

Selling Horticulture Produce

Marketing is one of the most important factors determining the success of any fruit or vegetable farming enterprise, encompassing all of the operations and decisions made by producers. These decisions range from identifying the most profitable crops for production to deciding how produce should be delivered to buyers efficiently and economically while maintaining product quality. Contrary to popular belief, marketing does not begin **after** a crop is produced. Instead, marketing alternatives need to be considered well **before** production takes place.

Direct farmer-to-consumer marketing includes any method by which farmers sell their products directly to consumers. Justification for establishing a direct farmer-to-consumer marketing outlet is based primarily on the producer's desire to increase the financial returns from farm production. This opportunity for increased returns stems from (1) opportunities to reduce marketing costs (and capture profits) attributed to intermediaries (middlemen) in the supply chain, and (2) consumer desire to buy (and willingness to perhaps pay a premium for) riper, fresher, higher-quality fruits and vegetables. These two factors combined have often generated substantially higher net returns for producers.

When producers become the "retailers," they have the opportunity to sell at or slightly above retail supermarket prices and avoid paying for the services of wholesalers and retailers. Bypassing intermediaries allows producers to receive a higher percentage of the consumer's food dollar and thus enjoy a higher return per unit sold. However, if growers expect to receive prices similar to those at retail outlets, they must provide the same value of services consumers have come to expect from other retailers and wholesalers. At a retail store, the price consumers pay for produce generally covers the costs of producing, grading, packing, transporting, wholesaling and retail merchandising. To receive higher net returns, producers must either provide the marketing services at a lower cost, provide services not available through other markets and/or eliminate certain unnecessary services.

Direct marketing may provide outlets for products that do not quite meet the specifications of large commercial buyers. Sometimes direct marketing consumers actually desire products that vary from commercial standards in terms of size, maturity, appearance, volume or grade. For example, a tomato that is "fully ripe" might not be appealing to supermarket buyers who are concerned with shelf life, but may be just the one the direct marketing consumer wants for canning purposes. Thus, direct marketing might turn product that otherwise might have been lost or culled produce into additional



USDA photo by Bill Tarpenning

Farmers Markets are one method of direct farmer-to-consumer marketing.

income by emphasizing "freshness" and "ripeness" attributes.

Operators of small farms may find that direct marketing translates into additional income when there is insufficient volume or product selection to attract large processors and/or commercial retail buyers. Thus, direct marketing may be the only viable marketing alternative for small farmers. A substantial

Direct farm-to-consumer marketing allows many producers to capitalize on individual comparative advantages (e.g., good locations for roadside stands or available help from retired persons) to achieve increased income or to supplement retirement incomes.

number of producers use direct marketing channels to augment sales to wholesalers, retailers and processors to reduce the risk of relying on a single market channel.

Although additional income is the primary motivation for direct marketing, several other factors may influence the producer's decision. Flexibility and the ease of market entry associated with direct marketing operations enable almost anyone with the desire and a few acres to become involved. Many producers favor direct marketing, especially consumer harvesting or pick-your-own operations, because of the reduced labor requirements associated with not having to harvest, grade, sort and pack produce. However, the most attractive aspect of direct marketing to some farmers is the opportunity to own their own business, be their own boss and do their own thing. This flexibility allows them to determine their own product mix and to balance this production between consumer demand and individual talents for selling and market management. Producers with abilities in raising specialty crops (e.g., flowers, herbs, organic vegetables, etc.) have successfully used direct farm-to-consumer marketing to provide

products during special seasons or to nontraditional consumers (e.g., special ethnic groups). Direct farm-to-consumer marketing allows many producers to capitalize on individual comparative advantages (e.g., good locations for roadside stands or available help from retired persons) to achieve increased income or to supplement retirement incomes.

The other side of direct marketing relates to consumer demand. The primary attraction of direct marketing outlets to consumers is the opportunity to purchase fresh, wholesome, flavorful products at their source. Surveys indicate that consumers like being able to buy in larger volumes and in a relaxed, friendly atmosphere. Recent consumer interest in purchasing produce directly from farmers also seems to be coupled with increasing concerns regarding food safety. Another appealing aspect about buying direct from farmers, especially pick-your-own operations, is that it offers an opportunity for consumers to enjoy outdoor family recreation and to learn about where their food supply originates. (DJ)

Urban Agriculture



Selecting and Using Hardwood Firewood

With the arrival of winter weather, fireplaces and wood stoves are once again warming our homes. Many hardwoods are well suited for use as firewood. Species such as ash and oak are ideal because they produce a high relative amount of heat, a slow rate of burn and have few sparks. Hardwoods generally are preferred over softwoods because they have a higher density, burn slower and do not contain sap or pitch, which lead to increased creosote buildup in the chimney.

Firewood is usually sold as a standard cord. A standard cord is a stack of wood that

contains 128 cubic feet of wood and air space. The actual wood content may vary from 60 to 110 cubic feet depending on the diameter of the bolts and the air space between them. A standard cord is usually visualized as a stack of wood four feet high, four feet wide and eight feet long. The weight of air-dry hardwoods varies from 2,000 to 5,000 pounds per cord depending on the species. Firewood is often sold locally by the pickup load where the actual volume greatly vary depending on the size of the truck bed, height of the stack and the stacking method. The only way to compare such units is to stack the wood in a neat pile and measure the height, width and length and divide by 128.

Proper seasoning of fire-

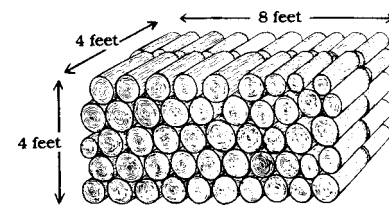
wood is very important. Properly dried wood will have a higher heat value than green wood, it is easier to light, less likely to throw sparks and less likely to cause creosote accumulation in the chimney. If you are purchasing firewood this late in the season, it is recommended that you buy seasoned firewood.

Green firewood should be air-dried for one year prior to burning. Most of the drying occurs in the warmer months and very little drying occurs in late fall and winter. One can increase the rate of drying by splitting oversized pieces and cutting the firewood to shorter lengths.

Firewood more than six to eight inches in diameter should be split to help increase the drying rate.

Green wood should be stacked in an open area where there is good natural circulation. Use blocks to build up a small foundation to keep the first course of firewood off the ground. This will reduce insect infestation and increase airflow through the stack. The wood will become lighter and develop end checking as it dries. Stacked firewood should be covered to protect it from the rain and snow.

By selecting the proper species and burning dry hardwoods, it is possible to produce a slow burning, high heat producing and safer fire in your home fireplace or wood stove. (DJ)



Standard cord of firewood



"Helping Acreage Owners Manage Their Rural Living Environment"

Learn about...

- Managing your acreage resources more effectively
- The numerous University of Nebraska resources available to you, including publications, videos, world wide web
- Designing the layout of the acreage for maximum function
- Domestic wells and water quality
- Septic and lagoon solid waste systems & their management
- And much more

March 29

9 a.m. to 3 p.m.

Agriculture Research & Development Center
Research & Education Building near Mead, NE

Advanced registration \$25 per person, \$45 per couple

Call Lancaster County Extension for brochure and registration form

441-7180