

**UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF COLUMBIA**

**ORGANIC TRADE ASSOCIATION**

**Plaintiff,**

**v.**

**UNITED STATES DEPARTMENT OF  
AGRICULTURE, *et al.*,**

**Defendants.**

**Civil Case No. 1:17-cv-01875-RMC**

**DECLARATION OF  
JOHN F. LEE IN SUPPORT OF  
PLAINTIFF'S FIRST AMENDED  
COMPLAINT FOR DECLARATORY  
AND INJUNCTIVE RELIEF**

Pursuant to 28 U.S.C. § 1746 I, John F. Lee, declare:

1. I am an employee of CROPP Cooperative and Organic Valley Family of Brands, an entity that makes and markets certified organic livestock products. CROPP/Organic Valley is an OTA member.
2. I am the Retail Category Team Manager. In my employment, I study market trends regarding certified organic dairy products and eggs.
3. The best available organic market information for the year ending December 31, 2017 demonstrates that the organic dairy sector has stopped growing, and there is an actual downturn. Source: SPINS MULO + Natural Channels data ending 12/31/2017.
4. Data show total organic dairy sales were approximately 2.334 billion dollars in 2016 and 2.330 billion dollars in 2017, a decline of four million dollars.
5. This is only the second annual sales decline in organic dairy products in the past eleven years. The prior decline in 2009 was precipitated by the recession.
6. The sharpest drop in the growth rate in both volume of products and dollars in sales occurred in January 2017 and coincided with the administration's announcement that it would delay the Organic Livestock Production Practices ("OLPP") rule.

- 1 7. Since the announcement of the OLPP delay in January 2017, organic dairy volume has  
2 posted ten periods of negative growth.
- 3 8. Data show total organic shell egg sales were approximately 60.2 million dollars in 2016  
4 and 62.9 million dollars in 2017, a gain of \$2.7 million. The per egg sales contribution  
5 declined from \$0.42 in 2016 to \$0.40 in 2017, resulting in a revenue decrease of \$14.5  
6 million.
- 7 9. Similarly, with the temporary exception of high consumption periods around certain  
8 holidays, the organic shell egg market dollar sales growth steadily declined in 2017 but  
9 has not turned negative yet.
- 10 10. At present, I attribute the decline in egg shell profitability to a rapidly expanding supply  
11 arising from the use of organic production systems that were set to be disallowed under  
12 the OLPP.

13 I declare under penalty of perjury that the foregoing is true and correct.

14 Executed this 13<sup>th</sup> day of February 2018.

15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  


---

John F. Lee  
CROPP Cooperative  
Organic Valley Family of Farms