

National Organic Program 1400 Independence Avenue, SW Room 2642-South, STOP 0268 Washington, DC 20250-0268

## MEMORANDUM TO THE NATIONAL ORGANIC STANDARDS BOARD (NOSB)

May 6, 2025

**FROM:** Erin Healy, Standards Division Director

National Organic Program (NOP)

**SUBJECT:** Petition Received: eCommerce Organic Labeling Requirements

The National Organic Program (NOP) received a petition from Organic Eye to change the organic regulations. NOP is sharing this petition with the NOSB.

## **Organic Eye Petition to the United States Department of Agriculture (USDA)**

On April 16, 2025, Organic Eye submitted a petition (attached) for rulemaking to the USDA. The petition requests that NOP to amend the USDA organic regulations to require online retailers/resellers to provide consistent certification information to consumers. This information is readily available in brick-and-mortar stores (on the product's label); however, it is not always available online. The petition requests a requirement for online vendors and/or third-party resellers to provide a visible image of the packaged, organic product's information panel or a statement identifying the organic certifier of the product.

### **Background**

The USDA organic regulations (7 CFR 205.303(b)(2) and 205.304(b)(2)) require packaged 100% organic, organic, and "made with organic" products to identify the certifying agent of the product on the information panel. There are currently no regulatory requirements for online retailers to show the entire product label or identify the certifying agent of an organic product.

#### **NOP's Request to the NOSB**

The NOP asks that the Board review Organic Eye's petition and if appropriate, submit feedback or a recommendation to NOP.

Thank you in advance for your work on this topic. We look forward to your discussion and guidance.



April 14, 2025

Christopher Purdy
Deputy Administrator
Agricultural Marketing Service
United States Department of Agriculture
1400 Independence Avenue SW
Mail Stop 0268, Room 2648-S
Washington, DC 20250-0268

RE: Petition to Amend Organic Labeling Requirements Regarding Packaged Organic Agricultural Products Sold by Manufacturers, Handlers, Retailers, and Resellers Direct to Consumers, published in the Code of Federal Regulations, Title-7/subtitle-B/chapter-I/subchapter-M/part-205/subpart-D/section-205.304.

Dear Deputy Administrator Purdy,

We request the National Organic Program, respecting the statutorily required collaboration with the National Organic Standards Board, initiate a rulemaking process to amend the current organic labeling regulations to include a requirement that packaged organic agricultural products sold through *online channels such as Amazon, Walmart, etc., and/or third-party resellers and merchants* provide a visible image of the information identifying the organic certifier of the finished product.

This amendment is necessary to address the changing needs of the 31 percent of the American population who tend to purchase organic food.<sup>1</sup>

No longer is the corner grocery, the chain supermarket, or the superstore/club store universally the first place consumers shop for groceries. American consumers are increasingly moving from shopping for their families' weekly groceries in physical stores to online shopping, using the internet and a variety of "virtual stores" to make their purchases.<sup>2</sup>

<sup>1</sup> https://www.statista.com/statistics/1428357/organic-or-conventional-food-purchases-us-consumers/

https://capitaloneshopping.com/research/online-grocery-shopping-statistics/#:~:text=An%20estimated%20150.7%20million%20Americans,3.13%25%20from%202021%20to%202022.

- An estimated 150.7 million Americans will shop for groceries online in 2024. Statistics indicate that by 2026, over 160 million Americans will buy their groceries online.
- Among U.S. internet users, approximately 58.6 percent have purchased groceries online.
- About 43 percent of shoppers with children under the age of 18 buy groceries online at least once per month.
- Forty-one percent of 35- to 54-year-olds order groceries online at least once per month.

By simply rotating the container, in-store shoppers can view nutrition and ingredient panels <u>and</u> the name of the accredited organic certifier to determine which organization has certified the finished product as organic.

Online consumers do not have the opportunity to pick up a bottle, box, or can of certified food products and turn it to read the label information on the front, sides, and back of the container *unless* the online retailer/reseller has provided clear and readable online images of the labels present, including the portion of the label bearing the certifier name. Unfortunately, those images are not universally available to shoppers.

We believe that online retailers and resellers should have the obligation to make available to online shoppers the same label information currently required on all organic products to which traditional grocery shoppers have access, including the name of the accredited organic certifier of the finished product. If a 360° view of the product is not accessible and in a size in which the "fine print" on the label is easily read, then the currently required disclaimer identifying the certifier should be displayed prominently elsewhere on the primary webpage where the product is offered.

Online retailers/resellers are not consistent about displaying the entire information panel on web pages offering organic food products for sale, for example:



Fruitful Yield Health Foods <u>sells retail bottles of Annie's Organic French Salad</u> <u>Dressing from their own e-commerce store</u>.

Fruitful Yield Health Foods presents the entire information label from the back of the bottle, where the certifier is clearly visible



A different e-commerce retailer, **The New Mall**, is a third-party merchant also selling retail bottles of Annie's Organic French Salad Dressing on Amazon.

The New Mall does not include the name of the certifier, although the nutrition panel and ingredients are readily viewable.

# **Proposed Change**

The current wording of Title-7/subtitle-B/chapter-I/subchapter-M/part-205/subpart-D/section-205.304<sup>3</sup>:

- (b) Agricultural products in packages described in § 205.301(a) and (b) must:
  - (1) For products labeled "organic," identify each organic ingredient in the ingredient statement with the word, "organic," or with an asterisk or other reference mark which is defined below the ingredient statement to indicate the ingredient is organically produced. Water or salt included as ingredients cannot be identified as organic.
  - (2) On the information panel, below the information identifying the handler or distributor of the product and preceded by the statement, "Certified organic by \* \* \*," or similar phrase, identify the name of the certifying agent

<sup>&</sup>lt;sup>3</sup> https://www.ecfr.gov/current/title-7/subtitle-B/chapter-I/subchapter-M/part-205/subpart-D

that certified the handler of the finished product and may display the business address, Internet address, or telephone number of the certifying agent in such label.

We propose that the NOP amend the organic labeling requirements listed above to include the following wording, labeled as item (3):

"The entire information panel, including the name of the certifying agent that certified the handler of the finished product, must be visible when the product on which the information panel appears is displayed and offered for sale by an online retailer or reseller. Alternatively, a prominent statement on the specific webpage related to marketing the organic product must identify the certifier.

This change would provide online consumers with the same information readily available to consumers shopping in a physical grocery, chain supermarket, or big-box retailer.

As Congress had intended when drafting the Organic Foods Production Act of 1990 (well before Internet commerce became ubiquitous), accurate and complete information must be equally available to all shoppers. Making that information available to both online and offline shoppers will ensure all consumers have a clear understanding of the identity of handler or distributor of the product and the accredited entity that certified the handler of the finished product.

Thus, in order to protect the interest of ethical industry stakeholders and to prevent fraud, which unfortunately is all too common in online retailing of "organic" products, we respectfully request that the NOP expeditiously initiate a rulemaking process to consider the proposed changes to organic labeling requirements.

We are available to provide further information and support the process in any way necessary.

Sincerely,

Mark Kastel Executive Director OrganicEye

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