

Keeping Your Farm Profitable and Safe in COVID for 2021

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How are you doing?

**Did COVID influence your operation?
How and what happened?**

Let us use a new business model
to respond to COVID challenges

Multifunctional Agriculture

How is it different from **diversification**?

Is it a good strategy for me to improve
profitability?


Why is it important to understand Multifunctional Agriculture?

- Find new evidence of increasing number of small farms participating in multifunctional agriculture.
- Need to understand strategies, challenges, needs, and implications for rural development and entrepreneurship linking to multifunctional agriculture
 - **turn farmers into farm entrepreneurs**

Diversification versus Multifunction

- **Diversification**
 - Production oriented
 - Vertical diversification
 - Horizontal diversification
- **Multifunctional Agriculture**
 - Production, management, and marketing
 - Resource oriented
 - Service and benefit beyond offering traditional food and fiber

Definition of Multifunctional Agriculture in Our Research Funded by USDA NIFA 2011-2015

 **Agritourism (Broadening)** – pick your own, recreation service, entertainment, bed and breakfast, tour, and educational workshop.

 **Value added production (Broadening)**

 **Direct and intermediary sales (Deepening)**

- institutions (schools, hospitals, government agencies)
- Community Supported Agriculture (CSA)
- farmers' markets and farm stands
- wholesale venues, large grocery chain stores (Wal-Mart, Kroger, Price Chopper, etc.), and producer/consumer cooperatives.

 **Off farm income (Re-grounding)**

The Easiest Way to Think about Multifunctional Agriculture

- **Use what you already have**
- **Grow something that serves multiple purposes
(cover crops examples)**
- **Do what you enjoy to do the best**
- **Decide what not to do to save time and money**



Production Diversification



Vertical Diversification



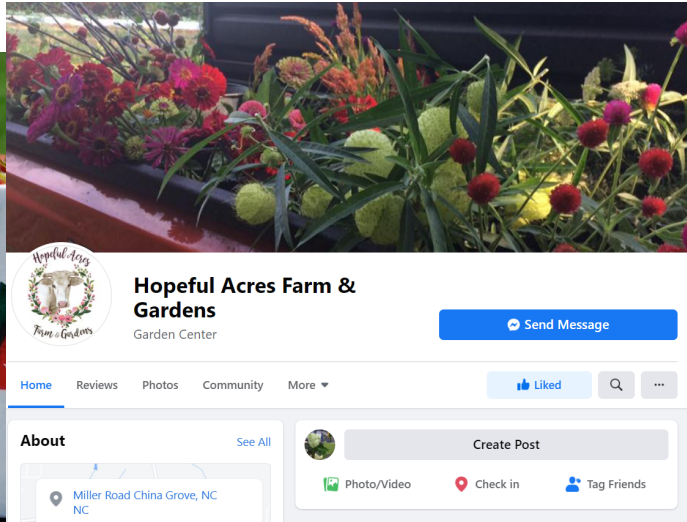
Farm → Harvest → Handling → Distribution

Horizontal Diversification



Multifunctional Agriculture

Virtual Order in Zoom



Virtual Trip in Zoom



Commitment to the MFA

contribution to People, Place, and Prosperity

- *“I had a fulltime job, and I am still a farmer. It is a great way to build my retirement lifestyle to be a farmer.”*
- *“Our farm is a farm, but we focus more on teaching people how to grow certain things. We want to educate others and help other farmers to succeed.”*
- *“I want to work with other farmers to build a stronger network for farmers to link with other people and organizations in our community. Our farm is very small, but we have a bigger vision to contribute to our community.”*
- *“We do not sell much of our farm products. But our farm offers seed and pollination services to others. We also give away compost to others. Our services count more than farm income.”*

What is Best for Me during COVID-19?

- **Balance lifestyle, personal and family satisfaction, profitability, and sustainability.**
- **Access to labor**
 - Skill and knowledge training for labor
 - Guest labor
- **Access to technology, financing and capital**
 - Borrowing power
 - Cash reserves and savings
 - Investment planning
- **Access to market and customers**
 - Location
 - Advertising and promotion

Creative Strategies during COVID-19

- **Work with other farmers and partners**
 - Treat competitors as friends, not enemies
 - Focus on win-win-win attitude

Are we all selling the same things?

Can we differentiate our products?

Is it really bad to lose money?

What makes me and my products special?

Are we setting price against larger groceries?

What can we do to showcase quality?

Can our customers count on us?

Let's teach people something new → Education and Promotion



Large sign and clear label
Attractive display
Convenience for shopping
Explain how to use/cook
Explain how to care
Photos of samples

Happy and positive
Be Interactive
Be patient
Be strategic
Be diplomatic
Tell your story

Keep clear, consistent, and meaningful records of everything!