



Fact Sheet

Fact Sheet 651

Introduction

A part-time farmer manages or operates a farm but earns a considerable portion of the family income through off-farm work. Part-time farmers are as individualistic as the farms that they operate; the reasons for farming are as varied as the people involved.

It is important to remember that operating a farm is a business. The farm requires money (capital), labor, and management just like any other business. The success of the farm depends on effectively blending these resources with other available resources such as land, buildings, and equipment. Developing a comprehensive farm plan will help the farmer merge the resources into a profitable and sustainable farm business.

Individuals considering part-time farming should consider the advantages and disadvantages of operating a farm and should examine the different enterprise alternatives to determine which will best fit their goals and farm resources. The information in this fact sheet provides the basis for decisionmaking principles for managers and operators of part-time farm businesses in the Northeast United States. Additional information is available at local and State Cooperative Extension Service offices. If you have any questions concerning your part-time farm operation, contact your local Agricultural Extension agent or the State specialist at a land-grant university.

Personal Assessment and Farm Goals

The advantages of farm life are among the reasons individuals operate part-time farm enterprises. A farm can provide open space and learning experiences for children. It can provide a measure of security and a hedge against inflation if the land is owned. The farm can provide tax breaks. If the family is able to furnish the necessary management and labor and if the family

chooses the right enterprise, the farm can supplement income. The physical labor required by the farm can have a therapeutic effect on those who also work off of the farm.

This same labor, however, can become overpowering and a drudgery during certain times of the year or periods of production. Other disadvantages of operating a part-time farm enterprise also depend partly on family goals. For example, the seclusion of a farm may mean privacy and open space to some, but isolation to others. Family members may consider the resources required by the farm burdensome, particularly if they choose an enterprise that does not conform to their goals and desires. The loss of crops or animals may be traumatic to a part-time farm family whose members do not have the philosophical attitude of the commercial farmer toward these inevitable losses. Financial loss due to market conditions also may seem catastrophic to families unaccustomed to farm price fluctuations.

The success of the farming venture depends on how well the individual or family members are able to cope with disadvantages or how strongly they feel the advantages of farm life outweigh the disadvantages. Too often those who buy a small acreage in the country do not consider the best way to use the land. Choosing enterprises and fitting resources together should not be the result of trial and error, which can prove to be expensive for the part-time farm owner.

To Own, Operate, or Rent?

When considering a part-time farming venture, first appraise your personal and family situation and then establish some basic goals for the operation. The two most important questions are "Why do I want to have a part-time farm?" and "What do I expect to receive from the farm?"

Understand your reasons for having the farm as they will be important in determining the type and extent of the farming enterprises you choose.

- Do you expect the farm to provide family income or will it primarily provide recreation and educational opportunities and a source of tax breaks?
- How much income do you expect?
- Will your income increase over time?
- If the farm operates at a loss, can the family afford the loss?
- How much of a loss can the family sustain and for how long?

If the farm will be primarily for recreational and educational purposes, profit from production may be a secondary issue. Supplying the family with freshly produced items may be more important than the sale of those goods. In this case, would an operation that loses money or breaks even be satisfactory? Again, it is important to determine the amount of family capital that can be expended on the operation.

If you do not already own farm property or if you own farm property but decide not to operate a farm yourself, renting the property is a viable option. Land should command sufficient rent to cover the fixed cost of ownership and provide a reasonable return on the capital invested. There are a number of ways to calculate rent figures, including cash rent (which can either be fixed or flexible) and shared rent.

Whether you are the landowner or the renter, draw up a contract to avoid problems associated with landlord–tenant relations. Samples of rental agreements can be obtained from your local Extension office. The amount of the rent and the responsibilities of both parties for items such as maintenance and repairs should be specified in detail.

Developing goals for the purpose and function of the farm will help you to determine what type of farm system to set up and to formulate a farm plan. But, before beginning any farm enterprise, investigate local and county zoning, building, and housing laws for clauses that might restrict or limit an enterprise or operation. For example, many communities prohibit residents from raising certain livestock or limit the number of livestock in an area.

Resource Assessment

Evaluation of personal and physical resources is important to determine the type and extent of the part-time farm operation. Personal resources include available time, labor, capital, and experience. Physical resources include land, water sources, buildings and equipment, and markets.

Personal Resources

Labor. Know how much time you can devote to the farm operation and when on a daily, weekly, or monthly basis. Also determine if, when, and how much additional family labor will be available. The type of labor that you can do also is important to consider. Are there any physical limitations on the type and amount of labor that you or family members can contribute?

Capital. Determine the amount of capital that can be dedicated to the farm operation before you develop a farm plan. The amount of capital available can become the most restricting resource in farming. Farming operations require capital spending, long-term or short-term. Some farm operations require a high investment before a salable item is produced. Others require little capital if land and buildings already are available.

The source of capital also is important to the farm enterprise. Will the money come from savings, an off-farm job, or a creditor? If the money is borrowed, from where? How will it be paid back if the farm does not generate a profit? If the money comes from an off-farm source, will the family experience a decrease in its standard of living if the farm fails to make a profit? Will this decrease be acceptable to the family?

Experience. Another area for personal evaluation is previous experience with farming or operating a farm or business. A farm is a business, and management is required in varying degrees in all farm enterprises. Management is the most important, yet least utilized, resource for generating farm profits. Have you or any family members lived or worked on a farm? Have you worked with livestock, crops, or farm equipment? Do you have any experience in managing a business?

There are a number of ways to increase your farming experience before starting a farm operation. Attending agricultural Extension workshops is one option. Working on someone else's farm is another way to gain valuable experience without taking on the responsibility of your own farm operation.

Physical Resources

Physical resources are those items that you own or can readily obtain. Detailing the resources of the farm property will help you develop a farm plan and anticipate capital expenditures. Begin by drawing a detailed map of the farm property that indicates the size and location of existing buildings, areas of cropland, pastures, wooded areas, water sources, fences, and access roads. Then itemize these resources.

Land. Both the quantity and quality of the land should be considered. How much land is in pasture, cropland, or woods? What is the contour of the land—is it level, rolling, or steep? What are the soil types, and have they been tested recently? (The local Soil Conservation Service can help determine the soil types.) Has the cropland been in production in the past few years? If so, what was grown? What plant species are growing in the pastures? Are there many weeds?

Water sources. Is there a year-round water supply? In what form—city, wells, streams, or ponds? Is the water safe for consumption? Most agricultural enterprises require water. Livestock require a daily source of fresh water. Crops may require irrigation during dry seasons. Irrigation can supplement insufficient water, but may be too expensive to justify on part-time farms. Any processing operation requires water. Excess water may be controlled by using diversion ditches, drain tiles, and ponds, but costs may be prohibitive.

Buildings and equipment. Capital items can be expensive if you must buy them. The type, location, and condition of existing buildings, and whether they have electricity and running water, are important considerations in enterprise selection. The basic purpose of farm buildings is to provide shelter for livestock, storage for feed and forages, and space to store and maintain equipment. A common mistake is to build more expensive buildings than are necessary. Plans for suitable farm structures are available at Extension offices.

Farm equipment is designed to reduce labor, but the cost should be weighed against the hours of equipment use and the potential income-producing capability. When you consider the purchase of capital items such as buildings and equipment, decide what items are necessary for a successful operation. Ask the following questions about each item:

- Can you afford to own it?
- How will it be paid for?
- Why is it necessary for the success of the operation?
- How will it do the job?
- What added expenses may be needed to support the item?
- How will it provide labor or cash savings?
- How frequently will it be used?

Custom hiring for farming practices that require large, specialized equipment—such as a combine or seed drill—is one of the best ways to keep equipment costs low.

High-quality fencing is an invaluable asset if you will have livestock. Make an inventory of the

type, condition, and location of existing fences, then develop a plan for improvements, including labor and material costs. Maryland Cooperative Extension or a local fence dealer has plans for cost-effective do-it-yourself fencing.

Markets. Developing a market plan is a crucial step in determining if there is a potential for profit in a particular enterprise. You must determine what markets are available for any commodity you may consider producing. Then you must produce and promote a product that satisfies customers' needs or desires at an acceptable price. Following these steps is called marketing, which can be the single limiting factor in realizing a profit from a farming enterprise.

Market availability means a place to sell the product at a profitable return. Some products—such as field corn or beef cattle—can be sold in a number of markets, such as local or regional sales or through contracts. Other products—such as strawberries or capons—are primarily local market items and require easy access to relatively limited or special demand markets.

When selecting an enterprise, consider available markets, the means and costs of transporting the product to the market, the potential returns from the available markets, and any market limitations. Market limitations may include the number of potential customers in the area, local demand for the product, and perishability of the product. It is also important to be aware of any local, State, or Federal regulations that might limit potential market outlets.

Enterprise Selection

Selection of the farm operation enterprise will involve many factors. When choosing an enterprise, consider your available resources, the alternatives that best fit your goals, and your size limitations on the basis of available farm and non-farm resources. There are two general categories of farm enterprises: crops and livestock.

There is a minimum size for each enterprise before it can be considered economical or even profitable for the part-time farm operation. This is the size that will pay the cash costs of the enterprise, justify the family's capital and labor to support the enterprise, provide enough salable units to give the family access to at least one market, and be potentially profitable.

Variations in minimum size occur within and among enterprises, depending on additional capital requirements, the degree of mechanization desired, legal regulations or requirements, and market competition.

Livestock Enterprises

Small-scale livestock production is well suited to the part-time farm. The labor involved in raising certain species is minimal. Livestock can graze pastureland that is unsuitable for crop production, and they help maintain or build the soil by providing organic matter in the form of manure.

Raising livestock gives some people more satisfaction than raising crops. However, future part-time operators should note the disadvantages to operating a livestock enterprise. Livestock excrete waste products that emit odors that are offensive to some people. The animals and wastes attract flies and other insects despite sanitation efforts. Many classes of livestock require fencing, which may be expensive to erect and maintain. Also, labor may be intensive during certain periods of production, and livestock may require above average management skills to return a profit.

Types of Enterprises. Livestock enterprises that may be well suited to the part-time operation are beef cattle, sheep, rabbits, and poultry for egg or meat production. Combinations of species may

also be an alternative. Swine enterprises generally require higher feeding and equipment costs but are feasible on a part-time farm. A dairy cow enterprise is not well suited to a part-time farm operation because dairy cows require intensive management, a rigid schedule, and a high per-unit capital investment. In addition, milk and milk products are highly regulated and production must comply with stringent health regulations.

Tables 1 and 2 contain a summary of the resource requirements, potential costs and returns, and minimum size considered feasible or profitable for the part-time livestock farm operation. These tables have been adapted from the northeast regional publication "Farm Management for Part-time Farmers." More detailed information on individual livestock species can be obtained from a Cooperative Extension agent or a land-grant university. "Livestock Enterprises for the Part-time Farm Business" contains information concerning livestock enterprises and "Resource List for Part-time Farm Businesses" provides a list of other relevant resources.

Table 1. Requirements for beef and dairy enterprises

| Factor | Beef cow | Yearling steer | Finished steer | Feeder | Dairy cow | Dairy beef | Heifer | Medium veal | Heavy veal |
|---|----------|----------------------|----------------------|--------------------|-----------|--------------------|---------------------|--------------------|--------------------|
| Unit | 1 cow | 1 steer | 1 steer | 1 calf | 1 cow | 1 steer | 1 heifer | 1 calf | 1 calf |
| Labor | | | | | | | | | |
| Daily schedule ¹ | some | little | important | important | essential | slight | some | essential | essential |
| Decisions and responsibilities ² | little | slight | some | some | usually | slight | some | some | usually |
| Peak season ³ | calving | none | none | young | all year | none | young | young | whole period |
| Hours per unit | 6–12/yr | 1–3/period | 5–6/period | 2–3/period | 64–81/yr | 10–12/yr | 12–15/yr | 2–3/period | 4–5/period |
| Management ⁴ | low | low | intermittent | average | intense | low | intermittent | intermittent | intense |
| Land area/A | 2–4/cow | 1–5/hd | 1–3/hd | 1/hd | 1–3/cow | 1–2/hd | 1–2/hd | — | — |
| Water per unit/day | 30 gal | 10 gal | 12 gal | 10 gal | 50 gal | 10 gal | 10 gal | 3 gal | 4 gal |
| Markets | | | | | | | | | |
| Limitations ⁵ | not now | some | none | not now | none | not now | some | some | possible |
| Type | multiple | regional | multiple | regional | regional | multiple | local | local | contract |
| Capital | | | | | | | | | |
| Turnover ⁶ | 12–14 mo | 6–9 mo | 6–12 mo | 6–8 mo | 1–2 yr | 16–18 mo | 18–30 mo | 6–8 wk | 12–14 wk |
| Building investment (\$) | 0–100 | 0–100 | 0–50 | 0–200 | 300–1,000 | 20–200 | 20–250 | 0–50 | 55–100 |
| Equipment investment (\$) | 0–100 | 0–100 | 100–300 | 5–200 | 200–600 | 20–100 | 20–250 | 0–50 | 55–100 |
| Animal cost (\$) | 275–400 | 180–300 ⁷ | 150–300 ⁷ | 45–60 ⁷ | 500–800 | 45–60 ⁷ | 80–200 ⁷ | 45–60 ⁷ | 45–60 ⁷ |
| Cash expenses (\$) | 150–250 | 270–400 | 350–500 | 150–300 | 750–900 | 350–550 | 450–700 | 90–120 | 170–190 |
| Cash return (\$) | 150–250 | 270–400 | 350–500 | 150–300 | 750–900 | 350–550 | 450–700 | 90–120 | 170–190 |
| Minimum number | 10 | 5–10 steers | 30–100 steers | 10–100 animals | 25 | 5 | 5 | 1 vealer | 40 vealers |

¹ How important is keeping a rigid daily chore schedule to the success of the enterprise?

² How important is it for laborers to make decisions and accept management responsibility?

³ Peak season usually requires more labor and more intense management. When does it occur?

⁴ Each enterprise requires a different minimum of managerial attention—intense, average, intermittent, or low.

⁵ Market limitations may affect the supply–demand ratio, which in turn would mean a less than economical price or a limited amount of salable units at any price.

⁶ Amount of time from purchase to sale of item or amount of time for breeding animal to pay for itself through sale of product.

⁷ Included as part of cash expense.

Management decisions. Regardless of the livestock species you choose, you have many decisions to make: when and where to buy the animals; whether to raise purebred or commercial stock; whether or not to have a breeding herd; what health practices and standards will be maintained; what culling standards to set to ensure a profitable herd or flock; and when, where, and how to market the livestock. You also will have to determine housing and fencing requirements and water availability.

Feed budgets, which include the quantity and quality of feed needed and a specific feeding schedule, must be developed. You will have to determine how much feed can be produced on the farm—standing pasture, harvested forage, or grain. When considering harvested forage and grain, also consider the economics of production, harvesting, and storage. If land suitable for crop production is available, it may be less expensive to rent the property to a local farmer for production and to purchase the feed than to purchase or rent the necessary equipment for production. Hiring custom work also may be an alternative.

Crop Enterprises

Crops provide food for the family, cash from sales, feed for livestock, and nutrients for the soil. To choose the best crop, consider the following four factors: (1) the amount and type of land available, (2) the amount and type of labor available, (3) the profitability of suitable cash crops at the time, and (4) the amount and type of livestock on the farm.

Crops generally do not require daily attention except during certain production periods, such as planting or harvesting. However, many crop enterprises require specialized and expensive equipment for production and harvesting. Also, insect, disease, and weed pests may be costly to control, and the Environmental Protection Agency requires user certification for a number of pesticides and herbicides. The common subcategories of crop enterprises include field crops, tree fruits, small fruits, vegetables, and specialty or miscellaneous crops.

Types of Enterprises

Field crops. The usual field crops grown in the Northeast are corn, soybeans, small grains (wheat, barley, and oats), hay, and pasture. Field

Table 2. Requirements for swine, sheep, and poultry enterprises

| Factor | Sow | Finished hog | Sheep | Capons | Other poultry | Game birds | Layers | Broilers | Pullets |
|---|--------------|--------------------|--------------|--------------------|---------------------|--------------------|----------------------|--------------------|--------------------|
| Unit | 1 sow | 1 pig | 1 ewe | 100 birds | 100 birds | 100 birds | 100 birds | 100 birds | 100 birds |
| Labor | | | | | | | | | |
| Daily schedule ¹ | important | some | important | some | some | important | essential | important | important |
| Decisions and responsibilities ² | some | little | slight | slight | slight | some | slight | slight | slight |
| Peak season ³ | farrowing | none | lambing | young | young | young | all year | young | young |
| Hours per unit | 30–40/yr | 1/period | 1–2/yr | 80/period | 30–80/period | — | 80–120/yr | 3/period | 4–5/period |
| Management ⁴ | intermittent | low | intermittent | average | average | intermittent | intense | intermittent | intermittent |
| Land area/A | 0.2 | 0.1 | 0.2 | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 |
| Water per unit/day | 5–8 gal | 4–5 gal | 2–3 gal | 5–15 gal | 5–20 gal | — | 10 gal | 5 gal | 5 gal |
| Markets | | | | | | | | | |
| Limitations ⁵ | none | none | possible | some | yes | yes | some, yes | possible | possible |
| Type | multiple | local | regional | local retail | local retail | regional | local retail | contract | contract |
| Capital | | | | | | | | | |
| Turnover ⁶ | 6–13 mo | 4–5 mo | 10–12 mo | 5–6 mo | 2–5 mo | 4–5 mo | 14 mo | 8 wk | 20 wk |
| Building investment (\$) | 0–150 | 0–20 | 10–100 | 0–200 | 10–100 | 50–200 | 0–100 | 50–200 | 50–200 |
| Equipment investment (\$) | 0–60 | 10–50 | 0–10 | 0–20 | 0–50 | 25–100 | 20–200 | 12–80 | 12–80 |
| Animal cost (\$) | 60–80 | 15–25 ⁷ | 15–40 | 20–25 ⁷ | 15–100 ⁷ | 35–45 ⁷ | 160–200 ⁷ | 15–20 ⁷ | 35–45 ⁷ |
| Cash expenses (\$) | 220–300 | 45–75 | 15–30 | 360–500 | 70–650 | 300–350 | 800–1000 | 50–65 | 160–180 |
| Cash return (\$) | 275–400 | 50–95 | 30–60 | 560–700 | 170–800 | 300–500 | 1000–1400 | 60–75 | 200–250 |
| Minimum number | 3–10 | 5–20 | 10 | 1 | 1 | 1 | 2 | 50 | 50 |

¹ How important is keeping a rigid daily chore schedule to the success of the enterprise?

² How important is it for laborers to make decisions and accept management responsibility?

³ Peak season usually requires more labor and more intense management. When does it occur?

⁴ Each enterprise requires a different minimum of managerial attention—intense, average, intermittent, or low.

⁵ Market limitations may affect the supply–demand ratio, which in turn would mean a less than economical price or a limited amount of salable units at any price.

⁶ Amount of time from purchase to sale of item or amount of time for breeding animal to pay for itself through sale of product.

⁷ Included as part of cash expense.

crops are easier to mechanize than other crops and can be marketed or fed to livestock. Potential returns from field crops generally are lower per acre than for more intensively grown crops, but because of the lower labor requirement and lower cash outlay, a part-time farmer usually can handle more acres of field crops than vegetable or fruit crops if the land is available. One disadvantage of field crops is that you will have to own, rent, or custom hire the necessary machinery during planting and harvesting.

On small acreages where livestock are kept, it may be best to limit crop production to pasture, which will also reduce equipment requirements. Management of pasture for high yields and low costs must be based on sound concepts of how the plant grows and how it responds to environmental conditions such as regrowth, light availability, vegetative reproduction, and grazing. Returns from hay depend more on local demand than do grain crops, and harvesting decisions can have a major impact on hay quality and value.

Tree fruits. It takes 100 to 200 small trees to plant an acre of fruit trees, depending on the type of tree and the spacing you choose. Salable fruit can be picked in 3 to 5 years from peach, plum, and dwarf apple trees. Standard apples, pears, and cherries take considerably longer. Costs of starting an orchard include buying trees, lime, and fertilizer; irrigation; and disease and pest control. Renovation of abandoned orchards is possible, but the trees may never produce enough fruit to be cost effective. Minimum equipment for tree fruits includes a tractor and spraying equipment. Weather risks associated with tree fruit production in the Northeast include late frosts, hail, wind, rain, and drought. Marketing outlets for tree fruits include commercial wholesalers, processing companies, or direct-to-consumer markets. Excellent marketing skills are required to take advantage of these markets.

Small fruits. Small fruits include strawberries, blueberries, raspberries, and grapes. As with tree fruits, small fruits require from 1 to 3 years before a salable product is produced. Potential returns from small fruits can be higher per acre than most other crops, and the capital investment may be quite low. Small fruits, however, require relatively high amounts of labor and are difficult to mechanize. Local demand for small fruits is generally high; with adequate promotion they are readily salable.

Vegetables. Two distinct markets are available for the sale of vegetable products. Fresh produce markets usually provide higher returns per unit, are more receptive to a high quality product, and are most available to the smaller enterprise.

Processors provide a steadier market, less subject to price changes brought on by over- or underproduction, and can handle a larger quantity of a standard grade product. Vegetables have potential returns similar to those of small fruits, but also have similar labor requirements. Most vegetables produced for fresh market consumption have somewhat rigid market limitations during the peak harvest season, which limits the acreage that can be sold at a profit. Producers who market produce to a processor will probably have to specialize to produce enough product to win a contract and to justify the required capital cost for equipment.

Specialty crops. Specialty crops include flowers, shrubs, Christmas trees, and maple syrup. Many specialty crops are well suited to the part-time operation. Although most require considerable labor, and market demands may place severe restrictions on the amount that can be sold.

Management decisions. The main decisions that a crop producer must make concern the selection of crops, crop rotation and cultural practices, and capital purchases. The manager must select the type of crops and the variety or varieties to produce. These decisions should be based on information about the farm soils, local weather patterns, and available markets. Crop rotations must sustain a reasonable preservation of the soil, minimize dependence on chemicals, and provide the most economical use of the land. Planting, harvesting, and marketing timetables, as well as fertilization and pest control programs, are important in the ultimate yield and return from crop enterprises.

Equipment purchase decisions are also important to make on the basis of the economics of production and efficiency. Custom hiring for certain jobs, such as harvesting, may be possible, but this should be investigated before you start an operation. On small acreages and part-time operations, it is generally more economical to limit the number of crops grown to reduce the number of different kinds of equipment you will need. It is best to avoid crops that require large, expensive equipment unless cost-effective custom hiring is locally available.

Tables 3 and 4 contain a summary of the resource requirements, potential costs and returns, and minimum sizes considered feasible or profitable for the part-time cropping operation. These tables have been adopted from the northeast regional publication "Farm Management for Part-time Farmers." More detailed information on individual crop enterprises can be obtained from your local Cooperative Extension office or State land-grant university.

Farm Records

Recordkeeping is essential to the success of any business, including a farm operation. Records are required for State and Federal income tax purposes and to obtain insurance. A farm manager needs financial records that include income, expenses, depreciation, and inventories. Nonfinancial records—such as livestock and crop production records; livestock health, breeding, and feeding records; and job calendars—are important to assess production and make business decisions. Adequate records also are invaluable to the farmer applying for credit. The farm recordkeeper should select a system that is easy to use but adequate for the farm business. Suitable farm account books are available through Extension Service offices, and a number of programs are available for use with a personal computer.

Tax Considerations

Farm income taxes are somewhat unusual. Farmers, including part-time farmers, should know enough about farm taxes to keep a usable set of records, know what information is necessary, and understand enough about the tax forms to be sure they are completed correctly.

All income produced by the sale of farm products or by the use of farm labor, equipment, or capital is considered farm income. Farm products, however, are reported differently than capital items. A detailed listing of farm income categories can be found in the Internal Revenue Service (IRS) publication 225, "Farmer's Tax Guide" and on IRS Schedule F, form 4797.b. A current "Farmer's Income Tax Guide" usually is available at the county Extension office, and "Your Federal Income Tax Guide" is available from the IRS. These publications are valuable for any farmer.

Table 3. Requirements for crop enterprises

| Factor | Peach | Apple | Strawberry | Raspberry | Grape | Christmas tree ⁸ | Sweet corn | Tomato | Cantaloupe |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|-----------------------------|------------|---------------|---------------------|
| Unit | acre | acre | acre | acre | acre | acre | acre | acre | acre |
| Labor | | | | | | | | | |
| Timeliness | important | important | important | some | important | little | important | some | some |
| Decisions and responsibilities ¹ | some | some | little | little | some | slight | slight | little | slight |
| Peak season ² | Apr., July–Sept. | Mar., July–Oct. | May–June | Mar.–July | Apr., Aug. | Fall–June | July–Sept. | July–Aug. | June, Aug. |
| Hours per unit ³ | 65–80 | 80–100 | 600–2400 | 200–800 | 80–100 | 200–3000 | 50–120 | 20–320 | 200–400 |
| Percentage manual ¹⁰ | 30–50 | 30–50 | 60–90 | 60–100 | 60–80 | 30–90 | 30–60 | 50–70 | 70–80 |
| Management ⁴ | intermittent | intermittent | intermittent | low | intermittent | low | low | average | average |
| Land | | | | | | | | | |
| Quality ⁷ | special | special | fair | variable | good | none | variable | fair | fair |
| Drainage | well | well | well | variable | well | variable | variable | well | well |
| Minimum acreage | 5 | 5 | $\frac{1}{4}$ | $\frac{1}{2}$ | $\frac{1}{4}$ | 1 | 2 | $\frac{1}{4}$ | $\frac{1}{4}$ |
| Topography | variable | variable | level | level | variable | variable | variable | level | level |
| Irrigation | desirable | desirable | essential | desirable | desirable | none | possible | desirable | essential |
| Markets | | | | | | | | | |
| Limitations ⁵ | some | possible | possible | yes | some | possible | possible | some | some |
| Type | multiple | multiple | local retail | local retail | special | multiple | multiple | multiple | local retail |
| Capital | | | | | | | | | |
| Turnover ⁶ | 4–5 yr | 5–7 yr | 1 yr | 3 yr | 4 yr | 7–15 yr | 3 mo | 2–3 mo | 3 mo |
| Equipment | | | | | | | | | |
| inventory (\$) ⁵ | 2000–4000 | 2000–4000 | 200–1000 | 10–1000 | 200–1000 | 0–2000 | 10–3000 | 200–3000 | 200–3000 |
| Plant cost/A (\$) | 250–600 ⁸ | 250–600 ⁸ | 150–250 ⁸ | 100–250 ⁸ | 350–400 ⁸ | 250–500 ⁸ | — | — | — |
| Cash expenses (\$) | 150–300 | 200–300 | 1200–2400 | 400–800 | 200–400 | 200–1200 | 150–180 | 350–600 | 400–700 |
| Cash return (\$) | 200–1200 | 500–1000 | 3000–8000 | 1200–2000 | 500–1000 | 1000–2000 | 400–800 | 500–1200 | 1500–3000 |
| Number ⁹ | 109–194 | 109–194 | 3000–5000 | 800–900 | 600–800 | 800–1000 | 10–15 lb | 5000–6000 | $\frac{1}{2}$ –1 lb |

¹How important is keeping a rigid daily chore schedule to the success of the enterprise?

²How important is it for laborers to make decisions and accept management responsibility?

³Peak season usually requires more labor and more intense management. When does it occur?

⁴Each enterprise requires a different minimum of managerial attention—intense, intermittent, average, or low.

⁵Market limitations may affect the supply–demand ratio, which in turn would mean a less than economical price or a limited amount of salable units at any price.

⁶Amount of time from purchase to sale of item or amount of time for breeding animal to pay for itself through sale of product.

⁷"Special" means that some special quality is necessary in the soil or location that is not necessarily related to the productive capacity of the soil.

⁸Total cost involved from planting until first harvest season (Christmas tree labor, expense, and returns are for entire growth period).

⁹Number of plants or trees per acre for crops started from seedlings or pounds of seed for those started from seed.

¹⁰Lower figure represents the percentage of work that must be done manually; higher figure represents the percentage that could be done manually.

Insurance Issues

Farmers should carry casualty and liability insurance. Part-time farmers can suffer losses from fire or wind, or there may be an accident involving people or property. Casualty insurance should include a clause for theft, and coverage should include buildings, building content, equipment, and livestock. Liability insurance is necessary to cover damage or injury caused by the farmer's labor, equipment, or animals, and injuries to people on the farm property that may be a result of the farmer's negligence.

Summary

A farm is a business and requires land, capital, and management. The success of the farm will depend on effectively blending these resources with other resources such as labor, buildings, and equipment. The farm manager's primary job is to make and carry out decisions concerning the farm operation.

If you are considering a venture in part-time farming, you should consider the advantages and disadvantages and examine the enterprise alternatives that best fit your goals and resources.

Table 4. Requirements for crop enterprises

| Factor | Cucumber | Beans | Other vegetables | Potatoes | Field corn | Wheat | Oats | Alfalfa hay | Other hay |
|---|-----------|----------|------------------|--------------|----------------|------------|-------------|--------------|-----------|
| Unit | acre | acre | acre | acre | acre | acre | acre | acre | acre |
| Labor | | | | | | | | | |
| Timeliness | some | some | some | important | some | little | little | important | important |
| Decisions and responsibilities ¹ | slight | little | little | little | slight | slight | slight | little | little |
| Peak season ² | July–Aug. | Aug. | depends | July–Sept. | May, Oct.–Nov. | July–Sept. | April, July | May–June | May–June |
| Hours per unit ³ | 300–600 | 8–120 | 300–1500 | 100–150 | 7–15 | 4–6 | 4–6 | 10–12 | 8–10 |
| Percentage manual | 70–80 | 20–80 | 50–80 | 30–40 | 5–10 | 5–10 | 5–10 | 20–30 | 20–30 |
| Management ⁴ | low | average | average | intermittent | average | low | low | intermittent | average |
| Land | | | | | | | | | |
| Quality | good | variable | good | variable | variable | variable | variable | fair | variable |
| Drainage | well | variable | well | variable | variable | variable | variable | well | variable |
| Minimum acreage | ¼ | 0.1–50 | depends | 50–100 | 10 | 10 | 10 | 50 | 50 |
| Topography | level | rolling | level | rolling | rolling | rolling | rolling | rolling | rolling |
| Irrigation | desirable | maybe | desirable | none | none | none | none | none | none |
| Markets | | | | | | | | | |
| Limitations ⁵ | yes | some | yes | possible | none | none | none | possible | some |
| Type | multiple | multiple | local retail | multiple | multiple | multiple | local | local | local |
| Capital | | | | | | | | | |
| Turnover ⁶ | 2 mo | 2 mo | — | 4–5 mo | 5 mo | 10 mo | 3 mo | 1 yr | 1 yr |
| Equipment | | | | | | | | | |
| inventory (\$) | 10–3000 | 10–3000 | 10–3000 | 5000+ | 2500+ | 2000+ | 2000+ | 4000+ | 4000+ |
| Cash expenses (\$) | 100–400 | 150–250 | 100–800 | 240–300 | 75–125 | 40–100 | 35–80 | 50–100 | 40–80 |
| Cash return (\$) | 700–2000 | 300–1000 | 500–5000 | 550–650 | 80–300 | 50–200 | 40–100 | 50–200 | 30–100 |

¹ How important is keeping a rigid daily chore schedule to the success of the enterprise?

² More than 60 percent of labor and the most intensive management required for time listed.

³ For annual crops, worker hours would be for growth period; for perennial crops such as hay, worker hours are per year. (For Christmas trees, worker hours are from planting to harvest.)

⁴ The amount of management attention required for a crop to be successful varies from intense to intermittent (some periods of intense and some of low management attention) to average to low.

⁵ Market limitations can be due to limited market demand or perishability of product (“yes” indicates a rather severe limitation, “some” means the limitation will occur during certain times and for certain uses, “possible” means the limitation is there but is not strict).

⁶ Turnover time from planting until the harvest of the first salable crop.

Decisionmaking Principles for Part-Time Farmers by

Scott M. Barao, Ph.D.
Extension beef cattle management
and sheep program specialist

Janet P. Hughes
graduate assistant
Department of Animal Sciences
University of Maryland, College Park

Issued in furtherance of Cooperative Extension work, acts of May 8 and June 30, 1914, in cooperation with the U.S. Department of Agriculture, University of Maryland, College Park, and local governments. Thomas A. Fretz, Director of Maryland Cooperative Extension, University of Maryland.

The University of Maryland is equal opportunity. The University's policies, programs, and activities are in conformance with pertinent Federal and State laws and regulations on nondiscrimination regarding race, color, religion, age, national origin, sex, and disability. Inquiries regarding compliance with Title VI of the Civil Rights Act of 1964, as amended; Title IX of the Educational Amendments; Section 504 of the Rehabilitation Act of 1973; and the Americans With Disabilities Act of 1990; or related legal requirements should be directed to the Director of Personnel/Human Relations, Office of the Dean, College of Agriculture and Natural Resources, Symons Hall, College Park, MD 20742.