



NEW RULES FOR ORGANIC HOPS

TIME IS OF THE ESSENCE FOR BREWERS, GROWERS



By Abram Goldman-Armstrong



A new ruling by the National Organic Standards Board (NOSB) has changed the organic beer landscape significantly. The NOSB

ruling issued in late 2010 removes hops from a list of non-organic agricultural products that may be used in products bearing the organic label. Starting January 1, 2013, all beer labeled organic must use only certified organic hops.

Mike Gerhart, brewmaster for Wolavers Organic Ales in Vermont, which brews about 10,000 barrels a year and completed the transition to using all organic hops in 2010, says the new ruling levels the playing field for organic brewers. “We had a competitive disadvantage—people were selling beer with an organic label made with conventional hops, which have a much lower price. We stand behind the message of organic and are glad to see [the ruling].”

Other brewers of organic beer are worried about sourcing enough organic hops to meet their needs. The ruling has “put me in a pretty tough spot,” says Larry Sidor, brewmaster at Deschutes Brewery in Bend, Ore., which brews 12,000-14,000 barrels of Green Lakes Organic Ale annually. “I kind of doubt that the hop growers can grow enough organic hops by 2013.”

With the deadline looming, time is of the essence for both brewers and hop growers. “We’re just now getting out of the hop contracts we were forced into in the hop crisis two years ago,” said Christian Ettinger of certified organic Hopworks Urban Brewery in Portland, Ore. “That brought us up to 2011 with our conventional hop contracts. That gives us two years to transition from very little organic hop material to 100-percent organic hop material. The timeline is not going to allow everybody to meet their requirements. The other option is to lose your organic certification for a short period of time until the hop market can catch up. Hopefully we can get there, but it’s asking a lot with a short time frame.”

One of the challenges is that hops generally take at least two years to produce a full crop. In most hop growing regions, hops are not even put on string in the first growing season. In Yakima, hops are strung the first year, but do not get a full yield until the following season. The process of transitioning a hop field from conventional to organic takes three years. During that time, the “transitional” hops must still be sold as conventional.

Some breweries, such as Eel River in Scotia, Calif., have been contracting growers in New Zealand for years, in order to secure a steady supply of organic hops. New Zealand and Germany are the world’s leading producers of organic hops, as they do not have the extreme disease and pest pressures that farmers in the Pacific Northwest must contend with. Ettinger dislikes the idea of using imported organic hops, due to the perceived carbon footprint issues. Research conducted by New Belgium Brewing Co. showed that the carbon footprint of shipping hops from New Zealand to the port of Seattle was actually less than trucking hops from Yakima, as container ships are one of the most fuel-efficient means of transporting freight. Still, the varieties grown in New Zealand and Germany are often not good substitutes for the resinous Northwest hops American craft beer consumers have come to love.

“The New Zealand and German hops are lager hops,” says Ettinger. “Our best seller is an IPA—we can’t make it with those hops.”

OPPOSITE PAGE: Rebecca Kneen in her hops field at Crannog Ale’s organic farm and microbrewery.

Deschutes brews up to 14,000 barrels of its Green Lakes Organic Ale annually.

The
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WHAT BREWERS WANT

“We’re hoping we can have an active winter and that brewers contact the growers to get the supply they need,” says Pat Leavy of the Oregon Hop House, one of the pioneers of organic hop cultivation in Oregon. Leavy is the president of the American Organic Hop Growers Association (AOHGA).

The AOHGA was formed in 2009 by hop growers in Oregon and Washington who were growing hops organically and having a hard time selling them. The group, open to both certified organic hop growers and breweries, advocated for the removal of hops from the National Organic Program’s “606” list (which lists the only non-organic agricultural ingredients that are allowed to be used in organic products). AOHGA executive director Megan Quinn estimates that there are about 100 acres of organic hops being grown in the U.S., with enough certified organic acreage sitting idle to double that number within a year. According to Quinn, there are 30 varieties of hops in organic production, but growers have to speculate what brewers want, as organic hops are not contracted for as is customary with non-organic hops.

Communication—and organic hop contracting going forward—will be key. “The biggest challenge for organic hop growers is to figure out exactly what varieties brewers want in what quantity,” says Patrick Smith of Loftus Ranches in Yakima, Wash., who has 16 acres of certified organic land “under trellis,” but only 10 acres planted with hops.

On January 12, the AOHGA released its first-ever Organic Hop Market Report and Brewer Survey. The Organic Hop Market Report gave an overview of the current state of the organic hop market, with current inventory and acreage data for AOHGA growers. The Brewer Survey gave brewers an opportunity (until January 31) to provide information, directly to the suppliers, on which varieties are in demand and what quantities are necessary, and will give growers a comprehensive understanding of the demand of organic hops.

A NEW MODEL FOR HOP SALES

Sourcing organic hops challenges brewers to think outside the box, as chefs have done with the farm-to-table movement, and deal directly with farmers.

“There’s a way bigger barrier between brewers and farmers than between chefs and farmers, because of the industrial mindset in brewing,” says Rebecca Kneen of Crannóg Ales, an on-farm organic brewery in Sorrento, British Columbia. Kneen started growing hops organically in 2000, and pub-

ORGANIC HOPS REGULATION AT A GLANCE

- 1990: Congress passes the Organic Foods Production Act.
- 1992: The National Organic Standards Board is formed.
- 1997: USDA introduces highly unpopular National Organic Program rule counter to recommendations of NOSB.
- OCTOBER 2002: The National Organic Program rule based on NOSB recommendations takes effect. Under the new rule, breweries producing beer labeled “organic” are required to be certified organic. Hops are exempted as less than 5 percent by weight.
- NOVEMBER 2002: Arthur Harvey, Maine organic blueberry farmer, sues USDA over the 5 percent exemption
- JANUARY 2005: Harvey wins lawsuit in appellate court.
- JUNE 2007: Non-organic hops are petitioned onto the 205.606 List for a five-year period, scheduled to “sunset” in June 2012.
- NOVEMBER 2010: The NOSB passes a rule removing hops from the 606 list, but extends the deadline until January 1, 2013, allowing one additional growing season for brewers to transition to organic hops.

lished *The Small-Scale and Organic Hops Production Manual* in 2004, with an updated version released in 2007. Kneen has been instrumental in starting the organic hop industry in Canada, and says there are now 8-10 hop farms in British Columbia, ranging from half an acre to five acres. “The big advantage that small-scale farmers have is that they have a completely different approach to marketing. They know that they can’t compete with the large-scale non-organic farmers who are selling wholesale, so they can go directly to the final buyer.”

It isn’t just the new wave of small-scale organic growers that sell their organic hops directly to brewers. In Oregon, larger commercial growers such as Leavy and Goschie Farms market their organic hops directly, while still selling hops from their conventional acreage through a broker.

Daniel Del Grande of Berkeley, Calif.-based organic brewery Bison Brewing Co. has teamed up with Seven Bridges, a Santa Cruz, Calif. organic brewery supply outfit, to form a brewers’ organic hop buying cooperative. The non-profit co-op will ask brewers to forecast their organic hop needs for three years, in order to better communicate with growers. By buying in bulk, Del Grande says the group “will get the same price discount that larger brewers do.”

Del Grande and Amelia Slayton of Seven Bridges hoped to launch the group at the Craft Brewers Conference in San Francisco in March, and will be surveying breweries to determine what varieties are needed. The co-op will offer “price-flexible contracting,” says Slayton, so if costs drop below the contracted price, that savings will be passed on to the brewer. Some brewers are leery of contracts, she says, and prefer to deal directly with growers.

Making contact with farmers takes a little extra effort on the part of the brewer; just as sourcing truly excellent local salad greens can challenge a chef. Kneen points out that when dealing with new growers, brewers have should patience and will have “much better potential for getting what they want later on. When a chef works with a new local farmer and they bring in their first box of beets, they may not be sorted by size or have the greens trimmed the way the chef wants. The chef says, ‘Next time, how about doing this for me?’”

Starting to develop these relationships now is key, Leavy says, in order to get the varieties brewers want in the ground. Like Smith at Loftus, Leavy has additional organic acreage ready to plant with hops in addition to the 11 acres of organic hops he already has in production.

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“We’ll plant this spring to be in production for 2012, and have hops for breweries in 2013,” Leavy said.

The AOGHA provides contact information for all of its member farms, though not all of them market directly to brewers.

“We have no plans to do the direct model unless that’s what the brewer wants,” says Smith of Loftus Ranches. “We don’t have our own pellet line.”

Pelletizing was once a major bottleneck in the organic hops market. Pellet plants must be certified organic, just as the farms where the hops are grown, and the breweries where the hops will be used. Until last year, there was only one certified organic pelletizing plant in the country, in Yakima. There are now four pelletizing plants in Yakima that are certified organic or in the certification process, and one in Oregon in the certification process. Seven Bridges has its own small-scale pellet mill, and a hop grower in Maine has recently imported a pellet mill from China.

THE LOCAL OPTION

“It’s not all about the Northwest,” Leavy says of organic hop cultivation, mentioning smaller organic hop farms in Michigan, Wisconsin, Colorado, and California.

Jon Cadoux of Peak Organic Brewing in Portland, Maine says organic hop acreage in New England has doubled in the last year. “There’s a huge boom in production from East Coast farmers who are passionate about organic from the get-go.”

In Canada, Kneen says the Maritime Provinces, Quebec and Ontario all have organic hop farms in addition to those in British Columbia.

Sierra Nevada is a member of the AOH-GA, and raises eight acres of organic hops at its Chico, Calif. brewery. Lau Ackerman, Sierra Nevada’s agricultural and landscape supervisor who has been managing the hop program for the last five years, says one of the advantages he has over organic growers in the Yakima or Willamette Valley is that Chico is not surrounded by hops, so there are no diseases in the ground. Ackerman currently grows Cascade, Chinook, and Citra, and two experimental varieties. Centennial did not cope well with the heat of the Sacramento Valley, and he no longer grows it.

Deschutes’ Sidor is skeptical of the local option. The hop growers in Oregon and Washington have “100-plus years of agronomic history of growing hops,” he says. “Growing hops organically might be the most challenging of any crop.”

Long-time hop growers have a deep knowledge of the individual crop, says Kneen, but “organic growers understand

For many years the quality of organic hops was a major concern, as growers struggled to figure out how to combat pests and diseases with organic methods.



soil in a way that non-organic farmers frequently don't. Organic farmers have an understanding of soil microbiology and the way that plants and soil interact that can be extremely difficult for non-organic farmers to wrap their heads around."

THE CHALLENGES OF GROWING HOPS ORGANICALLY

Hops have been grown at Goschie Farms near Silverton, Ore. since 1904. Gayle Goschie currently grows eight acres of certified organic Cascade, Fuggles, Willamette, Teakmaker, Centennial, and Liberty.

"I started out really encouraged," she says. "Now I realize how much of an effort it is going to take. Growing organic has been an education." Goschie has been able to transfer some of the knowledge she has gained from growing organic to her conventional acreage, and limit some of the inputs,

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Each variety of hops performs differently, with some such as Cascade succumbing to downy mildew more readily than others. In 2010, for instance, Oregon had a late, wet spring, which caused an outbreak of downy mildew, devastating much of Goschie's crop. In 2009, aphids were a problem.

"The jury's still out here on this farm," said Goschie. "I'm still enthused about it. Fuggles were still able to grow fairly well [in 2010], and the Willamettes were not too bad. Diseases are different than insects. Disease is systematic and can build in the plant from year to year." Goschie is sourcing new,

pure and clean rootstock for Cascade, Centennial, and Nugget, as much of the commercially available rootstock already contains diseases such as downy mildew.

"Gayle might be one of the best hop growers on the planet—if she's having problems growing hops organically, that says something about how challenging that is," says Sidor of Deschutes.

In Yakima's desert climate, downy mildew is not an issue, and Smith of Loftus Ranches feels confident he'll "be able to grow any variety out there, with varying levels of success. Every variety is a candidate for organic production if the demand is there."

He says yields are a little lower than on conventional yards but that is improving, and insect and powdery mildew pressures were less than he had feared. Smith currently grows Palisade, which were originally contracted for Anheuser-Busch. "Palisade is resistant to disease and insects, and lends itself to organic production."

OPTIMISM ON QUALITY

Washington State University is conducting a study on 20 different hop varieties in test plots in Yakima, Michigan, and Vermont. WSU researcher Kevin Murphy says the study is looking at "which different varieties perform best in organic systems," and which cover crops are best for hops, fix nitrogen, and attract beneficial insects. While the study is rooted in organic, Murphy says, it will also "provide options for conventional growers to reduce their inputs and become more sustainable." The three-year study is currently in its second year, and Murphy hopes to find funding to extend it.

For many years the quality of organic hops was a major concern, as growers struggled to figure out how to combat pests and diseases with organic methods.

"You used to be able to tell organic hop fields from conventional ones because they would be red with aphids, and spindly," says Murphy. "These last two years, you wouldn't know the difference."

"In a short amount of time, the quality of organic materials has gone through the roof," says Sidor, who worked for hop broker HopUnion before taking the helm at Deschutes. "They are well ahead of where they were 6-7 years ago."

"If you look at grains, there is already a quality advantage to using organic grains. If there is a quality advantage to using organic hops, it will be a win-win situation," says Cadoux, who testified against the removal of hops from the 606 list in 2010. Last fall's crop of Maine-grown organic Centennial gave him hope. "They have wonderful alphas and myrcene."

"There are a lot of really great things going on in organic hop growing," says Loftus Ranches' Smith. "I think this is a win-win situation for growers, brewers, and consumers. There's a lot of optimism out there."

Abram Goldman-Armstrong has written extensively about organic beer, and his work appears regularly in *Northwest Brewing News*, *Ale Street News*, and *American Brewer* magazine.

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