Small and beginning farm producers learn risk mitigation strategies through business planning, identifying direct marketing outlets, agricultural service providers, and business development partners.

New emerging markets for small and beginning farm producers in Colorado, present both benefits and challenges for producers. While new markets provide new income streams, changes in production, price, policy and financial risks are also experienced, making it difficult to enter markets and be competitive. Adrian Card and his team at Colorado State University Extension, Boulder County, developed the Colorado Building Farmers Program to educate producers on building capacity and opportunities through business development and management training.

The program targeted producers in five regions of Colorado, (Northern and Southern Front Range, Golden Plains, Western Slope, Southwest), who were either beginning market-farmers, or farmers seeking to expand to new markets by evaluating changes in tenure, production practices, marketing outlets or business planning.

Throughout the program, participants learned risk mitigation strategies through business planning and identifying direct marketing outlets, agricultural service providers and business development partners. “For new farmers this program gave them tremendous exposure in a short amount of time,” shares Card. “They were able to learn about farming from successful producers in their communities, which was a behind the scenes view that they otherwise wouldn’t have been able to get,” adds Card.

One of the keys to success for this program was the use of homework assignments for creating business plans. These assignments included reading, networking with other participants, engaging with resources in the community, and having a draft business plan reviewed by the project team. Among the greatest gains in knowledge, reported by all participants, were developing the business plans and accessing local resources. Card shares, “Business planning and management is a huge risk for beginning farmers and we are pleased to see that our participants don’t perceive business planning as a hurdle for them after this class.”

Of the 75 participants who completed the program, 47 developed business plans with 31 successfully implementing them after the program, and five worked with a producer-mentor to implement and advance their business goals during the 2010 season.

Successful outcome from 2010 evaluations: A winter market in Fort Collins, CO, benefits greatly from the program as many of their off-season vendors are graduates of the Boulder program. This winter market sees thousands of visitors and has become a key driver of traffic to their Old Town region. Moreover, it allows local-minded customers to get access to more year-round produce, meats and value-added products.

The Building Farmers in the West program—a three year USDA Beginning Farmers and Ranchers Development Program grant, beginning in 2009—grew out of the interest and momentum generated by the Colorado Building Farmers Program. The article on the following page features this seven state consortium project that is extending the successes reported in the Colorado pilot programs.

Comments from the 2009 class participants, one year following the program:

“We had not really taken a good look at our original plans in the couple years since we started. When we took the class, we revised those plans in light of our experience and the various considerations brought up in class and found it useful both for strategic and practical application the following year.”

“I have been working away at developing a viable business plan and financial profitability study while building business infrastructure.”

“Creating a business plan helped me learn what size and type of operation I could realistically run.”

“It was really wonderful to share ideas and learn of triumphs and pit falls from other farmers before us. It gave us examples as to how to measure the success of our business and put our operation in perspective.”

“Getting to see actual numbers and hearing real methods and stories was great. Without being around all the other folks (just being at the farm I’m at) I would have a really skewed vision of farming. Exposure and encouragement was key.”

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Building Farmers in the West

Creating New Capacity, Community and Opportunities for Specialty Producers

New and beginning farmers in seven states learn to build and maintain economically viable small farm operations through business planning, regional direct marketing strategies and networking efforts with farm colleagues.

Growing demand for local fresh foods and livestock products is creating rising market opportunities for a new generation of direct market farmers. Building Farmers in the West – a seven state collaborative project – is helping beginning farmers and ranchers to acquire relevant knowledge, skills and tools to allow them to successfully launch or grow their operations in emerging markets. Structured classroom training is designed to bring about meaningful changes so that beginning farmers can prepare a farm business plan and carry out effective strategic business planning practices. Experiential learning strategies—including farm mentorships and other hands-on learning opportunities—complement classroom learning and provide new and beginning farmers and ranchers access to an experienced pool of farmers who can field questions related to business planning, production and marketing issues.

New and beginning specialty producer participants from Colorado, Idaho, Oregon, New Mexico, Nevada, Utah and Washington are benefiting from a team teaching approach that includes Extension specialists from seven states, CBO partners, and local advisory committees that involve experienced local farmers, ag professionals, chefs, retailers, bankers and others involved in direct marketing or small-scale agriculture. This group of experts designs local programs around a core curriculum to meet local conditions and to utilize local resources, as well as advise participants on their business plans, and helps to strengthen their capacity for starting up and maintaining a successful small farm operation.

Participants’ attitudes shifted significantly after the first year of the program, and a post course assessment showed that participants demonstrated the greatest increase in understanding the need for a business plan and understanding the business planning process. A special Outcomes Report is available on the Building Farmers in the West project website: http://buildingfarmersinthewest.org/ and from the Western Center’s website: http://westrme.wsu.edu/announcements/.

The Washington State University Western Center for Risk Management Education is one of five USDA NIFA Extension Risk Management Education Centers serving agricultural producers through targeted risk management education. The Western Center partners with state university Extension educators and public and private sector partners in the west, providing tools and training to support producers in establishing long-term risk management strategies that will strengthen the economic viability of their farm and ranch enterprises. The Western Center is housed within the Washington State University College of Agricultural, Human and Natural Resource Sciences Extension School of Economic Sciences.