



Project Name: New Enterprise Development and Managing Legal Liability on an Inland Northwest Small to Mid-size Farm or Ranch

Project Number: SAMPLE

Submitted:

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Project Summary:

This project addresses the legal liabilities and financial risks small farms and ranches undertake as they increase their direct market sales and develop new food and farm enterprises (i.e. processed food products or on-farm events like farm tours and hands-on workshops) due to their limited experience with and understanding of product and property liability; employee and apprentice labor; and market assessment and business planning. The 50 project participants are Inland Northwest farmers and ranchers with gross earnings of less than \$100,000. Participants will attend workshops on Managing Legal Liability, Market Assessment and Business Planning. Upon workshop completion, participants will receive assistance in using tools to manage their legal liabilities and engaging in market assessment and business planning. Three months after the workshop series, 35 participants will have taken steps to manage their legal liabilities and 15 participants will have begun a market assessment or business plan.

Proposed Results - What Participants Will Learn, Achieve, Apply

	<u>Proposed result(s) that will happen by end of project</u>	<u>Topic</u>	<u>Producer Action</u>	<u>When Measured</u>	<u>Est. #</u>	<u>How Will You Verify</u>
1	Participants will indicate that they have an improved understanding of legal liabilities associated with direct marketing, farm labor/apprentices, developing value-added products, and on-farm events.	Labor regulations	Understand	End of first workshop	30	Written Evaluation
2	Participants will indicate that they have an improved understanding of tools available to manage these farm legal liabilities.	Personal and business liability	Understand	End of first workshop	30	Written Evaluation
3	Participants will commit to taking at least two actions to manage the legal liabilities related to the farm or ranch.	Personal and business liability	Decide	End of first workshop	25	Written Action Plan
4	Participants will have utilized one or more tools to manage their farm or ranch-related legal liabilities.	Personal and business liability	Implement	March - April 2007	35	Phone Interview
5	Participants will gain an improved understanding of how market assessment, feasibility studies and business planning can be used to decrease farm financial risk.	Analysis of market fundamentals	Understand	End of second workshop	30	Written Evaluation
6	Participants will commit to performing a market assessment, conducting a feasibility study or developing a business plan for a new farm or ranch enterprise.	Marketing plans and strategies	Decide	End of second workshop	22	Written Action Plan
7	Participants will have begun a market assessment or business plan.	Marketing plans and strategies	Develop	March - April 2007	15	Phone Interview

	<u>Proposed result(s) that will happen after project</u>	<u>Topic</u>	<u>Producer Action</u>	<u>When Measured</u>	<u>Est. #</u>	<u>How Will You Verify</u>
1	Participants will have conducted a market assessment, feasibility study or business plan.	Marketing plans and strategies	Develop	November 2007	25	Written Evaluation
2	Participants will be able to describe at least one concrete step they have taken to minimize their legal risks with respect to offering on-farm events and/or developing value-added products.	Personal and business liability	Implement	November 2007	35	Written Evaluation
3	Participants will have analyzed their risk related to farm labor / apprentices and will have taken at least one concrete step to minimize their risk.	Labor regulations	Implement	November 2007	20	Written Evaluation

Audience Emphasis

Small farms or ranches
Sustainable producers
Value-added producers

Producer Demand:

Forty-nine percent of Idaho's farms and ranches (12,310) are less than 50 acres and another 33 percent are between 50 and 499 acres. Seventy-one percent of Idaho's farms and ranches have annual gross farm sales less than \$25,000 and another 12 percent have sales between \$25,000 and \$100,000. The majority of these small and mid-sized farmers and ranchers are producing mixed vegetables, flowers, herbs, small fruits and/or livestock (generally custom) for sale through local direct markets. As these farms and ranches increase their production and sales, and engage in new enterprises, they often do so with little, if any, business planning. In the process, they unknowingly take on new legal liabilities. It is from this pool of Idaho's farmers and ranchers that we expect to draw our project participants.

The project team from Makesadifference Ltd. and University of Idaho have been meeting and working with Idaho small and mid-sized farmers and ranchers for the past 8-11 years. Over the past three years, we have seen an increase in the number of producers interested in understanding and managing their legal liabilities. These producers have expressed a need for assistance in identifying their particular areas of liability and finding economical means for addressing them. Many producers we come in contact with have never considered the liabilities their operations entail and are unsure of what action they should take.

One example of a project participant is a ranching couple in their mid-40s who operate a mid-sized ranch (450 acres) and are looking to save the family ranch by converting from wholesale to direct marketing and engaging in agritourism activities. They have decided to advertise their custom beef, pork and state-inspected poultry through a series of on-farm events where participants will be served meals made with meat and produce raised on the farm. They are charging participants a small fee to help offset the event costs, including meals and advertising. After talking about their ideas with another local producer who mentioned the importance of making sure their homeowners or farm insurance policy would cover such events, the ranchers decided they need to investigate the rules and regulations associated with conducting on-farm events and providing meals to the public, which are legal liabilities they will encounter as they transition into direct marketing.

Review Past Projects

We reviewed two projects in the Ag Risk Education Library:

Reducing Price Risk Through AgriTourism Strategies (University of Hawaii)

Risk Management Planning for California's Agritourism Operators (UC Davis Small Farm Program)

Both of these projects addressed marketing and legal risk on issues similar to what our target audiences face.

We plan to enhance our curriculum with supplemental resource materials from these projects, dealing with understanding and managing legal risks related to product and property liability.

The target audience from the University of Hawaii's project is similar to our small farm audience and we can

build upon approaches used and additional expertise offered by their project team and farmer mentors.

Project Team

Team leader and members:

Will Helpalot, Project Director, whp@makesadifference.edu

Responsibility: Project oversight and direction. Lead on workshop design & process. Development of workshop evaluations and mail survey. On-site facilitation of workshops. Follow-up with workshop participants.

Cindy Jones, Sustainable Agriculture Program Coordinator, University of Idaho, cindy@uid.edu

Responsibility: Input into workshop design. Identification/development of educational resources used in workshops. Presenter at workshops related to market assessment. Workshop facilitation. Follow-up with workshop participants.

Sara Finwell, Education & Direct Marketing Program Coordinator, sara@makesadifference.edu

Responsibility: Workshop logistics including developing brochure and other advertising / media pieces; managing workshop registrations / inquiries; compiling workshop educational materials. Following-up with workshop participants. Implementing mail survey.

Greer Jackson, owner, All Natural, Inc., Sandpoint, ID, gj@allnatural.com

Responsibility: Assist with workshop design and educational resource identification. Presenter at managing legal liabilities workshops. Follow-up with workshop participants.

Project collaborators:

Janice Allgood, owner, Bluebird Farms, Nampa, ID, bluebird@comcast.net

Responsibility: Assist with content development and marketing plans for workshops.

Rachel Lyons, owner, Turtle Dove Farms, Boise, ID, tdf@boise.net

Responsibility: Assist with identification of workshop speakers, including farmers, ranchers, agency personnel, legal advisors and insurance professionals.

Ernie Lane, owner, Quiet Valley Farms, Post Falls, ID, quiet@yahoo.com

Responsibility: Assist with advertising and getting producers to the workshops, securing workshop locations and providing workshop content ideas.

Total amount requested: \$33,897

Final Checklist

1. For your pre-proposal to be considered complete you must have your online pre-proposal submitted by Thursday, December 11, 2008.
2. Print and review your pre-proposal before you submit your application.
3. Questions?

Demo Application
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