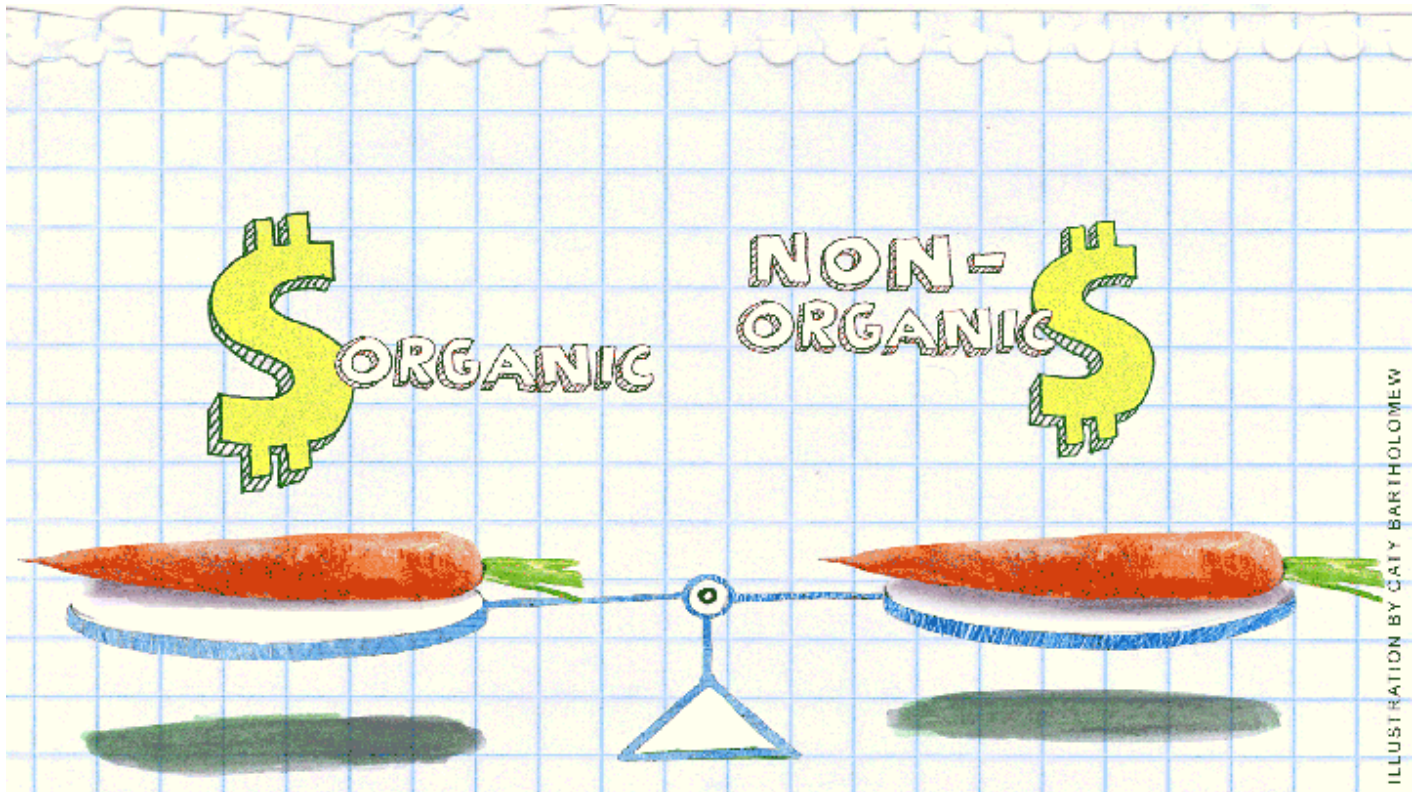


WHY ARE SOME ORGANIC PRODUCTS SO MUCH MORE EXPENSIVE?

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By Walecia Konrad

A recent stroll through the Park Slope Food Coop's produce section showed the beginning of summer's bounty and the usual wide variety of organically grown items, including locally grown strawberries, rhubarb and greens.

There's also the dizzying array of produce prices, posted each day on the shelf labels, often showing organic and conventionally grown produce side by side. Invariably, organic costs more than conventionally grown—sometimes a lot more.

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COOP MEMBER DEBORAH NOCELLA

Coop members, of course, are accustomed to higher prices for organics. They're also appreciative of the fact that organic produce is almost always less expensive at the Coop than other grocery stores, thanks to the PSFC's low markup.

But the price differential does make one wonder why organically grown is more expensive than conventionally grown produce. Even more mysterious, why is there such a dramatic difference for some items? On a recent shopping day, for example, organic red peppers were selling for \$4.73 a pound compared to \$1.87 for non-organic. And organic fennel bulbs were selling for \$4.30 each compared to \$2.20 for non-organic.



PHOTO BY MICHAEL BERMAN

Organic red bell peppers at \$4.73 per lb and non-organic at \$1.87 per lb.

"I shop price a lot in the produce aisle," said Coop member Deborah Nocella. "And I often wonder why there can be such a big difference in organic and regular. If it's significant, I'll buy regular or skip it all together."

To get a better understanding of just how organic produce pricing works in general

and at the Coop, the Gazette contacted PSFC's produce-buying team, John Horsman and Cecelia Rembert. The pair are in charge of sourcing all of the Coop's produce—organic and otherwise.



PHOTO BY MICHAEL BERMAN

Coop produce buyer Cecelia Rembert.

Pricing is a big part of their process. Prices for both organic and conventionally grown products can vary based on season, how far away the supplier is, the size of the supplier, the Coop's relationship with the supplier and growing conditions at each of the farms. The team strives to provide a huge variety of produce at as many price points as possible, to make sure high-quality fruits and vegetable are accessible to all members. Produce prices are a moving target, changing virtually daily.

WHY ARE SOME ITEMS SO MUCH MORE EXPENSIVE THAN THEIR CONVENTIONAL COUNTERPARTS? THE ANSWER IS SUPPLY, SAID COOP PRODUCE BUYER JOHN

HORSMAN.

GROWING ORGANICS COSTS MORE

To understand produce pricing at the Coop, it's important to start at the farm.

The reason organic produce costs more than conventionally grown boils down to one important factor: It costs farmers more to grow organic produce. Here's why.

- **More labor.** Because organic farms don't use pesticides or synthetic fertilizers, more labor is required to manage the more complicated and time-consuming organic farming practices, such as crop rotation, weeding, and alternate pest management techniques, explained Horsman.
- **Smaller scale.** In general, organic farms are small, making them naturally less cost efficient than the giant agricultural complexes that can focus acres and acres on one or two crops. "Small farms have to juggle the needs of harvesting many different crops, cooling and packing them and then shipping them in small quantities through regional distributors," said Rembert. By contrast, conventional agriculture is often engineered extensively towards lowering costs and boosting profit margins.
- **Regulation.** Organic farms, both large and small, incur the extra costs associated with becoming certified organic by the U.S. Department of Agriculture and then maintaining that certification. To sport the certified-organic label, a product must meet USDA standards that maximize soil health, conserve water and reduce air pollution. Organic farms cannot use synthetic fertilizers, pesticides or hormones. Organic certification and compliance can add thousands of dollars to a farm's overhead.

"IF I KNOW I WILL BE EATING SOMETHING RAW OR BARELY COOKED—BERRIES, APPLES, PEACHES, PLUMS, BROCCOLI, CARROTS, CELERY, HERBS—I ALWAYS GO

WITH ORGANIC, EVEN IF IT'S EXPENSIVE."

COOP MEMBER LISA BRANCACCIO

HOW SUPPLY AND DEMAND IMPACTS PRICING

All of this explains why organic produce is more expensive in general. But why are some items so much more expensive than their conventional counterparts?

"With organics, there is inherently less supply," said Horsman. Organic farms account for less than 1% of the 911 million acres of total U.S. farmland, according to USDA statistics.

As mentioned, giant conventional farms have far higher crop yields, so they generate much more supply than smaller organic producers. They can often sell for far lower prices and still make a profit on the volume of sales.

That said, it's not uncommon for organic farms to have bumper crops too— especially large operations in California, Arizona and Mexico. What's more, smaller local farms can have a huge bounty in the heart of the growing season. That translates into prices that are closer to conventional. Zucchini in late summer is a good example. "Now is the best time to be a produce buyer," said Horsman, who pointed out that he and Rembert strongly prefer sourcing from local suppliers whenever possible.

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MORE A POUND THAN CONVENTIONAL.

The buying team is constantly managing shifting supplies and prices with each pro-

duce order. In the winter, for example, the Coop buys organic broccoli from Four Seasons, a large organic producer in California, Horsman said. Because Four Seasons is big enough, it can focus a lot of acres on broccoli, so prices are usually relatively close to conventionally grown broccoli from California.

Sometimes prices are so close, it doesn't make sense to stock both types. For example, at one point organic garlic was selling for only 2 cents more a pound than conventional. So, the buyers decided to stop selling conventional and only stock organic until there was a bigger price differential.



PHOTO BY MICHAEL BERMAN

Scallions: red twisties or plu \$0.48bu; organic \$1.57bu.

Sometimes the buyers encounter organic and conventional prices that are so high they decide not to stock the product at all. This doesn't happen often, Horsman said, but he does remember having trouble finding decently priced broccoli rabe this past winter.

Offering Integrated Pest Management (IPM) produce is another strategy that keeps some prices lower. IPM farmers do not use pesticides, though they may use other farming techniques that are not considered organic, Horsman explained. Prices are usually somewhere in between organic and conventionally grown.

The Coop often stocks IPM apples, pears, peaches, strawberries, cherries and blueberries. Pest conditions in the Northeast make it difficult to grow these fruits organically and not lose a lot of the crop, the team explained.



Blueberries: pint little buck organic \$4.85ea; pint \$2.70ea.

GAUGING MEMBERS' PRICE TOLERANCE

Horsman and Rembert keep a close eye on what sells quickly and try to provide a variety of prices that will accommodate all shoppers' needs. The \$9 per quart local IPM strawberries that were recently in the aisle "sold like hotcakes," said Horsman. "They

do not last long.” Even so, the team was sure to provide lower-priced California organic strawberries at the same time for people who want less expensive berries.

How much members will pay for organic sometimes depends on the type of fruit or vegetable.



PHOTO BY MICHAEL BERMAN

Carrots: bags regular \$1.69ea; bags organic \$1.24ea.

“If I know I will be eating something raw or barely cooked—berries, apples, peaches, plums, broccoli, carrots, celery, herbs—I always go with organic, even if it’s expensive,” said Coop member Lisa Brancaccio. “Although if it’s too expensive, I may not buy it that week,” she added.

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MEETS MY STANDARDS”

COOP MEMBER JULIA KONRAD

Coop member Susan Buchsbaum follows the same rule, adding that if organic isn't available or too expensive, she won't buy conventional on some foods she knows have higher pesticide loads, such as green beans and berries. “And I know non-organic produce with thick peels such as citrus, bananas or avocados tend to be safer for the consumer, although not better for earth health.”



PHOTO BY MICHAEL BERMAN

Lemons: organic \$2.31lb; 4958 or blank / #3 label \$1.31lb.

Member Julia Konrad (no relation to this reporter) said she rarely buys organic produce when it's more expensive. “I figure the Coop sourcing team is thorough about the kinds of growers we buy from, so I typically assume that the non-organic produce meets my standards for quality well enough,” she explains.

Horsman and Rembert know they have the luxury—and challenge—of buying for a well-educated and organic-hungry shopper. Members have a high tolerance for the constantly changing landscape in the produce aisle, they noted.

Horsman also pointed to another great part of his job: “One of the best perks of being a produce buyer is sampling the amazing items that we purchase to insure we are buying the best produce for the members,” said Horsman.

Walecia Konrad is a freelance writer, editor and content producer specializing in personal finance. She has been a PSFC member since 2001 and on-and-off contributor to the Gazette for almost as long.