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Mid-sized Farmers Brief Congress on
Economic Benefits of Producing for Local and Regional Markets

Washington, D.C. June 8, 2010 - A panel of farmers told a Senate Agriculture Committee hearing room full of Congressional staffers today that mid-sized farms connected to local and regional marketing chains offer a tremendous engine for economic growth in rural communities.

“Mid-sized farms can produce at a scale and with an agility that is attractive to institutional and wholesale markets particularly when those markets are differentiating their products as local, organic, grass fed or family farm raised,” said Ferd Hoefner, Policy Director at the National Sustainable Agriculture Coalition (NSAC), one of the sponsors of the briefing. “These values based supply chains provide much better income opportunities for mid-sized farmers than the raw commodity market.”

While the number of very small farms and very large farms and ranches has increased over the last decade, mid-sized farms continue to disappear. The mid-sized farmers presenting at this briefing, however, are using production methods, marketing strategies and channels that allowed them to compete and thrive.

Diana Endicott, a Kansas farmer, saw the income opportunities of marketing through a local and regional food network. She founded Good Natured Family Farms (GNFF), a cooperative alliance of more than 150 family farms in Kansas and Missouri producing a cornucopia of meats, milk, cheese, eggs, fruits and vegetables using environmentally sustainable farming practices. GNFF markets their pesticide, hormone, and antibiotic-free fare to 38 supermarket and institutional customers including Hen House Markets, Balls Price Chopper Supermarkets, and the Community Mercantile in Lawrence, Kansas under the Good Natured Family Farms label.

Endicott estimates that as a regional aggregator and distributor of goods with a wholesale value of \$4 million in 2009, GNFF generated more than \$8.5 million in economic activity in the rural communities of its members in the form of increased employment and other multiplier effects.

Early on Endicott received a grant from the Sustainable Agriculture Research and Education Program (SARE). SARE is one of the programs highlighted in the Know Your Farmer, Know Your Food initiative championed by USDA Deputy Secretary Kathleen Merrigan to connect consumers with local farmers. The SARE grant allowed Endicott to build the positive relationships with supermarket meat managers that were essential to the cooperative's success.

SARE and the other programs in the KYF, KYF portfolio can contribute mightily to the success of mid-sized farms looking to take advantage of these new market opportunities.

Karl Kupers sees values based local and regional marketing as a means of saving the family farm. The winner of the 2010 Business Leadership Award from the Natural Resources Defense Council, Kupers co-founded Shepherd's Grain, an alliance of 33 family farms in the Pacific Northwest producing and milling wheat for consumers in their region. Shepherd's Grain flours are marketed as local and sustainably produced. Many of the practices used by Shepherd's Grain farmers to conserve soil and water and reduce the use of pesticides were developed by Kupers with the help of a SARE grant.

Shepherd's Grain was also selected this year to receive a \$300,000 working capital grant from USDA's Value Added Producer Grant Program, another program in the KYF, KYF portfolio. Kupers urged full funding for SARE, VAPG, and Farm to School programs as these all support the development and growth of regional food systems. These programs, he said, "can play a large role in revitalizing our national economy and the rural fabric of our society, a fabric made up of not only economics but the equally important cultural/community aspect of our Nation's identity.

The briefing was co-sponsored by the National Sustainable Agriculture Coalition, Farm Aid, Organic Valley, and Heifer International US Country Program.

The National Sustainable Agriculture Coalition is a grassroots alliance that advocates for federal policy reform supporting the long-term social, economic, and environmental sustainability of agriculture, natural resources, and rural communities.