

The New ENTREPRENEURIAL Agriculture



A KEY PIECE
OF THE
FARMLAND
PROTECTION
PUZZLE



Solving the Farmland Puzzle

Farmland in Michigan is currently more valuable for building superstores and subdivisions than growing corn or strawberries because global markets pay little for the state's farm products. But a new crop of innovative farmers is making money and keeping land in agriculture. New Entrepreneurial Agriculture explains how communities can help their farmers switch to profitable markets and reap the many benefits of working farmland.

By Patty Cantrell and Jim Lively

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*Front cover: The Campbell family and photo of cows by Brian Confer.
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The New ENTREPRENEURIAL Agriculture

A new brand of farming is revolutionizing Michigan agriculture as families capitalize on fresh marketing opportunities. Communities that lend them business assistance can win jobs, save farmland, and secure Michigan's food supply.

One baby in her arms, two more playing on the porch, Dawn Campbell will tell you why she put away her fancy cookbooks eight years ago to become a mid-Michigan farmer's wife.

Dawn says she led a material-girl existence back in southern California, where she began her adult life after a cross-country childhood in different religious communities. Living on her own in California and working as a registered nurse, Dawn prided herself on wearing fashionable clothes and using only the best ingredients for elaborate gourmet meals. "I enjoyed doing that, and it seemed to matter to me at one point."

But her life of following the wind settled down to earth when she met Eric Campbell after moving to Michigan in the early 1990s. A man with gentle eyes and a strong sense of purpose, Eric struck her as "someone who knew who he was and didn't shake very easily.

"My husband is who he is because he was raised on the land. There's an awful lot of common sense built into that," she says with the quiet fierceness of a compassionate and committed woman. "He knows where stuff comes from and where it goes. That integrity was really meaningful to me."

Married now, with three curly-headed children, the Campbells are building their lives on an economic foundation as old as time: Raising food on the land they love. In fact, they are living an American dream that, for most other farmers and their communities, has become a nightmare.

Unlike other farm families, the Campbells are not giving up on agriculture as a way of life or source of full-time income. They are, in fact, buying the farm where Eric was raised because they've found a way to make more money from their cows by spending less money on high-cost equipment, fertilizers, and high-tech barns.

They're doing it with a grassland grazing system that dairies in New Zealand started developing in the 1950s and have used to become some of the lowest-cost, highest-profit operations in the world. The all-natural grazing system also has set up the Campbells to earn 50 percent more for their milk as certified organic milk producers.

Local Government's Role

The most hopeful sign in the Campbell's story, however, for so many Michigan communities struggling to keep farmers in business — and farmland free of sprawl — is that the Campbell's are not alone. They are, in fact, part of a new wave of entrepreneurial agriculture taking root across Michigan and the country.

Guided by the invisible and powerful hand of the free market, this new crop of



Dawn Campbell and girls.



MLUI/Pat Owen



MLUI/Patty Cantrell

farmers is tailoring production to meet changing consumer demands rather than taking what global markets will pay for raw “commodities” — tankers of milk, bulk grain, or mass-produced meat. By capitalizing on new marketing opportunities, they are changing the face of agriculture across the nation, saving farmland from pavement and pollution, and building the foundation of a safer food supply in these times of global terrorism.

The challenge now before Michigan’s local government and economic development officials is to recognize they have a new and important role in increasing the number of such entrepreneurial farmers in their communities. At stake is nothing less than the future of Michigan’s rural economies, the fate of its reawakening cities, and the power of its valuable farm-

“Michigan is uniquely situated to take advantage of niche, value-added, and local market opportunities.”

land to protect water and wildlife.

“The bottom line is that 10 acres, intensively managed to produce high valued products, may generate more profits than 1,000 acres used to produce bulk agricultural commodities,” says Dr. John Ikerd, professor emeritus of agricultural economics at the University of Missouri.

Many of the new entrepreneurial farms in America may not look like “farming” to people in traditional agriculture or like “economic development” to people who are intent on building factories, he says. But with net returns often 40 and 50 percent versus the conventional farm’s 15 to 20 percent, they amount to good-paying jobs and solid, long-term investments in the rural community and landscape. “Even a farm with only \$50,000 in annual sales may net \$20,000 to \$25,000 to support the small farm family,” Dr. Ikerd says.

That’s a significant economic factor for local residents and leaders across Michigan who are working overtime to save farmland and open space by raising money to keep orchards and cropland off the real estate market. New markets providing new income for farmers are a key piece of the farmland protection puzzle because preservation programs cannot do it alone. Even the most successful farmland purchasing plan is stymied by the fact that farmers, facing retirement with little in savings, are selling land just as fast as five-acre families and strip mall developers can buy it.

Jobs, Sales, and Quality of Life
Putting entrepreneurial agriculture to work for Michigan requires two new types of thinking about farming and economic development.

First is a shift away from the prevailing picture of farmers being interested only in high yields and government payments to a renewed vision of farmers as innovative small businesses.

Second is adding back into economic planning farming’s valuable contributions to the look and feel of both rural life and land.

“Agriculture is a forgotten segment of the economy, but it’s a critical segment of the economy,” says Jonathan Scott, economic development director for Mecosta County, who worked with entre-

Room for Entrepreneurs

Michigan consumers spent \$25.7 billion on groceries and eating out in 2001. Only about 10 percent of that food comes directly from Michigan farmers.

Capturing just a tiny fraction more of Michigan’s food dollars — through direct sales and value marketing — can amount to a lot of money for Michigan farm families who want to stay on their land.



MLUI/Pat Owen



MLUI/Pat Owen



MLUI/Pat Owen

preneurial farmers in North Dakota before moving to Michigan.

“Agriculture could be a very strong area of growth with more focus on it as a business,” he says. “It’s an entirely new perspective versus raising crops. It’s about selling products, labeling, processing, packaging. That’s what economic developers need to work on; they need to facilitate that.”



MLUI/Pat Owen

“When you see consumer demand unfulfilled, you go get it. That’s what business is all about.”

Local government also needs to recognize that viable farms — whether one-acre flower growers on the edge of town or a group of fruit producers investing in their own jam production — mean more green space, fresh food, and local commerce. That’s the most valuable part of entrepreneurial agriculture for communities that need and want a quality of life that keeps and attracts residents, says Dr. Dick LeVins, professor of applied economics at the University of Minnesota. “It preserves a rural environment, and it preserves a pleasant living environment in a way that’s self-supporting, and I think that’s not given enough attention.”

The new entrepreneurial agriculture does not aim to replace the all-encom-

passing mass food market of large-scale farms, mega processors, and superstore chains. “We will continue to depend in a major way on global markets,” says Michigan State University agricultural economist Jake Ferris.

The new entrepreneurial agriculture does, however, aim to claim its competitive place in food and agriculture markets by serving consumers who value the

quality many farmers have to offer. And it is Michigan’s smaller farmers — who own the majority of land at risk for conversion to concrete — who have some of the best opportunities to make money and save farmland by switching from commodities to higher-value consumer markets. They just need their local leaders and nonfarm neighbors to make the switch with them.

Changing Commodity Minds

Like hometown banks or specialty retail stores, farms can succeed despite mega mergers all around them. They, too, can do it by adding value to their products with a friendly face or specialty processing, by finding profitable market niches

(anyone for goat’s milk yogurt?), and by finding new ways to consumers, such as selling shares in the next season’s harvest (see page 12).

But even though agriculture is the state’s second largest industry — and a primary attraction for tourism, which is often the largest local industry — economic development officials do not work, on the whole, with farmers.

“Some clearly are,” says MSU agricultural economist Chris Peterson. “But their biggest challenge is convincing others in economic development and government that farming is commerce,” he says.

With just 3.6 percent of Michigan residents employed directly in farming after decades of decline, economic developers see little hope in promoting smaller-scale local agriculture.

“Our program is designed to fund projects that create a significant number of jobs,” says John Peck, the U.S. Department of Commerce’s representative in Michigan. “The agency’s cultural thinking is directed that way.”

The problem is that many officials and agencies with the resources and authority to put agriculture back on the list of Michigan’s important economic development strategies still see farmers as passive food *producers*, not as active food *sellers*.

This way of thinking is a major obstacle to further development of the new entrepreneurial agriculture in Michigan, Mr. Peterson says. “We have to convince people that agriculture is legitimate commerce so farmers can get the business assistance they need.”

“The bottom line is that 10 acres, intensively managed to produce high valued products, may generate more profits than 1,000 acres used

Dr. John Ikerd,
University of Missouri professor
emeritus of agricultural eco-
to

Logical Conclusion

That will take overcoming some history. For 50 years, farmers have been focused on producing more and more bulk food for distant markets. Local government has, therefore, left the business of farming to state and national agriculture agencies, which have been the experts on helping families get more corn or cherries per acre with ever more powerful seeds, pesticides, and fertilizers.

But the reason so many farm families now sell their land and give up on agriculture is because this mass-production approach has long-since reached its logical conclusion for small and medium size farms.

The global market — stuffed with food from livestock factories and foreign orchards owned by American companies — pays peanuts for tanker loads of yet more grain and apples from Michigan farmers. The mass market also is tough on smaller farmers because its system of huge warehouses and million-dollar orders is not set up to handle a pickup load of melons or hogs, no matter how many blue ribbons they’ve won at county fairs.

This powerful trend will continue until communities stop thinking of farmers as generic food producers and start recognizing them as small businesses with just as much spunk and potential market smarts as any other local entrepreneur.

Selling Value vs. Selling Out

Moving to a more market-savvy approach to growing and selling farm products is not something farmers can

Farmers Take Control of Crops

Trademarked soybean oil big step toward consumer

Vern Reinbold wasn’t satisfied selling his organic soybeans at four times the price of conventional soybeans. He knows the real money — and the only way to get off the “get big or get out” treadmill of large-scale agriculture — is to take his soybeans a few steps closer to the consumer.

“There are companies out there that are taking that soybean that sells for \$18 a bushel organic, or \$4 conventional, and turning it into hundreds of dollars per bushel,” Vern says. “I’m not saying there’s anything wrong with that. I’m saying, let’s go get some of that.”

And that they are. Vern and 209 other soybean farmers in Michigan’s Thumb area created the Thumb Oilseed Producers Cooperative in 1997 to turn the crops they used to hand over to middlemen into higher-value food products.

The cooperative is part of a new generation of farm cooperatives in the United States that do much more than just buy members’ crops and sell them in large commodity volumes at low global market prices. Instead they are developing and marketing products from their raw materials.

The Thumb Oilseed Producers Cooperative has developed its own trademarked, nongenetically modified soybean oil and is positioning itself to take custom processing jobs through its new certified-organic refinery. “Doors are swinging open to us now because we can give that organic assurance to those customers who want it,” Vern says.

Jo Ann Rutkowski, the cooperative’s chief operating officer, says this focus on consumer demand is a dramatic shift in traditional thinking for Michigan’s row crop farmers.



Thumb Oilseed Producers Cooperative refinery and trademarked, nongenetically modified soybean oil.

Photos by Mary Hagen

“I used to work at a feed mill, where we watched the crops go in the rail car and never thought about them again. Now I’m seeing a whole new side of it. I’m excited to go in the store soon and buy soybean oil under our NexSoy® trademark.”

Vern says the cooperative’s members simply decided to take control of their situation. “We said, ‘Instead of griping about low prices, why don’t we spend the same energy and try and improve the value of the crop?’”

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Traverse City's downtown farmers market.



Farmers Markets Bloom with Shoppers Seeking Fresh Food

Direct sales outlets protect farmland, boost downtown districts

All it takes is a Saturday morning at the bustling farmers market in downtown Ann Arbor to understand how significant the fresh food outlet is to both farm and city economics.

The market hosts 87 growers who sell everything from vine-ripe tomatoes and colorful flowers to homebaked bread and handcrafted bread boards. The market also is an economic outlet that keeps 3,212 acres of area farmland in agriculture, providing local residents not only with great views but also excellent water quality and wildlife protection.

In addition to higher farm incomes, Ann Arbor's farmers market draws thousands of shoppers who spend their money at nearby stores and restaurants. These businesses keep up the local tax base and keep the downtown area alive and thriving.

"Our retail and restaurant tenants achieve higher sales due to their proximity to the farmers market," says Robert Aldrich, vice-president of the MAV Development Company, which built the Market Place group of shops next to the farmers market. "These higher sales allow us to charge and maintain higher rental rates," he adds.

Not Just College Towns

But you don't have to have a downtown college crowd like Ann Arbor for farmers market success.

The farmers market in the south central, industrial Michigan city of Jackson

The number of farmers markets in America increased 63 percent from 1994 to 2000. Sales at the 2,863 markets are estimated to exceed \$1 billion annually.

has had a long waiting list of farmers eager to sell there ever since the market started 15 years ago in the middle of a recession. Some of the growers come from as far as Kalamazoo for the opportunity, says John Rasmussen, a consultant who helped both the Jackson and Ann Arbor markets get started. And if you

don't have a town center, you can use a farmers market to make one, says David Judge of Farmington, a drive-through remnant of a small town now surrounded by Detroit suburbs.

Mr. Judge is leading an effort to raise money for a pavilion to shelter and dress up an existing farmers market in Farmington. "We really need a way to attract and keep people there," Mr. Judge says. Shoppers who come for farmers markets are known to "stick around" and visit other businesses while they enjoy the sense of community that the bustle around markets can create.

Room to Grow

Other Michigan communities, such as Kalamazoo and Leelanau County, are stepping out to take advantage of the economic development and farmland protection value that farmers markets provide.

But Michigan has room for many more farmers markets than its current total of 65. The state has a large consumer population and a wide range of agriculture products. Yet Midwest neighbors, Illinois and Wisconsin, host more than twice as many farmers markets.

Contacts: Susan Smalley, Michigan State University Extension, 517-432-0049, <smalley@msue.msu.edu>; John Rasmussen, 800-414-9160, <publicmkt@aol.com>; United States Department of Agriculture, <www.ams.usda.gov/farmersmarkets>.

Meager Market Share

Michigan trails Midwest neighbors in farmers markets.

Wisconsin	147
Illinois	129
Ohio	72
Michigan	65
Indiana	57

Data from 2000.

easily do alone, however, in a hostile environment dominated by large companies and under pressure from high land prices, Dr. Levins says.

The responsibility of local residents and leaders — if they want the environmental quality and economic choices that the new entrepreneurial farming can bring — is to get involved, he says.

They can get to know their farmers and the particular advantages the local land offers food producers. Likewise, farmers can get to know their consumer neighbors and potentially find — right down the road — profitable markets that could get them out of the losing game of harvesting more bushels each year for less money.

In the strategic middle are economic development officials and agriculture agencies, such as Michigan State University Extension, that can join forces to help local farmers research markets, develop products, and seek financing. In Minnesota's Rice and Steele counties, for example, extension agents and business groups are working together to analyze and capitalize on regional food markets, Dr. Levins says.

Extension agents in Michigan already are busy helping launch farmers markets and processing ventures, such as a farmer-owned, organic-certified oilseed processing facility in the Thumb area (see page 5).

But they need help. And they need respect. It's a matter of local leaders bringing agriculture back into their picture of what the local economy is all about and then providing the business expertise and market connections that can invigorate the new entrepreneurial agriculture (see p. 10).

Michigan's Advantage

Bringing Michigan farmers closer to consumer markets is one of the best courses of action for the state's second-largest industry, says Michigan Department of Agriculture Director Dan Wyant.

"The national trend is that agriculture is going in two different directions," he says. One is toward larger operations that mass-produce commodities under contract with larger companies. The other direction is toward niche and specialty food markets; toward farmers adding value to their crops with their own processing ventures; and toward locally grown and locally sold agricultural products.

"Michigan is uniquely situated to



Brian Conter

Got Milk Money?

More profit per cow keeps Straubs prosperous

Howard and Mary Jo Straub and daughter Terri Hawbaker make a solid family living — and even take two months off during the winter (unheard of for small family dairies) — milking a herd of just 100 cows. The smallest size herd that dairy experts now recommend is more like 300 cows, while the average startup size is approximately 2,000 cows.

Any less and you might as well subdivide your farm, say the experts, because the increasing number of dairies with 10,000 and 20,000 cows keep the market so full of milk that processors don't have to pay much for it.

The Straubs, however, have found a way to prosper and keep living on their land near St. Johns even as milk prices dip. Rather than focus on increasing the amount of milk they sell, they work on increasing the amount of profit each cow makes. The family dairy has succeeded in increasing its net profit per cow from \$300 to \$900 since 1994 while keeping their farm out of major debt and at a manageable size.

Their secret? They let the cows do most of the work.

The Straubs run electric fencing up and down their hayfields to create 4-acre paddocks. They then move the cows from paddock to paddock on a daily basis in an intensive grazing system pioneered by farmers in New Zealand. By the time the cows return to the first paddock, the grass has grown tall and nutritious enough again for them to eat. In the meantime, the cows have spread their own manure and kept pests on the run.

"It's really nice when you get your milk check and you get to keep most of it instead of handing it over to the feed salesman," Mary Jo says.

The Straubs also have little need for the big machinery that most farms require. "We don't buy anything that rusts, rots, or depreciates," Howard says. That means most of their money ends up on the bottom "net profit" line.

The family also is looking forward to increasing the top "sales" line of their farm's income statement. The Straubs now are investigating such profit opportunities as making all-natural cheese from their high-value, grass-fed milk.

Contacts: *Howard Straub, Michigan Hay and Grazing Council President, 989-224-3112 or <howardstraubjr@hotmail.com>.*

States Get Back Into Meat Business

Inspection hurdles in Michigan separate farmers and eager consumers

One of the biggest obstacles to small farm profitability in Michigan is the lack of convenient, affordable processing. Members of the Upper Peninsula's Big North Farmers Cooperative in the Sault Ste. Marie area, for example, must travel upwards of 200 miles to Escanaba for meat processing. The hauling distance costs them time, money, and quality, says John Dutcher, one of several cooperative members now supplying local consumers with free-range, locally produced beef.

The rural area around the Dutcher farm near the eastern tip of the U.P., however, used to have several meat processors that served local growers. So did other communities across Michigan and the country.

One of the primary reasons these facilities now are far between is the high cost of regulations designed for much larger processing plants, says Dr. Lee Jan, president of the National Association of State Meat and Food Inspection Directors.

"The little guy kind of gets forgotten," Dr. Jan says of the current system in Michigan and 22 other states. United States Department of Agriculture inspectors, strapped for time and staff, are the only ones on the job of both inspecting meat and helping processors understand complicated rules. "The small processor

that kills two or three or 200 head a day doesn't get his questions answered in a timely manner compared to the large processor that kills 200 head an hour."

But that's changing in many states as economic developers and legislators recognize that more farmers need more processors to tap the huge market potential for new meat products — from organic chicken to specialty sausages.

Business Growth

Missouri and North Dakota are the latest states to reinstate meat inspection programs after having eliminated them, like Michigan, through budget cuts in the 1980s.

State meat inspection programs must follow the same regulations and provide the same level of inspection quality as USDA. But they are more valuable for farm business development because state programs can provide one-on-one assistance to smaller processors. That helps processors get into business, stay in business, and serve a growing number of meat marketers.

In Michigan

Michigan Department of Agriculture Director Dan Wyant says the state is open to rejoining the national total of 27 states that have meat inspection programs. In

the meantime, it is working to help some processors, such as a large, farmer-owned turkey processing plant near Grand Rapids, meet federal requirements.

The cost of creating a state program is a significant hurdle, Mr. Wyant says, especially in a time of budget cuts.

The investment is arguably minor, however, compared to millions of dollars that state agencies put into other economic development initiatives. Dr. Jan estimates the average annual direct cost of a state meat inspection program is 1.8 million after the federal government pays

"Our big hangup is that processing is so far away. We used to have three slaughterhouses around here."

**John Dutcher,
Big North Farmers Cooperative**

half of the total.

The payoff for investments in state meat inspection is jobs, farmland protection, and development of new and important agriculture markets. Consumer demand for greater meat choices is growing at an astonishing rate, providing profit possibilities for a variety of farmers all across Michigan — from families selling at farmers markets to specialty companies creating their own brands of deli meats.

The market for organic meat, eggs, and poultry alone grew 64 percent between 1999 and 2000, according to the Organic Trade Association. Statistics for direct, local marketing of meat products in general are more difficult to find. But Dr. John Ikerd, professor emeritus of agricultural economics at the University

State Meat Inspection Creates Jobs

Minnesota reinstated state meat inspection in 1999 and now serves as a model of economic development success.

In its first 10 months, Minnesota's program grew from one plant processing 100 pounds of meat per month to 15 plants processed a total of 100,000 pounds of inspected meat per month. In October 2000, the program served 48 plants that moved 300,000 pounds of inspected meat per month, according to program manager Kevin Elfering.

Mr. Elfering estimates that at least half the plants are new businesses and that more than 250 farm-direct meat marketing businesses





of Missouri, says on-the-ground experience with locally produced poultry, for example, suggests demand is well beyond supply.

“I haven’t talked to anybody yet who could raise and process as many chickens as they could sell at almost any price they put on them.”

Poultry Possibilities

The potential for more Michigan farmers to supply consumer markets hungry for local, free-range poultry is even more immediate than in beef and pork markets, which require full-scale state or federal inspection. Federal regulations allow for a greater range of processing arrangements for poultry farmers who produce between 1,000 and 20,000 birds a year. Most states, including Michigan, allow farmers to process up to 1,000 birds on their own farms with basic state inspection of sanitary conditions.

The problem, however, writes agricultural law expert Neil Hamilton of Drake University in his book, “The Legal Guide for Direct Farm Marketing,” is that the federal rules “are so poorly written it is hard — even for the government officials — to determine exactly what they mean.”

That’s where Michigan and most states currently stand: In a gray regulatory area. As a result, no one from the state or federal government is provid-

ing clear guidance and inspection services so that farmers can move beyond the 1,000-bird limit into more profitable market territory.

Discussions are underway in Michigan on how to navigate the federal rules. Michigan Department of Agriculture officials recently met with farmers and USDA officials in a roundtable discussion that the non-profit Michigan Integrated Food and Farming Systems organization initiated. MIFFS now is producing a manual as a result of the roundtable to help the state’s small-scale poultry producers work with state and federal officials.

Other states are coming up with action plans for helping poultry producers reach eager consumers. The Texas Legislature, for example, recently increased the number of birds that farmers can process on their own with basic health and sanitation inspections — versus costly bird by bird inspection — from 1,000 to 5,000 per year.

Contacts: *Dan Wyant, Michigan Department of Agriculture Director, 517-373-1052; Dr. Lee Jan, Texas Department of Health, 512-719-0205, <lee.jan@tdh.state.tx.us>; Kevin Elfering, Minnesota Department of Agriculture, 651-297-7453, <Kevin.Elfering@state.mn.us>; Tom Guthrie, Michigan Integrated Food and Farming Systems, 517-432-0712,*

take advantage of niche, value-added, and local market opportunities,” Mr. Wyant says. “We have a lot of diversity in the things we produce, and we have a lot of agricultural production where we have a lot of people, unlike some big rural states that don’t have a large population base.”

Indeed, the state’s farmers have plenty of untapped sales potential. Michigan is second only to California in its broad range of agricultural products — from pears to perennials. The state’s farmers also sit within 500 miles of half of the populations of both Canada and the United States.

Even more overlooked are the ready markets right at home. Michigan consumers spent \$25.7 billion on groceries and eating out in 2001. Only about 10 percent of that food comes directly from Michigan farmers, according to industry researchers. And only an estimated 43 percent comes back to Michigan stores after the state’s farmers sell their products into the mass market of large-scale processors and superstore chains.

Michigan farmers get the short end of that export-import deal because the large-scale middlemen make all the money. Processing, packaging, and distribution take up a full 80 percent of the final purchase price of food, according to the U.S. Department of Agriculture.

Capturing just a tiny fraction more of Michigan’s total food dollars —

Continued on page 12

Farmland Tax Savings

Farmland protects rural taxpayers from the high costs of roving residential development.

Marshall Township, south of Battle Creek, for example, spends \$1.47 on public services for every dollar that new housing generates in tax revenue, according to an American Farmland Trust study. The township spends only 27 cents on services for every dollar that farms and open land generate.

For more information about farmland protection efforts in Michigan, contact: Rural Partners of Michigan, 517-702-1530, <www.ruralmichigan.org>; American Farmland Trust, Central Great Lakes Region, 517-324-9276, <www.farmland.org/regions/glakes/>; and Michigan Farmland and Community Alliance, 517-323-6550.

Communities Put Farming Ba



MLU/Pat Owen

Flower fields at Bill's Farm Market, Petoskey.

The life economy not only supports es — from time and ties, wh tect wa Feat places in putting commun field of

“Why Don’t We Work With Farmers?”

Economic agency finds new agriculture answers

The rolling hills of Antrim, Charlevoix, and Emmet counties at the tip of Michigan’s mitt are covered with small dairy and fruit farms and with tightknit rural communities that farm families built. This picture of what the three-county area is all about hit Tom Johnson, executive director of the regional economic development corporation, like a rock one day two years ago as he drove down one of the area’s many quiet country roads.

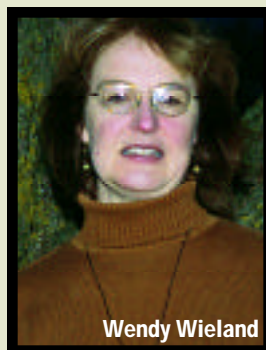
Mr. Johnson says: “I asked myself, ‘Does agriculture generate money in the regional economy? Certainly. Is it part of the economic base? Certainly.’” Then, he says, he had to ask himself why his organization, the Northern Lakes Economic Alliance, didn’t work with agriculture.

Aha! Moment

The answer revealed a tall wall that has built up over the years with farmers, farm organizations, and agriculture agencies on one side and business leaders, economic development groups, and depart-

ments of commerce on the other. “If you leave farming out, then you have a blank spot there,” says Mr. Johnson, who decided to break down the wall between the farm and nonfarm sectors in his three county area. Working with local Michigan State University Extension offices, he has put farm and business groups together on the job of supporting and expanding the region’s most basic industry and its greatest quality-of-life asset.

“What we do is take standard business concepts and apply those same concepts to agriculture. No business is unique; what’s different is their market. Farmers have a unique and challenging market, but they’re really in the same boat as other small businesses.”



Wendy Wieland

MLU/Jim Lively

Capital Investment

One of Mr. Johnson’s first moves was to hire Wendy Wieland as an agribusiness development specialist. Ms. Wieland grew up on a farm in the region and worked for Michigan Farm Bureau for several years before hiring on with the Alliance. Her job now is to research the area’s farm base, explore new markets, and work with farmers in the region to capitalize on the new opportunities.

“We’re really concentrating now on the best fit for our growing area and for the base of people who want to be farmers,” she says.

Ms. Wieland is optimistic that the Alliance’s efforts will make a difference in the future of farming in northwest lower Michigan.

“We want to provide farmers with another choice besides selling their farm to developers. If we can help them increase their choices and decrease their risk, then we feel those people will be here.”

Contacts: Wendy Wieland, Northern Lakes Economic Alliance, 231-582-6482; <wieland5@msu.edu>; Wagbo Peace Center, 231-536-0333, <wagbo@juno.com>.

ck in Their Futures

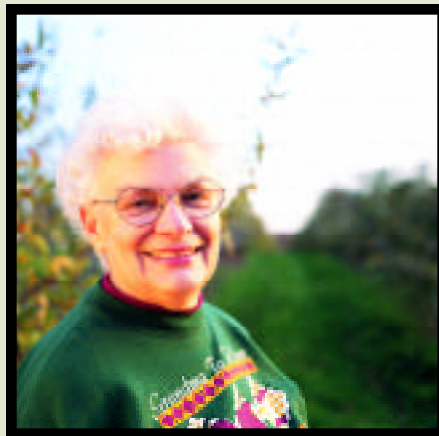
full value of farm jobs and farm is coming to the attention of ic developers. Profitable farms y provide agriculture jobs, they a wide variety of local business- om retail sales to financial servic- ily farms also invest valuable d civic effort in their communi- ile their working landscapes pro- terways and open spaces. ured here are two examples of n Michigan where leaders are their agriculture and business nities back together. This new farm work is exciting, challeng-



MLU/Fat Owen

A group of giggling children is one of many signs of success for an innovative farming venture in northern Michigan's Emmet County. Seven farms joined together during the 2001 season to grow food for 150 families in a "community supported agriculture" project coordinated by the Wagbo Peace Center, a small farm and land trust.

The families buy shares of the seven farms' products during the winter — when farmers need the cash — and then pick up the sweet corn, flowers, milk, fresh fish, and vegetables on a weekly basis during the season. They also join in the fun of farm life when



Brian Conter

Sharon Steffens, farmer and founder of Rural Economic Agricultural Partners.

After the Fall

Community picks up apple, vegetable growers

One of the richest fruit-growing areas of Michigan is a line of 800-foot hills northwest of Grand Rapids, where Lake Michigan breezes have blessed generations with delicious apples and beautiful vegetables. Farms on "the ridge" also sit in the middle of one of the wealthiest metropolitan areas in Michigan. Nearly half of the 400,000 households in the Grand Rapids-Holland-Muskegon area make more than \$50,000 after taxes.

But apple grower Sharon Steffens saw only financial panic three years ago when she looked around at the faces of her neighbors on the ridge. Family orchards with generations of labor and love invested in trees and soil were struggling to make ends meet. A flood of apples from China had pushed global prices so low that many families were giving up and selling out.

Ms. Steffens, however, is a grandmother who knows a thing or two about picking yourself up from a fall and trying a new approach. "The atmosphere was so depressed. I thought: 'We have to do something for ourselves. We can't wait for other people to do things for us.'"

Thus was born Ridge Economic Agricultural Partners (REAP), a grassroots group of 350 people in business, agriculture, and the general community who intend to prove there's more than one way to sell an apple.

All Together Now

"The first thing we had to do was educate people in Grand Rapids that there's a place called 'the ridge,'" says Dianne Novak, a Michigan State University Extension agent in Kent County. She started working with REAP in 2000 after local townships, foundations, community groups, and businesses chipped in to help.

Last year the group made regional consumer inroads when it completed the first annual "Fruit Ridge Country Market Guide." It also has created an e-commerce site for fruit ridge products <www.fruitridgemarkets.com>, and Ms. Novak is researching markets for a value-added, apple processing venture. All the while, REAP's members have been meeting bimonthly, discussing everything from customer service to urban sprawl.

These meetings led to a joint effort with the Michigan Small Business Development Center at Grand Valley State University.

For 12 weeks last winter, farm entrepreneurs worked through a business development course tailored to agriculture called "Tilling the Soil of Opportunity." The center now is providing follow-up assistance free of charge, says regional director Nancy Boese.

Working with farmers is a new territory for traditional economic development professionals, Ms. Boese says. "But it's really identical to what we would do for manufacturers or retailers. It's the same process, just different numbers."

The Harvest

Can REAP keep orchards on the ridge? Sharon Steffens is encouraged not only by the new customers and business ideas that are enlivening the area.

She's also heartened by a recent survey in which metropolitan residents specified "the ridge" as farmland they want to save. "I think things are looking up," she says.

Contacts: *Dianne Novak, Kent County Michigan State University Extension Agent, 616-260-2008, <novakd@msue.msu.edu>; Sharon Steffens, 616-784-2821; Nancy Boese, Small Business Development Center, 616-336-7370, <gvbizinfo@gvsu.edu>. For more information on the course "Tilling the Soil of Opportunity,"*



Jim Sluyter and Jo Meller, Five Springs Farm.

Investing in Farm Futures

Families buy into fresh, local food

Most people think of Wall Street when they buy shares of stock in a company's future. But hundreds of families in Michigan think of the delicious salad greens, fresh flowers, and homegrown tomatoes they'll enjoy every summer.

In northwest Michigan, for example, 23 families invest approximately \$275 each winter in Five Springs Farm of Bear Lake, north of Manistee. In return they receive a two-person, weekly share of fresh vegetables from April through October, as well as some assurance that "their farm" will be around for them next year.

Five Springs Farm is what's known as a "community supported agriculture" farm. It's one of dozens that now exist in Michigan and one of thousands that have sprung up nationwide since the early 1980s. The central idea is to get cash to farmers in the winter, when they need it to prepare for the coming season.

"The crop is sold before it's put in the ground most of the time," says Jim Sluyter who owns and operates the farm with life-partner Jo Meller. Paying ahead means CSA members share in both the risks and rewards of the farm enterprise. If the weather is bad, their bags of lettuce, cucumbers, and potatoes are not as full. If the weather is good, their cups runneth over.

People across the country are embracing the risks and rewards of CSA investments because they want safe, fresh food from people they know and trust. They also want to help keep agriculture in their communities.

Ann Rowland, who is a member of a different CSA in Emmet County, says the "community support" part of her investment became clear when drought once wiped out the sweet corn she was expecting. "My feeling was: 'Good. They'll be able to go on and plant again in the spring because of the shares we purchased.'"

Most of the time, being a CSA member is just a joy for busy people. "It's like having your own organic garden but without the work," says Five Springs Farm member Kim Joannette. "It's an excellent value, and they've made it easy for me."

Contacts: *Five Springs Farm and its international CSA newsletter*, The Community Farm, at 231-889-3216, <csafarm@jackpine.com>.

through more direct sales, processing, and value marketing — can amount to a lot of money for independent farmers in Michigan who want to stay on their land.

And that means greener pastures for everybody.

New income from new markets can add up to sizable farmland protection in Michigan because smaller, independent operations make up the majority of the state's farms. They are the most likely to make the entrepreneurial switch, and they own a significant portion of the land under the threat of sprawl. By USDA's definition of "small farm," for example, 93 percent of the state's farms are small, and they work 66 percent of Michigan land in agriculture.

The New Agriculture

A strong and growing segment of the population would rather live the independent, agricultural life — close to the land and to family — than spend hours every day on freeways and years punching clocks. That's why many, whether from farming backgrounds or simply with soil in their souls, are following new agricultural opportunities and taking the entrepreneurial risk.

Newlyweds Terri and Rick Hawbaker, who live about half an hour away from Dawn and Eric Campbell, for example, also are in the process of buying a 120-acre farm from Terri's parents for their own grassland grazing dairy (see page 7).

In the eastern Upper Peninsula, Rus and Amy Goetz have come home from jobs and commuter lives in Omaha, Nebraska, to raise their two young daughters close to their Goetzville roots on the Lake Huron shore. The Goetz' were able to make a profit in their first year of raising poultry on pasture in movable, outdoor pens for local customers who want chicken free of synthetic hormones (see page 14).

And in Kalkaska, George and Sally Shetler's two oldest sons have returned

More Land on Smaller Farms

Farms with annual sales of less than \$50,000 make up 76 percent of Michigan farms. Those with less than \$250,000 in sales account for 93 percent of Michigan's farms and 66 percent of the land in agriculture.

United States Department of Agriculture

The typical tomato, can of corn, or loaf of bread now travels an average 1,500 miles from field to plate.

Leopold Center for Sustainable Agriculture, Iowa State

from city jobs and lives to help build the family's "From Moo to You" milk bottling business. The dairy now is well past the breakeven stage and supports multiple family members in its business of delivering all-natural, nonhomogenized milk in glass bottles to independent grocery stores in the area.

Consumer Confidence

The Campbell's, Hawbakers, Goetz', and Shetlers are not playing the global market game of producing more and more commodities for less and less money. They know that their all-natural milk and pastured poultry is in high demand right next door in Detroit, Muskegon, or Sault Ste. Marie, where most supermarkets carry only mass-market brands. They also know that this consumer demand for greater food choice has grown far beyond the hippie-granola crowd.

More people want to know more about where their food comes from and how it was raised. An estimated 23 percent of U.S. adults from all income and age levels, for example, now make environmental and health considerations a primary factor in their everyday purchasing decisions, according to the market research firm American LIVES.

These consumers are driving the phenomenal growth in farmers markets — up 63 percent nationwide from 1994 to 2000. They're also behind the record-breaking sales of organic products — up 38 percent between 1999 and 2000, nearly 10 times the conventional grocery industry's average growth rate of 4 percent.

The September 2001 terrorist attacks on the World Trade Center, Pentagon, and postal system have only added to the growing demand for more locally produced food by exposing the vulnerability of the country's centralized, interstate food system. The typical tomato, can of corn, or loaf of bread now travels an average 1,500 miles from field to plate, according to a new University of Iowa

4 NEW AGRICULTURE PROFILE



George Shetler and father Rollin Shetler (background).

MLUI/Pat Owen

Finding a Profit Niche

Family targets its own milk market

George and Sally Shetler of Kalkaska have a unique farm (only 40 cows) and a specialty farm product (grass-fed, all-natural milk). Nobody cared, however, until the Shetlers found their way out of the mass market.

Since the 1980s, the Shetlers have fed Trixie, Neeta, Eva, and the rest of the herd only fresh grass and homegrown hay free of the costly, synthetic pesticides and fertilizers that most farms use. George and Sally switched to all-natural production because they think it makes sense for their finances, for the earth, and for their family's health.

But consumers had no idea until the family pursued a big dream, put months into market research, and found an open-minded lender. The result: The Shetler Family Dairy's "From Moo to You" bottling and direct-delivery business.

Now, rather than give up on farming, George and Sally's two oldest sons have come home from nonfarm jobs to help build the business and a family farming future. "Our goal was to have something here for the grandkids," George says.

The Shetlers knew they couldn't do that in the mass market, where dairy farms are going into heavy debt and risking environmental catastrophe with mega operations that survive only on high-volume sales. They knew they had to pull their high-value milk out of the mass market and put it into a specialty niche.

By bottling the grass-fed milk themselves, the Shetlers can put their name on it and separate it from the typical supermarket jug, which comes from big processing plants where milk from all kinds of dairies mixes together.

Their local market of independent grocery stores from Petoskey to Traverse City now is rewarding the Shetlers with impressive sales and further profit potential. The family business broke even on expenses in its first 12 months bottling only half the herd's milk.

The Shetlers are meeting their goal of providing incomes for multiple family members from one farm. And they project they'll be able to do that for a long time given the large market demand and their loyal customer base.

Contacts: *Shetler Family Dairy*, 5436 Tyler Road, Kalkaska, MI, 49646, 231-258-8216, <shetler@torchlake.com>.



MLUI/Pat Owen



Cindy Dutcher and pastured poultry.

MLUI/Pat Owen

Rebuilding Local Markets

Cooperative creates choices for farmers, consumers

Some Upper Peninsula farmers are finding it doesn't require putting Meijer out of business to generate the kind of cash flow that can keep a family farming or get a young couple started.

Rus and Amy Goetz, for example, recently moved back home to their Goetzville roots near the U.P.'s Lake Huron shoreline with their two young daughters after trying — and not liking — the commuter life in Omaha, Nebraska. They now are part of the Big North Farmers Cooperative, a group of about a dozen farms in the eastern U.P. that are marketing and delivering free-range beef, pork, lamb, poultry, bison, and eggs to more than 300 customers across the region.

The Goetz' started their new farm life by pasturing poultry outdoors in movable pens for local consumers who want all-natural meat. "This is totally different farming than what I grew up with, but it's starting to pay the bills," Rus says.

Rus and Amy learned about pastured poultry from Cindy and John Dutcher, who live up the road and who helped launch the Big North Farmers Cooperative, as well as a small-scale poultry processing facility for its members.

Cindy Dutcher says the idea is to re-create local markets for quality local products and protect farmers and farmland in the process.

"They sell a lot of turkeys in Chippewa and Mackinac counties during the holidays," Cindy says as she moves an open-air pen of turkeys to a new spot of rich, organic pasture. "Why shouldn't some of them come from us?"

The Dutchers are well aware that turkeys in the grocery store cost less per pound because of factory-scale production and that the brand names come with major corporate advertising dollars behind them. But they have found there's plenty of room for entrepreneurs in the poultry business.

"We found half of our customers are young people concerned about their health and the environment and the other half are old people who know what real chicken tastes like," Cindy says.

The Big North Farmers Cooperative's aim is to create more choices for both farmers and consumers, says John Dutcher. "We're not trying to make a killing. We're just trying to make a living and to restore a food system that existed here at one time."

Contacts: *Big North Farmers Cooperative*, 906-297-2120, <dutchfarm@sault.com>; *American Pastured Poultry Producers Association*, 715-723-2293, <www.apppa.org>; *Michigan Alliance of Cooperatives*, 517-561-5037; *Michigan Organic Food and Farm Alliance*, <www.moffa.org>.

study. Most of it comes via processing facilities that mix meat and milk from hundreds and thousands of producers in common vats.

New entrepreneurial farmers have the opportunity to restore consumer confidence in both agriculture and food.

Better "Fast" than Big

The shifts in consumer awareness and demand fueled a quiet revolution in agriculture during the 1990s. It's been heating up as more and more farmers discover that consumers are eager to buy those blue-ribbon beans that the mass market doesn't value. And like entrepreneurs through the ages, farmers are finding ways to supply that demand and to satisfy consumers who are fed up with super-market choices.

"The saying in agriculture used to be 'you better get big or get out,'" says Wendy Wieland of the Northern Lakes Economic Alliance, a three-county community development organization based in Boyne City. "Now the saying is: 'You're either big, or you're fast.'"

Most of Michigan's farmers are no longer willing or able to grow their operations even larger. They're choosing to retire or sell their land rather than invest millions of dollars and take on untold environmental risks with mega operations that still pale in comparison to their competitors' size and sales potential.

That's why some Michigan communities now are asking how they can help their farmers get *fast*.

The Northern Lakes Economic Alliance is one organization taking on that task. The alliance embarked last year on an initiative to research consumer demand and develop strategies to help farm families in Emmet, Charlevoix, and Antrim counties maximize their market potential. The Alliance knows that improving local farm profitability also protects farmland, which improves the area's chances of controlling sprawl and bolsters its tourism economy.

Faster Food

The fastest growing categories of organic food products from 1999 to 2000 were:

Meat, dairy alternatives	215 %
Meat, poultry, and eggs	64 %
Canned and jarred products	51 %
Dairy	40 %

Organic Trade Association, 2001

'Lunch Ladies' Search for Local Food

Schools, farmers look for ways to put Michigan products back in the cafeteria

June Bailey, food service director for Comstock Public Schools near Kalamazoo, knows how she struggles to make sure kids eat fresh, nutritious food. As the wife of a farmer, Ms. Bailey also is familiar with how farmers in Michigan struggle to find buyers for the food they produce.

But rather than buy apples, potatoes, or milk from Michigan's farms, public schools buy through national food service companies that often supply Washington apples and Texas strawberries instead. Like hospitals and other large food buyers, schools rely on national distributors to deliver large quantities of food, often in preprocessed form, to their doorsteps on a weekly basis.

It bothers Ms. Bailey, however, that more of the food that school children eat does not come from local farms. "We get our carrot sticks from a plant in Kentucky. But I'm told there may be a processor in Grand Rapids that slices carrots," she says.

"There needs to be a way for farmers to tell me what they have available and for me to tell the farmers what food I need," she says.

Making the Connection

The good news for June Bailey is that, across the state, another woman with different connections saw the same opportunity.

In Michigan's highly agricultural Thumb region, Beth Cryderman-Moss witnessed the trouble her farmer friends and neighbors had making money. As a government procurement specialist with Michigan Works!, the state employment agency, Ms. Cryderman-Moss decided to find ways that farmers could land more government food contracts.

In the process, she uncovered a new federal program called the Small Farms/School Meals Initiative. The program puts the U.S. Department of Defense — experts at finding and supplying mass quantities of food — on the job of connecting local schools and local farmers.

From Farm to School

Already showing success in North Carolina, Florida, and Virginia, the Small Farms/School Meals Initiative now is



Some communities are putting their local farmers and schools in direct contact. Salad bars stocked with fresh produce from nearby farms are spreading in California. In southwest Pennsylvania, farmers are collaborating to supply five area school districts with locally produced and

Community Food Security Coalition

coming to Michigan thanks to Ms. Cryderman-Moss, the Michigan Department of Agriculture, and the Michigan Department of Education.

"Our plan at this point is to pick one product, pick one area, and do a pilot project," says Kathy Kissman, MDA's director of marketing and communications. Lessons learned in the small-scale trial effort will be critical to designing a program that works for those preparing the food, as well as those who grow it, she says.

The program is just in the beginning stages, but its potential in Michigan is tremendous with statewide school lunch expenditures, in 1999-2000, of \$400 million per year.

"If you get every school district buying locally grown Michigan apples, that will make a big difference for those farmers," Ms. Cryderman-Moss says. "And that's only one farm product."

What's Available?

But can Michigan farmers supply the needed variety and volume of food?

Yes indeed, says Ms. Kissman, who points out that the wonders of nature, cold storage, and hydroponics make it possible for even mid-winter menus to feature fresh apples, squash, tomatoes,

carrots, beans, herbs, onions, potatoes, eggs, milk, and honey from Michigan.

The key is building awareness and instilling desire, says Marla Moss of the Michigan Department of Education. "We need to generate enthusiasm among the people who will be serving the local asparagus, potatoes, and beans to the kids."

What Does It Cost?

Schools on always-tight budgets also are sensitive to the price of the food they prepare. The assumption is that mass-market distributors always can sell food for less. But a recent study of farm-to-school food programs shows that is not always the case.

In the national Community Food Security Coalition report *Healthy Farms, Healthy Kids*, schools in Hartford, Connecticut, found a big difference in some costs. Local apples averaged 8 percent less, while local romaine lettuce was 34 percent less expensive on average.

Contacts: *Kathy Kissman, Michigan Department of Agriculture, 517-373-9788, <kissmank@michigan.gov>; Marla Moss, Michigan Department of Education, 517-241-4054, <MossMJ@michigan.gov>; Community*



MLU/Patty Cantrell

Michigan's Own Napa Valley

Strange new planting grows into agricultural mainstay

Larry Mawby used to be a big farmer. Now he's a happy man. "All I did was drive around and tell people what to do. That didn't interest me."

What did excite him was wine — and time enough to taste life while tending vineyards and watching people come back for more of his intoxicating creations.

"I wanted to try to grow grapes and make wine and do it on a small enough scale that I could bootstrap finance it."

That was nearly 30 years ago when Mawby Vineyards was the second, after the Boskydel Vineyard, to plant wine grapes on the Leelanau Peninsula west of Traverse City. Now with 30 vineyards and 16 different wineries, Leelanau County is Michigan's own little Napa Valley. Northwest Michigan's growing wine industry also has helped put the state on the national map as the fourth largest grape growing state and 13th largest in wine production.

Vineyards were new and strange at first on the peninsula, primarily a cherry and apple growing area, Larry says. But now the wineries and vineyards — started by a few farmers trying something different — are vital parts of the local agricultural and tourism industries. Visitors now combine wine tasting tours with traditional Lake Michigan sunsets when they come Up North.

The draw of the landscape also works well for the wineries, Larry says. "We're a tourist area. Our customers come to us; we don't have to go to them."

The new local industry is helping to save farmland in the area, as well, by creating demand for a variety of fruit. The Black Star Farms winery near Suttons Bay, for example, makes pear wines and brandies in addition to cabernets and chardonnays. The winery now buys pears from two different Leelanau County farmers who had had trouble selling the fruit before the new buyer appeared.

"It's definitely made a difference," says Mike Mikowski, who uses the new income from his pear orchard to keep cash flowing even when markets for his cherries go bad.

"I can rely on this to help balance out the books."



MLU/Patty Cantrell

Contacts: *Mawby Vineyards*, 231-271-3522; *Winery at Black Star Farms*, 231-271-4882; *Michigan Grape Industry Council*, <www.michiganwines.com>.

Alliance Director Tom Johnson says putting agriculture back into economic development is a matter of first realizing the opportunity exists and then making it happen. "When you see consumer demand unfulfilled, you go get it. That's what business is all about," he says.

Michigan communities can look to southwestern Pennsylvania for proof of the possibilities and payoffs. A nine-county agency called the Southwest Pennsylvania Commission launched a novel effort five years ago to keep area farmers on their land by working with them to generate new sources of farm income. The initiative is going so well that it now figures prominently in the region's economic future.

"Our first goal was to stop the loss of farms," says Allen Matthews, a farmer and staff member of the Pennsylvania Association for Sustainable Agriculture, which has partnered with the commission. "Now our goal is to increase the number of farms."

True Value of Agriculture

The key was recognizing how important local agriculture is economically and how central it is to local lives and the local landscape, says Rita Pollock, special projects manager for the commission.

"When we looked into it, we found we had more people employed in agriculture than in high-tech industries." That information put the commission on a different economic development course. "We realized that agriculture puts food on the table for a lot more people in our region," Ms. Pollock says.

The commission, along with the Pennsylvania Association for Sustainable Agriculture, put together a regional advisory board that brought economic developers, local government officials, and community planners together for the first time with farmers, consumers, and agriculture agencies. This broad partnership and high-level commitment has been key to the project's success, Ms. Pollock says.

Among the new farm-to-market ini-

Danger Ahead

Michigan is projected to lose 25 percent of the farmland in its metropolitan counties by 2040 — and 15 percent of farmland statewide — if current suburban growth trends continue.

Michigan Land Resource Project, 2001

"I spend 10 percent of my time growing grapes, 20 percent making wine, and 70 percent selling it. If you aren't prepared to do that, you won't succeed. That's so alien to

tatives now changing the face of agriculture in southwest Pennsylvania are: A network of 14 farmers markets and farm stands; a project to supply five area school districts with local beef; plans for a major public market in a nearby urban area; and a farm-to-chef partnership. The partnership supplies trucks that pick up, drop off, and coordinate orders.

Farmer's Choice

Of course, not every farm family in Pennsylvania or Michigan is prepared or willing to choose the new entrepreneurial direction. But enough opportunity exists for enough people to make a big difference.

Jim Fuerstenau, director of the Michigan Farm Bureau's Farmland and Community Alliance, says he believes new farm business development has an important place in the mix of a community's farmland protection strategies.

"The issue is product differentiation. If you grow a tomato locally, that's a differentiation. That's something you can market, and you can extract a premium (price) selling that product."

It's important for communities, as well as the younger generation of farmers, to recognize that these opportunities exist and that they are valid options for improving farm profitability and protecting farmland, he says. "We see the two issues of farm profitability and farm preservation as being so interlinked."

That link is people, says Carol Osborne, chair of the Michigan Organic Food and Farm Alliance. "Those farmers making person-to-person contact with customers — whether that's a school or a grocery store or a neighbor down the road — are the key. When you have those relationships, people realize what they're paying for when they buy your food."



Pam Bosserd

MLUJ/Patty Cantrell

Soybeans Give Way to Sunflowers

Roadside farm stand is new cash crop

When Pam Bosserd quit her sales job and married field crop farmer Dave Bosserd, she had no idea she soon would be competing with him for work space in the barn and in the field.

Bosserd Farm Market started as an experiment for this young wife and mother. But now the roadside market in front of her Marshall home, near Interstate 94 south of Battle Creek, has taken on a whole business life of its own.

"Every year I keep stealing a little bit more land. I started with one acre, and now we're up to 40 acres of vegetables, pumpkins, and flowers."

The amount of land the Bosserds devote to their farm market is growing because of a simple economic fact: The family makes more profit per acre of produce and flowers than it does per acre of soybeans and corn.

Ms. Bosserd is quick to point out that there is a tradeoff. "We make more profit per acre, but there's also more labor per acre."

This tradeoff is worth making, she says, "if you really love it like we do and if you want both parents to stay on the farm."

Making it work is a matter of making it fun and rewarding for everyone, she says. Clean buildings and attractive displays invite passersby, as do family activities, such as a maze cut into a corn field.

But fresh food and real people are the best selling points. "Our average customer wants a relationship with a farmer and to know the food is picked fresh every day."



Bosserd Farm Market

MLUJ/Patty Cantrell

Contacts: Pam Bosserd, 616-781-4905.

Leap of Faith

Helping farmers reconnect with consumers after years in faceless, thankless commodity markets is the part communities can play.

But first they have to get over the longstanding wall between the farm and nonfarm sectors of their local economies, says the Southwest Pennsylvania Commission's Rita Pollock.

"This is still pretty revolutionary stuff. It's not your standard vanilla type of economic development."

Farmers and communities have to

look beyond the wall and trust in their ability to try — and succeed — at something new. Like the Southwest Pennsylvania Commission and Michigan's Northern Lakes Economic Alliance, they can recognize that farming is not only a significant local economic sector but also a valuable and irreplaceable quality-of-life asset.

And like Dawn and Eric Campbell, they can look at each other and know that life on their land with their children is worth a few skeptical looks down at the café.

"Five years ago people just thought we were doing the dumbest thing," Eric Campbell says of the initial reception their grazing dairy received. "Now they're asking us how to do it."

Important Things in Life

Eric and Dawn don't look revolutionary on most mornings in the milking parlor.

Their manure-flecked, rubber barn boots are the same essential gear that any dairy farmer in mid-Michigan wears much of the day. And Dawn is the picture of a young farm wife balancing babies and budgets as she adjusts her daughter on her hip while the milk tank sloshes.

But there's a noticeable calm among the cows and a solid sense of security in Dawn and Eric that speaks to a big difference between their 60-head operation and the more conventional large-scale dairies.

They don't have the huge debt that can stress families who are invested heavily in making a living with several hundred or thousands of cows. And they enjoy more comfortable margins between their gross sales and net profit lines because their production costs are remarkably low with the New Zealand grazing system.

Still it took faith in themselves and trust in the free market for Dawn and Eric to do something completely different with their lives and their land.

"We just knew we didn't have to

Bringing Home the Bacon

For every dollar U.S. consumers spend on food, nearly 80 percent of it goes to middlemen for advertising, packaging, processing, and transportation. Increasing Michigan farmers' share of the Michigan food dollar is one way to put more money in farmers' pockets and fewer subdivisions on farmland.

Farmers can do that, individually or jointly in cooperatives, by:

1 Direct marketing to consumers — Cut out the middleman.

Examples: Farmers markets; subscription or "community supported agriculture" farms; sales to schools and hospitals; custom production for restaurant menus.

2 Adding value to food — Become the middleman.

Examples: Milk bottling, meat packing, fruit drying, wine making, agritourism, agri-entertainment (hay rides, cornfield mazes), gardening lessons.

3 Niche marketing of farm products — Outsmart the middleman.

Examples: Ethnic foods, organic production, specialty farm products (goats milk soap, family recipe cheeses), herbal oils.

Make the Local Farm Connection

Just as consumer demand is pulling farmers into new food markets, citizen demand can pull farming back onto local and state government's economic development agenda.

You can help make the connection whether you are a county commissioner trying to save valuable farmland or a mother looking to buy farm fresh eggs. Getting involved is the way to give local farmers the assistance they need to move out of dead-end commodity markets and into the more promising field of feeding their neighbors and nearby cities.

The first step is to learn what may already be happening in your community. Then start putting the local farm and farmland puzzle together.

What's Up

Many pieces of the puzzle already are taking shape in Michigan and may well be underway in your community.

Agriculture agencies and researchers, such as Michigan State University Extension, are putting more time into exploring new production methods and consumer markets. Public interest organizations also are breaking ground, such as an effort to develop an agricultural products innovation center. This initiative, led by Michigan Integrated Food and Farming Systems and Rural Partners of Michigan, aims to provide tools for turning good ideas into profitable ventures.

On the farmland protection side of the puzzle, communities across the state

are working to reduce sprawl's pressure on pastureland, cropland, and orchards.

They are raising money to offer farmers more financial options than the often last-ditch step of selling the family's land. Communities also are guiding growth into already developed areas both to save farmland and to save taxpayers the cost of building sewer and water systems far and wide. And voters are calling for needed changes in Michigan tax law to assess farmland on its agricultural "use value" rather than its higher commercial and residential value.

Key Piece

Largely missing from the new farm futures movement, however, are the eco-

“I think it’s good if a farmer can make a living off 200 acres versus 2,000 acres. It makes for more opportunities for more people to enjoy that lifestyle.”

Bob Fogg, organic grain farmer from Leslie, southcen-

keep cows on concrete to produce milk. And we knew we could make due and eat beans while we got started,” Dawn says.

After five years of building their herd — rather than going into debt to buy cows all at once — the Campbells now are making enough money not only to pay the bills and themselves but also to purchase the family land that they have been renting.

But more than the money, the Campbells value what grassland grazing allows them to do.

“Our highest priority is being able to raise our children ourselves — to teach them how much God loves them,” Dawn says. “I believe there are things worth dying for, and raising my children well is one of them.” ■



Bob Fogg

MLUI/Patty Cantrell

conomic development leaders and agencies that still picture agriculture as a large-scale, global-market industry in which most local farmers have little hope of survival. From this traditional standpoint, farming is either the federal government’s responsibility or an economic sector that agencies help people escape by providing manufacturing and retail jobs.

Economic developers in Michigan need to know, however, that many farms are breaking into a brand new territory full of opportunity — that a new age of entrepreneurial agriculture is on the rise.

Consumer demand is invigorating farm markets, with sales and profits going to those who can switch from the commodity production focus of the past 50 years to a marketing and consumer-product orientation. And as more farmers are able to make a living on their land, their communities benefit from the water quality protection, beautiful landscapes,

fresh food, and rural lifestyle that active farms can provide.

We Can Help

Citizens and local government officials can paint a new farm picture for the agencies that serve them. They can introduce economic developers to new farms and new food markets. And they can ask agriculture organizations and business groups to meet and learn how they can work together to capitalize on emerging opportunities. The new entrepreneurial agriculture can become a local development priority when officials see its economic and farmland protection potential.

The Michigan Land Use Institute can help. MLUI works to build citizen support for policy that protects the environment, strengthens the economy, and enhances quality of life. Patty Cantrell leads MLUI’s project to promote alternatives that increase profits and choices for

Michigan’s family farmers and their communities. Contact her at 231-882-4723 ext. 14 or <patty@mlui.org>. You can learn more about MLUI and become a supporting member at <www.mlui.org>.



Patty

PATTY CANTRELL

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