



Organically Grown Company

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Oregon Board of Agriculture
635 Capitol Street NE
Salem, OR 97301

Oregon Board of Agriculture:

Organically Grown Company (OGC) was founded 40 years ago in Eugene and is now the largest wholesale distributor of organic fruits and vegetables in the Pacific Northwest. Our business is an independent Oregon benefit corporation, owned by a purpose-trust, to serve our mission and stakeholders. Currently, OGC employs more than 200 staff, works with more than 500 growers/vendors and serves over 800 food stores and restaurants throughout Oregon, Washington, Idaho, Alaska and Montana.

We are writing to give comment on the Oregon Department of Agriculture's recent report to the Oregon Legislature on recommendations 'for Coexistence between Canola and Specialty Seed Production in the Willamette Valley' from November 15, 2018 and the related Oregon State University report on HB 2427 from November 1, 2017.

We have several substantive concerns about ODA's proposals for canola management in the Willamette Valley. Importantly, the OSU research which ODA has based some of its recommendations on failed to comprehensively consider the economic impacts to specialty seed producers from expanded canola production or the practical considerations of canola cultivation in a non-research setting. Additionally, the scope of the OSU research was limited to the study of "coexistence" situations and expanded canola acreage, while failing to study options that would exclude canola from parts or all of the Willamette Valley.

Economic Impact

While the Legislature did not call for an economic impact assessment of canola production in the Willamette Valley, the Oregon Department of Agriculture must consider the impact on the viability of the specialty seed and related industries in our state as it considers options for canola. Specialty crops and seed are both much more lucrative crops than canola for the individual grower and for Oregon agriculture.

In 2017, our company alone purchased \$ 2.2 million in brassica crops and \$8.3 million in vegetable crops from farmers in the Willamette Valley. In addition, many of these growers

sold many more millions of dollars of these crops into direct market channels such as farmers markets and CSAs or through other distributors. The crops purchased by OGC may be sold into national as well as regional markets.

The Oregon specialty seed growers estimated their industry's value at \$52 million in 2012. By contrast the Oregon Agripedia cites canola production for the *entire state* at \$3,395,000 in 2016. Canola is relatively low-value commodity crop that is already extensively produced in the Midwest and Canada. While there are other parts of Oregon capable of producing canola without conflicting with other growers or industries, the Willamette Valley's specialty seed industry and specialty vegetable crops are uniquely suited to exist and thrive here and are at great risk from the introduction of extensive canola production here.

As a large wholesale distributor in our region, our local growers depend on access to clean uncontaminated seed produced by the specialty seed industry, as well as the ability to cultivate in favorable conditions. We believe that canola is an inappropriate choice as an oilseed crop for the Willamette Valley and would create very real potential to damage the existing specialty crop and seed growers' economic viability, through spread of plant disease and pernicious weeds, in how it is cultivated.

Despite ODA's assertions that it cannot make decisions about quarantine or control areas based on economic considerations, the control area statute (ORS 570.405) permits ODA to create quarantines and control areas based on economic considerations, i.e. when the insects or other plant pests are a menace "generally to horticultural, agricultural or forestry industries". The purpose of protecting industries is not to protect the individual plants that are grown, but rather to protect the businesses that grow the crops and their economic wellbeing. In general, protecting industries and their economic prosperity is the essential role of the Department.

Practical Cultivation Factors Missed

Economics factor into *how* canola is cultivated when covering more land and not being monitored by researchers. It may be true that "there is no distinction between the crops [i.e. canola and other brassica plants] being grown for the production of seed for forages or the cover crop markets and the vegetable seed market". However, because canola is not nearly as financially lucrative per acre as vegetable seed, canola growers usually do not spend as much money and time controlling pests and disease, or removing contamination because cross-pollination does not affect their future crops. For example, it is not worth the time and cost to implement best practices to reduce black leg to near 0% because the canola left standing can still be harvested and sold if infected with blackleg (unlike fresh vegetables). As the OSU report says, "the vegetable seed industry has a low tolerance for the presence of the black leg pathogen on seed where canola seed harvested for oil can better tolerate the presence of black leg." p. 59. Canola growers also have little internal incentive to control weeds that could spread pollen or to pin their canola crops, because they do not need to worry about cross-pollination.

Weed persistence of canola, in particular, has significant impacts. ODA accounted for this in the designation of the Central Oregon Canola Control Area, which is designed to protect the **carrot** seed industry, not brassica seed. Since canola does not cross with carrot, and carrot is not subject to black leg, ODA must be protecting carrot seed crops from the seeds of canola weeds which are difficult to sort out. This is an acknowledgement by ODA that canola production is unusually prone to the establishment of weed seed banks.

Coexistence vs. Exclusion

While the OSU report gives comparisons to other nation's experiences growing canola, it only describes the provisions of their exclusion zones. It does **not** describe how well these exclusion zones have worked to prevent cross-pollination of specialty seed by canola – especially when canola is grown and managed not for research trials, but rather in large scale and using the lax methods of production that would be used in Oregon if canola is unregulated. It also does not describe net economic impacts to agricultural regions or mention the regions that no longer need canola pinning because canola has already destroyed their specialty seed industry.

Another point of great concern is that the report makes no distinction between GE and non-GE canola. An expansion of canola growing areas within the Willamette Valley's Protected Area would certainly result in the planting of GE canola, as it is estimated that ninety-nine percent of canola seed in the US has been genetically engineered. Agricultural research studies show that biological and physical movement of material derived from GE crops is difficult to control and impossible to recall—a problem that is especially relevant in the case of canola, which has been shown to readily cross-pollinate with plants in the Brassica family, and also to naturalize and spread as a weed. The market for organic products is well-known to be intolerant of contamination from genetically engineered organisms so planting GE crops not only threatens the livelihoods of organic farmers but also imposes unfair burdens on these farmers through financial loss and the need to implement extraordinary measures to try to prevent contamination of their land, crops, and seed stock.

Our overarching concern is that ODA may be making future decisions based on a report that was limited solely to analyzing the *coexistence* of canola with specialty crops and seeds. The OSU report's recommendations do not address the benefits of the exclusion of canola. Despite this, we believe the Oregon Department of Agriculture (ODA) should maintain or expand existing canola exclusion areas in the Willamette Valley.

Recommendations

ODA is not required to make its decision solely on the basis of the OSU study. ODA can and should consider the net economic effects of any new canola rules on Oregon's specialty seed and specialty crop industries. This might include a more robust analysis of other regions in the world where canola has effectively destroyed the specialty seed industry. Given that there are examples, it would be irresponsible for the Department not to study them. We recommend that the Board of Agriculture and ODA:

- 1) do a comprehensive and objective study of the economic impacts of canola that includes an empirical study of the actual economic, cross-pollination, and pest and diseases impacts that large scale canola production has had on other current and former specialty crop and seed growing areas.
- 2) maintain or expand existing canola exclusion areas in the Willamette Valley as a preferred option in their list of recommendations and future actions.

Thank you for your consideration of our comments.

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