

## Food giants mull how far to push organic

by Aarti Shah

As manufacturers buy green brands, pressure builds to mount more transparent campaigns

Consumers might be surprised to learn the number of organic brands thriving on images of family farms and small-town living that are actually owned by the major food manufacturers. Beloved organic brands like Back to Nature, Cascadian Farm, and Odwalla are owned by food processing powerhouses like Kraft, General Mills, and Coca-Cola - although these affiliations are often not mentioned as part of the organic brands' communications strategy.

Large corporations have quietly acquired pioneering organic brands since the government implemented national organic standards in 2002. Big companies buy organic brands for the loyalty that comes with an established name. However, linking that brand to a large company could threaten the very image that they're paying for. Yet, as organic consumers put more emphasis on transparency and traceability, some experts say the smarter marketing track for these mammoth food processors is to be up front about the brands they own.

"They are trying to play both sides of the fence in many cases," says Phil Howard, an assistant professor of agriculture and recreation at Michigan State University.

He also authored a buying guide that links organic brands to their parent companies, which was published in Good magazine this month.

"They don't want to be caught behind some of these trends," he adds. "They see organic is not just a fad, but they're unwilling to go all the way and make it more than 10% of their product mix."

As a large company publicly affiliates with its organic brand, it becomes vulnerable to added scrutiny that could reveal that 10% or less of its overall operations are sustainable or organic, Howard cautions. When greenwashing criticisms are rising, this is a risk most companies are not willing to take.

And even touting its sliver of green operations could raise other questions that large companies might not be ready to face, such as the impact conventional farming and processing have on the environment.

"If they go too far with it, consumers will ask questions about [normal] agriculture, and its impact on labor and the chemicals going into the Earth," says Carolyn Christman, co-author of *Who Owns Organic?* "It's not in their benefit."

By downplaying these affiliations, large companies might be overestimating public expectations and selling their own brands short. For instance, Starbucks has successfully linked its brand to Fair Trade coffee beans even though only a small percentage of its overall operations are grown with these standards, Howard notes.

"I think if the parent company is willing to undertake a broader strategic sustainable initiative to contextualize the organic, then there

is absolutely the possibility to use the acquisition to further their overall brand strategy," says Michael Straus, president of environmental PR firm Straus Communications.

While research indicates organic consumers are less brand conscious than the average shopper, Howard notes that those who buy organic are often motivated by ideals that often are at odds with large corporations. On the other hand, the parent company risks further offending consumers if they feel deceived by the absence of the parent company's name on packaging, Web sites, or other promotional materials.

As the organic market goes increasingly mainstream, and big names like Kraft and Safeway introduce their own line of organic products, being tied to a large corporation could become less of an issue, especially when appealing to cross-over consumers. But, Straus warns, it is risky to pander only to the middle-of-the-road organic shopper because the most passionate organic consumers will continue to set the trends and quality standards for the movement.

"[Parent] companies are facing pressures from every level," Straus explains. "There is increasing pressure from consumers and their shareholders to address environmental issues, and they can't afford not to do anything and not be transparent."

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