

Organic chemistry: The local demand for organic produce, a new study shows, has gone from nearly zero to \$63 million in less than 10 years. But Chicago-area farmers reap very little from that bonanza.

Bob Condor, Tribune staff reporter.

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First, LaDonna Redmond wants you to close your eyes. Then, think of the best tomato you have ever eaten. Remember the flavor, the juices, the fact you could eat it plain with nothing but maybe a shake of salt.

“There is nothing more delicious than a fresh tomato,” said Redmond, who coordinates the Black Farmers Market in the Austin neighborhood on Saturday mornings and operates, believe it or not, an urban farm plot on the city’s West Side with her husband.

Now, open your eyes. Think about the countless store-bought tomatoes you have sampled all too often. The ones wrapped in cellophane trays so you can’t even touch them, thick outer walls, practically no juices, no flavor. Forget the salt shaker; it won’t help.

“They taste like cardboard,” Redmond said. “I just can’t buy the conventionally grown tomatoes in stores anymore.”

Apparently, more of us are tending to agree with Redmond. We are looking for juicier, better tomatoes along with other fruits and vegetables. A new business analysis to be released Wednesday shows the market for organic produce in the Chicago area has grown to an estimated \$63 million from practically zero in less than 10 years. Sales are anticipated to double or even triple in the next few years.

That’s a big change in tomato futures. Locally, before 1994, you couldn’t find a natural foods grocer to save your insalata caprese or tomato-and-mozzarella salad. These days, there are more than 20 Whole Foods, Wild Oats and Trader Joe’s stores in the area with more in planning stages. Plus, Dominick’s (especially in its “Fresh Stores”), Jewel, Treasure Island, Sunset Foods and other mainstream supermarkets are increasing shelf space for organic produce.

The report is timely. New federal standards for organic food go into effect Oct. 21. Consumers will reliably know these foods must be produced “without hormones, antibiotics, pesticides, synthetic fertilizers or genetic modification.” There will be four categories of organic labeling: “100 percent organic,” “organic” (at least 95 percent of ingredients must be organic), “made with organic ingredients (at least 70 percent made with organic ingredients and no sulfite preservatives) and “some organic ingredients” (products containing less than 70 percent organic ingredients can list them individually).

Yet there is something sour in the tomato sauce. The same report reveals “in a region with a strong agricultural tradition, local farmers supply no more than 3 percent of the organic produce purchased in the Chicago region.” The vast majority of the other 97 percent is shipped from California, Florida, Mexico and the Netherlands.

One explanation sticks out like a sore green thumb. It requires three years of transition to shift from conventional to organic status. In that time, farmers can't get the higher prices for organic produce (one Bloomington-area organic farmer says he sells his organic soybeans at \$17 per bushel, compared with \$5 for conventional beans) and likely won't have the perfect-looking produce that chemicals can produce. It is a difficult economic time for farmers, who already are financially strapped.

Nonetheless, the new report provides hope for farmers' cash crops and society's dinner plates.

“This is the first time anyone has come up with the numbers,” said George Ranney, CEO of Prairie Crossing, a conservation community in Grayslake that features housing, open prairie lands and an organic farm that supports a thrice-weekly farmers market from June to late October. “What it shows beyond doubt is the market for organic produce is 20 to 30 times larger than local farmers can supply. It represents a real and very good regional business opportunity.”

More flavor, better recipes

The flavor-lovers in all of us can only hope more entrepreneurs join the likes of Redmond, Ranney and John Peterson, an organic farmer near Rockford who founded the country's largest community-supported agriculture cooperative (more than 1,000 shareholders pay \$480 upfront to get 20 weeks of organic produce boxes delivered to drop spots in Chicago and suburbs). Our recipes will be better for it.

Perhaps better yet, the region's soil and water supplies will flourish.

“Growing local organic food will become one of the more important aspects for cities,” said Bill McDonough, an architectural and industrial planning consultant who is advising Mayor Daley's project to make Chicago the “greenest city in the world.

“It's about connecting us to the soil. People will increasingly enjoy the prospect of seeing where their food is from, and feel less anxious about the questions that come when food travels from farther distances or unknown locations.”

If you harbor indifference about organic produce and other foods, consider that new estimates stake sales somewhere between \$9 billion and \$11 billion in the U.S., up from about \$1 billion in 1990 and \$5.5 billion in 1998 by U.S. Department of Agriculture research. Sales are expected to top \$20 billion by 2005.

Who buys organic

What's more, the buyers of organic produce might surprise you. Forty percent of Americans at least occasionally purchase organic foods, while the highest proportions per ethnic group are, in order, Hispanics, Asians, African-Americans and whites.

On a practical note, McDonough said increasing organic food sales will boost the possible economies of scale. The naturally grown food will become less expensive for consumers as more companies, from entrepreneurial to blue-chip Wall Street firms, jump into the organic market.

Another boost for local farmers would be a reliable distribution system.

Jim Slama, a local organic activist, said his Chicago-based environmental organization, Sustain, will be conducting a feasibility study about creating "a regional infrastructure such as warehouses, trucking services and marketing programs" to help bring produce to retailers and consumers

Slama, the founding publisher of the local natural lifestyle publication Conscious Choice, played a key role in the nationwide Keep Organic Organic grassroots campaign to preserve what will be federally enforced standards in two weeks. Early versions of the standards allowed food that was genetically engineered, irradiated or grown in sewer sludge to be labeled organic. The campaign generated 275,000 consumer comments.

"Along with making a living, what farmers want to do most is keep their land," Slama said. "Creating a stronger local organic marketplace and infrastructure will accomplish that. Farmers won't have to sell out to developers."

Peterson of Angelic Organics is an example of avoiding the "suburban sprawl" threatening every urbanized area in Illinois and neighboring states. He started his community-supported agriculture cooperative, called a CSA, with 22 acres of farmland in 1993, which was a fraction of his family's original 186 acres. The rest had been sold off.

Making sacrifices

Rather than throw in the rake, Peterson made plenty of sacrifices, such as renting out his third-generation family farmhouse and living in the barn. He signed up 220 shareholders the first season, grossing about \$70,000. By the mid-1990s, the organic farm generated enough stable income to pay the farmhands and invest in new equipment, greenhouses and an irrigation system.

Then, in 1998, a remarkable thing happened. When 38 acres of adjacent land was up for sale and apparently headed toward a housing developer's welcoming blueprints, the CSA's shareholders pitched in to buy the land and lease it back to Angelic Organics for 15 years.

"This was truly a miracle," Peterson said. He didn't take it lightly. Since then, he and

shareholders have established the non-profit CSA Learning Center. Its primary goals are to build community awareness about the benefits of organic farming and provide education to existing and prospective organic farmers.

One of the lessons figures to be sound business planning. Ranney commissioned the report from Prairie Partners Group of Lake Forest (his daughter and son-in-law, both University of Chicago MBAs, are principals) to make sure his idea to expand the 8-year-old Prairie Crossings organic farm next year to 105 acres from 15 was a sound business proposition.

“I didn’t expect the significance to extend to the regional economy, but it’s clearly there,” Ranney said.

Plus, we get better tomatoes in the bargain.

“In the last few years, we have definitely been able to provide locally grown tomatoes, peppers and cabbages to our buyers [supermarkets and natural foods stores],” said Bob Scaman, president of Goodness Greenness, based in Englewood and the largest distributor of organic produce in the Midwest. “The local growers always grow more for flavor.”

Food for thought

It’s only natural market researchers are finding out more about organic consumers:

- The Hartman Group, based in Bellevue, Wash., estimates more than one-third of Americans buy organic food products. The firm says 66 percent of Americans cite personal health of themselves and family members as a “top motivator” for buying organic. Only one in four buys organic for environmental reasons, while 38 percent say taste is a major reason.

- Organic food buyers are diverse. SPINS, a natural foods market research firm, says Hispanics, Asians and African-Americans buy organic at higher rates than whites.

- In a 2001 American Farmland Trust poll, three-quarters of registered Midwestern voters said they worry too much farmland is being developed for other uses.

-- Bob Condor

[Illustration]

PHOTO; Caption: PHOTO: Lottie Jackson looks over apples at a farmers market on Chicago’s West side.

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