

**THE ECONOMIC REALITY OF CAFOs AND FAMILY FARMS:**

## DO WE NEED LARGE-SCALE CONFINEMENT ANIMAL FEEDING OPERATIONS?



The most efficient small-scale family farms, using unconfined methods such as this hoop house, are more cost-efficient than CAFOs says Dr. Ikerd.

Photo: Center for Environmental Farming Systems

### BY DR. JOHN IKERD

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Most people in the agricultural establishment seem to accept large-scale confinement animal feeding operations (CAFOs) as an economic necessity. They see the trend away from smaller diversified family farms and toward larger specialized, confinement operations as being driven by impersonal market forces, tending toward ever-greater economic efficiency.

They point out, often without any supporting evidence, that CAFOs are more economically efficient than are smaller non-confinement operations. They claim the trend toward CAFOs is a logical mar-

ket response to consumer preferences – that consumers demand, or at least prefer, the uniformity of quality achievable only with standardized production systems.

But, what is the validity of these claims? All popular myths are supported by elements of truth. But, the elements of truth in these cases are not sufficient to validate the truth of the popular claims regarding CAFOs. No one really needs CAFOs.

#### Do we need CAFOs for efficient, low cost production?

No! The claim that large-scale confinement operations are more efficient is a myth. The reality is that many, if not most,

**ECONOMIC REALITY** *continued on p. 7*

## IOWA IS #1!

When it comes to the most hog farms in the US, we lead the pack, according to a national chart released by Food & Water Watch, a national consumer advocacy group located in Washington, DC ([www.factoryfarmmap.org](http://www.factoryfarmmap.org)).

The chart, a map of the US released in July this year, shows Iowa leads the nation both in number of sites and number of hogs with 3,875 farms housing 13.2 million hogs\*. Seven Iowa counties made the 10 ten list of the most number of farms.

Iowa also is #1 with the most number of hog, cattle, and dairy farms combined, cornering 17% of the market. California, with three times the land of Iowa, follows at 12%. In addition, Iowa ranks #2 in cattle farms with 552 sites (Kansas is a distant third with 279) and ranks #1 in the number of egg-laying hens housed in the state (37.2 million).

**IOWA IS #1** *continued on p. 2*

### IN THIS ISSUE

Paul Willis' Success with Niman Ranch .....	2
Local Farmer Works with Niman Ranch .....	3
About Niman Ranch.....	3
Database on Alternative Farming.....	3
The Year at a Glance .....	4
NY Times Op-ed Piece .....	5
ISU Study Rates CAFOs .....	5
Putting the Clean Water Act to Work .....	6
2007 State Legislative Summary .....	8
Map: CAFO Placements in Iowa .....	9
Map: Population Changes in Iowa .....	9
News Briefs .....	10
Keep JFAN Strong .....	11

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## FINDING ALTERNATIVES TO FACTORY FARMS

# FAMILY FARMER PAUL WILLIS ENJOYS SUCCESS WITH NIMAN RANCH

Paul and Phyllis Willis have been farming since the mid-1970s. The Willis's raise their pigs outdoors or in straw bedded hoop houses or barns, never confining them in crates or barren pens. In order to maintain the health of his land, Paul rotates his pastures so that each area is used for pasturing pigs one year and then planted with crops the following four years. His pastures are certified organic. He raises his hogs without the use of antibiotics or hormones and does not feed them any animal by-products. Willis' goal is to raise his animals as naturally as possible.

In 1994, Paul met Bill Niman and learned about Niman Ranch. Niman Ranch is a leading producer, processor and marketer of fine quality beef, lamb, and pork. The company raises its own beef cattle and purchases pigs and lambs raised by independent family farmers.

They only accept animals which have been raised following a strict code of ecological practices and husbandry principles, including: humane treatment of animals, feed which contains no waste or animal byproducts, and sustainable land management. Also, all animals must be raised without the use of growth hormones or indiscriminant antibiotics.

Niman Ranch distributes its products to fine restaurants and retailers across the country and directly to consumers via an online store.

Every year, Niman Ranch has a dinner honoring their farmers where they invite

a c c l a i m e d chefs from across the country to prepare a gourmet meal using sustainably grown Iowa meat and produce. It is described by Paul as "the food event of the year in Iowa." Paul and Phyllis also invite the chefs to their farm to meet



**A sow and her piglets roam free on Libertyville farmer Mike Pacha's operation.**

Photo: Michael McBurnie

the pigs and share in an Iowa homegrown meal. "It's great to have the chefs and farmers connect," Paul explains.

Paul is manager of Niman Ranch Pork Company, an offshoot of Niman Ranch, which is a collection of independent family farmers who share Paul's belief that pigs should be raised naturally, without the use of hormones or antibiotics. Willis is a member of the Sierra Club and also works closely with the Animal Welfare Institute (AWI), the organization that developed the On-Farm Pig Husbandry Standards adhered to by farmers who market to Niman Ranch.

For more information, visit [www.niman-ranch.com](http://www.niman-ranch.com).

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### IOWA IS #1 *continued from p. 1*

Food & Water Watch contends the states with the greatest amount of livestock are also the most polluted.

The data used in the map is culled from the USDA 2002 Census of Agriculture.

\* *Editors Note: This figure, compiled in 2002, has now been updated to 16.3 million hogs, according to the 2006 Iowa State University Iowa Farm Outlook.*

# LOCAL FARMER RAISES HOGS SUSTAINABLY WITH NIMAN RANCH

Mike Pacha of Libertyville is among a handful of farmers in Jefferson County who raise unconfined hogs and sell to Niman Ranch. Niman farmers own their own hogs, keep to strict non-antibiotic and non-steroid diets, and sell their product to Niman at premium prices. Niman Ranch offers small producers like Pacha the ability to stay in business, while corporate operations do not.

Pacha, who grew up in Brighton, has been a life-long family farmer. He left the hog business in 1998, only to get back to hog farming when he heard about Niman over three years ago.

JFAN Board Member Michael McBurnie visited one of Pacha's sites this past spring.

"The day I visited there were baby pigs, just a few days old, but already running around the pen where they are kept. The mothers were keeping a very close eye on them and us. I had to walk very slowly so she would not get upset with me."

Currently, four farmers raise hogs the Niman way in Jefferson County, joining a total of about 50 in southeast Iowa. Niman is continuously looking to attract more farmers to join their operation. The company's regional manager, Mark Lane, himself a life-long family farmer, is actively on the road much of the time, talking with others about becoming a Niman Ranch farmer.

To learn more, visit [www.nimanranch.com](http://www.nimanranch.com) or call 1-866-269-0642.



**Piglets nurse in a straw-bedded farrowing hut on Pacha's farm with plenty of room to move and roam.**

Photo: Michael McBurnie

## INFORMATION ON ALTERNATIVE FARMING AVAILABLE AT ONLINE DATABASE

Farmers, consumers, students, and teachers who want to explore sustainable methods of hog farming can find a wealth of information at an easy-to-use website called "Alternative Farming: An Annotated Database."

The database is a compendium of published and online information about factory farming and alternative farming methods. This comprehensive resource includes information on a number of sustainable systems for swine, cattle, poultry, and more, as well as research articles on animal behavior.

You can search by citation, full text articles, or keywords. Each listing provides a paragraph from the document giving you some information about each hit.

The website, which is maintained by the Animal Welfare Institute, is located at: [www.awionline.org/SearchResultsSite/altfarm.aspx](http://www.awionline.org/SearchResultsSite/altfarm.aspx)

*(Editors Note: We found you will get more results if you enter pig farming, rather than hog farming. Searching under keywords will also yield a greater number of possibilities. And while you're at it, check out the list of keywords that follows each article to help you pinpoint and expand your search.)*

## ABOUT NIMAN RANCH

### FROM THE NIMAN RANCH WEBSITE

Niman Ranch works with traditional family-owned and operated farms and ranches. We believe that saving America's family farmers and ranchers is vital to our nation's future. People who own the land they're working and living on have a greater stake in protecting the long-term health of their land and the welfare of their animals than absentee industrial operators.

By working with family farms and ranches, we are helping to strengthen rural America and reverse the destructive trend of industrial agriculture. In addition to providing a market for livestock, the Niman Ranch network provides a mechanism for farmers and ranchers to communicate and learn from one another about best practices for their animals and land. We are inspired by and proud of the families that are part of Niman Ranch – many of whom are second-generation partners in our network. Family farmers and ranchers are the keepers of traditional farming knowledge, information that is vital to protect and pass on to future generations.

Qualified Niman Ranch pigs:

- Have never been given antibiotics of any kind;
- Have never been given artificial hormones or growth promotants;
- Have never been fed meat or meat by-products of any kind;
- Have been raised on pasture or deeply bedded pens, and according to the Animal Welfare Institute's Humane On-Farm Husbandry Criteria for Pigs;
- And meet their high pork and carcass quality standards.

Additionally, Niman Ranch Farmers are responsible for:

- Following Niman Ranch Protocol at all times;
- And accurately reporting their market hog numbers to Niman Ranch

For more on Niman Ranch visit [www.nimanranch.com](http://www.nimanranch.com)

# THE YEAR AT A GLANCE:

## JFAN WORKING HARD FOR YOU

Strong new legislation protecting lowans from the many problems associated with CAFOs.... Court victories.... Local control on siting of animal confinements.... Large switch to pasture and hoop hog production in Jefferson County....

These are some of the goals that JFAN is striving to achieve. On this challenging journey, we continue to work hard, monitoring local activities, providing legal support, and educating the community about the factory farm situation. Here is an update of our activities since last January.

### Monitoring Local Activities

#### *Pleasant Plain CAFO Expansion*

On August 9, the Jefferson County Board of Supervisors held a public meeting concerning a proposed hog confinement expansion in northeast Jefferson County, near Pleasant Plain. Ed Elmore and Josh and Kendra Hellweg's plan to add a 2400-head finishing barn would double their operation to 4800 hogs. The CAFO is close to several other factory farms in the area and is in the N. Walnut Creek watershed.

About 125 people attended the hearing at the Jefferson County Court House, and gave comments for more than an hour. Two-thirds of the 26 people who spoke urged the Board of Supervisors to recommend the DNR deny the CAFO while the other third expressed support for the operation. A number of people on both sides acknowledged the Elmore's well-regarded reputation for responsibly managing his CAFO. Others spoke of the impacts of CAFOs on the environment, health, and economy of the county.

The Sierra Club presented a letter pointing out that the Manure Management Plan on the Master Matrix scored zero points in several categories. These were (1) providing and maintaining buffer strips along Walnut Creek, (2) avoiding manure application on highly erodible land, (3) limiting manure applications rates to crop phosphorus uptake levels, and (4) the separation distance of manure application from the closest water source. Other people expressed concern about

the lack of an emergency plan.

On August 20, the Board of Supervisors voted to recommend approval to the DNR for the expansion. They will pass along this recommendation along with all comments. If the CAFO is built, it will bring the total number of hogs in that area of the county to about 15,000.



Photo: Ken Hammond, USDA

#### *Proposed Robert Palm CAFO*

JFAN became aware of a possible CAFO siting on the west border of Maharishi Vedic City after farmer Robert Palm publicly explored this possibility at a Board of Supervisors meeting in March. The controversy that ensued over Maharishi Vedic City's eventual exercise of eminent domain illustrates the inherent polemical nature of factory hog farms.

CAFOs stir fear in communities because people are all too aware of the stench and the environmental, health, and economic ramifications of factory farms. When Palm followed up with a denial of his intent, and Maharishi Vedic City withdrew its exercise of eminent domain, the storm died down.

Controversies such as these can be – and have been – avoided by following JFAN's Good Neighbor Guidelines, which includes the Iowa Pork Producers Association best management practices. The guidelines promote harmony among neighbors by fostering communication at every step.

JFAN once again strongly encourages

every farmer who is considering a CAFO to use these well thought-out guidelines, as many local farmers have successfully done to date. You can find a copy of them on our website at <http://jfaniowa.org/Good-Neighbor-Guidelines.html>.

#### *Manure Spill on Pleasant Plain Road*

A significant manure spill took place in April on the David Horras farm, northeast of Fairfield, during a manure application by Ryan Robertson. The spill went into a tributary stream of Walnut Creek, southwest of Pleasant Plain, and spilled onto Pleasant Plain Road. JFAN has been closely monitoring the situation and following up with the DNR.

The DNR investigated the spill, and a report was issued on May 29 citing Robertson and Horras with discharging manure into a state waterway and not reporting the spill. The DNR is currently reviewing the situation for enforcement action. This is Robertson's second manure spill.

#### *Suspicious Construction*

JFAN received several reports of "suspicious construction" over the last six months. After talking with the landowners in question, the projects were "cleared" as we found the buildings were to be used for other purposes.

We are always willing to investigate any suspicious building activity and resolve questions. Rumors, gossip, and conjecture are harmful for all involved. If you have questions please feel free to contact us at P.O. Box 811, Fairfield, IA 52556; 641-209-6600; or [jfan@lisco.com](mailto:jfan@lisco.com). Direct communication with neighbors is always the best way to build positive relations.

#### *Legal Support Update*

JFAN supported three legal projects over the last year:

- The Simmons/Deutsch suit will go to court in October. Robert Deutsch has built a 1200-head operation next to the property of Dick Simmons.

- Pleasant Plain Property Owners Association/Kaska suit is scheduled for court next March. Over 50 homes are

within two miles of the 1200-head Kaska confinement.

• The “Batavia confinement” has never moved forward. The issue never went to court. While no definitive “settlement” has been signed, it appears the project has been abandoned through the mediation process. This is viewed as successful because no confinement has been built.

## Education and Outreach

### Two New JFAN Publications

We are publishing a 24-page booklet, *How to Protect Your Family and Home from Factory Farms*. The booklet provides an overview of how communities can organize to protect themselves against CAFOs, as well as an outline of one’s legal rights and courses of action. We plan to distribute this booklet locally and throughout the state. If you would like a copy, please contact JFAN at 641-209-6600 or [jfan@lisco.com](mailto:jfan@lisco.com).



A second JFAN booklet explaining the secondary liability issue for truck drivers and manure applicators also will be available.

### Voicing Opinions on the State Level

JFAN worked closely with CleanUp Iowa.org, the Coalition for Local Control, and Iowa CCI during the 2007 legislative session. We were disappointed that legislation was not passed, but Jefferson County constituents made themselves heard loud and clear at the Capitol. THANK YOU FOR ALL YOUR EFFORTS. See “Getting the Ball Rolling at the State House” on page 8 for more details on the legislative effort. Plans are already being made across the state so that we can be more effective next year.

### JFAN on KRUU.FM

Several programs devoted to CAFOs have aired on Fairfield’s local community radio station KRUU 100.1 FM. In February, a discussion on CAFOs was held between JFAN board members Alan Marks

and Jim Rubis and local farmers Ron Sieren and Jim Flinspach who represented the Jefferson County Pork Producers and Jefferson County Farm Bureau. The dialog, held on “In Depth with Erika Richards” revealed some common interests and enabled both sides to discuss problems. KRUU recently replayed the interview, and if you missed it, you can listen online by visiting [www.kruufm.com/node/451](http://www.kruufm.com/node/451).

### Annual Meeting Review

Over 200 people attended our annual meeting at the Best Western in January.

Dr. Kendall Thu, of Northern Illinois University, presented overwhelming scientific proof of the negative effects of CAFOs. Several other speakers talked about the problems of CAFOs and discussed some possible solutions.

Mike Jasper, the mayor of Martinsburg, a small town of 500 in neighboring Keokuk County, described the severe financial burden his small community would experience from the impact of 30,000 hogs in six new CAFOs in Wapello County. Significant road wear from the heavy trucks needed to supply and run the new operations will cause major infrastructure costs, yet Martinsburg will not see any tax revenue from the CAFO operations since they are out of his county.

Also, family farmer Craig Sylvester talked about the expected repercussion of these hogs, which would be just across the northwest border of Jefferson County. Sylvester said the confinements were planned in secrecy for many months and then rapidly sprung on the community to minimize effective opposition. He added the new confinements would probably put his own hog farrowing operation out of business because their close proximity would likely disseminate diseases from the out-of-state hogs shipped in for the new operations.

### Stay in Touch – and Become a JFAN Member

We received many positive comments on our first newsletter – available both in print and online (at [www.jfaniowa.org](http://www.jfaniowa.org)). We hope this issue also provides you with useful information.

JFAN continues to send out important information to our email list. Sign up at [jfan@lisco.com](mailto:jfan@lisco.com) if you would like to receive our alerts.

Enjoy reading our newsletter and consider joining JFAN. Memberships help in two ways. First, dues help fund our educational and legal projects. In addition, the larger our membership base, the more clout we carry with government officials.

To join, fill out the membership form on page 11 or visit our website at <http://jfan-iowa.org/membership.html>.

### NY TIMES PUBLISHES FARMER’S OP-ED PIECE ON HOG FARMING

Read a *New York Times* op-ed piece by Nicolette Hahn Niman, “Pig Out” discussing the practice of raising hogs and other livestock in confined operations at:

[www.nytimes.com/2007/03/14/opinion/14niman.html?ex=1331524800&en=5de906b51dbf84e5&ei=5124&partner=permalink&exprod=permalink](http://www.nytimes.com/2007/03/14/opinion/14niman.html?ex=1331524800&en=5de906b51dbf84e5&ei=5124&partner=permalink&exprod=permalink)

### SEWAGE TREATMENT PLANTS MORE DESIRABLE THAN CAFOs

A recent study found that public opinion is shifting away from hog farming in Iowa. The recent Iowa State University Annual Industry Report for 2006 states:

*“Pigs once viewed positively across Iowa may now be viewed negatively. Pigs in rural Iowa were once called “mortgage lifters” and pig manure odor was the “smell of money.” But in 2004, the ISU Rural Life Poll found that when rural Iowa residents were asked their preferences about rural development activity, hog confinements ranked below prisons, solid waste landfills, slaughter plants, and sewage treatment plants as desirable rural development.”*

You can read more in “Iowa’s Changing Swine Industry”, by Mark Honeyman, Professor of Animal Science and Mike Duffy, Professor of Economics at Iowa State University (AS Leaflet R2158) at:

[www.ans.iastate.edu/report/air/2006pdf/R2158.pdf](http://www.ans.iastate.edu/report/air/2006pdf/R2158.pdf).

# PUTTING THE CLEAN WATER ACT TO WORK IN IOWA



**BY MICHELE MERKEL**  
**CHESAPEAKE REGIONAL COORDINATOR**  
**WATERKEEPER ALLIANCE**

It used to be that rural Americans could count on being far removed from big-city pollution. But that is no longer the case, thanks to the rise of “factory farms.” These mega-facilities, often shoe-horning thousands or even millions of animals into buildings, share nothing in common with family farms. And they are some of the nation’s worst corporate polluters.

Unlike the traditional family farms that built this nation, factory farms are major sources of water pollution when manure overflows from storage pits or when manure is over-applied to land. In fact, EPA identifies agriculture as the leading contributor to water quality impairments in our nation’s waterways.

Individual overflows can be catastrophic. For example, in 1995, a single hog factory in North Carolina spilled approximately 22 million gallons of manure, killing 10 million fish and closing 365,000 acres of coastal waters to shellfish harvesting and commercial fishing.

Similarly, discharges of thousands of gallons of animal waste have been reported in Iowa, Illinois, Minnesota, Mis-

souri, Ohio and New York. These discharges wreak havoc on the receiving waters, often killing hundreds of thousands of fish per event. In Iowa there have been over 450 spills from factory farms in the last decade, resulting in the death of over 2.6 million fish.

Fish are not the only victims. In May 2000 in Walkerton, Ontario, an estimated 2,321 people became ill and seven died after a nearby, large-scale livestock operation contaminated the drinking water in a municipal well with the bacteria *E. coli* and *Campylobacter*. Manure can also carry arsenic and other toxic metal compounds, as well as antibiotics, contributing to antibiotic resistance.

Pollution from animal confinements may cause nitrate contamination of drinking water supplies, which can result in significant human health problems including methemoglobinemia in infants (“blue baby syndrome”), spontaneous abortions, and increased incidence of stomach and esophageal cancers.

Long-time residents and local farmers have repeatedly asked the Iowa Department of Natural Resources (DNR) to enforce the Clean Water Act (CWA) to protect them from these kinds of risks. The federal CWA requires factory farms that discharge

manure to waterways to obtain operating permits that impose pollution controls, as well as monitoring and reporting requirements, to prevent discharges of manure from occurring in the future.

Federal CWA permits are necessary complements to state construction permits. First, CWA permits cover a much larger universe of facilities in Iowa than state construction permits. Second, CWA permits have fixed terms and must be reviewed and updated at least every five years to reflect the most protective requirements.

Third, the CWA requires that the public be included in all permit decisions. The public must be given an opportunity to comment on every proposed permit, and DNR must consider all comments before making a final decision. Finally, the public also has a legal right to challenge the permit if its terms do not protect water quality.

The EPA authorized DNR to implement and enforce the CWA almost thirty years ago. However, even though there have been hundreds of discharges from factory farms, DNR has only issued NPDES (National Pollution Discharge Elimination System) permits to 6% of the 1,859 facilities that should have them. Moreover, DNR has never issued an NPDES permit to a confinement feeding operation, even though confinement feeding operations are the source of 69% of all documented manure spills.

There are a number of things that you can do to protect yourselves and change the fate of your waterways. First, support the efforts of organizations like Jefferson County Farmers and Neighbors, Iowa Citizen for Community Improvement, and other groups who are fighting factory farms and have the expertise and ability with your help to change public policy.

Second, ask the DNR to start issuing federal CWA permits to factory farms that pollute your waterways. If the DNR continues to shirk its responsibility, citizens have a couple of options under the Act. They can sue polluters directly or they can petition EPA to withdraw DNR’s ability to implement and enforce the CWA. This strategy has been used successfully in other states to stop factory farms from discharging their waste and to force them to comply with laws that have been on the books for decades.

Finally, write to your Congressional representatives and ask them to oppose legislation that exempts factory farms from complying with our laws that are intended to protect our waterways. Currently, some members of Congress want to make it even easier for factory farms to pollute the waters of rural America by weakening federal reporting and right-to-know laws for these operations. They need to hear from you and not just the lobbyists for big agriculture.

*Michele Merkel is the Chesapeake Regional Coordinator for Waterkeeper Alliance, coordinating and supporting the activities of 15 Waterkeeper programs in the Chesapeake and Coastal Bays. Prior to joining Waterkeeper, she was Senior Counsel and co-founder of the Environmental Integrity Project. At EIP, Michele was responsible for litigation and policy issues under the Clean Water and Air Acts, focusing on industrial livestock production and municipal sewage issues. She previously served as an attorney for the EPA and also was General Counsel for the Upper Chatthoochee Riverkeeper. Michele received her law degree from Tulane University School of Law and holds a Bachelor of Science biology degree from Lafayette College.*



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**Used by many farmers and neighbors in Jefferson County**

## **JFAN'S GOOD NEIGHBOR GUIDELINES**

Available online at  
[www.jfaniowa.org/GoodNeighbor-Guidelines.htm](http://www.jfaniowa.org/GoodNeighbor-Guidelines.htm)

A downloadable Word version is also available at  
[www.jfaniowa.org](http://www.jfaniowa.org)

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### **ECONOMIC REALITY** *continued from p. 1*

smaller, non-confinement operations are more efficient than are the larger confinement operations.

State universities that have maintained swine record systems over the years have shown consistently that smaller "well managed" hog operations are more efficient and have lower production costs than do "average" mega-sized hog operations. Typically, the most-efficient one-third, sometime up to one-half, of smaller operations is shown to be more efficient than are "average" mega hog operations.

For example, Iowa Swine enterprise records for 1995 showed that the average cost per hundredweight (cwt) for mega operations was \$39.67. However, the cwt for the most efficient smaller Iowa producers was \$33.06, and the cwt of the top one third of smaller operations was \$36.07. The average for all small hog operations was \$40.53, barely \$1 cwt more when compared to the \$39.67 average of the mega operations.

The element of truth supporting the efficiency myth is that mega operations tend to be more "consistently efficient." Thus, mega operations, in general, may be more efficient than the "least efficient" one-third to possibly one-half, of all smaller operations. Larger operations are able to survive and make profits at price levels that will drive these "less-efficient," smaller producers out of business.

The smaller operations that are already more efficient than CAFOs have opportunities to become even more efficient in the future, through more effective management. A major obstacle for smaller producers today is the lack of encouragement and support from the *agricultural establishment*. Very little research and extension work has been devoted in recent years to improving the efficiency of non-confinement livestock operations.

Hoop house operations are the latest technological competitor with confinement hog operations. A North Dakota study indicated a net return per pig of \$33.19 for the hoop house system, compared with \$31.84 for hogs produced in confinement and \$30.99 for hogs produced in outdoor pens. Livestock Enterprise Budgets for Iowa for 2003 show a breakeven selling price for farrow-to-finish hog operations "on pasture" of \$43.56 compared with a breakeven selling price of \$43.60 for farrow-to-finish op-

erations in "total confinement."

The bottom line of these comparisons is the economic efficiency is not significantly different among confinement, hoop house, or pasture based systems of hog production. Individual management ability has a far greater impact on efficiency and profitability than does the type of system. There simply is no compelling economic efficiency advantage for large-scale CAFO operations.

So why do some farmers choose CAFOs instead of hoop house or pasture systems? Primarily because CAFOs are easier to manage, and thus, each producer can manage more hogs. If a confinement producer can produce and sell more hogs, he or she can make more profits in total, even if the profit per hog sold is no more, or even less, than profits for hogs produced in non-confinement systems.

### **Do we need CAFOs to satisfy consumer preferences?**

No! Any cost advantage that consumers might enjoy from lower returns to management at the production level are minimized by the fact that more than eighty-percent of the total cost of retail is accounted for by costs of processing, distribution, packaging, advertising, etc., and only twenty-percent represents the costs of the live hogs.

Thus, a \$2 to \$4 per cwt lower return to management for confinement hog producers translates into only \$0.40 to \$0.80 cents per pound for pork – less than a penny on each dollar spent for pork in the supermarket. This seems rather little compensation for the consumers' loss of choice, of sovereignty, in the market place.

Communities who welcome CAFOs to their area will only exacerbate the problems of decline in family farms and rural economic decay. For example, the number of hog farms in the US dropped from almost 700,000 to less than 100,000 between 1980 and 2002, the period during which CAFOs largely replaced diversified family hog farms.

Obviously, the trend toward more CAFO operations has been a primary cause of this decline in family hog farms. How can still more CAFOs, be considered as a logical solution to the problem?

The fact of the matter is that CAFOs are an integral part of a corporately controlled

**ECONOMIC REALITY** *continued on p. 12*

# GETTING THE BALL ROLLING AT THE STATE HOUSE

## A 2007 LEGISLATIVE SESSION SUMMARY

### BY MICHAEL MCBURNIE

*CleanUplowa.org, a political action committee spearheaded by Michael McBurnie and Bruce Grady, kicked up some dust at the State House during the 2007 legislative session. Along with other grassroots organizations, they helped to move ahead new legislation calling for greater CAFO regulation. While none of the bills passed, several did make it out of committee and will be active bills in the January 2008 legislative session.*

*Through intensive lobbying, coordinating with other grassroots organizations, strategically placed advertisements, and citizen participation, groundwork was laid for revisiting the CAFO issue on a larger scale next year.*

*The following is a legislative summary by Michael McBurnie, who worked fulltime for several months trying to initiate changes to protect the 99% of Iowans who don't own or operate CAFOs.*

The 2007 session ended with no conclusion to the livestock debate. HF 873 (see below) was stalled in the House Ways and Means Committee. Several meetings took place between the House and Senate leadership and the Governor's office, but they resulted in no action.

We did make progress in pushing the urgency of the livestock issue and got two bills passed out of legislative committees. It is rare for legislation to pass through a committee in either the House or Senate that is not supported by Farm Bureau and other organizations that are opposed to more controls on livestock siting. In addition, there were 25 bills on the tracking list, more than have been introduced in previous legislative sessions.

### Highlights of Several Bills

**SF 550:** The Senate Judiciary Committee passed a bill that would have required a county to appoint a committee to review livestock permit applications and to assist in siting. It retained the state's ultimate authority to permit CAFOs. This bill was placed on the unfinished business calendar

and saw no further action. The final vote in the Judiciary Committee was 8-7, for.

**For:** Kreiman (D), Hogg (D), Dvorksy (D), Fraise (D), Horn (D), Quirnbach (D), Schoenjahn (D), and Warnstadt (D).

**Against:** McKibben (R), Behn (R), Hancock, (D), Hartsuch (R), Noble (R), Ward (R), and Ziemann (R).



Photo:Wikipedia

**HF 873:** After months of development, the House Environmental Protection Committee approved a bill that would have revised CAFO permit siting and manure application. Most significantly, it would have expanded the types of areas that could be protected by a larger setback distance to include high quality water resources, cities with a development plan, and cities designated as a Great Place.

This bill was approved on a party-line vote and was then referred to the House Agriculture Committee. Pressure from CleanUplowa pushed the House leadership to move this bill to the House Ways and Means committee for consideration. It saw no further legislative action.

**Great Places Amendments:** Senator Becky Schimtz and Representative John Whitaker offered amendments on the floor of each chamber to provide for a two-mile separation distance from a city designated as an Iowa Great Place. Senator Schimtz's amendment to the economic development appropriations bill failed 16-33.

**For:** Appel (D), Beall (D), Bolkom (D), Connolly (D), Dearden (D), Dvorksy (D),

Fraise (D), Hogg (D), Horn (D), Kibbie (D), Kreiman (D), McCoy (D), Quirnbach (D), Ragan (D), Schimtz (D), and Warnstadt (D).

**Against:** Angelo (R), Behn (R), Black (D), Boettger (R), Courtney (D), Danielson (D), Dotzler (D), Gaskill (R), Gronstal (D), Hahn (R), Hancock (D), Hartsuch (R), Hatch (D), Heckroth (D), Houser (R), Johnson (R), Kettering (R), McKibben (R), McKinley (R), Mulder (R), Noble (R), Olive (D), Putney (R), Rielly (D), Schoenjahn (D), Seng (D), Seymour (R), Stewart (D), Ward (R), Wieck (R), Wood (D), Zaun (R), and Ziemann (R).

Representative John Whitaker offered an amendment to SF 601, the salaries and standings bill, on the last day of the legislative session. His amendment was offered but ultimately withdrawn as part of a leadership agreement to limit the number of amendments

### Other Successes

CleanUplowa had other successes that cannot be measured by vote counts or by legislation that was introduced. The coordinated strategy was successful in keeping this issue alive much longer than would have happened without our efforts. The ability to utilize professional lobbyists, combined with a media campaign, has drawn attention to the organization and the fact that it intends to be a player on the livestock issue.

The phone calls, emails and visits to the Capitol were an effective partner with the professional lobbyists' daily representation. These efforts highlighted the importance of this issue to CleanUplowa and its members. The ad campaign generated attention in the Governor's office and with legislators. It succeeded in generating phone calls and emails to key legislators and can be credited with helping to keep the livestock issue in play.

### Impediments to Success

Certainly the strong opposition of the Farm Bureau, livestock groups, and agribusiness made our task more difficult. However, the lack of a cohesive and coordinated effort by all groups that supported

legislation to regulate CAFOs made it difficult to develop a statewide message and to generate phone calls and contacts by local constituents in the targeted districts.

For example, residents from Fairfield and Okboji generated most of the calls and letters to the legislators and made up 75% of the attendees who came to the April rally CleanUpIowa organized. Although other groups were certainly involved, our lobbyist, legislators, and even Governor's office felt our general lack of statewide unity greatly weakened our collective efforts.

This is not a problem unique to this legislative session. It is indicative of a larger problem. As an example, the Iowa Mediation Service works about 12-14 livestock-related cases a year. In nearly every case, those who are opposed to a CAFO have multiple reasons for being at the table and generally do not agree among themselves as to what is the best solution.

This scattershot approach follows the issue to the Legislature and makes it more challenging to reach agreement on a vehicle we can all rally behind to ensure passage.

HF 873 was a "heavy" bill with so many changes to current regulations. DNR was lukewarm about the bill. In attempt to solve every problem associated with livestock production, it solved none.

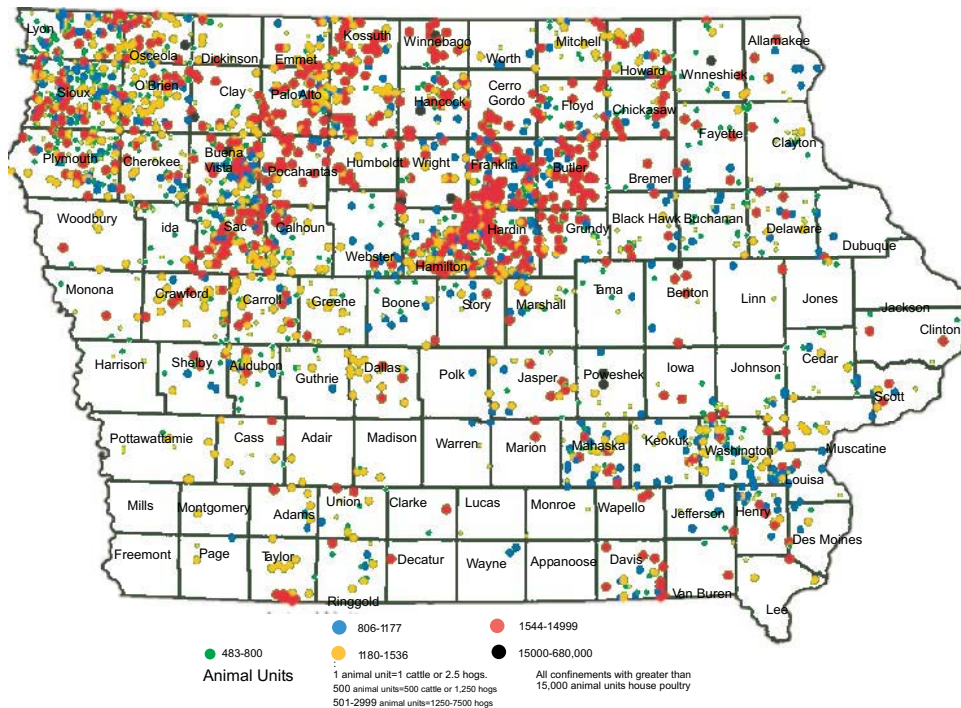
### Moving Forward in 2007 and 2008

This session was very active on environmental issues and should be more so next year. Nearly every bill that we have tracked will be alive in committee next year. We will start the 2008 legislative session with more awareness and with bills already introduced and in the committee process. We have key supporters in leadership roles like Senator Bolckcom and Senator Kibbie, both of who are genuinely interested in resolving this issue to allow for a balanced approach to quality of life and livestock production.

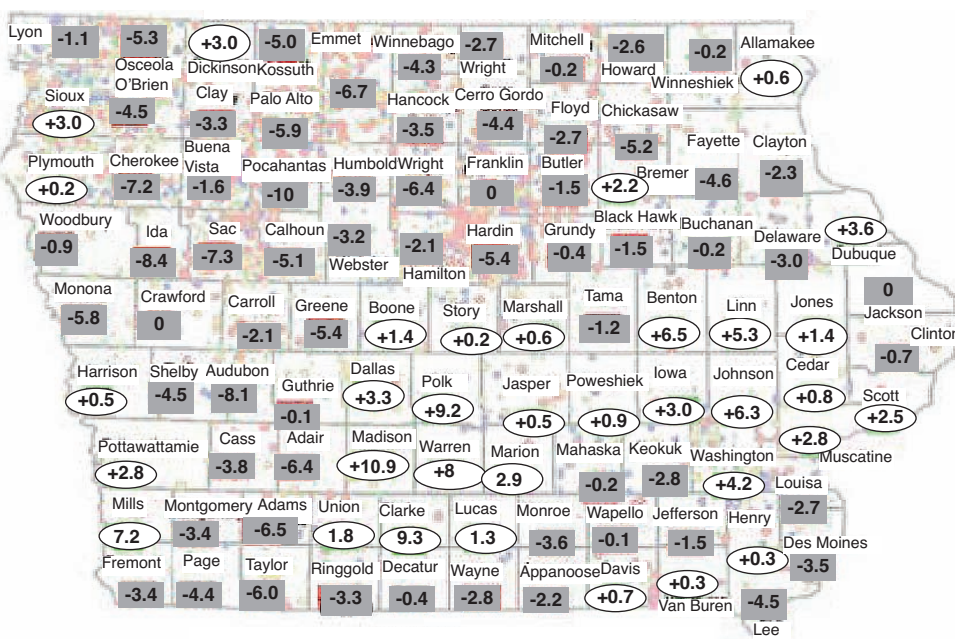
Controversial issues are rarely accomplished in just four months, but take grassroots development, organization, and time to be successful. A coordinated plan and effort that engages Iowans on a statewide basis, combined with the right message, can make a difference. Optimism, with a dash of realism, should guide our efforts as we move forward.

To learn more about the 25 bills that were tracked during this session, visit our website at [www.jfaniowa.org](http://www.jfaniowa.org).

## CAFO PLACEMENT IN IOWA



## COUNTY POPULATION CHANGES IN IOWA 2001-2006 COMPARED TO ANIMAL CONFINEMENT CONCENTRATIONS



Population changes map compiled by Maxwell Rainforth, Biostatistician, Maharishi University of Management Research Institute, 4/07. Map statistics: DNR and *Des Moines Register*, 3/22/07.

# NEWS BRIEFS

## FROM IOWA, THE US AND BEYOND

### Outdoor Pig Production More Efficient

Producing pasture-raised pigs can be more efficient than confinement operations, according to a report from the *British Pig Executive's 2005 Yearbook*. The report found that hogs raised outdoors achieve better feed conversion efficiency rates, higher daily weight gains, and lower mortality. In addition, pigs that pasture outdoors are generally healthier than those confined, with lower medication and vet costs.

Overall financial gains are higher, as well, as hogs raised outdoors command a premium price from buyers. This means better returns and better long-term stability for farmers,

### Gestation Crates Come Under Attack

Ninety-five percent of the 60 million hogs raised in the US are confined. This includes nearly five million sows that are penned in metal gestation crates, in which they can neither turn around nor move.

These tight, 2' by 7' metal cages house breeding pigs for a four-month period. After giving birth, they are re-impregnated and placed back in the crates, enduring up to 10 successive pregnancies before the animals are reproductively "spent." Pigs confined in gestation crates suffer both leg and joint problems along with psychosis resulting from extreme boredom and frustration.

Because of growing public sentiment about how the animals are treated, several companies and government bodies have made groundbreaking changes, moving away from supporting such operations.

- **Burger King**, the world's second-largest hamburger chain, announced in March that it will begin to purchase eggs and pork from suppliers who don't confine their animals in crates and cages. Beginning with purchasing goals of 10% crate-free pork and 2% cage free eggs, they plan to double their purchases by the end of the year. As more farmers begin to use these methods and more competitively priced supplies become available, Burger King says it will continue to increase these

percentages.

In addition, the hamburger giant said it would also favor buying chickens slaughtered more humanely.

Though meat produced with these more humane methods cost more, the chain said it would not raise the prices of their food products.



Photo: Farm Sanctuary

- **Wolfgang Puck**, the celebrity chef with a national chain of restaurants, adopted a comprehensive nine-point program establishing a higher standard for animals used in his menus. This includes eliminating pork from producers who confine breeding sows in gestation crates.

These new policies cover all Wolfgang Puck lines of business including fine dining restaurants, express franchises, catering and events, and consumer products. The company plans to fully implement these new policies by the end of 2007.

- **Smithfield Foods**, the world's largest pork processor, announced in January that it would phase out gestation crates over the next 10 years. The decision was influenced by the concerns of large customers like McDonalds and several supermarket chains.

- Following on the heels of Smithfield Foods, the agribusiness corporation **Cargill, Inc.** announced in April that it would phase out the use of small metal gestation crates. Cargill, the ninth largest pork producer in the country, responded to pressure from the US Humane Society.

Cargill Pork president Dirk Jones said that the company has been moving towards "group sow housing" over the past four years. They said over half of its company-owned and contract production farms have been converted.

Group sow housing allows the hogs to move in a pen and walk around.

- The **European Union** is phasing out gestation crates after the fourth week of pregnancy, with a total ban effective by 2013.

- Strong voter support approved ballot initiatives in **Florida** (2002) and **Arizona** (2006) banning metal gestation crates over the next few years. On June 28 this year, **Oregon** passed a law prohibiting gestation crates on the state's factory farms.

- In March, **US Congress** members Peter DeFazio (D-Ore.) and Christopher Shays (R-Conn.) introduced H.R. 1726, the Farm Animal Stewardship Purchasing Act, which requires animal producers supplying federal programs with meat, dairy, and eggs to comply with a moderate set of animal welfare standards, including not confining breeding pigs in gestation crates. The bill has yet to move forward.

### Iowa River One of Worst Rivers in Country

The Iowa River has been named one of the nation's most endangered rivers according to a report released by American Rivers, a Washington, DC-based conservation group. The organization cites pollution caused by livestock production and communities without proper sewage treatment systems as the reason the Iowa River was included.

According to the Iowa Environmental Council (IEC), some of the largest concentrations of hog confinements in the state surround the headwaters of the Iowa River in Hardin, Hamilton and Wright counties. Many of the river's tributaries in that part of the state have a history of fish kills caused by manure spills.

Bacteria can come from a number of sources, but Susan Heathcote of the IEC says she believes livestock is playing a role because of a history of manure spills into tributaries and a high level of manure applied to croplands nearby from area CAFOs.

### Number of Impaired Waterways Grow in Iowa

A total of 366 waterways in Iowa are impaired, including 135 new water bodies that have been added due to an increase in water and biological monitoring. The list was presented at the May 1 meeting of the Environmental Protection Commission.



“The good news is that most of our impairments are not dangerous or life threatening,” says Rich Leopold, director of the DNR. But, he says, they are “not as good as they could or should be, for the state’s aquatic life and for lowans to drink, to swim in and to play in.”

The largest type of impairment is bio-

logical, resulting in a decline in the types and numbers of aquatic fish, insects, and plants normally present in the waters.

Low dissolved oxygen; siltation or turbid water; indicator bacteria, signaling the potential presence of human pathogens; ammonia; and nutrients were among the top impairment factors.

“One of our biggest challenges is that the majority of pollutants we deal with today are washed off our farm fields, pastures, forests, and urban land into our streams and rivers, said Leopold.

In Jefferson County, no waterways made the impaired list. To see a complete list of impaired waterways, visit: [http://wqm.igsb.uiowa.edu/WQA/303d/2006/draft\\_2006\\_Category-5\\_303d-list.pdf](http://wqm.igsb.uiowa.edu/WQA/303d/2006/draft_2006_Category-5_303d-list.pdf)

### **New Rule Shifts Tax Burden from Corporate Farms to Farmers**

A new Iowa rule on farm assessments will shift a large portion of the tax burden for livestock confinement buildings onto

farmland. The taxable value of farm buildings, including confinements, could be lowered up to 50 percent by 2009, according to an article in the May 6 *Des Moines Register*. This will result in an average farmland tax increase of seven percent statewide.

“When farmers owned the livestock, that kind of shift wouldn’t have had much impact,” said Chris Petersen, Iowa Farmers Union president and a Clear Lake pork producer. “But most of the corporations that own hog confinements don’t own the adjacent farmland anymore. Modern livestock confinements are commercial operations. They should be taxed that way, at a much higher rate than cropland.”

Franklin County farmer Wally Kreimeyer was angered by the rule change. “We simply cannot tack these costs onto farmland and let CAFOs get by with cheaper taxes. Why should we subsidize them?”

## **HELP KEEP JFAN STRONG!**

It is very important for JFAN to receive continued financial support from the Jefferson County community so we can uphold our mission to protect the health, environment, and property values of the county.

Your donations enable us to provide legal grants and educational materials, as well as support organizational efforts to help control the proliferation of CAFOs. Given such critical objectives, we urge everyone to dig deep to help sustain our effort.

JFAN is an all-volunteer organization. Your donations are tax-deductible.

*Thank you for all you can do.*

### **MAIL-IN DONATION FORM**

Please cut out this form and mail it with your tax-deductible donation to:

**JFAN, Inc.  
P.O. Box 811  
Fairfield, Iowa 52556**

**Donation Amount:**  \$25.00 (for JFAN Annual Membership)

\$ \_\_\_\_\_

**Name:** \_\_\_\_\_

**Street:** \_\_\_\_\_

**City/State/Zip:** \_\_\_\_\_

**Phone:** \_\_\_\_\_ **Email:** \_\_\_\_\_

Checks payable to: Jefferson County Farmers and Neighbors, Inc.

### **Donate Online**

To make a credit card donation using PayPal, go to [www.jfaniowa.org](http://www.jfaniowa.org)  
Click on “**What you can do**,” then click on “**Make a Donation**”  
and follow the simple instructions.

### **MAKE A DONATION!**

Please support JFAN with your generous tax-deductible donation. JFAN has been approved by the IRS as a 501(c)(3) tax exempt educational foundation. All donations to JFAN are tax-deductible to the full extent of the law. Please consult with your personal tax advisor about any questions you may have about your donation. JFAN will send out receipts only for donations over \$250.

## ECONOMIC REALITY *continued from p. 1*

food chain, in which producers have no power to bargain for a profit or even for an equitable return on their investment. Even in cases where producer-owned CAFOs are not yet under corporate contract, they soon will be.

As is the case for poultry, and increasingly for hogs, CAFO producers who are not under contract will find they have no markets. And once under contract, they have no bargaining power to negotiate for fair and equitable treatment. In addition, contract producers make none of the important production and marketing deci-



Hogs roam free in an open lot on this sustainable farm.

Photo: USDA

sions, take very little production or market risk, and thus, have little opportunity to realize profits. They are hog house landlords and contract “janitors,” but certainly are not farmers, in any traditional sense of the occupation.

### Since we don't need CAFOs, what do we need?

We need to develop an animal agriculture capable of equitably meeting the needs of all people of the present while leaving equal or better opportunities for those of the future. We need a sustainable animal agriculture. A sustainable agriculture must be ecologically sound, socially responsible, and economically viable.

An agriculture that degrades or destroys its ecological environment or its natural resource base cannot maintain its productivity over time, and thus, is not sustainable. An agriculture that fails to meet the needs of people – producers as well as consumers, the poor as well as the affluent – will not sustain society, and thus, will not be sustained by society.

And, an agriculture that is not at least periodically profitable is not financially viable, and thus, is not sustainable – no matter how ecologically sound or socially just it might otherwise be. Ecological integrity, social responsibility, and economic viability are all essential for sustainability.

Some examples include:

- **Patchwork Family Farms** is a marketing organization comprised of 15 independent family hog farmers who market to local customers in mid-Missouri. ([www.patchworkfamilyfarms.org/ogs.html](http://www.patchworkfamilyfarms.org/ogs.html))

- **New Seasons Market** operates four food supermarkets in the Portland, Oregon area. These locally owned and operated stores feature locally produced foods that are labeled to identify the farmer who produced them. ([www.newseasonsmarket.com](http://www.newseasonsmarket.com))

- **Good Natured Family Farms** is a cooperative made up of 30-some farmers in southeastern Kansas and southwestern Missouri with a commitment to supporting local farmers and providing their customers with fresh, natural, local foods.

([www.goodnatured.net](http://www.goodnatured.net))

These are just three examples from many that could be cited of various means by which sustainable, locally produced foods are being marketed to growing numbers of discriminating customers through high-volume market outlets. The Farmers Markets, CSAs\*, and other direct market outlets will continue to evolve and will become increasingly important in many areas.

Increasingly, however, the farmer-eater connection will be made through high-volume market outlets, with the chef or market manager serving as the farmers' agent in forming and maintaining meaningful connections between farmers and eaters.

The next logical step will be to develop more complete local food systems, and then, networks of local food systems, connecting sustainable local food systems all across nations and around the world. Niman Ranch represents one approach to developing such a network. ([www.nimanranch.com](http://www.nimanranch.com)).

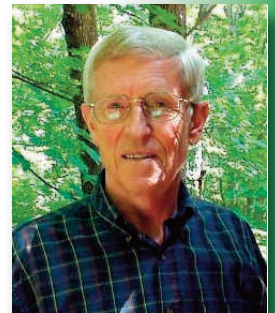
Organic Valley is a farmers' cooperative that markets “high quality, strictly organic products to all 50 states and Japan, and to a variety of manufacturers looking for organic ingredients.” ([www.organicvalley.coop](http://www.organicvalley.coop)).

We don't need CAFOs to produce our meat, milk, and eggs, and we don't need a corporately controlled global food system to feed the world. Instead, we need a global network of family farms, independent local food retailers, local restaurants that buy from local farmers, and discriminating food customers who are linked by their commitment to the principles of sustainability. The key to the future of farmers, viable rural communities, and good food for all people are all the same – a new global network of sustainable local food systems, linked by relationships of integrity.

(The full version of this condensed article, with references, can be found at <http://web.missouri.edu/~ikerdj/papers/Kellogg-Taho-CAFOs.htm>)

\* Community Supported Agriculture (CSA) is a system in which consumers support a local farm by sharing in the financial risks and bounty of the harvest. CSA members pay in advance for agricultural products and receive a portion of the farm's weekly harvest. In a good year, members receive a large selection of food, while in a bad year, the harvest may be less. Members usually have the option to visit and/or volunteer at the farm.

*Dr. John Ikerd, Professor Emeritus of Agricultural Economics at the University of Missouri, Columbia, has enjoyed a 30-year academic career at four major Land Grant Universities. He has*



*served as Missouri state co-coordinator of extension programs in sustainable agriculture and as project leader for a three-state, five-year program, funded by the W.K. Kellogg Foundation, that linked sustainable agriculture and sustainable community development. He has authored two books, **Sustainable Capitalism** and **A Return to Common Sense** and has received many honors for his work in agricultural economics.*