



December 1, 2019

Mr. Paul Lewis
Standards Division
National Organic Program
USDA-AMS-NOP
Independence Avenue, S.W.
Room 2642-So., Mail Stop 0268
Washington, DC 20250-0268

RE: Origin of Livestock
Docket ID: AMS-NOP-11-0009

Dear Mr. Lewis:

The Western Organic Dairy Producers Alliance (WODPA) supports the proposed Origin of Livestock Rule and the immediate implementation of a final rule. A final rule is critical for consistent enforcement to create a level playing field for all organic dairy producers and to uphold strong organic integrity for all organic farmers and consumers. We that ask you to swiftly move forward in issuing a Final Rule with immediate implementation.

WODPA represents approximately 285 organic dairy producers in the Western United States. Our mission is “to preserve, protect, and ensure the sustainability and integrity of organic dairy farming across the west.” We urge you to listen to our dairy producers asking for a final rule and to immediately implement the rule. Please understand, we as producers are asking to self-impose stronger Origin of Livestock guidelines for ourselves and others. We are an independent community of organic producers trying to meet consumer expectations with the milk we are producing. The market for organic products is based on the integrity behind the organic seal. We are working together to maintain, ensure and grow consumer confidence by adhering to strict organic standards.

The Origin of Livestock Final Rule will provide clarity and consistency regarding the transition of animals to organic production. The proposed rule must state that organic dairy animals are required to be raised organically for one year prior to transition. It must also specify that transitioning of a herd of livestock to organic production must be a one-time event, completed in a 12-month period. After completion of the transition, all animals added to the herd must be raised organically from the last third of gestation or come from a certified organic operation.



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We must put an end to organically born animals being transitioned out of organic management to be raised under conventional practices and then transitioned into organic herds on a continual basis. Once an animal is born into organic management, it must continue to be raised organically, without conventional practices used while raising them. Under current guidelines, some organic dairy producers continue to cycle animals in and out of organic production by using loopholes with the verbiage of the current rule. This practice is contrary to the intent of organic standards and requires immediate clarity from the USDA National Organic Program (NOP).

LACK OF CONSISTENCY WITH CERTIFYING AGENCIES: We are currently seeing varied interpretations of the Origin of Livestock Rule. As the rule intended, some certifiers are treating the transitioning of a livestock herd as a one-time event with a set start and end date for transition. Once transitioned, all animals must meet the last third of gestation guidelines or come from a source utilizing only organic management. However, other certifiers are allowing dairies to constantly bring transitioned dairy animals into an organic herd. The final rule must put an end to varying interpretations of the Origin of Livestock rule and provide clarity for certifiers in order to level the playing field for all producers.

A DISTINCT, ONE-TIME TRANSITION COMPLETED IN A 12 MONTH PERIOD: A distinct herd must only have a one-time transition from conventional production to organic production. This transition must be accomplished in a 12-month period, with all animals completing the transition within this set timeframe. This will not hinder dairies transitioning from conventional to organic production. Instead, it will provide clarity for certifiers facilitating the transition and clarity for the producer.

ECONOMIC DISADVANTAGE AS A RESULT OF CYCLING ANIMALS IN AND OUT OF ORGANIC MANAGEMENT: Calves born organically, then raised under conventional practices can, using current loopholes, be transitioned back into an organic herd. Some operations use this loophole as a common business practice in order to save on the raising costs associated with their young stock. Organic calf management requires the use of organic milk or organic milk replacer for feeding calves, as well as feeding the calf organically throughout its growth. Calf raising is one of the most intensive aspects of an organic dairy operation. Without the use of antibiotics or other treatments, organic calves require greater labor, care and organic feedstuffs. Those cycling animals out of organic management have a reduced raising cost and therefore an economic advantage over those following organic guidelines as intended.

An analysis conducted by Dr. Greg Brickner, a staff veterinarian for CROPP Cooperative/Organic Valley, showed that organic management costs of \$623 per year more per heifer raised versus conventional raising. (See Appendix A) In addition to the costs referenced in this analysis, organically managed young stock lead to further expenses on the dairy. Organic



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dairy producers must have infrastructure to house and care for calves and young stock, pasture availability, equipment for feeding, greater health costs, higher labor costs and a higher level of risk associated with raising calves organically.

NOT MEETING ORGANIC PASTURE REQUIREMENTS WITH CYCLING:

Based on organic pasture requirements, all livestock 6 months or older must have access to pasture. Therefore, young stock under organic management must not only be raised with organic milk and feed but must also meet the pasture guideline of 120 days on pasture, receiving 30% of their Dry Matter Intake from pasture. If young stock is cycled out of organic management, they are bypassing the pasture requirements other producers are held to by keeping young stock under organic management. Organic care and feeding along with pasture management of livestock 6 months and older is a portion of the annual certification process. By following organic management guidelines as intended, organic dairy producers again have an economic disadvantage with pasture utilization for young stock and the higher cost of using only organically approved feedstuffs. Organic dairy growth is restricted by pasture availability and requirements in comparison to those cycling livestock in and out of organic production.

GROWING AND CULLING AT DISTORTED RATES: With the ability to continually raise and transition livestock from conventional to organic, operations have been able to rapidly grow their herds to produce greater amounts of milk and reach economies of scale. This allows for a continual transition of any number of animals to the organic herd. Whereas, organically managed operations grow their herds based on the ability to produce a set number of calves depending on the herd size. They are unable to grow at the rapid pace of those using continual transition. In addition, with the ability to transition large numbers of replacement heifers into organic production, cull rates are higher. Operations can replace the livestock no longer producing milk at high levels and have the ability to cull a greater number of cows. This growing and culling has led to further economic harm for organic dairy operations maintaining continuous organic management.

ECONOMIC DISADVANTAGES WITH RAPID GROWTH: With the rapid growth of dairies and livestock in the organic system, we are suffering from a distorted dairy market. We are currently suffering from an organic milk oversupply, leading to depressed milk prices. This oversupply of organic milk was enabled and encouraged by loopholes in the current rule. A survey of WODPA dairies has shown a 30% drop in milk pay prices since 2015. With these depressed prices, the cost of production has been in excess of 15% higher than organic milk pay prices. We have seen milk production quotas put in place, lost milk contracts, milk purchased from dairies at conventional milk prices and a rapid loss of organic dairies as a result. With organic dairy producers in this unsustainable position, potentially losing money on every pound of milk produced, many are questioning their future in the organic dairy industry without a final rule.



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ALLIANCE

The rapid growth of transitioned organic livestock has led to decreased marketability of organic livestock. Dairy producers have no market to sell organically raised livestock as replacements, nor are they able to garner a premium for any harvested animals. This has further reduced potential organic dairy profitability. Producers receive no premium for organically raised livestock when others have the ability to continually transition conventional animals to organic at a lower cost.

Information submitted with previous WODPA comments (See Exhibit B) reflected market prices of organic animals between 2014 -2015. Current organic livestock prices have dropped dramatically from the time period referenced, in some cases by nearly 50%.

We respectfully ask you to consider the comments made in 2015 regarding the Origin of Livestock rule. Comments made in 2015 showed the organic dairy industry was in support of finalizing this rule, with 99% in favor of implementation. The organic dairy community has again come together in support of the finalization and implementation of the Origin of Livestock rule. Delaying a final rule will continue to hurt organic dairy producer integrity and their ability to survive in this distorted and depressed market.

We must continue working to uphold a strong sense of organic integrity. Organic consumers expect strict standards to be followed and upheld. Without a final rule and enforcement of Origin of Livestock guidelines, we risk losing the trust consumers have placed in our products and organic dairy producers. A lack of rule clarity and enforcement greatly impacts the integrity of the organic seal and the integrity of the entire organic community. We must leave no room for varied interpretations of rules and have a clear path for implementation of a final rule. Again, **WODPA strongly supports the publishing of a final Origin of Livestock Rule** to put an end to these organic loopholes, hold all dairy operations to the same standards and ensure strict organic standards are being met. We urge you to promptly move forward with implementing a final rule, reflecting the clarity the organic dairy producer community seeks. **With organic farms and organic integrity at stake, we respectfully ask you to immediately finalize and implement the proposed Origin of Livestock Rule.**

Thank you for your consideration,

Jill Smith
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