

Consumer Trends: Organic Industry Predictions

SAN DIEGO, Calif. (QAI) — Coming on the heels of the tenth anniversary for USDA Organic as federal law, QAI (Quality Assurance International), a leading certifier of organic and gluten-free products with 23 years of experience, has unveiled its 10-year prophecy for the organic industry based on its more than two decades of experience. This year, QAI has certified more than 55,000 products in more than 48 U.S. states and 10 countries.

“QAI was founded the year before the Organic Foods Production Act of 1990 was passed by Congress. We’ve been active with organic since its formative years,” said QAI General Manager Jaclyn Bowen. “We realized we have a huge database of organic statistics and knowledge that we could share to help the industry plan for a more organic future.”

“Our 23 years of experience in organic certification, helping a diverse range of customers and stakeholders to deal with such a wide range of industry and products related issues, helps us to support the industry whatever the organic future holds. We believe the organic industry’s future is bold and broad, rigorous and accessible, more mainstream and less fringe,” said Bowen.

QAI examines both past and present organic milestones to answer the question: Where will organic be by the 20th anniversary of USDA Organic? QAI’s Organic Forecast for 2023 is as follows:

Prediction #1: Stricter Organic: The USDA’s National Organic Program and National Organic Standards Board will bring even more rigor to the federal regulations in terms of specificity for practices and allowed substances and practices. Government oversight will make it more difficult for “organic” to be used loosely as a marketing term, i.e. “Organic Café” or “Organic Resort.”

Prediction #2: Food Safety Fusion: The organic food supply will fuse with food safety and other “product integrity” programs, adding more disciplined food safety practices that are audited and certified at even the smallest of farms and plants. Organic and food safety audits will be increasingly synchronized. QAI anticipates continued growth in the offering of multiple audits so companies may bundle organic, gluten-free, kosher, and/or numerous food safety audits into one thorough audit and inspection.

Prediction #3: Harmonic Convergence: International standards for organic will be harmonized with USDA organic, removing former obstacles to international trade. The U.S. also will move closer to its European neighbors in Non-GMO verification and labeling requirements.

Prediction #4: Sustainably Organic: Increased focus on companies’ impact on biodiversity, water and soil conservation will translate to additional sustainability

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metrics in organic practices. As the spirit of organic is to grow in harmony with nature, each farm and company's environmental impact will be under more scrutiny.

Prediction #5: Transparency Made Tangible: Consumers need to know and trust the sourcing of the products they buy will drive total transparency in the organic production chain, and make QR (quick response) codes – already introduced by QAI in July 2012 - commonplace for all organic certificates and on packaging. The USDA Seal for organic will remain credible, and online tools will be used by consumers to see the credibility of each product's organic claims.

Prediction #6: No More Shopping Gaps: Practical steps will be taken to be more inclusive and steps will be taken to include new or emerging industry sectors. This will make organic certification available in sectors currently excluded in the regulations – like aquaculture/seafood. It also will address underserved categories like dietary supplements, pet food, personal care, cleaning supplies, fiber and flowers. If it starts with a plant, mammal or fish, it can be certified organic. Consumers will be able to find certified organic products in all sections of the supermarket and pharmacy.

Prediction #7: Organic Literacy is Evident: After years of some confusion in the marketplace, efforts by the NOP, Organic Trade Association, and retailers pay off in increased consumer literacy for organic. Land grant universities also help increase knowledge in organic through their own research initiatives and increase in organic and sustainable agriculture tracks.

Prediction #8: Accessible Organic: Larger organic production, from farm acreage expansion to processing facilities, will translate into organic landing where it is most needed: schools, hospitals, food banks, convenience stores and in mainstream America's home.

These predictions are a drastic shift from the industry environment that was in place in 1989, the year QAI was founded. During this time there was no federal program for organic in existence and the industry was 100 percent self-regulated. At the time, there were an estimated one dozen organic certification agencies operating in North America, and the USDA reported 5,328 U.S. organic growers with only 2,264 certified.

By 2002, the year USDA organic became federal law, there were an estimated 25 organic certification agencies accredited by USDA, thus giving them legal authority to certify farming, livestock and handling practices in compliance with the newly codified federal regulations for USDA organic. USDA statistics showed 7,323 organic farms with 1,925,534 total acres in organic production. QAI conducted 639 distinct organic certifications in 2002 for customers in 42 states and 11 countries.

As the organic industry enters 2013, the USDA lists 87 accredited certifying agencies, 49 of which are based in the U.S., and a total of 17,281 organic farms and processing facilities in the U.S. certified to USDA organic standards, a 136 percent increase since 2002. USDA's most recent survey shows organic acreage has grown

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to 3,648,896 acres, a growth of 89 percent since 2002. The OTA reports current industry sales at \$31.5 billion, a 9.5 percent growth rate over the prior year. QAI's growth mirrors the organic industry's growth with 1,681 distinct certifications, a 163 percent increase over 2002.

About QAI (Quality Assurance International): *Founded in 1989, QAI is the leading provider of organic certification services verifying organic integrity throughout the supply chain (qai-inc.com [1]). Additional certification services include gluten-free, kosher, non-GMO, natural personal care, social responsibility and food safety through its parent company NSF International. QAI remains dedicated to the environment, while providing educational outreach to the organic community, customers and consumers. Headquartered in San Diego, Calif., the company has grown to include operations in the U.S., Canada, Latin America, Japan and the European Union.*

About NSF International: *NSF International is an independent organization that writes standards, and tests and certifies products for the food, water and consumer goods industries to minimize adverse health effects and protect the environment (nsf.org [2]). Founded in 1944, NSF is committed to protecting human health and safety worldwide. NSF is a World Health Organization Collaborating Centre for Food and Water Safety and Indoor Environment.*

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[1] <http://www.qai-inc.com>

[2] <http://www.nsf.org/>