

# Sustainable Industries

## Cranberry growers create a new market

by Charles Redell - 10.15.09

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Marketing farm products as anything other than a commodity generally means foregoing economies of scale and selling direct to consumers or high-end restaurants. With the search on for a way to scale up small farm operations, some premium growers are partnering with each other to reach a wider base and avoiding the commodity market.



Taking a cue from the [Shepherd's Grain](#) collective of family farms in Oregon, Washington and northern Idaho, two family-owned cranberry farms on Oregon's coast started [Clearwater Cranberries](#) this year in an attempt to differentiate their Food Alliance-certified crops from the commodity berries that make up the bulk of the market.

Cranberries grown there have a higher sugar content and a higher yield when processed into a concentrated juice, says Scott McKenzie, co-owner of Seaview Cranberries Inc. and a co-founder of Clearwater Cranberries in Port Orford. But at harvest time, his berries were being co-modified, watering down MacKenzie's profits.

Clearwater Cranberries has 1 million pounds of berries to sell this year and half is likely to be sold through the company, which aims to sell 1.5 million pounds a year in five years. It is focusing attention on direct sales to companies such as [Grand Central Bakery](#), which recently decided to use [Shepherd's Grain](#) flour exclusively. It is also trying to sign on with distributors. "It's going to have to be both," MacKenzie says. "In order for us to move enough volume to have a significant impact, we have to use the folks that want our berries to help us to get into the distribution system."

Clearwater intends to sell its berries at a premium but will likely not get as much as it wants this year, because the cranberry market is "in flux," MacKenzie says. He guesses that the year's prices for Oregon Coast commodity berries might be in the high 30-cent to low 40-cent range.