So, you want to be a Farmer?!

How do you start a farm business?
What are the characteristics of a successful farm?
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Some sage advice form here and there (adapted from sources below) ...

- Start small
- Like-minded partners, mutual support are crucial
- A passion for growing --farming is a labor of love
- Physical ability --farming is hard work
- Knowledge is the key --education never stops
- Direct marketing is easier to get started
- Location close to customers is an asset
- Grow high value crops/value-added product(s)
- Off-farm work almost always needed to get started

- Set goals
- Identify your strengths and weaknesses
- Develop a business plan, write it down
- Surround yourself with a community of mentors
- Develop honest, fair relationships/partnerships
- Use limited finances on income-producing assets
- You don’t need to own land ...
- You need to control land
- Seek on-farm internships w/experienced mentors
- Work for other farmers
- Go on your own only when you are mentally and financially able

- Business Planning
- Market Research
- Choosing the Right Crops
- Start Small
- Diversification
- Documentation
- Knowledge is Power

- Work with your brain first, then your back
- Sweat equity is the lowest cost equity
- Listen to folks who have farmed for years
- Believe in and follow the KISS principle
- Find good in every bad
- Have fun! Love your life; breathe, let go...
- Remind yourself that this very moment is the only one you know you have for sure.

Five Keys to Success --Curtis Stone
- Season Extension
- Market high value crops
- Use the right tools
- No weeds
- Pay attention to detail

- A Healthy Body
- Organizational Skills
- Management Skills
- Business Savvy
- People Skills
- Life-Long Learner
- Analytical and Critical Thinking Skills
- A Mechanical Mind
- A Cool Head
- Learn About Farming
- Decide What Kind of Farm You Want
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Advice for beginning farmers …
from different perspectives … Notice the similarities:


1) **Set goals.** Figure out what you really want to accomplish in life and how your farm business can help get you there. Then write your goals down, review them, change them, and write them down again. Seek opportunities that move you toward your goals, not someone else’s.

2) **Identify your strengths and weaknesses.** What parts of farming are you good at—and not so good at? Be honest with yourself. Develop partnerships with others who have the skills you lack. Identify your competitive advantage(s)—such as particular talents, farm location or market opportunities—and capitalize on these strengths.

3) **Develop a business plan, and write it down.** The old adage is true: most businesses don’t plan to fail, they fail to plan. Put one foot in front of the other and walk in a direction that sets you up for success, one step and one financial commitment at a time.

4) **Surround yourself with a community of mentors** and others who care about your survival and success. Many who have successfully gone before you are willing to share their experiences and the valuable lessons they have learned. Treat this community of wonderful people as a precious resource.

5) **Work to develop honest and fair relationships and partnerships.** For both business and family relationships, seek to work with people who share goals similar to your own but offer different, complementary skills. In any partnership, make sure all parties are headed in the same direction and communicate, communicate, communicate. Always be gentle with the feelings and opinions of your loved ones. Without them by your side, little else matters.

6) **Apply your limited financial resources to purchase income-producing assets.** Do not overinvest in assets that rust, rot, and depreciate. If you spend your money wisely at first, you’ll be able to afford the comforts that you’ll want later, when you are older.

7) **You don’t need to own land to build a farm business, but you do need to control land.** A large mortgage can make it difficult, and often impossible, for a new business to have a positive cash flow. Rather than purchase land before you’ve built equity, set up your business so that you can control the land you farm, preferably with a longer-term lease. Develop a good relationship with your landlord. Spend as much time developing this relationship as you spend on any other farm business activity, before you sign the lease.

8) **Invest time in on-farm internships under the guidance of experienced mentors.** Intern on several farms, and plan to spend a few months at each farm. Internships are the single most beneficial activity an aspiring farmer can engage in. If you’re from a farm, you’ll gain valuable insights about new ways to solve familiar problems. If you’re not from a farm, you’ll come to understand the stamina, routine and problem solving required to farm, and you’ll have opportunities to ask questions while you learn all aspects of the business.

9) **Work for other farmers.** This experience can help you learn what you like and don’t like, and discover your strengths and weaknesses. When you have a grasp on your goals for the future, consider a long-term apprenticeship, with greater responsibilities, on a farm that fits your aspirations.

10) **Go on your own only when you are both mentally and financially able.** These days, only in rare circumstances can a farmer successfully start out by making a mortgage payment on purchased land. Consider partnering with an established or retiring farmer who may or may not be family. The established farmer might provide infrastructure and experience, while the start-up farmer offers passion and labor in exchange for pay and an increasing equity share.
A Healthy Body - Farmers spend long days standing, lifting, pulling and on-the-go, moving quickly from one task to the next. Some days you may spend all your time moving while other days you’ll spend hours sitting in a truck driving crops from city to city. Those days of sitting, while maybe a nice rest, can still wreak havoc on your body. On top of farming tasks being extremely strenuous, they’re often done in varying conditions such as intense heat, cold and rain that add to the stress. Plus, most farmers work insanely long hours and take few days off. Being as healthy as you can is important. If you’re engaged in unhealthy habits such having a poor diet, staying up all night, or drinking to excess, your body won’t easily handle the added stress of farming. Make sure you’re healthy going into this career.

Organizational Skills - If you never balance your checkbook and can’t locate your health insurance paperwork, organic farming will come as a crazy shock to your unorganized system. Farmers and especially organic farmers must keep all kinds of records accurately and regularly. From invoices to certification paperwork to warranties to taxes to labor contracts to payroll, you’re going to have all kinds of paperwork to keep organized. Misplacing files isn’t an option for organic farmers as it could lose you your certification. Later on, if organizing is getting to you, you can hire someone to do it for you, or at the very least invest in some good software. However, in the beginning, there’s a good chance you’ll be handling the paperwork, so it’s best to learn how to get organized now.

Management Skills - Even if you’re running a very small organic farm, with few people to manage, management skills will come in handy. Management skills can be used to keep yourself in check, allow you to manage your business associates better (such as agents and buyers), and of course, come in handy with the employees you have.

Organic Integrity - If you don’t have organic integrity, then you really shouldn’t get into organic farming. There are plenty of other jobs out there, and even lots of farming jobs you can do that don’t involve being an organic advocate. You should be entirely on board with organics, not just kind of lukewarm about it. Having organic integrity allows you to maintain organic certification, discuss organics better with customers, and maintain the industry as a whole.

Business Savvy - Growing crops and caring for livestock are important skills for sure. However, all profitable organic farmers also need business skills that go beyond practical farming skills. As an organic farmer, you’ll be dealing with banks and other financial issues, working with buyers and sellers, dealing with marketing and promotions and much more. You’ll be doing tasks like balancing and writing budgets, paying bills, hiring employees, keeping records, writing your organic business plan, building a company website, designing marketing materials and more. A lot of farming is practical (growing, harvesting, clean-up) but a fair amount of your time, at least until you can hire help, will be spent running the business end of things.

People Skills - Interpersonal skills are a big deal for most business owners, including farmers. Organic farmers have to work even harder than regular farmers on interpersonal skills because not all consumers know about organics. On top of that you’ll work with, and need to communicate with other farmers, ranchers, agricultural managers, certification agents, laborers, buyers and more. To thrive, you’ll need effective communication skills, the ability to debate nicely (organics can be a hot topic) and a willingness to be around people.

Lifelong Learner - If pursuing lifelong education and new experiences isn’t something you’re interested in, then farming may not be for you. Organic farmers can always learn new skills and update current skills. Learning can take many forms. Many farmers, ranchers, and agricultural managers train under more experienced farmers, but college training is becoming a norm as well. Universities offer plenty of opportunities to learn as do government projects, such as Beginner Farmer and Rancher Developer Program. Apprenticeships, books, conferences, classes, keeping current on organic trends, workshops and learning by doing are all great ways to stay fresh and remain knowledgeable, even as times change.

Analytical and Critical Thinking Skills - Almost anyone can learn how to grow crops or manage livestock, but good analytical skills are the difference between simply going through the motions and thinking issues through and doing tasks well. For example, in the ever-changing landscape of farming (literally and figuratively), an organic farmer will use comprehensive skills to monitor and assess the quality of their land, crops or livestock and to solve problems as they arise. As a farmer, you often must think on the fly, so great critical thinking skills are also key. For example, can you think your way around tough weather conditions appropriately? Excellent analytical and critical thinking skills will allow you to analyze the toughest situations, gather new information and formulate a plan that may be outside of the box. You won’t be able to solve every organic farm problem with a textbook.

A Mechanical Mind - Although mechanical knowledge isn’t entirely necessary for organic farmers, learning to become more mechanical minded is extremely useful and can save you money and time. Most farmers need some machine operation skills and especially those who are working on smaller farms where there’s not always someone else around to fix or operate complex machinery. Most farmers should take the time to learn about how to complete occasional routine maintenance on basic farm machinery.

A Cool Head - No matter how crazy it gets, a cool head and the ability to think and work under pressure are important. It is true of any successful worker or business owner, but as an organic farmer, you’ll not only face changing climates and long days but pressure from both the conventional and organic sides of the agriculture industry. If you can learn early on how to stay chill when the going gets rough, your mental and physical health will fare better in the long run.
Business Planning - A well thought out business plan is central to any new enterprise, and farms are no exception. The business planning process helps to understand who we are, what we want to do, the steps we need to take in order to get there, and the tools we need to engage in that process. A business plan is like a road map to farm success, and is essential for anyone who wants to build a profitable farm business. Business plans can also be essential for securing the necessary financing to fund farmland, farm infrastructure, and machinery costs. Lenders often ask to see a business plan before even considering a loan application.

Market Research - One common mistake some farmers make is planting crops without first conducting adequate market research. They simply assume there will always be a market for their produce. Others go with what they see their neighbors doing. They plant the same crops as those around them because they believe that’s what’s going to sell. The problem with such a move is that the market becomes saturated with one type of product, forcing farmers to compete by lowering their prices. If you want to succeed in farming, you need to find products that you can sell easily for the price you need to be profitable. Building relationships with customers before planning your crop is critically important. Likewise, keeping a record of what does and doesn’t sell, and understanding the profitability of each crop are critical for anyone who wants to build a profitable farm business.

Choosing the Right Crop - There are many factors to consider when choosing a cropping plan for your farm. Some of these are biological, some are ecological, and some have to do with the knowledge and equipment required for successful production. Many small farmers start with fast growing annual plants and then scale up to more complex perennial systems. Understanding what grows well in your climate and soil is essential, and can often involve a process of trial and error. Your marketing strategy will also affect the crop choices you make. Using enterprise budgets to understand the profitability of each crop you grow can be an invaluable tool in helping to choose the crops that are the best fit for your farm. Enterprise budgeting is also extremely important for the business planning process, and can help you to secure the capital you need to build a profitable farm business.

Start Small - Land and machinery represent large upfront costs that can be daunting and difficult to justify. Often, loans or financing are required to put up the capital before profits start coming in. If you don’t have the liquid cash, make sure to consult a financial advisor to help understand a realistic loan amount that will not drown you in debt. Many successful beginning farmers try to avoid debt as much as possible in the years before their farm becomes profitable. Starting small and scaling up is not often the impulse for new farmers, but it can be extremely useful in helping to avoid big mistakes. Pilot projects help us to understand what we are good at, what we need to avoid, and what we need to learn before we go big.

Diversification - Just like a stock portfolio, it is often helpful to diversify the type of crops that you grow on your farm. Diversification is especially important should your main crop require time to mature. Planting a variety of crops is like an insurance plan that hedges against catastrophic failure. If one crop us unsuccessful, there are likely to be many others that are successful. This can also be a way to find out what you are good at growing, what you like to grow, which crops are easiest to market, and which crops are the most profitable.

Documentation - Good documentation is the key to understanding what is and isn’t working for you, and improving your operation year after year. You’ll need to keep a record of all of your production practices so that you can avoid making the same mistakes over and over again. Farming is complicated and tasks shift constantly, so don’t make the mistake of assume that you will always remember in the future what you have done in the past. Financial documentation of revenues and expenses is also critical to understanding how to build farm profitability. Documenting your transactions will help you find inefficiencies that cut into your profit margin.

Knowledge is Power - In order to build a profitable farm business, you need to be curious and have the desire to learn more about your industry and take the necessary steps to do so. Conferences, newsletters, books, magazines, and other resources can be invaluable tools for helping you to build your knowledge and keep up with the latest research and techniques. Building relationships with other farmers is also useful. Learning from those who have already been successful in doing what you want to do tends to be the best way to avoid mistakes and find success in this business.
Learn About Farming - If you are still waiting on the perfect parcel of land, one thing you can do in the meantime is to learn more about farming. Read farming books and magazines on everything farming-related from how to choose the land to the proper way to raise sheep. See if you can find an on-farm job or internship to learn the basics of farming firsthand. Immerse yourself in the language and practices of farming by visiting farms and talking to small farmers who are doing what you would like to do. Learn all you can from other farmers.

Decide What Kind of Farm You Want - What appeals to you? Do you fancy a small farm business, hobby farm, or homestead? Dig deep and do some soul searching. If you want to make a living farming, then you likely want to start a proper small farm and look at running it as a business. If you are retired or have other income and just want to farm on the side, for fun, then you want a hobby farm. Homesteaders usually set a goal of living self-sufficiently, but also run small businesses from their homesteads as well.

Design Your Farm - Keep a notebook or computer file with notes and ideas as you read and talk to people about farming. What strikes your fancy? Do goats seem appealing as a potential farm animal? Do you like the idea of having a diversified farm, where you do a little bit of everything, or do you think you want to specialize in one item, perhaps an alternative crop or enterprise that is a bit off the beaten path? Allow yourself to dream. And, start making a design for a small farm.

Plan Your Small Farm Business - Starting a small farm might mean growing food for your consumption, or just giving extra vegetables and eggs to family and friends. But you will likely want to sell your farm products, whether at a farmer’s market, to restaurants, to local stores or regional distributors, to specialty food shops, or directly to consumers on the farm. There are many ways to launch the business part of your small farm. Take it one step at a time, such as writing a business plan, securing grants, marketing your business, creating a website.

Get Started - Once you have done all the planning, the next step is to get rolling with your small farm business. Take a look at how you can get your business off the ground with some starter ideas, such as starting a chicken broiler business, egg business, alternative crop, or pick-your-own farm.

10 KEYS FOR SMALL FARM SUCCESS By Bob and Bonnie Gregson

- Like-minded partners — mutual support is crucial.
- Organic growing — ethics and economics happily coincide.
- Keeping it small — a few acres are enough.
- A passion for growing — small farms are a labor of love.
- Physical ability — are you a willing worker?
- Ongoing education — knowledge is the key.
- Direct marketing — cut out the middlemen.
- Location close to consumers — nearby population is an asset.
- Value-added product(s) — two plus two can equal five.
- Off-season work options — have a backup skill.

The Three “C’s” of Successful Farms

---Karl Hakanson (see: projects.sare.org/sare_project/lnc04-239)
- Commitment - environmental stewardship is business excellence
- Community - no farm is an island
- Continual Improvement – Regulations are the starting point, not the end goal

... in other words, Dear Reader, thar’ be homework involved!