Training the Next Generation of Farmers in the Sierra Nevada Foothills: Lessons Learned

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Outline

• Agricultural Context: Placer & Nevada Counties, California
• UCCE Placer/Nevada beginning farming training
• Survey results
• Lessons learned
Agricultural Situation: Placer & Nevada Counties, California

- Small-scale commercial family farms & ranches
- Mixed operations, most less than 20 acres
- Crops include tree & vine fruit, vegetables, ornamentals
- Livestock include cattle, sheep, goats, poultry, swine, etc.
- Most production is direct-marketed
- High land and production costs
- Achieving an economically viable scale is a challenge...
UCCE Beginning Farmer Training

• Started in 2004 in response to clientele needs
  – Most beginning farmers have little ag experience
  – Need information, training, mentoring

• Focus on business and marketing
  – 20-hour Beginning Farming Academy (BFA)
  – 24-hour Farm Business Planning (FBP)
    (1-3 years after BFA)

• On-farm production and husbandry workshops offered separately

• Provide mentoring for 1 year
• Farmer-to-Farmer breakfasts

2010-2015, funded in part by RMA
2014-2016, funded in part by ERME
Key Training Elements

- Collaborative training team with producers
- Small training classes that allow for peer-to-peer feedback
- Reality-based, with producers providing real world experience
- Focus on economics & marketing
- Complementary on-farm training builds skills
- Build community among producers
- Consider challenges beyond the beginning
Training Surveys

- Conducted on-line surveys of 2008-2014 participants in
  - Beginning Farming (BFA) (surveyed 2012, 2014)
  - Farm Business Planning (FBP) (surveyed 2014)

<table>
<thead>
<tr>
<th>Training &amp; Survey Date</th>
<th>Graduates</th>
<th>Usable e-mails</th>
<th>Response</th>
<th>Response %</th>
<th>Still farming</th>
</tr>
</thead>
<tbody>
<tr>
<td>BFA 2012</td>
<td>208</td>
<td>140</td>
<td>34</td>
<td>24.3%</td>
<td>26</td>
</tr>
<tr>
<td>BFA 2014</td>
<td>175</td>
<td>144</td>
<td>56</td>
<td>38.9%</td>
<td>42</td>
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<tr>
<td>FBP</td>
<td>65</td>
<td>56</td>
<td>30</td>
<td>53.5%</td>
<td>28</td>
</tr>
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</table>

- Goals:
  - Assess the value of the training in terms of what skills/tools are most used by farmers
  - Assess impacts of the training on farm profitability
## Survey Demographics

### Beginning Farming Survey 2012, 2014

<table>
<thead>
<tr>
<th></th>
<th>n = 90</th>
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<tbody>
<tr>
<td>Age</td>
<td></td>
</tr>
<tr>
<td>&lt;40</td>
<td>34%</td>
</tr>
<tr>
<td>40-60</td>
<td>51%</td>
</tr>
<tr>
<td>&gt;60</td>
<td>15%</td>
</tr>
<tr>
<td>Gender</td>
<td></td>
</tr>
<tr>
<td>Female</td>
<td>47%</td>
</tr>
<tr>
<td>Male</td>
<td>53%</td>
</tr>
<tr>
<td>County</td>
<td></td>
</tr>
<tr>
<td>Placer/Nevada</td>
<td>59%</td>
</tr>
<tr>
<td>Other CA</td>
<td>35%</td>
</tr>
<tr>
<td>Other state</td>
<td>7%</td>
</tr>
<tr>
<td>Crops</td>
<td></td>
</tr>
<tr>
<td>Fruit</td>
<td>67%</td>
</tr>
<tr>
<td>Veg</td>
<td>75%</td>
</tr>
<tr>
<td>Livestock</td>
<td>20%</td>
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</table>

### Farm Business Planning Survey 2014

<table>
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<tbody>
<tr>
<td>Age</td>
<td></td>
</tr>
<tr>
<td>&lt;40</td>
<td>50%</td>
</tr>
<tr>
<td>40-60</td>
<td>36.7%</td>
</tr>
<tr>
<td>&gt;60</td>
<td>13.3%</td>
</tr>
<tr>
<td>Gender</td>
<td></td>
</tr>
<tr>
<td>Female</td>
<td>43.3%</td>
</tr>
<tr>
<td>Male</td>
<td>56.7%</td>
</tr>
<tr>
<td>County</td>
<td></td>
</tr>
<tr>
<td>Placer/Nevada</td>
<td>86.7%</td>
</tr>
<tr>
<td>Other County</td>
<td>13.3%</td>
</tr>
<tr>
<td>Crops</td>
<td></td>
</tr>
<tr>
<td>Fruit</td>
<td>58.6%</td>
</tr>
<tr>
<td>Veg</td>
<td>79.3%</td>
</tr>
<tr>
<td>Livestock</td>
<td>20.7%</td>
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Beginning Farming Survey Results

Three most important things learned

• Marketing skills/information 60%
• Production Planning/Crop selection 54%
• Economic/Financial Planning 51%
• Knowing what is realistic 46%

Information used most in operation

• Market research 78%
• Resource assessment 72%
• Understanding production costs 69%
Farm Business Planning Survey Results

Information/skills used most in operation
- Cash management & recordkeeping 66.7%
- Enterprise analysis 64.3%
- Operations planning 50.0%

Most important changes to business
- Production or Enterprise 78.6%
- Financial Analysis/Recordkeeping 75.0%
- Marketing 42.9%
- Financial Management 39.3%
**Farm Business Planning Survey Results**

Which records do you keep?

<table>
<thead>
<tr>
<th>Records kept</th>
<th>% Pre</th>
<th>% Post</th>
</tr>
</thead>
<tbody>
<tr>
<td>Profit and Loss</td>
<td>63.0%</td>
<td>96.3%</td>
</tr>
<tr>
<td>Cash Flow</td>
<td>38.5%</td>
<td>96.2%</td>
</tr>
<tr>
<td>Marketing Costs</td>
<td>31.8%</td>
<td>95.5%</td>
</tr>
<tr>
<td>Production</td>
<td>51.9%</td>
<td>92.6%</td>
</tr>
<tr>
<td>Time &amp; Motion</td>
<td>26.7%</td>
<td>86.7%</td>
</tr>
</tbody>
</table>
Beginning Farming Survey Results:

Does your farm generate a profit?
- No - 80%
- Yes - 20%

Why is your farm/ranch not profitable?
- Just Starting: 37%
- High Costs: 27%
- Not Enough Time: 15%
- Scale: 12%
- Not Enough Production: 9%

- 2012 Census of Ag: 24.8% of all P/N farms profitable
Profitability

- Yes - 60.7%
- No - 39.3%

How has the profitability of your business changed?

- Stayed the same: 54%
- Increased: 38%
- Decreased: 8%
- I don't know: 0%
Challenges and Lessons Learned

- Building to a profitable scale is difficult
- Constraints include:
  - high cost of labor
  - lack of capital
  - ag infrastructure
  - adequate contiguous irrigated land for livestock
- Finding efficiencies is key to profitability - labor, production, marketing, etc.
- Diversification does not increase profitability on a small-scale.
- Full-time income vs. necessity of off-farm income
- $150,000 to $220,000 gross income to meet median income ($34,000)
Thanks to our partners …

- Producers: Allen Edwards, Dan Macon, Jim Muck, Molly Nakahara
- Roger Ingram, UCCE
- Trina Filan, UCCE
- Foothill Farmers’ Markets Manager, Carol Arnold
- Western Extension Risk Management Education
- USDA Risk Management Agency

And thank you!