

Multifunctional Farms in the U.S. – Situation and Implications for Rural Development

Chyi-lyi (Kathleen) Liang

Professor, Entrepreneurship and Applied Economics

**University of Vermont, College of Agriculture and Life Sciences
Department of Community Development and Applied Economics
Burlington, Vermont 05405**

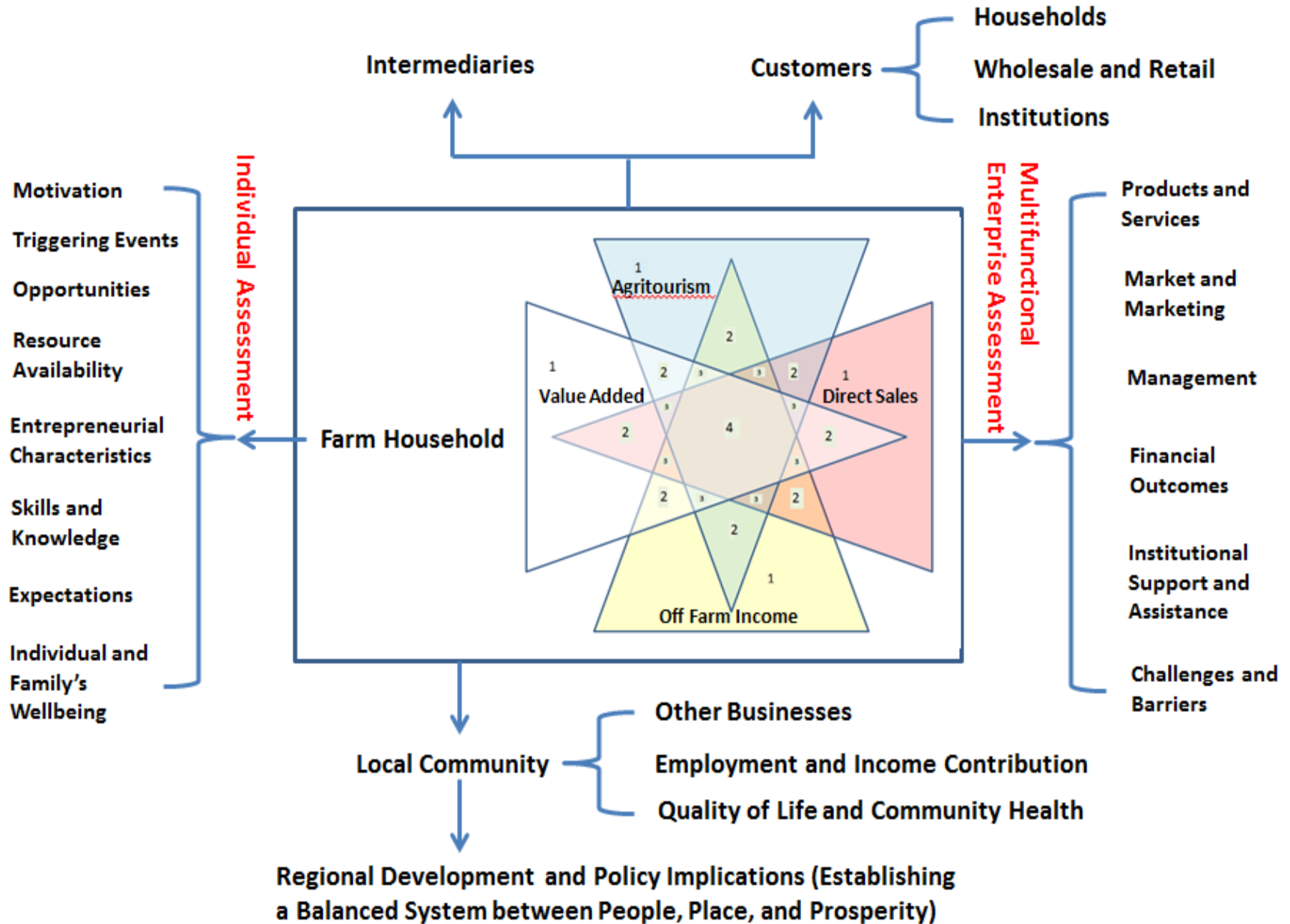
**Project Funded by USDA AFRI Program No 2011-67023-30106
Co PI – Drs. Mary Ahearn (USDA ERS), Jason Brown (USDA ERS),
and Stephan Goetz (Pennsylvania State University)**

**Research Assistants – Matthew Pescatore (CDAE, UVM), Sierra Enlow (Univ of Kentucky),
Flora Su (Environmental Engineering, UVM), Qiong Yang (Penn State Univ), Taylor Slone (CDAE, UVM)**

Introduction

- **Changes in farming activities**
- **Multifunctional agriculture in the U.S.**
- **New evidence of increasing number of farms participating in multifunctional farming in New England**
- **Strategies, challenges, needs, and implications for rural development**

The Structure of the Research



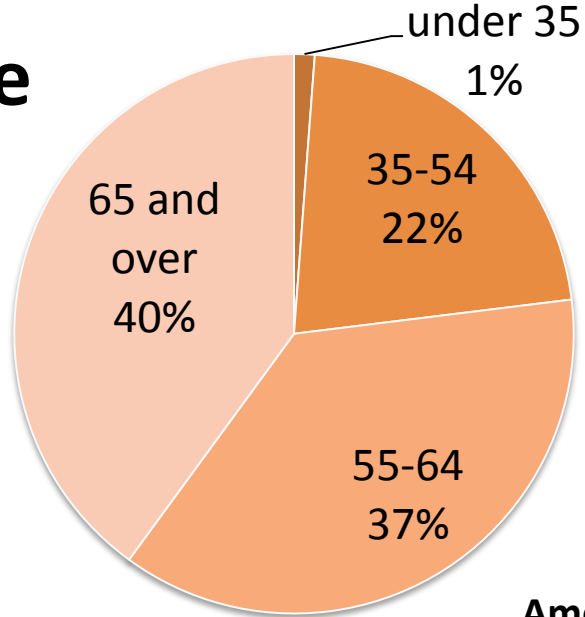
Summary of Multifunctional Farming in New England by Category

Screening Postcard Responses (Sample = 3,898)

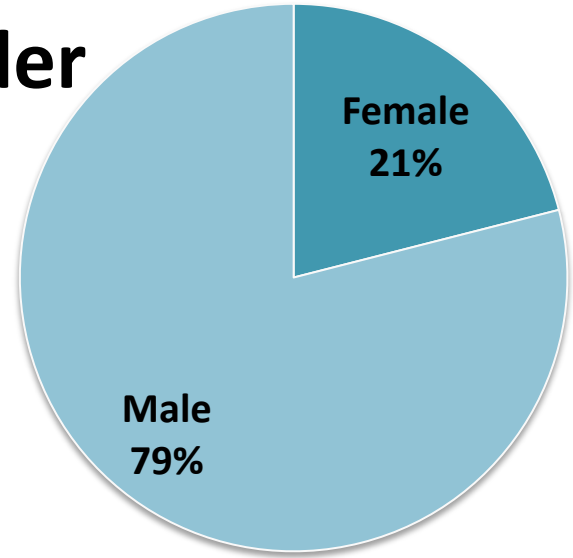
Agritourism	# of Farms	Direct Sale	# of Farms	Value Added	# of Farms	Off Farm Income	# of Farms
Tour	563	Farm Stand	1243	Others	619	Full Time Job	1535
Events	401	Others	984	Syrup	480	Part Time Job	917
Others	236	Farmers' Market	632	Jam & Jelly	279	Another Business	753
Outdoor Activity	182	Restaurant	496	Pickled	206	Others	515
Zoo	88	Grocery Stores	396	Wool	188		
B&B	58	Pick Your Own	390	Candy	113		
		Institutions	234	Bread & Butter	89		
		Coop	233	Cheese	80		
		CSA	204	Ice Cream	54		
				Spice	43		
				Cream	29		
				Wine	25		

Selected Demographics of the Detailed Farm Survey, n=1029

Age



Gender

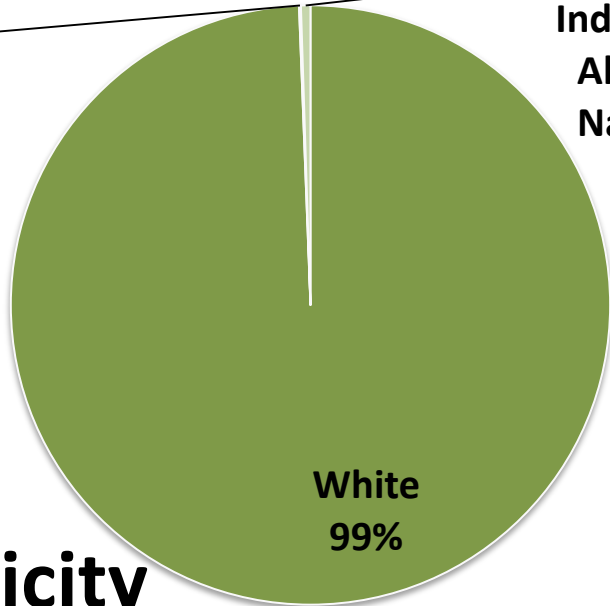


Black or African American
0%

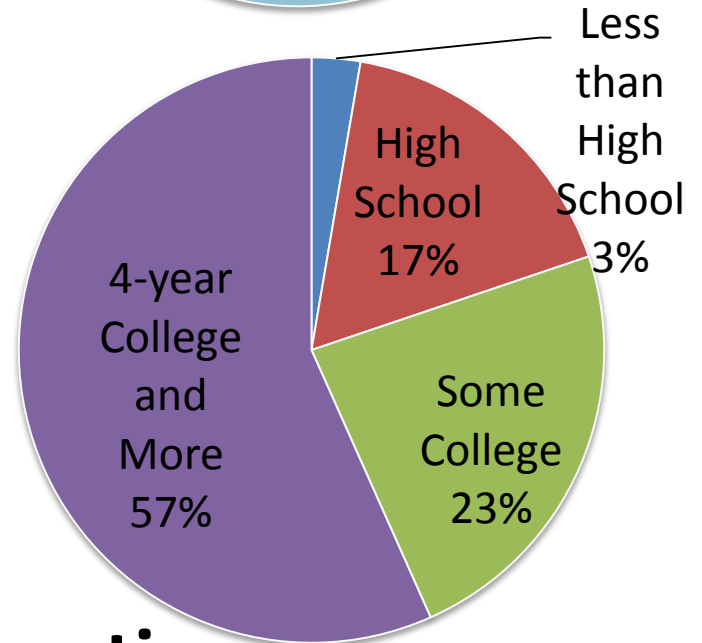
American Indian or Alaska Native
1%

White
99%

Ethnicity



Education



Current Summary of Survey Results

- The results of the postcard census survey showed almost identical patterns in the numbers of farms involved in multifunctional operations between 2007 and 2011.
- Key information collected for farm profile includes:
 - 6 typologies in organic practices
 - 7 categories of participation in public institutional programs
 - 9 categories of network and assistance
 - Participations in different categories of multifunctional activities (sales, expenses, and family involvement)
- **Reasons for farmers to choose multifunctional operations include:**
 - Increase farm revenue and promote local products
 - Promote farmers' connection with customers
 - Promote local farm scenery and enhance sustainable working landscape
 - Access to employer-provided healthcare plan

Challenges and Barriers for Farmers Involved in Multifunctional Operations

- **Access to labor**
 - Out migration of younger generation
 - Skill and knowledge training for labor
 - Immigrant labor
- **Access to financing and capital**
 - Borrowing power
 - Cash reserves and savings
 - Investment planning
- **Access to market and customers**
 - Location
 - Advertising and promotion



Summary of Regional Analysis

County-level Data from Census of Agriculture and Bureau of Economic Analysis

- **No statistically significant association between multifunctional agriculture and growth in total agricultural sales between 2002 and 2007 at the national level.**
- **Direct sales for human consumption *were* linked with total farm sales in the New England and Mideast regions.**
- **Agritourism was complementary to production in the Great Lakes and Southeast regions, but it was negatively associated with growth in farm sales in New England.**
- **On an annualized basis we found that a one dollar increase in total agricultural sales led to a \$0.04 increase in county personal income.**
- **Overall, our findings suggest that multifunctional agriculture is unlikely to make significant contributions to economic growth.**

Output, Impacts, and Linked Studies (July 2011-Dec 2012)

- Vermont introduced new policy in supporting multifunctional agriculture in 2012. Other New England states followed.
- Traveled to **42 states and visited 3000+ producers/organizations** in 10 months – southern states and Hawaii.
- Research impacts on other countries – **200+ inquiries from Africa, Asia, etc.**
- Grants
 - Do Networks Improve the Effectiveness of Promotion for Vermont Wine Producers? USDA Competitive HATCH Grant.
 - Examining the Role of Regional Food Networks (RFNs) and Their Relationships to Long-Term Resilience in the US Food System through the Linkages of People, Place, and Prosperity, Northeastern Regional Association of State Agricultural Experiment Station (NERA) Planning Grant.
 - Multi-state project – NE 1049.
- Publications
 - 1 peer reviewed journal article, 1 book chapter, and special edition of 3 journals.
 - 3 articles under review, and 12 articles in preparation
- Presentations
 - 3 webinars each year, 11 conference papers and presentations (Business, Entrepreneurship, Ag)
 - 3 workshops and 4 invited presentations



Challenges for Scholars and Stakeholders

- **Be creative and look into the future**
- **Think outside the box and be comfortable**
- **Be flexible and ready to learn**
- **Assemble a multidisciplinary team**
- **Identify team members across institutions**
 - Land grant institutions
 - Service providers
 - Other organizations



For More Information

Dr. Kathleen Liang

University of Vermont

**Department of Community Development
and Applied Economics**

103 C Morrill Hall

Burlington, Vermont 05405

(802) 656 0754

CLIANG@UVM.EDU



Thank You!