FFED team supports farmers and businesses through challenging times

Like the rest of the United States, Iowa’s farms have been experiencing what is sometimes called the “hollowing out of the middle.” From 1997 to 2017, the number of midsized farms (50 to 999 acres) has decreased by 29 percent (nearly 21,000 mid-sized farms, Fig. 1). Some of these mid-sized farms went out of business (Iowa lost more than 10,000 total farms during this time frame, Fig. 2), while other farms grew in size, with the number of farms of 1,000 acres or more increasing by 36 percent (approximately 2,200 farms). During the same time frame, the number of very small farms (1 to 49 acres) has grown by 42.5% (from 19,159 farms in 1997 to 27,303 farms in 2017).

The Farm, Food, and Enterprise Development team is especially well-equipped to serve small and mid-sized farms. In 2019, FFED received contacts from 50 small-scale farmers seeking resources or information. Many of these farmers sell directly to the consumer and/or grow specialty crops, such as produce or pastured livestock. In 2019, 45 percent (283 of 631) of FFED’s consultations related to small farms (Fig. 3).

FFED’s food systems team supports the development of local food systems in the state, in which most specialty crop farmers participate (2015 Iowa Commercial Horticulture Food Crop Survey, [2015 Iowa Commercial Horticulture Food Crop Survey](https://example.com)).
Iowa Department of Agriculture and Land Stewardship). According to the US Census of Agriculture, Iowa farmers sold nearly $20 million of their products directly to consumers in 2017 through markets such as farmers markets, on-farm stores, community supported agriculture and roadside stands.

Direct-to-consumer sales increased by 21 percent from 2007 to 2017 (from $16.5 million in 2007). However, the number of farms reporting direct-to-consumer sales decreased by 14 percent during this same time frame (from 2,987 in 2007 to 2,575 in 2017). We do not know whether the decrease in farms in this category was due to a loss of farms or because some farms changed their marketing strategies away from direct-to-consumer sales.

The 2015 Iowa Commercial Horticulture Food Crop Survey showed that more than half of respondents were beginning horticulture farmers (producing horticultural crops for 10 years or fewer). The survey also showed that a significant number of farmers who were beginning farmers during the survey conducted in 2000 had quit by the next survey in 2015. We do not know if these farmers retired due to age or if they stopped growing horticulture crops for other reasons. However, these results do support the idea that there is high turnover among specialty crop farmers in Iowa. This suggests a need to support these farmers to build lasting farm businesses.

The FFED team manages the Agricultural Marketing Resource Center (AgMRC) website and conducts research and education related to agricultural marketing. In 2019, FFED completed several projects related to AgMRC:

- Revamped the business development section of AgMRC by deleting old or outdated resources and making the most relevant resources easier to find,
- Added an agri-tourism section to the website,
• Further refined our Community Food Systems and Local Food Leader certification programs, including both the face-to-face trainings and the online certification modules,

• Conducted research on shared-used kitchens and a scaling-up processing project,

• Consulted with numerous businesses around the state, including Latino-owned food businesses and independent grocery stores, and

• Developed new downloadable resources, including a small business development tool for refugee audiences, enterprise budgets for specialty crop producers, and guides for using the Business Model Canvas tool.

Despite the growth in direct-to-consumer sales, these sales still comprise a very small percentage of total agricultural sales in the state. In 2017, only 0.07% of agricultural sales were made directly to the consumer. This is largely unchanged from 0.06% in 2012 and 0.08% in 2007.

Local food researchers have suggested that nationwide direct-to-consumer markets are becoming saturated. If that is true, the local food system can only expand by entering into intermediated markets, such as grocery stores and restaurants, and by selling to institutions, such as schools and hospitals.

The US Census of Agriculture began tracking intermediated market sales in 2017. Data showed that 558 farms in Iowa reported making $15.8 million in sales to retail markets, institutions, and food hubs. This averages out to $28,400 in sales per farm to intermediated markets. Hence, the small number of farms in Iowa that are participating in intermediated markets are making significantly higher sales through those markets than farms marketing direct-to-consumer (average $7,757 per farm). (However, some farms may be making both types of sales.)

**Supporting Iowa’s food hubs**

FFED works with the Iowa Food Hub Managers Working Group to strengthen Iowa’s food hubs. Food hubs act as an intermediary between farmers and larger-volume buyers. For example, the Iowa Food Hub in Northeast Iowa purchases locally produced fruits, vegetables, dairy, and meat and sells and delivers products to schools and colleges.

Field to Family, a hub which works in the Cedar Rapids/Iowa City area, focuses on institutional sales, selling locally produced foods primarily to hospitals and schools. In 2019, FFED staff in partnership with the Iowa Valley RC&D convened the food hub managers on a quarterly basis. We worked with the Food Finance Institute in Wisconsin to help food hubs improve their business plans.

Similarly, the ag census also began to track the sales of value-added products for the first time in 2017. Value-added products are made from raw products produced on the farm and later transformed into a higher value item, such as grapes grown on the farm and being made into wine, or vegetables on the farm processed into salsa.

Census data showed that 749 farms sold nearly $23.3 million of value-added products in 2017, for an average of $31,104 per farm. FFED team members conducted research in 2019 on scaling up processing and shared-use kitchens. This research is identifying best practices for helping small-scale food producers expand their businesses through a variety of strategies.
Serving Iowa on external boards

FFED team members regularly serve on boards and committees outside of extension. Organizations include: Iowa Food Hub, the Iowa Farmers Union, Iowa Fruit and Vegetable Growers Association, Iowa Grain Quality Initiative, Market Maker, Diversity Service Center of Iowa, Iowa Farm to Early Care and Education Coalition, ISU Grain Quality Lab, Northeast Iowa Food and Fitness Initiative, Iowa World Health Association, USDA Direct Marketing Summit planning committee, Latinos CAN, Iowa Horticulture Advisory Committee, National Extension Leadership Development, ISU Professional and Scientific Council, Value-Added Agriculture Support Team (part of the Iowa Biotech Association), Iowa Regional Food System Working Group steering committee, and others. FFED team members reported participating in 82 meetings to serve these organizations in 2019.

Message from the Program Manager

Welcome to the first annual Farm, Food and Enterprise Development (FFED) report. It is our first, because FFED became an official program within Iowa State University Extension and Outreach in April 2019 after combining the Local Foods and Value-Added Agriculture Programs. We transformed the newly combined programs into three focus areas: small farms, food systems, and enterprise development.

As you review this report, you will find both general information related to our newly formed unit and information on specific projects such as agritourism, farm to school procurement, an individual business consultation and a review of a community food system program. What you won’t find is information on everything we have done or what programs are being developed. For that information or questions you have regarding FFED, visit our website at www.extension.iastate.edu/ffed. There you can read our news items, sign up for our monthly newsletter, read our publications and directories, and much more.

Feel free to contact me, program manager Craig Chase, at cchase@iastate.edu.

Cover photo: Lynn and Dan Bolin and family, New Day Dairy, Clarksville, Iowa. They participated in an emergency preparedness workshop offered by our Small Farms team. Lynn said, “The Farm Emergency Preparedness training we received from the Small Farms team encouraged us to finally get a SafeShed that is a place for us, our employees, and our farm visitors to safely go in case of a tornado.” Photo by Bethany Carson, Clarksville Star.
Helping Iowa’s agritourism farmers prevent injuries and manage risk

Relevance
Agritourism is growing in Iowa, and although starting or adding an agritourism segment to an existing farm may seem economically appealing, numerous risks arise once these farms open and charge a fee for the public to visit. Just one illness or injury linked to an agritourism destination could be catastrophic to not only the injured party and the agritourism destination segment, but to the entire farm, ruining the livelihoods of the owners, their families, and employees of these destinations.

While there are a growing number of agritourism destinations in Iowa, there was no injury or illness prevention activities aimed towards these agritourism destinations. In order to provide effective interventions for the prevention of agriculture injury and illness on agritourism destinations, the Visit Iowa Farms Program, a program within FFED, used grant funds to coordinate three agritourism destination safety and health best practices workshops across Iowa in 2018-2019.

Response
Three Agritourism Destination Safety and Health Best Practices Workshops were put on by the Visit Iowa Farms Program; March 22, 2018, December 14, 2018, and January 8, 2019. At these 3 workshops, Iowa State University experts presented on 6 topics; Food Safety Best Practices: Food, Farm and Consumer, Legal Risk in Agritourism, Public Play Areas Safety, Pesticide Safety for Agritourism Destinations, Protecting Animals and Humans from Biosecurity Risks, and Farm Emergency Preparedness and Planning. The goal was to educate farmers on the risks that arise once they allow employees and visitors on their farm and provide effective interventions to put in to practice to alleviate these risks. The three workshops were successful, having 81 attendees total and very positive feedback.

Impacts
Participant at the Altoona Workshop and coordinator of the Johnson County Workshop, Amey Kollar, saw the need to use the information from Dr. Danelle Bickett-Weddle’s presentation, Farm Emergency Preparedness and Planning, to come up with an emergency plan for the Johnson County Extension Office. Amey Kollar wrote, “The Johnson County Extension Office is located on the Johnson County Fairgrounds. The building houses 20+ staff members with frequently used conference rooms hosting 30-100 people at a time. During County Fair, we serve thousands of people. In the event of a natural disaster, medical emergency, a disgruntled customer, or man-made threats, we wanted a plan in place to ensure that all staff felt confident they would know the steps to keep themselves and others safe and healthy.” Because of the Farm Emergency Preparedness presentation, Johnson County Extension now has a plan in case of emergency.

A participant of the Waterloo Workshop, Laura Elfers, Educational Engagement Director of the Silos & Smokestacks National Heritage Area, also found Dr. Bickett-Weddles presentation extremely...
useful and asked that she present at Silos & Smokestacks Annual Meeting. She too saw the need for their members to be informed and prepared if a disaster were to strike on their property.

Disasters can strike at any time, but it is not something that we think about on a daily basis or think about preparing for. Dr. Danelle Bickett-Weddle’s presentation given at the Agritourism Workshops is reaching more and more people and helping them think about being prepared if a disaster were to strike.

The workshops were supported by the Great Plains Center for Agricultural Health, Centers for Disease Control and Prevention – National Institute for Occupational Safety and Health (U54 OH007548), and through the North Central Sustainable Agriculture Research and Education Program.

Our team has also developed a set of safety and health best practices checklists for destination owners. Find them and many other resources at www.visitiowafarms.org.
Building readiness to increase local food procurement in Iowa’s schools

Relevance
According to the Iowa Department of Agriculture and Land Stewardship’s farm to school website, farm to school programs contribute to children’s health by helping kids develop healthy eating habits that will last a lifetime. Research into existing farm to school efforts shows that students choose significantly more servings of fruits and vegetables when given the choice of high quality, farm-fresh produce. When they are well-nourished, children learn better.

The USDA recommends a minimum of .5 - 1 cup per day of fruits, and .75 – 1 cup per day of vegetables for each child, depending upon age. Boosting the amount of these fruits and vegetables purchased from local farmers will increase freshness and nutrition content for Iowa children as well as market opportunities and profitability for Iowa farmers.

The 2016 USDA Farm to School Census reported that only 29% of Iowa’s school districts participate in farm to school activities, which would include procurement of local foods for school meal programs. Clearly there’s plenty of room to increase procurement levels statewide.

Response
FFED won a USDA Specialty Crop Block Grant in November 2017 to address this issue. The funding supported a project to explore barriers to local food access, and to provide technical assistance and incentives to Iowa schools to find solutions. An additional goal was for participating schools to increase local purchases of fruits and vegetables by 10%.

Eleven schools were selected to participate, out of 24 applications. They included Mason City, Clear Lake, Council Bluffs, Atlantic, Shenandoah, Gilmore-City Bradgate, Clear Creek Amana, Vinton-Shellsburg, Central Decatur, Boone, and Saydel. Six of these districts enroll between 1,000 and 2,000 students.

FFED farm to school team members facilitated the project. They hosted monthly calls; provided technical assistance for local food procurement, menu planning, and marketing; and connected partner schools with kitchen equipment incentives at the close of the grant.

Participating schools were tasked with five “homework assignments” as part of the project.

They were:

- Identifying your farm to school team
- Defining “local”
- Setting a local food procurement goal
- Submitting an October Farm to School Month menu
- Completing a small purchase procurement of local food

Districts completed these modules between monthly calls for the purposes of increasing their local procurement by 10% and participating in Iowa Local Day on October 11, 2018.

Impacts
Sites reported sourcing several varieties of local food as a result of participating in this project. Seven of eight sites are sourcing local fruits and/or vegetables, three are sourcing local dairy, and one is
sourcing local meat and eggs. Specialty crops purchased include apples, squash, tomatoes, sweet potatoes, dry beans, and onions.

Seven sites shared the dollar amount that their school or district had spent on a variety of local food during the project period as of November 2018, when they completed the survey, after October Farm to School Month and Iowa Local Food Day. A total of $14,132 had been spent on local food by all districts as of November 2018.

At the conclusion of this project, eight districts set local food procurement goals, nine set definitions of “local” (the most useful homework assignment), and seven established farm to school teams that are very likely to continue working together. Of the seven districts who reported data, six met and surpassed the goal to increase their local food procurement by 10%. Seven districts purchased product from local food hubs for the first time for Iowa Local Food Day, an event that contributed to the districts achieving broader farm to school goals.

Respondents rated all components of the grant positively, and collectively launched 22 new farm to school activities. One respondent wrote: “While I never challenged myself to take on any more than minimal efforts with Farm to School, this process has opened my eyes to how important it is to not only meet that challenge but to take it further than what I had done in the past.”

In a post-project survey, respondents rated finding farmers and suppliers, and cost, as the most challenging components of procurement. They cited bidding requirements and time to prepare as the second and third most challenging aspects of local food procurement.

Read the full project report at https://store.extension.iastate.edu/product/15803.
Business development team expertise supports Latinx restaurant expansion

Relevance
According to the State Data Center of Iowa, there were 182,606 Latinos living in Iowa in 2016, making people of Latino origin the state’s largest race or ethnic minority. The study also shows that the Latino population rose 121 percent from the year 2000 to 2016, and it estimates that there will be 439,414 Latinos in the state by the year 2050.

Response
A multi-disciplinary team at Iowa State University Extension and Outreach has on-going work providing technical assistance to Iowans involved in the local foods system, providing support and networking to assist small local food producers providing local foods to consumers. Typically, these producers lack the facility and funding to develop high impact processing of their product.

This project revealed gaps and the potential for the ISU team to collaborate with Iowa local food producers to develop and implement technical assistance resources for those scaling specialty crop processing into their business operations. This scaling specialty crop processing project included the following overall goals:

- Provide design templates and best practice design guidelines for layout and logistics needs for scaling specialty processing.
- Provide local producer and food business partners with technical assistance in addressing food safety and quality training for value-added produce processing to meet Iowa laws and regulation requirements.
- Provide business support to local food producer and food business partners to address specific needs for a successful transition implementing or scaling specialty processing.

This Scaling Specialty Crop Processing brought together a team of ISU Extension and Outreach professionals from FFED, Food Safety and Consumer Production, and Community and Economic Development (CED).

Immigrant entrepreneurs comprise one important group of clients for this team. One of their first immigrant small business clients was Mr. Burrito Mexican Restaurant, located in ISU campustown, Ames.

In 2018, the team—including FFED’s Victor Oyervides—began to work with Mr. Burrito’s owners to assess their present business model. They used the assessment to develop and implement a two- to three-year strategy for growth.

During initial discussions, owners Berenice and Daisy Valderrabano shared that their business slowed down considerably during the summer months. Many of their customers are ISU students, and most go home during summer break.

The team used strategic management tools such as Business Model Canvas and others to capture the present business model and create the next steps in expanding Mr. Burrito’s business.
As a result, Mr. Burrito added value to their business by taking the following steps:

- adding a food truck
- offering a catering service
- strengthening their social media presence

**Impacts**

Latinx entrepreneurs make up a growing percentage of Iowa’s business owners, strongly represented in the local and regional foods arena. Iowa State Extension and Outreach supports these entrepreneurs with business analysis and planning services, which helps them grow, thrive, and contribute to the state’s overall economic health as employers, taxpayers, and providers of goods and services.

One year later, Mr. Burrito has implemented the first three phases with great success: they report their sales have climbed by 20%. And they are currently in the process of developing a fourth phase of expansion.

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**FFED Tools and Resources**

Our team continues to develop research-based tools and reports to support your work with farms, food systems, and enterprise development. A few highlights from 2019:

- *Making the Transition from Conventional to Organic* (FFED 26)
- *Adapting Enterprise Budgets for Organic Crops* (FFED 23)
- *Iowa Fruit and Vegetable Production Budgets* (FM 1904)

Find a full list on our website under the Tools and Resources tabs.
FFED supports food systems development with regional hub trainings across the US

Relevance
Access to healthy, nutritious food is a critical issue in the US, especially in a time of increasing need and limited resources. The US Centers for Disease Control report that childhood obesity has doubled in the past 30 years, and that 7 of the top 10 causes of death in the US are chronic diseases related to poor diet (and lack of activity). Sustainable local and regional food systems are part of the solution to this public health crisis. Non-profit and agency staff people working in food systems development have expressed a need for affordable, relevant training opportunities to improve their skills and capacity in the field. ISU Extension and Outreach can be part of the solution to this problem by providing place-based, relevant training to food systems practitioners.

Response
In the fall of 2019, FFED’s Community Food Systems team hosted four Local Food Leader (LFL) workshops in Iowa, Massachusetts, Nebraska, and Oregon. These locations were selected as national hubs, providing access to this in-person training in the central, western, and eastern areas of the United States.

Local Food Leader is an individual skill development program for beginning local food practitioners and local food supporters. LFL teaches foundational competencies critical to successful involvement in community food systems development. After completing the workshop, participants can receive full certification by completing online modules. Once a certified Local Food Leader, participants can teach and offer the workshop in their place-based communities.

A total of 99 people participated in the workshops in fall 2019 in these four states.

Impacts
Food systems and professional development were the two main topics discussed by participants after completing the workshop as something they will work on in the future, including:

- coalition or council development;
- policy; and
- food systems web and diagrams, which included information on food systems sectors and assets.

These practitioners will return to their communities with a greater capacity to build robust, inclusive local and regional food systems as a result of taking this training. In turn, their community members will benefit from greater access to healthy, locally grown food.

One participant said, “I will be better prepared to initiate the conversation to develop a food policy council.” Another shared, “Recruiting, facilitating, and building our coalition (advisory group),” while a third expressed, “I will think more about policies in my county and integrate that [information] into my work I am doing.”
FFED PROGRAM AREAS

Supporting Farms

The Small Farms Team provides outreach to rural Iowans to connect them with relevant agricultural resources and programs from Iowa State University Extension and Outreach. Outreach channels include a bi-monthly newsletter, monthly podcast, social media, annual conference, and workshops.

Clients include farmers, acreage owners, and service providers.

Our services include farm profitability analysis, food safety training, value-added opportunities, Visit Iowa Farms (agritourism), and maintaining the Agricultural Marketing Resource Center (AgMRC) website, among others.

Your point of contact is Christa Hartsook, hartc@iastate.edu.

Supporting Food Systems

Our Food Systems Team supports the development of thriving local food systems statewide, in partnership with county extension staff and many other collaborators.

Clients include community coalitions, educators, non-profits, and county extension staff.

Our services include coalition development, community food system assessment, technical assistance, leadership certifications, and farm to school program support for local food procurement, school gardens and classroom activities, and maintaining the Iowa CSA and Iowa Food Hub directories on our website.

Your point of contact is Courtney Long, court7@iastate.edu.

Supporting Enterprise Development

The Enterprise Development Team supports small businesses and start-ups around Iowa with a complete range of services, turning initial ideas into successful businesses.

Clients include business owners, entrepreneurs, and start-ups, as well as partners in the non-profit and lending sectors.

Our services include business feasibility studies and analysis, entrepreneurship training, business plan development, and integration with other service providers as needed.

Your point of contact is Brian Tapp, btapp@iastate.edu.
FFED TEAM

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For more information, visit us on the web at: www.extension.iastate.edu/ffed/

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“The services provided to us through the FFED Enterprise Development team have been invaluable as we contemplated an expansion plan. We would not be moving ahead had it not been for their expert help.”

~ Shaughn and Jerry Roorda
In’t Veld’s Meat Market, Pella