth annual *Organic Harvest Month* celebration took place focusing on the benefits and practices of organic agriculture. Special activities were carried out by producers, retailers, organizations and local communities around the country to share information with consumers on what organic stands for and what organic products are available. Though such events are geared specifically to promote domestic production of organic food, they are also certain to have a positive effect on sales of organic food, in general, thus benefiting likewise exporters in developing countries.

Consumer movements

A number of other organisations throughout the nation promote organic foodstuff and look after the interests of the organic consumer in various ways. Two of the most important and visual ones are:

> The *Organic Consumers Association (OCA*) promotes food safety, organic farming and sustainable agricultural practices in the U.S. and internationally. It provides consumers with factual information they can use to make informed food choices. Its campaign strategies include public education, activist networking, boycotts and protests, grassroots lobbying, media and public relations, and litigation. It publishes two electronic newsletters: *Organic View* and *BioDemocracy News*. Web site: http://www.OrganicConsumers.org
>
> The *Organic Alliance*. Its mission is to encourage an ecologically and socially responsible agriculture, which reflects humankind's obligation to protect the health of the planet for future generations. The Alliance promotes the environmental and economic benefits of certified organic food production to farmers, processors, distributors, retailers, and consumers. Web site: http://www.organic.org

In addition there is a large number of other consumer and environmental groups, most of which are concerned with environmental issues and usually take a strong stand on genetically engineered foods, irradiation, toxic sludge fertilisers, etc., which again helps indirectly to promote organic farming and organic foodstuff.

Export markets

The private sector (individual producers and exporters), OTA and USDA are promoting US exports of organic food and beverages quite actively. The latter two are co-funding some export promotion activities. In 2001, $48,000 was provided by USDA' s Market Access Program (MAP); a similar amount is foreseen for 2002. Joint OTA/USDA activities include market research reports and the preparation of the *2001 Organic Export Directory*, which was published in connection with the BIO FACH Food Fair in Germany (February 2001).

In 2001, OTA also published a brochure entitled *Buying Organic Products from the United States*, to help promote international sales of U.S. organic products. The brochure, also partly funded by MAP, and published in French, Spanish, German and Japanese, will be distributed at domestic and international trade fairs, etc. It "provides a brief summary of the major requirements of U.S. national organic standards, and explains the new labeling options provided under the U.S. organic standards. It also highlights the many U.S. organic products now available: from fruits and vegetables, to prepared and frozen foods, cereals, meat, breads, cookies, beer and wine, baby foods, bed and bath linens, tablecloths, napkins, toys, cosmetic puffs, organic commodities such as soybeans and small grains, and men's, women's and children's clothing." The brochure will also prove useful to exporters in developing countries and transition economies, who wish to learn more about the US market.

Trade fairs and trade shows

New Hope Natural Media, Boulder, CO (a division of *Penton Media, Inc*.) organises the following major trade shows:

> Established in 1979, *Natural Products Expo West* is North America's largest natural and organic products trade show. It is held each spring in Anaheim, California and encompasses a wide range of product categories, including organic food, fibre and personal care products. In 2002 Expo West attracted more than 25,000 trade professionals to the fair and more than 2,200 stands (exhibit booths). In 2003, the show will take place during 6-9 March. Visit http://www.expowest.com
>
> *Natural Products Expo East*, which is the largest show in this category on the East Coast and has the same profile of products as Natural Products Expo West. It is held each autumn in Washington, DC. In 2002 the show will take place during 3-6 October. Visit http://www.expoeast.com
>
> *Natural Products Expo Europe*, which is held in Amsterdam during the summer. In 2001 there were about 300 exhibitors and 3,200 visitors. The next show will take place during 11-13 June 2002. More than 275 exhibitors are expected. Visit http://www.expoeurope.com
>
> *Natural Products Expo Asia*. This show will be held for the first time in Hong Kong during 15-18 May 2002. Visit http://www.naturalproductsasia.com

New Hope Natural Media also publishes Natural Foods Merchandiser, North America's leading trade magazine in this category. Since its inception in 1979, Natural Foods Merchandiser has published more than 1,000 stories on organics. Visit http://www.newhope.com/nfm-online.

For more information contact Scott Silverman, Organic Program Manager for New Hope Natural Media, Telephone: 303-998-9266, Fax: 303-998-9525, Email: ssilverman@newhope.com

Another regular event in the organic industry is: The *Organic Conference and Trade Show*, which is organised by the Organic trade Association in connection with its *Annual Membership Meeting* and held in Austin, Texas. The next event will take place during 8-11 May 2002. Visit http://www.ota.com for further information.

All of the above events feature a conference/educational programme run parallel with the actual trade show itself, thus offering an excellent forum for the organic industry to meet and share information.

It should also be noted that there are several other events that may be of interest to producers of organic products, although they do not specifically deal with organic or natural food products, e.g. the 2002 PMA Foodservice Produce Exposition (14 July, 2002) and the PMA Fresh Summit International Convention & Exposition (11-15 October, 2002). Visit http://www.pma.com for details.

Prices

This survey does not attempt to analyse the price formation and recent price trends for organic food, but a few general remarks may be useful. Normally, the organic consumer may accept price premiums of 10-20%, or a maximum of up to 25%, if higher than that he/she is usually more reluctant to buy organic products. Developing country exporters may also typically expect a premium of 10-25%, though in some cases the premium may be much higher, up to a hundred percent or more, if the product concerned is in short supply. However, the usual demand/supply mechanism will tend to force prices down over time.

It is important that producers and exporters in developing countries do not overestimate the price premiums that may be obtained, and that they base their export prices on realistic production costs and price expectations. Existing as well as new suppliers to the United States market will have to price their products at levels competitive with those of domestic and imported products. As prices for most organic products tend to fluctuate over time and market requirements change frequently, suppliers need to monitor the market and price movements closely to arrive at a realistic pricing policy.

DISTRIBUTION CHANNELS

Traditionally, organic food products have been sold outside the conventional distribution system through alternative channels, e.g. farm gate sales, open-air markets, specialized grocery shops and natural products retailers. Likewise, most processing and packaging was done by small and medium-sized companies rather than by major food manufacturers.

However, as the organic food market has grown strongly in recent years, sales are also moved into the mainstream retail trade, and the conventional food industry is also becoming increasingly involved. The organic food sector is furthermore undergoing a consolidation process through acquisitions, mergers and alliances.

Imported products usually reach the final consumer through the channels described below. Though the specific companies mentioned tend to be amongst the best known in the industry, many other firms can likewise claim to be important in their field. These and other companies are listed in the annex. Additional names of companies may be obtained from OTA as well as various trade directories.

> The Organic Trade Association (OTA) is a membership-based business association representing the organic industry in Canada, the United States and Mexico. Members include growers, shippers, processors, certifiers, farmers' associations, brokers, importers, exporters, manufacturers, distributors, retailers and consultants. OTA encourages global sustainability and works to promote organic products in the marketplace and to protect the integrity of organic standards. Visit http://www.ota.com including *The Organic Pages Online: North American Resource Directory*

Importers and ingredients suppliers

While importers of organic foodstuff are found across the nation, it seems that a relatively big share of them are based on the west coast, mainly in California, and in the northeastern region, mainly the States of New York and New Jersey. They tend to be specialized in certain product groups, like fruit and vegetables, dried fruit and nuts, spices and herbs, etc. Some companies have developed organic product lines in addition to their conventional products, whereas others have built up their organic business from scratch. Many of these companies are traders and exporters as well. Some major importers and their principal product groups are given below, as examples.

Fresh organic produce (fruit and vegetables)

Fresh organic produce still remains the single biggest product group traded in the United States, and while the bulk of it is domestic production, a considerable part of it is imported. Organic fresh produce importers/distributors are responsible for importation, warehousing and distribution of the product. They supply retailers, wholesalers and the food service industry, though the latter sector is still small for organic produce. Most of them tend to focus on regional markets. Important companies include:

Albert's Organics, Los Angeles, CA . A division of United Natural Foods (see below). Is the biggest "coast to coast" wholesale distributor and has warehouse centres in Los Angeles, CA, Bridgeport, NJ, Winter Haven, FL and Denver, CO. It delivers to all major metropolitan areas and most regions in the continental U.S. and Canada.

CF Fresh, Sedro-Woolley, WA. It is one of the leading organic produce sales agencies in North America and the leading importer of fresh organic produce from South America, mainly Argentina and Chile. Visit http://www.rootabaga.com

R-Best Produce, Inc., New York, NY. Imports and distributes organic fresh produce. It is the largest such company in the northeastern region and supplies supermarket stores and smaller gourmet and organic stores.

Organic commodities and ingredients

American Health & Nutrition, Inc., Ann Arbor, MI. Is a major supplier of organic commodities and ingredients, mainly of domestic origin, but it also imports a number of products, including beans, sesame seeds, amaranth, quinoa, sunflower oil and seeds and similar products. Visit http://www.organictrading.com

Ciranda, Hudson, WI. Another supplier of organic food commodities and ingredients (starches & thickeners, grains and pulses, soybeans, nuts and seeds, oils & fats, fruit products (dried, juice and pulp), cocoa products, sugar and sweeteners, many of which are sourced abroad. Visit http://www.ciranda.com

Forestrade, Inc., Brattleboro, VT. is an important importer, processor and distributor of coffee, spices and essential oils, and it works with thousands of smallholders in Indonesia, Guatemala and Grenada. The company is also involved in imports of coffee for Fair Trade. Visit http://www.forestrade.com

Global Organics, Ltd., Arlington, MA. is an importer and exporter of organic and natural ingredients (cocoa products, dried fruits and nuts, coconut oil and palm oil, spices, sugar and cane products, etc.). Visit http://www.globalorganicsltd.com

Hartog Foods Inc., New York, NY. is a major importer and trader of conventional fruit juices, pulps and concentrates and is building up an organic range for delivery to the food industry.

Herb Trade, Inc., Hoboken, NJ. is an importer and exporter of organic botanicals, herbs, spices, essential oils and dehydrated vegetables.

Hershey Import Co., Inc., Rahway, NJ. a division of United Natural Foods (see below), it is an importer, processor, packager and wholesale distributor of nuts, dried fruit, seeds, trail mixes, natural and organic products.

IngredienTrade, New York, NY is a supplier of organic fruit juices, purees and concentrates, fruit essences, essential oils, dried fruits, frozen fruit and vegetables. Its range includes various tropical fruit products. Visit http://www.ingredientrade.com

Marroquin International Organic Commodity Services, Inc., Santa Cruz, CA. is working with farmers and suppliers globally to provide ingredients to the natural foods industry. Its product groups include dried tropical fruit, dried/dehydrated vegetable products, essential oils, herbs and spices. Visit http://www.marroquin-organics.com

Mercantile Food Company, Philmont, NY. is a supplier of beans, grains, flours and flakes, dried fruits and nuts, cocoa, green coffee and desiccated coconut. Some products are imported. Visit http://www.mercantilefood.com

Organic Commodity Products, Inc./OCP Chocolate, Cambridge, MA. It has offices in Costa Rica, USA and Europe and undertakes field development in cocoa origin countries. Visit http://www.ocpchocolate.com

Organic Ingredients, Inc., Aptos, CA (a division of Spectrum Organic Products, Inc.). It supplies fruit and vegetable juices, purees and concentrates, IQF fruits and vegetables, culinary oils, etc. It sources globally and packs for the food industry, private labels and food service. Visit http://www.organic-ingredients.com

Organic Planet, San Francisco, CA imports in bulk and supplies processors and food manufacturers with ingredients. Product range includes edible seeds, e.g. sesame, sunflower, pumpkin, poppy, and flax; beans/legumes, e.g. garbanzo, black, pintos and lentils; dried fruits and nuts, e.g. apricots, figs, almonds and peanuts; oils, e.g. palm, safflower, olive and soybean. Visit http://www.organic-plant.org

Tradin Organics USA, Inc., Amherst. Is the American subsidiary of the Netherlands-based trading company, Tradin Organic Agriculture B.V. The company is a major importer and trader in organic foodstuff from developing countries. It has a wide product range, e.g. sweeteners, oil seeds, seasonings, rice, starch, oils, coffee, cocoa, grains, beans, seeds, fresh fruit, dried fruit and nuts, processed fruit and vegetables, etc. Visit http://www.tradinorganic.com

Organic packaged food/specialty foods (retail packs)

American Roland Food Corp., New York, NY. Imports include canned goods, packaged grains, cereals and oils, specialty/gourmet products and organic bulk. Several of these items are imported from developing countries. Visit http://www.rolandfood.com

Rapunzel Pure Organics, Inc. Valatie, NY. It is a subsidiary of Rapunzel in Germany and markets a broad range of retail-packed food products, imported mainly from Germany and Switzerland. However, the European HQs import raw material/ingredients from developing countries. Visit http://www.rapunzel.com

Non-food products

This study does not include non-food items. It is suggested to contact The Organic Trade Association (OTA) for names and addresses of importers and traders. Visit http://www.ota.com

Natural foods distributors and wholesalers

There are numerous wholesalers, distributors and traders involved in the distribution of organic food and beverages throughout the country. However, a few major companies, including *natural foods distributors*, are playing a leading role, in particular for processed and packaged food. They may import some products direct or through associated companies but they obtain most of their products from specialized organic importers (see above) or from domestic processors and manufacturers

° *United Natural Foods, Inc.* is the largest natural foods distributor (including organics) in the US and supplies more than 7,000 retail stores nationwide with natural groceries, body care products, supplements, and frozen foods. Its subsidiary *Albert's Organics* distributes organic products, including fresh produce, to retailers. It also owns *Hershey Import Co.* and runs a number of natural food stores (the *Natural Retail Group*). Visit http://www.unfi.com

° *Tree of Life, Inc.* (owned by the Dutch food company *Koninklijke Wessanen*) is another major national natural food distributor reaches more than 15,000 food retailers in the US and Canada through about 20 distribution centres. It has recently acquired *AMCON*'s natural foods distribution business (regional). Visit http://www.treeoflife.com

° Other important natural food distributors include *Blooming Prairie Cooperative Warehouse* http://www.bpco-op.com and *Northeast Cooperatives* http://www.northeastcoop.com

In addition to the above companies, there are a number of other wholesalers and organic manufactures/packers that play a similar role in marketing and distribution of organic food, including the following:

° *Eden Foods* operates as an organic manufacturer and wholesaler, which supplies a wide range of retail-packed organic products under the Eden brand, packaged by the company itself or by its business partners, and it works direct with organic farmers. Eden Foods is also an importer. Visit http://www.edenfoods.com

° *Frontier Natural Products Co-op* is a member-owned cooperative, which consists of retailers, distributors, manufacturers, buying clubs and organizations. It specializes in herbs, spices and related products and supplies bulk products as well as retail and foodservice packs. Visit http://www.frontierherb.com

Food processors and manufacturers

Traditionally it is small and medium-sized companies that have been involved in processing and manufacturing organic food products (pioneers), often located close to the relevant farming community. Smaller companies still play a major role in the organic industry, but it is significant that more and more major food manufacturers and mainstream food marketers, including big multinational companies, are now developing and marketing organic product lines. They use both domestic and foreign ingredients. Some imports are done direct, but generally imports are done through specialized importers and ingredients suppliers.

Most of these companies have expanded into organics through mergers and acquisitions. Important manufacturers of organic food include the following companies:

- General Mills, one of the country's major food manufacturers, owns, through Small Planet Foods, Cascadian Farm, one of the pioneers in the organic business (produces a range of processed fruit and vegetable products, prepared meals, etc. and Muir Glen (a manufacturer of organic tomato products and sauces). Another General Mills company, Sunrise, packs organic breakfast cereals. The group also produces organic flour and sugar. It uses mainly domestic raw material, but imported ingredients are also needed. Visit http://www.GeneralMills.com

- *The Hain Celestial Group* is involved in organic food, e.g. through its ownership of *Earth's Best* (baby food) and *Celestial Seasonings*, the biggest packer of specialty teas, including a range of organic teas. Celestial, for example, usually goes direct to source for its raw material requirements, whether domestically or abroad; imports through brokers, when quantities are small, or for other reasons. The Hain Celestial Group also produces a range of other organic products, including organic pasta and organic potato chips, under several well-known brands, e.g. Garden of Eatin'. The multinational *H.J.Heinz Co.* has acquired a significant share of the Group.Visit http://www.hain-celestial.com

- *Horizon Organic Holding Corporation*/*Horizon Organic Dairy, Inc*., a dairy company operating internationally. Visit http://www.horizonorganic.com

- *Seeds of Change* (owned by *Mars, Inc*.) manufacturers organic pastas and pasta sauces, salsas, rice and grain side dishes, etc.
Visit http://store.yahoo.com/seedsofchange/

- *Smucker's*, a producer of jams, jellies and preserves, owns *Santa Cruz Organic* and *R.W.Knudsen*, which are strong in organic juices, etc. Visit http://www.smuckers.com

- *Gilroy Foods*, Gilroy, CA, (a *ConAgra Food Ingredients Company*). Produces a range of dehydrated organic vegetables: bet, bell pepper, carrots, celery, garlic, onion, parsley, spinach and tomato. Visit http://www.gilroyfoods.com

In addition to the above-mentioned food groups involved in organics, there are a number of other important organic manufacturers or packers that are producing organic food, including the following: *Florida Bottling, Inc.* (fruit juices), *Florida Crystals Corporation* (rice and sugar), *Kellogg Co*. (breakfast cereals), *Mountain Sun (*apple juice), *White Wave* (soy products), etc.

The retail sector

As mentioned earlier, the United States retail market for organic food and beverages was estimated at around $8 billion in 2000. Although organic foodstuff is sold through most types of food stores, the largest share of sales, by far, takes place through two major channels, i.e. *natural products retailers* and *conventional supermarkets* (the latter also referred to as the m*ass market* or the *mainstream market*).

Both the natural food store sector and the conventional stores sell organic produce, but approach the sector differently. For example, in the case of fresh fruit and vegetables, the natural food stores usually focus on organic produce and will offer conventional produce only when organics are not available. Most mainstream supermarkets, on the other hand, feature conventional produce and provide limited organic produce to complement their conventional range. However, some conventional supermarkets are opening their own natural *food departments.*

Natural products retailers

According to the publication *Natural Foods Merchandiser*'s annual *Market Overview* (June 2001 issue), the natural products market amounted to $32 billion in 2000 ($28 billion in 1999), of which *natural products retailers* sold 47.7%, corresponding to $15.3 billion. This figure includes sales of organic foodstuff and organic supplements (vitamins, minerals, etc.) worth $4.5 billion.

As defined by NFM, *natural products retailers* include the following categories:

- natural food stores (outlets with 40% or more of sales are in natural foods)
- health food stores (outlets with 40-80% of sales in supplements)
- VMS (vitamin and mineral supplements) stores (with 80% or more of sales in supplements)

Although the sub-sector *organics* is not referred to in this classification, the natural food stores, including some important chains, are the most important for organic foodstuff.

The natural food store sector has over 12,000 stores in the U.S. with a focus on selling organic and natural food products. While this sector has several major chains, including the two largest, as referred to below, it still consists predominately of independent retail stores.

° *Whole Foods Market, Inc*., based in Austin, Texas, is the largest retailer of natural and organic foods with about 125 food stores across the country and a turnover of $ 2,272 million in 2001 ($ 1,840 million in 2000). It offers a broad range of packaged organic food and fresh organic produce. Its packaged range consists of well-known manufacturers' brands and private labels, including *Whole Foods* and its newly introduced *Whole Kids Organic.* Visit http://www.wholefoodsmarket.com

° *Wild Oats Markets, Inc*., based in Boulder, Colorado, the other major nationwide chain of natural and organic markets with over 110 stores in 23 states and British Columbia, Canada. It had annual sales of $ 838 million in 2000. It also has a wide range of organic food and beverages, both fresh produce and packaged products, the latter comprising manufacturers' brands and *Wild Oats* private labels. Visit http://www.wildoats.com

As a rule the natural food stores, including the two major chains, do not import organic products direct but obtain their requirements from "primary distributors" or "regional distributors", e.g. United Natural Foods, Inc.

Conventional supermarkets

While mainstream supermarket chains and traditional grocery stores account for the major part of overall food sales, there are no official figures on their sales of organic foodstuff. However, the mainstream retail sector's sales of organic food may be estimated at between $ 3-3.5 billion, and their share is growing rapidly.

The conventional retail stores represent over 120,000 individual stores, although not all of them handle organic products. A continuing trend in this sector is consolidations of the retail chains. This has progressed much further than in the natural food markets. In 1998, the top four food retailers had a market share of 28.8% and the top 20 retail chains commanded 48.2% of the total retail foods sales.

According to a recent report by the U.S. Department of Agriculture the top food stores are: number one, The Kroger Co. group with 2,200 stores and US$43.1 billion sales. Second is Albertson's with 1,796 stores and US$34.0 billion in sales. The Safeway group is third with 1,435 stores and US$29.0 billion in sales and fourth is the Dutch-owned Ahold USA group with 1,294 stores and sales of $23.4 billion.

The food service sector

While this sector is extremely important in the U.S. with consumer spending in the food service section now equal to or exceeding household food expenditures at retail stores, very little of sales appear to be organic. In reality, very few restaurants use organic raw material, although specialized restaurants do exist throughout the country, e.g. the well-known *Restaurant Nora* and *Asia Nora*, both in Washington, DC (visit http://www.noras.com).

The food service sector is usually supplied by specialized food service distributors (the top 10 companies account for about 20% of the market), but, until now, these companies do not seem to offer much in terms of organic products.

As far as organic fresh fruit and vegetables are concerned, the relatively small market that does exist is largely supplied by the above-mentioned fresh produce traders. Natural food distributors, wholesalers and importers supply the sector with processed and packaged items.

MARKET ACCESS

Customs duties

United States import duty rates vary by product as well as by country of origin. The same rates apply whether a product is organic or conventional.

The Harmonized Tariff Schedule of the United States (2002) can be accessed at http://dataweb.usitc.gov, the Web site of the U.S. International Trade Commission.

Organic certification

The Organic Foods Production Act (OFPA) was adopted as part of the 1990 Farm Bill in order to establish a National Organic Program (NOP). OFPA had three purposes: to establish national standards governing the marketing of certain agricultural products as organically produced; to assure consumers that organically produced foods meet a consistent standard; and to facilitate inter-State commerce in fresh and processed food that is organically produced. In 1993, the USDA appoints the National Organic Standards Board (NOSB). On 16 December 1997, a proposed regulation to establish the National Organic Program was published in the Federal Register for public comment until 16 March 1998. It included detailed requirements and guidelines for the production and handling of organic agricultural products, both crops and livestock. However, it was withdrawn after more than 275,000 comments on various controversial issues were received by USDA.

In March 2000, a second proposal was published by the USDA, which gave its final rule in December 2000 after consultations with the organic trade. The final rule became effective 21 April 2001 and will be fully implemented by 21 October 2002. It has been summarized as follows:

"This final rule establishes the National Organic Program (NOP or program) under the direction of the Agricultural Marketing Service (AMS), an arm of the United States Department of Agriculture (USDA). This national program will facilitate domestic and international marketing of fresh and processed food that is organically produced and assure consumers that such products meet consistent, uniform standards. This program establishes national standards for the production and handling of organically produced products, including a National List of substances approved for and prohibited from use in organic production and handling. This final rule establishes a national-level accreditation program to be administered by AMS for State officials and private persons who want to be accredited as certifying agents. Under the program, certifying agents will certify production and handling operations in compliance with the requirements of this regulation and initiate compliance actions to enforce program requirements. The final rule includes requirements for labeling products as organic and containing organic ingredients. This final rule also provides for importation of organic agricultural products from foreign programs determined to have equivalent organic program requirements."

In practical terms, any producer/exporter considering exporting to the United States should choose a certification body which provides access to the US market; either the certification body should be accredited in accordance with the requirements of the NOP, or it should have the possibility to let the products be re-certified by an accredited certification body.

Certification bodies have the following three possibilities to become accredited:

1. Direct accreditation by NOP
2. Accreditation by a foreign government which is recognized by the USDA as being able to accredit in accordance with the requirements of the NOP
3. Accreditation by a foreign government which has entered into an equivalency agreement with the USDA

If the certification body in question is not accredited, the products must be re-certified by an accredited certification body. For example, if a foreign product, say from Africa, imported by a US company, is already certified, but by a non-accredited certification body, the US company's certification partner may accept that certification and issue its own certificate for the products concerned (re-certification). There are different procedures for carrying out re-certification, depending on, for example, the relationship between the two certification bodies.

In general, it is suggested that a foreign producer/exporter should deal with an experienced and reputable US importer, who has one or more USDA accredited certification partners.

When the NOP will have been fully implemented by 21 October 2002, a certified operation may label its products or ingredients as organic and may use the "USDA Organic" seal, which will be allowed on organic products marketed in the United States, whether they are produced domestically or are imported.

More detailed information on the NOP, as well as the full regulations and an application form for accreditation, are available at the USDA NOP Web site: http://www.ams.usda.gov/nop. Further information may also be obtained from the Independent Organic Inspectors' Association. See http://www.ioia.net.

Other food laws and regulations

Imported and domestically produced food (whether conventional or organic) is regulated by several federal agencies, including the following:

- The Food and Drug Administration (FDA - http://www.fda.gov
- The US Department of Agriculture (USDA) - http://www.usda.gov
- Centers for Disease Control and Prevention (CDC) - http://www.cdc.gov
- Environmental Protection Agency (EPA) - http://www.epa.gov
- US Customs Service - http://www.customs.ustreas.gov
- Federal Trade Commission (FTC) - http://www.ftc.gov

Annex

Selected addresses & Internet Directory*

IMPORTERS/DISTRIBUTORS (organic fresh fruit and vegetables)

Albert's Organics
1330 East, 6th Street
Los Angeles, CA 90021
Tel: 213-891-1310
Fax: 213-891-9291
http://www.albertsorganics.com

Best Fresh Produce Inc.
220 Food Centre Drive
Bronx, NY 10474
Tel: 718-991-8394
Fax: 718-542-3361
chill@bestweb.net

CF Fresh
922 Third Street
P.O. Box 665
Sedro-Woolley, WA 98284
Tel: 530-676-9147
Fax: 530-676-9148
http://www.cffresh.com

Charlie's Fresh Produce
P.O. Box 24606
Seattle, CA 98124
Tel: 206-625-1412
Fax: 206-682-4331

C.H. Robinson Company
8100 Mitchell Rd, Ste 9000
Eden Prairier, MN 55344
Tel: 952-937-8500
Fax: 952-937-7703
http://www.chrobinson.com

Crown Pacific International, LLC
P.O. Box 11360
Hilo, HI 96721
Tel: 808-966-4348
Fax 808-966-4167
crown_pacific@yahoo.com

Del Cabo
2450 Stage Road
Pescadero, CA 94060
Tel: 415-879-0580
Fax: 415-879-0930

Dunn Natural Products L.C.
4734 Sergeant Rd.
Waterloo, IA 50701
Tel: 319-233-5504
Fax 319-233-9452

Global Berry Farms
2241 Trade Center Way, Ste A
Naples, FL 34109
Tel: 941-591-1664
Fax: 941-591-8133
mklackle@blueberries.com

Jonathans Organics
170 Middleboro Road
East Freetwon, MA 02717
Tel: 508-763-5505
Fax: 508-763-2334
Jonathan@capecod.net

J & J Distributing
653 Rice Street
Saint Paul, MN 55103
Tel: 651-221-0560
Fax: 651-221-0570
www.jjdst.com

Melissa's
5325 S. Soto St.
Los Angeles, CA 90021
Tel: 800-468-7111
Fax: 323-588-2242
www.melissas.com

* List not exhaustive. Visit http://www.ota.com

New World Marketing
2902 East La Palma Ave.
Anaheim, CA 92806
Tel: 714-632-0300
Fax: 714-632-0345
garffH@newworldmktg.com

Northbest Natural Products
P.O. Box 1976
Vashon, WA 98070
Tel: 206-463-4000
Fax: 206-463-4001
Info@northbest.com

Oneonta
One Oneonta Way
Wenatchee, WA 98807
Tel: 509-663-2631
Fax: 509-663-6333
http://www.oneonta.com

Pacific Organic produce
1311 Sutter Street Ste. 203
San Francisco, CA 94109
Tel: 415-673-5555
Fax: 415-673-5585
http://www.pacorg.com

Valley Center Packing Co., Inc.
28425 South Cole Grade Road
P.O. Box 1920
Valley Center, CA 92082
Tel: 460-749-5464
Fax: 760-749-2898
vcp@tfb.com

Veritable Vegetables
1100 Cesar Chavez Street
San Francisco, CA 94124
Tel: 415-641-3500
Fax: 415-641-3505
bnygrens@veritablevegetables.com

IMPORTERS, TRADERS, PACKERS (organic commodities and ingredients)

American Health & Nutrition, Inc.
3990 Varsity Drive
Ann Arbor, MI
Tel: 734-677-5570
Fax: 734-677-5572
http://www.organictrading.com

Beta Pure Foods
335 Spreckels Dr. Suite D
Aptos, CA 95003
Tel: 831-685-6565
Fax: 831-685-6569
http://www.betapure.com
(food ingredients broker)

Ciranda
221 Vine Street
Hudson, WI 54016
Tel: 715-386-1737
Fax: 715-386-3277
http://www.ciranda.com

Demel Enterprises, Inc.
10980 Northpoint Drive
Athens, OH 45701
Tel: 740-592-5800
Fax: 740-593-5900
(organic herbs, spices, medicinal roots and teas)

ForesTrade, Inc.
41 Spring Tree Road, Brattleboro
VT 05301, USA
Tel: 802-257-9157
Fax: 802-257-7619
info@forestrade.com
http://www.forestrade.com

Global Organics, Ltd.
485 Massachusetts Ave.
Arlington, MA 02474-5103
Tel: 781-848-8844
Fax: 781-648-0774
http://www.globalorganicsltd.com

Hartog Foods Inc.
529 Fifth Avenue
New York, NY 10017-4608
Tel: 212-687-2000
Fax: 212-687-2659
jack@hartogfoods.com

Herb Trade, Inc.
1126 Garden Street
Hoboken, NJ
Tel: 973-596-1030
Fax: 973-596-1060
Herbtrade@mindspring.com

Hershey Import Co., Inc.
Rahway, NJ
Tel: 732-388-9000
http://www.unfi.com/Hershey.htm

IngredienTrade
250 W. 57^{th} St., Ste. 2532
New York, NY 10107
Tel: 212-586-1880
Fax. 212-246-2493
http://www.ingredientrade.com

Marroquin International Organic
Commodity Services, Inc.
303 Potrero St., Suite 18
Santa Cruz, CA 95060 USA
Tel: 831-423-3442
Fax: 831-423-3432
http://www.marroquin-organics.com

Mercantium (US) Corp. (S)
225 Broadway, 37^{th} floor
New York, NY 10007-3001
Tel: 212-233-0412
Fax: 212-233-0506
mercantium@att.net
(banana purée)

Mercantile Food Company
P.O. Box SS
Philmont, NY 12565
Tel: 518-672-0190
Fax: 518-672-0198
http://www.mercantilefood.com

Organic Commodity Products/
OCP Chocolate
29 Elm Street
Cambridge, MA 02139
Tel: 617-661-1100
Fax: 617-661-0100
http://www.ocpchocolate.com

Organic Ingredients, Inc.
335 Spreckels Drive, Suite F
Aptos, CA 95003
Tel: 831-685-6506
Fax: 831-685-6504
http://www.organic-ingredients.com

Organic Planet
231 Sansome Street
San Francisco, CA 94104
Tel: 415-765-5925
Fax: 415-765-5922
http://www.organic-planet.org

Tradin Organics USA, Inc.
5 Northern Boulevard, Suite 2 NH
03031 Amherst
Tel: 603-88-05-100
Fax: 603-88-03-777
http://www.tradinorganic.com

IMPORTERS/TRADERS (packaged food/specialty packs)

American Roland Food Corp.
71 W. 23rd St.
New York, NY 10010
Tel. 212-741-8290
Fax: 212-741-8290
http://www.rolandfood.com
(also organic bulk)

Rapunzel Pure Organics, Inc.
2424 State Route 203
Valatie, NY 12184
Tel: 518-392-8620
Fax: 518-392-8630
http://www.rapunzel.com

FOOD MANUFACTURERS

Celestial Seasonings Inc.
4600 Sleepytime Dr.
Boulder, CO 80301-3292
Tel: 303-530-5300
Fax: 303-581-1209
http://www.celestialseasonings.com

The J.M. Smucker Company
1 Strawberry Lane
Orrville, Ohio 44667
Tel: 330-682-3000.
http://www.smuckers.com

Gilroy Foods
8180 Arroyo Circle
Gilroy, CA 95020
Tel: 408-846-3200
Fax: 408-846-3523
http://www.gilroyfoods.com

Seeds of Change
PO Box 15700
Santa Fe NM 87506
Tel: 888-762-7333
http://www.seedsofchange.com

Small Planet Foods
(Cascadian Farm/Muir Glen/Fantastic)
719 Metcalf Street
Tel: 360-855-0100
Fax: 360-855-0444
Sedro-Woolley, WA 98284-1456
http://www.smallplanetfoods.com

Florida Crystals
50 Coconut Row, Suite 215
Palm Beach, FL 33480
http://www.floridacrystals.com

Florida Bottling, Inc./
Lakewood Organic Fruit Juice Products
1035 NW 21st Terrace
Miami, FL 33127
http://www.floridabottling.com

Horizon Organic Holding Company
6311 Horizon Lane
Longmont, CO 80503
Tel: 303-530-2711
Fax: 303-530-2714
http://www.horizonorganic.com

NATURAL FOOD DISTRIBUTORS, WHOLESALERS, ETC.

United Natural Foods, Inc.
260 Lake Road
Dayville, CT 06241
Tel: 860-779-2800
Fax: 860-779-2811
http://www.unfi.com

Tree of Life, Inc.
405 Golfway West Drive
St. Augustine, FL 32095-8839
Tel: 904-940-2100
http://www.treeoflife.com

Blooming Prairie Cooperative Warehouse
2340 Heinz Road
Iowa City, Iowa 52240
Tel: 319-337-6448
http://www.bpco-op.com

Northeast Cooperatives
90 Technology Drive, PO Box 8188
Brattleboro, VT 05304-8188
Tel: 800-334-9939 / 802-257-5856
http://www.northeastcoop.com

Eden Foods
701 Tecumseh Road
Tel: 517-456-7424
Fax. 517-456-7025
http://www.edenfoods.com

Frontier Natural Products Co-op
2283 Imperial Lane
Superior, CO 80027-8234
Tel: 720-304-8660
Fax: 720-304-2112
http://www.frontiercoop.com

RETAIL ORGANIZATIONS

Whole Foods Market, Inc.
601 N. Lamar Suite 300
Austin, TX 78703
Tel: 512-477-4455
http://www.wholefoodsmarket.com

Wild Oats Markets, Inc.
3375 Mitchell Lane
Boulder, CO 80301
Tel: 303-440-5220
Fax: 303-928-0022
http://www.wildoats.com

The Kroger Co.
Cincinnati, OH
http://www.kroger.com

Albertson's
Boise, ID
http://www.albertsons.com

Safeway Inc.
Pleasanton, CA
http://www.safeway.com

Ahold
Chantilly, Virginia
http://www.ahold.com/operatingcompanies
/unitedstates

INDUSTRY AND CONSUMER ASSOCIATIONS, ETC.

OTA
(Organic Trade Association)
60 Wells Street
P.O. Box 547
Greenfield, MA 01302
Tel: 413-774-7511
Fax: 413-774-6432
info@ota.com
http://www.ota.com

ORCA
(The Organic Coffee Association)
830 Everett Avenue
Oakland, CA 94602
http://www.orcacoffee.org

OCA
(The Organic Consumers Association)
6101 Cliff Estate Rd
Little Marais, MN 55614
Tel: (218) 226-4164
Fax: (218) 226-4157
http://OrganicConsumers.org/

Organic Alliance
400 Selby Avenue, Suite T
St. Paul, MN 55102
http://www.organic.org

Independent Organic Inspectors Association
PO Box 6
Broadus, MT 59317
Tel: 406-436-2031
http://www.ioia.net

TransFair USA
1611 Telegraph Ave. Suite 900
Oakland, CA 94612
Tel: 510-663-5260
Fax (510) 663 5264
http://www.transfairusa.com

TRADE PUBLICATIONS

New Hope Natural Media
(A Division of Penton Media, Inc.)
1401 Pearl Street
Boulder, CO 80302
Tel: 303-939-8440
Fax: 303-939-9886
http://www.newhope.com
(Publications: *Natural Foods Merchandiser, Functional Foods & Nutraceuticals, Nutrition Business Journal, Delicious Living, Nutrition Science News*)

The Food Institute
28-12 Broadway
Fair Lawn, NJ 07410
Tel: 201-791-5570
Fax: 201-791-5222
http://www.foodinstitute.com
(*Food Institute Report*)

Natural Business Online
P.O. Box 7370
Boulder, CO 80306-7370
Tel: 303-442-8983
Fax: 303-440-7741
http://www.naturalbusiness.com
(*Natural Business*)

Organic & Natural News
3300 N. Central Avenue, Suite 2500
Phoenix, AZ 85012
Tel: 480-990-1101
Fax: 480-990-0819
http://www.organicandnaturalnews.com
(*Organic & Natural News*)

GOVERNMENT OFFICES

USDA – Economic Research Service (ERS)
Washington, DC 20036
http://www.ers.usda.gov/briefing/organic

USDA – National Organic Program (NOP)
Washington, DC 20090
http://www.ams.usda.gov/nop

USDA – Foreign Agricultural Service (FAS)
Washington, DC 20250
http://www.fas.usda.gov

US Food and Drug Administration (FDA)
Washington, DC 20204
http://www.fda.gov

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- Human resource development
- International purchasing and supply management
- Needs assessment, programme design for trade promotion

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