

Practical Advice from Successful Farmers - Business models – Q & A

Host – Angela Brattin of Brattin Farms and Lesa Queen with Lincoln University Cooperative Extension

Farmers –

Curtis Millsap of Millsap Farms

Farmer Dre aka Andre Gradinariu of Gardener's Orchard

Karen Scott of Oakwoods Farms

Angela - Curtis, I have my own question for you right off the bat. "I'm thinking about starting a CSA on my farm. And my question is, I live in a very rural area. When you first started your CSA, did you get pushed back for requiring a prepayment? Requiring people to pay upfront?"

Curtis - Yes, that's a good question. I don't remember having much trouble, but we always presented it as almost a social contract. You're agreeing to support this thing that you think is important. And so I think from that perspective, it's not been too bad.

Now that said, over the years, we've gotten pretty flexible on that. So people still pay a portion upfront, but a lot of them pay a pretty small portion anymore. Like some people just pay for the first share and then they pay each week. And we've been able to do that because over time our finances have solidified and stabilized and it's become less of a big deal to get that early cash. But, yes, there certainly must have been times when people didn't sign up because of that. One of the things we often said was we don't want anybody to not be part of it because of their financial situation.

Over the years we have had a few people who've taken us up on a lower cost or doing a payment plan. I think there was one family in particular who did payment plans for years that were much less aggressive so they could pay within their weekly or monthly budget. So we always had some flexibility in that, but generally I think the key is to tell the story up front that a CSA is not just about buying vegetables, that it's also about expressing your values through your purchasing decisions. What happens with your investment when you spend it on our farm is much different than when you spend it at Walmart or whatever other place you want to pick. It's just a different way of spending your money and affecting the economy.

Angela –Yes. Living in a very rural area around here where a lot of neighbors are used to having farms, I could see getting a little pushback on asking them to pay up front.

Curtis - I would offer another thing. The other big deal here from a grower perspective, from a security perspective, is the money up front is nice, but the bigger deal is the commitment, right? So knowing that when I dig and wash and bunch a bundle of carrots, it's sold. That's huge. Karen (Scott) will say that as well. We had that conversation about farmers market. Farmers markets are a rough gig because if you

show up with \$3,000 worth of stuff and sell \$1,000, there is no compensation for the unsold \$2,000 worth of effort and produce. That's the biggest thing financially. So, if you start to sell through a CSA and you get some pushback about paying up front, then I wouldn't hesitate at all to get flexible on payment plans.

The key is that they understand that you are going to harvest produce for them and they're going to pay for it. And whether that's up front or a regular thing like the Harvey system that can be set up to use a weekly payment. And I'm fine with that because I just want to know that if it's rainy, if it's snowy, whatever, all the things that can keep customers from going to farmers markets, I just want to know I'm still going to get paid for all that produce and all that work.

I'm not trying to be selfish. It's just like, Hey, I'm going to grow this stuff, wash the stuff, pack the stuff. I want to be paid for the stuff.

Angela - And you've got to pay the labor helping you.

Curtis - So not getting an advanced payment isn't nearly as big a deal as just knowing that there IS going to be a payment.

Angela - And that there's a home for your produce.

Curtis - There you go. It's a big deal.

Lesla - The next question concerns pros and cons of you-pick versus CSA. Also do any of you take SNAP or farmers market nutrition program benefits and your thoughts on those programs from a community standpoint and a farm business standpoint?

Curtis - We don't do farmer's markets anymore, but for years, we did the SNAP program and all the different programs like that farmers markets. And we were big fans of it.

One of the complaints about local food is that we're expensive. You know, it's more money to buy a box of Andre's strawberries than it is to go down to Walmart and get a box of strawberries and, fair enough if your budget is that tight, then that's a legitimate complaint, but these programs help level the playing field. And we've always appreciated that. So I think they're great. There can be a little hassle to get involved. Sarah managed that for us. There was a SNAP class you had to take, and the senior nutrition program was the same way, but they made them pretty easy. It was a webinar. It wasn't a big deal.

There weren't ever huge dollar amounts for our farm out of those programs either, but it was enough to make it certainly worthwhile. But for us, it was often more of an ethical decision too. We want everybody to have access to our food. So if these programs help people get our food into their pantry that they otherwise wouldn't be able to afford, then that's a huge deal.

Andre - We do take SNAP and the farmers market senior nutrition coupons here on our farm in our farm store. And we do run a produce stand off our main highway during the summer months. Like the Millsaps, we're moving away from the farmers markets. But we're not committed about leaving yet. It's still good to us in the summer, at least July and August is still pretty good, and the early part of June. So we're still attending markets during that time.

Some of the pros and cons of you-pick: pro is the influx of customers on your farm at one time and the money they spend. One of the cons is that it is very dependent on weather. For example, this tulip season for us, the weather wasn't perfect. It was really windy, really cold. So it wasn't as good as we want. It was good. I mean, we didn't go into the negative, but it's all dependent on weather. So it's a high risk, high reward kind of deal.

Another example, it's been really wet here lately in Missouri and we have a ton of ripe strawberries in the field. And if we don't get them picked to sell to the market, or if it rains on every Saturday of the next six weeks, what are you gonna do with those ripe strawberries? So it's a high risk, high reward kind of deal.

Karen - We are set up to take a SNAP at our farm store. However, we're in Granby, which is very rural Southwest Missouri and we haven't seen a lot of people taking advantage of coming to our farm store for the SNAP option. But we do participate in that SNAP at farmers markets. Unfortunately Jasper County is not allowed to participate in the farmers market senior nutrition program or the state's WIC program. The Webb City Farmers Market does have a privately funded WIC program that benefits many low income families.

Lesla - Our next question is, what are things to look for when purchasing land to farm on? Is it practical to run a farm of five to 10 acres on mostly rainwater? This would require utilization of rain barrels, of course.

Curtis - I would say no. It's very hard. I lived in New Mexico for a couple of years. We did some gardening out there and that was a very dry environment. People did rain collection. People had snowmelt water coming out of the mountains. It was a very limited water environment. It's a very different type of agriculture. So if you want to focus in on that sort of thing, you really have to build your whole system around minimal water use.

And here's my reason for this sort of trite answer - we don't need to dry land farm in Missouri. We have abundant water resources. Now, will that always be the case? I don't know, but there's no real indication that it's going to change. We don't have a good indication of which direction it's going to change in. We haven't had a decrease in the rainfall based on any sort of climate trends. If anything, we've had bigger rain events.

Last week we got eight inches in four days and but not any significant rain the month before, but it's not really an overall rainfall issue because there's still abundant

groundwater. There's still abundant surface water. So there's not a compelling reason to let water be your limiting factor. Rainwater collection is a huge endeavor. I lived on rainwater twice for about five years total and even just having enough household water, enough to keep your household running, is complicated. It takes about a hundred gallons per day per person. When I'm watering just my two and a half acres of garden in the summertime, if I want to keep it growing optimally, it takes a tremendous amount of water. I'm running about 30 gallons a minute, probably something like 10 hours a day. So that's 1800 gallons an hour times 10. So I'm at 18,000 gallons a day. That's a massive amount of water.

When you're talking about rainfall, if I remember right, I believe it's 0.6 gallons per inch of rain per square foot of roof. So you would need a shopping mall to collect water off of, to put it into tanks big enough to run even a two acre garden. And then you have to be able to hold it for months at a time because, of course, our problem is not our overall rainfall. It's the variability of our rainfall. We have a disproportionate amount of our rain when we don't need it in early spring and late fall and in winter. And we have a lack during the growing season. In 2012, we went from the 1st of May to the 1st of September with only one inch of rain. It was three very hot months when, because we did have a good well, we were irrigating a tremendous amount, basically 24/7. So all that is to say, don't let water be your limiting factor.

The other question about what to look for in land, and everybody has a different perspective on this. If you're doing a market garden, like the three of us essentially do, in terms of high intensity agriculture, you can build your soils. You don't have to have excellent soil. Obviously we would all prefer to have excellent soil, but proximity to market to me seems more important. The ability to get what you're raising to the people who are willing to spend money on it, and if you don't mind driving, that's fine, you can locate your farm wherever you want, but for most of us, part of the reason we want to be on the farm is because we want to BE on the farm, not driving back and forth from town all the time. And so if you locate yourself on a prime piece of beautiful stream bottom land, somewhere two and a half hours from your markets, then you've got to resign yourself to spending probably 10 hours a week driving food back and forth to market.

And then I would also say that leaves you vulnerable in some other ways. What happens when transportation gets harder or petroleum prices skyrocket or a bridge is washed out - all these things that nobody can predict, but certainly are possible. So I like proximity to market. That's usually what trumps it for me. You don't need much land to make money doing what we're all doing. You really just need a good market. You really just need a few acres. I grow everything that I grow on two and a half acres. And I think Karen is similar. And I know Andres is a little bit bigger, but even Andre's farm is really not using that much space for production.

We're using some of our space other ways, maybe for agritourism. So I'd say proximity. That's what I would look at first and foremost.

And then I would also think about the neighborhood and whether what you're going to do jives with the neighborhood. I've known some farmers who get kind of high-minded and they're like, well, what I'm doing is saving the world and it doesn't matter what my neighbors think. And, that's not really true. Your neighbors can make your life very difficult if they don't approve of what you're doing. Now, if you're the first one out there, you're pioneering on the farmland, that's different, but if you move into a suburb and you think you have the right to keep pigs, for example, you may have that right, but that right may make the rest of your life very miserable. So think about that in terms of your neighborhood and look around and think about how you're going to interface with those folks, how all the things you want to do are going to push against or align with their interests and their will. So those are the two things that come to mind for me right off the bat. Proximity and the neighborhood.

Andre - I think Curtis hit it all there, but location's everything, that's the biggest thing. We were blessed. We're close enough to Springfield, but if I would have it my way, I'd be even closer to Springfield. Even for us, driving 12 miles to town is still a hassle even though it's only 12 miles. We're on a busy highway. So it's 10 minutes, 12 minutes driving each way, but it's still 10 minutes, 12 minutes of your time. And like Curtis said, it's easier to build up soil than it is to drive too far out.

On the water thing, I've talked to irrigation specialists and to irrigate one acre of land of with one inch of water takes 27,000 gallons. So if you've got to do that weekly or, even daily, it's a lot of water. So we built an irrigation well that pumps 40 gallons a minute out of the ground and, like Curtis mentioned, in the summer months, it's running nonstop. It doesn't ever stop. So, unless you have a Stockton Lake or a big pond or river to pump a lot of water, just build a well. The thing about a well is that it's there. You hit the switch. It's on. If you've got a pond, you got to test your water. It's just a bigger hassle. Your life would be easier to invest the money, build a well, and you'll be good to go. And it'll pay for itself.

Angela - We had one more question. Has anyone been awarded a specialty crop block grant? And if so, how did you utilize it?

Andre - We haven't received one so I don't I have anything to say about that.

Karen - Well, this program we're doing right now is funded by a specialty crop block grant. Webb City Farmers Market is all about growing farmers and providing resources for farmer training.

So with this video series funded by a specialty crop blocks grant, we hope to grow more farmers, more local farmers, more local food. We have a fruit education site just outside of Neosho and what that does is provide more local produce, specialty produce for our farmers market. And we are actually seeing the fruits, pun intended, of that project in that we're seeing more strawberries. We hope to see more blueberries, more blackberries, more fruit coming to the farmers market and to our local consumers. So that was very successful too.

Angela - I've been a part of that program for the last three years, the specialty crop block grant developing the fruit education site. And actually there is a video about the education site that is part of this video series.

The education site has been a very good program, not just for that farmer who was able to get a new high tunnel and establish blackberries with rotating cross-arm trellises. We also put elderberries and blueberries in and inside that high tunnel we're doing strawberries.

We've had workshops throughout the three-year project where we have taught people how to build high tunnels, how to lay down the landscaping fabric, and how to go about building your irrigation system. So a lot of blood, sweat and tears have been put into that program. And it has been very good. In fact, I was able to utilize that program on my farm. I've had a high tunnel for five years now. And I have strawberries growing in it now using what I learned from that program. So it's a great program.

And if you are able, those grants are worth the effort of trying to get.

Curtis - And something along those lines that I'll mention. I've been part of specialty crop block grants. I've never been the grantee, but I've been the beneficiary. And I think that's more common. You know, it's rarely a farmer that pursues those. It happens, but for the most part, it's a larger organization. And my guess on that, and I could be wrong, but some of those grants are just pretty dang complicated to apply for. Several of us applied for RMSA, the grant cycle that's currently underway. I don't think anybody's heard anything about it yet, but, we all applied for it back in the spring, late winter. And it was supposed to be a simplified grant application from the USDA. And it was silly complicated. So the best case scenario with those, to me, is to find an institutional partner.

I think most everybody already knows how this works, but I didn't know until fairly recently. So I'll share what I learned, which is, on most of those grants, large money grants, they are looked on favorably if they are partnership. So you're more likely to get awarded if you're partnering. And if you partner with a nonprofit, those nonprofits want to do that anyway, because they want to find ways to bring money in the door and then send part of that money out and keep some of that money to help pay their staff. It's kind of a classic case of institutions becoming about maintaining themselves, but, it's still part of their mission. So for example, we've partnered with Springfield Community Gardens on crop grants, especially specialty crop block grants and other USDA program grants as well. And SCG does the heavy lifting with the grant portion, with grant writing and researching all the pieces and parts, which is a big deal. There's a reason there are grant writers, there's a reason that it's a full time job for somebody. And they bring in millions of dollars in funds through that portal of different grants. And then the nonprofits are looking for people to implement the grant projects. So we come along and say, Hey, we would love to be a part of a couple of grants. And so if you

have a good relationship with that nonprofit, then you can say things like, it really would help us to serve our community better if we had more cold storage space.

That's a conversation I had with the head of SCG. It took a couple of years, but she found the grant that fit, I don't think it was a specialty crop block grant, but it was a USDA program. They have the time to research all those USDA programs and apply for all those grants, some of which they're going to get, some of which they won't. And they tailor the story for each individual grant. They may be applying for the same thing for different grants, but it's always a lot of work to rewrite grant application. And the end result for me was that they helped me out with \$15,000 to build a cooler.

And I helped them out by building the cooler and hosting workshops and showing people how the cooler works and why it matters. And by demonstrating that it actually did improve my business and that I was able to serve the community better, I was able to send more food out the door. So these partnerships are win-win, because I'm doing what I already wanted to do, which is build a cooler. I get compensated, at least in part, for the cost of that cooler. And they're getting to serve their community in the way their mission says. So that's what I would encourage if you're thinking about those types of funding opportunities. Find the local nonprofit that's farming-adjacent or food-centric, and hold hands with them, spend time with them.

I will tell you too, all those things have come from long term relationships, which look like showing up when they say, Hey, I've got something I need some help with or I need somebody to come speak about sustainable ag to this little group. And you say, Sure, I'll come do it. And there's no compensation, but the long term is you're building relationships, right? And then eventually, you start having a regular coffee meeting. And you start talking about goals and common goals. And then when the opportunity comes up, they're ready to strike. And that's how that works. And I imagine that's similar to other people's experience. That's how it works.

Editor's note: The Webb City Farmers Market has received many, many grants, of which 99.9% were administered entirely by volunteer labor. Grant administration does not fund staffing at the market (which is probably rare).