

November 22, 2010

TO: Mark Bradley, Acting Director National Organic Program — Compliance and Enforcement Division United States Department of Agriculture

RE: Complaint concerning violations of the National Organic Program's regulatory standards by the Natural Prairie organic dairy

Dear Mr. Bradley -

The Cornucopia Institute is filing this formal complaint with your office concerning possible violations of National Organic Program (NOP) regulatory standards by the Natural Prairie organic dairy, based near Hartley, Texas. The alleged violations concern management of an estimated 7200 ruminants (dairy cows) at the Natural Prairie facility.

We should emphasize that the practices outlined in this complaint, which we believe constitute a violation of the standards, have also been in widespread use at other large-scale dairies in the United States. We hope if you concur with our analysis that it will spur an investigation by the NOP to identify other dairies violating the law in terms of procurement of their replacement animals, or animals purchased for start-up or herd expansion.

Specifically, The Cornucopia Institute alleges that the Natural Prairie organic dairy is violating:

Subpart C—Organic Production and Handling Requirements § 205.236 Origin of livestock

(a)(2)(iii) Once an entire, distinct herd has been converted to organic production, all dairy animals shall be under organic management from the last third of gestation.

Interviews by Cornucopia staff with owners/investors of this dairy have confirmed the purchase of outside conventional animals that have been "transitioned" to organic management. Furthermore, primary wholesale customers of the dairy have confirmed this as well.

Industry sources suggest that one of the suppliers of these conventional/transitioned animals has been Promised Livestock, now decertified by the USDA.

The refusal of Promiseland to turn over records to the USDA, and persistent rumors of corruption in the marketplace, leads us to believe that some of the cows purchased by Natural Prairie, and others, had not even gone to the one-year transition to "organic" management that The Cornucopia Institute is challenging here.

For that reason we would encourage the USDA to exercise all potential avenues to secure the records from Promiseland. A new investigation could incorporate the threat of permanent decertification, rather than the current suspension, if the owner of Promiseland fails to comply.

This certainly illustrates the need for sworn law enforcement officers to conduct NOP investigations along with the authority to subpoena records.

In addition, The Cornucopia Institute requests that the USDA investigate whether or not the organic label may have been on dairy products produced from milk sold to dairy processors by the Natural Prairie organic dairy.

The following criteria stated in the national organic regulations should be used to make this determination:

Subpart D—Labels, Labeling, and Market Information § 205.300 Use of the term, "organic."

(a) The term, "organic," may only be used on labels and in labeling of raw or processed agricultural products, including ingredients, that have been produced and handled in accordance with the regulations in this part. The term, "organic," may not be used in a product name to modify a non-organic ingredient in the product.

The Cornucopia Institute also requests that the USDA investigate the applicability of this national organic regulation, should it be deemed appropriate:

Subpart B—Applicability § 205.100 What has to be certified

- (c) Any operation that:
 - (1) Knowingly sells or labels a product as organic, except in accordance with the Act, shall be subject to a civil penalty of not more than 3.91(b)(1)(xxxvii) of this title per violation.
 - (2) Makes a false statement under the Act to the Secretary, a governing State official, or an accredited certifying agent shall be subject to the provisions of section 1001 of title 18, United States Code.

The Natural Prairie organic dairy has been most recently certified by the Texas Department of Agriculture, and their contact information is:

Texas Department of Agriculture Organic Certification Program P.O. Box 12847 Austin, TX 78711

Contact: Mary Ellen Holliman

Phone: 512-463-7513

General E-mail: Organic@TexasAgriculture.gov

Contact information for the Natural Prairie dairy is:

Natural Prairie Dairy Farms P O Box 659 10250 US Hwy 385 Hartley, TX 79044 United States (806) 365-4189

Fax: 8063654192

E-mail: dejongc@agrivisionfm.com

Please keep The Cornucopia Institute apprised of the status of and progress of your investigation into this formal complaint. Should the allegations be proven true, the violations of federal standards have placed ethical family farmers and marketplace competitors at a decisive competitive disadvantage. We rely upon the USDA and its approved certifying agents to uniformly and fairly enforce the nation's organic law.

Lastly, pursuant to Subpart C and the following provision:

§ 205.680 General

(a) Persons subject to the Act who believe they are adversely affected by a noncompliance decision of the National Organic Program's Program Manager may appeal such decision to the Administrator.

The Cornucopia Institute requests that the USDA's Office of Compliance make a timely, full, and good faith effort in their investigation of these allegations. We do not convey these allegations frivolously—they are a serious matter. And while the Institute lacks specific investigative powers possessed by the USDA (the ability to take sworn testimony, access certification documents, or subpoena relevant material), we expect the USDA to conduct a meaningful investigation.

In fact, failure to take such action will only encourage future scofflaws and corner cutting by organic operators, and will make a mockery of the federal organic regulations that are so diligently observed by the vast majority of participants in the nation's organic agriculture and food sector.

It should be noted that nothing in this formal complaint shall be interpreted as a waiver of our right to appeal under the Adverse Action Appeals Process cited above.

You may contact us at your convenience.

Sincerely,

Will Fantle

Director of Research

715-839-7731

wfantle@cornucopia.org