

Advancing Regional Organic Markets

A FARMER'S TOOLKIT

Today's Organic Market Opportunities

Organic demand in the U.S. keeps climbing, and it's outpacing the rest of the food market by a wide margin. Shoppers are spending more than \$71 billion annually on organic products, and they're seeking far more than fruits and vegetables. Top selling organic products at retail include produce, dairy, beverages, packaged goods, and value-added foods. Grains, livestock products, and value-added goods are all in demand, and often imported.

That gap between what buyers want and what U.S. farms produce is creating opportunity for transitioning operations to step in, diversify, and earn stronger margins in markets that are actively seeking new suppliers.

To help you assess opportunities as you plan for long-term, resilient organic growth, here's a peek at the national and regional demand trends, supply gaps, and tips to work effectively with buyers.

WHAT'S DRIVING GROWTH

Clean Ingredients Demand for simple, recognizable ingredients

Shrinking Price Gap Organic pricing is more competitive with conventional

Health Trends GLP-1-driven eating habits are increasing demand for cleaner foods

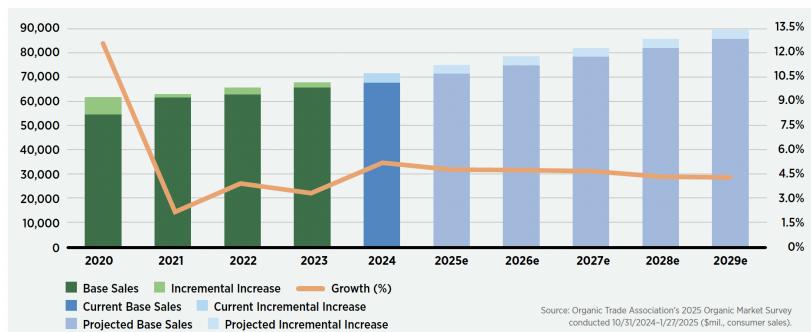
Generational Shift Millennials and Gen Z prioritize sustainability, local foods, and global flavors



MIDWEST
TRANSITION TO ORGANIC
PARTNERSHIP PROGRAM

NOVEMBER 2025

FIGURE 1.2. Total U.S. Organic Sales and Growth, 2020-2029e



Organic Market Snapshot

- \$71.6 billion in U.S. organic sales (2024), growing at 5.2% year-over-year
- Organic sales outpace the total food market by nearly 2x
- Organic sales are projected to exceed \$85 billion by 2029

SEGMENT	GROWTH	KEY TRENDS	IMPLICATIONS FOR GROWERS
Meat, Poultry, Seafood	16.10%	Organic beef up +36.7%	High-opportunity segment for U.S. livestock producers. Demand for certified organic meat is outpacing domestic supply, opening doors for ranchers to transition and certify. This growth is also opening doors for grain producers and feed processors to support the growing organic beef sector.
Dairy and Eggs	7.70%	Organic eggs up +16.1%	Strong upside for diversified farms. Requires certified feed supply — a call to expand U.S. organic grain production.
Textiles (fibers, apparel)	7.40%	Lifestyle and sustainability-driven	Opportunity for fiber crop growers. Cotton and hemp may see expanded demand if currently limited domestic supply chains and processing capacity can be rebuilt.
Beverages	5.20%	Functional drinks, clean labels	Growth in value-added processing. Organic fruit and botanical growers can tap into beverage markets with the right processing partners.

Fast-Growing Organic Categories

Animal products, textiles and beverages offer potential for organic growers, particularly those willing to supply feed, diversify or add value.



MIDWEST

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Demand for organic products continues to grow, and every region has a different mix of strengths and gaps that matter for farms moving into organic.



The Midwest Organic Advantage

A Practical Guide for Farmers & Producers

The Midwest — stretching from **Minnesota and Iowa to Kentucky and Arkansas** — represents the largest contiguous block of organic acreage and economic activity in the United States. With more than 2.5 million organic acres and nearly \$1.9 billion in annual sales, this region is a powerhouse for organic grains, dairy, eggs, and livestock, supported by deep farming traditions and a strong infrastructure footprint. As household demand grows and more farms express readiness to transition, the Midwest is poised to lead the next era of national organic expansion.

A Region Built on Scale, Tradition, and Innovation

The Midwest's organic strength comes from its mix of high-volume field crops, mature dairy and egg systems, and growing specialty markets. Wisconsin anchors the region as the national leader in organic dairy, while Iowa and Illinois dominate organic corn, soybeans, and egg production. Arkansas, Missouri, and Indiana add depth in poultry and animal product sales. Michigan, Minnesota, and Ohio provide a strong blend of crops, livestock, and consumer demand. Meanwhile, Kentucky and Tennessee — smaller but fast-growing — offer expanding opportunities in eggs, tomatoes, milk, forage, and regional produce systems.

Producers across the region benefit from:

- **Massive acreage potential**, with more than **1.29 million certified acres** and thousands of farms planning expansion
- **Mature commodity systems**, including the nation's top organic milk, egg, and soybean production
- **Deep infrastructure**, from elevators and processors to bottling lines and feed mills
- **High consumer demand**, with major metro markets like Chicago, Minneapolis, Detroit, and Cincinnati anchoring regional sales

Strong R&D and extension support driving soil health, regenerative systems, and organic transition readiness. Together, these strengths make the Midwest an essential engine for national organic supply.

STATE	CERTIFIED OPERATIONS (2025)	CERTIFIED ACRES (2025)	TOP ORGANIC COMMODITIES	NOTABLE HIGHLIGHTS
Arkansas	179	21,624	Eggs, chickens, tomatoes	8th nationally for organic animals; 73% of households buy organic
Illinois	810	150,154	Corn, soybeans, eggs	41% of organic farms plan expansion
Indiana	959	97,045	Milk, eggs, grains	7th in nation for animal and egg sales (\$59M, \$57M)
Iowa	943	197,192	Corn, soybeans, eggs	5th in nation for farmgate sales (\$159M)
Kentucky	249	19,435	Eggs, milk, soybeans	78% of households buy organic
Michigan	792	159,396	Corn, soybeans, dry beans	83% of households buy organic
Minnesota	881	217,315	Milk, corn, soybeans	\$16.5M in OREI & ORG funding supports R&D
Missouri	602	62,157	Eggs, soybeans, corn	#1 in U.S. for organic egg sales (\$142M)
Ohio	1,004	116,565	Eggs, milk, corn	7th nationally in total organic operations
Tennessee	107	5,338	Eggs, corn, tomatoes	Expanding organic vegetable sector
Wisconsin	1,608	241,080	Milk, eggs, cattle	4th in operations, 10th in acres; \$107M milk sales

What the Region Produces — and Where It's Headed



Grains & Oilseeds:

The Core of U.S. Organic Feed Systems

As the heart of the U.S. Corn Belt, the Midwest leads the nation in organic corn, soybeans, and small grains. Iowa, Illinois, Minnesota, and Michigan contribute more than 600,000 combined acres of organic corn and soy, with robust storage, processing, and transport infrastructure already in place. Opportunities include expanding rotational legumes (dry beans, peas), strengthening organic small-grain systems, and connecting grain growers directly to the region's livestock, dairy, and poultry clusters.

Dairy, Eggs & Livestock:

A Mature and Expanding Sector

The Midwest's livestock systems are among the most advanced in the country. Wisconsin ranks #1 in organic milk, while Missouri leads in organic egg sales. Indiana, Kentucky, and Arkansas all exceed \$50 million in annual organic animal product revenue. Continued growth is expected as more producers shift toward pasture-based livestock systems and as demand for regionally sourced dairy and eggs rises across the Midwest.

Specialty & Regional Crops:

Diverse Markets with Strong Demand

Beyond commodities, the region is seeing increasing interest in produce, legumes, tree fruit, and greenhouse-grown crops. Michigan and Wisconsin excel in beans and tree fruit; Ohio and Wisconsin lead in regional hay; and Arkansas and Tennessee continue to expand tomato and high-tunnel vegetable production. Local and regional grocers, CSAs, and food hubs present growing market channels for diversified specialty producers, community markets, improving local food security and season extension.

Regional Challenges —

and Producer-Led Solutions

While the Midwest is well-positioned for expansion, several systemic challenges shape the next chapter of growth:

- **Underused infrastructure** — elevators, processors, and dairy facilities that could serve organic markets with investment
- **Gaps in grain and feed coordination**, especially near dairy and poultry hubs
- **Limited value-added processing** for meat, milk, grains, and specialty crops
- **Transition barriers**, including risk, certification readiness, and market alignment

These challenges also highlight major opportunities:

- **Reinvest in regional processing and bottling**, keeping organic value closer to home
- **Strengthen grain-to-feed supply chains**, especially around dairy, poultry, and egg clusters
- **Support crop rotation and soil-health programs** that help farms convert row-crop acres to organic
- **Build region-specific brands and markets**, leveraging high-demand metro centers
- **Develop cooperative and shared-infrastructure models** that increase farmer profitability

When producers, processors, and buyers coordinate, the Midwest becomes more self-sufficient and more resilient.

Looking Ahead: A Strategic Driver for the Future of Organic

With vast acreage, top-ranked production systems, strong demand, and thousands of farms ready to transition, the Midwest is positioned to define the next wave of U.S. organic growth. Its ability to supply foundational commodities like grains, milk, eggs, and livestock — while scaling climate-resilient and value-added systems — makes it indispensable to the national organic supply chain.

Whether expanding crop rotations, strengthening livestock systems, reinvesting in processing, or tapping into large metro markets, Midwest producers are well positioned to shape a profitable, resilient, and nationally integrated organic future rooted in the region's deep agricultural legacy.

WORKING EFFECTIVELY WITH BUYERS

“Do your homework. Go to the store and do research. Come in with your eyes wide open.”
– Kenny, Natural Foods Retail Buyer

What Do Buyers Want?

Buyers value clear communication, dependable follow-through, and partners who understand their pricing, timing, and operational constraints.

They care about the farms behind their products and appreciate growers who are transparent, collaborative, and invested in long-term relationships.



Finding and Connecting with Prospective Buyers

Attend Conferences, Trade Shows & Field Days

Events bring together retailers, distributors, chefs, and foodservice buyers looking for new suppliers.

Ask Neighbors & Fellow Producers

Farmers often know who pays well, communicates clearly, and buys consistently.

Use Directories & Market Databases

Directories help you find buyers by category, product type, or region.

Review Buyer Websites for Vendor Requirements

Many buyers provide clear instructions for new suppliers.

Typical information includes:

- Category review schedules
- Packaging, labeling, and certification requirements
- Insurance and transportation expectations
- Instructions for submitting new products or samples

Reach Out Directly

A short, targeted email or call is expected—and welcomed

Work With Your Local Food Hub or Distributor

Food hubs and regional aggregators often buy from small and mid-sized farms and already have strong relationships with retailers and institutions.

You can find additional resources and support at the links below.

markets@rodaleinstitute.org

organictransition.org/region/national

Understanding Market Nuances Grocery Buyers

It can take as long as a full year to get into the larger, national retail chains while independent retailers may be able to bring in new vendors/farmers within a matter of days.

Distributor/Wholesale Buyers

These buyers need transportation solutions that keep their trucks full. If you know of other certified organic farmers in your region, let the buyers know there is more than one reason to send a truck your way.

Institutional Buyers - School Districts and Foodservice

School districts we interviewed want organic root vegetables and correctly sized fruit, especially apples, oranges, and berries for the entire school year. Schools also often buy B grade fruit and vegetables.

Grain Buyers - Feed & Food

Ask the buyer for crop specifics before buying seed or planting. Some require particular varieties and some even offer seed programs/bulk buying opportunities for growers.

Fiber and Seed Buyers

If you grow cotton, participating in a Cotton Cooperative will greatly enhance your ability to sell your crop. If you grow seed, know all legal requirements in advance and save yourself from future headaches.