



June 11, 2025

Erin Healy
Director, Standards Division
National Organic Program
USDA-AMS-NOP

Docket: AMS-NOP-22-0063

RE: Proposed Recission of Market Development for Mushrooms and Pet Food – Sign-On Letter from Organic Livestock Producers and Businesses using Livestock Products

Dear Ms. Healy,

As organic livestock producers and businesses that raise or use organic animal products across the United States, we write to express our strong opposition to the proposed rule rescinding the *Market Development for Mushrooms and Pet Food* final rule published in 2024. This rule was the result of more than 15 years of stakeholder engagement, deliberation by the National Organic Standards Board (NOSB), and multiple opportunities for public input. It provided long-overdue regulatory clarity that allowed organic animal products to be more fully utilized and valued by opening access to the organic pet food marketplace.

Clear standards support fair competition and economic growth. The pet food portion of the rule authorizes the use of organic animal by-products and aligns formulation rules with AAFCO nutritional guidelines. This ensures that certified organic pet food can be nutritionally complete and competitively produced. The pet food portion of these rules are effectively deregulatory by removing restrictions on animal by-products and taurine. Therefore, rescinding them would add regulatory burden and stifle innovation.

The organic pet food market has stagnated, shrinking from \$125 million in 2015 to just \$104 million in 2024 while in this same period the organic sector grew by 200% and the pet food sector grew by 261%. Had these rules been implemented earlier, and if organic pet food had grown at rates comparable to the broader organic or pet food sectors, the market could be worth an estimated \$375 to \$452 million today—representing \$271 to \$348 million more than current levels¹.

For livestock producers, the rule creates a long-overdue opportunity to earn organic premiums for livestock by-products used in pet food. Without a clear regulatory framework, organic livestock by-

¹ OTA's Organic Market Report 2025; American Pet Product Association. 2010: <https://www.petfoodindustry.com/news-newsletters/pet-food-news/article/15454954/appa-releases-2010-pet-industry-spending-figures-2011-pet-owners-survey>; 2024 - <https://americanpetproducts.org/industry-trends-and-stats>



products remain excluded from this growing market. The U.S. pet food industry uses over 6.4 million tons of animal by-products annually with a value of \$8.5 billion². Without access to this market, producers lose out on significant economic value, especially in states with large organic livestock populations such as Pennsylvania, California, Wisconsin, North Carolina, Arkansas, Washington, Indiana, Virginia, and Texas³. Rescinding these standards strips value from our operations and supply chains by denying access to a legitimate organic market for animal by-products.

USDA's Economic Research Service (ERS) has estimated that by-products contribute more than 10% to the total value of a cow⁴. Rescinding this rule eliminates a potential organic price premium for U.S. livestock producers—undermining both profitability and long-term sustainability. It gives an advantage to foreign organic beef suppliers and helps explain why organic beef is the largest organic import by volume, despite the U.S. being a major producer of conventional beef. While the ERS report did not provide similar values for poultry by-products, it is reasonable to assume value is being lost for poultry producers as well.

Organic agriculture succeeds when it has strong, fair, and clearly defined standards. The 2024 Market Development rule exemplifies such regulation in opening new markets while maintaining organic integrity. We respectfully urge USDA to keep the final rule in place and support continued development of organic markets for pet food.

Sincerely,

Alexandre Family Farm
Applegate Farms
Aurora Organic Dairy
Blue Mountain View Farm
Bobbie Baby
Chino Valley Ranchers

CROPP Cooperative | Organic Valley
Danone
Diestel Turkey Ranch
Farmer Focus
Handsome Brook Farms
Lorentz Meats

Maple Hill Creamery
McClelland's Dairy
Riesgraf Farm
Stonyfield Organic
Straus Family Creamery

² Pet Food Production and Ingredient Analysis, March 2025 - <https://www.afia.org/pub/?id=acc22f76-f91e-ba27-3fdd-7cc941cb1c34>

³ Top 10 states for Animal Agriculture totaling \$1.8 billion. NASS Organic Survey 2021 (most recent)

⁴ USDA ERS Where's the (Not) Meat? LDP-M-209-01 Byproducts From Beef and Pork Production:
https://ers.usda.gov/sites/default/files/_laserfiche/outlooks/37427/8801_ldpm20901.pdf?v=70150