



Considering Risk Before Starting an Organic Orchard

The market for organic goods has seen dramatic growth over the last 20 years. Growers are considering organic orchard start-ups to supply the expanding market. A grower must carefully weigh all areas of risk (production, financial, marketing, legal and human resources) before entering any enterprise, since managing those risks will determine the success of the business. In the case of establishing an orchard that will be managed organically, some additional factors need to be considered. Many of these same factors need to be considered if one is transitioning an existing orchard to organic production.

Marketing

The first consideration is where will the product be marketed? Smaller scale growers can take advantage of a variety of market options including on-farm sales, subscription sales, restaurants, or farmers' markets. Each of these options will present further questions. If selling on-farm, what facilities will be needed? Will you utilize a roadside stand or is there a building in which to set up your market and sell fruit, possibly along with other products? Will the building be able to meet zoning regulations or will modifications be needed? If selling at a farmers' market, is space currently available or does the market have a waiting list? Another consideration is how will off-quality fruit be marketed? Are you prepared to process the fruit to create value-added products such as jams or pies, or is there an outlet for processing fruit in your area?

Wholesale processing markets may be an option for larger scale operations. Check with a broker or sales agent to determine the minimum volume they will accept, as well as specifications for quality, variety, pricing over time, and more.

In addition to marketing outlets, pricing must be taken into consideration. What price is available to you in various marketing outlets? Will you be able to charge a premium for your product because it is certified organic or because your variety is in high demand? What varieties sell well into those markets? Is there a market for disease resistant cultivars? What will be the price you need to cover expected costs of production?

Soil, Fertility and Weed Management

In an organic setting, soil management requires proactive planning and documentation of soil-building practices and efforts to protect soil and water quality.

Trees will be healthier and produce higher yields if grown under the proper conditions. Does your soil have adequate drainage? Is it sloped enough or at such an elevation so as to avoid frost pockets during blossoming? What nutrients and quantity of organic matter must be added to your soil before planting? How will soil quality be maintained in subsequent years? What is the health of the soil if you are considering converting an existing orchard? Which rootstocks are needed for your soil conditions, temperature zone, and desired tree size? How will the orchard floor be managed to control weeds and to provide habitat for beneficial insects? Managing weeds is critical, particularly for the first few years from planting.



Smaller scale growers can take advantage of a variety of market options.

Insect and Disease Management

The yield of any orchard will be largely dependent on your ability to also manage insects and diseases. This can be especially difficult since insect and disease pressures can vary greatly from one growing season to another and from one orchard to another. Do you have knowledge of the primary insect and disease problems affecting tree fruits in your area? Are abandoned orchards nearby, which will harbor diseases and insects that may create problems for your orchard? There are options available to manage insects and diseases organically. Disease resistant cultivars are one option. What disease resistant varieties will grow well in your area? Where will pest monitoring and control materials be purchased? What will be the cost per acre (both in materials and labor) to use various monitoring and control options? Will any additional equipment be needed to apply materials? Proper timing is a critical factor in organic orchard management. How will you track degree-days to monitor disease conditions and insect life cycles? If using insect traps as a scouting tool, who will monitor the traps? Cleaning up dropped fruit is also important in suppressing disease by interrupting the life cycle of insect pests, which may be inside dropped fruit. How will these 'drops' be managed? Managing weeds is critical, particularly for the first few years from planting.

Thinning

The tree's ability to bear fruit annually and the fruit's size will be favored by thinning. Will hand thinning or an approved chemical method be used? If hand thinning, will sufficient labor be available to thin all trees within five weeks of petal fall? If using a chemical method of thinning, when and at what intervals must the material be applied?

Harvesting

At harvest we get to see the results of all our efforts throughout the season. However, we still need to get the fruit from the tree to the end user. Who will harvest the fruit? Will additional labor be needed? If so, when will the labor be needed and for what time period? What are the skill levels, costs, and availabilities of labor during that time period? If the orchard is not 100% organic, what methods and practices need to be developed to prevent commingling of organic and non-organic fruit on-farm and through the supply chain to the consumer? How will the fruit be stored? Is an off-site cooling facility available within

a reasonable distance that can maintain the integrity of organic fruit or will a cooler(s) need to be erected on site? What will be the cost of operation and maintenance of the cooler(s)?

Record Keeping

Organic certification requires that records for all business activities related to organic planning, production, and management be maintained for five years. In addition, organic products must be tracked from field to market. How will these records be maintained? Who will be responsible? This aspect should be thoroughly discussed with your certifying agent. You may wish to contact a certifying agency used by other tree fruit growers in your area.



Summary

While risk is a part of any business venture, gaining a thorough understanding of all factors involved with an organically managed orchard before investing will enable you to manage risk and develop a profitable operation.

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RMA Funding for this fact sheet series has been provided by USDA-Risk Management Agency.