

**Jim Wedeberg and Julia Ugo, Narrators**

**Anneliese Abbott, Interviewer**

**October 19, 2021**

**Location: Organic Valley Headquarters, LaFarge, Wisconsin**

**JW=Jim Wedeberg**

**JU=Julia Ugo**

**AA=Anneliese Abbott**

**AA:** All right. This is October 19, 2021, and this is Anneliese Abbott here at the Organic Valley Headquarters interviewing—

**JW:** Jim Wedeberg

**JU:** Julia Ugo

**AA:** So Jim and Julia, thank you so much for taking the time to talk with me today. So why don't we start with Jim. Give us a little about your background and how you became interested in organic and sustainable agriculture, and what you want to tell us about the background of Organic Valley, how it started.

**JW:** Sure. Well, I guess I grew up on a dairy farm in Crawford County, Wisconsin. I presently live about a half mile from that farm I was born and raised on. So back in the '60s there was a lot of movement towards more chemical use in agriculture. And I grew up on, our farm was a small-scale dairy farm with about 30 cows. And we also raised tobacco, because tobacco, Crawford County, Vernon County, and Dane County were the two largest tobacco-growing counties in the state of Wisconsin. So it was small-farm agriculture with a cash crop of growing tobacco. So as things went on and I started farming on my own in the early '70s, and I was kind of traditional but not completely traditional because I didn't use any pesticides. I used a little herbicides in the '70s. But when we purchased our farm in 1980, we decided not to use any pesticides or herbicides on that farm. Because we just felt like we didn't want to farm that way. At that time there was no market in the area for organic production. But we kind of went that way in those early years. That's basically how I got started in farming, how I progressed in farming.

I've got to tell one story. Two different stories influenced my decision on this. One was in '63. That's when herbicides were really starting to come into our area in northern Crawford County. And a person stopped by our farm one evening, and he was a jobber that actually helped farmers with spraying their corn for weeds. Atrazine, at that time. And I come to learn afterwards from traveling around the United States that this was a common practice. And it's really sad. But he actually, my father asked him if this chemical was safe, and his demonstration of how safe it was, he went to his truck and got a cup out of the truck and drained some out of the bottom of that tank and drank it. Needless to say, the man died in his 40s. But I understood that to be, as I talked to farmers throughout the United States, they had witnessed or heard of similar demonstrations happening in the '60s.

The second thing that influenced my life on farm chemicals was in '76 when people, farmers were instructed they needed to become certified and have a license to purchase insecticides and pesticides. There was a free clinic in Crawford County to obtain this permit. And I went to that class. And during that presentation by the county agent, he showed slides of a farm in Dane County where the farmer crossed the pasture in the morning to cultivate or plant corn and came back across that pasture. And in the morning that farmer had over 40 cows, and in the evening he had 25 left because they had died from licking the pesticide that dribbled on the pasture as he crossed that with his planter. And then he showed farmers with scars, burns on their arms and stuff from interactions with the pesticides. And I just decided, I never did get my license. I decided I didn't want to be any part of that. Crop rotation, other methods to use that you wouldn't have to be using those harmful chemicals. (4:45)

**AA:** Wow, yeah. That's really interesting. It's really interesting to hear stories like that. I've heard similar things from other people, so that's really interesting. And then Julia, do you want to give us a little about your background?

**JU:** Sure. I grew up on a dairy farm in Vernon County, near Coon Valley, Wisconsin. My parents started milking cows in '76, I do believe. And it wasn't until the '80s that they really, there was very, very low chemical use. They rarely used any. And then in the '80s, my mother's from the UP in Michigan, so she ended up in the area. A little of the back-to-the-land movement mentality, interested in food production and the connection to how you grow your food and create food that has impact on your health and the health of your community. My father would be a fifth-generation dairy farmer within about 7 or 8 miles of where our farm was. So very much rooted in that community.

In the '80s my mother, who's a bit of a vet tech, animal sort of person, really started to dive into alternative medicine for animals. And that was really the door that opened for them in terms of really moving into a full organic systems mentality.

But I think above and beyond, they ended up milking cows for almost 20 years. So when I was in middle school or so, they sold the cows. But the farm kept, it was in full production as a farm, still is to this day. It just evolved to a heifer operation and now it's much more of a diversified beef, pork, chicken, pasture-based operation.

But I think for me, the reason I'm now an employee of Organic Valley, and I have been for thirteen-ish years, and really felt a connection to the mission. Because I think two things. One is that from a very early age I felt deeply connected to the benefits of thriving rural communities. And really seeing that in order to have a rural community that is thriving, you have to have farmers that are thriving. And secondarily, and this is much thanks to my parents, there was just from a very early age values instilled around this, the way that a farmer feels about their farm translates to quality of the food and translates to the both emotional and spiritual health of the greater community that they're part of. And all three of these things are interconnected. Again, if you have a farmer who's under constant duress and constant stress, you immediately, the quality of the food goes, and also the emotional and spiritual well-being of your community goes as well.

And so growing up in this area, I was very familiar with the foundation of what Organic Valley was. And having the opportunity to be a part of it, about that is particular—and we'll talk more about it today—this vision of stability for farmers and sustainability for farmers,

sustainable pay, being part of that conversation on a national scale felt and continues to feel very exciting. (8:19)

**AA:** Great. So there is so much to talk about with the history of the CROPP Cooperative and then Organic Valley. Do you want to, Jim, just start by telling us a little about the beginnings of that, how that came about?

**JW:** Well, sure. You have to put a little perspective to what was happening in the '80s. Basically, in the '80s there was a huge farm recession. High interest rates and low farm prices. And so there was a lot of despair, there was farmers that were being sold out because the growth in the '70s led to the oversupply and the high interest rates and the lack of market in the '80s. So in the winter of '88 I happened to see this advertisement about this meeting that was going to take place in Viroqua at the courthouse about this new co-op that was being proposed. And I knew one of the presenters in the article, George Sieman, who I had some relationships with in previous stuff, seven or eight years. And so my wife and I went, and we listened to it. And we were looking for something different. We were looking for a way, we had a small farm where we were milking less than 20 cows. And that farm we had moved on in '80. And basically, then we found ourselves paying 17.25% interest during the '80s. And so it was a, we were looking for ways to survive. So while we weren't organic produce producers, we definitely had an interest in dairy.

And this cooperative was originally developed, the core of the concept was trying to find another method of income for these small diversified farms in Vernon County that were used to raising tobacco. Tobacco production, marketing was starting to wane in the area. And so the steering committee of the cooperative felt like tobacco requires a lot of hand labor and family labor. So the culture was here for that, so that maybe they could transition those tobacco acres to produce. So that was the impetus for the beginning of CROPP cooperative.

That wasn't my interest. As I listened to the presentations, I felt like maybe this might be a vehicle that we could use to develop some kind of a dairy program. So at the end of that meeting I spoke with George about, has there ever been any discussion about dairy? And he said no, because all the steering committee were produce growers, and dairy was not their background. But anyway, we kept discussing this and moving through the, this was January through February, March. We developed a small nucleus of organic-minded dairy farmers to see if we could establish a dairy program. There were no organic dairy standards at that time. So we worked with, we had chosen the certification agency, Organic Crop Improvement Association, to be our handler and our certifier. So we worked with them to develop some organic dairy standards.

So basically we stayed involved, the farmers stayed involved. I was elected to the first official board of directors of the cooperative on June 6 in '88, because up to that point it was a steering committee overseeing the development of the cooperative. So the first board was basically myself as a dairy farmer and George as a dairy farmer and the rest of the board being producer producers. Five of the seven were produce. And so we continued to work on developing the program. And we worked on developing a market. North Farm Cooperative in Madison stepped forward to be our sales outlet for our cheese that we were going to produce. So we actually produced our first cheese on the 13th of July in '88. From starting in January until July, that's the development time to put the first product out from the seven farmers that we

organized for the first load of milk. Basically, it was 20,000 pounds of milk every other day was the first milk that was produced by the group.

So that was kind of the beginning of the dairy program. And also the produce was coming along. But you also have to be aware that '88 was a drouth year. So it wasn't long before produce in the area was starting to suffer from the drouth, as well as pastures and things for the dairy animals. (14:32)

**AA:** So then from there, how did it grow and expand from those beginnings?

**JW:** Very slowly. Very slowly. It was, the seven producers and one market outlet. And it wasn't long before we became aware that we had to find another way to market our cheese, because we were just a couple of lines in a huge catalog that North Farm was marketing. And our product wasn't moving. They were moving 30 percent, 40 percent, 50 percent of seven farmers' production in a month. So we were becoming oversupplied. We were making cheese. National Farmers' Organization was the organization that stepped forward to help us, because five of our original members were members of National Farmers' Organization. And in Wisconsin had very strict milk-handling rules. So under Ag 30, you can't just start handling milk without having an organization behind you. We had no means of doing that at that time. So with National Farmers', they were able to fill that role for us and be that milk handler for us. And they developed our own cost center with us seven farmers. But the problem, they were paying us farmers for our production. But they weren't necessarily getting paid back in a very rapid pace because we weren't selling the product. We were putting cheese in the inventory, or we were selling milk conventionally.

So it became apparent by the fall that we had to find another method. So that's when we started to develop our own brand, our own label to cut and wrap some cheese ourselves and try to move that our. From '88 to '91, we only grew from seven farmers to fourteen. And we also had chosen to market our production in natural food stores and cooperatives. And many of them were not accustomed to handling any dairy products, perhaps didn't even have refrigeration to display cheese and stuff. So it was a long slog trying to get product into these stores, develop the organic, where is organic dairy, what organic dairy was. All along we didn't have national standards. There was different interpretations of the standards that had been written by different organizations. So there was some credibility.

But during that first six months is when a lot of our philosophies were developed for the cooperative which still are today. Like the farm gate pricing. We decided, the group decided what a fair pay price would be for the farm milk. And so every drop of milk that went into organic cheese and sold organically, the farmer got paid that \$17.50 for that milk. But any milk that went conventional, then you got the blend price. And that was the origination of target pricing. The target was \$17.50, but the pay price was the realization of the utilization of the milk. And so that's what, no organic farmer in CROPP Cooperative got paid the \$17.50 until '97. It was ten years of building market and distribution before we ever realized the target price of \$17.50. (18:45)

**AA:** So I'm curious, and you can tell more about the history of Organic Valley and how that developed whenever you want to as it goes along. But I'm also curious in hearing a little bit about the farming methods that you used, and how you chose and developed those, and what influenced you, people and publications.

**JW:** Well, the farming methods that we used were traditional rotational farming methods. Basically, when you have dairy, you have your pasture, you have your legumes, alfalfa, clovers, and grass hays. And then you raise small grains and corn. So basically most of our farmers are on a three to five-year crop rotation. So you're rotating your crops between all of these crops that I mentioned. To provide the feed for the animals you had on your farm. So basically, the ideal organic farm as we see it, as I see it, is a cycle of life. You have your animals on the farm consuming the feed from the farm. The manure from the animals goes back out to the soil, it helps replenish the soil, build the soils, and produces the feed. So you just have this cycle.

And so when we were developing the organic standards, there was discussion whether we should have an acreage per animal on the farm to promote this cycle, like three acres per cow for example. That was rejected in '88 because we had some of our farms that were a little more landlocked than others, some of our farms that were smaller but had a few more animals because they were just start-up operations. So they wouldn't have met that. They were buying some feed or renting some ground. So it was felt that was a hardship that we didn't have to employ at that time. In hindsight, I kind of wish that had been part of the standards. Because I think that is important for the whole cycle of life, you have the animals tied to the land. As our discussion progresses, you'll begin to see how things have changed over the last thirty-some years from what our original thoughts were on that.

So basically, the farming methods, some of the influences. You had Rodale Press, was available. But also farmer to farmer. Right off the bat, and we continue it to this day, our dairy executive committee basically emerged from our dairy farmer committee. Our regional farmer committee met, farmers met just to kind of give each other suggestions on animal care, pest control, on cropping methods, weed control, all of this. And then out of that developed the Upper Midwest Organic Conference, which went from an original 90 people that attended in '89 to well over 3000 annually now that attend that conference. It's the largest organic conference in the United States. And that was the vehicle for interchange. Because we weren't, there wasn't university support necessarily for our method of farming. University support was more toward the conventional farming methods that were being more developed, no-till, herbicide pesticide management, things like that. So it was kind of the opposite of the way we were going in CROPP Cooperative. So we basically depended on other sources. Basically, the people that were doing it, and trying different things. That was the discussion among the growers. (23:35)

**AA:** Thank you. And Julia, if you want to share anything about farming methods at your family's farm.

**JU:** No. I'm thinking about some of the things that Jim said. So just to be clear, he referenced what is our dairy executive committee that was born out of all the producers. So in this farmer to farmer sharing, this sort of school of hard knocks, lessons learned, in particular, like you were talking about cropping, but also at that point, and still to this day, just the role of farmer to farmer sharing of wisdom when it comes to animal care. Because of just the availability of veterinarians at that point in particular, but still to this day, that have experienced working with organic farmers, or large animals, large animal care in organic methods. But that's all I'll share. (24:27)

**AA:** All right, thank you. So Jim, do you want to share anything about your philosophies of organic farming, yours personally and then if you want, anything you know about those of other farmers, things like that.

**JW:** I think I've perhaps touched on some of this earlier. But you know, the philosophy, it used to be a philosophy among farmers that you wanted to leave the land better than you found it. So I've always held to that. You want to improve the productivity of the soil. You want to have it remain on the land. You don't want it to run down the Kickapoo. So you use practice, you enlist practices that help you to meet those goals. And also you want to have, it's always a conflict about farming methods and short-term versus long-term. Short-term pesticides, herbicides do their job. But long-term, what is the effect on our water? And wells, and surface water stuff? Other than atrazine, where it's prohibited from some counties in the state, and how it has been recognized now, all of these things have their downside, which basically, my opinion gets overshadowed by the short-term benefit of being able to raise crops, control pests and weeds with these chemicals. And all it really does is diminish the rural communities. Because it allows farmers to get bigger, to get larger. And by licensing these chemicals instead of mechanical methods and with labor. And it diminishes the community. It makes the towns, churches, schools all get smaller because there's less people producing on the land. And so my philosophy is that while it's a short-term win for some, it's a long-term loss. (27:21)

**JU:** Yeah, and I'll add that, in particular, beyond water is soil health. And just how quickly, and you can see it in this community, in these hills in particular, the devastation that takes place when you have year over year chemical use on the top of the hill where your soil quality diminishes and your row crops expose the earth over and over again, and then all of a sudden your topsoil disappears. And I think one of these early tenets that inspired the back-to-the-land movement, whatever it was that drove you into the hills, I think there was a commonality with the good food movement, the slow food movement. And at that point the science wasn't there to test it, but now we know that the quality of your soil directly impacts the nutritional value of your food, which then in turn impacts the health of the human. And that was a story line that was alive through all thirty-some years of Organic Valley and the organic movement. And it's just been wonderful to see in the last number of years how we all agree that that's absolutely the case, that that nutritional value skyrockets when the quality of your soil is where it should be. (28:43)

**JW:** Healthy animals, healthy feed, healthy soil, healthy humans. It's all the cycle. And that has been lost, in my opinion, over convenience.

**JU:** The other thing that comes to mind is, in the storytelling of living here in this area, working for Organic Valley for much of my life now, is the relation, the human has a place in the organic system in a way that conventional agriculture, the human is removed, and the human gets to *use* the land and *use* the animals. Versus with any organic system of agriculture, the methodology, there is an innate relationship with the human and the animal and the human and the earth that is one of total. Our elite organic farmers understand completely that that's a relationship that needs to be fostered, and there's total respect. You don't take more than you can take. You give as much as you can take from the earth, from your animals, and that is part of the cycle of life. And that's a pretty fundamental difference, I think, that was born thirty-some years ago when

individuals were saying, “Let’s try to define this way of farming, this way of thinking about agricultural production and food production.” (30:16)

**AA:** Thank you very much for sharing all that. Is there anything either of you want to share about your personal perspectives or your view on the connection between organic agriculture to the broader historical and cultural context?

**JW:** Well, do you want to clarify the question a little more?

**AA:** Like if there were other things happening at the same time. Like you mentioned the economics, I know that was one thing. If there’s anything else that really kind of influenced your decision with organic farming, and maybe the growth of why Organic Valley grew when it did, things like that.

**JU:** Jim, yeah, I was thinking about, what about the social part of it? Like cooperative versus corporate? Can you dive into the “get big, get out” mentality and how some of the foundation principles around putting farmers in the driver’s seat of Organic Valley.

**JW:** Yeah, the Earl Butz years. The ’80s. Fencerow to fencerow, get big or get out. Right. So, yeah, there was a philosophy among the originators of CROPP Cooperative trying to find a bridge and a means of making a fair living for small organic farms. Because we were swimming against the current, basically. The mainstream philosophy of getting larger, expansion. And how could we find a way to enhance the income potential of our small family farms? Plus have a respect for the land. So that definitely was a driver from the beginning. But you had to replace that ideology, or you had to sustain that with a good business practice. You had to find ways to get this product that we were producing on these small farms to the marketplace.

And actually, early on there was some, we were helped by the conventional industry in some ways. Our desire to move away from antibiotic use in our animals, in ’95 it was a concern of our consumers. Consumers were giving us feedback. Because while in Europe it’s a whole different story, in the US antibiotic use in animals is widespread. You can buy it off a hardware store shelf, and some is supplemented in conventional feeds, and stuff like that. So there is definitely a concern. And so we responded to that by moving away from antibiotics in our animal husbandry practices.

A couple years later, which was a huge boost to the organic development on the dairy side, was RBGH. Synthetic hormones. So while we were fought and not allowed to put “no hormones”, “no synthetic hormones” on our brand, by pointing to the organic standards, the organic standards specifically mentioned no synthetic hormones allowed in the feeding system. So we were the choice of the consumer who was looking for dairy that wasn’t produced with synthetic hormones at that time.

So things like that helped draw awareness of organic dairy. And so that was the point, ’96 to 2000, where there was a huge expansion in organic dairy. And basically, it was driven by some of the things that were happening in the conventional industry. We were the alternative. People were looking for another product that was produced in a more sustainable manner. And Organic Valley organic dairy was that product. (35:20)

**JU:** Do you want to say a little about what was going on in this relationship between dairy farmers and their co-ops? It wasn't particularly the hot point at that time, in the '80s. But just kind of historically, go to the structural part of organizing farmers.

**JW:** Well, the organic or the conventional cooperatives mainly were being driven by the conventional industry. And so one of our main tenets of CROPP Cooperative was, always have a relationship with the producers. And have a vehicle for the producers to have a voice. That was diminishing in the conventional mind. They were going to scale and efficiencies and less on what was good for their members. And the small cooperatives of less than a hundred members were being devoured by the large cooperatives. And so they were getting larger, and the farmer voice was getting smaller.

So I was asked in our early years, how would CROPP Cooperative not just evolve into the same? And I felt like it's always been something, it's always been on our radar, is that we spend a lot of time and money in this cooperative in a relationship with our members, through these executive committees, through regional meetings, through monthly telephone calls, through annual meetings. We look, and other committee assignments, we really work hard to keep a fair number of our producers engaged in the cooperative and everybody else informed of what's happening. And our seven-member board of directors are 100 percent producers. It's always been one of the tenets of the cooperative as well. (37:48)

**AA:** Thank you for bringing that up. Because I know that in Michigan, where I'm from, the big—they call it a cooperative, but the MMPA is, the farmers have no say, I feel like the average farmer, in how that's run. So it's called a cooperative, but I feel like it doesn't really operate in the spirit of a cooperative because the farmers don't really have much of a voice. So it's good to hear that you're aware of that danger and trying to avoid that.

**JU:** Yeah, it's foundational to the structure of Organic Valley. And I think that throughout, and you can hear it for the last half hour, you'll hear it for the next 45 minutes, that it's nearly impossible to pull apart the why, the formation of Organic Valley, from the organic movement. And we're always moving back and forth between that. And it's represented deep in our mission. We know it's talking about a stable price, and giving farmers a voice through the methods of organic production. The why of the formation was, I think to say, it wasn't to start the organic movement. The why of the formation of Organic Valley, CROPP Cooperative, was to save small family farms, to find a viable vehicle for them to go to market together. And in order to do that, they had to break away from the conventional dairy model where they were told their price, to advocate for the price that they know they needed to stay on their farms. And then through that, plus, a desire to not spray chemicals everywhere. So they are totally intermingled at every point here. So have fun pulling those apart.

**JW:** Yeah, so one of the things that we touched on earlier is our farm gate pricing and our target price. George always said that the longest walk a dairy farmer has each month is to his mailbox to see what he gets paid for his production that he already sold, for his labor the month before. You know, from day one, by setting our target pay price in our budget each fall for the following year, it wasn't a guarantee. But it was our best intent that all the organic production product that was going to be sold that year organically would carry that pay price. And that was the Y in the road concept, because basically, you can say our farmers didn't trust cooperatives when we

developed the cooperative. So we had the Y in the road, and the business was over here and the farmers were over there. So that \$17.50, every pound of milk that was sold for \$17.50 went directly into the farmer cost center. What was the profit above that \$17.50 went into the cooperative side to operate the business. And basically, traditionally the farmers would get what's left over. You would sell it for x, and whatever is left at the bottom is what farmers got paid for their production. We turned that over. Every product is priced up. So when we go to price a product, we start it with that farm gate price. And then you add on the other costs to get that product marketed. But this farm gate price, that goes directly into the farmer cost center. And they get, that's what they get paid for that hundredweight of milk that's sold organically.

And so that was a main tenet of 1988. That was from day one that we wanted. Farmers didn't necessarily care what the cooperative profited over here as long as they got their farm gate price for that hundredweight of milk that sold organically. And the other part of that was the realization of that \$17.50 was based on how well the cooperative managed the milk supply and what the demand was. So that was a ten-year slog to get to that piece. And since we achieved that in '97, the cooperative, if there's been a change in philosophy in CROPP cooperative, basically the target price has become *the* price. And the expected price. And it's not, that was not the original intent of the target price. The target price was the target price for the organic if you managed the business for the sales of all the milk that you had. And if you didn't do that, then you had your mailbox price, which basically was a blip between the reality of what was sold conventionally and organic. (43:07)

**AA:** Thank you. So my next two questions, the one is about organic organizations, and the other is about organic certification. If we want we can do those separate, or I think they may tie together a lot. I'm especially interested in how organic certification, the USDA standards, affected Organic Valley and how that changed, what your perspective was on that, whether it was good, whether it was bad, how it influenced things.

**JW:** Well, the CROPP Cooperative has played an integral role ever since the Food Act of 1990. We had people involved in development of those standards. George was part of the original NOSB committee. We had other members, farmers and stuff, that were part of this committee all the way through the development of the first twelve years.

Is it perfect? No. And to take twelve years, it was a long time. And a lot of things happened during that twelve-year period. So the organic certification is not a perfect world. But it is a coalition of consumers, processors, and farmers developing a standard. There's certain regrets that certain things didn't get nailed down prior to the publishing of the rule in 2002. The animal transition and replacement animals, there's certain clauses that we were fighting to have concluded before the law was published, but there was an urgency to get it published. And also, we'll fix it next year. Which now we're down the road nearly 20 years, and some of those things have yet to be fixed. So that's just the bureaucracy of the NOP.

But it did bring—in fact, I was just reading an article in *Acre's* magazine yesterday—the seal brought credibility to the organic world. There was a hundred or so certification agencies that were being utilized, state agencies, private agencies. And there was a conglomeration of standards. Many of them were similar, but there was some different interpretations. And so the NOP's attempt, which is not 100 percent, to bring those interpretations all to one. And I wish, I can see things, it could have done better. But it has been a benefit, and as we continue to be

involved in it and to work with trying to fill up some of those loopholes, it will improve, is my hope.

And the organizations. Basically, I spoke about MOSES, and the organic conference has been a great promoter for education of organic agriculture. Rodale Press. There's different institutions that really helped promote the organic agriculture. We worked to develop certain producer organizations over our history. On the dairy side, the promotion of organic dairy. And they've had mixed results. So I think organic agriculture is no different than anything, you have the human element. And human element sometimes drives the product that you get from trying to develop something, or trying to work inside certain systems. And it isn't always satisfactory. (48:15)

**JU:** Good job, Jim.

**AA:** Do you have anything you want to comment on, I know it was in 2014 that they enhanced the pasture requirement for dairy, I believe? Is there anything you want to comment on that?

**JW:** Well, in 2014 they did. I think that 2002 had access to outdoors, access to pasture. We felt as early as '97 that there was a movement, we could see a consolidation of organic dairy and a growth of the size of the operation. And as a cooperative we felt that pasture and advocacy for pasture for ruminants might be a way to help with scale. It hasn't really turned out that way, necessarily.

**JU:** Well, the book's still being written, Jim.

**JW:** It is still being written. You know, I see, right now I see a consolidation of organic dairies similar to the consolidation of conventional. Outside of CROPP Cooperative. CROPP Cooperative's maintained their 70+ cow average, through 1600 families. And that's our model. But we're on a different playing field now than we were 15 years ago. Fifteen years ago we didn't have the megadairies. They were starting to develop, but there were very few. Now there's more of those. And they're able to compete on a different level of efficiencies than we are, just in hauling. So I feel that there might—while we have as a cooperative, we have a strong emphasis on pasture and grazing and the policies to support that in our membership, I don't necessarily feel that all of NOP rules are being enforced to support what the pasture concept is, the 30 percent dry matter in grazing season, and all this. I think there could be a little better oversight, as far as the NOP is concerned. (51:30)

**JU:** Jim, how, when was our original pasture policy developed?

**JW:** '97.

**JU:** That was at 30 percent, in '97?

**JW:** No, it wasn't 30 percent. It was access to pasture.

**JU:** So when did we write the 30 percent policy, though?

**JW:** 30 percent came—

**JU:** It was definitely in place in 2010.

**JW:** Yeah, it probably came, it was the Jim Gardener era of putting a number behind grass.

**JU:** So, like early 2000s?

**JW:** Early 2000s, I would say.

**JU:** And Organic Valley, so that 30 percent policy passed our membership, and they put in place a committee of farmers to support the oversight of that with their fellow members, to say, let's hold each other accountable to attaining 30 percent dry matter intake. And then the NOP caught up to that. So there were a number of years there where Organic Valley was leading, and then they adopted the number that Organic Valley had implemented years before. (52:42)

**AA:** And so now you have the same number?

**JU:** We do, but we have, in the last couple of years, we feel that there's this interest from the marketplace, better understanding this connection between ruminants on grass, that if you do an overall average of all of our members, and the number of days on pasture, it's exponentially higher. And we have many, many farms that are achieving 50, 60, 70, 80 percent dry matter intake. So I wouldn't say, I can't predict the future, but I'm willing to bet that in the future there will be discussion, active discussion within our membership on whether or not that dry matter intake number should increase. Knowing full well that it will likely eliminate some of their fellow members if they were to adopt it, on land access alone.

**JW:** And while I support the pasture, I need to see a marketing advantage to higher numbers, whether the consumer's going to relate to it. Because sometimes, in the past I feel like we've done things to be a step ahead of somebody else, but you aren't able to describe that in an effective way to the consumer. So it's not led to any more sales. It's turned out to be a hardship, could be a hardship for some of our members, with no more sales. One example of that is our animal replacement clause. That's the one that still's not set down in NOP yet. But we've had a policy since probably nearly 20 years that if any of our farmers are going to buy a replacement animal, it has to come from the last third of gestation to bring onto their certified organic farm. Whereas our competitors can still bring in animals and transition them for a year. So that's still available to some, depending on the certification agency. And so we've had that policy.

But I don't think, we have to be mindful of what resonates with the consumer and what doesn't. And basically we have our pasture-focused dairy, and then we have 100 percent grass. No seeds, 100 percent grass. I think the consumer resonates with that. Whether they resonate with our average of 59 percent, that's harder to communicate. So I've come to the point where I once was a real proponent of increasing standards. I now like to see that the standards will have a market impact before we do it. Because it's good that we have a 59 percent average right now. But that still allows for a young Amish farmer that is landlocked, that's living on expensive land, to keep his cow numbers up and meet the 30 percent but still survive. Where if you raise it, perhaps he can't.

And it is true, every time we do a switch in our standards. You know, when we done the antibiotic, we lost ten percent of our members, when we done an antibiotic clause in '95. But that was easy. No antibiotic use. You could put that right on your label. Rather than, because before we had two limited uses for antibiotics, c-sections and AD displacements. Twisted stomach. But that's a lot harder to communicate. Zero, or the two exceptions? So confusion, and keeping it simple, is I feel the way that we need to promote our products. And also, to work with the farmers we have, so they can continue trying to, it takes a long time to develop a farming operation. And so everybody's at a different stage in life. (57:39)

**AA:** Thank you for sharing your perspective on that. That's really great to hear that. Is there anything you want to share about your perspective on the relationship between organic agriculture and the academic institutions, especially the land grant universities, and how you've seen that change over time?

**JW:** I think it has changed as the organic industry developed a level of viability. I believe early on it was looked at as a niche market that maybe would be here today, gone tomorrow. But as it gained credibility, as it started to gain some market share and awareness, I feel like there was interest. Now, through our FAFO foundation, we developed a FAFO fund probably 20 years ago. That's Farmers Advocating For Organics. It's a voluntary program of a nickel a hundredweight. So we have a farmer committee that oversees, reviews grant applications yearly. And so research is one of the focuses of this committee. In the '90s, organics was dismissed as not having any science behind it, as far as the difference between organics and conventional production. And so we felt there was a need for us to try to put funds behind a system for some science to validate what we all believe is true in organic production, organic food.

So that has definitely brought awareness from the land grants to organic production. There's more field trials, I know the University of Wisconsin at their Arlington Station does different field trials on organic production. They're doing seed development work. And so these are things that didn't happen 20 years ago. And now, a need brings things along. It's a draw. There's got to be a need. And there's a need for this research, there's a need to understand these and develop these products. And so that brought the interest. (1:00:33)

**JU:** Yeah. I don't think I can add much more, except that there has been, historically Organic Valley has worked with two or three universities and tried to leverage that. The amount of funds that's available through the FAFO grant-giving organization is limited. So there has been a very conscious effort, I think it's been 15 years, FAFO—conscious effort to try to leverage the seed money that these farmers are providing and try to create these relationships so that they can foster this network of organic, in particular, organic research. I think UC-Davis has been a good one. University of Wisconsin, Cornell.

**JW:** Washington, I think. Washington State.

**JU:** There's another in the Northwest.

**JW:** Yeah, Oregon.

**JU:** We have a member, is the University of Minnesota Morris? Didn't they have a herd? They were a member for a while.

**JW:** They still have a herd.

**JU:** Do they still?

**JW:** Yeah. They've got a lot of grazing research at that station. (1:01:40)

**AA:** Thank you. Is there anything you want to share about your perspective on the past and current trends in organic agriculture? How things have changed, any opinions on why it's been really controversial over the years?

**JW:** Well, herd size. It's always been a controversy inside the cooperative on what is a family farm. We went through the exercise several times at our annual meeting trying to define a family farm. So you have Amish farms, English farms in the Midwest, the East, where the labor's all family. Or you go to our Western organic dairies, they will tend to be a little more typical with Hispanic labor helping on those farms. And so it was really hard to say, "Well, this is a family farm, and this isn't a family farm." And the definition that we landed on was, "shit on your boots." Meaning that if you're involved in your farm and the management of your farm on a daily basis, even if you have labor helping with this, that's a family farm. Because as a group, every person, when they said a thing about themselves, think it's really easy. Until you start talking in a larger group in a national setting. And then all of a sudden you're stepping on somebody else's toes, because that doesn't fit what their operation is. So that has been our description of what a family farm is.

So what we see happening now, what I see happening now is that the organic dairy industry is moving somewhat more to the conventional dairy model. You see the elimination of how the numbers of conventional dairy farms have fell off traditionally in recent years. So we're seeing that consolidation in larger organic dairies coming into the marketplace. And basically, you can say some of this reflects the success of organic dairy as well, because when organic dairy is demanding, receiving twice the price that a conventional dairy is receiving for their production, and people begin to understand that it can be done on a larger scale, the opportunity is there. So taking advantage of that opportunity. So our cooperative was basically built on a three-legged marketing stool of branded sales, ingredient sales, and bulk sales. And the bulk sales now have become harder for us because of our collection from small farms versus tankers shipping off from one dairy directly to the plant. And the cost advantage they have.

So basically, it's refocusing our cooperative on the brand. And how we can message who we are to the consumer, being different than the larger-scale organic dairies. So that's the challenge that we find ourselves in right now. And I think it's a huge challenge. We face these challenges over our years, and I think this is as big of any of them we're facing, is how as a 75-cow average cooperative, collecting milk off of 1600 farms, how we can do business in an efficient, viable way to stay competitive against the larger-scale dairies that are bringing tankers right off of a single farm. So that's our challenge. But we faced these challenges and different challenges over the years, and I'm confident that we'll find the right methods to face this one as well.

**JU:** It might be that pasture policy.

**JW:** It might be the pasture policy.

**JU:** I can't speak fluently to all of the fantastic discussion that takes place around, "Can organic agriculture feed the world?" Those sorts of discussions. I think that we know enough of that just kind of socially that most of that has been debunked completely for multiple different reasons and for multiple different timelines. So I think again, it's just worth putting it on the record here, that that has been a discussion, and we've been part of those discussions. And I think, now that we've got 35 years of production under our belts here, every piece of data is continuing to point towards soil health, building of soil, how we organic farmers can achieve the yields that our conventional neighbors can achieve with half the inputs. So I think that story line will continue to, there will always be friction there, but I think that story will start to move to the sidelines.

**JW:** Cycle of life. How we connect the animals to the farm, to the land. That's going to be one of the ways that we carry ourselves into the future. Not to disparage the larger dairies, organic dairies, but the larger organic dairies tend to be a similar model to the larger conventional dairies. They exist more from feed grown remotely, brought to the dairy. That, I think we have benefits in our model. We just have to learn, find ways to message the difference to our consumers and find consumers that are loyal to this method of agriculture. (1:09:45)

**AA:** There's something I'm curious about. You've mentioned a couple times Amish farmers. Do you have any idea what percentage of the CROPP Cooperative members are Amish?

**JW:** North of 40. Well, Amish, Mennonite. The Plain Community. North of 40 percent. Not of our production, but of our membership. And we're, not to overstate it, but I feel like we're huge to the Amish communities, the Plain Communities, in the fact that with our model of stable pricing, our paid price, we're giving an opportunity to the next generation. Because their culture's based on agriculture. It's starting to be a real issue in some Amish communities where the number of their producers that are active dairy farmers is diminishing. Just like in the conventional industry. Because they're finding other ways, whether it's furniture building or some kind of a trade other than dairy farming to support their families. So they see CROPP Cooperative. And the other thing that is real apparent in the Plain Community is their philosophy of community. And we view our cooperative as a community, farmers working together for the benefit of the whole. So that is their community. Barn burns down, they go rebuild it and support each other. So I feel like we have both a financial piece that is a benefit to the Plain Community, but we also have the community aspect that is similar to their philosophies on community and involvement. So we have a good number of Plain Community members that are involved in committees. We don't have any Plain Community board members yet.

**JU:** Scott?

**JW:** Scott's close to that, to the culture. So I think that's a very important influence. But also, to the other side, it adds to our cost. It's why we are a more expensive product. Because collecting off from the smaller farms increases our cost. It's got its benefits for sure, it's who we are, it's our culture. But also contributes to why we're more expensive.

**JU:** Yeah. To give a sense of the scale we're talking about, we still have hand-milking Plain Community members in the East. And they use community bulk tanks. All the way up to, I think our largest, we've got ten farms in the co-op that are over 500 cows. So that's the full spectrum. And you can see by the average being around 75 or 76 cows that the majority of those are on the bottom edge of that. There aren't many up there in the multiple hundreds. (1:13:25)

**AA:** And so you will buy milk from smaller farms than, say, the big cooperatives or agencies probably wouldn't even want to buy milk from them?

**JW:** That's what's happening. That's what's happening right now. We're seeing the marketplace with the expansion of larger dairies and the elimination of market availability to smaller family farms. We are perhaps the only cooperative in the United States that has a focus on smaller-scale organic farms. There's individual small pockets throughout, but they're less than they were as well. But we, that's part of our vision, to work with these smaller farms and bring them a market opportunity. And with that opportunity, though, we also have to bring with them into the changing of the marketplace, as far as the consumer. We spoke about antibiotics earlier, and hormones. And now it's more a focus on animal welfare. And so our organic farmers, small farmers tend to be more traditionalists. This is the way my dad did it, my grandpa did it, and I want to continue the same way. Well, that might not be an option going forward. There's got to be some changes in housing and animal care that we all are a part of doing right now and have been.

If there's one aspect of agriculture that I've felt over the years that organics has kind of slipped behind on, basically I think part of that was the fast growth of organics during certain periods. We kind of left the animal welfare, animal care piece. While there is pieces in the NOP, some of it we kind of left to be developed by the conventional industry. Now we're playing a little catchup on certain aspects. Because the conventional industry moved ahead through the big retailers on some of these aspects faster than the organic agriculture. Because I think we felt like, we're organic, we perhaps have an exemption to some of these things. Which we're finding is that's not the truth, not the way it is. We've got to comply as well with all of these animal welfare changes that's happened. (1:16:26)

**AA:** Thank you for all that. Is there anything else you want, I want to make sure you're able to tell as much as you want to about the story of Organic Valley. So is there anything else you want to add? You took us up to about the mid-90s, I think, and said it was starting to really expand at that point. Is there anything you want to share about the later part of that story?

**JW:** You know, there's certain aspects of, just what I was speaking to a minute ago, about the growth and how fast we grew. And we also, as we with that rapid growth, and we brought in new members, our new members came from their old world, and they brought some of the ideas of their old world into our cooperative. Similar to some of the things you reflected earlier about the Michigan co-op. And so we need, we didn't, and I feel like we have a larger emphasis now, on really explaining to our members our culture and who we really are. That was over, that was left behind for a period, I feel.

Also, we need also, a cooperative is a political organization to a certain extent. So with our great growth in the late '90s and 2000s, we also went through a period of kind of

adolescence before we became an adult. And that was a very dramatic period in our history, where we had too much controversy inside the cooperative. It's so important that a cooperative like CROPP Cooperative keeps their emphasis on their membership and their membership relationships. And how they communicate with their members. Because I've felt like, during that period we were facing some issues because of the fast growth, and we were a little short on funds because we didn't have any equity, we didn't own any property, so to speak. So we didn't have things to borrow on, other than our inventory.

So we got focused on other things other than our membership. And we went three months without having our dairy executive committee meetings. And while there was already some conspiracy developing, it just enhanced that. It just spread like a wildfire, because all of a sudden people felt like, "What are they hiding? They won't speak with us now. They don't want to have the meetings." And that was not our thought. Our thought was focusing on finance and market share and further development of our business. Not that we were hiding anything from our membership. Membership communications, you never can take it for granted inside a cooperative. You have to be open and honest with them.

But also, they have to be able to hear the truth about stuff. Things happen. Everything doesn't go good all the time. And when bad things happen, you share the bad news with them as well. And whether that is something to do with their pay price, or whatever that is, they need to be made aware of that. And they need to understand the cost of that. A cooperative is a farmer-owned cooperative. So that just means that if a clutch goes out of the tractor, who pays for it? Does the employee pay for that? No. The owner of the tractor pays for that. And so we're all the owners. So when things go wrong, us as a collective pay for that. And so that is the awareness. We learned a huge lesson in that controversy about how we need to keep the communications vital and relevant to our production. And we find, I find that the more open and honest we are, a lot better your relationships are. Because they appreciate being told the facts about stuff. And even if people think it can't get out in the marketplace, or it needs to be kept confidential. As a whole, our executive teams have been very good at holding confidence with the co-op.

**JU:** Two things come to mind. One is that over the past seven or eight years we've had a working relationship with Mike Cook at the University of Missouri, graduate institute cooperative leadership, and have attended his sessions once a year, roughly. Last couple years we haven't. But it's an opportunity for staff to go, we dive into all of his research around the longevity of co-ops, which co-ops last and which ones don't, and why is that. And just listening to the way that Jim talks about the Organic Valley commitment to honoring the place at the table of the farmer, really truly believing that farming is a noble profession and that if we're going to stay aligned on our mission as employees and farmers we have to have the farmer at the table. Because what else? Otherwise it would be so easy to stray. But we go to these meetings, and a session does not go by where some staff member from some other co-op, whether it's Land O'Lakes or Ocean Spray or DFA, where they sit at the table and they lean over and they say, "I can't believe you talk about all of this with your members!" And just really that level of transparency is critical to maintaining farmer control of our mission and making sure that our strategic direction is really driven by our membership. That is the only way that this why behind all of this work, thirty-some years ago, that's the only way we can guarantee that will continue, and that's the way we will continue to save small family farms, is if we can remain relevant. That word "relevant" is so wonderful. The co-op remains relevant to its members. (1:24:40)

**AA:** So is there anything else? Those are all of my specific questions I have. So is there anything else you want to add, anything you want to make sure is on the recording? When people are looking back in 50 years trying to figure out what was going on in 2021 or before that with organic history, anything you might want to share?

**JU:** Might be a good time to thank your wife.

**JW:** Yes. She kept the light on when I was gone.

**JU:** Yes, all those years when Jim Wedeberg was building Organic Valley.

**JW:** Yes, for sure. No, I just feel like we are a different cooperative with a different mindset. I think we were from the beginning. This area was really unique. If you look around the membership of CROPP Cooperative and the employees of CROPP Cooperative and the development, it was basically, it brought together people from all facets of the world. People that worked on Wall Street to the Plain Community. And trying to find a better marketing vehicle, an honest marketing vehicle. That's what's been our mainstay over the last 30-some years, is trying to promote family agriculture with a pay price that can sustain the family.

**JU:** Yeah. I think that the first thirty years was all about tenacity and courage and willingness to act on the thought, the out-of-the-box thinking. And I think sometimes you can just get lucky if you have the right people at the table, and you all just found the right people. And then the market exploded, through a lot of hard work, of course. And then there was all this growth. And I would say, the new era, it will be interesting to do another recording in thirty years. Because Organic Valley, that market is not what it once was. The way that the organic marketplace will grow will be, I'm guessing, quite slow. And it will take a different strategy and will demand that the way that Organic Valley members have thought and interacted with their co-op will need to evolve. But I think all the tools are in place for that to happen. And I think that we now have 30 years of lessons learned around the actual method of production. And that will only, and there is no moving away from that now. I think that humans in general are going to move towards it. Again, we can already see those storylines changing now as we come out of COVID and people are thinking about health and food and food systems in a way that two years ago they weren't thinking about it. There's something so timeless about this cause, this work that this organization is after, which is really this full honoring of the farmer as critical to society. And just recognizing that if that farmer is under constant duress because they aren't getting a fair wage, that it all starts to fall apart. And the quality of your food disappears, and the quality of your soil disappears, and all of a sudden, it's happened again and again throughout the course of human history. You blink and everything's gone. There's nothing I think more fundamental and more worthy.

**JW:** This area's done a 180 in soil conservation in the last 90 years. Soil conservation, contour strips was born in Coon Valley because of the gullies and farming methods. We've come full circle back around to crops, soybeans, corn. No buffers, no waterways, just intensive agriculture. It's just led to ditches. And so hopefully there's going to be some sanity that comes back into the system while we still have time to save the system. And I think the focus on climate, there's going to be an emphasis on how to find farming methods that are more sustainable, without all the heavy petroleum necessary for the conventional methods.

**AA:** Thank you very much, both of you. Thank you Jim, thank you Julia. It's been a pleasure talking with you. (1:30:44)