



[http://www.wholefoods.com/blogs/jm/archives/2006/06/detailed\\_reply.html](http://www.wholefoods.com/blogs/jm/archives/2006/06/detailed_reply.html)

## Detailed Reply to Pollan Letter

Hi Michael,

Thanks for your recent letter to me. I appreciate the fact that you wrote the letter in an overall positive tone. I want to respond to your letter with an equally positive tone and match your efforts in "constructive criticism." I'll take your letter section by section, with my responses below each section. I will then conclude by writing about some of the new initiatives Whole Foods Market will be beginning very soon, which I hope you'll find exciting. I know that I'm very excited about them.

I'll only say a couple of things as an introduction. One of these is that I'm disappointed that you didn't respond at all to my short section on the history of the organic foods movement and how difficult it was for Whole Foods Market to develop sufficient supply and scale to actually get authentic organic foods into the hands (and mouths) of millions of people. You completely ignored that section. Without Whole Foods Market's pioneering work and without the growth of our stores and distribution centers, it is very unlikely that the organic foods movement would be where it is today. You obviously admire the retail food co-op movement (which I supported myself in Austin prior to co-founding Whole Foods Market), but in fact this movement has never been large enough to successfully grow the organic foods movement. In 2005 the total sales of all the retail food co-ops in the United States combined was only about \$700 million (source—National Cooperative Grocers Association), which was less than 15% of Whole Foods Market total sales that year. The simple truth is that the organic foods movement was largely a fringe movement with the number of adherents numbering only in the thousands before Whole Foods Market came into existence. The year-round supply of organic foods across the United States today consumed by millions and millions of people is in large part due to the success and growth of Whole Foods Market. Why do you not understand or appreciate this truth?

My second disappointment is that you don't comment on the examples we gave of supporting networks and co-ops of small producers and family farms throughout our supply chain. I gave two solid examples in my letter—CROPP for Organic dairy products and Country Natural Beef—but there are many others. These networks and co-ops of small producers and family farms that banded together for distribution and marketing economies of scale are an important alternative to the large scale corporate farms that you find so alarming.

*Last month, John Mackey, the president of Whole Foods, wrote me a letter (also published on the Whole Foods Web site), taking issue with some of the points I have made about his grocery chain—in my book "The Omnivore's Dilemma," in my column for TimesSelect and in some of my public remarks. What follows is my response to Mr. Mackey.*

Michael, just for the record I'm co-founder, Chief Executive Officer and Chairman of the Board of Directors, but not the President of Whole Foods Market. A.C. Gallo and Walter Robb are Co-Presidents of the company.

*June 12, 2006*

*Dear John Mackey,*

*Thank you for your letter, and for the time you spent with me in Austin last month. I was delighted to have a chance to meet and to learn more about Whole Foods. Thank you, too, for the \$25 gift certificate, which more than makes up for the \$6 I spent on the disappointing Argentine organic asparagus. Though I know you are troubled by some of the critical things I have written and said publicly about Whole Foods, it was clear from our conversation that we agree about a great many things, including our concerns about the future direction of organic agriculture. Since you are in a position to do much to shape that future, that cheers me no end.*

*I want to take this opportunity to address some of the points you made in your letter, and to pose a few of the questions that it begs. I hope you will take my remarks in the spirit in which they are offered - as constructive criticism of an important institution that can do much to advance what you call the "reformation" of the American food system, something we both want.*

*Let me start by explaining why I did not seek to interview anyone from Whole Foods for my book, which you imply in your letter represents a journalistic lapse. (You should know I have interviewed people from the company several times in the past, particularly in connection with an April 2001 story I did for The New York Times Magazine "Naturally," for which I interviewed Margaret Wittenberg. Over the years I have also interviewed several store employees of Whole Foods and a great many of its suppliers.) For the purposes of "The Omnivore's Dilemma," I approached Whole Foods less as a journalist than a consumer, since my goal was to capture how the store represents itself and the food it sells to a typical shopper: the signs and displays, the brochures, the labels, the photographs on the walls. Admittedly, this is not a systematic way to describe a supermarket chain-it depends on the sample of stores I visited and what they happened to be selling on any given day. It could be you have stores that sell substantially more local food than the stores I observed. But the fact remains that what I observed I observed, and that is what I wrote in the book. Nothing in your letter leads me to believe my account of what you sell in my local Whole Foods or the farms it comes from is inaccurate.*

It is difficult to discuss this with you here, Michael, because you are falling back upon your own subjective experience as your only reference point. I want to point out, however, that we never merely "observe what we observe." We bring to our observations our expectations, beliefs, biases, and world views, and these serve as perceptual filters that tremendously influence our observations. One of the main purposes of my letter to you was to try to get you to examine some of your biases and beliefs about Whole Foods Market that may be filtering what you are actually observing about us. If you come into our stores (or anywhere else) looking for what you don't like, it is all-too-easy to find it.

With all due respect, Michael, I also think your response here is pretty weak because the fact is that you didn't try to contact us. I think if you are going to criticize us publicly to hundreds of thousands of people and are going to compare us unfavorably with Wal-Mart, then you at least owe us the courtesy of talking to us first and hearing our side of the story. You certainly spent plenty of time talking directly to Joel Salatin for the book and didn't approach him as simply an innocent "consumer." Quite the opposite: you went and lived at his farm for about a week. That kind of first hand knowledge and experience is the essence of good journalism in my opinion and I think Whole Foods Market also deserved to be treated fairly and with respect.

*I do appreciate your offer of journalistic access and "transparency," though you may be interested to know that other journalists have not found you and other Whole Foods executives to be so accessible in the past. When researching his important new book "Organic, Inc.," Sam Fromartz was turned down in*

*his effort to arrange an interview with you. He was told (in an email from Amy Hopfensperger): "... we do not grant interviews for book requests at this time for several reasons. With the explosive growth in the organic and natural food industry and Whole Foods Market's position as the leader in this industry, we are not interested in leaking any competitive information that may benefit our competitors." I would hope this does not accurately reflect your feelings about talking to journalists, and to judge from my recent contacts with you, it does not. Transparency at every level is critical to reforming the food system.*

Regarding Sam Fromartz, there is a misunderstanding here that I believe I can clear up. Whole Foods Market is very open to journalists who are writing stories in newspapers or magazines or doing radio or television shows about our business. This accessibility has resulted in several thousand stories in every kind of media about the company. However, Whole Foods Market hasn't been very open to book authors in the past primarily because until Sam Fromartz, no author had ever approached us about writing a history of the organic or natural products industry. Instead, each year we are approached by several dozen business book authors who want to write in detail about our management methods, company culture, and/or strategic direction. We've almost always turned down these types of book requests since we believe our management, culture, and strategy are important proprietary information that we are not eager for our competitors to get hold of. However, in fact, we actually did work with Fromartz to some extent as both Margaret Wittenberg, our Vice President of Quality Standards, and David Smith, our Vice President of Marketing at the time, did talk with him while he was researching his book. He therefore wasn't shut out from access to all of Whole Foods leadership, although I didn't personally talk with him. By the way, I read Fromartz's book, *Organic, Inc.*, which I thought was very good, and I wish now that I had personally met with him.

We also cooperated with Peter Singer in his latest book, *The Way We Eat: Why our Food Choices Matter*. Peter was able to interview me directly because I greatly admire him and am indebted to him for helping to wake me up to the reality of animal suffering (he is probably more responsible than anyone else for my vegan diet). I've talked to our PR team about this and we will be open in the future to granting interviews to authors writing about the natural or organic food industries. We will still not be accessible to business book authors, however, for the reasons I mentioned above. In any case, if you had approached Whole Foods Market for an interview with me it would have been given. Why? Because I loved your book *The Botany of Desire* and would have given you the interview just to meet you and talk about food. This is the same reason I gave Peter Singer the interview. Both you and Peter are aligned with many of my values and I want to support both of you with your work. It is as simple as that.

*I confess I am of two minds in deciding how to respond to the substance of your letter: whether I should attempt to cast doubt on your claims that Whole Foods wholeheartedly supports local, artisanal, and grass-based agriculture, or whether to simply applaud and encourage your inclinations in that direction. I take heart in the fact that you feel compelled to defend a commitment to these forms of agriculture, not only because I share it, but because you are in as strong a position as any individual in America today to help rebuild local food chains and build a market for pasture-based livestock farming. I don't need to tell you how important these two things are - or that the survival of local agriculture is critical to preserving farmland near America's metropolitan areas; to reducing our consumption of fossil fuel (17 percent of U.S. fossil fuel consumption goes to feeding ourselves); and to making the food system better able to withstand threats, whether from pathogens or terrorists (or both). The decentralization of the food system is not just a matter of sentiment or political correctness but of national security. Further, as we discussed, grass farming represents one of the most encouraging*

*trends in American agriculture today, holding out great promise for improving the health of the animals, of the American land, and of the American consumer.*

*Yet, to be perfectly candid, I have trouble squaring some of your claims of support for local agriculture with what I see when I shop at Whole Foods. I see more signage about the importance of local produce than I see actual items of local produce. You write that 45 percent of your suppliers are local, i.e. located within 200 miles of the store - an impressive statistic, but perhaps a misleading one. Given the concentration of organic produce in a tiny handful of corporate hands (with Cal-Organic/Grimmway and Earthbound dominating the market nationally), it's not surprising that you would have a relatively high number of local suppliers among your vendors – since just two of those vendors could supply the great bulk of your produce sales. The more telling statistic would be this: As a percentage of sales (rather than of vendors), how much of the produce sold at Whole Foods is produced locally? My guess is that number is considerably lower than 45 percent, even if you count Cal-Organics and Earthbound as "local farmers" in California, a claim that strikes me (and would probably strike them) as a stretch. Leaving aside food miles, these are not the sorts of corporations most people have in mind when they talk about local agriculture.*

Since you've already shared that your personal observations are the only basis for assertions about Whole Foods Market's support of large industrial organic producers, let me restate some of the statistics I provided in my previous letter: "Of our top 150 suppliers/brokers in the produce category, 22% of our purchases are from large corporate farms and 78% are from independent and family farms (some of these smaller farms pool together under one brand name to help improve marketing and distribution). 60% of these 150 suppliers grow organically, and/or represent growers who do so." In addition, Whole Foods Market is currently doing business with over 2,400 independent farms. My point in reiterating these statistics is to hammer in one very important point about Whole Foods Market: we buy from a variety of organic farms-some are very large such as Grimmway, some are very small, and the great majority is someplace in between. Both your and Fromartz's books over-emphasize the growth of the larger organic farms and mostly ignore the 2,400+ smaller and middle sized farms that Whole Foods Market does business with. In almost any vibrant distribution system, some of the producers are going to be substantially larger and more successful than most others. This is the normalized pattern we find in every growing business system, but this doesn't mean that only a few companies monopolize the organic produce industry. They certainly don't as their relatively small 22% share of Whole Foods Market produce business clearly proves.

Your letter to me, however, does raise some interesting questions about scale that your book never addresses: when is a farm too large to be considered "small?" How far can food be transported before it is no longer considered "local?" How much machinery is a farm allowed to use before it becomes "industrial" (and therefore no longer "good")? Your book doesn't hesitate to assign heroes and villains to a very complex story, but unfortunately it never defines its terms so the reader is left wondering when a hero slips over to the "dark side" and actually becomes a villain. In your book and the various interviews I've read and heard, Earthbound seems to be "guilty" of successfully growing to become a large "industrialized corporate farm." At what point in their growth did they cross over? At what point is big too big? In point of fact, however, Earthbound is not quite the large monolithic industrialized organic farm that you portray it as being. Earthbound buys its product from 185 organic farms of varying sizes and consolidates this diverse group of farms together under one brand and one distribution system. This greatly lowers marketing and distribution costs and makes organic greens more affordable for millions of people. Isn't that a good thing? When exactly does the use of machinery or input substitution cause an organic farm to become an "industrial organic farm?" How many different crops must it grow, and how many different animal species must be integrated into the farm, before it is considered a polyculture

farm? Do you also believe that being a corporation is inherently a bad thing? In your book, Joel Salatin is portrayed in heroic terms. How large and successful could he become before he was no longer a hero in your book? If his farm became a corporation, took in investment capital, and successfully grew, would it no longer be ethically good in your opinion?

Speaking of Salatin, while I find many things that he is doing to be very inspirational, there are other practices of his that deserve criticism, especially regarding animal welfare. A Whole Foods Market animal compassion representative has visited his farm and was disturbed by some things that he observed. In addition, Singer and Mason's new book offers the following criticism of some of Salatin's practices:

"But is Polyface really such a good place for animals? Rabbits on the farm are kept in small suspended wire cages. Chickens may be on grass, but instead of being free to roam, they are crowded into mobile wire pens. A review of sustainable poultry systems by the National Sustainable Agriculture Information Service noted that with Salatin's pens: 'The confined space inside the pens makes bird welfare a concern' and the crowding 'can lead to pecking problems,' because the birds lower in the pecking order cannot run away. Out of five sustainable poultry systems investigated, the mobile wire pens were placed last for animal welfare, with a 'poor to fair' rating. Herman Beck-Chenoweth, author of *Free Range Poultry Production and Marketing* and a poultry producer himself, calls Salatin's way of raising chickens 'a confinement system with a grass floor,' adding that although it is a big improvement over the broiler houses used by companies such as Tyson and Perdue... it is a confinement system just the same." (*The Way We Eat: Why our Food Choices Matter*—Peter Singer and Jim Mason p. 255-256).

*After visiting a great many large organic farms to research my book, many of them your suppliers, it seems to me undeniable that organic agriculture has industrialized over the past few years, and that Whole Foods has played a part in that process—for good and for ill. (Sam Fromartz's "Organic Inc." demonstrates as much, as I think does "The Omnivore's Dilemma," especially in Chapter Nine.) Big supermarket chains will naturally find it easier and therefore more profitable to buy from big farms selling lots of one thing. This is the way of the world, or at least of capitalism. And as I tried to make clear in my account of the organic industry, much is gained when organic gets big; I offer the story of Earthbound Farms as a positive case in point. The water and soil in California are in far better shape because of large-scale organic farms like Earthbound, as you point out in your letter. (The statistics you cite in your letter speak eloquently to this point.) But surely we can recognize all these important gains without turning a blind eye to the costs: the sacrifice of small farmers and of some of the founding principles of organic farming (its commitment to polyculture, for example; to "whole" rather than highly processed foods; to social and economic sustainability, etc.)*

*We both know other executives in the organic industry who accept these trade-offs as inevitable and necessary. They call themselves realists, and believe that those of us who regret the passing of local organic agriculture and the founding values of the organic movement should just get over it - that the organic Twinkie or organic Coca Cola is good news for the environment, case closed. You obviously don't feel this way. Your letter and our conversation make clear that you care deeply about the values behind the organic movement, that much more is at stake here than pesticide residues. That's why I would rather not get into an argument about "how local are you." What I would much rather do is applaud you for carrying however much local food you carry, and to urge you to make it possible for your stores to carry much more.*

If people freely choose to eat Twinkies or drink Coca Cola, then I would prefer that they be organic for the very reason that you listed above—it's better for the environment. Regarding carrying more local food, thanks for the encouragement. I agree with you. I'll have much more to say about this at the end of my letter.

*As we discussed, the company's shift a few years ago from "backdoor sales" to a regional distribution system has made it more difficult, if not impossible, for small local farmers to sell directly to individual Whole Foods stores. For some farmers, this may be a boon as you suggest, but for the many Bay Area farmers I have spoken to, it has shut them out – they don't grow enough to supply a distribution center, or the centers are too far from their farms. You write that all of your stores are in fact free to buy locally, which I was surprised and delighted to hear. I hope you'll take steps to encourage them in that direction. I have interviewed dozen of organic farmers for whom selling to Whole Foods over the years has been critical to their success; for what it's worth, they feel much less welcome since you moved to the regional distribution model. Which leads me to my next question: is there anyone, at the regional level, charged with the specific mission of locally sourcing as much food as possible? And do Whole Foods buyers have the authority to pay a premium for local produce, in the same way they now routinely pay a premium for organic? Such a commitment by Whole Foods to local sourcing – not everything, but whatever and whenever possible – could go a long way toward rebuilding local food systems across America.*

Michael, let me agree up front with you that Whole Foods Market needs to do a better job of helping more local growers sell directly to our stores without going through our distribution center. This is true for the Bay Area as well. I know that over the years some smaller farmers have stopped selling to us and have been frustrated with our Regional Distribution Centers. We should and will do a better job of this in the future because we are making it a company priority. That being said, neither your book nor your letter is fair to Whole Foods Market on this issue. You can always find frustrated ex-suppliers for just about any company in the world and Whole Foods Market is no exception. I think this is another example of your expectations possibly coloring your observations—you are seeing what you expect (want?) to see. Below is a partial list of small local growers that we work with in the Bay area. Some of them sell through our distribution center and some sell directly to our stores.

There are many more growers than this in the total mix, but products from these small- scale growers can be relied on to be present on the sales floor for most of the summer. With the exception of Coke Farm, all these growers deal directly with the regional buyers and/or store buyers.

- Pinnacle Ranch (Phil Foster/Pinnacle, Hollister CA - row crop, onions)
- Capay Fruits and Vegetables (Capay, CA - heirloom tomatoes)
- Ryan O'Shannon Farm (Mike McDowell, Petaluma, CA - strawberries, tomatoes)
- Swanton Berry Farm (Jim Cochran, Davenport CA - strawberries)
- Blue Moon Organic (Greg Rawlings Aptos CA - strawberries)
- Full Belly Farm, Guinda, CA - heirloom tomatoes, melons)
- Hungry Hollow (Jim Durst, Esparto, CA - heirloom tomatoes, melons)

- Wooley Farm (Brad Johnson, Live Oak, CA - melons, eggplant, squash, tomatoes)
- Goldbud (Ron Mansfield, Placerville, CA - peaches)
- Alterra Organics (Mike Milovina Mendocino County - Mendocino blueberries (awesome!))
- T+D Willey (Madera, CA - summer vegetables, tomatoes, row crop)
- Wilgenburg Greenhouse (Hans Wilgenburg/ Fresno CA - tomatoes, cukes)
- Lone Willow Ranch (John Texiera/ - heirloom tomatoes)
- Lagier Ranch (John Lagier, Escalon - grapes, apricots, paige mandarin, boysenberries)
- G+S Farm, (Glen Stonebarger/Brentwood, CA - corn, pluots)
- Happy Boy (Freedom, CA - specialty veg, heirloom tomatoes)
- Two Dog Farm (Mark and Libby Barytle , Davenport CA - dry farmed tomatoes)
- Sadies Farm (JP McDaniel, Aptos CA - tomatoes)
- Molino Creek (Davenport CA - dry farmed tomatoes)
- Coke Farm (Aromas CA)

Growers who sell primarily to the distribution center:

- Jim Durst - Hungry Hollow
- Brad Johnson - Wooley Farm
- Dinesse Willey - T+D Willey
- Phil Foster - Pinnacle Ranch
- Hans Wilgenberg - Wilgenberg Greenhouse
- Glenn Stonbarger - G+S Farm
- Capay Fruits and Veg
- Ron Mansfield - Goldbud
- John Texiera - Lone Willow Ranch (was store direct last year, but has requested to be through the DC this year.)
- John Lagier - Lagier Ranch

- Coke Farm (via WFP)
- Alterra Organics

Growers who are primarily direct to stores:

- Full Belly
- Swanton Berry Farm
- Ryan O'Shannon
- Happy Boy
- Frog Hollow
- Blue Moon Organics
- Knoll
- 2 Dog Farm
- Sadies Farm
- Molino Creek Collective

Whole Foods Market would like to try working again with any of the Bay Area farmers you know who are unhappy with Whole Foods Market and no longer sell to us. Please encourage them to contact our Northern California and Pacific Northwest Produce Director, Karen Christensen, at 415-307-5337 about selling directly into our stores again. You've also got my e-mail address. Please encourage those farmers to contact me directly via e-mail (but don't give my e-mail address out to anyone else, please) if they don't want to talk to Karen. I want to talk to them. Thanks.

*The issues in pastured meat and milk are similar in some ways, different in others. I was pleased to hear you speak of the importance of grass in both beef and milk production, and applaud your efforts to push the organic dairy industry to make grazing mandatory and reject the organic feedlot model. The story in beef is more complicated. I recognize the economic advantages of sourcing grass-fed beef from overseas; it is a commodity in New Zealand while still an artisanal product here. Yet Whole Foods' commitment to developing an American grass-fed meat industry would have such a profound impact, both on the environment and the welfare of the animals, that I would urge you to take a broader view of the matter. I am not, contrary to what you might think, an absolutist on local food. I recognize that there are times and cases when supporting local agriculture in other countries is the best way to go; Slow Food calls it "virtuous globalization" when the power of a global market can be used to defend an endangered local food or food culture. But that's not what's happening in the case of grass-fed beef.*

*To build a viable grass-fed beef industry in America would do so much for the land -not just remove the insult of chemicals and ruinous commodity crop production, but also actually restore the land to health. It would also do wonders for the health and happiness of millions of America cattle that now live in*

*misery on feedlots, and encourage farmers to convert cropland back to grassland. I also believe that, by organizing a national supply chain based around regional differences in the season that grass-fed meat should ideally be harvested, Whole Foods could develop a 12-month national supply of fresh, high-quality domestic grass-fed meat. True, the meat would not always be local, but the local effect, as the source of it shifted from one region to another over the course of the year, would be profound. Whole Foods has the power and know-how to do things in this area no one else can do.*

Michael, we are in complete agreement here. Whole Foods Market could and should do more to support local animal production. We are going to. More on what we are exactly going to do at the end of the letter.

*As you point out several times in your letter, Whole Foods' freedom of action is constrained by the desires of its consumers, who want asparagus in January, fresh berries all year long, convenience foods, etc. I appreciate that you "don't try to channel our customers into adopting any particular dietary regime." And yet your stores - with their extensive information, signage, and well-informed counter help - are clearly in the business of educating people. You are selling information and stories as well as food, which is to say, you have set yourself the mission of leading, not just following, the consumer. Any retailer can treat the consumer as a dumb beast that wants what we wants when we wants it - appealing to the narrowest conception of our self-interest. Such an approach to the consumer has done much to create the debased industrial food chain we now have - the "pile it high and sell it cheap" philosophy that ramifies up and down the food chain, degrading the land, emiserating the animals, and making us fat and sick. But as Whole Foods recognized before many others did, there is another consumer being born out there, one who takes a broader view of his interests, understands that spending more on higher-quality food is worth it on so many levels, and who treats his food purchases as a kind of vote for a better world. You have helped to create that new consumer, educating him about organics and persuading him to spend more for better food-something we will have to do if the food system is ever to be put on a truly sustainable footing.*

*In the same way we now need (as you pointed out in our meeting) to raise the bar again on American agriculture, we need to raise it on the American eater too, teaching him about the satisfactions (and nutritional benefits) of eating in season, from his locality, and from a food chain based on grass rather than corn. I think we agree that this is where the "reformation" now is headed; you are in a position to lead rather than to follow it there. To do so is also, I daresay, in your company's self-interest: as competitors like Wal-Mart and Safeway move into selling industrial organic food, Whole Foods can distinguish itself by moving to the next stage, doing things they can't possibly do. "Local" surely is one of those things: and your buyers already know exactly how to do it. All Wal-Mart knows is how to source industrial organic food from China.*

You are absolutely right here, Michael, and your message is very inspirational. Thank you.

*After spending time with you and reading your letter, I've wondered if perhaps I did, as you imply in your letter, present a unfair caricature of Whole Foods in "The Omnivore's Dilemma," suggesting a store where organic, local and artisanal food is just window dressing to help sell a much more ordinary industrial product. Indeed, nothing would please me more than to conclude I owe you and the company an apology. I'm not quite there yet. But I sincerely hope you will prove my portrait of Whole Foods wrong, that the company has not thrown its lot in with the industrialization, globalization and dilution of organic agriculture, but rather stands for something better. For my own part, I stand ready to write that apology, and look forward to doing it.*

Michael I'm not looking for an apology from you. Who cares about that? That's just ego stuff. Just as you are trying to "wake me up" to the importance of local food, I'm trying to "wake you up" to the fundamental integrity of Whole Foods Market and our company commitment to our core value of "selling the highest quality natural and organic foods available." While I don't share your fear of globalization of the food supply, I do share your commitment toward helping promote local foods. I will say, however, that buying only local foods may be good for local farmers, but it can also be devastating to poor farmers all over the world who need to sell their products to the developed world to help lift themselves out of poverty. A strictly local foods philosophy is not a very compassionate philosophy. As Singer and Mason write in their new book, "keep your dollars circulating in your own community is not an ethical principle at all. To adhere to a principle of 'buy locally,' irrespective of the consequences for others, is a kind of community-based selfishness" (Singer and Mason p. 141). Whole Foods Market intends to continue to buy quality natural and organic foods from around the world, because our customers want us to and because doing so helps support some of the poorest economies in the world. You may not have liked those organic asparagus from Argentina very much, but Argentina is not a wealthy country (ranking only #65 in GNI per capita at \$3,720 versus \$41,400 in the USA-source: The World Bank, 2004) and helping their farmers to sell organic foods is very beneficial to them. Do you not feel any ethical obligation to help poor people around the world? What better way to help them, than to be willing to buy their agricultural products? Argentina isn't able to sell us automobiles or jet planes or computers, but one thing they can sell us is organic asparagus. If we don't buy their organic asparagus then how are they going to be able to afford to buy iPods from Apple, computers from Dell, or books from Michael Pollan? (You aren't just restricting your books for sale only locally in Berkeley are you? Why not? After all, lot's of fossil fuel gets used distributing books across the U.S. and the world.)

Organic farming is spreading rapidly all over the developing world and it is doing so primarily because there is a huge U.S. market that wasn't there before Whole Foods Market's successful growth helped create it. Organic farming is very, very good to the small poor farmer in these countries for several reasons:

- Over-population and the consequential over-working of the small farms have really depleted the soil, and organic farming is beginning to help bring that soil back to health. As we both know, the health of the soil is essential to long-term sustainability of every farm.
- Organic foods pay much better to developing world farmers than conventional farming does, with premiums as great as 100% for growing organically. These higher prices for organic foods are currently helping raise the standard of living for hundreds of thousands of poor farmers around the world. If organic continues to grow and spread, then eventually it will help millions of developing world farmers lift themselves out of poverty.
- Small farmer poisoning due to pesticide applications is a very big problem all over the developing world; the U.S. organic foods demand has saved countless farmers from illness or death due to pesticide poisoning. Sickness and the death of the (mostly male) developing world farmer is a leading cause of poverty.

Michael, I agree that Whole Foods Market could and should do more to promote local agriculture, while simultaneously supporting global organic foods. We have a responsibility to take a leadership role to promote more local agriculture. This has really become clear to me the last couple of years as we've been developing our animal compassionate standards. We haven't found very many of our existing

animal food suppliers really willing to convert over to more animal compassionate methods. We've come to realize that we are going to have to create an alternative animal compassionate system from the ground up and we're going to need to do it on a local basis market by market all across the United States.

In my first paragraph of this letter I promised to tell you about some exciting new initiatives that Whole Foods Market is launching. So here goes:

1. We've hired our first animal compassionate field buyer, Andrew Gunther, who is going to work exclusively on developing sources of animal products that meet our new strict animal compassionate standards. Andrew is well qualified for this post as he has owned and managed a very successful organic farm in the U.K. and has pioneered animal compassionate methods on his farm for chickens, ducks, turkeys, beef cattle, and pigs. Andrew is a knowledgeable and passionate man concerning animal welfare. We're lucky to have him working with us. All of Andrew's initial animal compassionate suppliers will be relatively small in scale. If you check out our [animal compassionate standards](#) you will see that the standards have specific provisions requiring access to pasture (going beyond the current organic standards regarding pasture). Pasture is not optional in these standards but is one of the core values. If you know of any animal compassionate farmers (including 100% grass farmers) interested in selling to Whole Foods Market, please have them contact Andrew at [Andrew.Gunther@wholefoods.com](mailto:Andrew.Gunther@wholefoods.com).
2. Whole Foods Market is changing the job responsibilities of our Regional Buyers to focus more on sourcing local products for their stores.
3. We have set up an annual budget of \$10 million to promote local agriculture (especially animal agriculture) wherever we have stores through long-term loans at low rates of interest. Select Regional and Store Buyers will be empowered to extend these loans to help support smaller scale agricultural entrepreneurs. This money will be used to help local producers of grass fed beef, goat milk dairies, organic pasture based eggs, animal compassionate dairy cows, chickens, turkeys, sheep, pigs, etc. Some of the money will also be used to help support local vegetable farmers as well. It is Whole Foods Market's intention to help finance local agriculture all over the United States. We are going to "walk our talk" with financial support for local, small scale agriculture. We are inspired by the initial success of our [Whole Planet Foundation's](#) work with micro-credit loans in developing world communities that we trade with. We see that these small loans are making a huge difference in the lives of poor people in Guatemala and Costa Rica (with new loan projects being set up in India and Honduras in 2007-and eventually around the "whole planet"). We intend to do a similar thing to support local agriculture wherever we have stores. We believe this financial assistance of \$10 million per year can make a very significant difference in helping local agriculture grow and flourish across the United States and in parts of Canada and the U.K. as well. Each year we will make an additional \$10 million available for loans. Also as the loans are paid back, we will recycle the returned capital back into additional loans. Over time this will result in a very positive and strong multiplier effect on local agriculture.
4. Whole Foods Market is committed to supporting local farmers markets across the United States (and also in Canada and the U.K.). Beginning soon, many of our markets where we have stand-alone stores (no other retailers sharing our parking lots) will close off major sections of the parking lots on Sunday to provide a place for local farmers to sell their products directly to customers. Whenever possible we will work in cooperation with any existing farmers markets. In most cases, our stores have excellent store locations and heavy customer traffic to help these

farmers markets to successfully flourish. This support of local farmers markets is consistent with our stakeholder philosophy since it directly benefits five of our six major stakeholders- customers, team members, suppliers, community, and environment. Also, our shareholders will benefit directly if store traffic increases enough to offset the amount of sales lost to the local farmers, and they will definitely benefit indirectly through increased customer and community goodwill.

5. Our Regional and Store Marketing Teams are now directly responsible for communicating and educating our customers about locally produced products. Some of our Marketers are already doing this, but company-wide we aren't doing nearly enough to tell the stories of our local producers. This is going to seriously improve over the next 12 to 24 months.

*I also look forward to continuing this dialog, and to following Whole Foods progress. Here's to the "reformation"!*

*Yours very truly,*

*Michael Pollan*

I've enjoyed our dialog Michael. "Viva le Revolution!" Take care.

John Mackey

Posted by John Mackey on June 26, 2006

## **Trackback Pings**

TrackBack URL for this entry:

<http://www.wholefoods.com/blogs/mt/mt-tb.cgi/8>