Adventures in Pasture-based Agriculture: Opportunities, Obstacles and Outlook

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Adventures in Pasture-based Agriculture: Opportunities, Obstacles and Outlook

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Overview

- Introduction
- Selected Literature: Why Pasture-based Agriculture Matters
- Methods
- Results
- Discussion and Recommendations
- Conclusions
Introduction: Pasture-based Agriculture

- Can include meat, poultry, dairy, eggs
- No universal definition or dividing line
- Currently a niche
  - Supports small/medium farms
  - Connects consumers
  - Widely seen as good for environment and animals
- Motivation for expanding and enhancing market
Selected Literature

Studies indicate that PBA:

- Offers attributes demanded by consumers, not available elsewhere, commanding premium
  Product traits; animal/ecological stewardship
- Is viable for small/medium farms
  Higher profit per animal; less debt, risk
- Small/medium farms good for rural communities
  Socially and economically
However,…

Is not well-served by commodity markets
Need to coordinate market and distribution to realize benefits
This study: understand current supply chains for differentiated PB products, with eye toward opportunities/constraints to expansion
Methods

Interviews with agents from each supply “link”

- Purposeful sampling: recommendations from MSUE hay/grazing Area of Expertise, “eat wild” website; sell to/work with
- Open-ended questions: taped, transcribed, coded as study progressed

<table>
<thead>
<tr>
<th>Agent Type</th>
<th>Number</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Farmers</td>
<td>16</td>
<td>3 dairy; 3 beef; 1 poultry; 1 sheep; 8 “mixed”</td>
</tr>
<tr>
<td>Processors</td>
<td>8</td>
<td>7 USDA, 1 “exempt”</td>
</tr>
<tr>
<td>“Buyers”</td>
<td>6</td>
<td>2 distributors, 2 retail, 2 chefs</td>
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</tbody>
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Overview of Results

Farmers: Direct and local markets
Values: stewardship, community

Processors: Scale used by individual farmers
Vital but threatened link

Buyers: Sourcing local and specialty products
Want to source locally (and do), but...
Results: farmer interviews

Entrepreneurship and Promotion: Food with a Story

- Variety of terms used (natural, grass-fed, etc.)
- Emphasize design of God or nature
- Animal welfare and comfort, decrease stress
- “We eat it, so we know it’s safe”
- Consumers include: W.A. Price members, cancer survivors/doctor referrals
Results: farmer interviews (continued)

Good Life, Good Neighbors

- High quality of life
- Not get rich; earn viable family income, grow affordable food
- Good relationships with (non-farm) neighbors: no odor or flies; cute animals, quaint setting
Processor Results

Vital Service Vulnerable: Family business, or began to fill perceived need

- Surviving, not thriving?
- Partners with farmers
- Value humane treatment
- See USDA inspection as good
- Sell to family and friends
- Perceive increased demand for “food with face”
- Labor issues: benefits, seasonality, training
“Buyer” results

- Clear market segments: specialty vs. general public
- Want to source locally, but hard to do
- Brokers can solve marketing/sourcing issues
- Seasonality issues
Discussion: Opportunities, Obstacles, Outlook

- The Value is in the Values: bundle of attributes (health, sustainability, animal welfare)
- Convenience, Connection, Consistency
- Grow the Niche? Go Mainstream? Or Both? How to De-commoditize Agriculture?
Recommendations

Private Firm Strategy
✓ Help promotion, sell whole farm story in consistent way
✓ Build partnerships: easier with independents than corporations?

Public Policy
✓ Bring back MI state meat inspection?
✓ Grass fed standards? Who and What?

Research needed:
✓ Promotional strategies
✓ Seasonality, quality control
✓ How will partnerships work?
Conclusions

- Valuable niche, ready for growth
- Promotion and production research needed
- Avoid creating commodity market: build relationships, partnerships, "Values-based Value Chains"

![Diagram showing product and information flow between Farmers, Processors, Distributors, Buyers, and Consumers]
Thank You!

Contact me with questions or comments:

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