Grimmway Farms/Cal-Organic — America's Largest Organic "Farm"

Background

Grimmway grows 56,000 acres of, mostly conventional, carrots and more than 60,000

acres of organic mixed vegetables under its Cal-Organic Farms brand each year, with that

acreage spread over seven states, including acreage in Columbia Basin, Washington; Live

Oak, Florida; San Joaquin Valley, California; Coachella and Imperial Valley, California;

Cummings Valley, California; and San Luis Valley, Colorado. Together, Grimmway and

Bolthouse (the second largest carrot grower/handler) account for 80 percent of the

U.S.'s fresh carrot crop.1

While Grimmway is best known for carrots, the organization is a significant player in the

organic vegetable space, producing more than 135 seasonal and year-round products

marketed under the company's Cal-Organic label.² One hundred percent of their

produce is grown in the US.3

Revenue and Brands

• Annual revenue: \$4.2 billion

o Organic sales account for 60 percent of the company's total revenues.

Brands⁴

Bunny-Luv baby carrot brand (1995)

o King Pak Potato Co. (2000)

o Cal-Organic (2001)

Grimmway Farms Sold to Teays River Investments

¹ <u>https://www.globalaginvesting.com/brief-major-carrot-producer-grimmway-farms-acquired-teays-river-investments/</u>

² https://www.thepacker.com/news/industry/teays-river-investments-buy-grimmway-farms

³ (https://www.grimmway.com/our-story/)

4 https://www.grimmway.com/

December 2020, Grimmway Farms was sold to Teays River Investments – a farmland real estate investment and equity firm, for an undisclosed amount. ⁵

In addition to farmland holdings, Teays River investments include a \$250 million in a leveraged buyout of Aurora Dairy Group, an Aurora, Colo. integrated organic dairy producer and processor—both purchased in 2011. Aurora manages some 9,600 acres of pastureland and more than 22,000 dairy cows in Colorado and Texas.⁶

Key Leadership⁷

Jeff Huckaby, President & CEO, has been with the company since 1998 with more than 30 years of experience in farming management. Prior to joining the company, he held multiple strategic roles with Wm. Bolthouse Farms.

Board and organizational associations:

- Member: The International Fresh Produce Association Board of Directors,
- Member: The College of Agriculture Advisory Council at California Polytechnic
 State University, San Luis Obispo
- Past member: The USDA Fruit and Vegetable Industry Advisory Committee,
- Past member: California State Board of Food and Agriculture (CDFA).
- Named 2019 Produce Man of the Year by The Packer magazine, the 2020 Organic
 Farmer of the Year by the Organic Trade Association (OTA), and 2022 Grower of the Year by the Organic Grower Network.

Russell Hamlin, PhD, currently serves as Grimmway's Vice President of Farming and oversees all conventional and organic crops produced.

⁵ https://www.andnowuknow.com/bloom/grimmway-farms-sells-teays-river-investments-llc-jeff-huckaby-and-richard-halderman/jordan-okumura/71551

⁶ https://www.farmlandgrab.org/post/view/24778-teays-river-investments-to-take-loss-on-drought-struck-california-cropland-sale-to-gladstone

⁷ https://www.grimmway.com/our-story/leadership/

Board and organizational associations:

- Currently the Chairman of the Organics Committee for the International Fresh
 Produce Association
- Currently Vice Chairman of the California Fresh Carrot Advisory Board

Grimmway and CCOF

From 2019 to 2023, **Grimmway Farms has donated as much as \$125,000 to CCOF** at the "Visionary" level which starts at \$25,000 annually and, in addition, had ad inserts in the Inside Certified Organic magazine between 2018 and 2022 (when the magazine ceased print publication) with estimated value of \$8,580. The total likely exceeds \$133,580. The Donor/Advertiser relationship analysis is in addition to certification fees paid to CCOF.

Organic Trade Association Connections

- Grimmway Farms is an OTA Member⁸
- Grimmway is an OTA Sustainability Council Member⁹
- Grimmway is an OTA Produce Council Member¹⁰
- Grimmway's Huckaby received the OTA 2020 Organic Farmer of the Year
- In the OTA's 2012 annual funding campaign more than \$850,000 was raised from 225+ companies to support OTA's work. The 20 Top investors, named to the Leadership Circle included Grimmway Farms¹¹

⁸ https://www.ota.com/membership/ota-members/rk%3D0/rs%3Dtwpswlilu1ru3ylihp.nzjtyxac-%3Ffilter%3DT?filter=C

⁹ https://www.ota.com/membership/get-involved-member-communities/sustainability-council/sustainability-council-members

 $^{^{10}\,\}underline{\text{https://www.ota.com/membership/get-involved-member-communities/produce-council/produce-council-members}$

¹¹ https://www.ota.com/news/press-releases/17082

National Organic Standards Board Membership and Potential Influence on Organic Rulemaking?

When the Organic Foods Production Act of 1990 was passed by Congress it reserved seats on the NOSB for individuals who "owned or operated" an organic farm. The law was abused by the USDA who appointed agribusiness employees including one from Driscoll's who was active during the NOSB debate concerning the legality of hydroponic (soilless) organic produce production (supported by Driscoll's and the Organic Trade Association).

A lawsuit spearheaded by OrganicEye's Executive Director drove corporate lobbyists to successfully persuade Congress to change the law and now it's legal to have corporate employees representing the interest of "farmers."

Currently, Logan Petrey, who is organic ranch manager of 9,000 acres at Grimmway Farms located in Georgia and Florida in one of four seats on the NOSB reserved by Congress for farmers. Petrey is the employee of a multibillion-dollar agribusiness enterprise who, as one of the organic producers on the board, speaks for thousands of rank-and-file farmers who have skin in the game, their livelihoods are dependent on the integrity of the organic label. The NOSB was originally conceived to act as a buffer between corporate lobbyists and the organic rulemaking process.

Good Neighbors – or not?

In 2021, Grimmway Farms and Bolthouse first filed a groundwater rights lawsuit against ALL property owners who overlie the Cuyama Valley Groundwater Basin. About 150 basin users are involved in the lawsuit and are facing the first phase of the adjudication process: the initial hearing was scheduled in October 2023.

The hearing was delayed because Bolthouse and Grimmway had failed to publish a required notice about the lawsuit in a local news outlet and still needed to serve 314

landowners, according to LA Bankruptcy Law Firm attorney Kay March, who also owns property in the valley.¹²

The Cuyama Valley Groundwater Basin has lost 700,000 acre-feet worth of water - the equivalent of about 228 billion gallons of water - that hasn't been replenished. A local news outlet, KSBY6, serving the central California coast, noted that "Bolthouse Farms and Grimmway Farms both have wells more than 1,000 feet deep. A report from the U.S. Geological Survey from 2013 found that the water being pumped from that depth was roughly 11,000- to 31,000-years-old, meaning it would likely take tens of thousands of years to replenish."

Grimmway and Bolthouse, two of the largest carrot producers in the world, have pumped a majority of the water in the basin and farmed the land for decades, according to the Cuyama Community Services District Board Director, Deborah Williams.¹³

¹² (https://www.newtimesslo.com/news/carrots-v-cuyama-commercial-growers-sued-their-neighbors-over-groundwater-rights-and-the-first-hearing-is-coming-up-14218607)

¹³ https://www.ksby.com/news/local-news/cuyama-basin-landowners-sued-by-major-carrot-producers-grimmway-bolthouse