

Statement of Jeff Huckaby
President, Grimmway Farms/Cal-Organic
Before the House Committee on Agriculture
Subcommittee on Biotechnology, Horticulture, and Research
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Thank you, Chairwoman Plaskett, Ranking Member Dunn and distinguished Members of the subcommittee for the opportunity to testify today. My name is Jeff Huckaby and I am President of Grimmway Farms/Cal-Organic based in Bakersfield, California. I am a fourth-generation farmer born and raised in the southern end of the fertile San Joaquin Valley, also known as the Central Valley. I started helping my grandfather at the age of eleven, riding the back of a carrot planter. Forty-two years later, I oversee the largest carrot company in the world and the largest organic vegetable company in the nation. Our company has organic roots tied back to 1984 when Cal-Organic started production with a quarter of an acre of lettuce. Today, we grow over 65 items on over 45,000 acres of prime certified organic ground throughout California, Arizona, Oregon, Washington, Colorado, Georgia, and Florida. We are proud that 100% of our produce is grown in the United States.

Long before the formation of Cal-Organic, brothers Rod and Bob Grimm started with a simple roadside vegetable stand in Anaheim, California, and formed Grimmway Farms in 1969. Having moved the operation to Bakersfield in 1981, Grimmway went on to market packaged baby carrots as the fresh produce industry was rapidly changing. Grimmway, which just celebrated its 50th anniversary, now grows over 65 vegetables including over 40,000 acres of carrots.

In 2001, Grimmway set out to change the produce landscape once again by acquiring Cal-Organic Farms, a pioneer organic vegetable company. Their vision was to make certified organic vegetables accessible to as many consumers as possible. We are the sole supplier to Costco for baby carrots, and have worked with this leading retailer to transition 100% of the carrots sold in their stores to certified organic. We are also the leading supplier of organic vegetables to most of the major retailers throughout the nation.

Earlier this year, we expanded our operation to Georgia and Florida with the acquisition of Generation Farms in Lake Park, Georgia. Incidentally, this week we started our first organic harvest in this region consisting of over ten organic vegetables which that will help support the local southeast marketplace. While the climate in the southeast is significantly different than California, we are finding ways to produce high-quality organic vegetables.

Today, Grimmway Farms and Cal-Organic continue to demonstrate that high-quality, nutritious organic produce can be grown at a large scale to meet consumer demand while still utilizing best practices in sustainable agriculture, improving soil health, and protecting the land for future generations.

The Benefits of USDA Certified Organic

To become certified organic, the law requires the use of production practices that advance sustainability in agriculture such as crop rotation, cover cropping, maintaining and improving soil health, conserving biodiversity, and reducing nutrient pollution. A farmer must be able to grow and sustain high yields without the use of most synthetic chemicals and fertilizers. Organic farming is truly a holistic approach.

At Cal-Organic, we strive to continuously improve our practices to ensure that we have the healthiest soil possible. We have invested in water banking projects to conserve and bank water during years of surplus to help offset years of drought. We also produce renewable energy through solar panels to help power our facilities.

At Grimmway and Cal-Organic, carrots are our biggest crop. We discovered early on that crop rotation was extremely important when it comes to converting organic land. Carrots are grown in the same soil once every three years, and the crops grown during the off years (years 2 and 3) are crucial. Proper rotation, composting, and cover cropping significantly improved our soil health.

As our soil health improved, so did our crop quality and tonnage. Today, our organic yields routinely outperform our conventional crops. Lessons learned through production at Cal-Organic have shown us ways we can improve our conventional operations at Grimmway Farms.

State of the Organic Produce Sector: Challenges and Opportunities

Organic has grown rapidly over the past two decades, from an \$8 billion-a-year industry when USDA issued the national organic standards in 2002 to over \$52 billion today. Overall growth in the organic marketplace is rapidly increasing as consumers seek more nutritious, quality food. When consumers purchase organic for the first time, their journey typically begins in the produce aisle. Organic produce has been and remains the leading category in organic food with over \$17 billion in annual sales, nearly 40% of the total \$50 billion-plus market for organic. Fifteen percent of all fresh produce sold in the United States is certified organic. California alone grows over 85% of certified organic specialty crops.

While organic produce previously enjoyed rapid double-digit growth, it leveled off to a healthy growth rate of 5.6% in 2018. That is still much higher than the growth rate of the overall produce market at 1.7% last year. Despite this impressive growth, there are still unique challenges in the organic fresh produce market. When dealing with a highly perishable product, challenges like food safety, labor, and distribution become even more critical.

In the fresh produce category, quality is everything. Consumers are looking for high-quality produce and desire variety and year-round availability. As more Americans incorporate fresh produce into their diets, an opportunity exists for farmers who are willing to think outside the box. I never thought I would be working on a farm that sells over 65 different vegetables to retailers. At Cal-Organic, we must market the entire diversity of our crop rotation, not just the few crops that are best sellers such as carrots.

Continuous Improvement is the Cornerstone of Organic Farming

The USDA Organic label is the most highly regulated and transparent food system in the world. Even with the stringent requirements that must be met to be certified organic, Cal-Organic and many other farmers strive to continuously improve their operations to achieve the best possible outcomes that sustainable agricultural practices can deliver.

Organic is a voluntary regulatory program for producers and handlers who choose to meet a strict federal standard and market their products under the USDA Organic seal. This label is widely trusted by consumers, with over 82% of households across the United States now purchasing organic products.

Organic farmers and businesses are unique in that they rely on the federal government to develop and maintain strong regulations for the organic sector. The public-private partnership between the organic industry and USDA is a process that must embody continuous improvement and evolution of the organic standards to meet consumer expectations.

To maintain a healthy marketplace, organic farmers, businesses, and consumers require a strong federal organic program at USDA that can keep pace with innovations taking place in the sector. The federal government must move rapidly to implement standards that farmers and the industry recommend through the National Organic Standards Board (NOSB). NOSB is the federal advisory committee established in the Organic Foods Production Act that makes recommendations to USDA on organic standards development.

The future of organic will depend on the federal government keeping pace with the marketplace. Organic regulations must be meaningful and strong. This requires USDA and Congress to treat organic standards differently than they would mandatory regulations. We need the support of Congress to ensure USDA not only has the resources to maintain, enforce, and develop organic standards, but also to provide oversight and accountability when the regulatory process fails to move forward the standards demanded by the organic sector.

To continue to provide choices for consumers and economic opportunities for farmers, the public-private partnership between USDA and the organic industry must continue to grow.

Conclusion

Organic is a bright spot in U.S. agriculture with tremendous opportunity to change the future of our food system. As consumers become increasingly interested in sustainable food production, nutrition and quality, organic farming can provide a path forward to improve the state of agriculture in the U.S.