



Organic price reports: a tool worth investing in!

Melissa White Pillsbury, Organic Marketing Coordinator

One of the tools MOFGA provides to our community of farmers are certified organic price reports. The reports are published monthly from May to October. All price reports published since 2006 are available at www.mofga.org/Publications/OrganicPriceReports/tabid/260/Default.aspx.

Each month I send a friendly email to over 200 certified organic farms requesting prices for the products currently sold, in both wholesale and retail markets. Each month I get approximately 20 emails back.

Or I should say I hope to get 20 emails back, because the minimum threshold I have set for myself before I will publish a report is to have data from at least 20 farms (though I do let a lower number slip in from time to time).

The most common complaint I get about the price reports is that there isn't much data in them. Fair enough. The value of the price reports is to establish a baseline of the range of prices being received by farmers in different markets, and having only one price for a product is of very limited use because you have no way of knowing where this price falls on the range "typical" prices for that product in different marketing scenarios. I've been tempted in the past to eliminate any products from the price report where I didn't receive at least two prices, but since that would cut the report by at least half in most months, I can't bring myself to do it.

I know that many of you mean to send me your prices more regularly, because you have told me as much at whichever MOFGA event where I happened to run into you. And I know you're all busy running your farms. Who has time to sit down at your phone or computer to relay pricing information?

I'm guessing that those of you who do send in your prices fairly regularly do so not because you "have the time", but because you understand the value, to either yourself and/or to the organic community, of doing so. The price reports benefit the organic farming community by establishing a benchmark for prices of Maine organic products. This creates some transparency in the market, which has multiple benefits, including:

- First, if we have an idea of the market value of different goods, farmers can avoid undercutting each other because there is an understood baseline range of value for each product.

- Second, new farmers can more easily integrate themselves into the market by not being way off base in their pricing. These farmers would learn quickly on their own that their prices are either way too high or way too low, but having the price reports available as a reference point helps avoid major disruptions in your markets as a result of their learning process.
- Third, price reports help buyers understand the value of your products, and give you a tool to support your price if you're getting pressure from buyers about your prices being too high compared, say to those on the price sheet from Sysco.

Now that I've convinced you of the value of the price reports, let's tackle the reporting piece. You should have a price and product sheet for your farm, anyway. This is BASIC information you need to communicate with your customers and to keep sales and income records that you need to measure your success from year to year. There is no question that it is worth your time to create a tool for yourself that contains this information. If you need examples of ways that farmers keep these, and other records, there are lots of resources out there. Be in touch if you need help finding some useful tools.

If you have a price and product sheet, then sending your price information to me just became several degrees of magnitude easier. Just copy & paste or attach to an email (or fax it, or send it by carrier pigeon) and you're done!

