

**NEW FARMERS****Getting Started in Farming — Make a Marketing Plan!**

By Steve Richards

In most businesses, a marketing plan is the most critical piece of the start-up pie. New farm operators are sometimes loath to make marketing plans a part of their start-up efforts. If you are starting a new farm operation, take the time to prepare a marketing plan—it may be the difference between success and failure.

What is a marketing plan? It sounds a lot worse than it is! It really boils down to: what are you going to sell and how are you going to sell it?

What type of farm do you want to start? This will influence what should be emphasized in your marketing plan. A direct marketer has different marketing challenges than a wholesale marketer. While all marketing plans need to address the “4 P’s” of Product, Pricing, Promotion and Placement (distribution), it is my observation that the direct marketer has more problems with the first two P’s: product and pricing. The wholesale marketer has more problems with the last two P’s; promotion and placement (distribution).

**DIRECT MARKETERS: PRODUCT AND PRICING CONCERNS**

Direct marketing operations have problems deciding what products will sell the best. Given that many farm-raised products have to be planned at least 3-4 months in advance, this poses a logistical challenge. You must grow something that your customers want! Give them a reason to buy your product. Don’t just grow something and then try to figure out how to sell it.

Pricing is also a challenge. The most common mistake of first time direct marketers is pricing their products too low. Often, new marketers just look at what it cost them to grow the particular product and leave out the overhead expenses. With small businesses, the overhead expenses are often a higher proportion of the total cost of production! Warren Abbott of Abbott Farms in Syracuse uses the snow plow example: a young fellow purchases a snow plow, charges \$10 a driveway and thinks he is making a lot of money—until the truck breaks down. He then realizes he hasn’t considered truck repairs, insurance or truck payments into his \$10 price! He goes out of business eventually; but there are always 3 more new snow plowing businesses every year.

**WHOLESALE MARKETERS: PROMOTION AND PLACEMENT CONCERNS**

Wholesalers are often commodity producers, with a product similar to many other farmers’ product. And they’re price takers, having to accept the price the middleman gives them. Given that wholesalers have little control over product and price, this makes promotion and distribution that much more important. Successful promotion strategies for wholesalers concentrate on promoting quality differences and adding services to their product. Distribution strategies such as adding a retail outlet and identifying new market/buyers have also proved to be important keys to success.

**Steve Richards is Director of the NY FarmLink Program in Cornell’s Department of Applied Economics & Management.**

**Publication can help you create a marketing plan**

A marketing plan is essential for today’s small farm. It provides you with a marketing road map - it establishes objectives, recommended actions, and a timeline. A marketing plan takes into account the marketing environment facing your new business including consumer trends, demographics, location, regulations, local economics, etc. Developing a Strategic Marketing Plan for Horticultural Firms, by Gerald White and Wen Fei Uva of Cornell’s Department of Applied Economics and Management, is a resource that can help you develop your plan. In spite of the title, most of the information is relevant to livestock and other non-horticultural businesses too.

You can find the publication online at

<http://hortmgt.aem.cornell.edu/pdf/resources/eb2000-0.pdf>.

Or order from Publications, AEM Department, Cornell University, Ithaca, NY 14853. Cost is \$10.00 - make check to Cornell University.

**Getting Started in Farming:  
5 Keys to Success**

Getting started in farming is not easy. Successful farm start-ups tend to share these common traits:

**1. Experience.** Successful farm seekers have 3-10 years of farm experience. It takes a good farm manager to keep the farm running and supporting a family.

Nothing substitutes for real-world experience on the farm. If you don’t have a lot of experience, start by volunteering or working on a farm. Make sure to gain management experience, not just labor.

**2. Education.** Farming requires business savvy and technical skills!

Business management education will go a long way to improve your chances of success. Do you already have all the technical knowledge necessary? If you are starting from scratch, chances are you need some farm production education.

**3. Equity.** It always helps to have the ability to invest in a farm opportunity!

Livestock, equipment, and cash (of course) improve your chances of getting a loan in order to get started. If you or your spouse has an outside job, it can certainly help with the cash flow. You may not want to quit your outside job immediately—give the farm a try first.

**4. A Business Plan.** Your business plan summarizes the business opportunity & how you are going to seize it. Primarily used for raising capital and as a means for guiding business growth.

**5. A Marketing Plan:** How are you going to sell what you produce?

The most important key to success for farmers engaging in direct marketing, and the most often overlooked piece of the puzzle when getting started.

— Steve Richards

**RESOURCE SPOTLIGHT****NYPA - the NY Pasture Association**

The New York Pasture Association’s mission is “to encourage a diversified grass-based agricultural system that furthers the development of healthy families and communities through the creation of economically viable and environmentally sound family farms.” NYPA members are farmers and any others interested in sustainable agriculture, and sustainable lifestyle.

Nationally, groups such as Eat Wild and the American Grassfed Association, and publications such as Grass Farmer and Graze provide information to support the burgeon-

ing interest in this “new” approach to farming. This approach is based on raising and keeping animals in a way that relies heavily on sunshine and photosynthesis, while minimizing the use of non-renewable resources. That is to say, we grow grass and use livestock to convert it into food and products for humans. Research is being conducted at the national and international levels concerning the many health benefits of grassfed meats.

Locally, NYPA is active in supporting grass farming for mostly NY farmers. Its bimonth-

ly publication Greener Pastures includes farmer-written articles related to pasture farming, as well as a resource calendar for local pasture walks, workshops, and presentations of interest to grass farmers.

In addition to supporting the newsletter, NYPA member dues also support workshops on pertinent topics. Whenever possible, workshops are presented in a number of areas around the state, enabling more farmers to attend with less travel time. Last year NYPA organized and sponsored workshops on farmstead cheesemaking and processing pastured poultry. NYPA provided funds and board member assistance to

bring grassfed guru Joel Salatin to NY for several days of workshops. NYPA also helped sponsor the statewide workshops of Graze columnists Janet McNally and Jim Van Der Pol, and other such activities.

Want to get involved? Join NYPA! There’s room for many activities within the NYPA mission, and the NYPA board welcomes your input in order to best serve the membership. For more information contact Wendy Fast (President) at 585-335-3439, icelandicshoop1@aol.com, or Keith Morgan-Davie (Vice President) at 315 839-7105.

**Grazing**

*continued from previous page*

including the size of pasture, width of the stream, location of shade, supplemental feed, alternative water supplies, etc.

This being said, her research on a farm in the NYC Watershed shows that a when a cow is on pasture with unlimited access to the stream an average of 3-5 percent of the cows flops are direct deposited into the stream. So, working the numbers of a 50 cow Holstein dairy herd, on pasture 18 hours a day with unlimited access to the stream, about 6 to 10 tons of manure can be deposited over a six month grazing season. Wow, that’s two to four spreader loads!!!

Where cattle have access to streams it is common for stream banks to become unstable and slough off. The streambank is no match for the power of the hooves of a 1,500 pound cow. Stream banks are even more prone to eroding since they are covered in many cases by overgrazed grasses that have shallow root systems.

The most effective solution to direct deposition and unstable streambanks is, you guessed it, fencing. Financial assistance for cattle exclusion and establishment of riparian forest buffers is available from the Farm Service Agency through the Conservation Reserve Incentive Program (CREP, pronounced cr\_p). Cost sharing money is available for fencing, alternative water supplies, cattle crossings and tree planting. (For more information on CREP see “Buffer Basics” on page 21 of the Fall Issue of SFQ.)

Total exclusion with alternative watering sites is far and away the best option to protect stream health and water quality. If total exclusion isn’t feasible, providing limited access points is a big help. By only allowing 2-3 cattle to water at a time, the cows will tend to push each other on, so cows tend to drink and go, and not linger in the stream.

Cattle pressure on streams can be reduced somewhat without fencing. Providing alternative water in the pasture away from the

stream corridor tends to draw cattle away from the stream. If your stream corridor is wooded, having shade areas away from the stream will give animals an attractive alternative to the stream. Still, these approaches are not nearly as effective as fencing.

Cattle crossings can be significant sources of pollution. If the crossing has stable banks, the only action needed may be to limit the width of the crossing, so that the cattle push each other across the stream. Unstable banks should be protected in some manner. Alternatives include shaping and applying some form of aggregate, use of cattle slats, or building a bridge. Your decision on which alternative is the best for you really depends on the specifics of the site, the number of cattle using the crossing, the frequency of use and what you have to spend.

**FEEDING AREAS**

Permanent supplemental feeding areas in pastures should be avoided because they tend to become denuded and nutrients tend to build up at these sites. The slickest

solution I’ve seen is using a three-point hitch mounted bale unwrapper in the field. The bale is unwrapped in a different location each feeding. Moving large round bale feeders or feed wagons can generate similar results. If you have to use the same site on the longer-term, a concrete pad with buckwall at the feeding area will allow you to collect and spread the nutrients. Plan for a 300 foot natural filter area below the permanent feeding site.

So is grazing good for the environment? With thorough planning and management, you bet!!! Avoiding the pitfalls will ensure that you are maximizing the environmental benefit of grazing.

**John Thurgood is a Senior Whole Farm Planner for Cornell Cooperative Extension as part of the NYC Watershed Agricultural Program. Special thanks to Dan Flaherty, Small Farms Program Manager, NYC Watershed Agricultural Program and Frank Winkler, NRCS Resource Conservationist, for their input and review of this article.**