

# Entrepreneurial Farming in Ohio

*The following is summarized with permission from a report entitled Entrepreneurial Farming: Part of the Plan for Prosperity in Northeast Ohio. The purpose of the report is to argue that agriculture, and specifically small-scale entrepreneurial farming and market gardening, has a vital and long-term role in Northeast Ohio's quest for economic prosperity. The report was published by the Farmland Center and written by Mary K. Holmes in the fall of 2005. For a copy of the full report, go to [www.thefarmlandcenter.org](http://www.thefarmlandcenter.org) or call 330-657-2355.*

A “Quiet Revolution” is occurring across the nation regarding food production and consumption, and Northeast Ohio is on the leading edge of that movement. Consumers are gradually becoming aware of the flavor and quality of locally grown products, and learning about the nutritional value of foods like free-range eggs, grass-fed beef, and vine-ripened fruits. A new entrepreneurial spirit among farmers is creating a group of producers who are abandoning the “get big or get out” mantra of the last 60 years to follow a passion and create a new farming business. Together, these consumers and farmers are fueling the growth of farmers markets and other direct marketing methods that have the potential to transform this region.

Northeast Ohio has a rich agricultural history, but in the past 50 years the area has lost thousands of acres of prime farmland to development. Since the 1980s, there have been rapid population shifts out of urban areas into suburban and rural areas. While the shifts have created tremendous wealth for some, the costs to the community at large have been high in terms of environmental impact, inefficient distribution of public services and loss of high-quality farmland. According to studies by the American Farmland Trust, a majority of fruits, vegetables and dairy products are produced in the U.S. by farms located in areas threatened by development. In Northeast Ohio, most rural counties have their best farmland in the path of development.

Urban sprawl and loss of farmland are two sides of the same coin.

In planning for long-term health and prosperity for Northeast Ohio, small-scale family farming as an entrepreneurial business enterprise must be preserved and encouraged because:

- The area has unique soils and microclimates well-suited to production of a diversity of unique foods;
- Successful small-scale farming businesses slow urban sprawl and help rural areas prosper;
- Local food systems are efficient and sustainable ways to use land and natural resources;
- Sustainable farming practices preserve soils, habitats and food and plant diversity;
- Local food systems improve nutrition and quality of food for consumers;
- Small-scale food production and marketing enhance quality of life and promote civic engagement;

- Local food systems improve the revenue and employment multiplier effects for agriculture;
- Working farmlands offer opportunities for developing other businesses, such as travel-related industries;
- Working farms close to cities contribute to quality of life for residents.

In a survey done by Ohio State University, half of the Ohio respondents indicated a willingness to pay 10 percent more for locally grown foods. What many Ohioans may not realize is that locally grown food can be hard to come by. Over the last 30 years, Ohio's agriculture – like that of the nation – has changed from a local food system to a commodity production system where corn and soybeans account for roughly 60 percent of agricultural production in the state. Most food for local consumers comes from California, Florida, New Jersey, Canada, Mexico, New Zealand and even China. This shift to commodity farming has had a negative economic impact that gets little attention, except to fuel the idea that farmers cannot make a living farming. But the new and growing demand for locally grown foods offers hope to entrepreneurial farmers who are ready to reinvent retail farming, stay on their farms and keep prosperous farming part of our future.

In conventional, industrial agriculture, it's difficult for farmers to stay on the land. Industrial farming applies mass production models to produce vast quantities of “cheap” food. For the most part, the product of the farm is an input, the first step in a long line of processes that include packaging, transportation and marketing. The farmer, on average, gets only a small percentage of the total dollar paid for the product. This type of farming is a low profit margin, high volume business.

Nonindustrial agriculture is alternatively referred to as small-scale, retail or entrepreneurial farming. It is founded on the idea that the farm products, are, for the most part, the final product of the process. This fact requires a focus on the health of the soil and a diversity of products. Small-scale farming is more labor-intensive than capital intensive. Since the farm product is most often sold directly to the consumer, the keys to success are quality, freshness, flavor, ripeness and season extension with product variety. Rather than “yield,” which is how much of a single crop can be harvested from an acre, the relevant measure in small-scale farming is total agricultural output per acre. Small-scale farms, by this measure, greatly out-produce industrial farms and farmers can earn a much higher percentage of the food dollar. Entrepreneurial farming is a high profit margin business.

The following are examples of Ohio farmers who have embraced entrepreneurial farming for the betterment of their families, their communities and their environments.

**Covered Bridge Gardens** – Steve Prochko is a fourth-generation farmer in Ashtabula County. He planned to return from college and work on his family's farm to milk cows, but after learning about the potential in market gardening, he convinced his parents to start selling products at markets. The farm now generates about 85 percent of its revenue from what the Prochkos call “retail farming.” Retail farming has allowed this family to get out of dependence on commodity farming, and it has given Steve a way to return to the family farm.

**Carmel Hill Farm** – When Michael and Amy Courtney arrived in Cleveland in 1995, they could have been poster children for the new technology economy that many hope for in Northeast Ohio. Both have PhD's. in scientific fields. But the couple decided to live out their dream of country life and they built a successful farming business over the past 10 years. The Courtneys carefully track margins on all their products. “One of our guiding principles was not to go into debt,” Amy said. They raise natural fed beef and are able to

average more than \$2 a pound, hanging weight. Another couple in Medina Ohio, **Ed and Cheri May**, have also had positive results with grass-fed beef. Like the Courtney's they are able to get \$2 to \$2.50 a pound, and because they breed their own animals and grow their own hay on a neighbor's farm, they can realize as much as \$800 profit on each animal. This is compared to \$3 to \$30 per head for conventional cattle.

**Tea Hills Organic Farms** – The Raubenolt family raises pastured poultry on a 230-acre farm in Wayne County. They sell to restaurants and at farmers markets. They can charge a premium price for their products because customers know they are getting an extremely fresh, tasty, premium quality product. Doug Raubenolt has as much demand for his poultry as he can meet, and this farm's success started with his decision to take care of his most precious resource – his soil.

**Cormack's Market Garden** – Bruce Cormack has a full-time job as a firefighter, but he and his wife Shelly also make money on selling vegetables at farmers markets. He averages up to \$1,000 of sales on a good day. At one time, the entire area along Lake Erie had highly successful farms, including one of the largest celery growing areas of the country, but now the coast is nearly completely developed. Bruce believes that patches of that former farmland can still be saved through market gardening, such as his. "It's not about full-time farming, it's about preserving farmland," he said. Market gardening can save farmland, add extra income for a family and provide much desired local fruits and vegetables for consumers.

**Hartzler Family Dairy** – All six of Harold Hartzler's children and their families are involved with aspects of the family dairy business. This much income is nearly impossible on a conventional farm, but the Hartzler's sell premium chemical-free milk directly to consumers for higher profits. Nearly 75 stores in the region carry their products. Harold, like so many other entrepreneurial farms after him, realize that the health and economic success of his farm depended on the health of his soil. It took a leap of faith and a long journey, but the Hartzler family is realizing their dream of keeping the farm and keeping the family on the farm

**Crown Point** – In 1998, the Sisters of St. Dominic of Akron who own the 130 acres in Bath Township added a CSA to the garden they were using to grow food for a food bank. CSA stands for Community Supported Agriculture, a concept where families agree to pay for "shares" of a farm's harvest before the growing season and then receive a box of farm produce weekly. In 2005, Crown Point CSA members paid \$475 to \$575 each for a share of the harvest, and agreed to work limited hours on the farm. For CSA members, rewards included a better knowledge of where their food comes from and a connection with local farmers. Benefits for farmers are numerous, but running a successful CSA farm is not for everyone. Having a diversity of crops, dealing with members, harvesting enough on schedule are all serious challenges. But for those who succeed, the rewards are not only financial, but also quality of life.

**The Patterson Farm** – Jim and Sharon Patterson, like so many other entrepreneurial small farmers, have found solid income at their local farmers markets. They sell high quality beans, heirloom tomatoes, beets, peppers and many more vegetables at premium prices. According to the Ohio Farmers Union, sales at farmers markets in Ohio were somewhere in the neighborhood of \$35 to \$40 million in 2004. As a percent of total food expenditures in the state, that figure is negligible. But it represents a significant addition to net cash farm income, which averaged \$8,929 per farm in 2002. Depending on the season and the type of products they offer, farmers are able to sell \$500 to \$1,500 worth of product in a market day. Unlike food purchased at the grocery store, which returns on

average about 10 percent to the farmer, all of this income goes to the farmer and circulates back into the local economy. For consumers, a visit to a farmers market is an experience of connection and affection – and a powerful way to fight urban sprawl!

**Heritage Farms** – Carol and George Haramis are the fifth generation to farm their land. The farm has evolved over many years, and they currently specialize in Christmas trees, pumpkins and day lilies, as well as giving customers an on-farm experience when buying their products. Agritourism is another term for the Heritage Farm model. “People are looking for these kinds of experiences, and they are willing to pay for it,” said George. “We generate over \$4,500 a worked acre, and I can’t think of a place I’d rather live – we couldn’t live on this farm if we didn’t farm it.” Northeast Ohio has tremendous potential to encourage agritourism. From the rolling hills of Amish country to the vineyards of Lake County to the beautiful vistas of Wayne County dairy farms, the potential for growing this activity is enormous. For example, there are 33 wineries in the region that are open to the public. It’s estimated that they receive 600,000 to 750,000 visitors a year!

Even with so many good ideas, so many willing customers and so many eager farmers, entrepreneurial farming is endangered and will not survive if citizens and leaders do not act immediately.

First, we must recognize that not all farming is the same. Commodity farming can only exist with taxpayer subsidies and will become increasingly unprofitable with competition from foreign countries. Second, Northeast Ohio has a diversity of soils and microclimates to produce an abundance of products that more and more people desire. Third, farmers who start with the stewardship of the land are not only growing desired products but also conserving soils, habitats and landscapes.

There are many policies that have negatively impacted small family farms. Here are some suggestions for growing more entrepreneurial farms:

- Ordinary citizens and local civic leaders must support entrepreneurial farming. Changes in state and federal policies could certainly encourage this kind of farming, but local officials and citizens should also take steps to support entrepreneurial farmers.
- Communities can work to establish more farmers markets, both to support farmers and revitalize communities.
- Regional health officials must work together to support farmers markets and small-scale producers. Regulations and licenses need to be clear and consistent throughout the region.
- Citizens who want farmland as part of their landscape can ask all leaders running for elected office about their ideas for helping entrepreneurial farmers and conserving farmland. There are tools available and more to be explored by creative political leaders. Most farmland in Ohio is zoned residential. Other parts of the country are looking at Agricultural Enterprise Districts. Along with Purchase of Development Rights, there are tools like Transfer of Development Rights to be considered. Even though there are many people interested in farming, the cost of land acquisition is often too high for the starting farmer.
- People who care about local, nutritious food can vote with their food dollars and shop at local farmers markets or roadside stands. If even 1 percent of our regional food dollars were spent buying directly from farmers, hundreds

of farm families could continue farming. Restaurants should be encouraged to buy local seasonal produce. Institutions like local schools, hospitals and colleges could make a significant impact on farms if they purchased local foods and farm products.

- While seven of the nine counties in this region with significant farmland include farmland preservation in their planning documents, there must be more understanding of farming as economic development. It is important to recognize that farming is also becoming entrepreneurial. This new kind of farming can contribute to regional prosperity and community revitalization.
- Farmers who want to find more profitable farming activities can explore options for diversifying their offerings, selling direct and adding value to their products. The entrepreneurial farmer must be more than a good grower. Marketing, sales, new product development and business management are important aspects of the successful entrepreneurial farm.

It is crucial that we preserve the beauty and potential of our land forever. Imagine 500 farmers on an average of 50 acres producing sweet corn, tomatoes, potatoes, fruits of all kinds, root crops, green, artisan cheeses, pastured meats, wine, syrup, honey and flowers and selling directly to customers. These dollars would stay in the region and support other businesses. Distinctive regional foods and a variety of agritourism activities could make Northeast Ohio a highly desirable place to live and visit. And 25,000 acres of prosperous farmland would enrich our landscape and feed our souls as well as our bodies.