What is “Organic”?

“Organic refers to the way an agricultural product is grown and processed.

- Grown without synthetic fertilizers and pesticides
- Processed without artificial ingredients, preservatives or irradiation
The USDA ORGANIC label certifies that an agricultural product was grown and processed in a manner that meets National Organic Program Standards.

A product can use this label if at least 95% of content by weight (excluding water & salt) is organic.
Organic Agriculture in the U.S.

Fastest growing agricultural sector

20% growth rate / year

Consumer driven market

Premiums ~ 2-3 X conventional
Grower & Consumer Perspectives

- Some reasons people choose organic
  - health benefits
  - environmental concerns
  - distrust big industry
  - support local farmers & communities
  - spiritual reasons
Which products are in greatest demand?

- Crops that come in direct contact with pesticides in a conventional system
- Crops that have high nutritional value &/or health benefits
- Crops that are consumed by children
How does Peanut fit in?

- Crops that come in direct contact with pesticides in a conventional system [x]
- Crops that have high nutritional value &/or health benefits [✓]
- Crops that are consumed by children [✓]
Potential Concerns for Peanut in the Organic Market

- **Aflatoxin**
  - Small scale production & processing may result in poor monitoring & quality control
  - **No** reason why an organic production & processing would result in more aflatoxin!

- **Imports**
  - Price & quality
Current U.S. Market

- 5-7% of domestic market is organic
  - 2-3% Valencia
  - 3-4% Spanish
- Demand
  - “exponential increase”, David Voth, Peanut Corp. of America
  - "growing in double digits" Dale Hollingsworth, Hain Foods
- What are market prices?
  - $1.00 – 1.17/lb compared to ~ $0.50/lb
Questions?
In Georgia

- Working to
  - develop economical production practices
  - build organic handling infrastructure
- Certified processor in Blakely, GA
National Organic Program Standards

- Prohibits use of GMOs, growth hormones, ionizing radiation, sewage sludge
- Most natural substances allowed… but may be restricted
- Most synthetic substances are NOT allowed
- Land will have no prohibited substances applied to it for at least 3 yr before harvest
- Post-harvest handling and processing must meet organic standards to preserve certification status