



Planting Your Small Farm's Future

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To remain competitive and survive in the current economy, farmers must be insightful, innovative, and

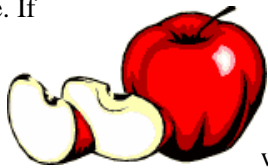
ready to make changes. In recent years, conventional wisdom has encouraged diversification with alternative enterprises and increased on-farm processing, packaging, and other means for adding value to raw products before they leave the producer's hands. While this makes good sense, making diversification and value-added strategies work can be challenging. It must be remembered, the objective of diversification is to spread risk, not to increase it through poorly conceived undertakings. Success or failure can depend on a number of factors; one of these is good information. Before plunging into new, costly ventures, the following advice is worth heeding.

Starting Points to Consider

- Talk to others who are already doing it. If you don't know anyone already involved in the enterprise, locate the state, regional, and national groups involved and get a list of local contacts. Avoid being swayed by too much hype. If possible, talk to some folks who've tried and failed. We often learn more from failure than from success.
- Read all you can about your proposed enterprise. The popular farm press commonly picks up on new trends and feature articles. Furthermore, there are typically a wealth of newsletters and journals that arise following the introduction of new crops and other enterprises. The Internet also offers a new, rapid means of accessing information on new topic areas. If you don't own a computer, you can usually get net access at your local library.
- Study the markets. Get a good sense of the market possibilities for any crop or product you consider producing. Identify wholesalers, retailers, brokers, direct marketing options, and other resources that can be helpful. Ask other producers how they market.
- Learn the specialty market standards required. Evaluate your ability to meet standards for cleanliness, packaging, crop

quality, etc. Some requirements are rather unique. For example, synthetic fertilizers and pesticides may not be used on a field for three years before a harvested crop may be sold as "organically grown."

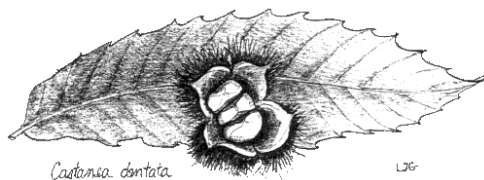
- Establish your market connection BEFORE you grow your crop. This is especially critical for highly specialized commodities like edible soybeans. The seeds of edible soybeans are often colored differently than conventional beans making them difficult or impossible to sell through conventional channels as a fallback option.
- Become techno-smart. Get comfortable with the idea of using the phone and the computer to market your products.
- Be flexible. When dealing with niche enterprises, it is often necessary to move quickly in response to rapidly changing market conditions. Farmers must constantly be on the lookout for ways to improve and innovate.
- Think (w)holistically. Consider more than just immediate, short-term profits when investigating new crops and enterprises. Diversification may not actually increase profits.



What it can do is make profitability more reliable by smoothing out the ride between good and bad years. There may be additional benefits. Perhaps adding a new crop to the rotation will reduce problem pests...or maybe it will build soil fertility. Develop a whole-farm business plan and study carefully how well a new enterprise can be integrated.

A Few Diversification and Value-Added Options

- Edible soybean production
- Sweet sorghum syrup manufacture
- Pulse (dry bean & pea) crops
- Grass seed production
- Certified organic production
- Milling & packaging flour
- Exotic grains (amaranth, quinoa, etc.)
- Vegetable crops (DJ)



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