

Southeast Michigan Future Farmer Target Market Analysis

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This study assesses the resources, needs, and demands of aspiring and beginning farmers in Jackson, Lenawee, Monroe, Washtenaw and Wayne Counties. We hope that the study will contribute to improvements in existing support services and development of new services to assist new Michigan farmers.

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Purpose of the Study



Agriculture is Michigan's second leading industry, yet it is threatened by pressures of sprawling development and an aging farming population. Between 1997 and 2002, medium sized farms in Michigan lost 300,000 acres according to the US Census of Agriculture. In 2009, the MSU Product Center for Agriculture and Natural Resources conducted a study on locally grown food products and the conditions of farmers in Jackson, Lenawee, and Monroe Counties in Southeast Michigan. The results found that 76% of the surveyed farmers are 50 and above, and 88% have been farming for over 15 years¹. While the aging farming population faces increasing pressure to get big or sell land for suburban development, incoming farmers find barriers to entry from limited access to land, capital, and support services.

In spite of these challenges, Michigan has a considerable capacity to expand agricultural production and create much needed employment opportunities. There is a growing consumer base in Michigan for locally grown produce and a willingness to pay more for it. Increased local food consumption and production could create jobs, diversify and stabilize the economy, and lead to greater food security in the region. A study conducted by the Michigan Land Use Institute and the C.S. Mott Group examined 6 models in which Michigan farmers doubled or tripled fresh fruit and vegetable sales to local grocery stores and farmers' markets. The study suggests revenue gains to Michigan farmers of up to \$164 million, which when spent in local economies, could generate up to 1,889 new jobs in the state². As the current farming generation ages and demand for locally grown foods continue to rise, Michigan will need to

¹ Abate, Getachew, Supply Chain for Locally Grown Food Products: A Research Report. MSU Product Center for Agriculture and Natural Resources. Available at: <http://fsepmichigan.org/reports/Supply%20Chain%20Full%20Report> [accessed 6/3/10]

² Cantrell, Patti and Connor, David. (2006) Eat Fresh and Grow Jobs, Michigan. A Research Report. Michigan Land Use Institute and the C.S. Mott Center. Available at: <http://mlui.org/downloads/EatFresh.pdf> [accessed 6/14/10]

focus energy on succession planning of existing farms, growing those farms, and creating opportunities for new farmers to incubate new businesses.

Why do Beginning Farmers need support?

For a beginning farmer, the overhead costs of land, equipment, irrigation, and compost are astounding. Moreover, farming enterprises must have established markets, a sound business plan, and considerable experience to survive in their early years. The farm incubator is a developing concept that helps beginning farmers overcome these hurdles in their fledgling enterprises. Most provide support to new farmers to attain financial, land, and equipment resources in a supportive teaching environment. Once farmers have spent some time in the mentorship program and have begun to generate savings, they are supported to find their own land and equipment and begin their farming ventures. There are a variety of models for farm incubators, a few of which are highlighted in the next section.

To incubate new farming enterprises in Michigan it is first necessary to understand the present condition of aspiring farmers. This study will assess the visions, hurdles, and assets of these farmers. It will assess the strengths of existing services to new farmers and determine need for future programs to bolster their success. These data have the potential to inform future farmer support models that are tailored to new farmers' needs, and are efficient and effective. Furthermore, the information gathering process presents the opportunity for future farmers to actively engage in shaping the support services from which they could someday benefit.



Farm Incubator Models

Farm Incubators are cropping up all across the country. Here are three different models which have garnered considerable attention and have proactively spread their models to other parts of the country.



Intervale Center- Burlington, VT (www.intervale.org)

Intervale developed a highly regarded model for farm incubators in 1990 and has been actively promoting its model across the country. The group has reclaimed 325 acres for farmland in the community and over half a dozen farmers have graduated from the program to run their own farms throughout Vermont. Plots of land available for farming are spatially separated and vary in size and quality.

The Intervale farm incubator program has three categories of involvement: incubator, enterprise, and mentorship. For the first 1-3 years, farms are in the incubator phase. Farmers receive a 20% price reduction for leasing land, equipment, water, utilities, and compost. They also receive valuable mentorship at this stage from compatible farms. The next 3-5 years are the enterprise stage. At this point farms are approaching financial stability, can start paying full price for land and equipment, and may look into expanding to their own land. After 5 years in the program, most farmers move onto their own land and enter a mentorship stage in which they donate 20 hours per growing season to providing guidance and technical assistance to incubator farms.



Each year the farm incubator employs over 60 people as farmers, hired staff, interns, and students, producing over 600,000 pounds of fresh produce for the surrounding community. The Carolina Farm Stewardship Association and the Raft Swamp Farm Incubation Program in Hoke County NC both operate under similar models. The Southside Community Land Trust Partnership in Rhode Island also applies this model but targets historically disadvantaged groups, especially immigrant communities in the area.

Agricultural and Land-Based Training Association (ALBA) - Salinas, CA

(<http://www.albafarmers.org/farms.html>)



ALBA generates opportunities for farm workers and limited-resource, aspiring farmers to grow and sell crops from two organic farms in Monterey County. ALBA runs a Rural Development Center and a Farming Resource Center on 110 and 195 acre plots, respectively. The farm incubator model is unique because the training centers and farming plots are spatially integrated. The center offers 6-month programs which are offered in English and Spanish and cover organic farming, business planning, and marketing. After completing the training, farmers are given ½ acre on which to cultivate and sell their produce while receiving additional mentorship. Farmers are then supported to find their own land.

FarmLink- CA (<http://californiafarmlink.org>)



FarmLink has three branches in California and offers a host of programs to support new and existing farmers. The Farm Linking program connects retiring farmers to aspiring ones to create opportunities for mentorship to preserve farmland. The group also facilitates intergenerational farm transfers. FarmLink also provides financial support services to new farmers. The Farm Loan Opportunities Program provides low-interest agricultural loans to farmers who might struggle to find loans from traditional lenders. The Individual Development Account (IDA) program was the first of its kind in the nation and involves a matched savings system for new farmers with limited means. The two-year program matches every \$1 that a farmer saves with \$3 that can be used for farm assets like land or equipment. Most IDA programs match savings up to \$1,000.

These innovative farm incubator models have been replicated and adjusted to fit the varied needs of new farmers across the country. Through online surveys and focus groups with aspiring and beginning farmers in, this study provides information necessary to designing tailored and effective farm incubators in southeast Michigan.

Research Methodology

Responses and perceptions were gathered using an on-line survey instrument and through focus groups of 5-10 individuals. The project sought aspiring farmers and beginning farmers (farmers who had been operating for fewer than 5 years or had switched to a different type of agriculture in the past 5 years) to participate in one of the research methods.

Survey:

Survey participants from the five counties that FSEP serves (Wayne, Washtenaw, Monroe, Lenawee, and Jackson) were emailed and invited to participate in the survey based on their involvement with existing incoming farmer networks and support groups which include: farming membership organizations, community college and university agri-science programs, farmer support online communities and list serves, community organizations, lifelong learning centers, and agriculture related non-profits. In addition, the researcher visited farmers markets in all five counties to recruit participants. The surveys were administered on-line and completely confidential. The 15 minute survey (See Appendix I) covered demographics, farming interests, existing resources, farming knowledge and experience, and perceptions about the barriers to starting up. Participants who wanted follow-up with the research or wanted to expand on a topic were asked to email the researchers for information on how to get involved.

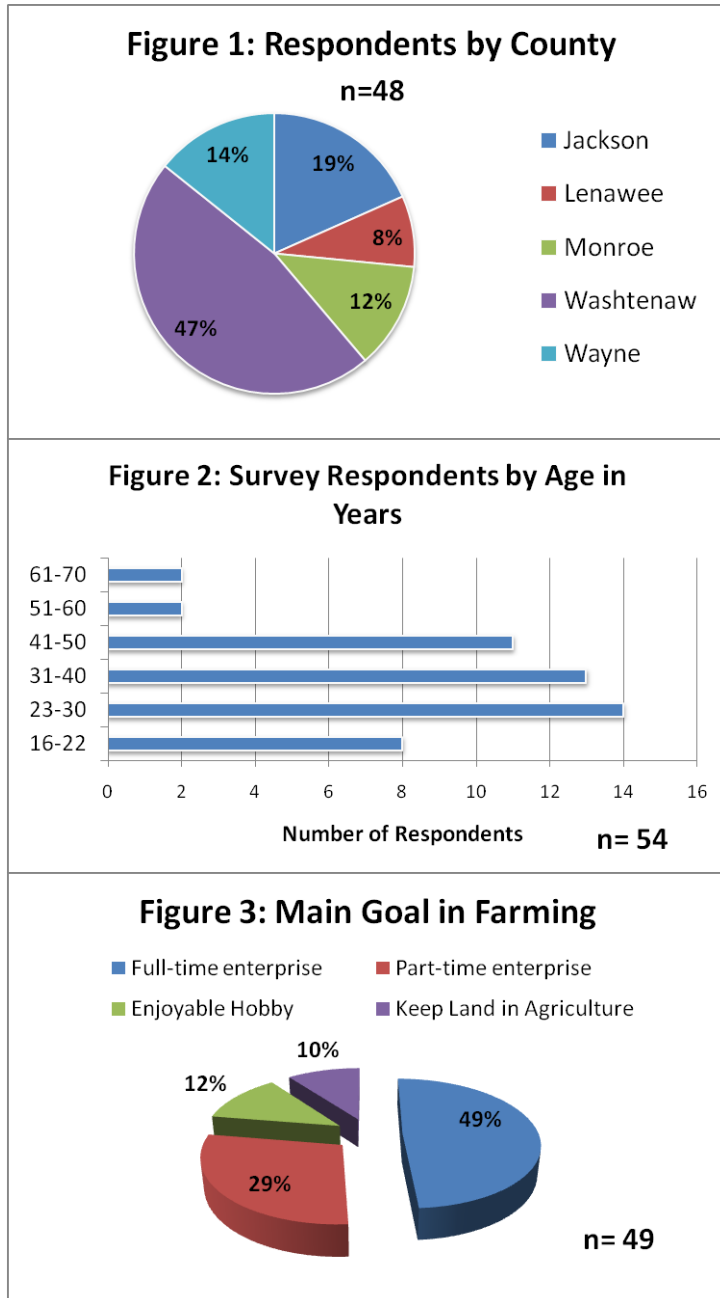
Focus Groups:

Focus groups were held with students at the Michigan State University Student Organic Farm, youth pursuing agri-science degrees who were planning to go into the conventional enterprises of their parents, and individuals who were coming into alternative types of agriculture in their middle-age. During the 30 minute focus group sessions, participants were asked to identify the major challenges to starting their farm enterprises, what made specific challenges difficult to overcome, and any resources they had to address the challenges. Participants received a summary of different farmer support models which was read out-loud to the group (See Appendix II for Focus Group Script). They were asked for initial reactions on the support services. They were then asked which model they thought would be most useful and gave suggestions for creating future farmer support programs. All sessions were audio-recorded and transcribed (See Appendix III).

Results and Analysis

In total, 54 online survey responses were collected and an additional 20 people participated in focus groups. A majority of those surveyed reside in Washtenaw County while over half of the survey group was under the age of 40, and almost half of those surveyed want to farm full-time.

Survey Demographics:



The dataset reflects the wide range of interests, goals, and experience of those surveyed. To better identify particular target markets for a farm incubator, the respondents were divided into four categories: *Shoe Fillers* (4 respondents), *Transitional Farmers* (15), the *Fall Flush* (17), and *Greenhorns* (17). Shoe Fillers and Transitional Farmers have a family history in farming. The Fall Flush and Greenhorns lack a family history and are distinguished from each other by age-groups (See Appendix IV for Flow-Chart of group break-down).

The next four sections will analyze survey responses and focus group discussions from each group. This analysis will determine each group's interests and experiences in farming, the group's available resources, its most significant challenges, and the group's overall interest in participating in a farm incubator.

The Shoe Fillers

This group is characterized by survey respondents with a direct relative (parent, grandparent, or sibling) in farming enterprises who are interested in growing conventionally. Only four survey respondents fit this category, two from Jackson and one from both Monroe and Wayne County.

Interests and Experiences:

Two respondents are interested in taking over family-owned, large-scale dairy operations. The other two grow cash crops, and crops to make bio-fuels. Two of the respondents had the bulk of their farm experience through working on the family farm while the other two had supplemented their experiential learning with Agri-science training at universities and membership organizations like the FFA and 4H.

Resources:

Shoe Fillers have established resources and knowledge of diverse options for financing their enterprises. All but one have access to equipment and land through a family member, and all get information about farming either directly from a family member or from a friend or neighbor.

Challenges:

Despite the small sample size for the survey, a focus group was held for this group to further develop an understanding for the major challenges the Shoe Fillers face.

“Financing isn’t much of a challenge, there are a lot of resources out there, especially GreenStone Farm Credit services—they’re really good about helping people like me.”

“I feel pretty confident about the handing down of our farm and my financial situation. So in my case, I’ve got a family to take over from. But in other cases where you didn’t have land or equipment or that start-up, I don’t even know where you’d go for land. Land prices are so high.”

Top Challenges:

- Making a successful business plan
- Support Networks with other farmers
- Regulations

Support Most Needed:

- Making a successful business plan

Strengths:

- Finding Land
- Packaging and Transporting Products
- Finding a Market to sell Product

Interest in Farm Incubators:

Low



“I grew up on a farm, and I also went to college for intensely dairy management operations which have helped me out a lot. Even though I grew up on a farm I learned a great deal. I don’t know everything. You have to know all areas of an operation if you’re going to be able to be a farm operator. Especially with a dairy operation and the crops too, you have to be able to fix a tractor and turn around and check a cow, or something like that. You’re never going to be fully experienced on a farm so I’m not going to say it’s going to be easy, but I guess I feel pretty prepared for it.”

“I wouldn’t say that creating a business plan is the problem, it’s creating a successful business plan, and that kind of all depends on the market.”

“A big challenge that I see, and this isn’t just for people starting up but for all farmers, is regulations and society. And the false view of what farming is and the impact their opinions have on us. Society has a big impact on the commodity farmers and I wouldn’t say it’s an impact on the demand for products but on everything they think we do; from tiling the land to spraying fertilizers. So that kind of stuff has a big impact because they take it to the government and the government sets the rules and regulations on us and sometimes that can negatively affect us, making us less productive.”

Interest in Farm Incubators: Low

“I don’t really think the Farm Incubator would be beneficial to me so much in my case.”

“It probably wouldn’t apply for me but for people in my similar situation. I don’t know, I guess it couldn’t hurt.”

“I think it’s interesting but the location of the land and the farm, young farmers want to start up and operation and it just sounds like, depending on how badly you would want to farm, location could make things difficult. Because it sounds like you might have to sacrifice location and a lot of other things if you want it that bad. Sounds like there could be some inconveniences.”

“I like the California FarmLink because of the two year savings program—that might be useful.”

Conventional farming is challenging in and of itself, but most people going into conventional agriculture have a family business that they will continue. They already have access to the farmer networks, the land, information, and financing options. The existing farm incubator models would probably not address the needs of this group.

The Transitioning Farmer

This group is characterized by survey respondents with a direct relative (parent, grandparent, or sibling) in farming enterprises and who are interested in non-conventional (ie. organic, permaculture, grass-fed, hormone/antibiotic free, urban farming) agriculture. There were 15 survey respondents in this group as well as a focus group. Respondents by county were Washtenaw-7, Lenawee-3, Jackson-3, Wayne-2. The median age-group was between 31-40 years old.

Interests and Experiences:

The most common type of agricultural experience for Transitioning Farmers was on-farm experience through working on family farms, hired as a farm worker, or through internships. The median farm size that this group would like to farm is between 5-9 acres. See a summary of farming interests below (numbers represent number of mentions).

Organic	Antibiotic and Hormone Free	Grass Fed and Free Range	Permaculture	Urban Agriculture
14	10	9	5	7

Resources:

Transitioning Farmers benefit from family members in agriculture who may pass down land, equipment, and information (5, 10, and 9 mentions, respectively). Their access to information about farming also extends to online communities (6 mentions) and classes through membership organizations and other programs. Perceived options for financial assistance are a major barrier for this group as 9 said they would depend primarily on their own or family's resources for financing.

Challenges:

Transitioning Farmers have a wide range of needs and challenges. Having grown up around farming, they have a good understanding of farm enterprises and most have access to a family

Top Challenges:

- Access to Land
- Access to Financing
- Applying for Loans

Support Most Needed:

- Making a Successful Business Plan
- Access to Farmer Support Networks
- Financing
- Training in Farming Techniques
- Access to Land

Strengths:

- Packaging and Transportation
- Finding Land
- Training in Farming Techniques

Experience in Agriculture (Out of 15 respondents)

1. Experiential (ie. Family farm, internship, hired farm worker)- **11 mentions**
2. Home Gardening- **9 mentions**
3. Membership Organizations (ie. 4H, FFA)- **6 mentions**
4. Post-secondary Training in Agri-science- **4 mentions**

Interest in Farm Incubators:

Mixed interest, need for flexibility

member or friend or neighbor familiar with agriculture. But these relations may also present hurdles when group members wish to transition to a different type of agriculture than the family has traditionally practiced.

“In terms of access to land, I just need help dealing with my family—negotiating things with my family about use of the land, especially negotiating things other than what the family has always done with it.”

Some members of this group are switching over from conventional agriculture to organic. They have land, equipment, and information on their side but still need support in learning about alternative agricultural techniques.

“I’ve already got a farm and it would be useful for me to have an organic knowledgeable agent in my community. I’ve called a couple of times and they don’t know about organic practices, so it would be nice to have a farm mentor, or at least to be matched up with somebody who would be willing to be a mentor.”

Financial barriers are a major challenge for Transitioning Farmers to overcome. Because they are switching to new farming practices, group members do not have the same business plans that their family members relied on. Nine of the fifteen respondents are interested in full time profitable enterprises but only 3 have business plans written out. They need support in making successful business plans with alternative agricultural techniques. The median interest in farm-size was between 5-9 acres. While this would reduce start-up costs, it means that these farms would need to be run efficiently to support full time profitable enterprises.

Interest in Farm Incubators: Mixed interest, need for flexibility in a program

“My initial thought was that I liked the FarmLink one. It gave you the freedom to pick and choose where you want to go. You’re matched up with a retiring farmer which I’d love to have.”

“I like the FarmLink, just because I need a mediator to deal with my family and the succession planning.”

“I like the Intervale. It has a good weaning system. You get in there for 3 years, it’s not free so you’ve got skin in the game, and they kind of wean you off of that and you go get your own land having made some money.”

“The other thing is, I think it would be nice if they could offer something where, especially if you’ve been through a training program like this (MSU Student Organic Farm), where they could help you establish yourself on your own land. So you’re investing in your own land right now. And if you’ve been building up that soil for 5 years it’s kind of tough to just walk away and start over again. You understand the weather, the water-flow patterns.”

Fall Flush

This group is characterized by survey respondents who lack a family history in farming and who are over the age of 30. There were 17 survey respondents in this group as well as a focus group. Respondents by county were Washtenaw-7, Wayne-3, Monroe-3, and Jackson-2.



Interests and Experiences:

All Fall Flush respondents had some form of post-secondary education. They ranged widely in experience with a median of 6-14 years growing experience. The median farm size was between 5-9 acres. The Fall Flush had a more even distribution of goals

for their farming enterprises between full-time profitable enterprises, part-time profitable enterprises, and farming as an enjoyable hobby (6, 5, and 4 mentions, respectively). This distribution may have reflected the different entrance points into agriculture. Some in the group were switching careers or developing additional income in a down economy. Others were retiring and looking for new projects.

Organic	Antibiotic and Hormone Free	Grass Fed and Free Range	Permaculture	Urban Agriculture
13	8	7	6	5

Resources:

The Fall Flush resources suggest an established sense of place and community. Eleven respondents found/will find land through a personal contact or a private contract with a land-owner. Thirteen respondents said they had a family member, a friend, or a farming mentor that they could access for information. Their community connections extended to the web with 9 respondents

Top Challenges:

- Access to Land
- Access to Financing
- Lack of Mentorship from Experienced Farmer

Support Most Needed:

- Mentorship from Experienced Farmer
- Financing
- Training in Farming Techniques
- Creating Successful Business Plan

Strengths:

- Finding Land
- Finding Market to Sell Products

Experience in Agriculture (Out of 17 respondents)

5. Experiential (ie. Family farm, internship, hired farm worker)- **12 mentions**
6. Home Gardening- **13 mentions**
7. Membership Organizations (ie. 4H, FFA)- **4 mentions**
8. Post-secondary Training in Agriscience- **4 mentions**

Interest in Farm Incubators:

Mid-High, under certain conditions

saying they got farming information from online communities and internet resources. This group reported fewer financing sources with five respondents unsure of where they would get funding. Ten said they would use their own resources while another 4 said they would access government grants.

Challenges:

This group can capitalize on its permanence in a community for finding land and a market to sell products. With many entering farming after holding other jobs, they have established networks of friends and neighbors within the community. The Fall Flush struggles under lack of mentorship, lack of training in farming techniques, the high start-up costs for entering farm enterprises, and lack of understanding to create a successful business plan.

“I went to my small business administration because I was told they would help me develop my business plan. But they don’t know anything about agriculture, let alone organic agriculture. So they don’t know how to help me. So right now the small business administration tries, but they’re at a loss as well. So I need someone to help out on the agriculture side who was a farmer, is a farmer. That experienced perspective is really important to have on this end of things.”

Then there’s the sheer effort (and man-power in the case of small-scale organic) it takes to uphold farm enterprises.

“My biggest challenge is just getting everything done by myself. I’ve got the land and I’m a couple of years in, but I really struggle to get all of the work done and I can’t afford to get anyone to help. An FSEP consultant came by and told me I needed to extend my season to make more money, so I put in a hoop house. But right now I do all of that and work a job that’s six hours a week, so I’m basically living off of savings.”

While respondents said they had access to some type of farm mentor, this mentorship was also one of their biggest challenges. Farmers that they might call upon for information already had busy schedules and limited time, especially during a growing season. They needed a mentor available for frequent consultation.

Interest in Farm Incubators: Mid-High, under certain circumstances

This group is certainly in need of support systems, but their rootedness in community might dissuade some from particular incubator models, especially those that are residence-based and would require participants to move off existing land. Members of this age group are more likely to have spouses, children, a mortgaged home, etc.

“I like the Intervale plan because it’s straightforward and because you have another farmer mentoring you. But it’s hard to say whether I’d enroll in the program. It would depend on a lot of things, if I’d have to move, if I would have to leave my land, the cost.”

Members of this group have different entrance points into their farming enterprises. As such, their needs vary greatly depending on their situation and obligations. The FarmLink program may be the best fit for this group. It appeals to their tech savvy habits, their need for farmer mentorship and land, and a need for a financing program that is flexible.

The Greenhorns

This group is characterized by survey respondents who lack a family history in farming and who are under the age of 30. There were 17 survey respondents in this group. A focus group was conducted at with students at Michigan State University’s Student Organic Farm, 11 of whom had no family history in farming. Survey respondents by county were Washtenaw-9, Wayne-2, Monroe-2, Jackson-2, Lenawee-1, and 1 No Response.

Interests and Experiences:

Nine Greenhorn survey respondents had post-secondary education but only 2 received post-secondary Agri-science training. Most were new to growing with a median of 6 months’ to 2 years’ growing experience. The median desired farm size was between 6-19 acres. 9 Greenhorn survey respondents were interested in full-time profitable enterprises, while 5 said that farming would be a part time endeavor, and an additional 3 said they were mainly farming to keep land in agriculture. While survey responses reflected participants with mostly experiential training and little classroom experience, a focus group was conducted with members of the MSU Student Organic Farm which is a 9 month organic farmer training program. The needs of these two groups—Greenhorns with and without classroom agricultural training—will slightly differ.

Organic	Antibiotic and Hormone Free	Grass Fed and Free Range	Permaculture	Urban Agriculture
14	4	4	8	6

Resources:

With fewer resources stemming from connections to membership organizations like 4H and FFA and post-secondary agricultural training programs, Greenhorn survey respondents relied heavily on friend/family/farmer mentors (14 mentions) and

Top Challenges:

- Access to Land
- Access to Financing
- Making a successful Business Plan

Support Most Needed:

- Access to Land
- Making a successful business plan
- Applying for Loans
- Financing

Strengths:

- Mentorship
- Successful Business Plan
- Training in Farming Techniques

Experience in Agriculture (Out of 17 survey respondents)

1. Experiential (ie. Family farm, internship, hired farm worker)- **16 mentions**
2. Home Gardening- **12 mentions**
3. Membership Organizations (ie. 4H, FFA)- **2 mentions**
4. Post-secondary Training in Agriscience- **2 mentions**

Interest in Farm Incubators:

High

online communities (11 mentions) for information on farming. Nine respondents did not yet know where they would get their land, and 5 anticipated receiving land from a family member or through a private contract with a land-owner. Uncertainty of resources extended to financing. While responses reflected a diversity of perceived financing options, the top two responses were financing through own or family's resources (10 mentions) and "Don't know" (6 mentions). In the MSU Student Organic Farm focus group, participants overwhelmingly listed their training in farming and growing techniques as their top resource and the thing of which they were most confident in starting their farm enterprises.

"I think the network of students from being in this program is a really valuable resource. I even have a friend who did this program last year who has called several times to check-in with like, 'Oh, do you know what this is?' and describing it on the phone. Having each other to mentor and to talk to has been a really valuable resource."

Challenges:

Survey respondents ranked access to land, financing, and creating successful business plans as their top three challenges, and focus group participants echoed these same struggles, ranking financing as one of their biggest challenges, and business planning as the challenge they felt least prepared to face.

"Money is my biggest challenge, and I've got zero credit built up. If I could work for an older farmer and take over some of their land, that would be the perfect opportunity, the perfect situation. But I don't know if that is going to happen."

"You have to have a market. I know I'm not going to be able to go out and start a farm if I don't have anywhere to sell my produce or flowers. I think that's the hardest part is the market support."

"But I also think some of the things like, how do you get a USDA Grant? How do you work with the Natural Resources Conservation...I don't even know what the acronyms are. How do you get a hold of someone to help you with what you need with Tax ID's?"

While this group had mixed experience and assets in their organic training, they also faced the many challenges of actually being able to manage and finance their farms. Many were looking to farming as a full-time enterprise after some form of post-secondary education. Their financial situation was exacerbated by student-loans and limited personal savings from limited work experience. They also lacked the community connections of the over 30 group, causing additional apprehension about establishing markets and having mentorship and financial resources.

“We need partnerships with older farmers and more communication about that, because there isn’t a lot. Because there are people I know who are older and are looking to retire, but there’s no way to contact them. So almost something where there’d be a website and you could go and find farmers in your area doing what you were interested in doing. And then you could contact and work out an internship with them. You could work things out with that person.”

Interest in Farm Incubators: High

With a strong need for land, financing, and assistance business planning, and a desire to develop a community of farmer support networks, Greenhorns are an ideal group to engage in farm incubator models.

“I think what’s nice about the Intervale is that there’s a sense of community and giving back to the program. There’s a recycle of ideas and people and communication that’s looking forward.”

“I think a lot of us at this stage, being beginning farmers, don’t want to dive in to owning a farm by ourselves but are into more cooperatively working with people. So a program based around a group of people living and working together would be great.”

Students coming out of the Student Organic Farm are also looking for a program that lets them apply their training.

“I think with the ALBA you’re required to go through their training program and we’ve all, after finishing this program, gone through an intensive nine-month program. And I could see that getting repetitive if a program requires you to go through their specific training.”

“I really like the FarmLink as well. I like that it shows on the website that different farmers are looking for people who have land available and if it’s free or deeded. It would be nice as a user to be able to access that and say, maybe I could move here, maybe I could use this. I like its flexibility.”

Conclusion

As the survey results and focus groups indicate, there is no lack of need for supporting incoming farmers in Michigan. While needs of Shoe Fillers, Transitioning Farmers, Fall Flush, and Greenhorns vary, certain groups expressed need for support services that can be met through farm incubators. Aspects of the varying farm incubator models are listed below and are followed by an analysis of which group would find that service most useful.

1) Training in Farming Techniques

Although Fall Flush and Transitioning Farmers ranked lack of training in farming techniques as more challenging, there were mixed reviews on the nature of this training. Aspiring farmers stated that, “I’ll never know all there is to know about growing.” Nonetheless, it is important to examine existing organizations that are providing training services and how rigorous their trainings are, particularly in the eyes of those surveyed. Members of the Student Organic Farm may find a more intensive training approach to be too redundant. While group members expressed a desire for additional training, the duration and intensity of that training should be determined by the needs of participants and their relative farm experience. Further survey work in this area would be useful.

2) Business development

All four groups rank “Making a successful business plan” as one of the top areas where they needed more support. This should be a key offering in any type of farm incubator model to be developed. In a journal article for Extension Agents working with beginning farmers, “Best Management Practices”, the author suggests blending business topics with production topics to reflect how intertwined the subjects are in the real-world³. This may also be an important technique for addressing different training needs of participants.

An area where focus group participants expressed concern was in the on-farm crop-marketing potential for the incubator farm.

“I guess one of the things that I don’t see and I’m sure that it’s there, but what do you do with your crops? As long as it’s in there whether it’s an on-site market or CSA or whatever. A lot of these [incubator models], they talk about business and marketing, but what do you do with it?”

³ Ochterski J., and Frenay, E. Best Management Practices for Beginning Farmer Support. *Journal of Extension*. June 2010. Volume 48 No.3 Available at: <http://www.joe.org/joe/2010june/tt9.php> [accessed: 8/10/10].

Since the time that participants spend in a farm incubator is time to be building capital, it will be important for the site to have strong market research to share regarding various farm products. Some focus group members even expressed developing market support in more evolved ways such as developing a cooperative.

“So let’s say you’ve got 6 farmers in your cooperative and we’ll say one of them goes out and gets a restaurant or a school or something to buy that produce.”

Furthermore, focus group members noted that it takes time and energy to develop the social capital of a farm—making and maintaining relationships with their consumer base. Farm incubators should have community collaboration and support, which will both encourage participants and assure that they will have markets for their products.

3) Land Access

Greenhorns list “Access to Land” as the most challenging aspect of beginning their farm enterprises. This was also one of the top concerns of the Fall Flush and Transitioning Farmers. Focus group participants gave mixed reviews on the merits of residency programs versus non-residency. The residency program was more appealing to Greenhorn members, while other groups felt more concerned about location. Members of all groups expressed interest in the FarmLink model as a tool for beginning farmers with a little more experience to maintain autonomy and develop close mentors with retiring farmers. This could be tried through an online Farm Linking program in conjunction with the Farm Incubator.

4) Financing

When asked how much they would be willing to pay for farm incubator services, focus group members gave vague answers. Greenhorns especially lack financial resources and would be eager to grow in order to pay back debts. This could be a point of further research: determining the cost of developing a farm incubator project and what participants might be able to pay. It is noteworthy that the farm incubator examples are using capital (land and money) to support the farmers. This is likely to contribute to the farm incubators’ success.

5) Support Networks

Access to a farmer mentor and to farmer support networks surfaced consistently as a need for all groups. Conversations with directors of existing farm incubators indicated that this

is one of the biggest challenges that aspiring farmers do not anticipate⁴. It's one thing to have training in farming techniques, but when farmers start out on their own land, they need someone who can be on the land and consulting with them. This is a huge asset of all farm incubator models. They provide a supportive teaching environment that encourages mutual learning.

6) Social Justice

The ALBA program specifically targets “limited-resource” aspiring farmers. Classes at this institute are taught in Spanish to increase their accessibility for the population they serve. Several farm incubators around the country have taken a social justice approach to especially target disadvantaged communities. The Prairie Crossing Farm Business Development Center in Grayslake, Illinois set benchmarks to have a percentage of their farm incubator participants from recent immigrant and disadvantaged communities. While this is a possible avenue for farm incubators in Michigan, Michael Sands of the Prairie Crossing Farm Business Development Center, made note that this approach works when there are strong, invested community partners from those groups⁵. Looking for such partnerships and setting such benchmarks could be a potential outreach mechanism to ensure opportunities for a wide variety of participants.

⁴ Personal Conversation with Michael Sands, Director of the Liberty Prairie Foundation.

⁵ Michael Sands Keynote speech at Food System Economic Partnership Annual Conference, June 24, 2010. Jackson, Mi.

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Information on Farm Incubators came from each organization's website and emails exchanged with Intervale and ALBA staff persons. All Accessed 6/10/10.

- www.intervale.org
- <http://www.albafarmers.org/farms.html>
- <http://californiafarmlink.org>

1. Demographics and Farming Interests

1. Please indicate your consenting to participate in this research survey.

If you do not wish to participate, click the "x" in the top corner of your browser to exit.

Yes, I give my consent to participate in this survey.

2. What is your age?

16-22

23-30

31-40

41-50

51-60

61-70

71-80

3. Southeast Michigan County of Residence:

Jackson

Lenawee

Monroe

Washtenaw

Wayne

4. What is the highest level of education that you have completed?

Less than high school

High school graduate

Technical school or some college

College graduate or beyond

5. What will/ does your farm produce? (Check all that apply)

- Cattle and Calves
- Poultry and Eggs
- Dairy
- Hogs and Pigs
- Sheep, Goats, and their products
- Grains, Oil seeds, and Dry Beans
- Vegetables, Melons, Potatoes, and Sweet Potatoes
- Flowers
- Fruits, Tree Nuts, and Berries
- Christmas Trees, including woody crops
- Nursery and Green House
- Crops to produce biofuels (switchgrass, corn, etc.)
- Hay
- Other
- Don't Know

6. What type of farming are you interested in/do you practice currently? (Check all that apply)

- Organic
- Conventional
- Grass-fed
- Free-range
- Non GMO
- Antibiotic Free
- Hormone Free
- Permaculture
- Urban Agriculture
- Single Crop or Multi-Crop Farming
- Diversified Farming
- Don't Know

Other (please specify)

7. In the long-term, what size farm would you like to own?

- < 1 acre
- 1-4 acres
- 5-9 acres
- 10-19 acres
- 20-49 acres
- 50-99 acres
- 100-499 acres
- 500- 999 acres
- > 1000 acres

2. Knowledge and Experience

1. Are any members of your immediate family farmers? (ie. parents, grandparents, siblings)

- YES
 NO

2. What kind of farming experience do you have? (Check all that apply)

- Already Farming
 Hired Farm Worker
 Work on Family Farm
 Internship
 Volunteer
 Classes in High School
 Classes or training program through a 2 year certification program
 Classes or training program through a 4 year college or university
 Home Gardening
 4-H
 FFA
 Other Program
 No Experience

Other (please specify)

3. How many years farming experience do you have?

- no prior experience
 6 months-2 years
 3-5 years
 6-14 years
 15-29 years
 > 30 years

4. What is your main goal in farming?

- Full Time Profitable Enterprise
- Part Time Profitable Enterprise
- Enjoyable Hobby
- Pay Property Taxes
- Keep land in agriculture

Other (please specify)

5. Do you have a business plan?

- Yes, it's written out
- Yes, thought out in my head
- Have not yet made a business plan

6. What is your expectation for annual profit from your farming enterprise?

- No expected profit
- Enough to pay property taxes
- <\$5,000
- \$5,000-\$9,999
- \$10,000-\$14,999
- \$15,000-\$29,999
- \$30,000-\$44,999
- \$45,000-\$59,999
- \$60,000-\$74,999
- \$75,000-\$100,000
- > \$100,000

3. Resources

1. Where do you go for financing? (Check all that apply)

- Own or Family's Resources (ie. already have a starter heard, savings)
- Scholarships
- 4-H Project Money
- Farm Credit Services
- Green Stone
- USDA/FSA
- Local Bank, Credit Union
- Grants from Community Based Orgnaizations/Non-Profits
- Private Contracts with Land-owner
- Informal Loans from other Farmers
- Don't Know

Other (please specify)

2. Beyond your own or your family's resources, how much money will/did you need to start your farm business?

- <\$10,000
- \$10,000-\$19,999
- \$20,000-\$49,999
- \$50,000-\$99,999
- \$100,000- \$199,999
- \$200,000-\$299,000
- > \$300,000
- Don't Know

3. Where do you get your information about farming? (Check all that apply)

- Family Member
- Friends or Neighbor
- Farmer Mentor
- High School Teacher
- College or Training Programs (Community College, Land-Grant University, MSU Student Organic Farm)
- Membership Organizations (4H, FFA, Farm Bureau)
- Classes through organization
- Government Agency (USDA, FSA)
- Online Communities and websites (www.beginningfarmers.org, etc.)

Other (please specify)

4. Where will/did you get your land? (Check all that apply)

- Passed down from family member
- Passed down from friend or neighbor
- Land Auction
- Private Contract with Land Owner
- Online Land Connection Resources like FarmLink
- Don't Know

Other (please specify)

5. Where do you get equipment? (Check all that apply)

- Purchase new
- Auction
- Family Member
- Friend or Neighbor
- Non-family Farmer Mentor
- Private Contract with Land-owner
- Equipment Co-Op
- Don't Know

Other (please specify)

4. Perceptions and Attitudes

1. Rank 5 challenges that are most difficult to overcome in starting your farm (Rank on order of importance 1-Least important, 5-most important)

	1	2	3	4	5
Access to Land	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Access to Financing	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Applying for Loans	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Creating a successful business plan	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Finding a market to sell your products	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Packaging/Transporting product	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Lack of Training in Farming Techniques	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Lack of Mentorship from experienced farmer	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Isolation from other support networks	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Other (please specify)

2. Rank 5 areas where you need more support in starting your farm (Rank in order of need, 1-support least needed, 5-support most needed)

	1	2	3	4	5
Finding Land	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Applying for Loans	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Financing	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Creating a successful business plan	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Finding a market to sell your products	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Packaging/Transporting product	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Training in Farming Techniques	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Mentorship from experienced farmer	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Connection to farmer support networks	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Other (please specify)

3. Select areas where you already feel you have sufficient support and resources for starting your farm business. (Check all that apply)

- | | |
|--------------------------------------------------------------|-----------------------------------------------------------------|
| <input type="checkbox"/> Finding Land | <input type="checkbox"/> Finding a market to sell your products |
| <input type="checkbox"/> Applying for Loans | <input type="checkbox"/> Packaging/Transporting product |
| <input type="checkbox"/> Financing | <input type="checkbox"/> Training in Farming Techniques |
| <input type="checkbox"/> Creating a successful business plan | <input type="checkbox"/> Mentorship from experienced farmer |

Other (please specify)

4. Would you like to comment on what you think farmer support programs in southeast Michigan should look like?

5. If you would like to further contribute to this research project on beginning farmer needs, or if you would like to be informed of research results, please provide your email address below.

Appendix II: Focus Group Script

Preamble:

You are being asked to participate in a research study of resources, needs, and demands of future farmers in southeast Michigan. This study is being conducted collaboratively by the MSU Extension Office in Jackson County and the Food System Economic Partnership. Questions will cover your experiences with farming, your future career, and the challenges you see to reaching your farming goals. You are not required to participate in the discussion but are welcome to share your experiences and respond to the comments from other group members.

Your participation in this study will take about 30 minutes. The data for this project will be kept confidential. This discussion will be audio-taped. Your name and identity will be in no way attached to your responses. Participation in this research project is completely voluntary. You may choose not to answer a focus group question for any reason. If you are under 18, you cannot be in this study without parental permission.

- 1) Do you have a family history or background in farming?
- 2) What kinds of farming related groups or activities are you involved in? (4H, FFA, community gardens, etc.)
- 3) How many years have you been engaged in farming related activities?
- 4) How confident are you about going into farming
- 5) I am going to list off some challenges faced by new farmers and I'd like you to give them a rating from 0-5. A 0 ranking means that you don't see the issue as challenging at all. A 5 ranking will be something that is extremely difficult to overcome. After we rank each item, I'll ask you three questions. 1) What makes that topic challenging for new farmers? 2) What resources do you have to overcome this challenge? 3) What resources do you still need to overcome the challenge?—Please feel free to respond to each other's answers and feed off of each other, we want this to be a sharing and a learning experience so if you need clarification on anything, don't hesitate to ask.

Access to Land

Access to Credit and/or Financing

Applying for Loans

Experience on a Farm

Creating a successful business plan

Finding a market to sell your products

Packaging/Transporting product

Lack of Training in Farming Techniques

Lack of Mentorship from experienced farmer

Being isolated as a new farmer, not having someone on site to ask questions

Are there other challenges that we did not cover?

Which of the challenges do you feel most prepared to face? What has prepared you? Least prepared?

- 6) Why do you think more people don't go into farming?
- 7) When you think about future farming opportunities in Michigan, are you optimistic or pessimistic? Why?
- 8) If you think you will go into farming, what is your plan for doing so? What kind of time commitment will this take?
- 9) I'm now going to explain a little bit about farm incubator projects. Has anyone heard of what that is? I am going to pass around information from several farm incubators around the country. You may read along as I read the descriptions aloud. Please feel free to ask questions or clarification.
- 10) What are your initial reactions to the farm incubator descriptions? Did you prefer one model over another? In what ways do they seem helpful? Would you join a farm incubator program? What is missing?
- 11) As a group we're going to brainstorm the kinds of things that you would most want to see in new farmer support programs.
- 12) How much would you pay to be a part of one of these programs?

Farm Incubator Summary for Focus Group Participants



Why do new farmers need support?

Farmers who are just starting their businesses may find the costs of land, equipment, irrigation, and compost very difficult to overcome. In addition, farming enterprises must have established markets, a sound business plan, and extensive experience to survive in their early years.

What is a farm incubator?

Farm Incubators are a new model that helps beginning farmers overcome these hurdles in their early years. Most provide support to new farmers to attain monetary, land, and equipment resources in a supportive teaching environment. Once farmers have spent some time in the mentorship program and have begun to generate savings, they are supported to find their own land and equipment and begin their farming ventures. There are a variety of models for farm incubators, a few of which are highlighted below.

Intervale Center- Burlington, VT (www.intervale.org)

The Intervale farm incubator program was established in 1990 and was the first farm incubator program in the United States. Intervale owns land and rents it to new farmers while also providing training and guidance. The program has three categories of involvement: incubator, enterprise, and mentorship. For the first 1-3 years farms are in the incubator phase. Farmers receive a 20% price reduction for leasing land, equipment, water, utilities, and compost. They also receive valuable mentorship at this stage from compatible farms. The next 3-5 years are the enterprise stage. At this point farms are approaching financial



stability, can start paying full price for land and equipment, and may look into expanding to their own land. After 5 years in the program, most farmers move onto their own land and enter a mentorship stage in which they donate 20 hours per growing season to providing guidance and technical assistance to incubator farms.

Agricultural and Land-Based Training Association (ALBA) - Salinas, CA



<http://www.albafarmers.org/farms.html>

ALBA generates opportunities for farm workers and limited-resource, aspiring farmers to grow and sell crops from two organic farms in Monterey County. ALBA runs a Rural Development Center and a Farming Resource Center on 110 and 195 acre plots, respectively. The farm incubator model is unique because the training centers and farming plots are all located at the same facility. The center offers 6-month programs which cover organic farming, business planning, and marketing. After completing the training, farmers are given ½ acre to cultivate and receive additional training. Farmers are then supported to find their own land.

California FarmLink- CA (<http://californiafarmlink.org>)



California FarmLink has three branches in California and offers a host of programs to support new and existing farmers. The Farm Linking program connects retiring farmers to new farmers to create opportunities for mentorship and to preserve farmland. The group also assists in intergenerational farm transfers. FarmLink also provides financial support services to new farmers. The Farm Loan Opportunities Program provides low-interest agricultural loans to farmers who might struggle to find loans from traditional lenders. The Individual Development Account (IDA) program is the first of its kind in the nation and involves a matched savings system for new farmers with limited means. The two-year program matches every \$1 that a farmer saves with \$3 that can be used for farm assets like land or equipment.

Appendix III: Focus Group Responses

Transcription MSU Student Organic Farm Focus Group

Preamble:

You are being asked to participate in a research study of resources, needs, and demands of future farmers in southeast Michigan. This study is being conducted collaboratively by the MSU Extension Office in Jackson County and the Food System Economic Partnership. Questions will cover your experiences with farming, your future career, and the challenges you see to reaching your farming goals. You are not required to participate in the discussion but are welcome to share your experiences and respond to the comments from other group members.

Your participation in this study will take about 30 minutes. The data for this project will be kept confidential. This discussion will be audio-taped. Your name and identity will be in no way attached to your responses. Participation in this research project is completely voluntary. You may choose not to answer a focus group question for any reason. If you are under 18, you cannot be in this study without parental permission.

1) Do you have a family history of Farming?

Yes- **6**

No- **11**

2) Pre-SOF Farm Related Activities

No Previous Experience – **1**

Gardening- **6**

Internship- **7**

Pasture Poultry- **1**

Nursery- **4**

Landscaping-**1**

4H- **2**

Dairy Farm- **1**

3) Years Farming-

1, 35, 1, 23, 2, 3, 23, 3, 4, 10, 3, 12, 30, 7, 24, 1

(Median = 5.5 years, Mean= 11.05)

4) Challenges (0-5 Ranking, 5 being the most challenging thing to overcome)

Access to Land-

1, 1, 4, 5, 3, 4, 4, 3, 5, 1, 4, 4, 0, 3, 0, 4

Interviewer: Of those who said it was a 3-5 on the challenge ranking, what makes it a challenge?

Collective Response: Money

- Money, Zero Credit built up, If I could work for an older farmer and take over some of their land that would be the perfect opportunity, the perfect situation but I don't know if that is going to happen.

Interviewer: For those of you who see Access to Land as less of a challenge, what resources do you already have to overcome that challenge?

Individual Responses:

- Family Land
- Family Land
- Donated Property
- Neighbor's Land
- Long term I'll buy my own land, I've been farming for a while and have personal assets

Interviewer: What additional resources do you need to overcome the challenge of access to land?

- Lottery
- We need partnerships with older farmers and more communication about that, because there isn't a lot. Because there are people I know who are older and are looking to retire, but there's no way to contact them. So almost something where there'd be a website and you could go and find farmers in your area doing what you were interested in doing. And then you could contact and work out an internship with them. You could work things out with that person.
- New zoning laws in urban areas
- I think a solid business plan so that you could present it and potentially get loans to take care of the money problem.
- Equipment

- In terms of access to land, I just need help dealing with my family—negotiating things with my family about use of the land, especially negotiating things other than what the family has always done with it.

Interviewer: Our next challenge that you have all alluded to heavily is financing and credit, so we'll do a quick go around of how much of a challenge that is and then we'll do a quick discussion of resources that you already have available.

Individual Rankings:

2, 5, 5, 5, 3, 5, 4, 4, 5, 3.5, 5, 3, 1, 4, 5, 5

Interviewer: What resources do you already have available for financing your farm?

- None
- None,
- Land Bank-Ingham County Land Bank, I think there's an Oakland County Land Bank, There's the North Oakland Land Conservatory
- Personal Assets
- Pre-existing farm equipment that you don't need to spend more money on
- Community and family support
- Savings

Interviewer: Our next challenge is your experience on a farm. When you get onto a farm, are you going to know exactly what you're doing?

Individual Rankings:

3.5, 3, 3.5, 5, 2, 2, 4, 3, 3, 2, 3, 3, 3, 2, 4.5 (even in 30 years I'll still not know everything there is to know), 3, 2, 3.5

What information resources do you already have?

- Student Organic Farm
- Farmers we visit, connections we make with them
- SOF Manager
- Personal Experience
- Past Internships
- Other Michigan farmers
- Online Information
- Books
- Nature
- Watching things grow
- Mistakes
- Yeah, Mistakes

What additional resources do you need once you actually get out onto a farm?

- Time
- Mentorship
- Labor, depending on the size of the farm
- Sales and marketing
- You have to have a market, I know I'm not going to be able to go out and start a farm if I don't have anywhere to sell my produce or flowers or whatever, I think that's the hardest part is just the market as support
- Risk Management from like crop loss to having people on your property to equipment failures
- A good accountant
- Yeah, a good accountant

Interviewer: So I'm hearing a lot of comments on the business side, so who here has a business plan in their mind or anyone with one written out on paper?

- I have one in my head but it's not worked out yet, it's a basic idea (3-4 people raise hands)
- Part of this program is to develop that
- (Pointing to participant) I don't want to put words in your mouth but you've already got a farm and have commented a couple of times that it would be useful for you if you had Organic Knowledgeable Extension Agents in your community, because you've called them and said "Hey help me out" and they've said "I don't know anything about that, sorry" but you feel like, you're not being served by peoples whose job it is to perform that function in your community
- Yeah, (in response), I've already got a farm and it would be useful for me to have an organic knowledgeable agent in my community. I've called a couple of times and they don't know about organic practices, so it would be nice to have a farm mentor, or at least to be matched up with somebody who would be willing to be a mentor. Which in this case I can see where this incubator project could work something like that
- The extension agent I work with is more familiar with home gardens, so farm concepts aren't something they specialize in and they might know one person I can contact but they're hard to get a hold of.

Interviewer: So does isolation feel like a problem, whether it's having other people who are learning with you on your farm, or having people who have the informational resources?

- I think the network of students from being in this program is a really valuable resource. I even have a friend who did this program last year who has called several times this to check-in with like, 'Oh, do you know what this is?' and describing it on the phone. Having each other to

mentor and to talk to has been a really valuable resources.

- But I also think some of the things like, how do you get a USDA Grant? How do you work with the Natural Resources Conservation...I don't even know what the acronyms are. How do you get a hold of someone to help you with what you need with Tax ID's.

Interviewer: So not just resources on the farm but what other information do you have available from...

- And how do you access them and get through the process.

Interviewer: We'll do 2 last go-arounds. Thinking back to all of the challenges we've touched upon, which do you feel most prepared to face? We can do that as a go-around first.

Individual Responses

- Growing Vegetables,
- Growing, working hard,
- Growing things, selling them
- Same answer
- I'm not worried about actual growing, I just won't have anywhere to grow it for a really long time
- Same
- Actually growing
- Growing
- Growing and saving seed
- Same
- Growing
- Growing and putting in the time it takes
- Ditto
- Growing and crop planning
- Same
- Same
- Same

Interviewer: And the challenge that you feel least prepared to face?

- Marketing the product
- Marketing
- Business planning
- Dealing with the tax, financial, technical side of it
- Business planning, tax stuff, accounting stuff
- Same
- Same

- Same
- Planning, access to market, selling
- Financial troubles
- Same
- Finance, marketing, and access to land
- Financials
- Being financially sustainable
- Finding a location and business planning
- How to make a good living
- Also just like, so many of the farmers and farms that we go to have an off-farm income. And I think a big challenge is trying to find a way to have a farm be sustainable and not require off-farm
- Yeah, not be dependent on outside income
- I agree with that
- I concur

Interviewer: So now we can take a look at that sheet that everyone got, the one that talks about different farm incubators. So we've talked about why farmers need support, so a farm incubator...Read sheet (See Appendix II).

Interviewer: Does anyone have initial reactions, things you liked, things you found missing?

- With this Intervale, you know how it says that you would have to donate 20 hours per growing season, does that mean like you'd have to stay in Vermont if you went through that program you'd have to settle down and live in Vermont?

Interviewer: I think that's kind of what they hope for but it's not a stipulation of the program

- They probably don't have a legal way to keep you in the state
- Yeah I know, that would probably be a hindrance to me because I'd like to come back to Michigan if I did a program like that there.
- My initial thought was that I liked the FarmLink one. It gave you freedom to pick and choose with where you want to go. You're getting matched up with a retiring farmer which I'd love to have. I have no idea what "limited means" are, but if I put down a dollar and somebody's going to give me three, I'm all about it.
- I really like the FarmLink as well. I like that it shows on the website that different farmers are looking for people who have land available and if it's free or deeded. It would be nice as a user to be able to access that and say, maybe I could move here, maybe I could use this. I like its flexibility.

- Yeah I kind of agree. It'd be nice to have a California FarmLink for Michigan, like a Michigan FarmLink. And I think that'd even be a good first step, even if you didn't have an incubator farm, towards making a model or having more access for beginning farmers.
- Yeah for the FarmLink thing it's nice that you just have this concrete number of \$3 for every \$1. Whereas the one before it (ALBA) is like "Then farmers are supported to find their own land," what does that mean?
- I think also with the ALBA you're required to go through their training program and we've all, after finishing this program, have gone through an intensive 9 month program. And I could see that getting repetitive if a program requires you to go through their specific training.
- Just a general point of information, a general IDA account will match you 3:1 up to \$1,000 that you put in. So the most you would get out of it is \$3,000 matched. It's not like you'd put in \$100,000 and get \$300,000. And in Michigan when they do IDA's it's a federal funding match so it's pretty limited, like less than \$10,000 in assets. Which fits some of you and doesn't fit some of you.
- Awesome
- We could make that work.
- The Intervale Center's 20% reduction on leasing land and equipment, I guess a lot of that has to do with what you've got to start with. But that's a full package there, if you're coming out of this program and going into a program like that, it'd be wonderful.
- But that, to me, says you have to have money because you just get a reduction. So where do you start at?
- I can explain the model just from what I know of it. Basically, they have shared equipment and shared land and the way that they charge you to do that is that the whole thing is basically subsidized. The full rate and the off rate are all way less than if you were to go and buy equipment to do it. They're basically creating shared land and shared infrastructure and basically giving you some start-up shared farmer rental agreement that is facilitating—so it's geared in a way that makes it cheaper than it would be to do it on your own.
- I like the Intervale. It has a good weaning system. You get in there for 3 years, it's not free so you've got skin in the game, and they kind of wean you off of that and you go get your own land having made some money.

- The other thing is I think it'd be nice if they could offer something where, especially if you've been through a program like this, where they could help you establish yourself on your own land. So you're investing in your land right now. And if you've been building up that soil for 5 years it's kind of tough to just walk away and start over again. You understand the weather, the water-flow patterns.
- The best way to do it would be if you have 200 acres, you go and rent a home. You'd get done with the program and the land would be yours. You wouldn't have to kick anybody off. You can get another spot and that's fine.
- Yeah I agree with what other people are saying about the Intervale, but what's nice about it is that there's a sense of community and giving back to the program. There's a recycle of ideas and people and communication that's looking forward.
- I like the 20 hour mentoring program later
- I think a lot of us in this program and after this stage, being beginning farmers are not wanting to dive in to owning a farm by ourselves but are into more cooperatively working with people so something, yeah, a program that's based around a group of people living and working together.

Interviewer: So it sounds like there's kind of some want of flexibility in a program. Some models that have this cooperative approach, some models that really let you hit the ground running on your own land that's going to be yours.

- We want the best parts of all of these programs combined into one for Michigan.

Interviewer: Is there anything else that's missing from any of these programs that you see as being beneficial to you as you're starting your farming enterprise?

- It would be nice maybe if Intervale, even if there wasn't a farm program established in Michigan, if they had satellite incubators, groups, like a satellite campus in Michigan to be the same system so you wouldn't have to re-create the wheel in a sense. You would already have the system in place.
- I guess one of the things that I don't see and I'm sure that it's there, but what do you do with your crops? As long as it's in there whether it's an on-site market or CSA or whatever. A lot of these, they talk about business and marketing but what do you do with it.
- What are the parts of those programs that have market assistance? How are they helping you get that food out?

- Retail and Wholesale. So lets say you've got 6 farmers in your cooperative and we'll say one of them goes out and gets a restaurant or a school or something to buy that produce.
- I have to say that based on my knowledge of those programs that aspect isn't really spelled out extensively. That it's something that those things lack. Not in the evolved way that you're talking about, not that they don't help people with marketing, but not in that more highly evolved way that you're referring to. Where it's like organized like, here's the intervale marketing co-op. Not to say that it doesn't exist but I don't know if it exists.
- I think that's what's going to turn somebody off in 3 years. That's when most businesses fail in the first 3 years.
- One thing that I've struggled with is that your organization is only in 5 counties in SE Michigan. And my county is in Livingston and there is nobody there. Luckily Jane has been helping me out. But I went to my small business administration, Small Business Development Technologies, whatever. Because I was told that they would help me develop my business plan. But they don't know anything about agriculture. And so they don't know how to help me. They look at my business plan but they can't give me enough information about the agricultural side. So right now the small business administration is helpful but, they're at a loss as well. So I think more organizations similar to yours would be very helpful if it were throughout the state. So that you have someone to help on the agriculture side who was a farmer, is a farmer is really important to have on this end of things.

Transcription 2: Family History Farming, Going into Agricultural Enterprises

Preamble:

You are being asked to participate in a research study of resources, needs, and demands of future farmers in southeast Michigan. This study is being conducted collaboratively by the MSU Extension Office in Jackson County and the Food System Economic Partnership. Questions will cover your experiences with farming, your future career, and the challenges you see to reaching your farming goals. You are not required to participate in the discussion but are welcome to share your experiences and respond to the comments from other group members.

Your participation in this study will take about 30 minutes. The data for this project will be kept confidential. This discussion will be audio-taped. Your name and identity will be in no way attached to your responses. Participation in this research project is completely voluntary. You may choose not to answer a focus group question for any reason. If you are under 18, you cannot be in this study without parental permission.

Interviewer: Can you tell me a little bit about your experience farming and your future goals for your farm?

- I just completed my associate's degree at Michigan State in Dairy Management so I'm Planning on going into farming.

Family history or background?

- Yeah the farm that's established right now is my grandfather's and it began operating in 1977 and we have roughly 1,000 acres. I'm more focused on specifically on the dairy operation. We'll also do cash-crops, not the kind you eat so, so it's all for animal feed, not for human consumption.
- I have a family history in farming. I live on a third-generation dairy farm and was born and raised there.

In the long term, what size farm would you want?

- Right now we have 1,000 acres and in the future as much as I can get my hands on. Right now the dairy operations are limited by the facilities that currently exist but I'd like to have unlimited acres. We own roughly half of that 1,000. I would like to establish a partnership with my younger brother. If that doesn't work I would personally like to own and operate my own farm or otherwise a partnership with my brother.

- I don't see myself going into dairy farming so to say, but in the industry. I would like to actually to get involved in agriculture. And I would like to kind of work with dairy somehow. And I'd like to someday take over with the books for my dad.

Interviewer: How confident are you about going into farming

- I'm 100% confident now. Last year I was unsure and almost quit but I was like "nope". I'm 100% confident that I'll go into the field of Ag. I'm not going into production farming so to say but I would like to be involved in the field of agriculture promoting some aspect of it

Interviewer: So we've got this collective list of challenges and I just want to go through and talk about what makes each thing a challenge for you or someone in your position of having grown up on a family farm.

Access to Land:

- The field and the quality of soil isn't as good as in the Monroe area, more near the border. But the problem is that everyone is so land-hungry that people are renting out marginal ground just to put a crop on it. I talked to my grandfather about that and he said that 30-40 years ago those fields were hardly an afterthought. But now farmers are trying to make up as much ground as they possibly can. So it's difficult to access land.
- For new farmers? Are we talking about someone with no background or history of it or someone who is in my situation and has grown up with it?

Interviewer: For you or someone that's coming from that same situation of having grown up around farming, how much of a challenge is land access?

- Ok so for my situation probably a 1, because I already have family owned and operated land. A lot of land around ours is being leased or rented, it's not too difficult to find a field within your farming range to get access to and to rent and to activate the field, I guess.

Access to Financing:

- We do our financing through GreenStone. Otherwise I'll go out on my own and see where we can get the best interest loan towards a purchase, so Dairy Cattle or equipment or buying land or something like that, I would go out on my own and see whatever business, person, financial institution, company is going to give me the best monetary value.
- Well in my case I've got a family to take over from. But in other cases where you didn't have land or equipment or that start-up, I don't even know. Land prices are so high and it seems like

it would be near-impossible. A lot of farmers when they get into the dairy operations will either buy the establishment and rent the cattle or rent the land and own the cattle and use the milk to pay back the facilities you're using. There's a lot of ways to get around it. You're not going to go and buy the whole thing because the money you're making back from it you're not going to be able to survive off of with milk prices as they are.

- I don't have too much experience in this field. I ranked it as a 2. I don't think it would be difficult as long as you had equity against the loan to back you up I think it wouldn't be too crazy. I know that a lot of crop prices right now are pretty good and agriculture is thriving in Michigan.
- That's not really much of a challenge, I would say. Maybe a 1. There are a lot of different resources out there. Especially GreenStone Farm Credit services are very good with helping people like me. And probably same for the loans.

Experience on a Farm

- I grew up on a farm, and I also went to college for intensely dairy management operations which helped me out a lot. Even though I grew up on a farm I still learned a great deal. I don't know everything. You have to know all areas of an operation if you're going to be able to be a farm operator. Especially with a dairy operation and the crops too you have to be able to fix a tractor and turn around and check a cow or something like that. You're never going to be fully experienced on a farm so I'm not going to say it's going to be easy but I guess I feel pretty prepared for it.
- In my case not very challenging. In my opinion, if they're big, commercial crop farming like row-crops or like animal agriculture, the majority of those people I see as already having experience. If they're more into the organic and the community garden, I see a lot of those as new.
- Part of the reason I went to college is because my father is not really the type to teach you, I guess. I mean he'll come along and show me how to do this or that but he kind of just does it and you just learn from watching him. He doesn't really explain too much about what he does or why he's doing it. If you try to pry it out of him he'll tell you but I felt the need to go to college and at least get a basis of education that way, there's something to fall back on to. I did learn quite a bit from him but I've learned an awful more going to college about the management practices and things like that.

Interviewer: If someone wanted to go into the commodity crop or row-cropping farming and didn't have a family background, do you think that experience on a farm would still be a challenge?

- Yes, if they went into commodity farming and row-crops and stuff I think a lot of these questions would be a big challenge to them. They probably wouldn't have the land, they probably wouldn't know where to go for credit and loans and experience is a big thing.

Creating a successful business plan:

- Probably a minor challenge because they can use their parents or probably their grandparents, you know whosever farm it is, the family, the people that they go through to make a business plan, or they make it themselves and they've been around it and they know this is how the system works so that's probably not a big challenge either. 4H does it and definitely classes up at school also help with this. And I should say, it's not hard to make a business plan, to make it successful or not, it all depends on the market.
- Even though it's just a plan I think that's really difficult. Because it's near impossible to predict a base-line for milk prices and crop prices. There's a lot a of variability, especially for milk. We've seen a lot of changes in the support price. And for a successful business plan you have to have a baseline to predict what your profits will be and that's difficult to do right now.

Finding a Market to Sell Your Products:

- I don't think that's very hard for row-crops and commodities because I think that's pretty easy. I can't answer for more of the little road-side farmers markets because I've never dealt with that and I don't know if its hard to get into that kind of market or not.
- The milk truck comes and takes whatever they'll give us so we really don't have a say in how much we're getting for milk, we just take whatever they give us.

Isolation from Farmer Support Networks:

- I don't think it'll be too bad. My grandfather is still around and I have a few friends in the area who are also farmers so I have some good references if I have crop issues or questions, or just someone to talk to, just a good support network.
- For me one of the biggest challenges is probably creating the business plan or lack of training in farming techniques. There are so many new techniques all the time. I mean they try to do the best to get workshops out there and things like that that young and old farmers can go to but things like that are probably what I'm least prepared for.

Interviewer: Are there other challenges we didn't mention?

- A big challenge that I see, and this isn't just for people starting up this is for all farmers, is regulations and society. And the false view of what farming is and the impact that their opinions have on us. And that's why you see a lot of people now going into organic and in farmers markets because now there's a demand for that. Society has a big impact on the commodity farmers, and I wouldn't say it's an impact on the demand for products but on everything they think of what they do from tilling the land to spraying fertilizers. So that kind of stuff has a big impact because they take it to the government and the government sets the rules and regulations on us and sometimes that can negatively affect us and make us not as productive.

- I think in general PETA and other groups giving us, farmers, a negative light in general about animal health care and things like that. I think it's only going to get worse. I know a little bit about those issues and I think people need to know more about agriculture and be more versed and get the word out better. Because PETA spends so much money on their campaigning and advertising and agriculture doesn't retaliate. For instance BST cells, are prohibited in Michigan now. It's a naturally occurring hormone in the cow that it produces that increases milk production. It's nothing harmful, the cow already produces that hormone. So people think that you're giving the animal this hormone and it will go in the milk and cause obesity and all of that, which is a hoax. But BST is actually good for cattle. They produce more milk, it's limiting the greenhouse gas emissions because they produce more milk and they're not, you know they're being more efficient with their feed and turning the feed into profit. I think it should be more researched because there are actually health benefits to the cattle and I think something like that is what the public needs to be educated about. It gets a bad light shed on it when really there's not retaliation from the agriculture industry.

Interviewer: So now we can take a look at that sheet that everyone got, the one that talks about different farm incubators. So we've talked about why farmers need support, so a farm incubator...Read sheet (See Appendix II)

Interviewer: Does anyone have initial reactions, things you liked, things you found missing?

- I don't necessarily like one more than another; I think they're really great especially for people who are just starting out. I think for the first two (Intervale and ALBA) they're really good for a brand new farmer. And the other (FarmLink) I think is really good for people with a background but not a strong background. Maybe when they were born their family had a dairy but then they had to sell out and they're looking to get back into it. That might be good. But I'm looking to see, like for the other two at the end, you know there was the one with the different stages where at the end they become a mentor, or whatever. I'd like to see them work with retiring farmers too. But no, I think that's great.
- I think it's interesting but the location of the land and the farm, young farmers want to start up an operation and it just sounds like, it depends on how badly you would want to farm because it sounds like you might have to sacrifice location and a lot of other things if you want it that bad. Sounds like there could be some inconveniences. I liked the last one, the California FarmLink because of the 2 year savings program. I like the savings program, it might be useful.

Interviewer: Would one of these programs be beneficial for someone like you who has had a family history in farming?

- Probably not so much. I wouldn't think so. It wouldn't hurt.
- I haven't really looked into it too much. I've read it and anything but from my situation I feel pretty confident about the handing down of our farm and my financial situation so. I guess if I were in another position where I didn't grow up in agriculture you know with no backing I'd probably be more interested, but it doesn't really apply to me too much.

Interviewer: Maybe other people you interact with in college and your different clubs, do you think they might be interested in one of these?

- Oh definitely, yeah. I have a friend who was a dairy Tech program student, he just graduated. And he hadn't come from a farm but his grandpa or somebody did and he wanted to get back into it. He works on a farm now but he would like to have one of his own someday. But it's hard for him to start-up and find all of the things that you need. I think that would be very beneficial.

Interviewer: How much would you be willing to pay for this type of service? Per month/per year?

- Um, I don't know. I guess I can't really answer that, I'm not really sure.
- Yeah, I guess like I said it doesn't really apply to my situation so I don't know.

Phone Interview with Person entering farm enterprise, over 30 years old

Preamble:

You are being asked to participate in a research study of resources, needs, and demands of future farmers in southeast Michigan. This study is being conducted collaboratively by the MSU Extension Office in Jackson County and the Food System Economic Partnership. Questions will cover your experiences with farming, your future career, and the challenges you see to reaching your farming goals. Your participation in this study will take about 30 minutes. The data for this project will be kept confidential. This discussion will be audio-taped. Your name and identity will be in no way attached to your responses. Participation in this research project is completely voluntary. You may choose not to answer a focus group question for any reason. If you are under 18, you cannot be in this study without parental permission.

Interviewer: Do you have a family history or background in farming?

- I have an Agri-science degree. But no family history. I've got an MSU degree in commercial floriculture. I graduated back in 1980 and at that time they didn't have the Student Organic Farm, because I probably would have gone into that.

How many years have you been engaged in farming related activities?

- 5-6. I started growing perennials at home and gradually I moved into some vegetables in the garden. After my husband and I divorced I moved onto this land and started taking this up. And now I've got my farm and just put in a hoop house.

Interviewer: So I'm going to list off some challenges that new farmers face and I want you to tell me which ones are the most challenging for you in your situation.

Access to Land

Access to Credit and/or Financing

Applying for Loans

Experience on a Farm

Creating a successful business plan

Finding a market to sell your products

Packaging/Transporting product

Lack of Training in Farming Techniques

Lack of Mentorship from experienced farmer

Being isolated as a new farmer, not having someone on site to ask questions

- I think my biggest challenge isn't even on your list. My biggest challenge is just getting everything done by myself. I've got the land and I'm a couple of years in, but I really struggle to get all of the work done and I can't afford to get anyone to help. An FSEP consultant came by and told me I needed to extend my season to make more money. Jane Bush came out to my farm and she looked at what I was making and said the only way I was going to make a profit was to put in a hoop house. But that was a challenge because I only have 2 acres and there were trees where the hoop house was supposed to go. And it's a big hoop-house, 30x96 ft. We couldn't do it here. So I had to get all of the trees out of there first. And now it's up and going finally but yeah, the biggest thing is just getting all of the work done. Right now I do all of that and work a job that's six hours a week, so I'm basically living off of savings.

Interviewer: What are your initial reactions to the farm incubator descriptions? Did you prefer one model over another? In what ways do they seem helpful? Would you join a farm incubator program? What is missing?

- Well the first one sounds like the best plan, simplest straightforward, sounds like what they need to get going. I would possibly consider joining a program like that. It's but it's very hard to say. I've got my land and am farming already but the savings program might help me. And after this year I hope I'll be more profitable but right now I work that other job and do the farmer's market but I'm not making a living with the farm.

Interviewer: Any idea how much you would pay to be in a farm incubator program?

- Well like I said that's difficult for my situation right now, so I guess I don't really know.

Appendix IV: Aspiring Farmer Flow-Chart

Aspiring Southeast Michigan Farmers

Family History in Farming

No Family History in Farming

Conventional Enterprise:
Shoe Fillers

Top Challenges: Successful Business Plan, Support Network of Farmers, Regulation

Support Most Needed: Successful Business Plan

Strengths: Finding Land, Packaging and Transportation, Finding Market to Sell Products

Under 30 years old:
Greenhorns

Top Challenges: Access to Land, Access to Financing, Successful Business Plan

Support Most Needed: Access to Land, Making Successful Business Plan, Applying for Loans, Financing

Strengths: Mentorship from Experienced Farmer, Making Successful Business Plan, Training in Farming Techniques

Non-Conventional Enterprise:
Transitioning Farmers

Top Challenges: Access to Land, Access to Financing, Applying for Loans

Support Most Needed: Making Successful Business Plan, Financing, Connection to Support Networks

Strengths: Finding Land, Packaging and Transportation, Training in Farming Techniques

Over 30 years old:
Fall Flush

Top Challenges: Access to Land, Access to Financing, Lack of Mentorship from Experienced Farmer

Support Most Needed: Mentorship from Experienced Farmer, Financing, Training in Farming Techniques, Creating Successful Business Plan

Strengths: Finding Land, Finding Market to Sell Products, Training in Farming Techniques