

MOVING BEYOND CONVENTIONAL CASH CROPPING

AGRONOMY SYSTEMS GUIDE

Abstract: This publication is written for those looking for a way out of the high risk, long hours, low pay, poor prices, and dim future associated with conventional cash crop production. There are viable alternatives to continuing in the cash crop business for those who can adjust their thinking. Finding alternatives to commodity crop production is the focus of this publication. Certain principles provide insights into ways to move forward.

By **Preston Sullivan**
 NCAT Agriculture Specialist
 May 2002

PRINCIPLES OF SUCCESS

It's safe to say that if you keep doing what you've been doing, you're going to keep getting what you've been getting. If you are searching for an enterprise that is easy, profitable, and proven, you will find that many other people are already doing it. To build wealth, do what others cannot or will not do—produce a product that is different and difficult to produce (1). Using these two criteria keeps competition to a minimum.

Taking small initial steps is one approach. Adding an alternative, more profitable crop to a corn-soybean rotation or a wheat-barley rotation is a step toward disconnecting from the cash-grain system, just as farm families who cooperatively market their products directly to consumers as foods, rather than as commodities, are disconnecting from the system. Farmers can also benefit by growing multi-purpose specialty crops that will give them lots of flexibility in both production and marketing, thereby reducing their risk. For example, you can use dry peas for feed grain, hay, green manure, or seed; lentils for food, forage, or green manure. If there's a drought or the field is too weedy, graze it or turn the crop to green manure. If it's a wet year and a clean field, harvest the grain crop.

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Other ATTRA Publications of Interest

[Evaluating a Rural Enterprise](#)

[Direct Marketing](#)

[Alternative Agronomic Crops](#)

[Marketing Organic Grains](#)

[Green Markets for Farm Products](#)

[Ecolabeling: Marketing Sustainable Agriculture](#)

[Entertainment Farming and Agri-Tourism](#)

[Sustainable Agriculture Organizations and Publications](#)

[Making the Transition to Sustainable Farming](#)

[Overview: Adding Value to Farm Products](#)

[Keys to Success in Value-Added Agriculture](#)

Here are a few more principles of success:

- 1) Produce products that sell at your price, rather than commodities that someone else sets the price for.
- 2) Buy wholesale and sell retail (just the opposite of cash cropping).
- 3) Stack enterprises together that complement one another to reduce overhead costs.
- 4) Pool resources with partners through collaborative ventures.

EXAMPLES OF SUCCESSFUL TRANSITIONS FROM CASH CROPPING

Below are several examples of people who have made the transition out of conventional cash grain farming and into alternative enterprises. These people utilized some of the principles mentioned above to increase their profitability. Please realize that not all of these enterprises are ones that everyone can do. That fact alone makes them more profitable. Consider what unique talents you have that can be converted into a profitable enterprise. All new enterprises need to be thoroughly evaluated before proceeding. Contact ATTRA for our publication [Evaluating a Rural Enterprise](#).

FROM BATTLING GRASS TO GRAZING

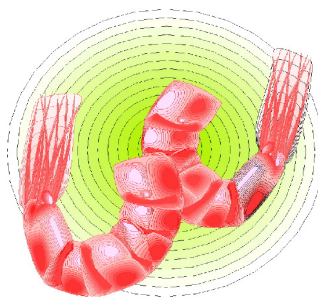
For several generations the Moore family in Navasota, Texas, raised corn, milo, and cotton (2). After finally having enough of rising production costs, persistent drought, and low commodity prices, they decided to break the family tradition and switch from row crops to cattle.

After receiving training in Holistic Management™ (3), Robert Moore and his son Taylor took a path to a brighter future with less personal stress and lower overhead cost than when they were row croppers. For years they had battled Johnson grass, bermuda grass, and crab grass in their cotton fields. Now these grasses – and others such as Dallis grass and bluestem – are their allies. Moore says that they are working with nature by letting the grasses that want to be here return. Their cattle love these forage grasses. With a wide variety of grasses available, they can graze from mid-February to mid-November. After giving up cropping, they increased their cow herd from 200 animals to 600. Their 2,000 acres are divided into 50-acre paddocks, with about 200 head in each paddock at various times. With their cropping enterprise they had 20 employees working full time. Now the father and son work together with one full-time employee. Before cattle, they worried about crop success and prices and were often relieved just to break even. Now they can live off what they make. Taylor says, “We’re definitely happier now and have less stress.” ATTRA can provide more than a dozen farmer-ready publications that go into detail about grass-farming enterprises and alternative marketing of animal products.

FROM TOBACCO TO SHRIMP

Bill Rich switched from burley tobacco to freshwater shrimp (4). He dug 1-acre ponds at a cost of \$5,000 to \$6,500 and harvests about 1,000 pounds of shrimp each season. The shrimp are stocked June 1 and harvested September 28. Freedom Freshwater Shrimp Company of Byrds-town, Tennessee provides the juvenile shrimp. Bill and other growers have the option to sell their shrimp back to the company or market them

on their own. Since shrimp are in high demand anyway, you don’t have to build a market, says Doug Elder, the owner of Freedom Freshwater Shrimp. Profitability on an acre of shrimp should be in the



\$1,200 to \$2,500 range. Depending on prices of

both, an acre of shrimp should replace the profit from an acre of burley tobacco. Of course, as with any new enterprise, additional labor and other costs need to be evaluated before proceeding. For more information, request the ATTRA publication [*Evaluating an Aquaculture Enterprise*](#).

PUMPKINS, HAY RIDES, AND SCHOOL TOURS

When dairy farms in Tennessee were suffering from low milk prices, Albert and Celeste Blackburn made some adjustments to their Jefferson City, Tennessee dairy operation. Located near a large city on an interstate highway, the Blackburns saw an opportunity to entertain school kids during the week and adults on weekends. They turned their old gristmill into a gift shop and grew pumpkins for the school kids. In the first year they attracted 1,100 students, each



paying \$6 to milk a cow, ride a hay wagon, and pick out a pumpkin. (5). ATTRA has a publication called [*Entertainment Farming and Agri-Tourism*](#) available by request.

A Farm Shop Enterprise

Terry Joe Payne of Owensboro, Kentucky uses his farm shop and tools to build large, heavy-duty barbecue pits. He makes several models, some on legs and others on wheels to be pulled behind a vehicle. Prices range from \$1,800 to \$6,000. Payne's barbecue pit enterprise evolved from his catering business. Metal for the pits is formed from 12-gauge steel, and the rest of the fabrication and assembly work is done in his shop. Most of his sales have been local and all his advertising word-of-mouth or from people reading his nameplate attached to one of the units. So far, he's not needed to pay to advertise (6).

BIRDS, BIRDFEED, AND BIO-FUEL

Dave Pollard of Mantua, Ohio grows wild bird feed grains (sunflower, milo, and millet) and markets them all directly from his farm at 20¢ per pound. In 1998 he started raising free-range chickens. By 2000 his annual production was 650 birds, with standing orders for 800 more for the next year. Currently he is trying "sundiesel" made from sunflower oil he produces on his farm. Using a simple process, he extracts 100 gallons of oil (valued for fuel at \$1.50 per gallon) from each acre of sunflowers. From that extraction he also ends up with 1,250 pounds of 28% protein meal that he feeds to his free-range chickens. With his chickens consuming 3 pounds of feed per pound of marketable poultry, and selling for \$2.00 per pound, Pollard estimates an income of \$950 from one acre of sunflowers. That works out to 400 pounds of chickens that eat the 1,250 pounds of meal, plus \$150 from the oil sales (7). Request the two ATTRA publications [*Alternative Agronomic Crops*](#) and [*Sustainable Poultry: Production Overview*](#) for more information. The Thomas Jefferson Agriculture Institute listed in the References section of this publication also has information on alternative crops. For more information on biodiesel, call ATTRA.

PECANS, BUFFALO, AND GAMAGRASS SEED

Dan Shepherd and his father Jerrell changed their farming focus from commodity grains to pecans, buffalo, and gamagrass seed when they realized they had no control over wholesale grain prices (8). After switching, the Chiftonhill, Missouri, father-and-son team captured niche markets they formerly never had access to when selling only commodity grains.

The family started farming corn, beans, and wheat on 1,900 acres in the 1960s. Dan's late father came to realize that they would never get ahead economically doing what others were doing, but they could increase their income by doing what others wouldn't do. The gamagrass seed operation consumes about 80% of Dan's time, with the other two new enterprises—pecans and buffalo—taking up the remainder.

Dan is a firm believer that to succeed in alternative agriculture you've got to communicate with your customers. Farmers who are focused on production must become comfortable with



marketing. The Shepherds market their buffalo products—including breeding stock, meat, hides, and horns—through their on-farm store, where they also sell pecans, sweet corn, pumpkins, peaches, jellies, and other products, including nuts they buy from out of state. Dan's wife, Jan, runs the store and manages the books. Dan oversees the farm operation and does all the buying.

Contact ATTRA for our publications on *Sustainable Pecan Production* and *Bison Production*.

The focal point of the Shepherds' operation is gamagrass. They discovered gamagrass while looking for a forage for their buffalo herd. With help from USDA researchers, they learned to grow and harvest seed from the grass, thus creating another marketable product. Seed production is particularly tricky because the seed does not mature evenly and drops off the stalk when mature. The seed must also go through a cool-down period before it will germinate. Harvesting is very tricky, and the harvested seed is stored wet at just above freezing for six to eight weeks to meet the chilling requirements for germination.

Once their pecan orchard was established, the Shepherds continued to grow commodity crops in the alleys between the young trees. As the trees matured and began producing nuts, the row crops were crowded out. After that, the orchard

floor was seeded with bluegrass. Though the bluegrass does not produce a high tonnage of forage, what it does produce is readily consumed by their buffalo herd. They started their herd in 1969 and rotate it through the gamagrass pastures using management-intensive grazing. During the summer, the herd is moved about every four days.

Their gamagrass seed operation nets about \$700 per acre on 400 acres. In 2000 they netted around \$300 per acre from the pecan operation, but they expect that production to at least triple in the coming years. Through their store they sold 70,000 ears of sweet corn at 10¢ each, but even at that price they net about \$1,000 on 15 acres. While not being a big moneymaker, the sweet corn does attract lots of customers who buy other products as well.

The Shepherds feel that everything fits together, with the various enterprises spreading out the workload evenly. The family helps sponsor "Buffalo Day," when many area residents gather to eat buffalo burgers donated by the family. The family has time to participate in their local Rotary Club and have hosted young people from Russia, Thailand, Belgium, and France.

Dan offers some tips for making the transition from commodity crops. First, don't look to alternative agriculture as a bailout; think of getting in or making the change to the system in good times, not bad (8). Keep in mind:

- The products of alternative agriculture require different markets.
- The average learning curve for anything new is up to eight years.
- Given all the risk, it's a lot easier to sit back and say it won't work. Making change is not easy; if it were, everybody would be doing it.

RAISING TRADITIONAL CROPS ORGANICALLY

Carmen Fernholz of Madison, Minnesota made the switch to organic farming when faced with limited choices for staying profitable in his commodity crop operation. He now grows organic barley, oats, wheat, flax, corn, soybeans, and alfalfa and raises 800 to 1,200 finished hogs each year. After more than 20 years of experimenting and learning about organic farming, he got his farm certified in 1994. He markets his

own crops and animals in order to keep his relatively small operation competitive with larger farms. He also ensures payment for his organic crops through a unique trust account with his co-op. His wife Sally works a full-time job off the farm.

ATTRA has several publications on organic production, certification, and marketing.

Fernholz spreads his workload through the season by dividing the farm into quarters, each with a different crop in the rotation. He hires some labor each year to pick stones and do hand weeding, but he still manages to do most of the farm work himself. His primary labor expense is custom harvesting the alfalfa. He, his brother, and nephew work together on the feeder-to-finish hogs. (His brother owns and manages the breeding and farrowing operation.) The hogs are sold on the conventional market through a buying station that he operates near his home. Between 1997 and 2000, the station served as many as 50 farmers in Fernholz's area (9). He works with a National Farmers Organization office in Ames, Iowa to find buyers.

For information on raising hogs, request the ATTRA publications *Sustainable Hog Production Overview* and *Considerations in Organic Hog Production*.

Fernholz's organic soybeans bring around \$16.50 per bushel. (Request the ATTRA publication *Organic Soybean Production* for more information.) He has not found a consistent market for the other grain crops. To avoid loss or non-payment from smaller organic buyers who may renege on contracts, his farmer-marketing cooperative features a special grower-supported trust fund used to pay farmers for breach of contract. His flax crop, raised for human consumption, currently sells for \$1 per pound (\$50 to \$60 per bushel).

Fernholz tells others considering the transition to organic to go into it not for the market but for the philosophy of benefiting



the environment and cutting costs. He says every year is different, and what worked one year may not work the next. He has less capital outlay and fewer economic risks as a result of switching to organic farming. However, he also suffered some temporary yield reductions as he progressed up the learning curve.

CONCLUSION

Starting a new enterprise boils down to asking a series of good questions. Among these questions are:

- Do I have the resources to do this?
- Do I really want to do this?
- Do I have the experience and information to do this?
- How much profit can I make?
- How will I market the products?

Most of the available enterprise planning guides ask entrepreneurs to first assess their personal and family objectives. They stress the importance of having some sort of business plan, financial plan, and marketing plan before proceeding. Determining the profit potential for the enterprise is essential before spending more time or money developing the means of production. Details of planning a new rural enterprise are available from ATTRA in our publication entitled *Evaluating a Rural Enterprise*.

In all the case studies presented here, you can find examples in action of the following principles:

- Do what others cannot or will not do
- Choose alternative enterprises
- Sell directly to end users to reduce the number of intermediaries and to keep more dollars in your own pocket
 - Stack enterprises
 - Differentiate your product as in some way special — this adds value
 - Find market niches
 - Cultivate good relationships with buyers
 - Be consistent in quality and delivery
 - Consider cooperative marketing or processing

- Analyze your operation for ways to reduce costs

Once you have embraced these principles, opportunities to employ your current resources in different ways become more apparent. From there, the path toward a transition will begin to take shape. Even though change is never easy, it can be done. Take a fresh look at your people, land, and other resources for market potential. If possible, visit other families who have made significant changes for the better in their operations. For additional ideas, see the following resource list.

REFERENCES

- 1) Nation, Allan. 2001. Allan's Observations. Stockman Grassfarmer. February. p. 16-17, 20.
- 2) Leake, Linda. 2001. Flower Children. Hay and Forage Grower, January, p. 19-20.
- 3) Allan Savory Center for Holistic Management
1010 Tijeras, NW
Albuquerque, NM 87102
505-842-5252
<http://www.holisticmanagement.org>
- 4) Anon. 2000. Jumbo shrimp. Progressive Farmer. December. p. 34.
- 5) Anon. 2000. Welcome to the pumpkin patch. Progressive Farmer. December. p. 34.
- 6) Anon. 2000. Barbeque Pits – A farm shop enterprise. Progressive Farmer. December. p. 34.
- 7) Pollard, Dave. 2001. Sundiesel and chickens. The Stockman Grassfarmer, letters to the editor. March. p. 3.
- 8) SARE. 2001. The New American Farmer: Dan and Jan Shepherd. Farmer profile. <<http://www.sare.org/newfarmer/shepherd.htm>>.
- 9) SARE. 2001. The New American Farmer: Carmen Fernholz. Farmer profile. <<http://www.sare.org/newfarmer/fernholz.htm>>.

RESOURCES

Thomas Jefferson Agricultural Institute
601 West Nifong Blvd. Suite 1D
Columbia, MO 65203
573-449-3518

E-mail: info@jeffersoninstitute.org
<http://www.jeffersoninstitute.org/>

The Thomas Jefferson Agricultural Institute is a non-profit agricultural education and research center working in support of family farmers. With a focus on crop diversification, the Jefferson Institute provides farmers with information on how to grow and market alternative crops. Among the crops they are working with are: canola, buckwheat, amaranth, flax, sesame, sunflowers, millet, and alternative legumes. They have a number of publications on growing and marketing alternative crops, several multi-state projects evaluating alternative crops, and an e-mail bulletin on upcoming events and developments in new crops.

Sustainable Agriculture Network (SAN)
National Agricultural Library, Room 304
10301 Baltimore
Beltsville, MD 20705
301-504-6425

E-mail: san@nal.usda.gov
<http://www.sare.org>

The SAN website contains a wealth of information on marketing strategies, how to conduct on-farm research, alternative crops, and much more. Numerous bulletins and reports are available on-line. They sponsor a lot of on-farm research.

Kansas Rural Center, Inc.
304 Pratt Street, PO Box 133
Whiting, KS 66552
785-873-3431

<http://www.kansasruralcenter.org>

Kansas Rural Center is a private nonprofit organization that promotes the long-term health of the land and its people through education, research, and advocacy. The Rural Center cultivates grassroots support for public policies that encourage family farming and stewardship of soil and water, and is committed to economically viable, environmentally sound, and socially sustainable rural culture. Numerous publications and a newsletter are available.

Practical Farmers of Iowa (PFI)
2035 190th Street
Boone, IA 50036-7423
515-294-8512
E-mail: dnexner@iastate.edu
<http://www.pfi.iastate.edu>

PFI sponsors statewide field days, publishes the newsletter The Practical Farmer, is involved with numerous on-farm research projects, has a lending library, provides bulletins and videos, and sponsors workshops and seminars. PFI currently has 30 research cooperators. The PFI website is quite comprehensive and has numerous useful resources.

Land Stewardship Project
2200 4th Street
White Bear Lake, MN 55110
651-653-0618

or
180 E. Main St., P.O. Box 130
Lewiston, MN 55952
507-523-3366

or
103 W. Nichols
Montevideo, MN 56265
320-269-2105

<http://www.landstewardshipproject.org>

The Land Stewardship Project (LSP) is a private nonprofit organization whose primary mission is to foster an ethic of stewardship for farmland, to promote sustainable agriculture, and to develop sustainable communities. Their membership consists of farmers as well as rural and urban residents working to secure a healthful food supply; preserve soil, water, and wildlife; support diversified, profitable, family-sized farms; organize communities for positive change; hold corporations and governments accountable; and create a sustainable vision for our food and agriculture system. They have four offices in Minnesota. Membership includes a subscription to the Land Stewardship Letter, workshops, and opportunities to connect with others who share these values.

Northern Plains Sustainable Agriculture Society
9824 79th Street SE
Fullerton, ND 58441-9725
701-883-4304
E-mail: tpnpsas@drs-services.com
<http://www.npsas.org>

The Northern Plains Sustainable Agriculture Society promotes ecologically and socially sound food production and distribution systems in the Northern Plains. They sponsor publications and farmer events, including a summer symposium and farm tour and a two-day annual winter conference.

Nebraska Sustainable Agriculture Society
P.O. Box 736

Hartington, NE 68739
402-254-2289

E-mail: jillw@hartel.net

<http://www.netins.net/showcase/nsas>

The Society promotes an agriculture that builds healthy land, people, communities, and quality of life, for present and future generations. They sponsor annual meetings, farm tours, field days, and workshops. They have a speakers' bureau and a team of mentors who provide one-on-one assistance with the transition to sustainable farming practices. They produce a quarterly newsletter of agriculture practices and philosophy.

AERO
Alternative Energy Resources Organization (AERO)

432 North Last Chance Gulch

Helena, MT 59601

406-443-7272

Email: aero@aeromt.org

AERO fosters the development of sustainable communities in rural states of the Rocky Mountain West and Northern Plains. They promote the use of renewable energy, conservation, sustainable agriculture, and community self-reliance. Their sustainable agriculture efforts help farmers and ranchers find ways to sustain the productive capacity of their farms while maintaining their rural communities. They offer sustainable farming information, financial and technical assistance, farm tours, and educational events.

AgVentures Magazine
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Blackwell, OK 74631
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E-mail: AgVentures@aol.com
<http://agventures.com>

Published bi-monthly for an annual subscription of \$21, the magazine provides 101 ideas per year on how to profit from your land. Each issue features articles on livestock, crops, aquaculture, niche markets, and state assistance.

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The electronic version of **Moving Beyond Conventional Cash Cropping** is located at:

HTML

<http://www.attra.ncat.org/attra-pub/cashcropping.html>

PDF

<http://www.attra.ncat.org/attra-pub/PDF/cashcropping.pdf>