



**MOA conference
February 6, 2015**

**Risk Assessment
What's the Real Cost?**

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North Pulaski Farms
Jacksonville AR**



Locally Grown Certified Organic Produce

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North Pulaski Farms was established in 2008 with the goal of providing the best quality organic produce to central Arkansas

We operate a 9 acre fruit and vegetable farm in the northern tip of Pulaski County in central Arkansas.

We utilize a 2.1 acre series of Haygrove high tunnels and a 3 acre field as our main production systems.



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**We named our growing systems after Flintstone
Cartoon characters.**

Fred : 11x24x327 Gutter Connected High Tunnels

**Wilma : 20x96 heated greenhouse for seed
starting a small 20x50 growing area.**

Barney: 1/2 Acre Blackberry patch

**Betty: Arkansas Black Apple Grove intercropped
with 16 rows of vegetable production.**

Bamm Bamm: 3 acre field



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We sell at the following producer only farmers markets in central Arkansas:

**Saturdays at Hillcrest in LR – Year Round
Sunday at The Bernice Garden in LR May-Nov
Tuesday at Westover Hills in LR – May-Oct**

We operate a 75 member summer CSA and sell to selected restaurants.



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Distribution:

50% Farmers Markets

40% CSA

10% Wholesale

Direct sales are by far the largest distribution channel.



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What kinds of risk?

Environmental

Financial

Emotional

Unknown



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A risk assessment is a method of understanding the potential risks and possible mitigation strategies.

The assessment lists possible risks, the likely hood of their occurrence and the severity of the event.



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North Pulaski Farms Risk Assessment:

http://www.northpulaskifarms.com/Npfarm_ra.pdf



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The last 4 items on our farms RA are the ones added after the farm started up.

Organic Premium not accepted by Market

Non-Profits

Farm Consumes Family Life

Single Growing System



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Quotes from other FARMERS:

“His peppers are priced like gold!”

“Outrageous”

“Customers wont pay that much”

“I had to stop farming because I could not raise my price”



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The message should be that small Sustainable Organic farms have to mitigate the risks of organic production by charging higher premiums.

It's not just the added expenses of organic production (labor, inputs, <yield). But to make up for the inevitable crop losses, in order to pay your light bill and if you only have kale to sell , you sell it at a price that will pay the bill.



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**Customers perceive value in the price.
If you have the best tomatoes, then it should
bring the best price.**

**“When your selling, you can Always lower your
price.”**

**If you start with a high enough price, you can
ALWAYS lower them, Raising your price is
much more of a challenge.**



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Building a Relationship with your customers is key.

Half of what you are selling them is the product, the other half is the process.

Make sure they understand the process and they are more likely to pay the premium.



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Working with Non-Profit Organizations

Most of the organizations add great value, but some very well meaning inexperienced ones can add challenges.



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#1

Small school farms are one of our best hopes at recruiting new farmers. When they sell at our markets, many times they are clueless about what to charge. Work with them to understand the value of premium prices. Many times they are in a better position to ask for more, because the extra revenue goes to a worthy cause.



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#2

A group of inexperienced growers forms an organization to try to help govern local markets. They model new rules after a 30 year old market and want to apply them to new markets that many times need more flexibility in order to recruit growers.



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#3

A global organization sells 150 farm shares in an effort to promote small farms in the Delta. After the failure of those small farms to produce, they include heavily subsidized organic food along with conventionally produced food for their CSA. This allows them to offer almost twice the amount of food than most current certified organic CSA offerings.



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Sue would not let me call this session:

“How to loose your wife, fortune & friends by farming.”

It is a HUGH LIFE CHANGING decision to do this job, if the whole family is not behind it, the risk is High that chinks in the family armor will be exposed and exploited.



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Ensure buy in from entire family by making them part of the process.

Make time for family activities outside the farm.

Segregate duties as much as possible to allow for individual space.



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“Don’t grow all your eggs in one basket”

**Diversify how you grow crops.
Add a hoop house or our case, add a
field.**

**Prolong your growing season, add
additional revenue, ensure crop quality.**



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“Only the worthy shall pass”
World of Warcraft



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This presentation can be found on our farms website under the resource tab.

<http://www.northpulaskifarms.com/Resources.aspx>

Questions?



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