

Final Report: Farmer Perspectives on Scaling up Production to Meeting Institutional Demand for Local Food in Washington and Benton Counties, Arkansas.

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Project Review: This project was conducted following the findings from the resilience research and snapshot completed in fall 2022. The initial research identified the need to further assess the opportunities for farms to scale up to meet demand for local food procurement as well as to understand needs for educational workshops to support in the scaling-up process. Based on this, a six-month research study was completed to further investigate these needs.

Overall, we learned of the following gaps: that there are gaps for

- Trainings on technical farming techniques including use of specialized tools and infrastructure
- Difficulty with marketing, sales, and business skills and/or time and resources for these activities
- Viability of selling to institutional markets
- Difficulty accessing land
- General concerns on increased extreme weather events and response

Recommendations from this investigation include:

1. Increase peer-to-peer learning for producers and farmers and increase capacity for organizational support for hosting learning opportunities
2. Improve commitment to institutional local food purchasing, through contracts as well as intentional purchasing plans from institutions
3. Explore development of a local food coordinator whose role can support the further development of the local food system and relationship development between farms and buyers
4. Improve access to mental health resources for producers

This report details findings and recommendations to better understand and support farmer challenges and opportunities related to scaling up local production of specialty crops in Washington and Benton Counties in Northwest Arkansas. The following report was developed based on interviews and conversations with farmers across the two counties, as well as farmers outside the region who sell their products in the area. Farmers range in size, product type, farming style, years in production, markets, and perspectives on scaling up production. Additional interviews were held with County Extension agents, a farmers market manager, local food hub personnel, local land trust personnel, institutional food buyers, and a culinary school faculty member. Interview questions (Appendix A) focused on understanding the scale and scope of local food supply and demand in Northwest Arkansas.

Most participants believed that challenges related to production, sales, and support services were most prevalent. This report suggests that a collaborative and coordinated approach including a variety of stakeholders across the food system is necessary.

Challenges

Lack of training on technical farming techniques including use of specialized tools and infrastructure
Participants voiced that access to training on technical farming techniques as well as access to certain tools and infrastructure that could make scaling up more feasible posed a challenge. This was especially true for farmers who had interest in techniques relevant to organic or regenerative farming. It was suggested that through informal networks, some farmers have been able to share tools, resources, and infrastructure; however, this did not present a long-term solution and would invariably create access gaps, especially for newer farmers. Participants who did not identify as farmers or producers also voiced that including more education and technical assistance on farming techniques, including use of innovative tools and infrastructure would be beneficial.

Difficulty with marketing, sales, and business skills and/or time and resources for these activities

It was widely reported that dedicating time towards marketing their farm and products, creating new sales channels, and growing their business posed a challenge. Some shared that they even limited their sales radius due to constraints in accessing new markets and customers. Social media marketing was widely regarded as a challenge for farmers despite an understanding of how necessary and valuable it is as a sales tool. It was heard that many farmers prefer to market their products and grow their business through more traditional channels, such as the farmers market or word of mouth. Some participants shared that for farmers to scale up to meet wholesale or institutional demand, a more rigorous marketing and business plan would need to be in place, which does prevent some farmers from increasing production. Developing realistic business plans that address the economic realities of farming, including getting a bank loan, working seasonal or part-time jobs to supplement income, and having a long-term vision were heard as relevant challenges.

Viability of selling to institutional markets

Despite widely heard institutional interest in purchasing local food, farmers reported that institutions were a less attractive and less secure sales channel. Challenges stated by participants included being less profitable for the farmer, requiring more labor, disinterest in growing a less diversified crop selection to meet wholesale volume needs of one or a few products, lack of buyer commitments, and fluctuations in purchasing behaviors (i.e., schools purchase less or not at all in summer months). Farmers who indicated that they had experience selling to institutions reported that they might occasionally fill an order for seasonal items or special meals but not as a part of their regular foodservice program. In some cases, it was heard that farmers ceased working with institutions because they were either not able to break even or garnered very thin margins. Contracts or purchasing commitments were reported as rare and thus made it too risky for farmers to scale their production to meet an uncertain level of demand. Some indicated that institutions are used accustomed to purchasing at conventional prices and due to a limited budget were not able to purchase local products that are often more expensive. It was widely heard that for smaller growers (less than 10 acres), institutional markets are especially inaccessible. As a result, small growers are more interested in expanding their direct-to-consumer markets.

Difficulty accessing land

Participants voiced challenges with land access particularly with knowing what to look for and how to finance it. In the two counties, land prices have tripled or more in the last few years. Farmers who have been farming for decades expressed concern about what this means for the future of younger producers who may face unprecedented barriers to land access. Some participants reported experience leasing land to scale production but that “farming from a distance” provided unique challenges related to labor, traveling, and farm management. A local land trust personnel provided more context to land access issues, stating that some buyers are unaware or unequipped to manage the taxing and, at times, emotionally draining process that comes with purchasing property. It was stated that new buyers could benefit from more upfront education and technical support throughout the purchasing process, including education on bank loans, easements, appraisals, and real estate.

Extreme weather events

Farmers expressed concern about extreme weather events becoming more common and specifically named excessive rainfall and drought as major challenges. It was heard that most producers assumed all financial risk related to weather events, and because of this, farmers may be more cautious or modest in the quantities grown each season. One farmer suggested that environment concerns and global climate change can be a deterrent to young people interested in farming. For this reason, it was also suggested that younger farmers may lean towards more sustainable farming and production practices that support their environmental and social values.

A note to readers

At the time of these interviews and conversations, an existing food hub in the region had recently ceased their operations in Arkansas, causing some farmers and buyers to be left with uncertainty and frustration. It was widely perceived and experienced that a disconnect existed between the food hub and farmers. Some shared that they felt overly optimistic commitments were made in the past, and those commitments did not come into fruition. For example, access to institutional or wholesale markets that would be brokered through the food hub. As a new food hub steps into the region, it was broadly agreed that rebuilding, repairing, and maintaining relationships with farmers and producers would be a necessary but heavy lift.

Recommendations

The findings and themes heard in these interviews and conversations crystallize and bring into clearer focus similar findings illustrated in the Benton and Washington Counties, Arkansas Resilient Community Food System Research Brief. To support local growers in scaling up their production, this report recommends an emphasized and collaborative focus on the following priority areas:

- 5.1. Increase peer-to-peer learning for producers and farmers
 - a. Identify opportunities for incentivized farm visits, workshops, and classes
 - b. Emphasize training on tool and infrastructure use
 - c. Explore new opportunities for resource sharing
 - d. Develop mentorship opportunities for new farmers to learn from and be in community with “veteran” farmers

 - 6.2. Improve commitment to institutional local food purchasing
 - a. Develop and encourage the use of buyer/aggregator letters of intent or purchasing contracts
 - b. Educate and train growers on how to bid for institutional contracts
 - c. Explore opportunities to improve labelling and visibility of local food

 - 7.3. Explore development of a local food coordinator whose role would have the following responsibilities:
 - a. Act as an advocate for local food and institutional local food procurement
 - b. Organize regional gatherings of producers and food systems leaders for the purpose of networking and community-building
 - c. Create training opportunities, resource library, shared calendar of events, etc.
 - d. Facilitate learning circles, group consultations, and one-on-one technical assistance

 - 8.4. Assess producer mental health needs
 - a. Identify a trusted producer advocate who can represent a cohort of farmers
 - b. Conduct assessments and/or distribute self-assessments for common mental health disorders, such as anxiety, depression, or grief
 - c. Develop partnerships with local mental health practices or practitioners who are familiar with farming and agricultural lifestyle
 - d. Provide confidential matching service between producers and mental health professionals
 - e. Establish and facilitate processing groups
 - f. Develop a farmer mental health campaign
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Appendix A

Interview Questions

- Please tell us about you and your farm/food business.
 - looking for intro information like category of products, services, etc.
 - scale of production and markets
 - Current partnerships, areas for improvement
 - Do you currently sell to any aggregators?
 - If yes, can you tell me about this relationship? What works well? What is challenging?
 - If no, why not?
 - What areas of improvement, opportunities, or growth do you see in this type of partnership?
 - Do you currently supply products to schools?
 - If yes, can you tell me about this relationship? What works well? What is challenging?
 - If no, why not?
 - What areas of improvement, opportunities, or growth do you see in this type of partnership?
 - Are there additional needs you have that would make selling your products to grocers, retailers or aggregators easier? For example, meeting people interested in buying local, food safety concerns, etc.
 - Would a network of businesses and organizations dedicated to local food procurement be helpful to you?
 - If yes, what would this network ideally look like?
 - Trust in current networks: We've been hearing comments regarding trust in networks and organizations involved in local food procurement.
 - Do you trust networks and organizations to act in your best interest as a farm/food business when it comes to local procurement?
 - If yes, can you elaborate on why?
 - How did you build that trust?
 - How is that trust maintained?
 - If no, why not?
 - What specific obstacles make it difficult to trust networks/organizations?
 - What changes need to occur?
 - Future, support
 - Where do you see your business/organization in five years?
 - As you consider our conversation, what is one thing you would change, if you could, to support more local food procurement in Arkansas?
 - Generally speaking, what resources would best support you and your business/organization?
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