Diversified Agriculture And Rural Opportunities for Today

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How did we get here? The debate of the century

Agriculture in the first two decades of the 20th century revealed the contradictions of a nation wavering between a rural and urban identity.

U.S. Population 1900-1920 vs. farm production

[Graph showing U.S. Population (in Millions) with years 1900 and 1920, and Farm production with 17% and Population Growth with 39%]
Food prices also changed…

Wheat prices

*During this period of time the acreage planted in wheat declined by 15.8%
Farm numbers also slowly increased while national population expanded rapidly

* Between 1900 and 1910 the number of farms increased by 10%
* Between 1900 and 1910 country population increased by 11%
* Between 1900 and 1910 National population grew by 21%
* By 1920, cities were adding 30% to the populations
The Sustainable Farm vs. Industrial Agri-Business Debate: 1910-1920

The appearance of disorder where food was grown, increased prices lower perceived output created unease in cities.

• "Could this nation feed itself?" was seen in newspapers on both coasts.
• Liberty Hyde Bailey – focus on sustainability of farms.
• Edwin G. Nourse – focus on creating an industrial revolution in the country side
Vertical Integration in Food and Fiber Production Today

*Cargill/Monsanto

*ConAgra

*Novartis/ADM
Consumer Preferences

35% of North Central consumers purchased organic food in the past year.

35% purchased all-natural foods.

27% purchased both.

Of those who had not purchased organic or all-natural foods, 58% indicated they would if available.
Food attributes attractive to consumers:

* 66% said environmentally friendly

* 61% indicated made by a local company

* 59% of consumers said they would pay at least 10% more for products produced to support environmental integrity, local economy and family owned and operated farms and ranches
Chefs Collaborative Study

• Internet-Mail Survey - 2004
  ✓ 113 Respondents (32% Response Rate)

• Purpose
• Survey:
  ✓ Opportunities/Obstacles to Purchasing Local
  ✓ Is Purchasing Local Profitable?
  ✓ Locally Grown Products with Greatest Foodservice Potential
Is Purchasing Local Profitable?

Q. Purchasing locally grown food has had a positive impact on my foodservice establishment's bottom line profits?

<table>
<thead>
<tr>
<th>Agree</th>
<th>Strongly</th>
<th>20%</th>
<th></th>
<th></th>
<th>Somewhat</th>
<th>53%</th>
<th>73%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Disagree</td>
<td>Strongly</td>
<td>4%</td>
<td></td>
<td></td>
<td>Somewhat</td>
<td>22%</td>
<td>26%</td>
</tr>
</tbody>
</table>

n=81

University of Nebraska Food Processing Center
## Reasons for Purchasing Local

### Q. Why did your establishment *first* decide/continue to purchase locally grown food?

<table>
<thead>
<tr>
<th>Response</th>
<th>Why First Decided (n=88)</th>
<th>Why Continued (n=83)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Philosophy/Mission to Support Local Producers</td>
<td>59%</td>
<td>70%</td>
</tr>
<tr>
<td>Quality/Better Quality</td>
<td>27%</td>
<td>39%</td>
</tr>
<tr>
<td>Fresher</td>
<td>23%</td>
<td>25%</td>
</tr>
<tr>
<td>Enjoy Contact w/Producers</td>
<td>3%</td>
<td>20%</td>
</tr>
<tr>
<td>Customer Request/Expectations</td>
<td>0%</td>
<td>13%</td>
</tr>
<tr>
<td>Taste Better</td>
<td>0%</td>
<td>12%</td>
</tr>
<tr>
<td>Unique/Specialty Products</td>
<td>3%</td>
<td>12%</td>
</tr>
<tr>
<td>Seasonal</td>
<td>0%</td>
<td>6%</td>
</tr>
<tr>
<td>More Availability</td>
<td>2%</td>
<td>4%</td>
</tr>
<tr>
<td>Better Products</td>
<td>8%</td>
<td>4%</td>
</tr>
<tr>
<td>Better Price</td>
<td>0%</td>
<td>4%</td>
</tr>
</tbody>
</table>
Preferred Source of Purchase

Q. If given a choice, what is your establishment’s preferred source for locally grown food?

- Direct from a Farmer (Not Farmers Market): 57%
- Farmer's Cooperative (Not Farmers Market): 8%
- Food Service Distributor: 8%
- Farmer's Market: 5%
- Food Broker: 2%
- Local Manufacturer/Processor: 1%
- Other (n=84): 2%

(n=84)
WRDC Spring 2005 Symposium
Engaging Communities Through Entrepreneurship

March 30, 2005
8:30 a.m. – 5:00 p.m.
Taggart Student Center
Utah State University
Logan, Utah

To join the Symposium on March 30 by Internet (free of charge), visit

http://extension.usu.edu/entrepreneurship05
The Nebraska EDGE (Enhancing, Developing and Growing Entrepreneurs) is the umbrella organization for rural entrepreneurial training programs. In year 2000, the Nebraska EDGE began a partnership with the NxLeveL Training Network and the USDA Sustainable Agriculture Research and Education program to offer "Tilling the Soil of Opportunity: A Guide for Agricultural Entrepreneurs" to producers across the nation. We are currently working in partnership with numerous organizations to deliver this training for small and mid-sized producers who are considering or are currently operating a diversified, value-added agricultural operation. To date, over 20 states are using the "Tilling the Soil" curriculum to help their agricultural producers explore their innovative ideas.
Lessons Learned:

1. Identification of a local and regional market
2. Strong connection to local community
3. Focused business plan and market research
4. Stayed with a vision