New Farmers

• Background
  — Understanding the industry and challenges
• Knowing yourself
  — Self evaluation through SWOT
• Knowing your market
  — Customers and sales
• Programs and Resources
  — Opportunities and organizations
• Exploring the reality of starting a farm

Farming Stats

• 20% of farms are owned by farmers with 10 years or less experience
• Increase in the number of new farmers are women and minorities.
• More likely to have a college degree and have a major occupation other than farming
• Only 17% of beginning farmers grossed over $25,000 compared to 34% of established farms.
• More likely to have livestock as a major component of their business.

Farming Stats

<table>
<thead>
<tr>
<th>Selected Characteristics of Principal Operators</th>
<th>2012 (current)</th>
<th>% of Principal Operation</th>
<th>% Change since 2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture sales under $10,000</td>
<td>1,291,096</td>
<td>75.3</td>
<td>-4.2%</td>
</tr>
<tr>
<td>Agriculture sales under $100,000</td>
<td>1,311,077</td>
<td>56.6</td>
<td>-4.5%</td>
</tr>
<tr>
<td>Lived on/first farm</td>
<td>1,025,592</td>
<td>73.9</td>
<td>4.2%</td>
</tr>
<tr>
<td>Less than $15,000 of household income from farming</td>
<td>1,301,637</td>
<td>75.3</td>
<td>4.3%</td>
</tr>
<tr>
<td>Marital status</td>
<td>1,561,536</td>
<td>69.6</td>
<td>+2.5%</td>
</tr>
<tr>
<td>Worked some days off the farm</td>
<td>1,235,046</td>
<td>67.8</td>
<td>4.2%</td>
</tr>
<tr>
<td>Had farm operators other than farming</td>
<td>1,391,189</td>
<td>52.2</td>
<td>-9.4%</td>
</tr>
<tr>
<td>Had position net cash income for the operation</td>
<td>972,684</td>
<td>46.1</td>
<td>4.2%</td>
</tr>
</tbody>
</table>

Land Stats

- 80% of the 353.8 million acres of farmland is owned by non-farming landlords
- Rented farmland acres are valued at $1.1 trillion in total
- 5 million acres of farmland are slated for ownership transfer in next 5 years
- 21 million of these acres are expected to be sold to a non-relative
- Most of the U.S. Rented Farmland is Owned by Non-Farmers

What do farmers need to know?

- The reality of what it means to be a farmer
- Production
- Equipment
- Recordkeeping
- Market
- Business planning
- Legal
- Financial
- Management

http://www.agcensus.usda.gov/Publications/TOTAL/
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“So you want to farm?”

- I love being/working in the outdoors.
- I want a job in which I can work with my family.
- I want to own my own business and be my own boss (and have the flexibility to do things like pick up children from school).
- I grew up farming, and it’s what I know best.
- I see farming mainly as a way to make money.
- I want to grow healthy food for my family and community.
- I want to nurture and improve the natural environment of my farm.
- I want to achieve self-sufficiency/provide my own food.

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“**To know yourself, you must first sacrifice the illusion that you already do.**”

— Vironika Tugaleva

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Lifestyle

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Experience and Skills

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Production
Markets

Infrastructure and Equipment

Certification

Know yourself: SWOT

**Strengths**

*Helpful and Internal*

For you as a person:
- What advantages do you have that others don’t have (for example, skills, certifications, education, or connections)?
- What do you do better than anyone else?
- What personal resources can you access?

For your business:
- What advantages does your organization have?
- What do you do better than anyone else?
- What unique or lowest-cost resources can you draw upon that others can’t?

**Weaknesses**

*Harmful and Internal*

For you as a person:
- What tasks do you usually avoid because you don’t feel confident doing them?
- What will the people around you see as your weaknesses?
- Are you completely confident in your education and skills training? If not, where are you weakest?
- What are your negative work habits (for example, are you often late, are you disorganized, do you have a short temper, or are you poor at handling stress)?

For your business:
- What could you improve?
- What should you avoid?
- What are people in your market likely to see as weaknesses?
Opportunities

Helpful and External

For you as a person:
• A new role or project that forces you to learn new skills, like public speaking or quick books.
• A new restaurant, market, or customer. Do you have specific skills (like a second language) or product that could help with the process?

For your business:
• Changes in technology and markets on both a broad and narrow scale.
• Changes in government policy related to your field.
• Changes in social patterns, population profiles, lifestyle changes, and so on.
• Local events.

Threats

Harmful and External

For you as a person:
• Decrease in demand for your skills
• Changing technology threatening your position
• Lack of funding for your job

For your business:
• Policy changes
• Decrease in funding invested in issue
• Lack of access to other groups
• Government restrictions
• Lack of community support

Self-evaluation

• Don’t try to be everything to everyone.
• Work with other organizations to meet the needs (example SCORE).
• Shape a farm business to fit the needs of your market and personality
  – Know the limits caused by funding, staffing, etc.
  – Be prepared to grow slowly and adapt often.
  – Be careful not to overpromise (to customers).

Brand and Storytelling

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  – Self evaluation through SWOT
• Knowing your market and land
  – Customers, sales, land
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  – Opportunities and organizations
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Know Your Farm

- What thrives in your soil and climate?
- What product can you produce in larger volumes that is high in quality and great in taste?
- What are your production methods? (Organic, spray-free, natural, grass-fed, conventional).
- What price/quantity do you need to sell your product at to meet your bottom line?
- What price/quantity do you want to sell your product at to make a profit.
- Can you provide something to that people will buy?
- What markets are a good fit for what products.

Knowing your Markets

<table>
<thead>
<tr>
<th></th>
<th>Farmers Market</th>
<th>CSA</th>
<th>Restaurant</th>
<th>Wholesale</th>
<th>U-pick</th>
</tr>
</thead>
<tbody>
<tr>
<td>No middleman</td>
<td>x</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Crop pre-odd</td>
<td>x</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Management Heavy</td>
<td>x</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>High $ per #</td>
<td>x</td>
<td></td>
<td>x</td>
<td></td>
<td>x</td>
</tr>
<tr>
<td>Diversity of product</td>
<td>x</td>
<td></td>
<td>x</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Local First</td>
<td>x</td>
<td></td>
<td></td>
<td></td>
<td>x</td>
</tr>
<tr>
<td>Grading required</td>
<td>x</td>
<td></td>
<td></td>
<td></td>
<td>x</td>
</tr>
<tr>
<td>Public interaction</td>
<td>x</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Driving</td>
<td>x</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Insurance required</td>
<td>x (sometimes)</td>
<td></td>
<td></td>
<td></td>
<td>x</td>
</tr>
<tr>
<td>Reenrollment</td>
<td>x</td>
<td></td>
<td></td>
<td></td>
<td>x</td>
</tr>
<tr>
<td>Large PO</td>
<td>x (sometimes)</td>
<td></td>
<td></td>
<td></td>
<td>x</td>
</tr>
</tbody>
</table>

Evaluating Land

- Soil Sampling
- Natural Features
- NRSC- web soil survey
- Google Maps
- Surveyor
- Ask the locals!
- You can only amend soil, not change it.

http://websoilsurvey.sc.egov.usda.gov/

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Training Structures

- **Short-term:**
  - WWOOFing
  - Crop mobs/ Volunteering
  - CRAFT
- **Long-term**
  - Farmer hosted training program
  - Non-profit or university based training
  - Integrated course training and mentorship
New Farmer Training Models

<table>
<thead>
<tr>
<th>Program Type</th>
<th>Example</th>
</tr>
</thead>
<tbody>
<tr>
<td>Four Year Collegiate</td>
<td>NC State and Clemson (SC)</td>
</tr>
<tr>
<td>Technical Colleges and Certificates</td>
<td>CCCC (NC) and UC Santa Cruz (CA)</td>
</tr>
<tr>
<td>For-profit Farm Training</td>
<td>Polyface (VA), Pie Ranch (CA), Growing Growers (KS)</td>
</tr>
<tr>
<td>Incubator Farm</td>
<td>Intervale (VT) and Viva Farms (MI)</td>
</tr>
<tr>
<td>Combined Programs</td>
<td>LLP Growing New Farmers (SC), The Seed Farm (PA), CEFS (NC), Rogue</td>
</tr>
<tr>
<td></td>
<td>Farms Corps (OR)</td>
</tr>
<tr>
<td>Online or Open Sourced</td>
<td>Cornell, Georgia Organics, Iowa State</td>
</tr>
</tbody>
</table>

What is an Apprentice?

• An apprentice is an individual interested in receiving hands-on training in all aspects of a trade. In farming, apprentices are expected to learn everything from preparing the fields to selling at markets.
• Successful apprentices are active learners, have clear goals, and push their mentors to provide the information they need.

What is a Farm Mentor?

• A farm mentor is a farmer interested in sharing their knowledge, techniques, farm operation, and business management strategies with a farming apprentice.
• Mentorship is spending time directly with an apprentice to answer questions, provide guidance, and teach skills – answering the 'why' and not just the 'how'.

What is an Incubator Farm?

• An incubator farm projects that provides training and technical assistance to beginning or emerging farmers. Various universities have targeted programs designed to help fund, train, and support farmers.
Check out the presentation Aaron Newton at Lomax Incubator Farm!!

New Farmer Resources

• Organizations & Networks
  – National Young Farmers Coalition
  – Greenhorns
  – NCAT & ATTRA
  – Extension Services
  – USDA (NRSC, State Agency, Soil and Water Conservation)
  – Universities w/targeted programs (Cornell, UC Santa Cruz, etc.)
  – Small Business Development Centers & Chambers of Commerce
  – Farm Bureau

• Conferences
  – SSANG Conference
  – Carolina Farm Stewardship Association SAC
  – Georgia Organics GREEN ACRES
New Farmer Resources

• The Organic Farming Manual: A comprehensive guide to starting and running a certified organic farm by Ann Larkin Hansen
• No-Risk Ranching and Comeback Farms by Greg Judy, Green Pastures Farm.
• The Organic Farmers Business Handbook by Wiswall
• The Market Gardener: A Successful Grower’s Handbook for Small-Scale Organic Farming, by Jean-Marc Forgeron
• The Organic Farmers Business Handbook

Also: Growing For Market [magazine] & Dawling’s & Jadrnicek’s Books

NYFC

• Young farmer-led
• Organized locally
• Focused on issues first-career farmers face
• Foster communication and collaboration
• Build relationships with elected officials
• Offer cost-sharing opportunities
• Offer young farmers a collective voice

Curriculums

• https://attra.ncat.org/intern_handbook/
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**Exploring the reality of starting a farm**

Before you begin...

• Talk to experts in your community

• Build a strong network

• Find a mentor

• Create a team that you trust

• Ask experts when possible

• Research, ask questions, and do your homework

• Be critical of the land you select

• Utilize the incredible resources available to you

Understanding your business

• As you begin to learn more about the type of business you are interested in launching, you can better understand how to approach your business planning, recordkeeping, financials and marketing plans.

• By keeping good records and self evaluating regularly, you can have the tools to determine if, when and why you should change your business.

Defining Success

• Do you love what you are doing?

• Are you able to live the lifestyle you are comfortable in?

• Are you able to grow this business to the scale necessary for profitability?

• Low initial start-up cost relative to the ability to generate income

• High gross-profit margin

• Relatively low maintenance requirements

• High cash flow relative to expenses

• High demand and low supply in the current marketplace

• High product distinctiveness

Lessons Learned

• Be honest with yourself!

• Your mind and body are your most important tools- make sure you are nurturing them.

• Be flexible and adapt to meet the needs of your operation and customers.

• Leave room for change... (open rows, open room in storage, etc.)

• Don’t re-invent the wheel.

• Without good financial records you won’t know you’ve gone under until it’s too late aka don’t be a zombie farmer.

• Collaborate and play nice.

• Act like a professional.

• Never stop learning.

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