INTRODUCTION
The California Organic Foods Act (COFA), signed into law in 1990, assured that foods produced and marketed as organic met uniform standards. COFA called on the state of California to develop these standards and regulate the production, processing, handling, and labeling of organic products. As part of the regulatory process, COFA required annual registration of all processors, growers, and handlers of commodities labeled as organic. The California Organic Production Act, signed into law in 2003, continued the registration requirements, brought the CA law into agreement with the federal law, and expanded coverage of the law. The statistics presented here are derived from information provided in the annual registration forms of growers.

The Organic Foods Production Act (OFPA) requires the United States Department of Agriculture to develop national organic standards for organically produced agriculture and to develop an organic certification program. The final regulations for OFPA went into effect in late 2002 at which time products began to use the National Organic Program organic seal on labels. The final rule includes a list of allowed synthetic and prohibited non-synthetic materials as well as labeling requirements.

State registration is separate from, and does not act as a substitute for, organic certification. Registration is regulated by state law while certification is required through federal law. OFPA requires all growers grossing $5,000 or more to be certified by a USDA accredited certifier. There are 14 certifiers active in California. Monterey County and Marin County are the only two public certifying entities.

DATA INTERPRETATION
When interpreting the information presented, the following points should be considered. First, the statistics are based on information as reported to CDFA. Only producing acreage is reported. Land double cropped or multiple cropped is reported only once. Also, land reported as fallow is not included and land reported as producing no sales is not included. Further, only sales from commodities sold as organic are reported to CDFA. This means that organic production sold into the conventional market may not be reported. Finally, the registration information does not reveal whether or not a farm also has conventional production. Therefore, the size of the farm operation is not known from the registration data, only the size of the organic component is known.

SALES ORGANIC COMMODITIES

The total number of registered organic producers in California increased by about 50 per cent between 1992 and 2003, starting at 1,157 producers in 1992 and reaching 1,765 in 2003. However, the number of producers peaked in 2001 at 1,932 growers. It appears that federal rules that went into effect in late 2002 may have influenced organic producers to exit the organic program. It is important to realize that in any given year about 300 growers exit the organic program and a similar number register for the first time. Therefore, the constituent of organic producers is more dynamic than the numbers suggest.

Sales of organic production in California grew since 1992 at an average annual rate of almost 30 per cent. The growth was fairly constant from 1992 until 1999, then slowed in 2000 and 2001, and then took off again. Growth in sales has been both from expansion of existing organic farms and entry of new entities with relatively high sales volume. Produce (vegetables and fruit) still dominate organic sales with 82 per cent of sales in 2003 but growth in livestock and poultry sales are now growing at a faster rate than produce sales.

The acreage also grew at an average annual rate of about 30 per cent from 1992 to 2004. However, to counter the trend in sales, acreage growth was highest in 2000 and 2001 and then leveled off in 2002 and 2003 due to a leveling off in vegetable crop acreage, while growth in all other sectors continued. The implication of equal overall growth in sales and acreage is that overall price premiums for organic products remain constant despite an increase in supply. The increase in acreage and sales at a much faster rate than the number of growers is consistent with the observation that organic farms are expanding and entrants are coming in with sizeable acreage.