The 2008 USDA Organic Agriculture Census ranks Wisconsin second in the U.S. in total number of organic farms. The census reports 2,714 organic farms in California, which is the top-ranked state, and 1,222 organic farms in Wisconsin.

Wisconsin has experienced dramatic growth in organic agriculture since the National Organic Program was enacted in 2002. The number of organic farms in Wisconsin grew 157 percent from 2002 to 2007.

The 2008 USDA Organic Agriculture Census shows significant sales of organic agricultural products in Wisconsin. The state ranks sixth in the nation for total organic product sales, at $132.8 million, capturing 4.2 percent of total organic sales in the U.S.

Wisconsin ranks second in the nation for organic milk sales, with its $85 million in sales representing 11.4 percent of the U.S. total. Milk from cows accounts for 64 percent of sales of organic farm products in Wisconsin.

Consumer interest in organic food is on the rise. While total U.S. food sales were nearly flat in 2010, the U.S. organic food and beverage industry grew at a rate of 7.7 percent, posting total sales of $26.7 billion.

Organic fruits, vegetables and dairy experienced the most growth in the domestic organic food industry in 2010. As Wisconsin is among the top-rated states in the number of organic farms raising these foods, our state is well-positioned to take advantage of the growing organic market.

Wisconsin ranks second in the number of farms transitioning to organic farming after California, positioning the state well to grow its future capacity for organic agriculture.

**Wisconsin tops the ranks in organic livestock, field crops and produce**
Wisconsin leads the nation in the number of organic dairy and beef farms. Wisconsin also ranks first for the number of farms raising organic hogs and pigs, layer chickens and turkeys.

Wisconsin ranks third in the U.S. in the number of organic vegetable and melon farms. Our state ranks in the top five for organic berry farms and in the top six for organic fruit and tree nut farms.

Wisconsin ranks first in the number of farms raising several organic field crops including corn, oats, barley, winter wheat, hay and silage. Many of these crops are fed to livestock on the farms where they are raised. Home-grown feed grains and forages help make Wisconsin’s organic dairy farms more profitable than their counterparts in other parts of the U.S., where most of these inputs are purchased.

**Organic feed grain shortage poses challenges**
In the midst of the worst economic downturn since the Great Depression, consumer demand for organic food continues to grow and organic commodity prices are strong. Yet many organic foods, including dairy products, are in short supply due to a dearth of organic grain. A combination of market forces and challenging weather conditions in 2011 negatively impacted organic grain production.
In mid-December 2011, organic feed corn sold for $11-12 per bushel in the Midwest. Organic dairy farmers who raise corn can make more money selling it at this price than feeding it to a dairy cow. Midwestern organic dairy farmers need a pay price of $30 per hundredweight to turn a profit when the price of corn reaches $12 per bushel. It is doubtful that the marketplace will support this price, despite soaring demand for organic milk.

Organic beef producers are in an even tighter spot, economically, than dairy producers. Finishing organic cattle on grain is not profitable at current prices. While organic beef producers can potentially survive in this market by finishing cattle on grass, this requires superior management skills.

Organic dairy and livestock farmers can improve their profitability in this market by growing their own feed and increasing the nutritional quality of the feed they produce. Contracts guaranteeing a stable price to organic grain producers can mitigate market risks and increase organic grain supply.

Organic vegetable farms create opportunities
A 2011 survey by the University of Wisconsin-Madison found that Wisconsin’s organic vegetable farms run the gamut from small market gardens growing a wide variety of vegetables to larger farms growing a few crops for processing. They serve a wide-ranging marketplace, from farmers’ markets to retail stores.

Because produce production and harvest is labor intensive, Wisconsin’s organic vegetable farms create employment opportunities. The survey found that a typical Wisconsin organic vegetable farm employs two full-time workers and one part-time, year-round worker. Some farms hire up to 20 employees. In addition, the surveyed farms employ three to five seasonal workers. The survey did not ask farmers to distinguish between paid employees and volunteers exchanging their labor for a share of the farm’s produce.

This survey found that Wisconsin’s organic vegetable farms tend to be small and adopt a diverse range of production strategies. Seventy-five percent plant fewer than 12 acres, and slightly over two-thirds do not depend on outside loans for capitalization. Seventy-one percent own the land they farm.

Processing adds value and profit
Organic processing, which adds value to the organic milk, meat, produce and other commodities raised in Wisconsin, enables businesses to capture a bigger share of the $26.7 billion spent by U.S. consumers on organic food and beverages.

A 2011 survey by the Wisconsin Department of Agriculture, Trade and Consumer Protection found that gross income for Wisconsin organic processors ranged from over $100 million to under $10,000. Most well-established, organic processing businesses reported sales growth from 2008 to 2011, despite the recession. Newer companies did not fare as well, with only one company launched since 2008 reporting sales growth.