Trends in Washington State Organic Agriculture 2004–2011

WASHINGTON STATE UNIVERSITY EXTENSION FACT SHEET • FS082E

Organic production continues as a strong and viable sector of Washington State agriculture. In 2008, Washington ranked 2nd behind California for organic farm sales nationally, despite being 14th for organic cropland (USDA 2010). At $281 million, state sales represented 9% of U.S. organic sales, illustrating the economic importance of high value organic specialty crops grown on the West Coast. Organic sales represented 3.2% of Washington State's farmgate sales in 2010, compared to 2.8% in 2007 (unpublished certifier data).

This publication presents updated highlights of certified organic crop acreage and value in Washington State for use by producers and industry for business planning, and by research and policy groups. Additional reports with detailed crop information are available online at http://csanr.wsu.edu/pages/Organic_Statistics.

Methods

The Washington State University Center for Sustaining Agriculture and Natural Resources (WSU-CSANR) has compiled state organic crop acreage since 2004, using data provided by National Organic Program (NOP)-accredited certifiers working in Washington: Washington State Department of Agriculture (WSDA), Oregon Tilth Certified Organic (OTCO), International Certification Services (ICS) and California Certified Organic Farmers (CCOF). WSDA is the primary certifier in Washington, covering 95% of the certified organic acreage.

Data discussed here represent *certified* organic land and reported acreage in transition to organic but do not include acreage on exempt[1] organic farms which have not been certified. The 2008 Organic Production Survey identified 180 exempt Washington producers and fewer than 600 exempt harvested acres, less than 1% of the total cropland managed as organic in the state (USDA 2010). Acres in transition to organic are likely underestimated in this report, since growers are not required to report transition acres[2] to certifiers.

Acreage data are segregated by specific crop (e.g., sweet corn). Double-crop acres are included when more than one crop (i.e., corn following peas) is harvested from the same acreage in the data calendar year. However, forage acres with multiple uses or cuttings (i.e., hay, silage, pasture) have been counted only once. Certified organic farmgate sales are based on data reported by WSDA and OTCO only. Data on processors and handlers are not included in this report.

Trends

Washington State had 729 certified organic farms and nearly 90,000 certified acres, not including double-cropped acreage, in 2011 (Figure 1). An additional 2 farms had land in transition to organic with no certified organic land.

Nationally, retail organic food sales grew 15–20% annually from 2000 to 2008. Growth dropped to 5% in 2009 during the recession, and has since rebounded to 9% (OTA 2011, 2012). Certified organic acreage in Washington State expanded 148% from 2004 to 2009, peaking at 105,000 acres. Since then, acreage decreased 4% in 2010 and 11% in 2011. The number of certified farms also decreased slightly following a nearly 40% increase from 2004 to 2009. Transition acreage reported in 2011 was primarily for perennial fruits in eastern Washington counties, suggesting further growth of these crops.

In 2011, organic farms were certified in all but 3 counties in the state. Sixty-three percent of organic farms and 71% of organic acres were located in counties east of the Cascade Range crest (Figure 1b). Yakima County had the most certified farms (94), followed by Grant County (87 farms) which ranked first in certified acres (23,360) with more than 25% of the state's total. Benton County ranked second with 8,700 acres. Certified acreage in eastern Washington decreased nearly 12,000 acres, although Klickitat and Walla Walla county acreages increased by 712 and 535 acres, respectively. West of the Cascades, total certified acreage grew by 535 acres. Skagit and Lewis Counties led the western region with 5,627 and 4,271 acres, respectively. Eastern Washington farms accounted for 76% of

[1] Exempt producers (or farms) sell directly to consumers, have total annual sales less than $5,000, and meet NOP standards.

[2] Transition acres are under organic management but do not meet the 36-month interval from last use of prohibited material to the first harvest of certified organic product. Registration of transition acres is not required by the NOP; however, growers may voluntarily register transition acres.

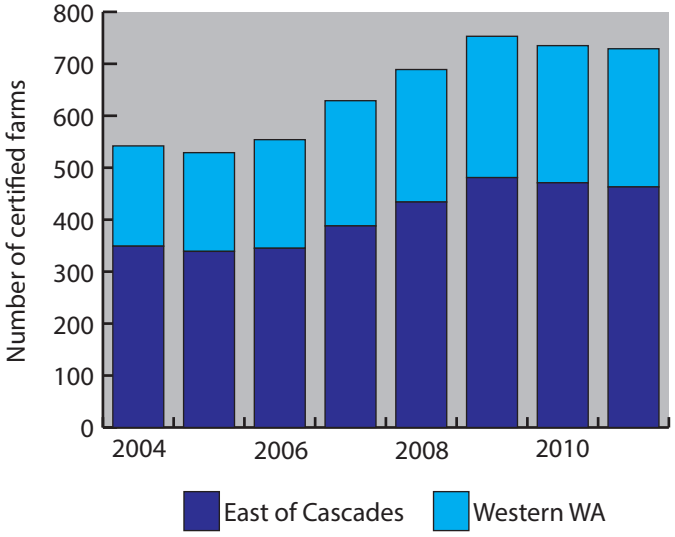

Figure 1a. Number of certified organic farms in Washington State.

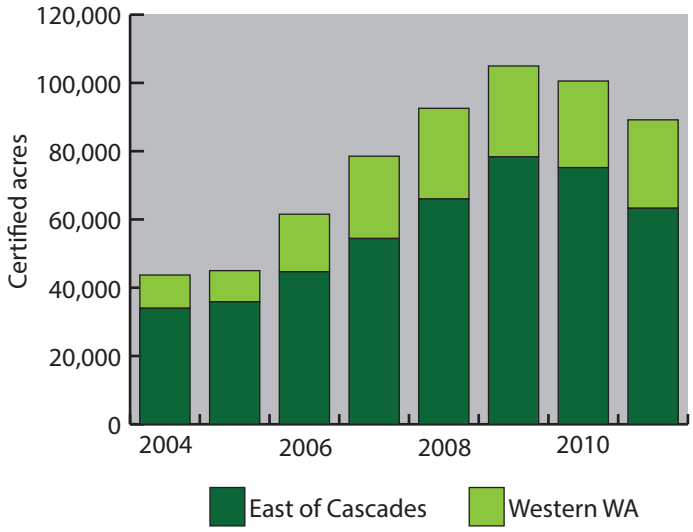

Figure 1b. Number of certified organic acres in Washington State.

state organic farmgate sales in 2010 (Kirby and Granatstein 2012b).

2011 Crop Summary

Based on 2011 certifier data, three types of crops continued to dominate organic acreage in Washington: forage, tree fruit, and vegetables, representing 30%, 21%, and 17%, respectively, of the total certified acres in the state (Figure 2)[3].

Forage. Organic forage (hay, silage, and pasture) acreage decreased from a peak of 32,659 acres in 2009 to fewer than 27,000 acres in 2011 as the number of organic dairies fell. This contrasts with the 440% increase in hay acreage, including haylage and silage, from 2005 to 2009, in response to a rapid expansion in the number of organic dairies.

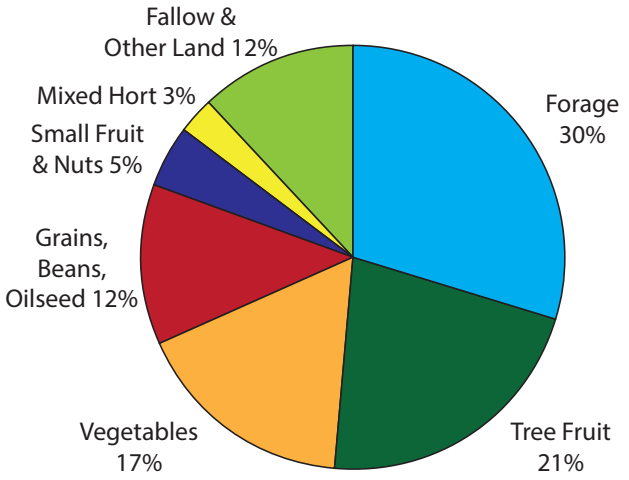

Figure 2. Distribution of Washington organic crops by category, 2011.

[3] Additional trend data for specific crops is posted on-line at http://www.tfrec.wsu.edu/pdfs/P2439.pdf .

Tree fruit. Washington State continued to lead the United States in both conventional and organic apple, pear, and sweet cherry acreage. Organic apples represented 8.5% of all Washington apple acres in 2011, while organic acreage share of Washington pears and cherries was 8.5% and 4.8%, respectively (Kirby and Granatstein 2012a). Organic apple acreage doubled between 2006 and 2009, to 15,735 acres, then decreased slightly in 2010 and in 2011, to 14,296 acres (Figure 3). Organic pear acreage expanded 62% between 2006 and 2010, then declined slightly to 1,917 acres. Organic sweet cherry acreage tripled between 2006 and 2009 to 2,437 acres, decreasing to 1,827 acres by 2011. Acreage of organic stone fruits jumped 288% during 2006–2010 to 1,688 acres and decreased in 2011 to 1,552 acres.

The supply and shipped volumes of Washington organic apples have increased rapidly since 2005. Despite a small decline in acreage, shipments for the 2010 crop were up

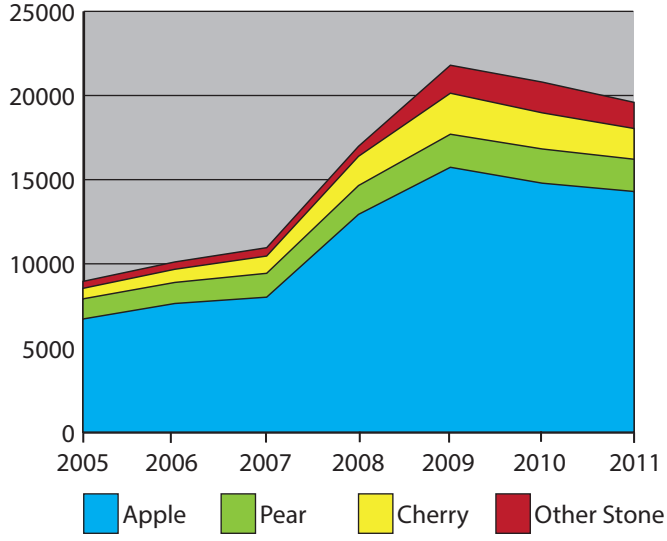

Figure 3. Trend of certified organic tree fruit acreage in Washington State.

15% from the previous season. Prices for the 2008 apple crop fell to 20% below the previous year's average (Washington Growers Clearing House unpublished date). Organic price premiums also shrank for all varieties. Prices for the 2009 and 2010 apple crops improved but remained below 2007 prices. Reduced organic premiums likely provided a disincentive for growers to further expand organic apple acreage in the short term. The value of packed organic tree fruit for the 2010 Washington crop is estimated to be $190 million, based on unpublished industry data.

Vegetables. Organic vegetable acreage in Washington more than doubled between 2004 and 2007 to 20,043 acres, then decreased 33% from 2008 to 2010. Production area rebounded to 15,194 acres (2011) but remained below 2006 acreage (Figure 4). Part of the decline was due to a build-up of frozen inventory that sold slower than expected during the recession and curtailed many contracts from processors to growers (J. Hyer personal communication).

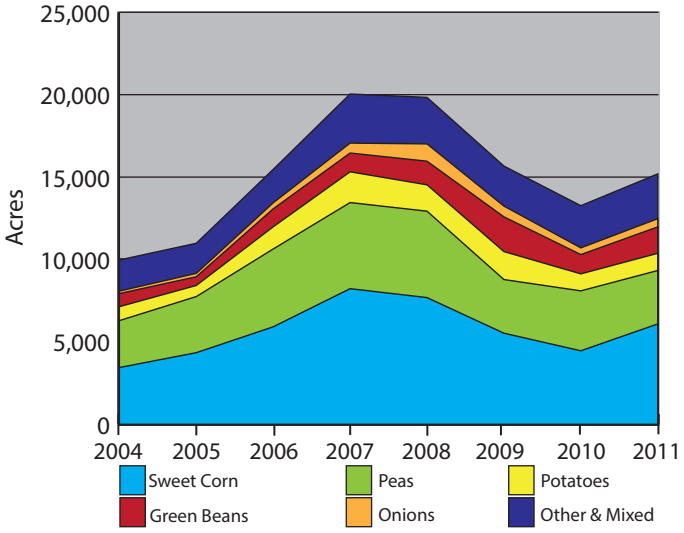

Figure 4. Trend of certified organic vegetable acreage in Washington State.

The main organic vegetables produced in Washington are sweet corn, green peas, potatoes, green beans, and onions. Sweet corn and green peas made up two-thirds of the state's organic harvested vegetable acreage (including double crop), with a large portion going to frozen products.

Grains, beans, and oilseeds. Although Washington State is a major wheat producer, particularly in the dryland region of eastern Washington, organic production remains relatively low. Challenges with weed control and fertility (Gallagher et al. 2010) decrease incentives to enter or continue organic production. Much of the organic wheat is produced on irrigated farms as part of diversified crop rotations. Annual acreage has been inconsistent; organic wheat increased 257% from 2006 to 2009 to 7,791 acres (Figure 5). Acreage decreased in 2010 and 2011 to 5,785 acres. Focused research and extension on western Washington production has helped boost organic wheat production there from less than 10 acres in 2002 to over 200 acres, with most of this being used by local bakers (S. Jones personal communication). Organic corn production increased steadily from 2004 to 2009 but acreage decreased in both 2010 and 2011 to 2,138 acres, including grain and silage corn. Dry bean acreage nearly tripled from 2009 to 2010 to 3,461 acres then declined 55% in 2011. Only 1 acre of organic oilseeds was grown in the state in 2011.

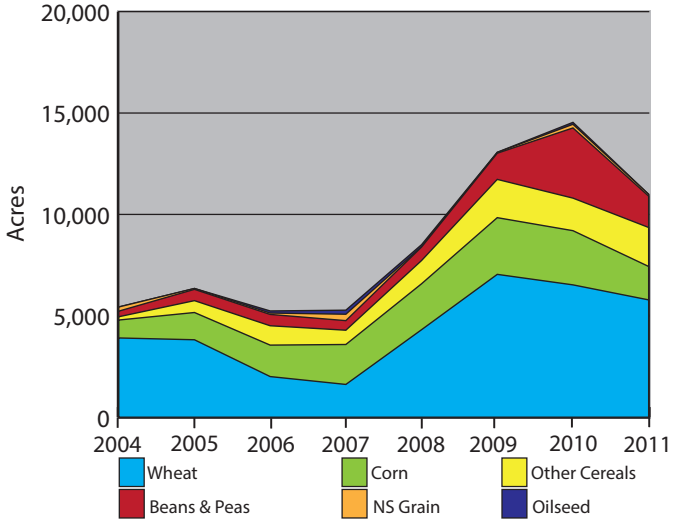

Figure 5. Trend of certified organic grain acreage in Washington State.

Small fruit and nuts. From 2006 to 2011, Washington organic grape acreage increased 17% to 2,599 acres. Juice grapes comprised 56% of the acreage although wine grapes (43%) have expanded at a proportionately faster rate (Figure 6). Organic berry acreage grew 178% during the same period, with most of the growth from blueberries (1,258 acres) compared to raspberries and blackberries with 180 and 137 acres, respectively (Figure 7). There were 44 acres of organic strawberries. Reported transition acres indicate growth in organic blueberry and strawberry acres of 10% and 60%, respectively, by 2013. Few organic nuts are grown in Washington; acreage has decreased from 55 acres in 2009 to 26 acres in 2011.

Livestock. It is difficult to collect timely data on organically-raised livestock, in part because the numbers can fluctuate rapidly over a season and certifiers' timeframes for reporting vary. In 2011, certifiers reported 33 organic dairy farms with 6,325 milking cows ("milkers," including dry cows) and 4,590 replacement heifers and calves. These numbers were decreased from peaks of 46 dairies (2008) and 9,329 milkers (2009). Herd size ranged from 60 to 778 milkers per farm in 2011. Based on these estimates, organic cows represented 2.5% of the state dairy herd in 2011 compared to 4% in 2008. In addition, there was one organic goat dairy. Fourteen poultry producers raised over 2.05 million broilers. Organic egg producers reported more than 312,000 layers and pullets, with egg production concentrated on 3 large farms (unpublished certifier data).

Farmgate Sales

Sales information from organic certifiers lags acreage data by one year. Estimated 2010 certified organic farmgate sales of $244.6 million were 16% higher than the previ-

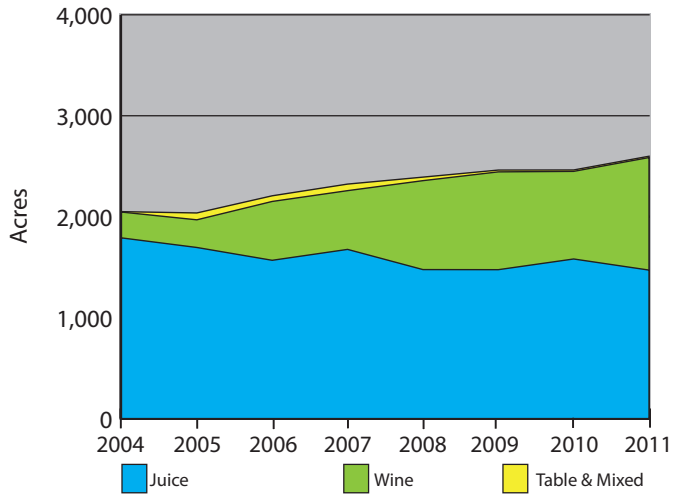

Figure 6. Trend of certified organic grape acreage in Washington State.

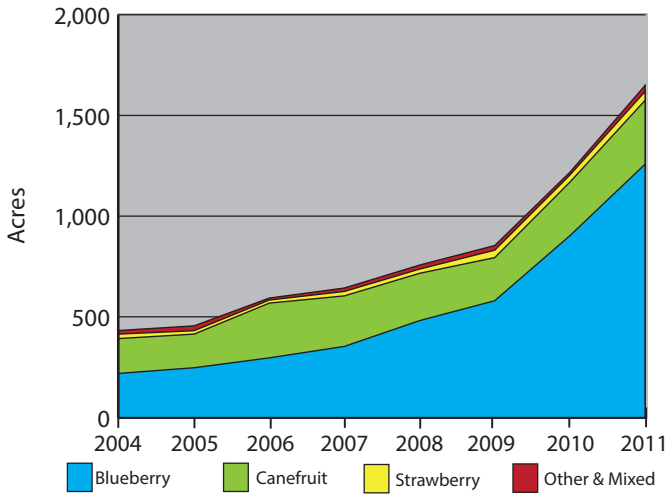

Figure 7. Trend of certified organic berry acreage in Washington State.

ous year, but slightly below sales of $246.7 million in 2008 (Figure 8). Sales grew 12.6% in eastern Washington versus 28.6% in western Washington compared to the previous year. The growth of farmgate sales has been driven by the entry and/or expansion of larger operations (Table 1). Of farms reporting sales for 2010, the smallest farms by economic output (< $25,000 in annual sales) accounted for 31% of the number of WSDA-certified farms in Washington but accounted for only 1% of the organic farmgate sales, while the largest farms (> $1 million in annual sales) accounted for 9% of the number of certified farms and 56% of the organic sales (WSDA and OTCO unpublished data).

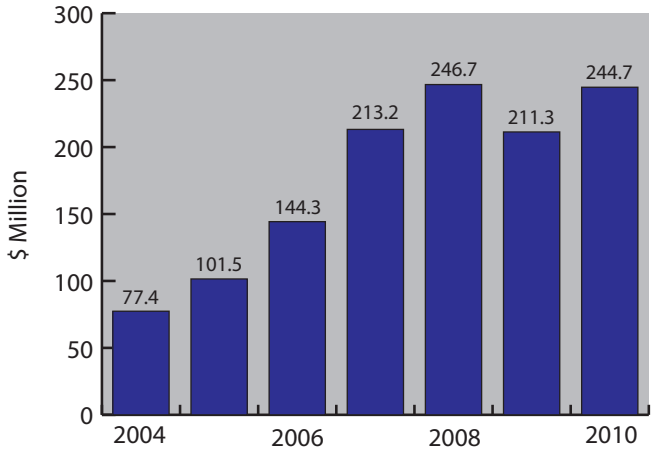

Figure 8. Trend of estimated Washington State certified organic farmgate sales.

Table 1. Distribution of organic farms by sales class (WSDA-certified Washington farms only).

Sales Class (Annual gross sales)	% of Farms		% of Sales	
	2006	2010	2006	2010
<25K	38	31	1	1
25–100K	24	22	5	3
100–250K	15	17	10	8
250K–1MM	17	21	33	32
>1MM	6	9	51	56

Conclusions

Future expansion of Washington State organic crop acreage is likely, given the continuing growth in organic food sales (OTA 2011) nationally and Washington's role as a leading supplier of several organic products. Specialty crops such as organic blueberries, vegetable seed, mint, and wine grapes expanded in 2011. The 3-year transition requirement slows grower response to market signals for more product, as seen in the stepwise growth of organic apple acres (Kirby and Granatstein 2012a). Growers may exit organic production when prices do not cover added cost or risk. For example, high prices for conventional wheat probably played a role in the decline in organic wheat acres.

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