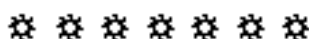


TAILS AND TASSELS

March 2009 Vol. 11, No. 3

Welcome back to the newsletter by and for members of New York Certified Organic, Inc..
We are a group of New York farmers formed to meet the educational needs of non-chemical crop and dairy farmers.



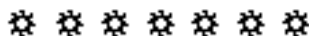
ANOTHER GREAT NYCO MEETING !

Tuesday March 17 10 AM – 3 PM
Jordan Hall Auditorium, NYS Ag Experiment Station, Geneva

**** COME ENJOY THE FOURTH AND LAST ****
**** NYCO MEETING OF THE 2008-9 SEASON. ****

**OIL SEED PRODUCTION AND
BIOFUELS - on an organic farm!**
**with Harro Wehrmann, Josh Leidhecker,
Lee Rinehart, Herb Cooley and more!**

in conjunction with the NY Organic Dairy Initiative



- * As always, bring some good food to share with your friends for our *
* always bountiful and delicious dish-to-pass lunch. *
- * All are invited - you DON'T have to be a member of NYCO to attend! *
* We just want to see YOU! *

WHAT IS NEW YORK CERTIFIED ORGANIC (NYCO)?? -

New York Certified Organic is a group of organic grain and dairy farmers in New York that has been meeting together since 1994 for daytime meetings during the winter months. NYCO meetings focus on practical information and expertise on organic weed control, soil fertility management, pest control, crop production, dairy issues and grazing, alternative crops, marketing and pricing, machinery and grain storage. We are a group of farmers, led by farmers, with topics designed for and by farmers, with more time for open discussion than for 'expert presentations'. We are not associated with any certification agency, or other organization. There is no cost for attending the NYCO meetings. We just ask you to bring a dish of something good to share with everyone at our potluck lunch.

AT THE MARCH 17 NYCO MEETING

Now this is going to be just for fun. For our last NYCO meeting of the 2008-2009 season, we're going to explore about the agronomics of oil seed production and manufacture/use of biofuels with some really great people!

Back by popular demand will be our good friend, Ontario organic grain farmer and processor, **Harro Wehrmann**. He will be talking about his experiences growing and pressing oil seeds. If you've heard Harro speak at previous NYCO meetings, you know that he can speak eloquently and entertainingly about just about anything – alternative crops, weed control, oil seed processing, emerging grain markets, the Canadian organic scene, European agriculture and much more.

Also joining us will be **Josh Leidhecker** from Susquehanna Mills in PA. He is innovating a process that contracts with farmers to grow canola, then he presses the oil, sells it restaurants and then makes biofuels with the waste oil he gets back! How's that for really neat?! We also will watch **Herb Cooley** and the others at the New York Food Venture Center at the Experiment Station do a demonstration of grapeseed extraction on a small-scale oil seed press – just wait til you see it!

Lee Rinehart is the Northeast director for the National Center for Appropriate Technology (NCAT, as in ATTRA). He will speak about home-grown farm energy, the NCAT farm energy initiative, funding for alternative infrastructure, and cropping systems to integrate biomass crops into organic systems. We will also hear from others who use biofuels in trucks and farm vehicles.

Since this will be the last meeting of the season, in the afternoon we will leave the floor wide open for your questions and discussion - probably covering strategies and equipment for effective organic weed control, soil fertility management, changing markets for organic grain, and anything else you want to talk about!

This meeting will be polycom-linked to 3 other sites –

- Cattaraugus County CCE, Ellicottville, call Dean Sprague 716-699-2377
- SUNY Morrisville, President's Room, Charlton Hall
- Suffolk County CCE, Riverhead, call Nicole Sinelli 631-727-2315 x3

A little bit about Harro Wehrmann – without a doubt, the January 18, 2005 NYCO meeting was one of the very best NYCO meetings ever! We had quite a crowd – over 75 organic grain farmers in one room and we were all treated to a day of exciting new ideas, dynamic discussion and lots of practical experience as we listened to Harro speak about his farm.

Harro and Anke Dirks-Wehrmann were both born and raised in Germany. After completing college, they came to manage a farm in northwestern Canada in 1982. After 3 years, the long winters became tiresome and they moved south and then east to Ontario, where they purchased a small farm and started a family. After much trial and error and a number of off-farm jobs, they decided to “just” farm and raise their children. Their focus shifted from livestock (beef, wild boar) to cash cropping. Their activities have also moved beyond farming into processing seeds and grains, and marketing services for organic grains and oilseeds.

Currently Harro Wehrmann, his family and several interns each year operate about 950 acres certified organic land in Ripley, Ontario on the southern shore of Lake Huron. They operate an organic elevator and an oilseed crushing plant. The soil on their farm is either glacial till or lake bottom, generally silt loam to clay with high lime and low phosphorus. Their usual crop rotation is 6 years, alternating 3 plant families – brassicas, legumes and grains, trying also to alternate winter and spring crops. They don't currently have livestock. They expect their first killing frost in November after a long fall with lots of heat units, but they also expect very cold slow springs, which limits how early they can plant.

They have 2 ‘staple’ crops in their rotation – soybeans and spelt, but over the years they have included many other crops including barley, rye, triticale, oats, edible dry beans, peas, canola, flax, oilseed radish, kamut, and several clovers. The other crops are primarily chosen for how well they maximize soil conditions for the 2 main cash crops. Marketing is diverse. They have tried to develop several complementary markets for grain, so grain that can't be used in one market can be moved smoothly into another market. Much of their grain is cleaned, packaged and exported to Europe; using the grain cleaner they have built on the farm. The cleaner is also used for cleaning grain for seed for sale to farmers in Ontario and beyond, and they process some of their grain for animal feed.

In the Northeast, we have a great opportunity to produce organic oilseed crops. Harro encouraged New York farmers to consider growing organic oilseeds such as winter canola, high oleic sunflowers, and flax on their farms. There are good markets for organic vegetable oil, and as petroleum-based oils become more scarce and expensive, farm-grown oils could replace the fossil fuel we now use to operate our machinery. Harro said that it once took 25% of the land on a farm to feed the horses that provided the power to grow the crops. He estimated that with biodiesel, it would only require about 11% of the land on a farm to provide enough power for the farm.

Are you hooked yet? We're not surprised! Come on March 17 and hear more from Harro, Josh, Lee and others !

AT THE FEBRUARY NYCO MEETING

February 10, Tuesday - This was a serious meeting, with a vast amount of important information shared to a fairly small group of farmers. We were joined by several financial officers from the Canandaigua and Auburn Farm Services Agency offices. They spoke about their programs and efforts to help New York farmers with financing and farm financial management. Then Carissa xx from Gartside Insurance Agency in Dillsburg, PA presented an amazingly lively, lucid and comprehensive presentation of crop insurance programs and requirements, especially as they pertain to organic farmers. Crop insurance has never ever seemed so understandable and user-friendly as it did when Carissa described it! Mike Snyder from the Snyder Insurance Agency in Penn Yan, NY also presented useful information on crop insurance.



HERE'S A JUICY TIDBIT !

2007 Census Statistics for Organic Farming in New York State

1137 organic farms in NYS (out of 36,352 in NYS)

562 farms transitioning to organic

1699 total # organic farms in NYS or 4.6% of all farms

91,465 acres organic crops harvested in 2007

29,233 acres of pastureland in 2007

30,687 acres in transition in 2007

151,385 total acres of organic farmland in NYS

RISK MANAGEMENT IN CHALLENGING TIMES - Part 4

We've spent the winter giving all sorts of positive advice about farm risk management, from seed selection, to equipment selection and maintenance, to developing marketing relationships and managing labor. We've identified good things to do on the farm that are free, or cheap, or expensive. We've talked about the changing organic marketplace and tried to look ahead to prepare these changes. We've even offered some home-grown/ground grain recipes!

Now, here's an interesting list from Dr. Wayne Knoblach at Cornell University, of ten things you should NOT do when facing financial difficulty. -

1. Don't make decisions that will make the problems worse in a week, a month, or six months
2. Don't continue the same unsuccessful practices because "I've always done it that way"
3. Don't use farm-produced feeds so rapidly that they are used up without an affordable replacement plan
4. Don't reduce purchased feed use just to save money
5. Don't purchase products that promise to be a "Magic Cure-All", unless you have hard data and experiences of others that confirm that opinion
6. Don't make unnecessary capital investments just to reduce tax liability or because "it's a good buy"
7. Don't neglect needed accounting/bookkeeping tasks because "there isn't time"
8. Don't borrow money unless the farm is reasonably able to provide enough profit for timely repayment
9. Don't neglect the details – cleaning and maintaining equipment, communicating with and managing labor, observing animals, maintaining healthy personal habits and family relationships etc.
10. Don't use alcohol or other 'crutches' to manage your reactions, stress and feelings



Changes in the Northeast Organic Milk Market

. . . does it really matter to us grain farmers?

The economic recession is coming to organics, and its impact is starting to be felt by the organic dairy community. At the end of February, Organic Valley told its farmer owners that their Board, had decided to lower the February 2009 pay price by \$1, followed by a further \$1 cut in May, June and July to deal with the spring flush followed by a \$2 increase for the months of December 2009, January and February 2010. There will also be an increase in the stop charge from \$75 to \$180 per month beginning in February. They will also delay transitioning producers by 60 days and pay them \$2 less than their budgeted regional pay. They are also looking at a voluntary incentive program to deal with the spring flush, as any balancing of surplus milk on the conventional market will be at record low prices.

About a week later, HP Hood announced that they were in the process of sending letters to its producers to announce a milk price reduction, starting in March, to better allow them to stay competitive in the marketplace. They also asked their farmers to voluntarily reduce production by 10-15% --otherwise they "would be forced to take other measures to reduce our milk supply." HP Hood has informed some organic dairy farmers in Maine and elsewhere that when their contracts finish, they will not be renewed. To the relief of many New York farmers, at recent regional farmer meetings, Horizon announced that they are not planning to cut back on either supply or pay price.

While of course this is of vital importance to organic dairy farmers, how will these changes in the milk market affect organic grain farmers? On our farm, we've been selling organic grain since the early 90's, and over the years, we have sold corn as low as \$160/T and as high as \$400/T, we've sold organic soybeans for \$9/bu and up to \$30/bu. Some years we've made good money, some years we made less. There have been lots of changes over the past 15 years, but through it all, we've firmly known that as organic grain farmers, we simply can't succeed if the organic dairy farmers don't succeed. The health of all our farms depends entirely on whether the costs/profit for both groups are in equilibrium. In short – we all do better when we all do better.

To address this issue, we recently asked the question - what percent of the "cwt milk pay price" (price per 100 lb of milk) is attributable to the price of grain, and how has this percent been affected by rising grain prices over the past 5 years. This analysis GREATLY oversimplifies the whole situation - no two dairies feed and manage their animals exactly the same. Some have great forages, feed very little grain and make lots of milk. Some feed more grain, with varying results. Some purchase most of their grain while others grow their own. Add in the seasonality of pasture and variation in forage quality, and you can see how difficult this is to assess and compare accurately.

However, the consensus of the farmers on the email Odairy forum seemed to be that during the winter, many farms were achieving a 1:4 or 1:5 feed-to-milk ratio - making 4-5 lb of milk for each pound of grain. Another way of expressing this is to say that each day, these farms are feeding 10 lb grain and making about 45 lb milk per cow. Since the current farmgate price for organic milk is about \$27/cwt right now, that 45 lb of milk is worth \$12.15.

Exactly what that 10 lb grain consists of varies as much as the farms do. At Lakeview, 10 pounds of a standard 'house' 16% protein ration (\$628/T) consists of 5.75 lb corn, 2.75 lb roasted soybeans, 1 lb triticale, and 0.5 lb minerals and salt. At current prices, the grain portion of this grain is worth \$2.80, and the mineral portion is \$0.34. In other words, each day this farm feeds a cow 10 lb of this grain and makes 45 lb milk, the grain cost alone accounts for about 23% of their gross income from milk.

It is worth remembering that type of grain in that 10 pounds matters enormously and does not readily show in this calculation, both for milk production and for long-term cow health. Increasing protein may raise the milk level at the expense of body condition and future breeding. Feeding the same number of pounds of a lower quality feed may reduce immediate costs, at the expense of both.

If our farmer produces particularly high-quality, "high-component" milk and is able to raise his pay price to near \$30/cwt, even with no increase in production, that percentage drops to a little over 18%. Improving the quality and protein of forage could lower the amount of soybeans needed, thereby reducing the most expensive grain ingredient. Feeding a 14% protein feed instead drops the grain price to \$2.70/10 lb and the percent to 22%. Using a 12% feed lowers the grain cost to \$2.46 and the percent to 20%. Doing these calculations surprised us how resistant the % is to change, despite changes made to grain price and feed composition. The important part to see here is any savings in grain cost may not compensate for a reduction in milk output, unless the forage is high in protein.

How does this compare to costs 5 years ago? In 2005, the pay price on organic milk was \$22/cwt. A day's worth of milk per cow would have grossed about \$10. Ten pounds of the same grain ration (\$405/T) would have cost \$1.82 for the grain and \$0.20 for the minerals. Therefore, in 2005, the grain cost would have accounted for about 18% of the gross income from milk. Yes, that is approximately same percent as what a top dairy farmer is paying today!

While this is an interesting mathematical exercise, it begs an important question - what is equilibrium as far as grain price and milk price, what is a fair and sustainable situation for everyone involved? One excellent New York dairy farmer says that the 1:4-5 level is workable for him, but he's hoping to achieve a 1:6 ratio this summer when the cows are out on pasture - feeding one pound of grain for every 6 pounds of milk produced. This farmer has been able to invest significantly in farm improvements, he's keeping his bills paid and seems confident about the future. Several good other farmers, with very different management styles, reported similar feed:milk ratios. However, it must be noted that some New York dairy farms hover around the 1:3 level during the winter, rarely achieving over 1:4 level in the summer. The large amount of grain those farmers buy to maintain adequate milk production is often to offset the lower nutritional value of their forage is, and when they try to cut back on purchased grain, it is at the expense of milk output.

It is also worth considering one excellent and inspirational dairy farmer who tells of voluntarily going from feeding 20 lb of feed to 500 cows, making a whopping 55lbs milk lb/head/day, to feeding no grain to 60 cows, making 35 lb/head/day - and realizing that at the lower production, they were making substantially more profit. By substituting skill and intensive management of cows and forages for purchased inputs, this farm has been willing to challenge usual perceptions of what constitutes success. This is an interesting dimension to consider, the possibility of being a grain farmer in a world where the dairy farmers learn not to need us! This isn't likely to happen, but it is interesting to see how it can be done.

Now – let's think about our conventional dairy farmer neighbors, who for us include Klaas' brothers, just down the road. Many of whom do not pasture their animals and are now receiving somewhere around \$12/cwt for their milk, with lower prices predicted for spring. It isn't uncommon for their feed:milk ratio to be between 1:2.5-3. While conventional grain prices are considerably lower than ours, is it any wonder why many are feeling a fairly high level of panic right now?

So – what's organic corn selling for today? Don't take our word for it!

The USDA Agricultural Marketing Service is now collecting organic grain price information from numerous brokers and feed mills around the country, and posting it on their website. The prices are updated approximately every 2 weeks.

www.ams.usda.gov/mnreports/gx_gr120.txt

These Eastern Cornbelt prices are FOB Illinois, so add about \$1/bu for transportation for a fairly accurate New York value. If you want to convert to the price per ton, multiply corn bushels by 35.7, soybean and wheat bushels by 33.3.



KATHLEEN MERRIGAN NOMINATED TO BE DEPUTY SECRETARY OF AGRICULTURE

WASHINGTON, Feb. 24, 2009 - President Barack Obama today announced his intention to nominate Kathleen A. Merrigan to be Deputy Secretary of Agriculture. Dr. Merrigan has been a long-time leader in the American organic community, a true and faithful friend to organic farmers, and she was instrumental in getting the USDA National Organic Standards written and implemented.

"We at the U.S. Department of Agriculture welcome the President's intention to nominate Dr. Merrigan," said Secretary Tom Vilsack. "She will bring to USDA extensive expertise in agricultural marketing and nutrition and in legislative affairs and will provide excellent, experienced leadership as we move President Obama's agricultural and nutritional agenda forward."

Merrigan currently is an assistant professor and Director of the Agriculture, Food and Environment M.S. and Ph.D. Program at the Friedman School of Nutrition Science and Policy at Tufts University, Boston. Merrigan holds a Ph.D. from the Massachusetts Institute of Technology in environmental planning and policy, a Master of Public Affairs from the University of Texas and a B.A. from Williams College.

In 1999, she was appointed administrator of USDA's Agricultural Marketing Service by then-President Clinton. Prior to that, Merrigan was a senior analyst at the Henry A. Wallace Institute for Alternative Agriculture and an expert consultant at the Food and Agriculture Organization of the United Nations in Rome. From 1987 to 1992 she was a staff member on the U.S. Senate Committee on Agriculture, Nutrition and Forestry where she helped develop the Organic Foods Production Act of 1990 which mandated national organic standards and a program of federal accreditation.

Not only that, Kathleen is also a really nice person!

Classified Advertisements

If you want to place a free classified ad in upcoming newsletters for the certified organic products you have for sale on your farm, contact Mary-Howell Martens, 315-536-9879 or kandmhfarm@sprintmail.com.

- **Buying ORGANIC grains** - corn, soybeans, oats, barley, triticale, wheat, peas Lakeview Organic Grain 315-531-1038
- **NOFA-NY Certified Organic Field Crop and Pasture Seed** –Hybrid and OP corn – Blue River, Viking, and American Organic Seed Co corn hybrids plus improved open pollinated corn, oats, wheat, barley, rye, triticale, alfalfa, buckwheat, forage mixes, red clover seed, pasture grasses. Non-GMO inoculant Order early for good supply. Lakeview Organic Grain, Penn Yan, NY 315 -531-1038 more info - www.lakevieworganicgrain.com
- **NOFA-NY Certified Organic dairy, calf, heifer, beef, chicken (broiler and layer), pig, turkey FEED** - we specialize in custom blends for your feed needs and Fertrell mixes. Also CRYSTAL CREEK animal health products. We have organic liquid molasses and organic alfalfa pellets. Lakeview Organic Grain LLC, Penn Yan, NY – call Daniel Hoover or Mary-Howell Martens, 315-531-1038 or info@lakevieworganicgrain.com
- **Composted poultry manure fertilizer**, Brett Kreher, 716-759-6802.
- **Fertrell fertilizers and animal minerals**, Justin Jeanroy 518-993-3452
- **Gypsum**, John Saeli, 315-585-9826
- **For Sale** - Kovar 15' rigid weeder with the wishbone attachment and 45° angled tines asking \$2,800.00. Also, JX65 tractor 4x4 with quicky attachment bucket 2200 hours asking \$23,000.00. Berni Ortensi, 315-858-2634
- **For Sale** - NOFA-NY Certified Organic Triticale Silage Bales: 25 acre harvest will be available late May, 2009. All soil and input information is available. Seed supplied by Lakeview Organic Grains. All top-quality inputs were used. I am willing to discuss custom contract organic forage production. Cortland, New York. Pete Heckman, (410) 974-0124
- **For Sale** - 1st and 2nd cutting certified organic via NOFA NY, LLC small square bale hay, \$4 per bale or \$200 ton for 1st (quantity discounts available) and \$4.50 per bale or \$225 ton for 2nd cutting, <http://www.marzfarm.com/hay.html>, average weight is 40-45 lbs, Berkshire NY 13736 (between Binghamton and Ithaca) Tioga County, Tony Marzelino, 607-657-8534 or tmorzolino@yahoo.com, pick up at farm or we can arrange for delivery.

PLEASE NOTE: Classified ads in Tails & Tassels are free and uncensored. You should always be careful when making any transactions, and should not assume that an advertisement here is an implied approval of any products or buyers.



**So - that's it for another successful NYCO season – our 14th season!
Until December –**

*** * * have a great season * * ***

. . . may your crops grow well but the weeds do not, may your animals thrive on pasture, may the rain come when its needed and not when its not, and may you and your family enjoy the true privilege of farming

