

Project Abstracts



LEOPOLD CENTER

Leopold Center
Marketing and Food Systems Initiative
And
Value Chain Partnerships Workshop

March 30, 2009

Gateway Conference Center

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The Marketing and Food Systems Initiative will:

- Research and test new marketing strategies and business structures that allow Iowa's small and midsize producers to retain more of the value for food, fiber or energy produced with high standards of environmental and community stewardship.
- Conduct research and education to address challenges that impede farmers and farmer networks from being equal partners with other players in food, fiber or energy-based value chains.
- Research and document economic, environmental and community impacts of local and regional food, fiber and energy value chains and best determine how farmers and other groups can use this information in their market messages to increase local/state investment in these enterprises.

The Value Chain Partnerships Project:

Fosters value chains that provide economic, social, and ecological benefits to Iowa farmers, communities, and landscapes.

For more information about the Leopold Center for Sustainable Agriculture's Marketing and Food Systems Initiative or Value Chain Partnerships Project, please contact:

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Pork Niche Market Working Group - The Pork Niche Market Working Group was formed in January 2002. Its mission is to foster successful niche pork value chains that are profitable to all participants, that incorporate farmer ownership and control, and that contribute to environmental stewardship and rural vitality. It meets quarterly and has secured over \$1.3 million for operations and 31 research and development projects. **Contact:** Gary Huber, PNMWG Coordinator, Practical Farmers of Iowa, 137 Lynn Ave. #200, Ames, IA 50014, gary@practicalfarmers.org, 515-232-5661, ext. 303.

Small Meat Processors Working Group - A discussion about small and mid-scale meat processing capacity. Formed in 2006, the Small Meat Processors Working Group brings together Extension, state agencies, producer groups, and processors to "help small, Iowa meat processors expand, upgrade or build new facilities in order to promote rural development and increase agricultural opportunities. In this session, we will discuss some of the undertakings of the working group and some key issues that continue to affect the small-scale meat processing sector, including: stronger linkages between processors and producers, seasonality and labor. **Contact:** Arion Thiboumery, North Central Regional Center for Rural Development (NCRCD), 109 Curtiss Hall, Iowa State University, Ames, IA 50011, arion@iastate.edu, 515-294-2882.

Grass-based Livestock Working Group - Social support and agriculture that is truly grassroots

The Grass-Based Livestock Working Group was created through a strategic investment by the Leopold Center for Sustainable Agriculture with the intent to facilitate peer learning, encourage adoption of best practices, and promote conservation among grass-based livestock practitioners and the outreach professionals who support them. We convened our first meeting in August 2008, and the working group continues to mature and evolve. We have initiated our first round of research and demonstration mini-grants in March 2009 as a response to our members' identified priority areas of need for information and research: cost-effective grazing systems, building grazing networks and educational teams, branding and product differentiation, and valuation of ecosystems services provided by grazing systems.

The Grass-Based Livestock Working Group exists to: Create a diverse and inclusive support network for grass-based farm and food businesspersons; promote innovation, conservation, and information-sharing in the grass-based livestock sector and help grass-based livestock agriculture realize potential ecological, economic, and social benefits. **Contact:** Andy Larson, ISU Extension Small Farms Specialist, 266E Heady Hall, Iowa State University, Ames, IA 50011, allarso1@iastate.edu, 515-294-5875.

Fruit and Vegetable Working Group - Formed in the fall of 2007, the Fruit and Vegetable Working Group has developed its mission to build production capacity, marketing capacity and financial capacity within Iowa's fruit and vegetable industry by taking actions that directly address identified constraints. The group holds two workshop meetings a year (spring and fall) and sponsors two field days during the summer months. The group also conducts targeted research in the areas associated with its mission. **Contact:** Malcolm Robertson, Leopold Center for Sustainable Agriculture, 209 Curtiss Hall, Iowa State University, Ames, IA 50011, malcolmr@iastate.edu, 515-294-1166 or Margaret Smith, 515-294-0887, mrgsmith@iastate.edu.

Regional Food Systems Working Group - A discussion about local food system efforts in six regions in Iowa. The Regional Food systems Working Group was formed in the fall of 2003 in order to better connect the local and regional food system work across the state of Iowa. It is one of five working groups in the Value Chain Partnerships project.

The Regional Food Systems Working Groups mission is to conduct research, supports education, and facilitates partnerships to increase investment and support of community-based, economically sustainable, and environmentally and socially responsible regional food enterprises and hold quarterly meetings with more than 20 organizations participating on a regular basis. Seed funding and other in-kind technical support are currently provided to six local food groups across the state

Contact:

Rich Pirog, Leopold Center for Sustainable Agriculture, 209 Curtiss Hall, Iowa State University, Ames, IA 50011-1050, rspirog@iastate.edu, 515-294-1854.

North Iowa Food and Farm Partnership (Black Hawk, Bremer, Benton, Grundy and Tama counties) Mission is to support the development of a local and regional food economy that positively impacts local farmers, consumers and businesses through education, collaboration, and economic development. **Contact:** Andrea Geary, University of Northern Iowa - Center for Energy & Environmental Education (UNI-CEEE), Cedar Falls, IA 50614-0293, andrea.geary@uni.edu, 319-273-2573.

Northeast Iowa Food and Farm Coalition (Allamakee, Clayton, Fayette, Howard, and Winneshiek counties) The Northeast Iowa Food and Farm Coalition has been formed to begin implementation of the strategic plan designed to build a stronger local food and farm economy in Northeast Iowa. The Coalition's mission is to support the development and marketing of locally grown agricultural products to enhance the lives of local citizens. **Contact:** Teresa Wiemerslage, ISU Extension - Allamakee County, 21 Allamakee St., Waukon, IA 52172, wiemer@iastate.edu, 563-568-6345 or Brenda Ranum, ISU Extension - Winneshiek County, 911 S. Mill St., Decorah, IA 52101, ranum@iastate.edu, 563-382-2949.

Southwest Iowa Farms and Food Initiative (Adair, Adams, Audubon, Cass, Montgomery, Pottawattamie, and Shelby counties) to provide networking for all components needed to increase the production and composition of locally grown foods in southwest Iowa. **Contact:** Keith Booth, Director of Resource Development, Wallace Foundation for Rural Research and Development, 53020 Hitchcock Avenue, Lewis, IA 51544, kbooth@iastate.edu, 712-769-2650.

Hometown Harvest of Southeast Iowa (Davis, Jefferson, Keokuk, Mahaska, Van Buren, and Wapello counties) Through cooperation, educating our community members about their food and utilizing good business practices, we are building a high quality of life, and a diverse healthy landscape to allow future generations to be self-sustaining. **Contact:** Detra Dettmann, Natural Resources Conservation Service/Pathfinders RC&D, 1805 West Jefferson, Fairfield, IA 52556, Detra.Dettmann@ia.usda.gov, 641-472-6177.

Northwest Iowa Regional/Local Foods System (Cherokee, Ida, Monona, Plymouth, and Sioux counties) **Contact:** Sherry McGill, ISUE - Woodbury County, 4301 Sgt. Rd, Sioux City, IA 51106, mcgills@iastate.edu, 712-276-2157.

Marshall County – COMIDA (Starting in Marshall County) **Contact:** Claudia M. Prado-Meza, 315 East Hall, Iowa State University, Ames, IA 50011, cmprado@iastate.edu, 515-509-4612.

Regional Economic Impact of Local Food Initiatives

The potential economic impact from regional food development, especially in so far as it serves local demand, is well established. The value of those opportunities varies across regions by virtue of overall regional population, prevailing cropping and animal production practices, and importantly, local organization and initiative. This presentation will provide preliminary findings for the basic economic impact potential of expanding local markets and considering neighboring market opportunities and will include a discussion of the factors promoting and inhibiting local foods development in Iowa and its regions

Contact:

Dave Swenson, 177 Heady Hall, Economics, Iowa State University, Ames, IA 50011, dswenson@iastate.edu, 515-294-7458.

Grinnell Petroleum Replacement Initiative (GAPRI) Phase 2

GAPRI Phase 2 sought to explore farm and community-based alternatives to large-scale biofuel production in order to reduce on-farm energy costs, and reduce emissions and dependence on fossil fuels. To make on-farm biofuel production viable for farmers, a model needed to be developed that took into account regional resources, roadblocks and regulations.

We focused on several objectives:

1. Making information available to farmer on the feasibility of on-farm bio-fuel processing and "de-mystify" production techniques.
2. Providing value-added options to farmers through on-farm energy production and track the progress of energy use, product viability and marketability.
3. Encouraging partnerships between farmers and local businesses to explore new opportunities and document the successes and obstacles.
4. Creating models for cost-effective and environmentally friendly farm-based production of biofuels and other bio-products.

We were able to establish a partnership with several local restaurants and farmers, set up a small-scale biodiesel processor, produce 500 gallons of good quality fuel, and track its usage. We compare individual producer as well as cooperative models, identify problems, and analyze hidden costs and potential secondary environmental impacts.

We found that on-farm energy production is a viable option for farmers, and that by including fuel production as part of their operation, they can reduce energy costs and environmental impact, strengthen relationships with local restaurants, and potentially add value to their produce.

Contact:

Rich Dana, National Center for Appropriate Technology, 833 4th Ave., Grinnell, IA 50112, rich@gotoplanb.net or rich@ncat.org, 319-530-6051.

Producer Machinery and Labor Sharing Arrangements

Cooperative strategies to purchase farm machinery, share labor, and capitalize on participating members' expertise are gaining popularity among small- and medium-sized farmers. Participants at three machinery and labor sharing arrangements workshops conducted in 2007 indicated interest in using resource sharing arrangements to aid in transferring farm assets to the next generation. Two case studies have been developed to illustrate how machinery and labor sharing arrangements might be used for intergenerational transfer of farm assets. To develop the case studies, producer groups that used machinery and labor sharing arrangements for intergenerational transfer were identified and groups that fit the project's criteria were contacted for face-to-face interviews. The case studies were designed to elicit information about: 1) structure of agreements, 2) governance and dispute resolution provisions, 3) daily operations, 4) planning techniques and record keeping, and 5) perceived benefits and disadvantages of using an arrangement. The case studies will be used for workshops later in 2009 and early 2010.

Contact:

Roger Ginder, Iowa Alliance for Cooperative Business Development and ISU Economics, 78B Heady Hall, Ames, IA 50011, ginder@iastate.edu, 515-294-6260.

Darren Jarboe, Center for Crops Utilization Research, 1041 Food Sciences Bldg, Ames, IA, 50011, jarboe@iastate.edu, 515-294-2342.

Practical Farmers of Iowa's Next Generation Program

"They say imitation is the greatest compliment," one PFI parent says. "Having our children desire to come back and farm with us is a validation of our lives."

Many of Practical Farmers of Iowa's early members now have children coming back to farm. Still others are transitioning their operations to non-family operators. There are many conversations that will need to happen to make these transitions succeed. What resources does the farming operation have? How much risk are the family members willing to take on? What are the family members' individual "needs and wants"? The questions go on and on.

In 2008, Practical Farmers of Iowa: 1. Held eight Next Generation events for farm families or farmer/apprentice matches; 2. Received coverage on 52 radio stations about the Next Generation programming; 3. Ran five articles about Next Generation issues in the PFI newsletter, each distributed to 850 people; and 4. Facilitated consultations with the Beginning Farmer Center for 20 families. Nineteen farm families or farmer/apprentice matches participated in the Next Generation program in 2008. All who returned surveys reported that communication had improved between the attendees and their partner in the next generation as a result of attending the PFI trainings. Helping families communicate with each other requires a welcoming environment, fun activities, and flexible scheduling, so that families are willing to come together to do this difficult but rewarding work.

Contact:

Teresa Opheim, Practical Farmers of Iowa, 137 Lynn Ave # 200, Ames, IA 50014,
teresa@practicalfarmers.org, 515-232-5661 ext. 302.

Latino Farmers and Local Multi-cultural Food Systems

The presentation will discuss progress in developing a farmer training program, a farming incubator, and a marketing system for local foods in Marshall County that incorporates both Latino and Anglo beginning farmers. From January to March 2009, 20 beginning farmers participated in an extension class on Start Your Own Diversified Farm at Marshalltown Community College (MCC) to prepare them to farm organic vegetables and fruits this summer. Instructors included MCC faculty, PFI and other small and diversified farmers, ISU Extension and outreach personnel, and Sustainable Agriculture students at ISU. To assess possible markets for these new producers, ISU sociology students, with the Marshalltown Chamber of Commerce, have conducted a survey of Latino and Anglo businesses to determine their willingness to buy locally-produced food.

Contact:

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MBA with Minor in Sustainable Agriculture degree option

In response to growing concern, business education has begun to address problems with sustainability in many industries. The Leopold Center for Sustainable Agriculture – in conjunction with the Iowa State University Graduate Program in Sustainable Agriculture, the College of Agriculture and Life Sciences, and the College of Business – has helped to develop the Master of Business Administration (MBA) with a minor in Sustainable Agriculture. The program integrates science and business and allows students to gain valuable skills, including the ability to understand and solve problems from a systems perspective. Individuals who have participated in the MBA/Sustainable Agriculture program have had the opportunity to work at the Leopold Center either as part of the Value Chain Partnerships team or with the Marketing and Food Systems Initiative.

Contact:

Nick McCann, Iowa State University Graduate Student, 209 Curtiss Hall, Iowa State University, Ames, IA 50011, nemccann@iastate.edu, 515-294-1712.

Karina Crosignani, Iowa State University Graduate Student, 209 Curtiss Hall, Iowa State University, Ames, IA 50011, karinac@iastate.edu, 515-294-1712.

Becky Rasmussen, Iowa State University Graduate Student, 209 Curtiss Hall, Iowa State University, Ames, IA 50011, rasmusra@iastate.edu, 515-294-1712.

U.S. Food Market Estimator

Understanding the market size of various food categories is fundamental to developing farmer marketing networks. The U.S. Food Market Estimator is designed to help users determine the potential demand, by county in the United States, for more than 200 different food items, including various dairy and meat products, fruit, vegetables and grains. This is an expansive tool, using data collected each year by the U.S. Department of Agriculture's Economic Research Service (ERS) Food Availability Data System.

Users select how they want results to be shown: by number of servings, pounds produced, truckloads transported, even cubic feet of warehouse space needed to store a particular product. Products can be shown individually, or as groups of products at key stages of the food supply chain. Results can be adjusted to reflect a particular market share, or the unit of measure changed from pounds to other units in order to suit a variety of needs such as number of servings, truckloads per day or cubic feet of warehousing needed each week.

Per capita rates of "food availability" (a proxy for consumption) were applied to 2007 county population estimates (from the U.S. Census) to identify county level market potential for each product. Capabilities were added to browse by category, assess under various units of measure, and prorate to daily, weekly and monthly time frames. The result is a website that producer networks, economic development groups, and policy makers from across the country can use to identify and assess local and regional food system volume demand (www.ctre.iastate.edu/marketsize).

Contact:

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Randy Boeckenstedt, Center for Transportation Research and Education, Iowa State University, 2711 S. Loop Dr. Ste. 4700, Ames IA 50011-1295, rboecken@iastate.edu, 515-294-7164.

Web-based Local Food Ordering Template

“Researching and Evaluating an Effective Web-Based Local Food Sales Template” was a two-year project to develop a web-based local food sales template, a computer program, that would help Iowa's food producers and buyers expand internet food sales. The template allows producers to move the internet from a place where consumers simply learn about how to contact producers, to a store that transacts business, manages inventories, arranges deliveries, and tracks consumers preferences for more efficient and cost effective business management. The project compliments Market Maker, which introduces producers to buyers, by taking that relationship a step further to help consumers purchase local food and producers broaden their markets and sell and manage their inventories. Unlike statewide food internet sites that arrange monthly delivery of frozen or nonperishable food, the template developed through this project allows producers and producer groups to control their own on-line store where they sell their fresh, frozen and processed food products and manage bi-weekly or even more frequent delivery to consumers and institutions. The template was developed with input from producers and buyers at a series of meetings across Iowa

as well as through trials by three producer groups. Use of the template will expand and strengthen Iowa's local food system by encouraging and supporting expanded internet food sales and more efficient operations. The template and instructions will be available for download from the Leopold Center web site by May 2009.

Contact:

Lora L. Friest, USDA/NRCS, RC&D Coordinator, Northeast Iowa Resource Conservation & Development Inc., PO Box 916, Postville, IA 52162, lora.friest@ia.usda.gov, 563-864-7112.

David Reisner, Agrestic Software, 7418 Beechwood Drive, Urbandale, IA 50322, dreisner@AgresticSoftware.com, 515-238-0811.

Show Me the Money in Grazing and an Organic Dairy Farm

Young dairy producers are hesitant to enter the dairy industry due to uncertainty if they can make a profit working a reasonable number of hours on a grazing dairy farm. This project aims at providing financial data to assess the profitability of grazing dairies and an organic dairy that will assist beginning producers to be confident in entering the dairy industry.

Five grazing dairies and one organic dairy participated in a data collection study. Each farm prepared a Dairy TRANS financial analysis in 2007. These five farms shared financial data except debt load and interest payments, and the interest costs were accounted for by charging all the assets at the same interest rate whether the producer or the bank provided the funds for the asset.

The five grazing dairies and the organic dairy proved that dairying was profitable in 2007 to a level satisfactory to most dairy and other families. This data was collected and published in a fact sheet. Management Intensive Grazing can be quite profitable for dairy families in Iowa.

Contact:

Larry F. Tranel, Dubuque County Extension Director and Dairy Field Specialist, Iowa State University Extension, 14858 West Ridge Lane, Dubuque, IA 52003-8466, Tranel@iastate.edu, 563-583-6496.

Profitability in Meat Goat Enterprises

The rapid growth of meat goats in Iowa was confirmed with the 2007 Census of Agriculture. There were 1,793 farms with 32,901 goats on inventory in 2007 compared to 813 farms with 9,666 goats in 2002. Lyon and Sioux counties recorded the most farms and goats sold. Lyon County had 26 farms with an average inventory of 31.5 head and Sioux County had 36 farms, averaging 52 head. The Iowa average is only 18 head per farm and the other top Iowa meat goat counties were those that have a meat harvesting facility or a large metropolitan area.

Iowa meat goats sell for more money per pound than any other typical livestock enterprise. This income is not sufficient to cover the entire cost of production in most cases. It is difficult to determine if the meat goat enterprise is profitable or sustainable without good records and budgets. The local meat goat market has declined due to the weak economy and increasing unemployment. The high feed cost has drastically increased the cost of production. The skyrocketing transportation cost to large harvest facilities out-of-state has significantly reduced profitability. Marketing alternatives are still a major concern. The small number of goats on inventory per farm makes it easy to exit the operation. A 2009 survey indicates one third of the producers attending a meat goat education meeting in the last three years have exited the meat goat business. Typical problem areas identified include high feed cost and miscellaneous expenses, low kidding percentage and net market price.

Contact:

Dennis L. DeWitt, ISU Extension Livestock Field Specialist, 1600 15th Street, Spirit Lake, IA 51360-2106, dewitt@iastate.edu, 712-336-3488.

Tom Olsen, Iowa State University Extension, Agricultural Business Field Specialist, 620 Park Avenue, Sac City, IA 50583, tolsen@iastate.edu, 712-662-7131.

Daniel Morrical, Iowa State University Extension, State Livestock Specialist, 313 Kildee Hall, Ames, IA 50011, morrical@iastate.edu, 515-294-2904.

Iowa Agritourism

Agritourism provides consumers with an educational or recreational experience that usually involves the purchase of locally grown food products. Demand for purchasing food directly from the farm is growing and farmers in earlier surveys have indicated a need to know more about how to market their food and agritourism products. Consumers are looking for ways to purchase locally grown food and to learn more about how that food is raised. Agritourism provides consumers with locally grown food available directly on-farm, and enhances the educational experience of food production.

This project provides organizational coordination to the state's agritourism industry, collects research to assist in the marketing and promotion of Iowa's agritourism, offers marketing outlets and education in developing marketing strategies and plans for their business. An economic impact study is being conducted by ISU economics professor, Dan Otto. Marketing workshops and educational opportunities have been provided in several venues, reaching hundreds of participants. One of the findings of this project was that the group needed a central place to register their agritourism operation, so a web site, www.VisitIowaFarms.org was developed that currently has over 200 registered agritourism enterprises. An association is being developed and marketing of the Visit Iowa Farms web site is taking place at welcome centers around the state.

Contact:

Marsha Laux, Agricultural Marketing Resource Center, 1111 NSRIC, Iowa State University, Ames, IA 50010, mlaux@iastate.edu, 319-796-4362.

Pottawattamie County Farm to Fork

In recent years there has been a surge of interest in local foods in southwest Iowa; however, there are too few growers in the region. More people would like to purchase local food, but there is not enough supply to meet the demand. A group of local food champions laid the groundwork for the initiative by engaging with elected officials and the public through a series of news articles, meetings and information on the economic benefit of local food. Next, they developed a regional strategic plan and county strategic plans which illustrated the need for dedicated staff to carry out many of the items. Funding has been secured for four years to hire a full-time coordinator to carry out the strategic plan's scope of work.

We do not have results at this time; however, we expect an increase in the number of growers and local food users, and an increase in the local food economy. The project's premise suggests that increasing the number of growers and facilitating connections between growers and vendors will lead to a healthy local food economy. We have begun the process of establishing Local Food Policy Councils in eight to ten counties in southwest Iowa.

Contact:

Shirley Frederiksen, Golden Hills RC&D, 712 S. Hwy 6, Oakland, IA 51560, shirley@goldenhillsrccd.org, 712-482-3029

I-Food: The Iowa Valley Local Food Experience

The Iowa Valley Resource Conservation and Development began coordinating efforts among key leaders and food system stakeholders in the Iowa Valley Region (Benton, Iowa, Johnson, Linn, Poweshiek and Tama counties and the Meskwaki Settlement) in 2002. This effort, begun at the urging of local food producers and consumers, led to the formation of the Iowa Valley Regional Food Initiative in January 2007. With funding from the Leopold Center and other partners, the Iowa Valley Regional Food Initiative worked diligently to address regional food concerns, develop a draft local food system strategic plan, and provide the impetus to develop an innovative food and agriculture park facility in the Cedar Rapids/ Iowa City corridor.

Contact:

Christine Taliga, Iowa Valley RC&D Coordinator, 920 48th Ave., Amana, IA 52203, christine.taliga@ia.usda.gov, 319-430-5955

Expanding Leadership in the Food Economy in Black Hawk and Surrounding Counties

The local food work in Black Hawk County began 12 years ago with a grant from the Leopold Center and much volunteer work. The move from a single leader of this work to the Northern Iowa Food & Farm Partnership has been very positive and has produced results. Now the support and leadership for the work is distributed among many leaders and practitioners. Involving many more institutional food buyers, investing in the development of a farmer distribution network, fostering leadership in public schools and local governments have been some key accomplishments to be discussed in this workshop.

Contact:

Kamyar Enshayan, University of Northern Iowa - Center For Energy & Environmental Education (UNI-CEEE), Cedar Falls, IA 50614-0293, kamyar.enshayan@uni.edu, 319-273-2573.

Iowa Food Cooperative

Viable distribution options are needed that will provide sufficient numbers of good customers so Iowa farmers can profitably sell products. The project examined the Oklahoma and Nebraska Food Cooperatives for information on operational procedures, organizational structures, volumes of product moved, problems encountered, and keys to success. It conducted market research to estimate the numbers and locations of consumers likely to participate, as well as to determine the optimal product mix, preferred attributes, and potential sales volume for each product. It estimated potential supplies available for distribution, and developed estimates of the costs that would be involved.

The Iowa Food Cooperative was incorporated in July 2008. It uses an online inventorying and ordering system with distribution once-a-month at its initial distribution location at Merle Hay Mall in Des Moines. About 70 percent of its 179 members are consumers and about 30 percent are farmers. It launched its operations in the fall of 2008, and since then about \$17,500 of product was purchased by nearly 109 consumer members from 34 producer members. The Iowa Food Cooperative works, and plans are being developed to expand to other areas in Iowa.

Contact:

Gary Huber, Practical Farmers of Iowa, 137 Lynn Ave # 200, Ames, IA 50014, gary@practicalfarmers.org, 515-232-5661, ext. 303.

High Tunnel Distribution Models

The interest in incorporating high-tunnel production into farming operations in Iowa is growing rapidly. This interest was confirmed during High Tunnel workshops held by the ISU Extension in 2006. Simultaneously, an interest in extending the growing season for high-value crops was expressed by food distributors in interviews conducted for the Leopold-sponsored *Bridging the Gap* project. The "Tunnels to Tables" project examined yield potential, profitability, and market distribution options that will help determine how this industry will integrate into new or traditional farming operations in order to meet the growing demand for local and regional foods.

Utilizing high-tunnel facilities at the ISU Armstrong Research Demonstration Farm and the ISU Horticulture Research Farm, production models and budgets were developed for a variety of fruit and vegetable crops during both years of the project. The project also developed a preliminary feasibility review of three market distribution models, highlighting the advantages and constraints associated with each. Producer workshops were held to distribute production and feasibility findings and to discuss producer marketing strategies.

The high tunnel project clearly identified that there is potential profitability but it comes with a whole new set of management issues. The success of a high tunnel enterprise requires careful planning and a clear business strategy for success. Participants in the project and workshops clearly indicated that high tunnel technology offers a realistic alternative to adding additional income to existing farm operations; or it can serve as an affordable enterprise for new or beginning farmers

Contact:

Raymond Hansen, Value Added Agriculture Program, 1111 NSRIC Bldg, Iowa State University, Ames, IA 50011, hansen@iastate.edu, 515-294-3890.

Food Processing and Distribution Feasibility in Northwest Iowa

Western Iowa has experienced increased interest from consumers and producers to provide consistent and dependable year long supply of locally produced food. This study is a detailed look at the possibilities and barriers to providing local food to area consumers through cooperative processing and distribution efforts. Extensive surveys and interviews with several specialty food growers, area food distribution businesses and existing meat processing facilities provided a baseline of the current local food inventory and distribution system. Additional data was collected from the USDA Census and other available resources to create spreadsheets of production and income potential. The investigation reveals several factors regarding the local food system in western Iowa. Local food producers are marketing their products directly to the consumer utilizing farmers markets, community supported agriculture and direct on-farm sales. Local food producers are cautious or cannot afford the high start-up costs of a processing facility and are skeptical of a cooperative type approach to establish a processing facility. The demand for a local food system is sufficient to warrant a cooperative approach to establishing a facility, but price is a major issue with institutional and large volume customers. Recommendations to continue local food system development in Western Iowa are creation and implementation of consumer education programs to increase awareness; community supported farmers markets with focus on dependable availability of local foods during the growing season; education programs to promote producer skills and cooperative marketing techniques and develop cooperative branded marketing campaigns to serve the expectations and financial requirements of the producer and the customer.

Contact:

Pat Garrity, 1505 Jo Lane Drive, Yankton, SD 57078, garrity@iw.net, 605-660-1034.

Building a Web-based Farmer Business Network: Is It as Easy as They Say?

Our project was to focus on launching and building a dynamic statewide farmer web-business network with 150 members whose major business is to produce specialty farm and food products. Our concept was built around Iowa specialty producers as they conduct their farm businesses, by supporting them with information and business tools to help them be more economical and financially profitable. In 2008, the Grow Your Small Market Farm Network Planning Group met several times to develop a new logo and launch the new web site "GrowMarketFarm.com".

We learned that while the web seems familiar to all of us and we use it on a daily basis, this may tell us absolutely nothing about crafting and creating a new web site. What we believed would take six months, took an entire year and forced us to scale back our ideas to get the site up and running. Setting up a dynamic member web site takes at least \$20,000 dollars in the first year, identifying all the necessary elements and products of your web site takes foresight and planning and finally, learning the language of the web enables you to take full advantage of this dynamic educational tool.

Contact:

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Kelli Miller, 2020 370th St., Osage, IA 50461, kmiller70@osage.net, 641-732-4915 or 641-583-3925.

New Farmer Jump Start Project

There is presently a lack of local food producers to meet the demand of the community's retailers and institutions for local foods. The grant provides technical and financial assistance for a new producer to grow and market food items to local retailers and institutions. Information gathered will be utilized to assist other new producers to increase capacity of local food production to meet community demand.

The project helped identify obstacles and opportunities related to production and marketing in a community food system. Weather, management and labor were all factors challenging the profitability for the producer. Acceptance by the community institutions was encouraging. There was a willingness to engage in commerce with the producers without formal contracts but with an ongoing open line of communication. The conversion from noncommercial to commercial food production is a very large step. There are significant issues involving capital investment and the management skills required to realize a reasonable return on that investment. It is critical that this transition be properly evaluated, and it would be best served by creating a formal business plan prior to the launch of the business.

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Iowa MicroLoan: Eligibility, Application and Procedure

The problem area we are addressing with our program is that of making credit available to foster entrepreneurship to those that cannot participate in the conventional credit markets. There appears to be a significant gap that exists in many cases between credit that is available and those that wish to start a business. Microenterprise nationwide constitutes the vast majority of all businesses. Without credit to feed this segment, our economy nationwide and Iowa in particular will be hobbled.

The Iowa Foundation for Microenterprise and Community Vitality was founded based on the need identified above. Known as IowaMicroLoan, it exists solely to provide microcredit to those entrepreneurs who otherwise would be locked out of other credit markets. The board of IowaMicroLoan consists of representatives scattered across the state who bring various business, education and philanthropic backgrounds to help us in our mission and direction.

We are finding that a gap surely does exist. We are finding that there is a large and growing need for microcredit. As conventional lenders increase their lending standards in response to the current economy, the Target population grows for our program. We are focusing on loans of \$5,000 - \$35,000 for start up or refinances of businesses with five or fewer employees that can demonstrate they have been denied credit from a traditional source. Our goal is to deal with clients that cannot qualify for a financial institution loan, work with them and help them be credit healthy enough to migrate back to a traditional lender. We will not only use credit to assist our clients, but just as importantly, see that technical assistance is provided to the clients so as to help improve their financial health.

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