



# Western Center for Risk Management Education



WASHINGTON STATE UNIVERSITY  
EXTENSION

World Class. Face to Face.

NEWSLETTER FOR WESTERN AGRICULTURAL EDUCATORS

Spring 2004

## WCRME Program Update *By Jon Newkirk, WCRME Director*

Washington State University Extension's Western Center for Risk Management Education (WCRME) is one of four regional Risk Management Centers supported by USDA CSREES grants with funds from the Federal Crop Insurance Fund. The Center invests in projects that assist western farm and ranch families to develop skills that improve their ability to manage financial risk.

Risk management education projects are selected for investment through an annual regional competitive grants program. Proposals are submitted using an online results-base application and verification process.

Projects are supported where agricultural producers and their families who participate will achieve measurable risk management improvements. Private and public organizations are eligible for competitive grants awards. All funded projects use partnerships to significantly increase impact and outreach.

Risk management education activities have been delivered to farmers and ranchers in all thirteen western states. The program serves the diverse needs of agricultural producers of all sizes.

Underserved groups and minority populations are sought and targeted. Applicants are encouraged to submit original and innovative proposals that build on time-honored risk management education basics.

Since its initial funding 3 years ago, WCRME has reviewed 139 project proposals and funded 39 projects. A list of projects awarded competitive grants for FY 2002-

2003 is on page 3. Follow-up surveys report not only positive results, but also changes in producer's behavior.

Year 3 finalists will be announced on May 25, 2004. These projects will be the first to use all of the features in the online national Verification System. The system's framework ensures that the program meets government accountability and performance requirements; that project results are measurable; and that project results have a real impact.

In addition to administering the national Extension Risk Management Education program for the western region, WCRME also applies for and receives funds to conduct other risk management programs.

As local needs change, the Center quickly responds to emerging and high priority issues with relevant training opportunities. For a recent example, see page 10, Trade Adjustment Assistance for Farmers (and Fishermen).

*Jon Newkirk is WCRME Director and a WSU Extension Economist. 509-477-2179 [jnewkirk@wsu.edu](mailto:jnewkirk@wsu.edu)*

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# Investing Risk Management Education Resources in the Success of American Farm and Ranch Families

Producer Focused

Results Based

Private/Partnership Driven



## Director's Note

This quarterly newsletter includes an overview of our program, current activities, and fine examples of how WCRME Project Teams are improving risk management capabilities for Western producers.

Future issues will look at successful methods used by WCRME and our partners to address various types of risks. A companion monthly e-newsletter is in development.

The newsletter is truly a team effort and I thank all the people who contributed. We welcome your thoughts, suggestions, and articles for future issues.

I look forward to hearing from you.

*Jon Newkirk*

## Advisory Council Members

Advisory Council members are local stakeholders, educators, risk management providers, and area representatives of farm organizations. The Advisory Council determines WCRME goals and priorities, and selects the projects that will be awarded grants.

Norm Dalsted

Ann Diede

Greg Goad

Wendy Knopp

Brian Laird

Stuart Nakamoto

David Paul

Trent Teegerstrom

Richard Owen

## Program Success Indicators:

- 1 Farm and ranch families are impacted positively in a measurable way by the programs we invest in.
- 2 Producer improvements in the risk management can be measured.
- 3 Risk management education competitive grant programs are focused on results for producers.
- 4 Local professionals are involved in risk management education programs.
- 5 Partnerships and collaborations define local project implementation.
- 6 The private sector is actively involved.
- 7 Successful programs migrate across regions.
- 8 Program participation increases over time.

## WCRME Vision Statement

The risk management skills of agricultural producers and their families will improve because the RME programs we conduct or fund in the region are effective, targeted, and focused on results. The Center will promote and conduct activities that create an environment supporting learning, collaboration, inclusiveness, partnerships, and the willingness and ability to respond to emerging issues and improve results. The Center will be interactive and integrated with the national RME effort, other risk management education efforts, other regional centers, the leadership of the CSREES RME program, Congressional staff, Extension leaders, and with individuals with specific insights, learning, or resources in the risk management arena.

## WCRME FY 2002-2003 Competitive Projects Awards

Alternative Markets Agricultural Production for Reservation Producers on the Flathead Reservation, Joel Clairmont, Montana State University Flathead Reservation Extension Service

Business and Marketing Plan for Tree Fruit Producers, Jim DuBruille & Amy Hedeem, Agri-Ventures

California Cotton Risk Management Education Program, Mechel Paggi, Center for Agricultural Business, California State University, Fresno

Direct Marketing For Livestock Producers, Jay Jenkins & Margaret Viebrock, Washington State University Extension

Idaho Grain Risk Management Education Project, Kelly Olson, Idaho Barley Commission

Increasing Farm Profits: Developing Risk Management Skill Using Experiential Learning Methodologies, Jeff Tranel, Colorado State University Cooperative Extension

Latino Farmers in Transition: Risk Management Education, Malaquias Flores, Rural Community Development Resources/Center for Latino Farmers

Market Enhancement Project, Vance Corum, Washington State University Small Farms Program

Montana Market Manager, Alex Offerdahl, Montana Grain Growers

New Mexico Organic Farming Conference: Reducing Risk in Transition, Production, Management and Marketing, Joan Quinn, New Mexico Organic Commodity Commission

Niche Beef Production & Marketing in Colorado, Benjamin Way, American Farmland Trust

Pacific Northwest Hands-On Risk Seminars on Marketing and Contracts, Vicky Scharlau, Washington Wine Industry Foundation

Pricing Tools for Crops and Livestock for Small- to Mid-Size Family Farms, Russell Tronstad, University of Arizona

Reducing Risk for Alaska's Underserved Farmers and Ranchers Through Education and Professional Development, Jane Hamilton, Alaska Farm Bureau, Inc.

Risk Management Education, Philip LaVine, Chemeketa Community College, Oregon

Risk Management Education for Farmers Practicing New Production Technologies in Colorado, Raj Khosla, Colorado State University

Risk Management Education for Tea Production, Dwight Sato, University of Hawaii

Risk Management Training for Western Livestock Producers, John Hewlett, University of Wyoming

Risk Management Tools for Spanish Speaking Owners of Small Farms, Eta Takele & Ramiro Lobo, University of California

Risk Management Education Through Creation of Farm/Ranch Business Plans, Bart Eleveld, Oregon State University Extension

*This year's Competitive Projects Awards will be posted on our web site June 1st.*

# Build **EFFECTIVE** Public/Private **PARTNERSHIPS** in Risk Management Education

By Richard Owen, Executive Vice President, Montana Grain Growers Association  
<http://www.mgga.org>

**W**hat's the best way to leverage the limited risk management education resources that educators have? Figure out what you are best at and find a partner to fill in the gaps. Most projects that receive investments through the Western Center for Risk Management Education do just that. In fact, the WCRME Advisory Council gives it high priority during the selection process.

For example, one Washington State project focused on the successful transfer of farm operations between generations. Partners in delivery of the program included county grower associations, local Farm Credit offices, accountants, attorneys and Extension staff. Each brought unique expertise to the project.

A multi-state project in the southwest funded in part by WCRME helped small- to mid-size farms increase farm income by utilizing

certification programs. The project used the best of certification materials that exist from public and private sources, including five land grant universities, state Departments of Agriculture, organic food companies, and local grower groups.

Fostering public and private partnerships in risk management education is an ongoing priority for WCRME. If you have questions about developing effective partnerships or if you are looking for entities that can help leverage your risk management education efforts, let us know.

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## WCRME PARTNERS

Building relationships is mutually beneficial. In addition to your projects, look for opportunities to support risk management education led by others.



- Accountants
- Attorneys
- Commodity Boards & Commissions
- Commodity Retailers
- Consulting Firms
- Economic Development Councils
- Extension Staff: Economists, Family Support, Researchers, & Specialists
- Farm Credit Services
- Farm Service Agency Offices
- Farm & Ranch Suppliers
- Growers Associations
- Individual Farmers & Ranchers
- Insurance Companies
- Lenders
- Processors
- Risk Management Agency
- Rural Outreach Organizations
- Small Business Development Associations
- State Departments of Agriculture

### BENEFITS OF PARTNERSHIPS

- Lower project costs & increase leverage of limited resources.
- Multi-disciplinary approaches are most successful. Take advantage of others' skills and areas of expertise.
- Reduce time for development & execution of large projects.
- Reach a wider audience and attract underserved groups.
- Ensure that materials and delivery method "fit" the participants.



## Offering Guidelines to **MANAGE AGRICULTURAL LABOR**

By Howard R. Rosenberg  
University of California at Berkeley  
<http://are.berkeley.edu/~howardr/>

To most of us, “risk management” in agriculture connotes coping with crop losses due to pests or weather with low prices in the product market. But farmers and ranchers are concerned with business results more broadly, and some key risks of poor outcomes revolve around the costs and contributions of people. Growers who hire or contract for the work of others face risks of insufficient labor to perform tasks when needed; poor quality work that raises per unit costs or lowers product value; excessive turnover and absenteeism; workplace injuries and illnesses; conflicts with and among employees; and fines and other penalties for violations of law. It has never been more important to manage human resources well in agriculture.

Risks are higher and opportunities lost when attention to labor management stops with keeping the “help wanted” sign clean and handy. *Ag Help Wanted: Guidelines for Managing Agricultural Labor*, funded in part by a grant from WCRME and published by the Western Farm Management Extension Committee, is designed to help managers at every level of agricultural and horticultural businesses think well beyond the sign. Land-grant university educators from seven states and one Canadian province contributed to its development. The book provides ideas, practical guidance, and assistance with:

- Planning the division and coordination of work in agricultural production
- Recruiting and selecting employees for agricultural jobs
- Supervising, training, and tapping the motivation of employees to perform well
- Correcting employees and taking disciplinary action if necessary
- Communicating effectively with employees and others

Despite their astuteness and abilities, most managers in agriculture have little formal education in business and even less in human resource management. They more typically have studied life science, liberal arts, engineering, or other nonmanagerial disciplines. In family

operations, children and relatives often find themselves in management positions by virtue of their connection to the owners.

As advertised in the title, *Ag Help Wanted* presents guidelines. The term “guidelines” has come to suggest legal restrictions and mandates, and indeed guidelines of the regulatory type have a place in the book. But they are in the context of a management functions framework and are outweighed by guidelines that take the form of example — illustrations based on what other agricultural managers have done and are doing. Leading off the book are brief case descriptions of a few “ideas in practice” that have been used successfully to reduce a labor risk or to improve an operating result. Scattered throughout the six chapters that follow are numerous other examples telling of policies and practices that provide points of comparison and may inspire adaption to other settings.

Other guidelines are made up of theories, concepts, and principles that have been distilled from research or other systematic observations of management. Much of the material comes from academic research designed to guide practicing managers in nonagricultural industries. At minimum, it provides a set of terms for thinking and talking more analytically about everyday managerial experience, but the book also delivers enough description of technique to help readers who are taken with an idea to act on it.

Besides the substantive information it contains, the book leads to sources of much more guidance. The text refers frequently to the companion web site <http://www.aghelpwanted.org>, the top page of which is a portal providing access to an electronic copy of all book sections and many supplementary resources. Print copies (\$25 each, discounts for volume orders) or a version on CD (\$10) may also be ordered through the web site.

*Howard R. Rosenberg is Cooperative Extension Specialist at UC Berkeley and a member of the Western Farm Management Extension Committee. 510-642-7103*

## Presentations at Organic Farming Conference are RESULTS-BASED

Information provided by Joan Quinn, Information Specialist, New Mexico Organic Commodity Commission

**S**ome New Mexico and western Colorado families have been farming or ranching for generations, even hundreds of years. Other families are new to farming: young people just getting started and older adults making a mid-life career change.

Regional commodities range from beef, chicken, turkey, bison, yak, lamb, and wool, to a wide array of vegetables including chilies, onions, peanuts, and cotton.

Many farms and ranches balance on the edge of economic viability. Although interested in transitioning or entering into organic commodities, these producers often lack the information and risk management skills to be successful.

Required skills include business analysis, developing a marketing plan, and a recordkeeping system. Recordkeeping is particularly important to qualify for organic certification.

Funders are often skeptical about funding conferences. However, if structured correctly, conferences are a cost efficient way to reach large numbers of producers. With topics ranging from the latest organic production techniques to marketing strategies, plans and clubs, producers are attracted by the diverse offerings. Over the past 15 years, conferences have drawn up to 500 participants.

WCRME awarded a grant to support risk management education for last year's conference. The WCRME results-



**“The WCRME results-based evaluation process had a big impact on conference organizers and taught them a whole new way of deciding if a conference was successful.”**

based evaluation process had a big impact on conference organizers and taught them a whole new way of deciding if a conference was successful.

With a second grant awarded for the February 2004 Albuquerque conference, organizers enlisted presenters to be more results-based. Materials distributed in advance helped presenters understand the conference objective: producers will not only understand changes that can be made, but have an active commitment and plan to implement changes.

In workshop sessions, presenters briefly lectured, and then asked each participant to talk about barriers to their business and discuss solutions with the rest of the group.

This method reinforced learning and participants benefited from more concrete assistance, drawing on not only the advice of the presenters but also the expertise of other growers.

This year's conference attracted farmers and ranchers from Arizona, the Navajo Nation, Utah, and Texas. Making connections and sharing what they learned at home, this investment in risk management education has a far-reaching impact. The two-day event was presented by The Farm Connection and the New Mexico Organic Commodity Commission.

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“It is the results in which we are interested—not the fact that the project happened, ran well, or had great materials. It is the specific actions taken by participants that we want to verify.”

Jon Newkirk, WCRME Director

# WCRME Project Interim Reports for Risk Management Education **RESULTS VERIFICATION SYSTEM**

Information provided by Digital Center for Risk Management Education, Center for Farm Financial Management staff  
<http://www.agrisk.umn.edu/>

**P**roject proposal applications for the FY 2004-2005 WCRME annual competitive grants program were submitted through the national online Risk Management Education Results Verification System. Hosted by the Center for Farm Financial Management at the University of Minnesota, the Verification System is part of the Digital Center for Risk Management Education.

Team leaders of projects awarded WCRME grants will submit two mandatory Interim Reports followed by a Final Report.

The Interim Report screens are designed to make the reporting process simple and quick, collecting only the essential information needed to assess the project's progress.

Instead of focusing on project activities (e.g., teach a workshop, develop a survey), the report focuses on results: progress the participants make towards accomplishing the project's targeted outcomes.

An Interim Report screen displays the original project proposal Milestones. Milestones describe what participants will do—the steps they take on their way to reaching the targets. Milestones describe specific actions or small changes in behavior (e.g., attend a workshop, make a business plan).

Done	Project Steps What Project Team Does	Milestones What Participants Do	Actual Number	Date Measured	How Did You Verify
<input type="checkbox"/>	Send out news releases; give radio interviews; do PSAs; send articles to newsletters.	Request registration packet.	165	November 2, 2002	Italy
<input type="checkbox"/>	Ask individual industry contacts, lenders, accountants, and clergy to contact potential participants and ask them to consider attending workshop.	Not Applicable	0		
<input type="checkbox"/>	Send registration packet to those who request it.	Register for workshop.	75	November 30, 2002	registration list
<input type="checkbox"/>	Develop curriculum that keys into participants' interests and uses proven methods to convey information.	Not Applicable	0		
<input type="checkbox"/>	Conduct workshop.	Complete workshop.	65	December 14, 2002	count on last day of class
<input type="checkbox"/>	Schedule appointments for 2 free sessions with attorney for individual consultations.	Develop timeline for completion of succession plan.	55	February 1, 2003	attorneys' logs
<input type="checkbox"/>	Make reminder calls using schedule of appointments.	Meet back with attorney and finalize plan with accountant of their choice.	45	April 30, 2003	telephone survey

In the Interim Report, these Milestones can be deleted, added, edited, or marked as “Done”. Modifying or adding Milestones to accurately reflect the steps required to accomplish the project's outcomes allows future proposal applicants, partners, and program investors to learn how projects were actually implemented. If others are interested in building upon or replicating the project, they will have an accurate description.

When entering an Interim Report, “Done” is checkmarked for completed Milestones. The “Actual Number” of participants for the Milestone is entered, as well as “Date Measured” and a description of how the “Actual Number” was verified (e.g., registration calls lists, follow-up surveys).

Although Milestones can be added, deleted, or edited in an Interim Report, the Milestones in the original proposal are retained and cannot

be altered.

A short text field section titled “Interim Notes” allows space for comments to help WCRME staff evaluate the project's progress. It may include a description of problems, stories from participants, or replies to specific WCRME questions.

Milestone information changed in

the second Interim Report will overwrite changes in the first Interim Report. Comments entered into the “Interim Notes” section is cumulative and will be retained from both reports.

Public access to selected Verification System content is in development and will be available through the Digital Center this fall.



## MULTI-FACETED PROGRAM for Pacific Northwest Barley Producers

*An interview with Kelly Olsen, Administrator for Idaho Barley Commission <http://www.idahograin.org>*

**C**ompared to barley farmers in other states, western barley farmers (Idaho, Montana and Washington) work more on contracts and have more irrigated acreage. Unlike wheat and corn, barley doesn't have a futures market and risk management strategies must take this into account.

Type and extent of risks vary by each unique location and year. The western region encompasses barley farmers at every level of understanding. Some barley farmers have very sophisticated marketing and risk management skills and are looking for current and refresher information. However, the majority of the producers are at a more basic level and are still learning how to use the basic tools.

The Idaho Barley Commission has conducted grain marketing education

training for four years, with funding from the Western Center supporting risk management education for two years. Programs have reached more than 720 Idaho producers through direct training sessions and more than 6,500 producers in Idaho and Montana through direct mail newsletters. Program materials have also been used in Washington.

The multi-faceted risk management educational program includes: (1) implementing marketing plans; (2) assessing new marketing opportunities and strategies; (3) improving management and decision-making skills; and (4) increasing use of crop insurance products.

Although some programs were delivered using satellite downlink locations, follow-up evaluations confirmed that traditional full-day and half-day local workshops yielded the

best long-term results.

Workshops are supplemented by web-based risk management resource materials, including a crop insurance worksheet that each producer can tailor to his or her own operation. In addition, a new risk management feature was added to the weekly Idaho Grain Market Report.

A high priority has been to increase the use of crop insurance. Three years ago, insurance coverage for barley was less than thirty percent. As a result of the aggressive educational campaign to increase awareness and improve understanding, insurance coverage is now at sixty-three percent.

The project team works closely with the Risk Management Agency and private insurance groups to improve policies by providing feedback from producers on which policies work and which ones do not work.

An important target for this year's program is to improve marketing skills, using a simplified approach that is less intimidating than some programs have used in the past. For more information on current activities, see <http://www.idahograin.org>.

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# FARM FAMILY SUPPORT NETWORK Serves Apple Growers & Dairy Producers

By Peter Rodionoff, WSU Family Support Network Coordinator

<http://www.ffsn.wsu.edu>

*In addition to administering the national Risk Management Education program for the western region, WCRME also applies for and receives funds to conduct other risk management education programs. One such program is the Farm Family Support Network. Major Funding is provided by the Risk Management Agency Office of Civil Rights and Community Outreach.*

**F**arm Family Support Network consultants are trained by WSU Extension to understand Washington's agricultural environment and the resources available to farm families. Each consultant is trained in financial analysis, personal, and family issues.

best option is to leave.

If they choose to stay, the consultant introduces the family to community and/or financial resources that will help them develop appropriate strategies.

The Farm Family Support work is not prescriptive but gathers resource-

Consultants with Dairy Farmer



Another consultant helped a recently widowed farm wife to complete an application for orchard financing with FSA after being turned down by her bank.

We have received words of thank you and appreciation for the work we have done. The consultants have also related words of satisfaction about the work they have accomplished.

Prior to applying for funding for the program, WCRME staff conducted an extensive outreach effort to determine priority areas for these services. Efforts have centered on apple producing families located in Chelan, Douglas, and Okanogan counties. There have been strong indications of need from other Washington State apple growing regions.

The Washington Dairy Products Commission expressed an interest in joining the program. Consultants received dairy training in October 2003 and are now calling on dairy families in Western Washington.

We are also sending consultants to small farm families in Western Washington and dry land farmers north and south of Spokane.

The network is supported by WSU Chelan County Cooperative Extension (509-667-6540 or 1-800-469-2981) and the Washington Dairy Products Commission.

## OUTCOME GOALS FOR PARTICIPATING FAMILIES

- ✓ Clear understanding of current financial situation & options for future decisions.
- ✓ Identify & effectively deal with personal & family issues.
- ✓ Develop decision-making skills.
- ✓ Increase awareness & use of local financial & community resources.
- ✓ Develop and implement effective plans to achieve their preferred future.

At no charge, consultants assist farm families who are experiencing business and/or family stress, or just need help for finding solutions to help meet goals. Confidential visits to homes provide individualized analysis.

Consultants help families understand their financial and family situation and devise a plan to achieve their goals. The family is led through a process to help them make the decision whether they wish to implement strategies that will allow them to stay on the farm, or if their

es to assist the farm family to make decisions. These decisions are then the farm families' decision in which the family has ownership.

Examples of the work consultants have performed are: obtained free legal service to stall the foreclosure of a residence/orchard, helped with a business plan for a dairy producer wishing to produce cheese, and helped an orchardist with a business plan element for a grant.

A Spanish-speaking consultant assisted a Hispanic family to understand their financial situation.



HUALAPAI  
RANCHERS  
IN  
PEACH SPRINGS,  
ARIZONA

## Producers Learn Risk Management with **RIGHTRISK** Game Simulation

By John Hewlett

RightRisk Education Team

<http://www.rightrisk.org>

**B**ecause ranching and farming is complex and dynamic, risks cannot be successfully managed as individual components but must be approached as a whole, interactive system. Producers in western states expressed an interest in a more “hands on” approach to multiple-risk management training than traditional programs have offered in the past.

Based on a simulation game, RightRisk is an innovative risk management educational program that meets these needs, serving producers even in remote locations and those whose training opportunities are restricted by off-ranch/farm employment.

Developed by a team of collaborators in 8 western states and now directed through the Western Livestock Research and Extension Coalition, RightRisk is supported in part by WCRME. Presentations

**“I think I better understand the differences in our outlook on risk and how we manage our business.”**

use mobile wireless computer labs to introduce participants to general risk management concepts. An Internet-based version at <http://www.rightrisk.org> allows producers to continue the educational process after attending a presentation or to begin learning on their own. Links to other resources provide additional agricultural risk management tools.

In its second year, the program focuses on training livestock producers to improve management and decision-making skills, increase confidence, and use information about the risk-bearing capacity of

their operation in alternative decision-making frameworks. RightRisk offers producers the opportunity to practice risk management in realistic scenarios without experiencing “real world” costs.

In 2003, over 1,000 contacts were made with producers across participating states. In general, participants have been very positive and complimentary about the simulation and presentations. Based on participant comments and anecdotal evidence, most participants gained a new appreciation for risk management and its potential to impact financial well-being. Following these programs, more than 2,500 user sessions logged onto the web site.

In addition to expanding regional coverage, this year’s program is developing train-the-trainer materials, fact sheets, and additional decision case scenarios relevant to western producers.

*John Hewlett is a University of Wyoming Extension Educator.*

## WCRME at Work *By Dennis Fiess, WCRME Education Specialist*



### WCRME ORGANIZES REQUEST FOR AGR-LITE INSURANCE

WCRME staff is working closely with the Pennsylvania Department of Agriculture to petition the Federal Crop Insurance Corporation (FCIC) to offer AGR-Lite in Alaska, Idaho, Oregon, and Washington for the 2005 insurance year. AGR-Lite is a streamlined version of the FCIC pilot program called Adjusted Gross Revenue (AGR). AGR-Lite allows producers to insure a farm's historic gross revenue which includes both yield and price risk. AGR-Lite covers all of the crops and livestock produced on the farm or ranch.

The AGR Pilot has been available in a limited number of counties throughout the U.S. since 1999 including South-west Idaho, Central Washington, and the Oregon Willamette Valley. Producers expressed a high degree of interest to expand AGR beyond the pilot counties. To address this need, the FCIC, in cooperation with the Pennsylvania Department of Agriculture, created a new product called AGR-Lite. First available in Pennsylvania for the 2003 production year, the product was offered in 11 northeastern states for the 2004 year. We are now seeking to have AGR-Lite made available in all Alaska, Idaho, Oregon, and Washington counties.

If you would like more information, please contact me.



### TRADE ADJUSTMENT ASSISTANCE FOR FARMERS (AND FISHERMEN)

In 2002, Congress created a program designed to provide assistance for agricultural producers who suffered reduced commodity prices due to import competition. Called the Trade Adjustment Assistance Act of 2002, it provides several benefits for qualifying producers including a cash benefit of up to \$10,000, job retraining benefits through the Department of Labor, and Technical Assistance Training to be delivered through the Extension Service. Although the original legislation focused on farmers, later regulatory action expanded the program to include fishermen. The law requires that applicants "meet with" an Extension representative to be eligible for any other program benefits.

The four regional Extension Risk Management Education Centers and the Digital Center for Risk Management Education were given the responsibility for coordinating the technical training across the country. In the western region, Idaho catfish farmers, Arizona shrimp farmers, Washington salmon fishermen, and Alaska salmon fishermen have been approved for program benefits by the Foreign Agriculture Service.

Over 1,160 Washington and 4,370 Alaska fishermen applied to the Farm Service Agency for benefits. Beginning in late November, UAF Marine Advisory Program faculty, Sea Grant faculty, as well as Extension Specialists and Agents have been busy coordinating the technical training for 6,085 fishermen located in 42 states and 6 foreign countries. Training in the lower states will be completed by late April; Alaska activities will conclude by the end of June.

*A special "thank you" to the many people who stepped up to meet this obligation!*

*Dennis Fiess*  
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## Learning from a **CASE STUDY** Approach

By Russell Tronstad

Western Extension Marketing Committee

<http://ag.arizona.edu/arec/wemc/wemc.html>

**S**urviving and Thriving through Direct Farm Marketing and Agri-Tourism

For many small- and medium-sized farms, traditional commodity marketing channels no longer provide sufficient returns to support a family from farming. By allowing farmers to retain a higher share of consumer food expenditures, direct marketing along with agri-tourism have been found to be an alternative for keeping these farms economically viable.

The elements needed for successful direct marketing are often not well understood. In part, this is because of their complexity compared to commodity production-marketing systems. Direct marketing requires knowledge of long-term goals, substantial planning, and general business savvy. Good interpersonal skills, superb quality and service, flexibility, and adaptation are essential.

Along with funds from USDA RMA and Farm Foundation, a Western Center grant was used to research, write, and publish *Western Profiles of Innovative Agricultural Marketing: Examples from Direct Farm Marketing and Agri-Tourism Enterprises*. Published by the Western Extension Marketing Committee, the book is a collaborative effort with authors from seven western states: Arizona, California, Colorado, Hawaii, Nevada, Oregon, Utah.

Using a case study approach, the publication examines 17 western direct farm marketing and agri-tourism enterprises. The end of each

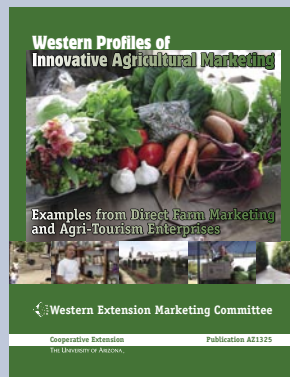
section provides contact information for the enterprises as well as for the contributing authors.

Farmers learn concepts that can be applied to stabilize and enhance their business, as well as strategies to meet future challenges and risks. The book identifies the sometimes subtle and unique factors behind the failures and successes of seventeen enterprises located in western urban and rural settings.

Enterprises include a Nevada farm using e-commerce to sell hay to pet owners, a Hawaiian farm marketing

National Center for Appropriate Technology, the Center for Agroecology and Sustainable Food Systems, University of California, Santa Cruz, and in association newsletters. An early indication of interest outside the western region was an inquiry from Buenos Aires.

For a printed copy (\$10.00), order at <http://ag.arizona.edu/pubs/>; from CALSmart, College of Agriculture and Life Sciences, The University of Arizona, 4042 N. Campbell Avenue, Tucson, Arizona 85719 Phone: 877-763-5315.



### **Western Profiles of Innovative Agricultural Marketing: Examples from Direct Farm Marketing and Agri-Tourism Enterprises**

The 128-page color publication may be downloaded for free at <http://ag.arizona.edu/arec/wemc/wemc.html>.

 **Western Extension Marketing Committee**

processed Kona coffee to Japanese customers through agri-tourism, and Colorado ranchers working as a cooperative to develop a market for “natural” beef.

This new book will be used at extension and industry-related workshops and seminars, as well as sold directly. Excerpts have already been used in university classrooms, a conference on niche markets, the Southwest Marketing Network, the

*Russell Tronstad is a University of Arizona Professor & Extension Economist.*



WWIF & RMA staff work together



## RISKBUSTERS for Western Wine Grape Growers

by Vicky Scharlau,  
Executive Director of the Washington Wine  
Industry Foundation

<http://www.washingtonwinefoundation.org>

*Developed earlier through the Risk Management Agency (RMA), WCRME's support of this project is an example of one of our many successful partnerships.*

**W**hen the Washington Wine Industry Foundation (WWIF) risk management team asked Northwest (Idaho, Oregon, and Washington) wine growers and small winery owners what kept them awake at night, focus groups and survey respondents answered that they needed more methods to manage risks.

Although most knew about the benefits of crop insurance, two major concerns were: (1) How do I market my grapes?, and (2) What do I need to know before I sign a contract with a winery?

The three northwestern states' wine industry focuses on premium quality wine production, resulting in a value-added product before the grapes are even picked. A significant number of industry newcomers have no previous experience growing grapes, and often have not been involved in any aspect of an agricultural operation.

Without focused marketing strategies, the results could hurt the entire premium wine industry. Due to their complexity, even experienced growers often agree to contracts that may not benefit their businesses.

With critical financial homework assignments before and after, hands-on workshops held at locations in all three states guided participants through the query process to identify what should and should not be in a contract, and to ensure that all legal entities are understood.

Because it is impossible to design a generic contract to suit the unique circumstances of each grower, the project team taught growers how to ask the right questions.

Based on recommendations from technical advisors that included bankers and insurance agents, the project team developed a set of "riskbusters", a series of questions to be answered before a contract is written.

Additionally, Northwest wine producers had the opportunity to learn more about lending, insurance, and marketing plans, including creating templates for generating their own plan(s) appropriate to their unique circumstances.

Post seminar evaluations cited a strong desire for additional seminars on risk management. Wine and grape industry members are invited to attend the fourth installment of

the WWIF Risk Management Series seminars - "Lending: Picking a Banker and Presenting Your Case", on Thursday, June 10, beginning at 9 a.m. at The Red Lion hotel, Gold Room in Pasco, WA. (\$30)

Previous Risk Management Series seminars include "Contracts and Marketing Plans", "Everything You Ever Needed to Know About Crop Insurance" and the two-part business planning series "The Leap: Taking Your Business to the Next Level".

Materials developed during the project have been used in newsletters, one-on-one consultations, industry meetings, on industry web sites, and at conferences, ultimately reaching almost all Northwest grape growers.

The Washington Wine Industry Foundation Risk Assessment Series is available via a USDA Risk Management Partnership grant award. For more information about activities, visit <http://www.washington-winefoundation.org> or call 509-782-8234.

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