MARKET MEDIATORS AND THE TRADEOFFS OF LEGITIMACY-SEEKING BEHAVIORS IN A NASCENT CATEGORY*

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ABSTRACT
This study contributes to a growing body of research on the emergence and growth of new product
market categories by focusing attention on market intermediaries and their role in garnering
legitimacy for a nascent market category. Although extant research has demonstrated the importance
of attaining legitimacy for new market categories, few have considered the tradeoffs associated with
such actions. Using the U.S. organic food product category as a context, we explore how one type of
market intermediary—a standards-based certification organization—sought to balance the expansion
of a nascent market category with retaining its distinctive coherence and identity. Our findings
suggest that standards-based certification organizations can expand a market and demarcate clear
categorical boundaries, but at a cost to the initial collective identity of the category’s members. Our
findings hold important implications for the literatures on legitimacy, new category formation and
growth, market intermediaries, and movement-driven markets.
INTRODUCTION

Research on categorization processes is one of the most exciting and rapidly growing areas in organization theory over the past few years (e.g., Vergne and Wry forthcoming). To date, most attention has focused on the consequences of categorization (Zuckerman 1999); research on processes of category emergence and development remains in the early stages (Glynn and Navis 2013, Kennedy and Fiss 2013). In the context of markets, new categories or subcategories are created when activist producers claim a common identity and differentiate themselves from organizations in other categories in the eyes of important audiences such as customers, investors, and creditors (Kennedy 2008, Rao et al. 2003, Santos and Eisenhardt 2009, Khaire and Wadhwani 2010).

Legitimation of a new category involves a process by which producers engage in sensegiving using labels, frames, and narratives to make new identities understandable and appealing, and audiences engage in sensemaking to sort out and assess organizational claims (Kennedy et al. 2010, Navis and Glynn 2010). Market categories are formed when producers and audiences agree on a meaningful prototypical identity that is representative of organizations claiming membership within the emerging category (Rosa et al. 1999). Consequently, the more that organizations adhere to the prototypical identity, the more that individual organizations and the category itself will be accepted and viewed as appropriate by audiences (Zuckerman 1999).

However, the process of achieving a shared understanding within and gaining legitimacy from audiences poses a particular challenge for the pioneers of a new category. If pioneers seek to establish a distinctive categorical identity that differs substantially from other categories and to enforce strict identity isomorphism among their members, they may secure market category coherence and acceptance, but at the cost of limited growth and marginality in a market (Wry et al. 2011). On the other hand, if activist producers seek broader legitimacy and growth, the category will likely attract a variety of new entrants. This can create two problems: it can have a negative impact on legitimacy among external audiences to the extent that they perceive the category as increasingly incoherent and ambiguous; and it can affect the collective identity of producers as the potential for conflict rooted in identity difference emerges (Fligstein 1996). Although there has been some attention devoted to the legitimacy-seeking efforts of category pioneers (e.g., Kennedy 2008, Khaire...
and Whadwani 2010, Lounsbury et al. 2003, Rao et al. 2003), very little attention has been directed toward the trade-offs of category growth, which requires fostering legitimacy among a variety of audiences, who often hold contradictory and conflicting expectations (Wry et al. 2011).

In this paper, we explore the double-edged sword of legitimacy in the creation and growth of a market category by focusing on how a pioneering market intermediary balanced these concerns. Extant literature has emphasized how market category legitimacy may be influenced in part by market intermediaries such as critics (Hsu et al. 2012) and accreditation and legitimating bodies (Ruef and Scott 1998) that shape the relationship between producers and audiences by signaling quality and directing attention to particular offerings (Shrum 1996, Zuckerman 1999). However, the bulk of this research has focused on mature market categories that are conceptualized as settled orders that create pressures for conformity and homogeneity (Schneiberg and Berk 2010). As such, we have limited understanding of the influence of market intermediaries on the creation and evolution of market categories where category meaning and acceptance are in flux.

The setting for our study is the U.S. organic food market category. We focus on the efforts of a pioneering market intermediary, the California Certified Organic Farmers (CCOF), the earliest and arguably the most influential standards-based certification organization (SBCO), created by organic farmers in Santa Cruz in 1973. CCOF demarcated boundaries and promoted producer conformity to the prototypical identity promoted by pioneer activists. Over time, CCOF’s efforts expanded to legitimate and grow the organic food market category nationwide. However, in the process of seeking legitimacy from a broad variety of audiences, pioneer producers faced challenges that threatened their organizational and collective identities.

Based on our qualitative study, we found that CCOF played a pivotal role in fomenting a collective identity among early organic producers—a critical means by which audiences are able to distinguish between groups of organizations when market categories first emerge (King et al. 2011, Navis and Glynn 2011, Fiol and Romanelli 2012). CCOF’s efforts to create and promote a set of rudimentary standards that formalized the meaning of organic and dictated who could legitimately claim the label of “organic farmer,” served to sharpen the distinction of their conception of organic agricultural practices from conventional ones. Thus, initially, the collective identity of producers
found structural expression in the organizational structure of CCOF as well as the standards it created and promoted. However, as CCOF engaged in legitimacy seeking behaviors to grow the market for organic products and achieve broader social acceptance for the organic category, it generated tensions between market growth and what it meant to be an organic farmer. Thus, the search for, and attainment of legitimacy effectively decoupled the collective identity of pioneering CCOF members from the market category itself. Our findings depart from extant conceptions of identity promoted by organizational ecologists that view identity as largely defined by category membership (see Glynn 2008 and Gioia et al. 2013) and from studies that suggest a salient collective identity is necessary for industry growth and expansion (Kennedy et al. 2010, Navis and Glynn 2011). The novelty of our study lies in not just identifying concrete legitimacy-seeking behaviors pursued by a market intermediary, but more importantly, focusing on the tensions and the unintended outcomes they generated. The identification of the mechanisms and processes associated with these dynamics provides new insights on the role of SBCOs in market category formation and growth and offers contributions to the literatures on legitimacy, categorization processes in markets, and market intermediaries.

In the next section, we provide the historical background of the creation of the organic food market category. In the following section, we discuss existing theory related to legitimacy and to market category creation and growth. Thereafter, we document our data collection and methods. We then present the results from our inductive study of CCOF and its role in the development and growth of the organic food market category. Finally, we conclude with a discussion of results.

HISTORICAL BACKGROUND

The precursors of the contemporary organic food movement are many and constitute a rich and complex social heritage that is largely unacknowledged, even by many of its contemporary adherents and advocates. Although organic agriculture ultimately became the dominant form of alternative agriculture, it was not entirely clear that this would be the case. During the 1930s and 1940s, the

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1 The vegetarian and whole-wheat crusades, the pure-food movement, and the back-to-the-land movement—movements dating back to the mid-19th to mid-20th centuries—were all suspicious of factory-produced food, sought dietary reform, and set the stage for the core ideals, philosophies, and practices that served as the basis for the contemporary organic food movement (Peters, 1979).
emergent critique of and alternatives to the conventional agricultural establishment did not form a coherent and unified movement. Rather, they were an assortment of practices and philosophies that existed under various monikers such as biodynamic, sustainable, organic, alternative, and permanent (Youngberg 1978).

In the United States, several notable back-to-the-landers, including Louis Bromfield, Edward Faulkner, J. I. Rodale, and others took early alternative agriculture pioneers’ philosophies, practices, and techniques and put them into practice as experimental farmers. While these early pioneers were highly committed to various visions of alternative agriculture, Rodale was particularly successful in creating an oppositional identity to conventional agriculture in the United States and labeling it “organic” agriculture. After starting a successful publishing company, Rodale purchased farmland in Pennsylvania in the early 1940s and, drawing primarily on the early pioneers of alternative agriculture such as Albert Howard and Rudolph Steiner, “wed the European manifestos of agricultural reform into a popular American message” (Peters 1979, p. 108) by fusing some of the more esoteric ideas and practices with pragmatic research efforts, resulting in a more secular and practical agriculture (Peters 1979). Combining his interests, Rodale published a magazine called Organic Farming and Gardening in 1942 and a book in 1948. In these publications, Rodale provided a rudimentary label to these practices and sought to outline some early conceptions of organic by issuing a creed of “organiciculturists”:

Organiculturists are: . . . opposed to artificial or chemical fertilizers . . . see soil as a living, breathing entity which requires that crops are rotated and that land must lie fallow at regulated intervals . . . observe the Law of Return, restoring to the soil all plant residues that came from it . . . reject the use of poison sprays in orchards and on farm crops . . . and are trusted with the sacred trust of producing food that will impart health to the people who consume it. As a patriotic duty he assumes the obligation to preserve the fertility of the soil, a precious heritage that he must pass on, undefiled and even enriched, to subsequent generations. (Rodale 1948, p. 68)

Although a wide range of people influenced early U.S. pioneers in the organic agriculture movement, Sir Albert Howard and Rudolph Steiner were perhaps the most influential. Rudolph Steiner was an Austrian philosopher and social reformer who, as part of his larger spiritual movement called Anthroposophy, had developed biodynamic agriculture that advocated the use of composts and manure and approached agriculture holistically, including various spiritual components in his approach. Like Steiner, Sir Albert Howard and his wife also developed and promoted key practices, including composting as a key component of alternative agriculture. Both advocated a view of the earth as a living and delicate landscape that operated on the “law of return” and promoted the Buddhist concept of a “wheel of life” as opposed to the Western construction of linear, ladderlike progress (Beeman and Pritchard 2001, p. 41). Howard served as a chief pioneer of the alternative agriculture movement in the United States and as inspiration for the organic strain in particular.
This early effort to articulate the position of “organiculturists” reveals two important things. First, Rodale rhetorically and pragmatically positioned organic agriculture and its practices in contrast to conventional agriculture and its practices and technologies. Second, he grounded his opposition to conventional practices and his advocacy of organic practices in the institutional logic of holism (Lounsbury 2005)—emphasizing soil as a living system, observing the “Law of Return,” stating the importance of social trust between grower and consumer, and invoking duty on the part of the grower to be a steward of the soil, the health of consumers, and the fate of future generations.

By the 1960s, Rodale had a very small following consisting primarily of sole proprietor health food stores and mail-order businesses operating out of small towns. His following increased dramatically in the wake of the burgeoning environmental movement of the late 1960s and 1970s. Rodale’s conception of organic and its holistic logic benefited from the events set in motion as a result of Rachel Carson’s groundbreaking investigation and indictment of DDT. In her book Silent Spring, Carson detailed the dangers of DDT for human health and the environment. The resonance of Rodale’s holistic orientation with the prevailing environmental movement lent legitimacy to his endeavors. The coupling of the environmental movement with Rodale’s efforts also deepened the oppositional stance of organic agriculture toward conventional agriculture, with its entrenched agribusiness logic.

However, the increasing interest in and acceptance of the aims of Rodale and his followers was accompanied by interest from outsiders that threatened the nascent product category. The ambiguous definitions of organic led to increasing opportunism from conventional farmers seeking to enter the fledgling category. Given these threats, organic proponents realized the need to protect their concept from co-optation by movement outsiders. In 1971, under Robert Rodale’s supervision, Organic Gardening and Farming initiated a pilot organic certification program in California. The program was designed to introduce greater coherence to the concept of organic by creating standards that required a holistic commitment on the part of growers to build or maintain 3 percent humus content in their soil within five years. Practices such as soil and residue analyses and personal inspections conferred greater objectivity on the otherwise ambiguous organic term. The program also created an official OGF organic label available for use by those espousing a holistic agriculture logic.
The development and use of rudimentary standards and the associated label provided a rudimentary mechanism by which organic farmers could be identified by society as a coherent group.

Despite the ambition of the program, it was terminated after two years because Rodale’s proponents decided that certification programs “are best developed by organic farmers and persons directly associated with the distribution and consumer of their harvests, on a grass-roots, regional basis” (Allen 1971, p. 81). After the discontinuation of Rodale’s pilot program, early standards-creation and certification efforts were organized as local nonprofit organizations that represented the interests of small organic farmers guided by a holistic logic in their practices and structures. These local SBCOs, such as CCOF, embodied and elaborated the philosophies, practices, and schemas of early organic pioneers such as Rodale by defining “organic” and codifying standards that outlined the agricultural practices that constituted organic agriculture.

SBCOs continued to be founded through the 1970s and 1980s. Prior to 1985, all organic SBCOs in the United States were local nonprofits. California, Maine, Michigan, Minnesota, New Hampshire, Ohio, Oregon, Vermont, and Washington were the first states to have local certifying organizations. Over time, additional local organizations were founded throughout the Northeast, primarily along the eastern seaboard, with subsequent foundings occurring in the southern and western United States.

From the mid-1980s onward, a variety of SBCOs entered the market, including for-profit and nonprofit, regional and international organizations, and state and county government-run SBCOs. Economic and social conditions facilitated much of the SBCO and organic category expansion. In particular, United States farm crisis of the 1980s led to substantial numbers of farm bankruptcies, and conventional farmers began looking ways to keep their farms. The organic movement took note, as one activist reported:

Across the country, organic farming and sustainable agriculture are gaining popular support. Many more conventional growers, many hard-pressed financially, are showing up at workshops on how to convert to organic. These growers are open to any practices that may help them survive as a farmer. And, it’s all happening very fast. (Bunn, 1987: 132)

Perhaps the most significant condition leading to the rapid expansion of the organic market was the Alar food scare in 1989. A report published by the Natural Resources Defense Council
(NRDC) entitled “Intolerable Risk: Pesticides in Our Children’s Food” claimed that a growth regulator used primarily on apples called Alar (daminozide) along with other pesticides posed a significant cancer risk to children. The CBS news program “60 Minutes” ran a segment featuring the report’s findings. With a viewership of more than 30 million, consumer concerns regarding pesticide use on farms skyrocketed. School boards across the U.S. banned all apple products in schools and international demand for US apples plummeted. The U.S. apple industry faced a major crisis that led to an unprecedented concern for food safety and pesticide regulation.

The organic movement felt the effects immediately. Demand for organic produce outpaced supply as buyers and consumers clamored for pesticide-free produce. Certification organizations were inundated with calls. One organization reported receiving over 150 calls/day at the height of the concern and roughly 400 new application requests during the two months following the scare (Lipson, 1989). State and federal regulation of the organic category also expanded significantly in the wake of the Alar scare. The Organic Foods Production Act of 1990 (OFPA) mandated the establishment of a National Organic Program that would set uniform minimum standards for the production and handling of organic food. Due to the lack of funds and other issues, it was not until December 2000 that the United States Department of Agriculture issued binding rules for the organic category. These federal standards consequently preempted existing U.S. state-level legislation and harmonized all previous organic standards espoused by all SBCOs operating in the United States.

THEORY

Legitimacy is the general perception that an entity and its actions conform to a “socially constructed system of norms, values, beliefs, and definitions” (Suchman 1995, p. 574). Inasmuch as organizations and their actions are viewed as legitimate, they can access resources that are crucial to organizational survival and performance (Aldrich and Fiol 1994). As a result, legitimacy plays a particularly important role in the creation of new market categories. New market categories emerge when audience members and producers agree on a meaningful prototypical identity and schema that is representative of organizations that claim membership within the emerging category (Rosa et al. 1999). This prototypical identity generally emerges from the collective of producers or enthusiasts that subscribe to a particular worldview and associated behaviors and practices (Fiol and Romanelli,
2012, Navis and Glynn, 2011). As part of a collective, producers identify and internalize the attributes and values of others within the group, creating a growing sense of belonging and “we-ness” as well as the belief of a shared common fate (King et al., 2011, Pozner and Rao, 2006). As a consequence, producers within a particular collective come to share similarities that form the basis for efforts by external audiences to make sense of the group of actors. This entails the identification of attributes, practices, and logics that embodies what it means to be part of this group and becomes the basis for a prototypical identity. The more producers adhere to this prototypical identity, the more a collective identity becomes coherent, and the more likely the nascent category will be accepted and viewed as appropriate by audiences (Zuckerman 1999).

Producers engage various legitimating behaviors and activities to distinguish themselves from others and demarcate clear categorical boundaries around their shared identity. These can include the use of stories (Lounsbury and Glynn 2001) and press releases (Kennedy 2008) and the development of codes to describe the category (Weber et al. 2008). Through these tactics, market categories become legitimated, and interest among potential producers and customers increases, thereby paving the way to market growth (Glynn and Navis 2013).

Most studies on new market category emergence, and organizational dynamics more generally, have focused on the positive effects of legitimacy and have overlooked the trade-offs associated with obtaining it. We propose that while legitimacy can benefit nascent market categories by granting members greater access to resources, it comes at a price. Legitimacy rests on the positive assessments of key external audience members, such as investors, creditors, suppliers, and customers, who often hold contradictory and evolving expectations (Ashforth and Gibbs 1990, Suchman 1995). If pioneer producers want to expand their market category by recruiting new producers and courting new customers, they must first appear legitimate in their eyes. This may require pioneers to engage in tactics and conform to logics that are deemed socially appropriate to those audiences, but which contradict the pioneers’ original, prototypical identity (Wry et al. 2011). The arrival of new members espousing incompatible logics presents pioneers with two options: either they conform to or accommodate new entrants’ values to maintain a coherent category, or they adamantly defend their logics and practices at the risk of creating a schism between themselves and the newly admitted
producers. Similarly, currying favor with a new customer segment can increase revenues and market category growth, but may require producers to compromise their values as a result of new demands placed on them by a new and potentially powerful customer.

The examples above illustrate how seeking legitimacy may generate trade-offs in the development of new market categories. On one hand, producers can garner greater legitimacy among a variety of audiences and grow the market category by recruiting new entrants and customer segments, but at the risk of creating conflict among category members, thereby diluting the coherent collective identity initially developed. On the other hand, they can maintain a distinctive market identity by limiting legitimacy to a select audience, remaining true to their guiding logic, but persisting only as a small and largely unnoticed market category (Navis and Glynn 2010).

We attempt to understand the mechanisms and consequences of these trade-offs by investigating the impact of a market intermediary on new category development and growth. Studies have shown how critics (Hsu et al. 2012), the media (Kennedy 2008, Lounsbury and Rao 2004), industry and professional associations (Lounsbury et al. 2003, Hiatt and Park 2013), and rating and accreditation bodies (Sauder 2008, Ruef and Scott 1998) play a powerful role in shaping the relationship between category members and audiences. For example, market intermediaries can influence audience preferences by directing their attention to certain product offerings or organizational forms and away from others (Shrum 1996) and by signaling quality and qualification through evaluations (Zuckerman 1999, Sauder 2008). Market intermediaries also influence producer behavior and legitimacy by specifying particular criteria to which organizations must conform in order to receive positive assessments (Ruef and Scott 1998). Yet, most extant research on market intermediaries has been conducted in the context of established market categories, so our understanding of their role in facilitating market category emergence and growth is limited.

We suggest that market intermediaries—SBCOs in particular—play an important role in establishing legitimacy and managing the expectations of key audiences. SBCOs are those organizations “whose primary purpose is to create and/or promote standards, verify the compliance of other organizations with those standards, and formally acknowledge that an organization has met the standards through the conferral of a certification, endorsement, or accreditation” (Lee 2009, p. 1247).
SBCOs provide audiences information about organizational attributes and product quality, procedural adherence to socially approved practices, and other “hidden organizational attributes and behaviors” that audiences can use to assess producers (King, Lenox, and Terlaak 2005, p. 1092). Such information is particularly important for nascent market categories where the viability of new practices, forms, products, and technologies are unfamiliar and suspect. By verifying the ability of an entity to meet specified standards, SBCOs provide assurances of its appropriateness, desirability, and/or quality (Sine et al. 2007) and draw attention to the nascent market category (Shrum 1996).

We propose that by establishing product and producer criteria for category membership, SBCOs demarcate and enforce clear categorical boundaries. These clear criteria, or schema (see Hannan et al. 2007) maximize the differences between the new and existing categories, thereby reducing uncertainty and helping audiences to make sense of the new category and its members (Glynn and Navis, 2013). However, the creation and legitimation of a set of standards to determine category membership is fraught with challenges and trade-offs. We examine how one SBCO—CCOF—sought to balance market category growth with maintaining a coherent and stable collective identity in the context of the emerging U.S. organic food market.

DATA AND METHODS

Research Setting

Following the conventional method for building theory from an extreme case (Eisenhardt 1989), we took a grounded theory approach by conducting an inductive, longitudinal case study of a single SBCO in an emergent product market category. The U.S. organic food category provides an ideal setting given the socially constructed nature of the category and the fact that SBCOs played a key role in articulating key features of the category and generating legitimacy for it.

We conducted an in-depth, longitudinal case study of CCOF. Given that it was one of the first SBCOs founded in the U.S. organic industry and a pioneer in developing and growing the organic category, CCOF provided an ideal setting to understand legitimacy-seeking behaviors and their implications for a nascent market category. CCOF was founded in 1973 after a group of farmers previously certified under Rodale’s pilot program were informed that the program was to end and that if there were to be a certification program in California, they would have to be responsible for it. The
organization largely operated as a single-chapter organization until 1978. By 1979, the membership reached 34 growers. In the early 1980s, seven additional chapters formed, and the organization gained greater momentum thereafter. A holistic agriculture logic was tightly coupled with CCOF members’ actions and efforts, and was manifest in the activities, rhetoric, operations, and structures of the organization. Early members’ recollections of meetings demonstrated the importance of the holistic logic to producers’ identities. One farmer recalled attending a CCOF meeting in 1976: “It was so wonderful to meet people with the same philosophy, who weren’t just saying ‘how big a crop can I get by putting more chemicals on my land?’ They were concerned about feeding the earthworms, feeding the soil—these kinds of things. That was wonderful. It was very reinforcing of what we believed in” (Brians 2010, p. 20).

Despite substantial growth in the first ten years of CCOF, the holistic logic persisted and continued to inform and shape the organization. Results of a survey conducted in a CCOF chapter at the time showed that the overwhelming reason for joining the group was philosophical, followed by educational, political, and certification motives (CCOF Newsletter, Summer 1985, p. 2). The oppositional nature of organic food vis-à-vis conventional agriculture served to create a collective identity that galvanized solidarity and motivated the organization to persist despite having few resources.

The standards established by CCOF reflected the identity and logics espoused and promoted by pioneers. The existence of these standards, coupled with verification and certification practices, enabled CCOF to exert a degree of control over producers’ ability to credibly claim membership. We focused on these practices and processes and sought to understand the legitimacy-seeking behaviors that CCOF engaged in and their consequences for the nascent category, CCOF members, and CCOF as an organization. Our case analysis reveals tensions and challenges for CCOF associated with increased legitimacy and growth of a new market category.

Data Collection
We collected multiple forms of data on CCOF, other SBCOs, the organic movement, and alternative agriculture more generally. However, our primary data sources were CCOF archival records. We obtained and examined all available newsletters, certification handbooks, and directories from the
CCOF. We also gathered additional directories and certification standards from four other SBCOs as well as the primary directory for the industry (The National Organic Directory) published annually (1983–1984, 1986–2001) by the Community Alliance with Family Farmers. In addition, we examined all issues of a key periodical of the movement, *Organic Gardening and Farming* (1942–2005).

We consulted many oral histories that have been archived over the years. We obtained 11 hours of video recordings from leaders in the U.S. organic and alternative agriculture movement from the Alternative Farming Systems Information Center’s oral history collection of the National Agricultural Library’s collection. We also read 58 oral histories of selected farmers, activists, educators, retailers, wholesalers/distributors, farmers’ market managers, and writers obtained from an oral history collection on organic and sustainable farming at University of California Santa Barbara. We read and consulted all popular and academic books published on the organic food market. The first author spent multiple days in the archives at the CCOF in Santa Cruz, California; at the Rodale Institute in Emmaus, Pennsylvania; and at the Rudolph Steiner House in London, UK, which yielded valuable organization-specific material including newsletters and personal correspondence.

To triangulate our findings derived from these archival sources of data and develop a richer understanding of how the organic category emerged, we conducted 25 semi-structured interviews. We targeted individuals who were directly involved either in the creation of certification organizations, in administering certification programs, or as recipients of certification. We focused primarily on individuals involved with CCOF. During a visit to CCOF in 2004, the first author interviewed the current president, the chief certifier, the marketing director, CCOF-certified producers, and a past president of the organization. Beyond CCOF, we used a combination of random seeding and subsequent snowball sampling to identify relevant interviewees within the industry. We also interviewed individuals associated with other SBCOs. For example, we interviewed the founder, co-founder, former president, five chapter presidents, and six farmers from the Organic Crops Improvement Association—a prominent national and internationally federated SBCO. We also interviewed a broader set of individuals involved in the industry. Among these were the farm manager at the Rodale Institute, the administrator of a state certification organization, an employee from the Maine Organic Farmers and Gardeners Association, an employee from the Massachusetts chapter of
the North East Organic Farmers Association, the policy program director at the Organic Farming Research Foundation, two growers from Vermont and New York who were involved in the founding of two local SBCOs, and two past members of the National Organic Standards Board. Most interviews lasted 45 minutes to 1 hour. These interviews took place during the summers of 2003 through 2005, with follow-up interviews conducted with several informants in the summer of 2006. All interviews were recorded (when permitted) and transcribed.

**Data Analysis**

Relying on these data sources described above, especially internal documents from CCOF (i.e., newsletters, certification handbooks, membership directories, and interviews), we followed established prescriptions for case-based inquiry by first developing a chronological case history of CCOF (212 pages) in which we tracked key events, decisions, tactics, and changes to both the organization and the standards it developed. To supplement this case history, we carefully tracked membership growth dynamics, decisions regarding standards, and leadership changes within CCOF at both the headquarters and chapter levels. To historically situate and understand the role and actions of CCOF contextually, we wrote a history of the U.S. organic food industry (52 pages), from its precursor food movements in the late 1800s through the development of federal standards in 2000, which provided broad-scale acceptance and legitimacy as an unquestioned agricultural product category.

Having developed this case history and familiarized ourselves with key decisions, events, actors, structures, and processes, we returned to primary data sources (primarily CCOF newsletters) to address the following initial question: How did CCOF help the organic category gain legitimacy, and with what consequences? To answer this question, we sought to identify the theoretical constructs, relationships, and longitudinal patterns emerging from the data. Following Strauss and Corbin (1998), we used sentences and paragraphs as the primary coding units and developed open codes, maintaining a close connection between the simple codes and source data. To enhance theoretical sensitivity and to ensure comprehensiveness in our coding of texts, we paid particular attention to questions of who, where, what, how, how much, and why.
Having developed a list of open codes, we then engaged in axial coding, developing abstract, theoretical labels that grouped these simple codes in more generalizable categories by seeking to identify relationships between and among codes. During this step, we iterated between primary data, emergent themes, and existing theory to refine and extend our understanding of the phenomena (Strauss and Corbin 1998). We then identified three key aggregate theoretical dimensions along which we grouped our theoretical observations. These dimensions—standards-setting, verification, and legitimacy-seeking behaviors—served as the basis for our inductive theory. Legitimacy-seeking behaviors are broken down into three dimensions—new member recruitment, downstream involvement, and state authorization. Figure 1 shows the data structure derived from our process.

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Having identified these core behaviors, we then asked a secondary question: What tensions did these behaviors create and how did CCOF attempt to mitigate and manage them? To answer these questions and to develop a more comprehensive understanding of legitimacy-seeking behaviors in nascent categories, we engaged in a separate round of coding, tracing the outcomes for CCOF, its members, and their effect on broader dynamics of the emergent product category. These are elaborated in Table 1.

RESULTS

Market Classification Schemas and CCOF

Essential to creating a new market category is the establishment of classification schemas that connote membership and demarcate boundaries around the emerging category (Glynn and Navis 2013). Schemas are a set of abstract rules or protocols that provide a set of criteria for determining membership in a particular market category (Hannan et al. 2007), thereby reducing ambiguity regarding the relevance of organizational features and increasing audiences’ cognitive understanding of the category itself.

Once established, classification schemas can play three important roles in market category growth. First, schemas reduce audiences’ uncertainty about the quality of the organization and
product, potentially increasing demand and positively influence market category growth. Second, clear schemas can increase organizational performance by helping producers better anticipate mediators’ appraisals (Hsu et al. 2012). Finally, clear schemas increase new market category coherence by providing precise guidance to producers, who must alter their behavior to conform to the standards advocated by market intermediaries (Zuckerman 2000).

While classification schemas generally arise from the interaction between producers and consumers (Rosa et al. 1999, Kennedy 2008), we propose that market intermediaries that set standards hasten the establishment and acceptance of classification schemas by creating logic-consistent criteria by which organizations will be judged and by verifying organizations’ compliance with those criteria. Establishing classification schemas in the early phases of category development can foster greater audience understanding and acceptance by demarcating the boundaries of a market category.

Our analysis revealed two broad types of actions that concretized the holistic logic and associated practices advocated by organic pioneers into formalized labels and codes denoting the prototypical identity. These actions include standard-setting and verification. Standard-setting involves converting informal and often ambiguous meanings of an entity (such as organic food producer) into specific and formalized features and labels. Verification involves the development and formalization of processes, routines, and/or protocols that are used to determine a producer’s claim to a particular label.

**Standard-setting.** The raison d’être of CCOF was to promulgate the holistic organic food logic by creating standards for organic production and certifying its members according to those standards. From the beginning, CCOF provided a set of codified standards for its producers and other interested parties that established what it meant to farm organically and produce organic products. The initial effort to develop standards occurred in 1973, and a central feature in defining organic was that produce and foods had to be of high quality in terms of their appearance, freshness, and nutrition. In contrast to these ambiguous claims to quality, the standards were more specific in stating the humus content of soil (3 percent or more) and the maximum amount of allowable pesticide residue (10 percent). Nonetheless, the standards did not delineate exactly which substances could or could not be used, only that those deemed “injurious,” “harmful,” or “toxic” were prohibited. They also
delineated the appropriate use of the CCOF name and its labels and the consequences for their misuse (see Table 2 for the initial standards). The standards encompassed and represented a clear deviation from the conventional agribusiness logic and its associated practices and embodied the holistic logic underlying organic agricultural production practices.

Verification. In addition to their efforts to establish codified standards around the holistic meaning of organic among their growers, CCOF members put in place processes, structures, and routines to ensure that the claims of their growers were credibly verified. Toward this end, CCOF required producers to keep accurate and comprehensive records of farm operations and to conduct soil and crop sampling in order to determine soil fertility and pesticide residue limits. Finally, CCOF required laboratory verification of compliance and retained the ultimate authority to determine compliance with their standards. The standard-setting and verification efforts were used not only to filter potential producers who wished to enter the market category but also to ensure that existing producers conformed to the prototypical identity associated with the holistic logic. Consequently, CCOF’s standard-setting and verification actions contributed to clear boundaries around the nascent category.

Even though CCOF engaged very early on in standard-setting and verification efforts, the relative obscurity of the organic concept meant that there was little impetus to elaborate the initial standards. Organic agriculture was relatively unknown to conventional growers, and mainstream agricultural institutions considered it a backward approach to agriculture. As a consequence, there was little external scrutiny of the claims made by organic producers and therefore little need for formal certification and verification procedures beyond those originally delineated and agreed upon. For many years, CCOF labored under a “sufficiency” mentality. One member noted in a proposal: “Because no set of rules will ever describe every specific case that can possibly occur in the field, the Certification Committee must act as if our current bylaws are adequate in their provisions” (CCOF, Spring 1984, p. 3). This meant that, early on, what constituted organic was relatively ambiguous, and
the verification procedures remained fairly informal. For example, the inspection of farms under the auspices of some early certification organizations occurred through what one informant called “the buddy system,” or the inspection of one another’s farms and systems without third-party monitoring.

Despite the lack of attention from mainstream agricultural interests and consumers at the time and the ad hoc nature of practices and processes, these early standard setting and verification efforts had significant implications for the development of the organic category. Through codifying the features that constituted organic and by implementing verification and certification procedures, these organizations enabled the development of a rudimentary schema for organic agriculture that was consistent with their holistic logic. In so doing, early SBCOs such as CCOF enabled both producers and consumers espousing a holistic logic to identify themselves with the organic movement via the activities and services provided by the SBCOs. Local SBCOs became the organizational context in which grower members participated in adapting, correcting, and refining the standards (Stinchcombe 2001)—all elements of reaching consensus on an emerging schema. While these early efforts of codification and verification procedure development increased schema coherence and reinforced the emergent collective identity of organic farmers, they also sowed the seeds for subsequent challenges to this very identity.

**Legitimacy-Seeking Behaviors and Category Growth**

While CCOF’s standard-setting and verification work helped establish category boundaries, the category was relatively small, accepted and known only by a handful of pioneer producers and customers. In order to grow the market category, CCOF sought to increase the market category’s legitimacy among a broader audience base. New markets tend to founder because of their incoherence and lack of visibility (Navis and Glynn, 2010, Santos and Eisenhardt, 2009). To become taken for granted and part of the broader economy, new markets must achieve cognitive and sociopolitical legitimacy from a broad set of audiences (Aldrich and Fiol 1994, Suchman 1995). We identified three legitimacy-seeking behaviors that CCOF members engaged to increase acceptance of the category and grow the market: 1) new member recruitment, 2) downstream engagement, and 3) state authorization.

**New member recruitment.** Market category growth requires not only the legitimation of organizational practices and forms but also the entry of new producers (Navis and Glynn 2010).
However, when a market category is new, the value of its products are generally unknown and questioned (Sine et al. 2005). Market activists that promulgate frames that resonate with the values of potential producers can facilitate entry, particularly when the economic case for doing so is unclear or nonexistent (Weber et al. 2008, Sine and Lee 2009). We found that CCOF members promoted the environmental and health benefits of being an organic farmer through various means including via mailings, at county fairs, and informal conversations with conventional growers.

From early on, although they promoted a holistic approach to agriculture, CCOF pioneers did not want to marginalize their movement: “In making the public aware that we are intelligent, concerned people, we do not want to isolate ourselves from the ‘real world.’ Rather, we want to learn more about and work within biological realities that make farming a dynamic living process as opposed to chemical annihilation” (CCOF, Spring 1984, p. 5). Some in the organization suggested that involving more conventional farmers was required for the organic movement to grow:

Outreach to farmers using conventional farming practices must be high on the agenda of the organic industry if it is going to build a constituency for changing agricultural production practices. Identifying concerns that organic and conventional farmers share, and working together with these producers will help increase the receptivity of the entire rural community to organic farming practices. Organic producers will only increase the obstacles they must overcome if they hold themselves apart from conventional farmers. (CCOF Newsletter, Summer 1984, p. 7).

These sentiments were congruent with decisions made by the CCOF leadership. In 1986, they instigated a membership drive “. . . to further strengthen our organization, [to] decrease the incidence of possibly illegitimate organic produce in the market, and to create a larger tax base from which to advance our organizational goals” (CCOF Newsletter, Spring 1985, p. 3). By 1986, CCOF’s leaders were committed to recruiting larger farms into the organization: “CCOF commits itself to the continuing development of a professional program and operation, to actively encouraging the membership of larger-scale growers, and to developing itself in form and attitude such that it can meet the needs of all organic growers” (CCOF Newsletter, Winter 1986, p. 12).

**Downstream engagement.** Creating a downstream infrastructure can be challenging for activists seeking to establish a new market category. Incumbents are likely to be hostile to the new category and to use their resources and institutional advantages to discourage product adoption (Fligstein 1996). Additionally, potential buyers may not only view new products with skepticism, but
may also lack the physical infrastructure to handle product distribution. To deal with these issues, activist producers can court new customers by convincing them of the products’ value and quality and by working with them to develop adequate distribution channels (Weber et al. 2008).

Given the lack of interest in and knowledge of organic food by consumers and downstream players in the conventional food industry, CCOF leaders encouraged members to engage in direct marketing to promote organic produce. This included educational and promotional efforts such as having booths at fairs, giving slideshows, and using local advertisements and direct personal contact with potential buyers. CCOF members held seminars to educate retailers and chefs about certification, organic food, and the proper labeling and marketing of organic products. As early as 1985, CCOF members were hosting farmer/retailer seminar days during which growers described their farm products and techniques to retailers and retailers explained how they bought, sold, stored, prepared, and priced fresh fruits and vegetables (CCOF Newsletter, Spring 1985, p. 2). These efforts, coupled with broader social and economic changes that increased demand for organic food, generated greater interest from wholesalers, distributors, and retailers.

**State Authorization.** New markets and industries benefit from receiving authorization from a superordinate actor (Scott 1987). When an entity is authorized, it is “supported and constrained by the actions of officials superior to it and in a position to oversee its appropriate use” (Scott 1987, p. 502). The state plays a critical role in the authorization of new industries: “newly organized industries ultimately must co-opt, neutralize, form alliances with, and otherwise come to terms with, government agencies” (Aldrich and Fiol 1994, pp. 661–662). Authorization from the state can take the form of enabling legislation or agency regulation that codifies the key features of a schema or category and that provides a mandate for the associated good or service to be legal and legitimate for sale (Hannan et al. 2007).

We found that CCOF leadership sought state authorization fairly early in category development. In fact, pioneer producers founded CCOF in part as a response to California legislation regulating the organic label along with the natural food label in the early 1970s. CCOF lobbied against state legislators seeking to undermine organic agriculture’s approach to ecological farming.
For example, a state-sponsored effort in 1985 to eliminate an apple pest prompted CCOF to work with the state government to develop an alternative to chemical spraying.

CCOF’s involvement with the state dramatically increased following the 1989 Alar food scare. Demand for organic food exceeded supply and conventional agriculture producers sought to take advantage of the high margins associated with organic food by labeling their products as organic. Given that CCOF had no coercive authority to penalize these fraudulent efforts and that existing state law had no enforcement mechanisms in place, CCOF members strongly favored some degree of state enforcement to protect the organic category. Producers believed that if they did not move to amend the state law, they faced “hostile legislation that would have placed control of the term ‘organic’ completely in the hands of the government and led to a weak definition” (CCOF Newsletter, Fall 1991, p. 3). Although producers recognized the potential downfalls of increasing regulation of their product category, they saw it as a necessary evil to maintain control of the category, noting that “overall, we maintained control of the process, though the final product certainly wasn’t perfect” (CCOF Newsletter, Fall 1991, p. 3). Thus, CCOF was a primary driver of regulation, dictating the content and nature of organic legislation.

Outcomes and Implications of Legitimacy-Seeking Behaviors

While successful legitimacy-seeking efforts result in the growth of a new market category, seeking and obtaining legitimacy generates its own set of tensions and problems. New member recruitment can create internal tensions between incumbent members and newcomers (Negro et al. 2011); downstream engagement of market intermediaries such as distributors and wholesalers may result in new resource dependencies and power asymmetries that can strain categorical boundaries; and state authorization can shift the “institutional arena” (Ingram and Rao, 2004) in which categorical meaning and membership are determined. All of these dynamics have the propensity to challenge the meaning ascribed to a given category and its associated collective identity of its members, resulting in category incoherence and ambiguity. As a key intermediary in the organic category, CCOF sought to balance the pursuit of legitimacy with category coherence.

While CCOF’s efforts to grow the category weakened collective producer identity, they ironically strengthened the durability and taken-for-grantedness of the organic food category through
their standard-setting and verification processes. Our findings suggest that standard-setting and verification as well as legitimacy seeking behaviors were necessary conditions (and collectively sufficient) to decouple the initial collective identity from the market category and to foster market expansion. Below, we outline each legitimacy-seeking behavior and their associated tensions and outcomes.

**New member recruitment.** Efforts to recruit new CCOF members, coupled with an increasing demand for organic food, led to greater numbers of conventional farmers transitioning to organic production and joining CCOF. This influx of new members was significant. An analysis of the membership in 1991 revealed that 57 percent of CCOF members had been with the organization for two years or less. Only 12 percent had been members for more than seven years, and just 2 percent had been members since the 1970s (CCOF Newsletter, Winter 1991, p. 10). The new members differed from existing members on a number of fronts. For example, in 1986, the average size of CCOF-certified farms was around 30 acres, with a standard deviation of nearly 64. By 1991, the average farm size had nearly tripled (88 acres), and the standard deviation nearly quadrupled (251). This trend continued as larger and larger farms joined CCOF (see Table 3).

-----INSERT TABLE 3 ABOUT HERE-----

Our data suggest that these new CCOF members tended to be guided by an agribusiness logic that conflicted with the prevailing collective identity grounded in a holistic logic, and that this influx of new members espousing a different logic led to tensions within CCOF:

For years, CCOF members were basically in agreement in their attitudes towards organic farming and how CCOF should function . . . but now that the place of organic farming in California and the US has grown more complex, the divergence of opinions has become very apparent. In a way, this is a result of our success—organic agriculture is becoming “mainstream” . . . but it’s becoming clear that CCOF needs to change with this new level of service, and my biggest concern is how to take this big diverse group down the path of change. (CCOF Newsletter, Summer 1990, p. 23)

CCOF leadership and longtime members saw this influx of new members as a challenge to their identity and to the organization’s ongoing success, but were optimistic that they could educate new members in the ecological and holistic approach to agriculture:
As we grow we will be bringing in as members growers who . . . will have a mentality significantly different than the goals\(^3\) expressed in the foregoing lines. As I see it, we have got to educate and inculcate these new members with these goals if we are to have a successful organization—successful in terms of realizing these goals, but also, successfully being able to work well together. (CCOF Newsletter, Summer 1989, p. 19)

But given the growing heterogeneous identities, interests, and goals of CCOF members, the purposes and practices of CCOF as an organization became increasingly questioned. As is clear from the following quote, some members viewed CCOF as an instrumental means to reaching the market (via certification), while others sought a more holistic membership experience:

As a membership organization, CCOF has a strong interest in offering high quality service to growers. Service to growers sounds good but can be hard to define in the context of the incredible diversity of operations among our membership. Some growers only want fee-for-service certification, some want to support organic agriculture by being a member, some want somebody to show them how to farm organically, some want promotion of their crop, some want promotion of sustainable agriculture, and . . . you get the picture from here. (CCOF Newsletter, Winter 1993, p. 23)

CCOF attempted to smooth over these differences by euphemistically referring to the “diversity” of its membership. However, the tensions were undeniable and continued to resurface and generated ongoing organizational challenges. For example, some “frictions” developed among some of the leaders and members, and CCOF identified the need to develop a “personnel committee or ombudsman position” to deal with such issues before they got out of hand (CCOF Newsletter, Summer 1990, p. 9). A more systemic consequence arising from increasing membership heterogeneity was disinterest on the part of new members in volunteering to take leadership positions within CCOF: “Four chapters are in danger of failing and need additional members to step forward and assume leadership positions. Several statewide committees have no new leaders volunteering to coordinate their work . . . revitalizing our chapters and our grassroots structure is the most significant task before us” (CCOF Newsletter, Winter 1992, p. 9).

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\(^3\) The goals referred to here include: “1) Raise and sell wholesome, chemical-free food; 2) Live with and increase our awareness of the processes of nature so that we can produce bountiful crops of good quality while, at the same time, enhancing the productivity of our farms; 3) Involve every member of the family in the enterprise to at least some degree; 4) Use our imagination in developing effective and rewarding ways of marketing our products; 5) Communicate with each other, sharing our ideas and innovative ways of farming; 6) Educate our customers on: a) how to recognize good produce; b) where and how it is raised and what makes it special; c) why we farm organically; 7) Manage to make wages and, if possible, a profit at the end of the year; 8) build a healthier society both physically and in spirit as demonstrated by the high quality of our products and the way in which we go about our work”.
As CCOF membership grew, it became more common to find members holding “diametrically opposing views on most issues” (CCOF Newsletter, Summer 1990, p. 23), and this included the fundamental meaning of the organic product category. Increasing membership heterogeneity put pressure on CCOF to more fully clarify the meaning of organic, which resulted in efforts to delineate what specific inputs and practices should and should not be allowed to define the category. In a letter to the editor of the CCOF newsletter, a longtime member articulated growing concerns among many within the organization regarding the dilution of their livestock standards to accommodate the interests of newer CCOF members:

As a longtime member of CCOF and a livestock grower . . . I would like to share with you and the other members my views on the current trends within CCOF to compromise our livestock standards in the interest of allowing greater participation of existing nonorganic livestock growers in the CCOF program. To begin the subject, I would like to remind the membership of the founding principles upon which CCOF is based, i.e., the concept set forth by Sir Howard of England and John Rodale of the US, that the health of all living organisms begins with the soil and proceeds up the living chain to plants, animals and eventually man . . . The ‘organic’ movement has always been at odds with the consensus of medical and scientific opinion and probably always will be, if we adhere to its founding principal. At present there is a great deal of pressure to take the “philosophy” out of the “organic” movement and make it more scientific. I am for it if we are speaking of the true scientific health as described by Sir Howard and John Rodale. If we are talking about the pseudoscience of the consensus of scientific and medical opinion, then I am opposed to it. My appeal to the membership is not to be intimidated by the ‘halls of science,’ which have been wrong so many times in the past, and stand on your founding principles. (CCOF Newsletter, Winter 1990, p. 32)

Other tensions due to heterogeneity of identities were manifest in issues such as how to address the role of labor in organic production, the use of controversial inputs such as sodium nitrate, and the expansion of certification to Mexico and other states (Guthman 2004). Ultimately, CCOF leadership took a more lenient stance on all of these issues, suggesting a willingness to compromise and make accommodations in exchange for market expansion.

**Downstream engagement.** As demand from consumers for organic products increased, downstream buyers showed increasing interest in the organic category and in the development and institutionalization of clearer and more precise criteria underlying CCOF’s verification and certification procedures. An early newsletter revealed a growing interest from downstream players for viable verification procedures to guarantee authenticity in growers’ claims to the category:
Some stores have been asking for signed affidavits declaring that our produce is indeed certified organic. Stickers are not enough. Usually mentioning the right name is enough to convince the buyers that we are CCOF. However, each grower should be able to present such an affidavit; perhaps statewide office could issue some forms to each chapter secretary for distribution to the individual farms. (CCOF newsletter, Winter 1984, p. 1)

A retailer echoed this sentiment in a letter to the editor:

Because I deal with non-CCOF growers, distributors, peddlers, fly-by-nighters, and other sellers of food identified as “organic” I am faced with the problem of deciding who really knows what they are talking about and who is trying to fool me. Everybody with whom I deal is nice; everybody seems honest. I can’t go on “vibes” or friendliness etc. I need a system and I have developed one even though it means more work for me and for those from whom I buy. (CCOF Newsletter, Spring 1985, p. 5)

As these quotes illustrate, intermediate downstream players that sat between producers and consumers demanded greater transparency regarding verification and certification practices. CCOF had to determine whether, how, and to what extent to accommodate their demands. Responding to these downstream players, CCOF leaders developed and strengthened a set of verification and certification practices to meet their needs. One of the primary concerns for downstream buyers of organic producers was the quality of the inspection process. Farm inspections by CCOF had historically been open-ended and conducted by fellow CCOF farmers. Given the close-knit community of growers at the time, there was little need for formal verification and enforcement mechanisms. An early member of CCOF recounted: “The enforcement actions that we had to take—in the early days, it was truly a chapter by chapter focus on—you know your neighbor, and if there is someone who isn’t honest, isn’t reliable, then just spread the word a little bit about it carefully so that its not blackmailing or smearing” (Brians 2010, p. 50).

However, in the face of mounting concerns and pressure from downstream buyers and consumers, CCOF contemplated steps that would result in a more rationalized third-party inspector system, creating a vigorous debate among CCOF members about whether volunteer grower members or outside contract inspectors should be used or not. The argument for contract inspectors stemmed from the demands of the marketplace and a growing set of stakeholders:

CCOF has been under pressure from outside of the organization to have more of its inspections done by independent, paid third-party inspectors. The current procedure that allows growers to inspect other growers looks too much like self-certification to the public. Public interest groups have also mentioned that volunteer inspections by other growers do not
offer enough scrutiny. The argument for keeping the current system is based on the cost of having all contract inspections, the success of the volunteer system, grower involvement in the certification process, and the lack of qualified third-party inspectors. This is an issue that probably won’t resolve itself soon. (CCOF Newsletter, Spring 1989, p. 15)

Despite resistance from some CCOF chapters and individuals to outside contract inspectors, CCOF set in motion processes to move to a more rationalized and formal inspection system. They conducted eight inspector trainings in 1989, and the certification committee created an inspector-development subcommittee to oversee training, examinations, apprenticeships, and continuous improvement of inspector practices and qualifications. In addition to training efforts, CCOF centralized decision-making regarding the assignment of inspectors for the entire organization by creating the role of state certification chair. Previously, chapter certification chairs were responsible for assigning inspectors to growers. In 1990, the transition away from volunteer inspectors and toward contract inspectors was complete, and by 1995, the CCOF board passed a formal management plan that established a system for the hiring, training, apprenticeship, assignment, evaluation, and disciplining of inspectors. That same year, CCOF required the inspection and certification of all postharvest handling facilities used by a grower. A newsletter at the time explains:

In the past, CCOF has allowed a grower to obtain an affidavit from the post-harvest handling facility declaring that the organic integrity of the product will be maintained according to CCOF standards. This policy has been passed to ensure the organic integrity of all product that is sold under a grower certification. As the organic industry grows, CCOF product is being used in a larger number of processed foods and being shipped around the world. The growing marketplace requires inspection and documentation throughout the chain of custody for organic products. (CCOF Newsletter, Spring 1995, p. 15)

Much like inspections, soil testing was another element of CCOF procedures used to determine which producers could claim the organic label. CCOF embraced soil testing as an important component of their verification and certification practices. In early 1989, the CCOF board approved a required soil-residue test for all new parcels entering the certification program, though they allowed an exemption in cases of demonstrated financial hardship where neighboring land uses and past land history posed no threat of contamination.

Nevertheless, the soil testing requirement was controversial, and the organization and its members debated its exact role in the certification process: “We need to discuss the role of laboratory
testing in our program: is it just a tool to use towards a complete certification picture or should it be used primarily as a marketing tactic?” (CCOF Newsletter, Winter 1989, p. 16). By the spring of that same year, CCOF had decided, based on demand from downstream buyers, that testing was an important component of the certification program:

CCOF is committed to seeing that all new land entered into the program is tested for background contamination. At the same time, retailers and consumers are demanding more protection from residues in food. The volume and frequency of sampling of crop, soil and water is going to increase as more land is brought into organic production in conventional growing areas. This will require an expanded program for pesticide residue analysis. To this end, CCOF has drafted an invitation for bids to contract with a lab for residue analysis. We are looking to tailor a program that will enable us to both monitor background contamination and detect fraud. While recognizing the limitations of laboratory analysis, CCOF still sees it as a valuable tool that can and must be applied to appropriate situations. (CCOF Newsletter, Spring 1989, p. 18)

As growers became increasingly dependent on distributors, wholesalers, and retailers as their primary distribution channels, these players exerted greater influence over the nature and scope of verification and certification procedures that determined who could legitimately claim the organic label for their products. While a rudimentary coherence regarding the meaning of organic was necessary for consumers to identify the category and increase demand, downstream actors in the developing organic food value chain (i.e., those that sat between consumers and producers—wholesalers, distributors, and retailers) were ostensibly less concerned with the actual meaning of organic and more preoccupied with ensuring a steady stream of credible organic produce.

*State authorization.* Through their efforts, CCOF secured greater sociopolitical legitimacy for the organic category and for their position as a gatekeeper of the category. Beginning in October 1991, California law required the registration of all producers and handlers of organic raw commodities and simultaneously enabled the first-ever enforcement program for the state’s organic standards. The legislation also created the Organic Foods Advisory Board, which, although it had no direct regulatory powers, played an advisory role in the implementation and performance of the organic food law that included registration of all growers and handlers of organic food, review of certification programs, assessment of allowable materials, and efficacy of enforcement actions and penalties. CCOF members received 6 of the 13 seats on this board. The executive director believed that the board would have “far reaching influence through the international organic industry” given
the size of California’s organic production and consumer markets and because the board was
anticipating most of the issues to be faced at the federal level. This meant that CCOF was positioning
itself to have a “major role in the development of national organic policy” (CCOF Newsletter, Fall
1991, p. 1). Thus, in contrast to some interest groups and social movement organizations that tend to
only have influence in raising the salience of issues (King, Cornwall, and Dahlin 2005), through their
political tactics and persistence, CCOF successfully achieved state authorization of the organic
category, became the key external political player in California legislative decisions, and was poised
to be influential in determining the scope and direction of national organic food regulation.

Despite the influential position of CCOF in negotiating regulation with the state, a major
concern prevailed regarding control over the definition of organic, the inputs that would be allowed
under an evolving conception of organic, and the processes and mechanisms of verification and
enforcement. Seeking state authorization meant that CCOF ceded some control over the evolution of
the organic category, particularly as it related to determining standards and verification procedures in
the state. This represented a shift from a privately controlled context to a broader institutional arena in
which a variety of actors and interests have greater access and ability to shape both the meaning of the
organic category and the procedures that determine category membership. Given the coercive nature
of the state to enforce regulation and the growing interest among state actors to regulate the market,
CCOF leaders recognized the criticality of acting quickly and mobilizing resources to defend and
retain control of the organic category:

We’re entering a landscape dominated by the multinational institutions and entities
committed to the status quo. But this landscape has been altered in significant ways by the
recent upheavals and will thus be somewhat unfamiliar for all the participants, old and new.
Maintaining control of the “bandwagon” will require decisive action to hold onto the steering
wheel while bigger and stronger players climb on board. It will take a careful understanding
of the environment, and the subtle ways in which the terrain can steer us. If we can control the
direction, then we face the even bigger task of describing a new destination that still lies in
uncharted territory. (CCOF Newsletter, Spring 1989, p. 6)

In a rapidly changing environment, CCOF recognized the need to “continue to be vigilant and
forceful in making its opinions heard as negotiations and discussions on the federal law continue”
(CCOF Newsletter, Fall 1993, p. 4). In addition, CCOF realized the need to acknowledge and involve
new “arrivals” to the industry:
This fall we will have to address the development of national legislation which pertains to the term organic as well as the increased attention other organizations are giving the organic community. Many of them, no matter how recently they have arrived on the scene, feel that they have an inherent right to the “organic issue” and will speak accordingly. How we handle their concerns and facilitate their participation in our movement will play a role in how far any state and federal legislation will go. (CCOF Newsletter, Summer 1989, p. 11)

The organization recognized that trade-offs would be necessary as they sought to manage a regulatory process that would require compromise to achieve a favorable outcome: “Balancing our historic commitment to grower democracy and the sovereignty of chapters with a state and federal legislative process that demands instant answers in the glare of the spotlight is tough” (CCOF Newsletter, Spring 1989, p. 14). State and federal legislation had significant consequences for some CCOF members:

CCOF members have been the backbone of the organic movement for decades. However as “movements” mature into “industries,” with their seemingly inescapable layers of regulations from all levels of government, these farmers are likely to be forced out of the niches that they have labored to create for themselves. (CCOF Newsletter, Summer 1993, p. 3)

CCOF also recognized the potential for regulation to have a strong rationalizing effect on the marketplace:

Federal codification of standards, and required certification may be useful to the “marketplace” but often discourage transition to organic farming practices. Since these rules must be administered by people who often have no agricultural experience, they become prescriptive, rigid and unyielding. It may all be too much for the very farmers that helped to create the industry . . . Many growers don’t really need certification from a commercial standpoint. They have established reputations that have been built on trusting and mutually beneficial relationships with their customers. But they want to be identified with a higher standard and be a part of the community the seal represents. They want to be acknowledged for their positive contributions to a healthy food supply and for their stewardship of the land, rather than be penalized for the lack of “business” acumen. (CCOF Newsletter, Summer 1993, p. 3)

We summarize our findings regarding legitimacy-seeking behaviors, the tensions they generated and their outcomes in Table 1.

-----INSERT TABLE 1 ABOUT HERE-----

A Grounded Theory of Category Development and Growth

Our findings indicate that legitimacy-seeking behaviors on the part of CCOF played an integral role in the development and growth of the organic category. Drawing upon the key concepts
from Figure 1 that emerged from our analysis, we developed a grounded theory that shows the
dynamic interrelationships among our core concepts. The theory is represented in Figures 2a and 2b.
In Figure 2a, the first phase starts with the founders of CCOF, guided by a holistic logic, drawing upon the concepts, practices, and knowledge of early pioneers to seek consensus on the meaning of the organic by establishing a set of standards that adequately represented and embodied holistic organic practices and principles. Members of the organization refined and clarified these standards over time. While the development of standards must necessarily predate verification of those standards, the development of verification practices evolved in parallel with standard-setting, as CCOF recognized the importance of maintaining the integrity of their organic label and certification. Through the development of verification and certification procedures, CCOF sought to establish and retain categorical control as the gatekeeper of the category.

As a result, CCOF members reached internal consensus regarding the meaning of organic and what it meant to be an organic farmer (akin to intensional and extensional consensus, respectively; see Hannan et al. 2007). The resultant rudimentary (yet evolving) schema was tightly coupled with the collective identity (both of which were based on a holistic logic) of what it meant to be an organic farmer and naturally attracted like-minded producers and consumers to the emergent category. Thus, ongoing standards-setting and verification processes not only formalized the rudimentary schema but served as reinforcing mechanisms for the development of a shared, collective identity grounded in a holistic logic that was reflected in the rudimentary product schema.

Figure 2b situates the impact of legitimacy-seeking behaviors on the development and growth of the organic category. Legitimacy-seeking behaviors had a multiplex impact on these dynamics. As mentioned previously, proactively incorporating conventional growers into the category resulted in a heterogeneous membership due to commitments to competing logics that challenged the initial collective identity of CCOF members. The presence of these new members had a recursive effect on standards-setting (see dashed line). New members (particularly larger-scale ones) sought to modify some aspects of the standards to their advantage. Others simply sought greater clarity of what exactly they could use as inputs in the farming process and still legitimately claim the organic label for their products. These actions regarding the meaning of organic led to ongoing contestation over, and
subsequent revision and expansion of, the standards. Taken together, these changes led to clearer and therefore more durable standards, but also, ironically, to a weakened collective identity.

Downstream engagement had a similar impact, though via a slightly different mechanism. Efforts to educate and convince downstream players to buy organic produce were effective and led to downstream actors such as distributors, wholesalers, and retailers acquiring greater power to dictate the terms of verification (see the dashed feedback to verification). As a result, CCOF shifted away from relational-based mechanisms to verify organic claims toward a more formalized and institutional means (Zucker 1986). The continued success of individual downstream buyers was contingent upon creating credible and durable mechanisms by which verification and certification could be guaranteed. Thus, by ceding control of verification processes to downstream buyers, CCOF further facilitated the transformation of the category by emphasizing product attributes rather than the authentic features of producers closely aligned with the initial collective identity and its associated holistic agricultural logic.

While initial state authorization of the nascent organic category did not provide any sort of viable enforcement mechanisms or incentives, it did signal constitutive and symbolic approval of the category. Over time, CCOF sought further state involvement in the category, which ultimately enabled legal recourse against fraudulent growers. While state involvement enabled greater enforcement of category boundaries and increased the durability of the category, it led to feedback effects on standards-setting and verification processes that were previously under the sole control of CCOF (see dashed line). By seeking state authorization, CCOF ceded a degree of control to elected officials and bureaucrats in determining the shape and scope of the organic category while simultaneously being legally bound to comply with such decisions. State authorization also opened the market category up to the interests of conventional players that were increasingly attracted to the organic category given its high margins.

In sum, new member recruitment, downstream engagement, and state authorization set in motion processes that directly affected the evolution of the organic category and also had recursive effects on the standard-setting and verification processes which all led to greater salience and
durability of the organic category. As shown in Figure 2b, these dynamics led to the decoupling of the organic category from the initial collective identity of organic producers grounded in a holistic logic.

**DISCUSSION AND CONCLUSION**

This study explored how a standards-based certification organization can facilitate the legitimacy and growth of a nascent market category. Drawing heavily upon the efforts of J. I. Rodale to formalize and advocate a conception of organic agriculture grounded in a logic of holism—a worldview that harmoniously situated agricultural production practices within broader social and environmental ecosystems—the CCOF created a “discursive opposition” (Campbell 2005, p. 51) through standards and verification practices by which they sought to differentiate agricultural products grown according to organic principles from their conventionally grown counterparts. Not only did these efforts result in a set of rudimentary standards that delineated the meaning of organic and verification procedures that provided customers reassurance, but they also enabled CCOF to play a critical role in the creation and early development of the category.

Having established a rudimentary set of standards and verification procedures around which interested producers began to cohere, CCOF engaged in external legitimacy-seeking behaviors, namely new member recruitment, downstream engagement, and state authorization. New member recruitment enhanced the legitimacy of the organic category by increasing its visibility as prominent conventional growers joined CCOF and committed themselves to organic cultivation practices. Such growers also increased CCOF’s revenue, which allowed the organization to allocate more money and resources to promote organic agriculture. However, the beliefs, interests, and values of many of these new members differed from those held by the pioneers of the organic category. In particular, an agribusiness logic espoused by many of the new members clashed with the holistic logic on which the category was founded. This challenged the initial collective identity of CCOF members and led to conflicts over the meaning of organic and over what inputs were allowed under the standards set by the organization. Ultimately, compromises on the part of CCOF led to the accommodation of the goals and interests of these larger producers while simultaneously attempting to keep smaller producers onboard.
The active involvement of downstream actors such as wholesalers, distributors, brokers, and retailers resulted in the creation of viable marketing channels and substantial growth of the category. Prior to 1995, the marketing channels for organic food changed very little. Surveys conducted in 1991 and 1995 revealed that only 7 percent of all organic products were sold in conventional supermarkets, whereas 68 percent were sold in health and natural products stores, and the remaining 25 percent via direct-to-consumer marketing channels. However, by 2000, this distribution had shifted drastically: 49 percent of all organic products were sold in conventional supermarkets (with 73 percent of all conventional supermarkets carrying some type of organic product), 48 percent were sold in health and natural foods stores, and only 3 percent through direct-to-consumer methods (Dimitri and Greene 2002). The early efforts of CCOF and other SBCOs to engage downstream buyers led to rapid growth and expansion of these marketing channels, greatly benefiting the organic category.

However, this engagement also led to a shift of power and decision-making regarding verification and certification procedures from producers to powerful downstream actors. Given their structural position within the growing organic market between producers and end consumers, large downstream players demanded more rationalized forms of monitoring and verification of producers’ claims. Their interest in achieving economies of scale, coupled with a growing demand for and legitimacy of organically labeled food from a wider demographic of consumers, led downstream players to seek a steady and reliable stream of verified organic products. Given the growing acceptance and interest in organic food, large downstream buyers were often more interested in maintaining supply than in scrutinizing the nature and meaning of the product category. As long as a set of sufficiently coherent standards defining organic existed and credible verification and certification processes were in place, downstream buyers could profit significantly from the growing demand for organic food. Verification and certification procedures become increasingly rationalized and accepted, to the point that most consumers considered a label identifying a product as organic a sufficient guarantee of product credibility. Thus, a shift away from producer attributes and toward product attributes (embodied in a label) became well accepted in the marketplace. These changes led to greater costs for producers as they sought to adhere to the requirements placed upon them regarding
verification and certification procedures. They also led to the exclusion of many smaller-scale farmers from these larger and more established marketing channels.

To boost their sociopolitical legitimacy and to obtain a legally enforceable definition for the organic category, CCOF sought and received state authorization at both state and federal levels. Despite being viewed by most agricultural policymakers as “a primitive, backward, nonproductive, unscientific technology suitable only for the nostalgic and disaffected back-to-the-landers of the 1970s” (Youngberg et al. 1993, p. 298), organic agriculture had gained ascendency within state and federal agricultural agencies by the late 1990s. However, by seeking state authorization, CCOF shifted the category out from under its own auspices to political arenas where the organization’s ability to make unilateral decisions vis-à-vis their members regarding the standards and verification procedures was weakened. As interest in the category grew from all sides (conventional producers, consumers, retailers, distributors, interest groups, and lawmakers), CCOF recognized the need to not only assert their expertise in the area but also compromise in order to achieve a meaningful regulatory outcome.

In sum, while the course of action pursued by CCOF succeeded in legitimating and growing the nascent organic category, it also led to trade-offs. For example, the emphasis on legitimacy and growth increasingly marginalized the smaller grower—which, in many ways, epitomized the initial collective identity of CCOF: “Many of us feel abandoned by the industry we helped to start, maintain, and grow” (CCOF Newsletter, Spring 1989, p. 23). The mounting requirements required by CCOF members meant that some smaller farmers either could no longer afford or no longer wanted to deal with the organization: “CCOF has had to outgrow many small growers like myself who are not into filling out forms and keeping records but taking things one day at a time and being free” (CCOF Newsletter, Spring 1989, p. 28). By the late 1990s, CCOF ironically recognized as an organization that they had lost sight of their roots and took formal steps to address the lack of attention to smaller growers:

The CCOF board is aware of the need to tend to our roots—the smaller scale farmer. At its last meeting, the board appointed a Smaller Farmer Task Force to explore how the CCOF certification process can become more “small farmer friendly.” Another action undertaken by the Board was a directive to explore a revision of our fee structure, which includes inspection
fees. The most common complaint from smaller scale farmers, according to our records, is the inspection costs. (CCOF Newsletter, Spring 1999, p. 3)

A related consequence of engaging in legitimacy-seeking behaviors was a growing feeling that CCOF had compromised some of their early goals and values. By the late 1990s, CCOF leadership generally maintained that “growing the entire world of organic food and agriculture stands to benefit the markets for organic farmers of all scales and ideologies.” The executive director at the time also conceded that CCOF’s goals and activities did not necessarily benefit “the broader ideological goals of some of our members. Nor does this focus directly and immediately benefit the sales of our farmers with local markets” (CCOF Newsletter, Spring 1999, p. 2). Despite this recognition, CCOF as an organization was unapologetic:

Growth and change is always stressful. Many long time CCOF members feel alienated by the growth due to the size of the organization. There are rumblings that “organic” is being bought out by the big business players. Perhaps when “organic” goes mainstream, we may lose some of our visionaries as they move on to the next vision. But we need to keep growing, because we know that organic is the way to grow. Our goal is to turn the table so that eventually, everyone thinks of “organic” as the “conventional” way to produce food. Let’s work towards the day when farms have to be “certified” and inspected annually to produce food using synthetically derived pesticides and fertilizers. (CCOF Newsletter, Fall 1998, p. 27)

Many felt disassociated from the organization as a result of these legitimacy-seeking behaviors. To many, the passage of a resolution in 1996 by the CCOF board to adopt a “Principles of Community” statement whose purpose was to “serve as a guideline for the board and other CCOF members on our interactions with one another” (CCOF Newsletter, Summer 1996, p. 10) seemed to embody the shift from shared values and worldview to an instrumental organizational ethos.

A comparison of CCOF narratives during the time of study further evidence a shift in the organization’s identity. Given that narratives can reveal the collective identity of a given category’s members (Wry et al. 2011), we include here self-descriptions of CCOF from The National Organic Directory—the primary source of information on the organic food market and the only national directory during the period under observation. Such public pronouncements can serve as narratives or stories that organizations use to communicate their identity and goals (Lounsbury and Glynn 2001,

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4 The descriptions found in this publication were congruent with other descriptions provided in other texts such as newsletters and industry trade publications, and with interviews with leaders and members.
Navis and Glynn 2010, Kennedy 2008). Table 4 contains organizational descriptions from CCOF from 1983 (Column 1) and 1989 (Column 2).

-----INSERT TABLE 4 ABOUT HERE-----

Turning to Table 4, the language regarding the ecological goals of organic agriculture in the 1983 CCOF text is no longer present in the 1989 text. A shift in the scale of operations is also obvious. In contrast to the 1983 text, CCOF has an international focus, describing the development of networks with other organizations, enabling CCOF-certified growers to enter into broader national and international markets. The text also reveals a clear change in the relations among actors. The explicit focus on farmers in the 1983 text is less apparent in the 1989 text. The experience of farmers and their relationship with others is deemphasized; instead, there is a strong emphasis on working with retailers and wholesalers and on maintaining the integrity of their certification program. While the consumer is still recognized, her relationship to growers is now described as being mediated by retailers and wholesalers.

The description of the organizational goals and activities is also different from the earlier text. The details regarding “open meetings” and the sharing of resources and information in the 1983 text are absent, supplanted by an emphasis on certification as the organization’s primary activity. The text also highlights the existence of a certification handbook outlining all standards and procedures for certification and listing allowed and prohibited materials for organic production. This demonstrates a greater dependence on rationalization and formalization to effectively govern the growing market. It is also notable that the use of the term “organic” has changed. In the 1989 text, “organic” no longer modifies the word “agriculture.” Instead, the terms “industry” and “foods system” are used, indicating a shift from only the production side of the market.

The contrast of these texts suggests significant change at CCOF from 1983 to 1989. First, the relationship between the holistic logic and CCOF as an organization is attenuated. Although an implicit relationship remains, the discourse in these two texts differs markedly in this regard. Second, it is clear that the scope of operations for CCOF is increasingly focused on national and international
markets. A third and related point is that the local grower–consumer relationship shifts over time, with greater privilege afforded to the retailers and wholesalers in the latter text—critical new players seeking to enter the market as demand increases. Fourth, the purposes of the organization are increasingly narrowed, focusing on growing consensus around what organic means and what producers must do in order to qualify for the category. Finally, emphasis on the producer and her characteristics is lessened, while greater focus is placed on product characteristics.

In the following, we discuss important implications of these findings for the literatures on legitimacy, category emergence, institutional logics, market intermediaries, and the role of movements in market development.

**Contributions to the Study of Legitimacy**

This study provides a more holistic approach to legitimacy seeking and its consequences for new market contexts. While scholars have long understood the criticality of legitimacy for both new ventures and the nascent market in which they labor, there is scant understanding of the tensions and tradeoffs associated with legitimacy-seeking behaviors and their consequences for nascent markets and sectors. Whereas it has been acknowledged that “organizations may have to modify their structures and/or activities in various ways in order to acquire and maintain the support of external agents” (Scott, 1987: 502-503), we know little regarding the downsides of such modifications and accommodations to obtain legitimacy from external agents (but see Zuzul and Edmondson 2013). Thus, our study contributes to the literature on legitimacy in several ways. First, while it is well accepted that greater foundings of a new organizational form is correlated with greater legitimacy (Hannan and Freeman 1989), our study points to the importance of focusing attention on whether and to what degree heterogeneity among category members creates challenges for a nascent category (Haveman and Rao 1997, Negro et al. 2011, Wry et al. 2011). We found a clear expansion of membership to a more diverse set of actors than those that originated the category, but we did not find evidence of a concomitant increase of category incoherence or delegitimation. Rather, our results from our study suggest that heterogeneity among category members weakened the collective identity of the category members, but actually facilitated greater legitimacy of the category itself.

What can explain this? Our findings suggest that the standards-setting and verification
activities of SBCOs play a critical role in explaining these dynamics. Yet, these activities were not sufficient conditions for the dilution of the collective identity and the growth of the category. For example, an organization or group can engage in the creation of standards, but such efforts do not automatically equate to greater legitimacy and market growth (Ahrne, Brunsson, and Garsten 2000). Thus, efforts to create and enforce standards, coupled with successful legitimacy-seeking actions generated the sufficient conditions for a decoupling of initial collective identity dilution from category acceptance and growth. CCOF played a key balancing role when faced with actors holding competing and contradictory interests and logics. By retaining control of standards-setting and verification and being open to the addition of new members with heterogeneous interests and values, CCOF was able to decide for all audiences what it meant to be organic, thus mitigating the development of producer and customer factions that would have likely fractured the growing market. However, given that our study is of a single SBCO, generalization of these findings are limited due to the absence of studies on SBCOs and market intermediaries operating in other nascent markets and sectors, which would allow a fuller understanding of the scope conditions of these dynamics.

A second implication of our findings for the study of legitimacy is the importance of viewing legitimacy as a relationship with an audience rather than as something that an organization attains or possesses (Suchman 1995). A more relational view of legitimacy focuses needed attention not only on the various audiences that confer legitimacy on those seeking it, but also on the potential constraints associated with gaining legitimacy. This view is particularly important in nascent market settings where constituencies are in formation, players come and go as the market matures, and where factions fall as others gain ascendancy and influence. More focused empirical attention to the shifting landscapes of audiences and those seeking legitimacy is needed.

A related implication of our findings is that while engaging various audiences may foster greater resource flow, access to markets, and other benefits, there are significant trade-offs particularly with regard to the control of a nascent category. Although extant research underscores the value of accreditation, certification, and endorsement from external actors (Ruef and Scott 1998, Sine, et al. 2007), it has little to say regarding potential trade-offs associated with such relations. Our findings demonstrate that in nascent markets where categorical boundaries and the mechanisms that
determine categorical membership are still up for negotiation, the benefits of obtaining legitimacy need to be carefully weighed against the shift in power and decision-making autonomy. Our results suggest that legitimacy-seeking behaviors can lead to new power configurations and resource dependencies. Extant research on legitimacy, despite the inherent importance of power considerations in gaining and maintaining legitimacy, has not fully explored these relationships (but see Santos and Eisenhardt 2009). Greater integration of power issues with legitimacy and categorical development will advance our understanding of category emergence and growth.

**Contribution to Literature on New Market-Category Emergence**

In considering the role of an SBCO in the formation and growth of a category, we respond to scholars’ calls to develop an “analytical framework to identify and describe the early steps in industry or form emergence” (Hannan et al. 2007, p. 58). Our results demonstrate the need for researchers to develop a more process-based perspective of category creation and change, one that accounts for ways that categories change as they become heterogeneously populated and multiple audiences are increasingly involved. Although our context may be atypical, it stands in contrast to extant accounts of new category formation that can be categorized as a “bottom up” approach to category formation whereby category members make sense of a category via interaction with one another and with consumers, often with the media playing an important role in these processes (Hannan et al. 2007, Navis and Glynn 2010, Kennedy 2008). By contrast, markets in which SBCOs work to create a crisp set of attributes to define and control a category are more of a top-down process that creates different category formation dynamics than those documented in prior studies. Take for example several market categories that, like organic food, found their success and identity in their opposition to conventional, mass markets. Identity movements in the beer and wine industries as well as the film and beef industries created “systems of binary opposition” (Zuckerman and Kim 2003, p. 29) that make it difficult to straddle the two opposing categories (Carroll and Swaminathan 2000, Weber et al. 2008). In all cases, this opposition served as a means to galvanize group identification and facilitate the mobilization of collective action (Pozner and Rao 2006).

Although the organic category exhibited a similar binary opposition to conventional agriculture, our findings suggest that the organic category did not retain the authenticity that other
market categories such as the microbrew segment of the beer industry were able to retain (Carroll and Swaminathan 2000). Why is this the case? Based on our findings, we posit three explanations. First, the standards-setting and verification efforts of organic pioneers were influenced by a strong holistic logic that stood in strong opposition to conventional agricultural practices. This provided an initial categorical boundary between the fledgling organic category and conventional agriculture. However, clearer and increasingly comprehensive standards significantly reduced ambiguity regarding the meaning of organic (i.e., the number and relevance of dimensions defining the category) and of who could be considered an “organic producer” and of what could be considered “organic food.” This had a dualistic effect on the category. On the one hand, this reification led to more durable categorical boundaries, providing a compelling rationale for claims that organic food was substantively different from conventionally grown food. On the other hand, codification and standard-setting of what was initially an esoteric set of philosophies and practices facilitated entry of producers that identified less with the holistic logic and goals that motivated the pioneers of the category.

Second, downstream buyers, in the face of growing demand for organic products and given their structural position within the emergent organic food value chain, had a strong interest in developing verification procedures that would enable a reliable sourcing of credibly certified products. The shift toward more objective and professional “third-party” verification processes by and large eliminated peer monitoring—an effective social control mechanism in markets where authenticity and identity are of central importance to the value of the product (see Carroll and Swaminathan 2000, pp. 731–732). Furthermore, the growth of downstream players mediated the relationship between producer and consumer, which led to a decline in personal interactions between producers and consumers and a corresponding decrease in identification with the aims and purposes of organic agriculture.

Third, the development of verification processes coupled with formally sanctioned codification of standards in state and federal law facilitated product commensuration (Espeland and Stevens 1998). For example, commensuration allows a processor of tomato sauce to combine organic tomatoes grown by multiple producers in multiple locations with confidence that all are grown according to the same principles and processes. This commensuration resulted in a focus on the
product rather than the producer, further facilitating the declining authenticity of the organic category. Carroll and Swaminathan (2000) noted that microbreweries and brewpubs pursued cognitive strategies that sought to define the specialty beer segment in such a way as to exclude major brewers and contract brewers. For instance, a larger, more corporate microbrewer said, “the industry would be better served by a definition of craft beers—focused on ingredients and brewing process—rather than craft brewers” (Carroll and Swaminathan 2000, p. 731). By codifying standards and rationalizing verification processes, the organic category shifted attention away from producers and focused on products, which enabled the category to withstand significant heterogeneity within its membership.

**Contribution to Institutional Logics Literature**

The case of CCOF and the emergence and growth of the organic food category sheds light on how divergent logics get embedded in market categories and organizational forms (Thornton et al. 2012; Pache and Santos 2013, Purdy and Gray 2009; Nigam and Ocasio 2009; Jones et al. 2012). Divergent logics can generate fault lines within markets, which have significant implications for the ongoing enforcement and governance of such markets. The findings of this study are consistent with prior research that documents how new types of economic activity and the infrastructure that supports them always benefit from and often require a supportive ideological base (Sine et al. 2005). However, this study extends this line of research by moving beyond narratives of industry and market evolution that ultimately results in legitimation or co-optation. The realization of the potential economic benefit or value created in new niche markets may depend on competing logics and heterogeneous actors to reach critical mass/viability. In the context of the organic food industry, a holistic logic underpinned and constituted the rationale and motivation for early organic pioneers to establish the organic category despite little institutional support or economic return. However, the more dominant logic of agribusiness subsequently provided a rationale for the growth and development of the nascent concept as an engine for economic growth.

It is interesting to speculate what would have occurred in the absence of either of these logics that were manifest in different ways and at different times in the evolution of CCOF. Ostensibly, one could imagine that in the absence of holistic logics, the market would have never been conceptualized in the first place. If for some reason it had been, then one could imagine that in the absence of the
effective mobilization and powerful outcry from those committed to a more holistic conception of organic, the national standards would have looked very different from how they do today.

Conversely, consider the absence of the agribusiness logic. In this scenario, other alternative agricultural philosophies provide insight. For example, biodynamic agriculture, with its associated standards developed and promulgated by the Demeter Association, failed to see widespread adoption in the United States and has remained at the periphery of U.S. agricultural practices. Many have cited the esoteric, occult, and dogmatic nature of biodynamic agriculture as the primary impediment to its broader adoption and the inability to scientifically demonstrate its purported benefits. While agribusiness rationale for the biodynamic agriculture may have possibly facilitated its acceptance, adherents of biodynamic principles staunchly refused such motivations because it fundamentally contradicted their perspective on the natural world. By contrast, organic agriculturalists were more pragmatic about growth and the reliance upon more rationalized logics and recognized its central role in the market’s development and viability. The editor of the 1987 organic directory notes:

But, organic farming is not the farming that our ancestors did. The same “science & technology” that gave us chemicals also gives us insect ecology, microclimatology, soil analysis, permaculture, conservation techniques, and a host of other new knowledge that our farming ancestors never dreamed of. Organic farming is the new farming of today and the future, a blend of the best of the newest sciences and of the old wisdom. (Bunn 1987, p. 131, emphasis in original)

This quote demonstrates the dual importance of the two distinct logics in organic—holism, represented in this quote as the “old wisdom,” and a reliance on new technologies, represented as “the newest sciences.” The editor goes on to suggest that the movement has been effective at “changing the condition of agriculture” and that the future success of the movement depends on “Organic businesspeople and activists . . . continu[ing] to build their constituency” and the solidarity among “organic farmers, wholesalers, retailers, manufacturers, and concerned public interest groups” (Bunn 1987, p. 131). In the absence of such solidarity, he suggests that “organic farming development will be pushed aside or co-opted or back-burnered” (Bunn 1987, p. 131). While this author recognizes the necessity of both types of logics and a broad coalition of support and interest, the tensions inherent in

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5 Biodynamic agriculture is a variant of sustainable agriculture that is based in a spiritual worldview (anthroposophy) that was developed by Rudolf Steiner in 1924.
such positions are not articulated. Our analysis and tracking of how these logics were manifest in particular decisions taken by CCOF point to important questions about how logics affect the fate and structure of nascent markets and industry niches.

**Contributions to the Study of Market Intermediaries**

While logics played a role in the development of the organic category, a sole focus on logics is insufficient to explain the emergence and growth of the category. A focus on market intermediaries “complements theories of institutional logic by specifying the on-the-ground processes that facilitate or inhibit such change” (Sauder 2008, p. 229). Despite their limited powers of enforcement compared with those of the state, market intermediaries introduce a “prescriptive, evaluative and obligatory dimension to social life” (Scott 2001, p. 54) and can therefore precipitate substantial change in the fields and markets they inhabit. However, most extant research on market intermediaries tends to focus on the ways in which these actors categorize and evaluate organizations using well-established categorization schemas and classification structures (e.g., music and food critics, securities analysts, etc).

We advance work in this area by focusing on the role and activities of a particular type of market intermediary—a SBCO—in the context of new market category formation. While some have suggested that simultaneously fulfilling the role of standards creator and enforcer may hamper successful acceptance of a particular standard or category (Hwang and Powell, 2005), our findings suggest it was critical for CCOF to fulfill both roles in order to retain relevance and control in a rapidly expanding market.

It should be noted that the mere presence of aspiring intermediaries is not sufficient to gain influence. Sauder (2008) importantly pointed out that prior to the ascendancy of the *U.S. News & World Report* rankings of law schools, numerous rankings schemes had been developed but none had achieved *U.S. News & World Report’s* legitimacy. These types of market intermediaries generally control only symbolic resources and are therefore able to impose only symbolic sanctions. However, if symbolic sanctions become an important decision cue for those determining the allocation and control of key inputs and outputs, as our case illustrates, accreditations and certifications become consequential (Zald 1978, p. 91). Such accumulation of power can enable SBCOs to increase their
ability to determine continuing membership, set additional rules and standards, and pool resources for
the continued dissemination of standards and education of would-be adopters. This increased power
can also lead to advantageous positioning to influence broader regulatory structures, create status
differentiation among actors, and eclipse competing standards (Ahrne et al. 2000). Consequently,
greater scholarly attention to understanding the role of SBCOs in new and evolving sectors is critical.

**Contribution to Movement-Driven Markets**

Finally, the study of markets such as the organic food industry is useful in its own right. The origins
of market niches such as green building (York and Lenox, forthcoming), fair-trade coffee (Reinecke
2010), recycling (Lounsbury et al. 2003), grass-fed beef (Weber et al. 2008), soft drinks (Hiatt et al.
2009), and renewable energy (Sine and Lee 2009) all have their roots in movement- or value-driven
actors. Such markets become possible when social actors “see some important social need that is
unfilled by conventional businesses or public agencies” (Rothschild and Whitt 1986, p. 116). The
blending of social values and market forces offers tremendous potential for socially conscious
entrepreneurs to fundamentally reframe consumers’ preferences, influence consumption patterns,
forge new distribution methods, and redefine the means by which goods are produced. Consequently,
these types of markets are important from a public policy perspective because they are the source of
substantial economic and social change that redefines preexisting norms, practices, and institutions.

Although early organic activists did not entirely achieve their objective of “establish[ing] a
completely new system of food production and distribution” (Belasco 1989, p. 69), their pioneering
actions set in motion a dynamic market that has significantly altered agricultural practice and
consumer behavior, making organic agriculture the fastest-growing niche in both domestic and
international agricultural markets. While advocates find justification for their market’s existence
through their opposition to mainstream institutions and organizations, tensions arise in these types of
markets because pioneers must nonetheless seek support, endorsement, and legitimacy from some of
those same institutions (Rothschild and Whitt 1986). Further study of how these tensions between
competing values and related logics are managed is critical to understanding under what conditions
markets for these sorts of goods and services are frustrated, facilitated, co-opted, or transformed.
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FIGURE 1: DATA STRUCTURE

Empirical Observations

- Development of materials list
- Sufficiency of standards
- Development of handbook
- Increasing specificity of materials list and standards
- Debate/discussion regarding content of standards

- Record keeping
- Affidavits to ensure organic claims
- Paid inspectors
- Control the chain of custody
- Out of state shipping
- Soil tests
- Decertification

- Increase revenue base of organization
- Decrease illegitimate incidences of claims
- New types of members
- Organizational restructuring to recruit larger producers

- Educate retailers and customers on label meaning and use
- Dependence on downstream channels for growth
- Retailers and distributors become CCOF members
- Existence of a “market” independent of CCOF

- Challenge state efforts to lump organic with natural category
- Collaboration with state to eradicate pests
- CCOF dictates legal content
- Protection of CCOF’s interests
- CCOF as expert

Theoretical Observations

- Codification
- Cognitive adequacy
- Logic congruence
- Professionalization
- Credibility/Objectivity
- Internal negotiation
- External recognition
- Accommodation
- Heterogeneity
- Resource acquisition
- Evangelism
- Power shifts
- Control of standards
- Transmissibility
- Minimum standards
- Commensuration
- Force of law

Theoretical Constructs

- Standards-setting
- Verification
- New Member Recruitment
- Downstream Engagement
- State Authorization

Professionalization

Codification

Cognitive adequacy

Logic congruence

Internal negotiation

External recognition

Accommodation

Heterogeneity

Resource acquisition

Evangelism

Power shifts

Control of standards

Transmissibility

Minimum standards

Commensuration

Force of law
FIGURE 2a: A GROUNDED THEORETICAL MODEL OF CATEGORY DEVELOPMENT AND GROWTH

Holistic Institutional Logic
- Practices
- Knowledge
- Processes

Standards-Setting

Verification

Rudimentary Schema
- Collective Identity
FIGURE 2b: A GROUNDED THEORETICAL MODEL OF CATEGORY DEVELOPMENT AND GROWTH
<table>
<thead>
<tr>
<th>Benefits</th>
<th>New Member Recruitment</th>
<th>Downstream Engagement</th>
<th>State Authorization</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>More “mainstream” members</td>
<td>Access to more marketing channels</td>
<td>Increased legitimation of CCOF's standard-setting and verification procedures</td>
</tr>
<tr>
<td></td>
<td>Greater revenue base for organization</td>
<td>Greater consumer awareness of products</td>
<td>Force of law to punish fraudulent actions</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Increase in market scope for CCOF-certified products</td>
<td></td>
</tr>
</tbody>
</table>

| Tactics                              | Mailings, door-to-door farmer recruitment, and demonstrations at public events such as county fairs | Direct marketing to retailers                                 | Writing legislation, giving testimony as experts                      |
|                                      |                                                                                       | Hosting of seminars to educate retailers                      | Lobbying state legislators for food and agriculture policies supportive of CCOF's standards |
|                                      |                                                                                       | and chefs about certification                                 |                                                                        |
|                                      |                                                                                       |                                                                 |                                                                        |

| Issues                               | More heterogeneous members holding various logics and beliefs regarding what organic should mean | Market category transactions became less relational and more bureaucratic | Placement of standard settings and verification procedures into the political arena made them susceptible to changes from other agriculture interests |
|                                      | Increasing internal conflict and politics                                               | Information asymmetry and lack of trust increased among downstream suppliers with regards to organic food verification | Increased pressure to compromise and accommodate other SBCOs in order to form successful policy coalition |
|                                      |                                                                                       | Greater demands placed on standards from external buyers       |                                                                        |
|                                      |                                                                                       |                                                                 |                                                                        |

| Outcomes                             | Increase in market category incoherence (what it meant to be organic)                  | CCOF ceded control of some verification procedures to downstream actors | CCOF ceded control of standard-setting and verification processes to state authorities |
|                                      | Challenge to collective identity                                                        | Verification processes became more focused on product than on producer | Standard-setting and verification processes became focused on the product and not on the producer |
|                                      | Decrease in membership volunteerism and dedication to the CCOF's original logics       |                                                                            |                                                                        |
TABLE 2: CCOF ORGANIC FOOD STANDARDS (1974)

1. Only organically grown produce and foods of high quality will be sold under the Seal of California Certified Organic Farmers.

2. All fruits, nuts, vegetables, berries etc. shall be harvested in a mature enough stage to where the flavor and nutritional value will not be affected.

3. Animals raised for the purpose of human consumption must be kept in a suitable environment. All feeds must verifiably meet or exceed C.C.O.F. standards. Free choice feeding will be practiced. No artificial growth stimulants will be used. The use of antibiotics will be restricted to reactionary use only. Vaccines will be restricted to only verified necessary use and will be recorded for C.C.O.F. approval. No vaccines or antibodies will be allowed 90 days prior to slaughter. A chemical analysis showing P.C.B. content (maximum allowable .05 ppm) antibiotic content (maximum allowable limit .00 ppm), heavy metals (maximum allowable .05 ppm), and hormone content (maximum allowable .00 ppm) will be provided to C.C.O.F. upon request. At least 60% of sales weight per animal will be produced organically.

4. Each member will market or sell his produce by the best method suitable to maintain freshness, quality and appearance.

5. All organically grown foods marketed by a C.C.O.F. member must be identified by the official C.C.O.F. Seal.

6. A member may sell any food or produce he raises not meeting these standards but, the member is responsible for protecting the C.C.O.F. name by making certain the buyer is not left with the impression that he is buying food certified by C.C.O.F. Further, C.C.O.F. retains the right to make public notice of the fact that any member is selling food or produce which does not meet the standards for certification. If a member is found in violation of this section, he is subject to immediate suspension, suspension of his seal, and ultimate expulsion from this organization upon majority vote by the appropriate committees.

7. All use and reproductions of C.C.O.F. identifying Seal or Seals of Certification must be approved in writing by the Executive Certification Committee.

8. The humus content of soil in which food is grown should be three percent or above. The farmer must demonstrate to all applicable committees his effort to maintain sufficient humus content in the soil and continued efforts to increase the percentage of humus content.

9. No materials evaluated as injurious may be used on food, or in soil in which products are grown, or animal grazed.

10. No harmful toxic materials such as dyes, preservatives, or odorizers may be used at any time on foods or produce.

11. No member shall be allowed to market foods or advertise food as certified organically grown by C.C.O.F. if laboratory tests on the crop indicates the presence of more than ten percent of the maximum pesticide residue tolerances allowable by the Food and Drug Administration.

12. Soil and crops committed to organic production must be sampled and analyzed annually at members’ expense for soil fertility, humic matter content, and pesticide residues on or in crops according to a schedule to be determined annually by the Executive Certification Committee.

13. Should keep accurate and comprehensive records of all farm operations and these records will be open to inspection at any time.

CERTIFICATION . . . requires that a new applicant do the following:

1. Complete an application for membership and an 8-page questionnaire. Send each to the President, Cal Slewings, 587 Heather Way, San Rafael, California 94903.

2. Pay the annual dues and all laboratory costs required for soil and tissue sampling tests.

3. Receive verification from the laboratory that the applicant qualifies pursuant to Standards of C.C.O.F.

Must secure recommendation from the Executive Certification Committee and the Regional Certification Committee to qualify for certification.
# TABLE 3: CHANGING DEMOGRAPHICS OF CCOF MEMBERSHIP

<table>
<thead>
<tr>
<th>Year</th>
<th>Mean acreage</th>
<th>Acreage (sd)</th>
<th>Acreage (min)</th>
<th>Acreage (max)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1986</td>
<td>30.30</td>
<td>63.67</td>
<td>0.10</td>
<td>450</td>
</tr>
<tr>
<td>1987</td>
<td>32.37</td>
<td>70.22</td>
<td>0.10</td>
<td>450</td>
</tr>
<tr>
<td>1988</td>
<td>66.38</td>
<td>233.87</td>
<td>0.10</td>
<td>2630</td>
</tr>
<tr>
<td>1990</td>
<td>75.35</td>
<td>228.11</td>
<td>0.10</td>
<td>2630</td>
</tr>
<tr>
<td>1991</td>
<td>88.15</td>
<td>251.39</td>
<td>0.10</td>
<td>2630</td>
</tr>
<tr>
<td>1992</td>
<td>103.93</td>
<td>324.88</td>
<td>0.05</td>
<td>3388</td>
</tr>
<tr>
<td>1993</td>
<td>102.20</td>
<td>312.52</td>
<td>0.05</td>
<td>3388</td>
</tr>
<tr>
<td>1994</td>
<td>97.64</td>
<td>305.11</td>
<td>0.01</td>
<td>3388</td>
</tr>
<tr>
<td>1995</td>
<td>100.63</td>
<td>273.84</td>
<td>0.13</td>
<td>2769</td>
</tr>
<tr>
<td>1996</td>
<td>107.36</td>
<td>297.30</td>
<td>0.13</td>
<td>2926</td>
</tr>
<tr>
<td>1997</td>
<td>109.70</td>
<td>302.44</td>
<td>0.13</td>
<td>2926</td>
</tr>
<tr>
<td>1998</td>
<td>128.84</td>
<td>483.74</td>
<td>0.13</td>
<td>8203</td>
</tr>
<tr>
<td>1999</td>
<td>141.90</td>
<td>511.16</td>
<td>0.10</td>
<td>8389</td>
</tr>
</tbody>
</table>
TABLE 4: CCOF TEXTS, 1983 AND 1989

<table>
<thead>
<tr>
<th>CCOF 1983</th>
<th>CCOF 1989</th>
</tr>
</thead>
<tbody>
<tr>
<td>California Certified Organic Farmers (CCOF) is a statewide non-profit</td>
<td>CCOF is a voluntary, non-profit certification and</td>
</tr>
<tr>
<td>Association of Chartered Chapters founded in 1972 by a group of organic</td>
<td>educational organization for organic producers and</td>
</tr>
<tr>
<td>farmers, and others. The organization was born primarily out of the need</td>
<td>supporting members in California. It is the only non-</td>
</tr>
<tr>
<td>for enhanced communication between farmers with varying degrees of</td>
<td>profit, third party system for verifying organic</td>
</tr>
<tr>
<td>expertise in organic agriculture, and the consumer. We do this through</td>
<td>production throughout the state. There are 14 regional</td>
</tr>
<tr>
<td>our certification program, open meetings, research, educational</td>
<td>chapters coordinated by the statewide office in Santa</td>
</tr>
<tr>
<td>programs, marketing assistance, and the general sharing of resources,</td>
<td>Cruz.</td>
</tr>
<tr>
<td>ideas, and information.</td>
<td>CCOF publishes the comprehensive Certification</td>
</tr>
<tr>
<td>The Certification Program exists so that the consumer at the point of</td>
<td>Handbook which includes the complete standards and procedures for</td>
</tr>
<tr>
<td>purchase is assured that a product bearing the CCOF seal has been</td>
<td>certification as well as a list of allowed and prohibited materials. A</td>
</tr>
<tr>
<td>grown and handled in accordance with certain standards and procedures</td>
<td>list of certified growers and</td>
</tr>
<tr>
<td>and is indeed organically grown. The standards of certification</td>
<td>their current crops is published semi-annually. A</td>
</tr>
<tr>
<td>are designed to promote land use that will enhance fertility and the</td>
<td>quarterly state-wide newsletter is available to</td>
</tr>
<tr>
<td>natural balance of nature while eliminating harmful and poisonous</td>
<td>supporting members ($15–$50) annually). Educational</td>
</tr>
<tr>
<td>substances that detract from the natural balance and impose an</td>
<td>and promotional materials for retailers are also available.</td>
</tr>
<tr>
<td>artificially imbalanced environment.</td>
<td></td>
</tr>
<tr>
<td>Open meetings are held on a regular basis to provide a forum for</td>
<td>The certification program includes regular soil testing,</td>
</tr>
<tr>
<td>discussion of the ongoing research and experience of individual growers,</td>
<td>written disclosure of all growing practices, and</td>
</tr>
<tr>
<td>distributors, and consumers. Educational programs are also sponsored</td>
<td>inspection of every farm at least once a year.</td>
</tr>
<tr>
<td>from time to time dealing with various aspects of organic food</td>
<td>Beginning in 1989, a mandatory pesticide reside test will be required for</td>
</tr>
<tr>
<td>production. Past programs have included talks given by experts on</td>
<td>all new acreage entered into the program. CCOF conducts training of all</td>
</tr>
<tr>
<td>biological insect control and other topics of concern to the members.</td>
<td>Farm Inspectors and published the Farm Inspection Manual.</td>
</tr>
<tr>
<td>The organization also serves as a link between farmer members and those</td>
<td>Membership in CCOF has continued to grow by 25%–30%. This growth</td>
</tr>
<tr>
<td>wishing to buy bona fide</td>
<td>reflects both the overall expansion of the organic industry and the</td>
</tr>
<tr>
<td>organically grown food.</td>
<td>increasing demand for reliable verification of organic claims. By 1990,</td>
</tr>
<tr>
<td>We are also actively working for legislation favorable to a healthy,</td>
<td>the program is expected to include approximately 500 growers and 40,000</td>
</tr>
<tr>
<td>ecological, accountable, and permanent agriculture. It is largely</td>
<td>acres of production.</td>
</tr>
<tr>
<td>through the work of CCOF members that the California Organic Food Bill</td>
<td>CCOF represents the interests of organic growers in the development and</td>
</tr>
<tr>
<td>(Assembly Bill #443) was enacted into law in January of 1981. This bill,</td>
<td>implementation of public policy. In 1988, it instigated the first action</td>
</tr>
<tr>
<td>for the first time, legally defines the meaning of the terms “organic”</td>
<td>ever by the state department of Health Serviced in enforcing the</td>
</tr>
<tr>
<td>and “organically grown.”</td>
<td>California Food Act. It has continued to be involved with the state’s</td>
</tr>
<tr>
<td></td>
<td>eradication program for the apple maggot fruit fly by maintaining</td>
</tr>
<tr>
<td></td>
<td>non-spray alternatives for organic growers. It is participating in the</td>
</tr>
<tr>
<td></td>
<td>development of federal and state research programs, as well as the</td>
</tr>
<tr>
<td></td>
<td>beginnings of federal legislative action to define uniform national</td>
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<td></td>
<td>standards for organic foods.</td>
</tr>
<tr>
<td></td>
<td>CCOF is also participating in international networks within the organic</td>
</tr>
<tr>
<td></td>
<td>industry. It is a chapter of OCIA and offers its certified growers the</td>
</tr>
<tr>
<td></td>
<td>OCIA seal as an optional second level of certification for interstate</td>
</tr>
<tr>
<td></td>
<td>and international marketing.</td>
</tr>
<tr>
<td></td>
<td>CCOF works closely with retailers and wholesalers to maintain the</td>
</tr>
<tr>
<td></td>
<td>integrity of the certification program for the consumer. It holds an</td>
</tr>
<tr>
<td></td>
<td>annual “Retailers Seminar,” providing a complete overview of the organic</td>
</tr>
<tr>
<td></td>
<td>foods system for retailers.</td>
</tr>
</tbody>
</table>