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September 28, 2010

VIA US MAIL and E-MAIL

Ms. Lisa Ahramjian
ED, National Organic Standards Board, USDA-AMS-NOP
1400 Independence Ave SW, Room 2646-So, Ag Stop 0268
Washington, DC 20250-0268

Re: *Removal of Hops from NOP National List (205.606)*

Dear Ms. Ahramjian:

Indie Hops is a new hop merchant located in Portland, Oregon. We have contracted with Goschie Farms in Silverton, Oregon to grow 20 acres of USDA certified organic hops. GF planted said acreage earlier this Spring. We do not have a single contract with any brewers to buy these certified organic hops, which will be commercially available in 2011 and 2012.

We support the petition to remove hops from the National List. We agree with the arguments raised on behalf of the petitioners, but would like to take this opportunity to amplify a point of grave concern. The Handling Committee, in deciding to preserve the status quo, wrote that "the onus of proof is on the handler to prove to it's certifier that conventional forms of hops would be necessary in an organic product."

While we agree in principal that rules ought not be dodged through subterfuge or worse, in practice we believe that the enforcement of the present rule would engender avoidable cost, acrimony and distrust. The growers and merchants will naturally be dragged in, as the onus is upon them to notify the certifier of the quality and quantity of organic hop varieties. If a brewer decides that neither the quality nor quantity passes muster, while the merchant, grower or certifier disagree, then the conflict will eventually need to be resolved by neutral arbiters. This process of presenting proof, rebutting proof, arguing the merits and submitting the issues to a judge-like authority, will of necessity consume valuable time, money and resources.

None of the adversarial brain damage would arise if we simply applied the common sense meaning of the words: organic means organic. If a brewer wishes to market a USDA certified organic beer, then he should use organic ingredients. Past hop shortages have proven that craft brewers are resilient. If a menu calls for a variety that is not available, they have shown an aptitude for substituting varieties without harming the beer quality.

Hop farmers are also resilient, but when it comes to converting conventional acreage to organic, they need encouragement. It's well known that growing organic hops is challenging. As a general rule, applying even the best farming practices, organic yields

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tend to be about one-half as big and cost about twice as much. The only way we'll ever bend the cost curve downward, and up the yields, is through trial and error, or experience. It will take time, perseverance and resources for farmers to fine tune winning integrative pest management strategies.

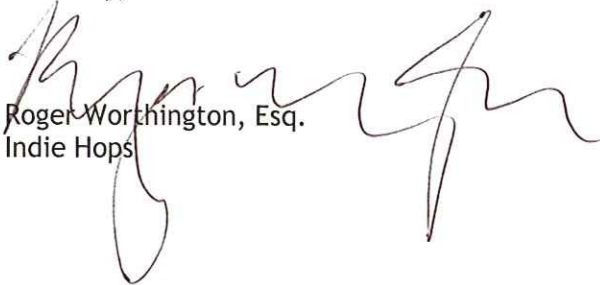
In the meantime - between now and the day when eventually the costs and yields of organic and conventional hops are compatible - merchants, especially this one, do not wish to be perceived as taking advantage of a "loop hole." Under the current regimen, if the hops are "commercially available," then the organic brewer must buy them, no matter what the price is. This system again creates an atmosphere of distrust and fosters gamesmanship.

Despite the risks, we chose to grow organic hops because we thought it was the right thing to do and we support and believe in the ingenuity of Goschie Farms. We do not want to be dragged into quasi-judicial proceedings between the certifier and the brewers. Brewers may understandably gulp at the price of organic hops. They will remain skeptical, if not negative, unless and until we implement a system that encourages merchants and growers alike to engage in the kind of "research and development" it takes to bring the costs down and the yields up.

Moreover, the current regime puts brewers who choose to pay more for USDA certified organic hops at an economic disadvantage. Their brethren who get to wear the badge without doing the more expensive but honorable thing have no financial incentive to switch to organic. This pits bona fide organic brewers against dodgy ones. The dodgy brewers have no incentive to forward contract with growers for organic varieties, and thus the regime has institutionalized a vicious circle in which quality hops in sufficient quantity are not likely to ever be commercially available.

In closing, the government has a major role to play in driving agronomic advances. We believe that by removing hops from the National List, the government will be encouraging the kind of private sector innovation in the U.S. that eventually will even out the present yield and cost disparities between organic and conventional hops.

Sincerely,



Roger Worthington, Esq.
Indie Hops

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