

BEYOND GRANTS

Entrepreneurial Strategies for Funding Beginning Farmer Initiatives

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Beyond Grants: Entrepreneurial Strategies for Funding Beginning Farmer Initiatives

In 2012, the average age of Michigan farmers was 57 years. That average has been on an upward trend for at least 20 years.¹ Even more concerning is the disproportionate low number of young farmers entering the industry. In 2012, there were only 6,500 Michigan farmers under the age of 35 and 21,000 farmers who were over 65.² Numbers like these lead to many questions, such as: Who will grow our food in the future when the older generation of farmers retire? What will happen to their farmland? There is a growing need to train beginning farmers to continue Michigan's farming legacy as the previous generation exits the industry.

Furthermore, Michigan has a growing market for local and regionally identified foods, as evidenced in the growth of the number of farmers markets, food hubs, and farm-to-school programs. In 2001, there were only 90 farmers markets, and there are over 300 in 2018.³ There are now at least eight food hubs across the state,⁴ and 54% of food service directors surveyed stated that they purchased local foods in 2014, compared to 34% in 2012.⁵

In order to meet the growing demand for locally produced food, especially with increasing numbers of farmers exiting the industry, there is a need to increase the capacity and success rate of beginning farmer training programs supporting growth in number of new farmers. Michigan is fortunate to have several beginning farmer initiatives; however, most of these programs rely on grant funding from state, federal, and foundational sources, and there is lack of intentional communication and cooperation across initiatives. Many beginning farmers use multiple programs/initiatives during their journey to become seasoned farmers. A strong network of complementary beginning farmer initiatives could build the capacity of individual programs while increasing the success rate of each beginning farmer.

Beginning farmer initiatives exist in many forms in the U.S., including as a branch of a university's agriculture program (such as University of Wisconsin's Beginning Dairy Farmers and Iowa State's Beginning Farmer Center), as a part of an agriculture-related organization (such as the Farm Beginnings, available through 11 different agricultural non-profit organizations across the country), or on their own as a part of the programming of a specific farm (such as Urandale Farm in Lansing, Michigan). Funding for beginning farmer initiatives is likewise as diversified as the programs themselves: governmental grants, foundational support, and private donors are often all a part of the funding used to sustain beginning farmer initiatives. Some beginning farmer initiatives also use entrepreneurial strategies to supplement grants and donations.

This report has been prepared based on the assumption that to have long-term social impact for any program supporting systems change, it is important to have entrepreneurial, self-sustaining funding. This report, generated by conducting an environmental scan and reviewing case studies of current beginning farmer initiatives across the U.S., explores self-sustaining entrepreneurial fundraising strategies and activities, and offers a creative pathway forward for evaluating strategies to fund Michigan's beginning farmer initiatives.

¹ USDA NASS Ag Census Survey data 1997-2012

² USDA NASS Ag Census Survey data 1997-2012

³ Michigan Farmers Market Association website (www.mifma.org)

⁴ MSU Extension article dated Jan 2015 (http://msue.anr.msu.edu/news/where_are_michigans_food_hubs)

⁵ MSU CRFS Farm to School in Michigan report

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Overview of Entrepreneurial Activities

Entrepreneurial fundraising for non-profits is sometimes referred to as “earned income” fundraising, which includes all sales of goods and services. Sales of goods and services must fall within certain Internal Revenue Service guidelines if the organization wishes to maintain its 501(c)(3) status.¹

Successful entrepreneurial fundraising strategies capitalize on an organization's assets, including people, skills, property, and experience.² Beginning farmer initiatives tend to have similar assets: land, equipment, and people with agricultural skills. They also may share similar types of supporters. Thus, it is not surprising that many beginning farmer organizations have comparable non-grant fundraising strategies. An environmental scan of beginning farmer initiative websites shows sales of plants and food-focused social events as very common types of entrepreneurial fundraising strategies used by beginning farmer organizations. Some programs also use athletic events, sales of clothing and accessories, crowdfunding, membership campaigns, and sponsorships to supplement grant funding. Following an overview of each type of strategy, there will be case studies and lessons learned shared by fundraisers from several beginning farmer organizations.

¹ <https://www.irs.gov/charities-non-profits/charitable-organizations>

² Bray, Ilona, J.D., *Effective Fundraising for Non-Profits* (NOLO, 2016)





Successful entrepreneurial fundraising strategies capitalize on an organization's assets.



Sales

Given the assets that many beginning farmer training programs share, it is not surprising that some have chosen to include the sale of plants in their fundraising. Some organizations use their own resources to start the plants, while others have resources donated. The Southside Community Land Trust in Rhode Island produces and sells rare plants and sustainably grown fruit and vegetable starts to support its beginning farmer program.¹ An educational farm in Pennsylvania (Seed Farm) hosts an annual one-day plant sale that includes a food truck rally and a community organization fair.² Community Crops in Nebraska has a weekend plant sale with starts sourced from an arboretum and several local organic farmers.³ Here in Michigan, the Allen Neighborhood Center in Lansing sells preordered vegetable starts grown at their Hunter Park GardenHouse to support their farmer training programs.⁴ The Garden Spot, an independent nursery in Bellingham, Washington, has a one-day plant sale in the spring to support the Sustainable Connections beginning farmer program.⁵

One of the benefits of selling a product closely related to the mission of a beginning farmer initiative is that the resources necessary for production are generally already in place. The staff has the knowledge to properly market the product to the right population, and they know the value of the product they are selling. Drawbacks may include the complexity and long timeline of planning a plant sale, as well as the risk of inclement weather if it is only a one or two-day event. It may also take several years for customers to get in the habit of planning their garden around the plant sale.

A year-round nursery business as a fundraising strategy for a beginning farmer initiative will take a significant amount of startup and ongoing resources. Depending on the project, it may evolve to be more effective as a social enterprise than fundraiser, as the Intervale Center in Vermont found.⁶ Their nursery project benefits the whole organization by supporting research in plant breeding and offering intern education training opportunities. However, due to these practices, it also does not create a net profit that would provide funds for other projects. A nursery that operates as a more traditional business may be able to provide ongoing funds to an organization, as does California's Planting Justice.⁷ In a similar vein, Cloud Mountain Farm Center in Washington State began as a nursery and evolved into a nonprofit community farm, while maintaining plant sales as part of its fundraising to support beginning farmer education.⁸

Several beginning farmer initiatives sell shirts, hats, bags, and more on their websites to promote the organization. This may bring in revenue as well as publicize the name of the program. On-demand printing companies help simplify the process, so the organization is not left with an excessive inventory, or even bothered by the task of shipping the items, as they are drop-shipped directly to the customer. Examples include inktothepeople.com, for a one-time campaign, and cafepress.com (among many more) for on-going sales.⁹

¹ <http://www.southsideclt.org/>

² <http://www.theseedfarm.org/2017-plant-sale>

³ <http://communitycrops.org/events/>

⁴ <http://allenneighborhoodcenter.org/gardenhouse/plantsale/>

⁵ <http://www.garden-spot.com/index.html>

⁶ Personal communication with Mandy Fischer, Development Director of Intervale Center in Burlington, VT

⁷ <http://www.plantingjustice.com>

⁸ <http://www.cloudmountainfarmcenter.org>

⁹ <https://www.michaellessek.com/best-t-shirt-fulfillment-companies-2017-print-on-demand/>



Events

Events are a great way to draw in new ongoing individual donors and supporters, as well as one-time supporters, but events can be time consuming to plan and execute well. For new organizations that have not built up their donor base, large events can be very helpful as it is relatively easy to collect contact information from all attendees.

If the event goes well, it can be a rallying point for enthusiastic new supporters. The marketing of the event can increase the visibility of the organization in the community, and the funds raised will likely be unrestricted. The event can also increase the visibility of a particular space or landscape: a new food hub or urban garden plot, for example. There are also many side venture opportunities at events, including raffles, auctions, games, etc., which may appeal to a wide base of supporters as well as increase the fundraising potential, as long as there is staff capacity to manage them properly. Consistency in the time of year and type of event is usually appreciated by customers and supporters and allows for better efficiency in planning.

Events that fund beginning farmer initiatives around the U.S. tend to fall into three categories: Athletic events such as competitive foot races and recreational bike rides, formal farm to table dinner events showcasing local produce and local chefs and inexpensive picnic-style open houses.

Many of the events also involve music and entertainment, as well as side ventures for fundraising, like contests, auctions, and raffles. Athletic events can be relatively small and simple, like a fun run or short bike ride, or they can be large and more complicated, like a timed run or marathon. Small and simple events may not raise as much money as larger events, but they will also not take as many resources to plan. For example, Madison, Wisconsin has two agriculture-related bike rides: Bike the Barns, which draws hundreds of riders to several courses ranging in difficulty, and Ride to Farm, which has one challenging course, and only draws 50-60 participants. Ride to Farm raises less money, but requires much less staff time to execute, and the Ride to Farm organizers are willing to make that trade-off. The amount of money that Ride to Farm raises meets their goals while being manageable by their existing staff. Bike the Barns raises more money but requires significantly more staff time and energy.

An officially timed run that uses electronic chips to give participants accurate results, such as a five-kilometer run (5K), can both bring awareness to a cause and raise funds. Several beginning farmer initiatives have used them, such as Lundale farm in Pennsylvania. One way to simplify fundraising with a timed run is to organize a team to participate in an event that is already managed by another organization. Northeast Organic Farming Association–Massachusetts (NOFA-MASS) raised over \$16,000 in 2017, and \$22,460 in 2016 with a team running the Genesis Battlegreen Run, a fundraising event that is designed to host various fundraising groups.



Fun runs are events that are not “officially” timed with chips to give accurate results to runners. Fun runs are easier to plan, especially for small organizations, but may not bring in as many “serious” runners, and their success will depend on having a wide base of existing supporters, rather than relying on the area race circuit for participants.

A benefit of rural bike rides or runs is the opportunity to highlight the agricultural landscape for supporters who don’t regularly spend time on farms. An asset that many beginning farmer programs have are the alumni of the program. After 23 years, UW – Madison’s beginning dairy farmer program has graduated over 500 farmers. The Ride to Farm organizers use this resource to find volunteer farmers to feature along the route each year. This keeps the course interesting for the riders (about 80% of whom are retained from year to year, and very few of whom are farmers), and keeps the alumni involved with the school, itself a critical fundraising strategy. For beginning farmer programs that are in or near urban areas, there may be a significant interest among the supporters of the program to get out into the rural landscape and experience the farming community.

Smaller athletic events, like bowling tournaments, are relatively simple and inexpensive to execute but may not raise as much money as larger events. Bowling is a less strenuous, relaxed way to involve many different people. Hiram Farm in Ohio has an annual bowling tournament that earns a small amount of money for the farm, and has the added bonus that the farmers, who are adults on the autism spectrum, and their families enjoy participating in it. Large, expensive events like \$250 farm-to-table galas can price out the very farmers they serve, and strenuous athletic events may not be particularly appealing to farmers in the height of the farming season, or supporters with other physical limitations.

Many athletic events follow the contest with a larger social event for families and friends of the participants. While this may not be the most lucrative aspect of the event, it can be an opportunity for outreach and education to build the base of supporters, and a larger number of attendees may also help attract more sponsorship.

Another asset for farms is fresh produce, and many farmer training programs are wise to capitalize on their own produce in organizing farm to table meal events. These events can be formal and expensive, or casual and inexpensive. Most feature local chefs that volunteer for the event, local produce and beverages, sponsorships, and music and entertainment. They often feature other fundraising techniques as well, like silent auctions or raffles.

Movie nights are another way to bring together continuing and new supporters. Food and agriculture related documentaries abound, so this can be an inexpensive way to engage the community while educating them on the importance of beginning farmer resources, and may raise a small amount of money¹, as Viva Farms in Washington State was able to do.

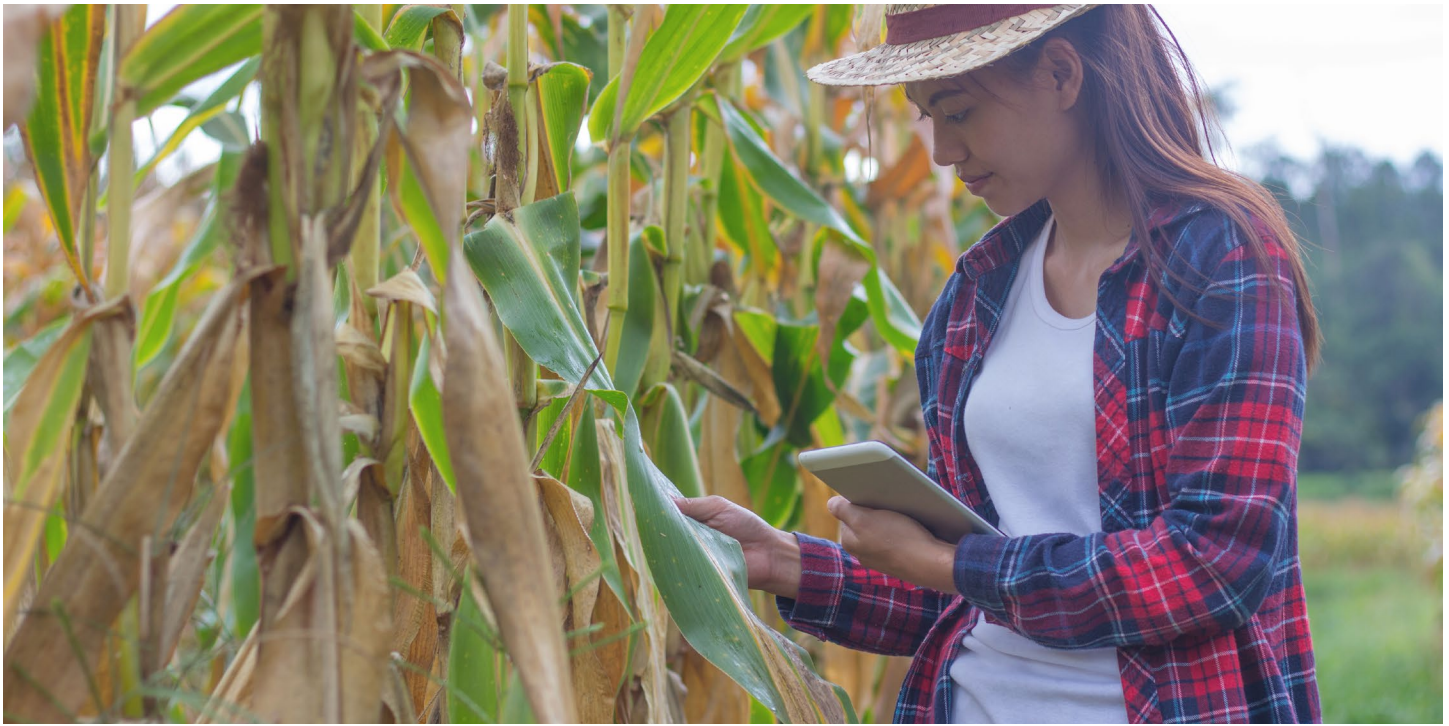
Taste the Local Difference, a social enterprise in Michigan that helps market local food, now offers organizers the opportunity to use the organization as a third party to certify events as Certified Local Food Events. Certifying local food events creates a standard and helps with annual record keeping by keeping track of what percentage of the food was local and encouraging organizers to increase their local food purchasing each year. As the certification becomes more widespread and well-known in Michigan and beyond, it will lend legitimacy to food events that advertise using local products.

Online tools now make it easy to organize fundraising events. Ride to Farm, for example, uses dojiggy.com, which has many similar competitors such as: Flipcause, Qgiv, DonorPerfect. These platforms can help organize the whole event, including keeping track of donors and volunteers, processing payments, and marketing through social media.

¹ Viva Farms, personal communication with Beth Meenaghan







Crowdfunding

Crowdfunding is now a common way to fundraise, and several beginning farmer initiatives have had success using that platform. In 2013, Northeast Organic Farming Association – New Jersey (NOFA – NJ), raised \$19,960 from 179 donors on [kickstarter.com](https://www.kickstarter.com) to start an incubator farm for beginning farmers, and in 2015 they raised \$20,945 from 167 donors to fund scholarships for beginning farmers to use for workshops and conferences. Dakota Rural Action is using CrowdRise to fund their programming, including their Farm Beginnings curriculum. In return for their donations, the funders sometimes receive small gifts, such as seeds, tote bags, membership, and dinner tickets. While providing the gifts takes time and resources to manage, the benefit is that the upfront costs are very low, and the overall spending can still be relatively low.

At least two agriculture-related crowdfunding websites have launched in the last decade specifically devoted to food businesses and marketed toward a food-focused population, [barnraiser.us](https://www.barnraiser.us) and [farmraiser.com](https://www.farmraiser.com). [barnraiser.us](https://www.barnraiser.us) is both a fundraising platform and community for small farmers, artisan food businesses, and community groups. [farmraiser.com](https://www.farmraiser.com) is an entirely different concept. The website provides a variety of artisan foods and agricultural products for school and community groups to use to fundraise (rather than the usual school fundraisers featuring candy, wrapping paper, or wreaths). Small food businesses can sign up to be a partner and sell their products, and fundraising groups can curate their product offerings.

Kiva ([kiva.org](https://www.kiva.org)) is a loan program that crowdsources funding for entrepreneurs, including farmers. They offer 0% loans which get repaid in 6-36 months. The process can be very fast, with projects on average funded in six weeks. Kiva requires a show of support from your social network, and once that is established you can find funding through their worldwide network of funders.



Memberships

Membership in beginning farmer organizations provides ongoing annual funding for the organization, while offering benefits like discounts, networking/skill-building opportunities, and/or access to publications like newsletters or directories. Funds are unrestricted and may help to formalize the relationship between the organization and supporters.



Sponsorships

Many beginning farmer organizations also use ongoing or event sponsorships to raise unrestricted funds. Corporations and local businesses donate a certain amount of money in exchange for publicity in printed publications, at events, online, etc. For example, a bike company may donate a bike to the winner of a fundraising bike ride, increasing ridership, which helps to increase revenue. Their logo might appear on promotional material and in the media surrounding the event, which promotes their business in a positive way. In exchange for their donations, organizations may include perks such as memberships or tickets to their events.





CASE STUDIES

Viva Farms in Port of Skagit, Washington

Viva Farms is a 33-acre farm incubator in Washington State's Skagit Valley. It is a young organization that has experienced a lot of growth and change recently. Beth Meenaghan is the current development and communications manager. Viva Farms recently tried entrepreneurial fundraising events, including a farm to table dinner, dinner and a movie night, a farm open house with kids' activities and beer sales, and a partnership with Panera™, with varying degrees of success.

The farm-to-table dinner was a new fundraiser in 2017 and will be refined and replicated in 2018. While it successfully brought community together, it was not as successful in raising funds. A primary challenge to the success of this event was the lack of experience of the event planners. Beth is confident that with some changes it will be more successful as a fundraiser in 2018.

Viva Farms' movie night was effective at raising money and engaging the community. They had a large unexpected donation from a moviegoer who was new to town and feeling supportive. They plan to host more community movie nights. The farm open house for Viva Farms was a great way to bring supportive community members together with farmers but was not intended to raise money beyond covering the costs. The Panera™ partnership was simple to coordinate but it is not yet clear if they raised a significant amount of money.

Beth believes that the organization will always be largely grant-funded, but having unrestricted, supplemental funds is very important to them. They plan on continuing to refine and replicate their entrepreneurial events.



UW-Madison Beginning Dairy Farmers in Madison, Wisconsin

The UW-Madison Beginning Dairy Farmer program provides an in-depth education in pasture-based dairy and livestock farming. Richard Cates is a founding educator who started the Ride-to-Farm bike ride in 1995. The funds from the ride go directly to the program's endowment. Thanks in part to the bike ride, they have grown their endowment from \$5,000 in 1995 to \$500,000 in 2017, with about \$22,000 spendable, unrestricted funds each year. While the endowment was started with individual and group donations, it is now funded entirely by their annual entrepreneurial events.

Richard is an avid biker, so it was natural for him to plan the ride. The ride started as a strategy to garner state-wide publicity for their program, rather than to raise money. For the first several years it was a multi-day ride across the state ending at a farming conference, which increased their visibility across the state but did not raise funds.

In year seven they decided to shorten the ride to one day and to use it as a fundraising event. It took three years to secure sponsors for the ride. They now have a handful of committed sponsors that fund the ride as well as provide coupons, jerseys, tickets, and other perks to riders. One bike company donates a bike given to the highest fundraiser. All riders must raise \$75 and are encouraged to raise more. They have about 50-60 riders and a high retention rate from year to year.

The course changes every year, but always starts and ends at a state park shelter (which is free to reserve) and includes stops at several nearby farms owned by alumni of the program. They reserve the University mascot, Alice in Dairyland, for the event and make sure to alert all media (especially agricultural related publications) along their route. They have trophies and prizes for costumes. There is a party afterward for riders and their friends and family with snacks and refreshments provided for riders, and they can bring their own alcoholic beverages.

The ride is about 62 miles long across challenging terrain, limiting the number of riders. The organizer feels that the difficulty of the ride keeps the event simple and manageable to plan. There is a similar bike ride in Wisconsin, Bike the Barns, which raises money for the FairShare CSA coalition. This event has several hundred riders, three different routes, and is overall a more complicated event to plan. Richard felt that his organization's event was appropriate for the amount of resources he can devote to it. The FairShare ride certainly earns more but carries with it higher costs in both time and resources.

The Beginning Dairy Farmer program also organizes a harvest dinner fundraiser but raises significantly less money than the bike ride. With dinner events, Richard felt that costs easily get out of control. Richard stressed that the simplicity of organizing the ride and how easy it was to keep costs low was important for keeping the fundraising potential high.



Center for Environmental Agriculture in Orange County, North Carolina

Farm to Fork NC is an event that supports North Carolina State's and North Carolina Agricultural and Technical State University's Center for Environmental Farming Systems apprenticeship and internship programs. The program also supports the Orange County Breeze Farm incubator farm. The programs were started with grants and now rely primarily on the fundraiser, which is now in its 11th year. Nancy Creamer, the Director of the Center for Environmental Farming Systems, oversees the event.

The first event was on a small dairy farm and showcased North Carolina's food and featured guest speaker Carlo Petrini, International Founder of the Slow Food movement. Participants were enthusiastic, so they made it an annual fundraising event. They did not make any money in the first two years with tickets priced at \$35, but in the third year they raised the price to \$100. There was some negative feedback for the sudden increase, but the change allowed them to make a net profit. A business stepped in to sponsor a small number of discounted to allow more people to attend.

The Farm to Fork event is a family-friendly event that centers on food, with music, drinks, and free admission to children under 12. It features chef-farmer pairings, where the chef prepares a dish using product from the farm. The event expanded into a three-day weekend long event in 2015, but this proved too difficult to manage. In 2018 they are still doing the three events but spread out through the year. They are still marketing them together and will have an option to allow people to buy a ticket that gets them into all the events.

The Center for Environmental Farming Systems has a board member that is a James Beard Award winning chef with contacts in the local restaurant world. This was beneficial for recruiting participating chefs early on. There is now a high demand to participate and chefs from local restaurants have to apply to be a part of the event. The chefs donate their time and purchase the local produce themselves from the farmers at a discounted price. They choose the date for the main event carefully to accommodate the chefs (Sunday evening, rather than on a busy Saturday night), and are also careful to avoid big weekend events like graduation and Mothers' Day. About 500-800 people attend the event each year. The event has been successful for garnering publicity for the beginning farmer programs, outreach to the community, and for the farmers to forge new relationships with local chefs.

There are about 60 volunteers that get free entry for helping at the event. Orange County, North Carolina donates the waste and recycling program, so that they only create one bag of landfill trash at the end of the event.



Hiram Farm in Hiram, Ohio

Hiram Farm started in 2009 with five farmers with autism and no infrastructure. They now have 32 farmers, 20 staff, 17 acres, and several greenhouses. They are primarily funded through Medicaid, as they provide social services to adults with autism. Despite that funding, the director, Dave Lundeen, feels it is important to have an annual unrestricted fundraising program as well.

Their major fundraiser is an annual farm to table event. They lost money on the event the first year in 2016, so they raised the price from \$25 to \$50 in 2017. That year they sold 230 tickets and net about \$5,000. Dave thinks they could net \$12,000 next year. They provide their farm's produce and roast a hog raised on the farm. There is live music and a silent auction.

Hiram Farm also hosts a bowling fundraiser. Farmers take part in the event and enjoy being involved. During the event they also have a raffle and a 50/50 (where proceeds are split in half between the winner and the organization), that typically makes \$2-3,000. They organize a Fall Festival at the farm as well, with hayrides, games, and crafts. They do not raise much but it helps build relationships and gives back to the community.



Stone Coop Farm in Brighton, Michigan

Joanee DeBruhl was laid off from her job in 2009 and began volunteering for a garden at her church. She realized she loved farming and wanted to be a farmer. She found work with the "No Worker Left Behind" program (a part of Michigan Works!¹) and they helped her with funding for tuition for Michigan State University's Student Organic Farm (SOF) training program. Her church also helped her raise money for books with a bake sale. She was hoping to get \$200-\$300 but surpassed that with \$900. An anonymous donor also gave her \$50 for gas each month. Realizing that she was very lucky for this support, she was inspired to fundraise for other beginning farmers when she was financially able to.

Joanee is now the farm manager of Stone Coop Farm. In 2015 she had an employee that was a great fit for the SOF program but couldn't afford it, so she decided to do a fundraiser for him. He needed \$7,000, so they targeted \$5,000 and received \$6,000. The event was a dinner with five local volunteer chefs for \$100 per plate, including wine. There was also a free event for everyone in the community after dinner, with a silent auction, bake sale, bonfire, and music. The dinner and bonfire now make up an annual fundraising event. It has evolved in several ways to be more cost-effective, for example, no longer providing wine, but allowing attendees to bring their own beverages instead. All funds raised are used for scholarships for beginning farmers.

¹ https://www.michigan.gov/documents/nwlb/NWLB_Fact_Sheet_Final_203216_7.pdf



Michigan State University's Student Organic Farm in East Lansing, MI

The Student Organic Farm (SOF) at Michigan State University started in the mid-90's with a small group of dedicated students and committed professors.¹ The beginning farmer training program became more formalized with a grant from Kellogg Foundation in 2001. The expectation was that it would be self-sufficient in four years using sales of farm produce. By the fifth year, the farm was grossing \$100,000 and essentially met their goal of self-sufficiency. It then operated as a certificate program within MSU's Institute of Agriculture and Technology for three years and received funding from MSU. In 2010 it became a non-credit certificate program and stopped receiving MSU funding.

The beginning farmer program at the SOF is now funded through produce sales and program fees. They have a four-season CSA, a market stand on campus, and sell to campus dining halls. They have a fee-based seasonal educational program that continues to evolve.

In 2009 the SOF started the annual Gala to fundraise for their scholarship fund for the beginning farmer educational program. It is now called Feast in the Field. They typically raise \$20,000-\$30,000 a year through ticket sales. They have tried a silent auction in the past, but it was more work than it was worth. The farm has a special relationship with MSU's Vice President of Hospitality who underwrites the tent, chefs, and more, essentially sponsoring the event. They use pork and produce from the farm. They have a smaller VIP pork-centered dinner at the Kellogg center, also sponsored by MSU, that also provides funds for scholarships for their programs.

As the Student Organic Farm continues to grow and shift according to the demands of the students they serve, being able to offer scholarships because of their fundraising dinner allows them to admit students that may not otherwise have the opportunity to study sustainable agriculture.

¹ For a detailed history, see <http://www.canr.msu.edu/hrt/uploads/535/78622/Four-Season-Student-Farming.pdf>

Lessons in Entrepreneurial Fundraising for Beginning Farmer Initiatives

In speaking with development directors of six beginning farmer initiatives, both mature and new programs, several themes emerged.



Refining a fundraising strategy to raise money may take several years. Many organizations reported losing money for the first, or first several trials of an event. It often took several years to refine their fundraising event to the point where it made money. Fundraising strategies are constantly evolving as organizations hone in on what does and doesn't work for their particular organization in their specific community. Learning how to cut costs is an important part of the evolution. Raising ticket prices was also reported to be essential solution.



Increasing community support and involvement is very important and may be the primary benefit in the first several iterations of an event. Many organizations mentioned the importance of events to the strength of the organization even if they did not make money. Whether the original goal was to fundraise or not, involving the community has many secondary outcomes, including outreach, publicity, and networking opportunities. Interestingly, three out of six of the organizations also report receiving a large donation at an event, which may not have been donated without the event taking place.



Securing sponsorship from other businesses is crucial. Having a corporate sponsor for events or for the organizations themselves can be a very successful way to fundraise. Sponsors defray the costs of events, which helps the bottom line of the event. However, it often takes several years for sponsors to commit to an event or organization. For some organizations, sponsorship made the difference between making and losing money.



Having paid staff to plan and execute the fundraising strategy yields better results. Having paid staff to manage the project ensures a level of commitment that volunteers may not be able to match. Several leaders felt that having paid staff working on their fundraising campaign made their program profitable and sustainable.



Recruiting committed volunteers is important. Finding volunteers to help with events is a crucial part of a successful event. One organization works with local 4H chapters to help with their bike event. 4H is the youth development branch of the University Cooperative Extension Service. Many 4H groups are looking for community service opportunities and have a shared interest in increasing funding for beginning farmer education.



Planning an appropriately sized event can help retain staff and volunteers. Many planners also stressed the need to articulate the goals of the event and make sure the staff is willing and able to take on the scope of the project. Increasing the size of an event is not necessarily the most effective way to bring positive impact. Smaller events can be successful, especially if they leave the attendees and staff feeling good about the organization, rather than feeling burnt out.



Other Innovative Entrepreneurial Fundraising Strategies

The Brinery in Ann Arbor partnered with Michigan State University's Student Organic Farm to produce a sauerkraut made exclusively with cabbage from the Student Organic Farm. While this was not a fundraiser per se, it raised awareness for the farm, as each jar of sauerkraut advertised their program. It may be possible to partner with a prepared food producer to use local produce in a similar way, and perhaps to fundraise by earmarking net profits of the product for the initiative.

Farm to Ballet is based in Vermont and works to celebrate Vermont's agricultural heritage while expanding the audience of classical ballet.¹ The choreography is centered on Vermont agriculture. The group of dancers and production staff travel to different farms for up to 20 performances each summer season. They sell tickets and split the revenue with the farm. Food is always a part of the event, either prepared on farm or sold from a mobile vendor.

Another food-centered fundraising idea comes from the Kiwanis club of Carlisle, Pennsylvania. The community organization sells blueberries from New Jersey in 10 pound increments to the general public to raise money to buy books for community schools. The Kiwanis club buys the blueberries at wholesale, marks them up slightly, and receives all net profits of sales. They have raised over \$132,000 in the last five years, selling over 150,000 pounds of blueberries.² Part of its success may be due to the consistency, as many buyers in the community now expect the sale every summer and plan in advance on purchasing the blueberries. Similarly, Fresh From the Farm in Ontario provides schools the opportunity to sell fresh produce from Ontario farms and make 40% profit. Both of these projects have the potential to benefit both the fundraising organization and farmers.

¹ www.ballettofarm.org

² Miles, Tyler "Carlisle Kiwanis Club kicks-off blueberry fundraiser" The Sentinel [Carlisle, PA] May 3, 2016

DONATE



Sales of donated used or new items can be a very successful fundraiser. The Ann Arbor PTA used a North Carolina PTA thrift store model and went from raising \$5,000 in 1994 in the cafeteria of a middle school, to employing 26 people in a resale store that is open seven days a week. Funds are distributed to groups within the Ann Arbor PTA based on their level of participation. Many farms have a large collection of used farm supplies, which could be donated to a central location for resale.

Additional non-grant fundraising strategies include:

Rounding Up Campaigns at Stores

Customers are given the option to “round up” their total to donate their change to a cause (many food co-ops participate in a program that chooses a different nonprofit each month¹)

Yoga On The Farm

Can be a low cost way to bring people to the farm

Food Truck Rallies

Either with admission fees, or a portion of profits benefitting the initiative²

AmazonSmile³

Or other corporate partnerships where a percentage of sales are donated


Restaurant Fundraisers

National chains such as Panera™, Chipotle™, and others offer the opportunity to host an event where a percentage of sales are donated (see <https://www.groupraise.com/> for a list & locations). Locally owned restaurants and bars may also be open to a fundraiser

¹ <http://commonground.coop/cooperate/round-good>
<https://www.wedge.coop/about/concern-for-community/#change-matters>

² <http://thefoodtrust.org/night-market> for on-going variations on that event

³ <https://org.amazon.com>



Return on investment and ease of planning shifts as the size of the organization changes

Software Advice conducted a survey of 99 event planners from nonprofits self-identifying as small (budgets less than 1 million) to large (budgets over \$100 million).¹ One key finding is that the return on investment and ease of planning shifts as the size of the organization changes (see Figure 3 on page 32). A large organization may have an easier time planning an art exhibit than a small organization, for example. That being said, certain types of events are more likely to have a lower or higher cost per dollar raised, no matter what size the organization is. For example, “a-thon” events, art exhibitions, and fun runs all have lower cost per dollar raised than other types of events. According to the survey, concerts have a high cost per dollar raised, and are likely to be more successful with a large organization.

Each fundraising strategy will produce different results for money raised and the publicity and community support gained. Many organizations address this by developing a strategy that includes multiple projects on multiple levels. An expensive farm to table dinner, for example, may bring in a small number of people but a large amount of money, while an informal bonfire afterward will bring in a large amount of people but a small amount of money. Offering both is a win-win if the organization has the resources to coordinate it successfully. Consider using a matrix to help clarify which fundraising technique would be the most effective. Figures 1 and 2 show an example matrix of several strategies and factors in the decision-making process.

¹ <https://www.softwareadvice.com/nonprofit/industryview/fundraising-event-report-2015/>

Steps to Design an Entrepreneurial Fundraising Strategy

STEP 1:

Determine your budget: list current costs and income and determine the shortfall that fundraising needs to cover.

STEP 2:

Describe your fundraising goals.

Are they purely financial? Is this an older organization that is well-supported and well-known in the community but in need of cash flow?

Is publicity important as well? Is this a new organization that has not yet reached every-one in the community who might be interested in your work?

STEP 3:

Identify assets, including staff (their skills, experience, and knowledge), volunteers, members, clients, and physical assets (property, buildings, etc.).

Is there something the organization is already doing that could be transformed into a fundraiser? (e.g. research that could be put into publication, products that are available to members that could be offered to the public, etc.)

Estimate staff, volunteer, and/or equipment availability.

STEP 4:

Understand what drives supporters to care about your mission and how to capitalize on that. It's important to attract the audience that will be the most supportive of beginning farmer initiatives, most likely people who have an interest in food, plants, health, and the environment.

STEP 5:

Understand what customers want or need. Think like a business and do market research regarding your idea. Where is the gap in the marketplace? For example:

Is there a need for a county-wide bike ride or is there a similar event already being held every year?

If you offer tee shirts for sale, what sets them apart in the marketplace? The material? The design?

Is the farm to table event being held on a weekend without any other similar events or holidays or will it face competition from the start?

STEP 6:

Draft a business plan and submit it to key people involved to get feedback and buy-in.

STEP 7:

Finalize plan, including calendar, expenses, detailed responsibilities & time expected from all involved. (Include a "funding back up plan" if at all possible, to prepare for inclement weather, cancellations, low turnout, etc.)

STEP 8:

Decide how you'll measure success. Identify the metrics, so you can be sure to adequately track them during the campaign. You could choose, for example, one or more of the following:

Total money raised

Memberships gained

Number of attendees or customers

Low cost per dollar raised

STEP 9:

Recruit sponsors. Consider setting sponsorship levels with specific benefits. Sponsors are likely to need their own insurance for the event.

STEP 10:

Begin marketing.

STEP 11:

After the event/campaign: Assess, refine, replicate. For annual events, the key is to learn from year to year, evolving the program to function as efficiently as possible.

Funding Michigan's Future Farmers

The average age of farmers in Michigan was 57 in 2012.¹ As this generation retires, the next generation of farmers needs to be trained and prepared to take on the challenges of farming. This will require a dynamic, well-connected, and well-funded state-wide network of training programs. Diversifying the funding for beginning farmer educational initiatives will ensure their success and sustainability.

Beginning farmer initiatives are often eligible for federal grants, such as the Beginning Farmer and Rancher Development Program (BFRDP), as well as state and local grants. There are also foundations and individuals that are supportive of beginning farmer education. However, a truly sustainable program will have a diverse portfolio of fundraising strategies. As recommended by Kim Klein in *Fundraising in Times of Crises*, no more than 20% of an organization's funding should come from a single person or organization. Likewise, no more than 20-30% should come from governmental and foundational sources, as they can be unpredictable year to year. Having an annual fundraising plan that includes entrepreneurial strategies is likely to be more sustainable and able to withstand short-term fluctuations in funding availability, as well as spread the risk out.

Funds raised through entrepreneurial activities are usually unrestricted, which give the greatest flexibility to the organization coordinating the beginning farmer program. Many of the grants available have limitations on the way that funds can be used, limiting the organization in developing new ways to help farmers, and at times can foster "mission creep" such that the organization's actions move it further from directly helping beginning farmers succeed.

Practical Farmers of Iowa (PFI) have designed a Savings Incentive Program, which matches beginning farmer's savings at the end of their two year mentorship (up to \$2,400). Feedback from farmers shows that this program is very helpful, but most grant funding does not allow the flexibility to re-grant dollars in this manner.² PFI are thus exploring new ways to raise unrestricted funds, including entrepreneurial fundraising. MSU Extension designed a similar matching grant and farmer training pilot program from 2004-2008 titled "SW Michigan Beginning Farmer Entrepreneur Program".³ In addition to agricultural classes and access to a peer-to-peer network, farmers were given an Agriculture Individual Development Account and savings were matched, generating equity. The program was evaluated favorably and could be further developed and replicated across the state with appropriate funding and collaboration.

The environmental scan and case studies of beginning farmer initiative fundraising programs included in this report indicate that there are entrepreneurial fundraising strategies that can work well, but it is important to keep in mind that they can take several years to evolve into successful fundraisers. Having support funding for the first several iterations of a fundraising pilot program may greatly increase the likelihood of its eventual success and self-sustainability.

Michigan has a diverse array of beginning farming programs, including free programs, paid programs, and fee-based programs (see Figure 4 on pages 33 and 34). One key strategy to ensure continued investment in Michigan beginning farmers is the establishment of a sustainable seed fund program that does not rely on grants, and can

1 https://www.nass.usda.gov/Quick_Stats/Ag_Overview/stateOverview.php?state=MICHIGAN

2 Personal Communication with Greg Padget, Beginning Farmer Coordinator at PFI

3 <http://foodsystems.msu.edu/uploads/files/IDApage-Evaluation.pdf>



be accessed across several Michigan beginning farmer initiatives that provide an appropriate level of technical assistance and mentoring. Funds raised could be used for scholarships for the fee-based programs, or to level the playing field for those who can't afford to participate in low-cost or low-wage programs. A matching grant fund could also be created to help beginning farmers establish equity over the course of several years while enrolled in a training program. Whichever strategy is settled on, encouraging communication and collaboration throughout the network of beginning farmer initiatives would surely increase their capacity and, ultimately, increase the success of Michigan's beginning farmers.

Michigan has a diverse array of beginning farming programs, including free programs, paid programs, and fee-based programs (see Figure 4 on pages 33 and 34). One key strategy to ensure continued investment in Michigan beginning farmers is the establishment of a sustainable seed fund program that does not rely on grants, and can be accessed across several Michigan beginning farmer initiatives that provide an appropriate level of technical assistance and mentoring. Funds raised could be used for scholarships for the fee-based programs, or to level the playing field for those who can't afford to participate in low-cost or low-wage programs. A matching grant fund could also be created to help beginning farmers establish equity over the course of several years while enrolled in a training program. Whichever strategy is settled on, encouraging communication and collaboration throughout the network of beginning farmer initiatives would surely increase their capacity and, ultimately, increase the success of Michigan's beginning farmers.

Figure 1. Example of a weighted matrix for fundraising decision making

| | Fundraising Potential 1-LOW 5-HIGH | Awareness-Raising Potential 1-LOW 5-HIGH | Ease of Planning 1-HARD 5-EASY | Amt. Earned Per \$ Spent 1-LOW 5-HIGH | Mission Fit 1-LOW 5-HIGH | Use of Resources 1-LOW 5-HIGH | |
|-----------------------------|--|--|--------------------------------------|---|--------------------------------|-------------------------------------|------|
| Farm-to-Table Formal | 5 | 3 | 1 | 3 | 5 | 4 | = 21 |
| Picnic At The Farm | 2 | 4 | 4 | 3 | 5 | 5 | = 23 |
| Concert | 3 | 5 | 1 | 2 | 2 | 2 | = 15 |
| Tee Shirt Sales | 1 | 3 | 3 | 4 | 3 | 2 | = 16 |
| Fun Run | 3 | 2 | 5 | 5 | 2 | 2 | = 19 |
| Bike Ride | 4 | 4 | 2 | 4 | 2 | 2 | = 18 |

Figure 1 is a simple matrix, with the possible fundraising techniques listed in the first column, and the various aspects of using each technique listed in the top row. Each technique can be rated on a scale of 1-5. The total may help determine the best fit for your organization, with the highest total being the best fit if each column represents an equal priority in designing a fundraising strategy. In this example, farm-to-table and picnic events are the strongest possibility, as they use the resources of the organization well and have high potential to raise money. You can see the trade-offs in the two farm-to-table events numerically: the picnic offers more publicity, while the farm-to-table event may offer higher potential net revenue.

Figure 2. Example of weighted matrix for fundraising decision making (6 is most important, 1 is least)

| | Fundraising Potential 1-LOW 5-HIGH | Awareness-Raising Potential 1-LOW 5-HIGH | Ease of Planning 1-HARD 5-EASY | Amt. Earned Per \$ Spent 1-LOW 5-HIGH | Mission Fit 1-LOW 5-HIGH | Use of Resources 1-LOW 5-HIGH | |
|-----------------------------|--|--|--------------------------------------|---|--------------------------------|-------------------------------------|------|
| WEIGHT | 2 | 6 | 1 | 3 | 4 | 5 | |
| Farm-to-Table Formal | 10 | 18 | 1 | 9 | 20 | 20 | = 78 |
| Picnic At The Farm | 4 | 24 | 4 | 9 | 20 | 25 | = 86 |
| Concert | 6 | 30 | 1 | 6 | 8 | 10 | = 61 |
| Tee Shirt Sales | 2 | 18 | 3 | 12 | 12 | 10 | = 57 |
| Fun Run | 6 | 12 | 5 | 15 | 8 | 10 | = 56 |
| Bike Ride | 8 | 24 | 2 | 12 | 8 | 10 | = 64 |

Figure 2 shows how to weight each aspect of fundraising based on its importance. The weights are used as multipliers to identify stronger fundraising opportunities based on the priorities of the organization. In this example, the awareness-raising potential is considered the most important aspect, so it is rated 6. This may be a newer organization that is looking to primarily increase awareness in the community. Using the resources of the organization is also high, so it is rated 5. The fundraising potential is not considered as important so it is rated 1. These numbers are then multiplied by the numbers in Figure 1, which adds more weight to the score of the most important aspects, and less weight to the score of the less important aspects. The total score then includes the prioritization of the various aspects of the strategy and may clarify which ideas will work well.

Figure 4. Beginning farmer training initiatives in Michigan

| ORGANIZATION | BEGINNING FARMER PROGRAM | LENGTH/ DESCRIPTION | COST | FINANCIAL AID AVAILABLE |
|--------------------------------|--|----------------------------------|--|-------------------------|
| MSUE | MSU Extension Beginning Farmer Webinar Series | Webinars | Cost: \$5/each & \$37.50 for all | --- |
| MSUE | MSUE Heroes to Hives | 9 months | Free | |
| MSU North Farm | Novice Farmer Program | 12 months/ 4 months on farm | Cost: \$11,000 resident & \$30,000 nonresident | Yes |
| MSU North Farm | Apprentice Farmer Incubator Program | Up to 5 years | Cost: \$1,000/acre/year +\$275 | No |
| MSUE Tollgate | Tollgate Farm and Education Center Apprenticeship Program | 5 months | Paid -\$9/hr +benefits | --- |
| MSU SOF | MSU Student Organic Farm | 9 months@1 day per week | Cost: \$3600+\$300 | Yes-\$500-\$3000 |
| MSU SOF | Farmer Field School | 4 all day sessions | Cost: \$150 each | Yes |
| MSUE | Master Gardening Classes | 4 months | Cost: \$300.00 | Yes |
| MIFMA | Farm based education program | Videos & handouts for beginners | Free | --- |
| MIFFS | Farmer Networks (Women in Ag, Vets in Ag, multicultural farmers, Spanish-speaking farmers) | Ongoing classes/ networking | Free | --- |
| MIFFS | Beginning Farmer education and USDA navigation | Conference/ workshops | Free/\$45 | --- |
| MIFFS | Women in Ag Farm Development Center at Genesys Health System/Health Park | Incubator and demonstration farm | Small fee for incubator farm | --- |
| MIFFS | Tilian Farm Development Center | Incubator Farm | Land rental and equipment fee | --- |
| Kalamazoo Valley Comm. College | ValleyHub demonstration farm and food hub | Demonstration farm only | --- | --- |

Figure 4. Beginning farmer training initiatives in Michigan (Cont.)

| ORGANIZATION | BEGINNING FARMER PROGRAM | LENGTH/ DESCRIPTION | COST | FINANCIAL AID AVAILABLE |
|--------------------------------|--|------------------------|-----------------------------------|-------------------------|
| Kalamazoo Valley Comm. College | Kalamazoo Community Farms | Network of urban farms | --- | --- |
| Eastern Market | Baskets to Pallets | 3 years | | |
| Urbandale Farm | Urbandale Farm Apprenticeship & Internship programs | 6 months, part time | Paid apprenticeship: \$4000 total | |
| Unpaid internships | --- | | | |
| Allen Neighborhood Center | Hunter Park GardenHouse & Allen Market Place Internships | Quarterly/seasonal | Unpaid | No |
| Keep Growing Detroit | Farm Train | Weekly workshops | Free | --- |
| Earthworks | Earthworks Training Program (EAT) | 9 months | Free | --- |
| MOFFA | Organic Intensives | One day workshops | Cost: \$85-105 | Yes |
| Tillers International | Apprenticeships | Flexible | Free | --- |
| Edible Flint | Garden Starters Program | 11 weeks in the summer | Cost: \$65 | Yes |
| D-Town Farms | Food Warriors Youth Development | Seasonal | Free | --- |



**The next generation of farmers
needs to be trained and prepared
to take on the challenges of farming.**



Resources

1

Fundraising Guide by the Society for Nonprofits

<https://www.snpo.org/funding/index.php>

It includes self-assessment, helpful list of pros- and cons- of various entrepreneurial activities

2

Fundraising For Farm Incubators

https://nesfp.org/sites/default/files/resources/nifti_fundraising_fact_sheet.pdf

Compiled by NIFTI an largely applicable to beginning farmer initiatives

3

Reflections on Developing and Running a Farmer Education Network by the Center for Agroecology & Sustainable Food Systems (CASFS) at UC Santa Cruz

<https://casfs.ucsc.edu/documents/bfrdp%20publications/Farmer-Education-Network.pdf>

4

SW Michigan Beginning Farmer Entrepreneur Initiative (Van Buren County MSU Extension) Program Evaluation 2005-2008:

<http://foodsystems.msu.edu/uploads/files/IDApage-Evaluation.pdf>

5

Hosting a Successful Farm-to-Table Fundraising Dinner:

https://nofavt.org/sites/default/files/uploads/CommFA/farm_to_table_fundraiser_pdf.pdf

6

Choosing Your Fundraising Strategies

<https://nonprofitquarterly.org/2013/01/18/choosing-your-fundraising-strategies/>

Appendix: July 24th Webinar Summary

In July 2018, Michigan Food and Farming Systems (MIFFS) and MSU Center for Regional Food Systems (CRFS) organized a webinar and invited representatives from beginning farmer training programs across Michigan. Five organizations were represented: Michigan State University Student Organic Farm, Crosshatch Center for Art and Ecology, Michigan State University Extension, Earthworks Urban Farm, and Kalamazoo Valley Community College. The invitation was received warmly but due to the difficulty of the growing season several sent their regrets.

During the webinar, representatives from MIFFS and CRFS described why there is the need for entrepreneurial funding, and what they hope to achieve: a statewide network of educators that have access to seed grants for their beginning farmers. There was an informative discussion regarding fundraising strategies. The group felt that there are already events going on throughout the state and it might be beneficial to tap into what has already been established (i.e. the farming conferences and the citywide urban farm tours that are already happening in Lansing, Detroit, Kalamazoo, etc.), rather than attempt to start a new event. This fits with the findings of the report in the sense that it uses resources the network already has. There was discussion of sales of an art print or similar item at each of these events across the state, as well as an arts-related event involving local arts councils. There was also a mention of a rural farm tour, similar to the Midwest Fiber Arts Trail.

Concerns were raised regarding the time and effort required to participate. Some felt their resources are already stretched thin and weren't sure they have the capacity. There was a recognition from all that the disbursement of funding needs to be equitable across a very diverse landscape of farmers and farm types. Marketing and accounting, as well as land and loan access, were identified as some of the biggest challenges for beginning farmers. Overall, there was a consensus that a statewide beginning farmer seed fund that had equitable access was a worthy goal.

Suggestions for moving forward included an environmental scan of promotional events, educational events, and fundraising events that are already happening across the state that could be used to support a Michigan Beginning Farmer Fund. It was decided that this could be accomplished by sending a poll to representatives of beginning farmer training programs to gather information. All participants agreed to write a letter of support and be a part of a working group to help inform strategy and a business plan.



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