## **Envisioning Success**

by Glenn I. Teves, County Extension Agent <tevesg@ctahr.hawaii.edu> UH College of Tropical Agriculture and Human Resources Cooperative Extension Service – Molokai

Sometimes it's better to build upon words of wisdom which someone has already written than starting from scratch, and this is one of those times. I'm on sabbatical, the first in my 37 years in extension, and its more work than anticipated; it's more work than work.

Spending 25 hours writing a newsletter is not unusual if you want to do a good job, and the simplest ones seem to take the longest, so just build upon an article someone already written and put some thought into, add a Hawaiian twist for relevance, and get back to real work.

Every farmer wants to be successful, especially when putting all of their blood, sweat, tears, money, and both feet into it since it really takes a total body commitment. This newsletter focuses on success and how to achieve it by following a tried and true path set by others. We learn from others, our parents and also our grandparents if we're lucky, and also friends or one who's been doing it successfully for a while.

Apprenticeships are hard to come by these days in many disciplines but this is how many learned in the past. Many businesses want workers 'worker ready' to hit the ground running and don't want to their waste time and money training

them, and this can be dangerous in industries such as food services and even agriculture for that matter.

This year, we celebrate the 100<sup>th</sup> Anniversary of the 4-H Program in Hawaii. Their mantra is 'Learn by Doing', and I'm fortunate to be an alumnus.



You can learn to dive for fish by following others or you can just jump in and figure it out, but watch out for the eels and sharks.

I recently read an article in Acres USA by Joel Salatin written about 5 years ago, and it's very relevant to the business of farming. It touched upon important points in operating a farm, advice most of us could use, and I've highlighted some of them here.

I was able to meet and talk story with Joel Salatin twice in the last 20 years, once in Hilo at a conference in which we were able to have lunch together, and a second time 8 years ago in Louisville Kentucky at a Southern Sustainable Agriculture Working Group (SSAWG) Conference where we were able to have lunch together again.

In his article, 'Markers For Success: Ten Things Every Farmer Should Be Doing', he focuses on his journey understanding what's important in farming, especially in acknowledging his weaknesses. While it's important to know your strengths and exploit it to the nth degree, it's also important to acknowledge your weaknesses and do something about it, by either letting someone take care of that part of your farm operation or strengthening your weakness by biting the bullet and shaping up your skills in that area.

Joel realized he can't be all things on the farm, and enjoys doing certain things more than others, while he's really bad in certain areas such as bookkeeping. Joel talks about tweaking and refining, which can mean different things to different people. It takes a certain kind of person to reflect and make slight adjustments to the operation that can make all the difference in the world since most of us don't want to change.

He says everything is in place, all the basics, the technology and the people power, a veritable tsunami for a new community-based regenerative

agriculture movement. We're not talking about corporate agriculture here. With everything in place, why aren't ecological farms more wildly successful?

Hawaii agriculture is very complicated and many times farmers seem to be swimming against the current. I believe if the conditions are right, agriculture could flourish in Hawaii, but the social and economic forces work against it. The need for housing, rampant speculation of land in Hawaii, and the lack of political will to move agriculture forward are some of the factors.



Waikiki, Epicenter of Hawaii tourism

Our politicians are hobbled by these forces as the need to get re-elected every 4 years are pulling them in another direction. As a result, they need to pander to special interests, who donate money to their re-election bids. Agriculture competes head on with housing, resort development, gentlemen's estates or 'fake farms', and every other entity requiring land and

water to survive. Housing forces are so strong, they can overwhelm prime agricultural land and with a little coordinated effort, rezone for it residential use which is supposed to be difficult to do with our relatively stringent land zoning laws.

The State Constitution was intended to hold agricultural land to a high level of protection, but this seems to be waning as few politicians know what agriculture is all about and don't seem interested. Change comes slowly in Hawaii, and sometimes we see a flash of light that gives us reason to believe things are changing for the better, but then reality sets in and we're back to square one.

Just look around; with the median price of a home in Hawaii at \$700,000, and as the need for housing infringes on agricultural land, it's no wonder why some residents will farm just to have somewhere to live, and we see this on many immigrant farms.



The Ewa Plains, soon to be mostly housing and military installations

Hawaii's diversified agriculture has received a lot of lip service in the past, and hopefully things can change even a little. Agriculture gets a shot in the arm on occasion but not enough to make a

big difference, usually a day late and a dollar short.

If the powers that be treated agriculture like they do tourism, maybe we could get some traction. With its massive infrastructure, product promotion, scenic vistas, and strong support, it employs lots of people and generates lots of income, including excise taxes by spending tourists and transient accomodations tax (TAT). Instead, only 6/10's of 1% of state budget goes to agriculture, which is a paltry sum for such an important industry as food production.

Linking agriculture to tourism would seem like a match made in heaven, especially if tourism absorbed a lot of our local agricultural products, but this isn't happening to any large extent. Most of the food served in hotels is imported. We can point fingers and find fault; quality, price, consistency, and ease of purchase all have a part in this. Hotels don't want to deal with a whole bunch of small farmers selling one product unless it's gold. And for many resorts, it comes down to price, consistency, availability and ease of operation.

So how do we push the envelope and create a tsunami of agriculture growth and success? By being involved in the political process, staying in the face of politicians, finding the ones you can work with and who share the same values as you do, and sometimes you have to call out those who do favors for the big boys and not the populace.

I'm digressing a bit here but once you get on the land with decent land tenure, access to water and operating capital, and knowledge to farm and run a business profitably, then maybe you don't need any of this advice.

# DEVELOP ONE ENTERPRISE WELL BEFORE ADDING OTHERS

Do one thing right! I was talking to a farmer the other day and telling her that some farmers grow all kinds of stuff but only make money on a few crops or maybe even one. Joel calls it the 'Mother Ship'; I call it your 'signature product or enterprise', the one you're known for. She agreed, but stated that the other ones need to be measured in other ways such as holding your customers nearby when your stellar products are out of season or in short supply.

Having a product mix makes you more important and valuable to your customers and markets you supply, but you have to put a price on these services or intangibles because you still need to know where you're making a profit and where the farm is bleeding. What gives you the predictable and reliable cash flow?

It seems farming is not meant to be easy or simple because you need diversity at every level from start to finish; a product mix, a crop rotation system, a diverse soil, and a fallback strategy because diseases and insects will figure out your strategy and

annihilate you, not to mention the complexities of marketing.

Although you still need to start with a product and build upon it, you deal with special challenges in the tropics that tell you to get in and get out it before the bad guys catch up with you; fruit flies, aphids, thrips, mites, and hosts of new and returning diseases.

If you don't know what your Mother Ship or Signature Product is, you're not ready to add another 'enterprise' to your operation. I think he's not just talking about a crop here; it could be just vegetables or just fruits, or just a small animal operation. What is your claim to fame and what others know you by? Dragon fruits, honey, eggs, pickles, smoked meat, taro or ulu chips, salad mix, thick poi, dehydrated bananas, or sweet colorful tomatoes?



Grape and Cherry Tomato Mix. Molokai Winter 2017

You have to do one thing great before building on it. "Don't go chasing rainbows" are his exact words. Once you know what your core enterprise will be, then develop it fully. "Most of us never become experts in multiple enterprises or fields because the wealth of knowledge necessary for multiple proficiency is too great."

"You need to be comfortable and assured enough with your model that naysayers, newbies, and new ideas don't send you into a tailspin of doubt and worry. You have to believe in what you're doing because you've spent enough days and nights figuring it out and beating a dead horse."

"If you're not there yet, maybe you haven't put enough effort into refining and tweaking, but don't stay up all night and jeopardize the next day of work. Then and only then should you even consider adding another layer to your operation...you can't afford to be creative in a lot of different enterprises at once. For the sake of your emotional and economic sanity, focus your attention on one."

"Once that's accomplished, let it finance and generate the excitement for another enterprise. You'll burn out financially and emotionally if you have too many loose ends vying for attention. Never jeopardize the mother ship." I can attest to that but some people are always burning their candle from both ends; that's just the way they are!

Even in Extension, we realize that "we can't be all things to everyone" so we have to specialize, but that leaves gaping holes in some areas of extension. With the diversity of crops found in Hawaii, there is no way someone can know all crops. We all learn from each other and that's how it's always been in Hawaii. Information is not a one-way street. You have to be good at something, something that's important to farmers.



A Mamaki hybrid. Is this the next big crop? A cousin to stinging nettles, and touted as an up and coming nutraceutical in high demand.

# FIND PEOPLE TO COMPLEMENT YOUR WEAKNESSES OR INTERESTS

Some farmers want to do everything but don't have enough hours in a day to do it. And this is not about just hiring employees. Everyone needs someone to weed the fields, but who can do that day in and day out? Not me even for a day. Technology has to kick in somewhere with the high cost of labor in Hawaii.

The point of this marker for success is to find those individuals to complement

your weaknesses. If you need answers in your production system, you may need someone to generate the research to find the answer. If you need to balance your books, you may need someone who can do it in their sleep.

Interdependence was vital to the survival of the first Polynesians to Hawaii and it's probably more important today. If you aren't good at marketing, then find someone who is. If you don't fill the gaps in your farm business, they become gaping holes or worse. There's a lot of good information out there to improve your farm business or maybe even informed people to help, but you need to find them.

A major challenge is finding affordable farm land with fair land tenure and you can see why we have a dearth of farmers. It's much too difficult to get to step one. I'm just beating a dead horse here, but these challenges will need to be addressed if we expect to have any semblance of food security and a slight movement toward self-sufficiency in Hawaii. Otherwise, this discussion is just hot air; it only sounds great and has no substance. We will need a lot of bodies with dedication and ingenuity to create the new Hawaii agriculture, no doubt about it, and it's not just farmers.

### CLOSE THE CARBON CYCLE LOOP

This is a little harder in Hawaii where we don't have real diversified farming communities. It would be great to have a chicken farm or dairy nearby so we can grab the manure and bedding to make

compost or worm castings. The cost of transportation is a killer whether its air, ground, or ocean, so how do you generate enough organic matter without burning a hole in your pocket book?

If you have a large farm and the luxury of growing green manure and cover crops with winter rains, you might be one of the lucky ones. Setting a goal of 5% organic matter content in your soil is a target every regenerative farmer should be aiming for. Depending on whether you're focusing on 6" or 12" of great soil, generating 50,000 or 100,000 pounds of organic matter per acre seem close of impossible. This is where land tenure kicks in again

You can build up the soil IF you own the land. If not, why waste your time; just abuse the land. This is a reality for those who are trying to get their return on investment on a short-term lease! Just invest enough to get the next crop through and don't look too far ahead because the rail or the latest housing development might be heading right through your farm. This is what short term leases create in a farmer's strategy. Short-term leases lock you into short-term crops with a short-term focus.



Here comes the rail, right over your green onions!

One thing that caught my eye is Joel's statement on carbon accumulation. The fastest is grass, next is brush, and the third is forest. There's nothing here about farm land, so how do you build carbon here?

You can plant it or you can let nature take its course; turn your farm into a pasture, then revert it back to farmable land. In certain areas of the state with a marked rainy season or many rainy seasons, this is possible but what is the return on investment? This is where the rubber hits the road and you have to balance economics with environmental health and it comes down to the length of your planning horizon to amortize the investment.

In upper Hoolehua, we deal with Guinea grass, which can be your worse weed nightmare or your best friend if it generates the organic matter you can use for the next season. By mowing it on a regular basis, you can generate a lot of organic matter for a season or a little more but there's a cost to paying over \$5 for a gallon of diesel and wear and tear on your machinery.

Joel says, "Cutting brush and letting it come back then cutting it again can be one of the most efficient ways to acquire on-farm carbon." This assumes you have a lot of land to play with and if you can allow some areas to overgrow. Sometimes overgrown areas become breeding grounds for your next big pest, so life is not that simple in Hawaii. Everything you create can be a ying or a yang.



When mowing Guinea Grass, everyone wants a piece of the action.

For those farmers with long-term leases or who own the land, you can look at more long-term solutions to close the carbon cycle and those who have focused on this have realized great results even in Hawaii, including disease suppression, more resilient plants, increased productivity, higher yields, and increased quality of their product.

Joel mentions that moving to this higher level of farming comes with the realization that you are really in the carbon cycling business, and this means reducing activities that hurt the cycle and adopting activities that encourage the cycle.

Easier said than done, especially in a place with a year-round growing season where carbon seems to burn up faster than you can create it. Using a combination of strategies to keep you on a carbon high is the way to go but there's a lot of moving parts to consider especially in the Hawaii growing environment. In Hawaii agriculture, you have to put a price on everything you do because it's so dog gone expensive.

### **DEVELOP YOUR TRIBE**

Joel starts off this marker with a diatribe about not seeking advice and friendship in opposing tribes. What he's saying is if you want to strengthen our vision, you need to seek it from like minds, and not the other side.

He goes on to say he has a trademark disappointment with government, and warns farmers to stay out of government office, forget about grants, and be independent in getting ahead. I agree that some grants cost too much to manage, make you dependent on them, and take you off your trajectory.

He also acknowledged there are good government workers out there, but they always have to look over their shoulder so they don't get in trouble. I can understand this more today than any time in my life with our new administration in Washington D.C., but he's also talking about the Cooperative Extension Service!

In most instances, we give free advice, and on occasion we charge a small fee for workshops to cover expenses and help us fund part of the next workshop, but we're not generating money doing this. Our success is contingent upon the success of others, namely farmers and other clientele we work with, including gardeners.

I don't know what Extension looks like in Swoope, Virginia, but he didn't say kind things about extension, saying people went into extension because they

couldn't farm. I take issue with this because we have a cadre of extension agents who try their best to cover a lot of bases, and it ain't easy. Our extension system is very different from those on the mainland because of our isolation and the need to evolve to serve the needs of Hawaii farmers and the community.

Our Extension programs and initiatives are very different on Molokai, and are more aligned with Peace Corp initiatives such building community infrastructure like harbors and support facilities. You can help farmers on the farm, or you can create infrastructure that benefits them in which none of them could create themselves. All of our initiatives were based on priorities set by Molokai farmers.



Our lifeline to the outside world, the Young Brothers barge leaving Molokai and heading back to Honolulu with papaya, cucumber, sweet potato, greens, herbs, and assorted vegetables. .

Some examples include developing a long-range plan and securing funds to improve Kaunakakai Wharf, our lifeline to the outside world, and increase the capacity of our wharf to handle 40 foot containers and also to build a

warehouse to hold agricultural products. Prior to this, the wharf could only handle 20 foot containers. What a benefit to the island to improve our economies of scale for the entire community.

We designed and constructed a slaughterhouse and cooling plant, and also designed a community kitchen incubator. We established a demonstration farm in the Molokai Agriculture Park. We designed, secured funds, and oversaw construction of our Extension Office located in the highest traffic area in Hawaiian Home Lands.

This year, my fellow Extension Agent Alton Arakaki will be retiring, and we have worked together on Molokai for 35 years, taking turns leading the aforementioned projects and working on many of them together. In the beginning, it was like working on an isolated outpost waiting for the Pony Express to arrive, and sometimes they got ambushed and your supplies didn't arrive.

Many of the projects required two minds to figure things out with the farmers nearby, and when the situation required thinking on your feet, we played good cop, bad cop to move things along. I applaud all his efforts and wish him well, I'm right behind you!

We've organized cooperatives and farm organizations such as the Molokai Farm Bureau, and also helped to improve our agricultural water system. We were involved in the Molokai Community Plan

to assure that agriculture was front and center in all future planning.

We were also involved in creating important cultural events highlighting agriculture, Alton with the Molokai Taro Field, now in its 34<sup>th</sup> year and me with the Molokai Makahiki, now in its 37<sup>th</sup> year.



Molokai Livestock Cooperative slaughter facility (background) and Hikiola Cooperative, a farm supply cooperative founded by Hoolehua Hawaiian Homesteaders in 1976. We've worked closely in the development and/or expansion of these cooperatives.



An engineering feat, the Molokai Irrigation System transports water from Waikolu Valley on North Molokai through a 5 mile tunnel to this 124 acre reservoir in Kualapuu that can hold 1.4 billion gallons of water on a good day.

Our extension programs are very different from extension programs on other islands or even in other states because it's geared to the needs of their specific farming community, looking at not only the internal but also the external economies of farm production.

We're part of a land-grant university system with a tri-partite mission of instruction, research, and extension. The land-grant system was created to educate the masses since in the past, only the rich could receive a college education through Ivy League colleges such as Harvard, Yale, Princeton, Brown, Columbia, Dartmouth, Cornell, and others.

The Land Grant System was also created to support the pioneering effort as families moved west to stake their claim of free land for homesteading. Land-grant colleges initially focused on supporting the efforts of agriculture and the mechanical sciences in that state, and expanded into the arts and sciences. In a lot of ways, we're still moving in this same direction in Hawaii.

There's one in every state and University of Hawaii is Hawaii's land-grant university. In our tri-partite mission, instruction is probably the most important since it generates about 25% of all funds to operate the university. The State Legislature kicks in about 24% of the total operational budget.

Research is next and generates about \$500 million in grants for research that trickles down through the university and also the community through jobs, money spent in the community, and so forth. In this respect, the university is a major economic engine in the Hawaii

economy. The Experiment Stations were also part and parcel of these efforts to assure that field-based research was relevant to communities nearby.

Then there's Extension and except for some federal funds, called Smith Lever funds, we don't receive a lot of funds. Over the last 10 years, we've received competitive funds from Maui County, and this is a welcome addition to our limited funds. If Extension Agents want to access funds, they have to write grants and spend a lot of time managing these funds, which can turn into a full time job at times.

This year, we celebrate the 90<sup>th</sup> Anniversary of the Cooperative Extension Service serving the people of Hawaii. Kudos to all who have been part of this journey, especially those who came before us. I'm proud to be a County Extension Agent!

We also depend on the good graces of the State Legislature, with support from farmers, to receive funds for special projects and more recently 10 new Extension Agent positions after almost 20 years of decline in the number of extension positions. This is unprecedented in the history of the Land Grant System in Hawaii! Extension in Hawaii is unique in many ways due to our isolation and the need to evolve to fit the needs of our diverse island communities. Other states are structured differently than ours and

some are strongly influenced by a County Agricultural Commissioner who holds the purse strings.

In some states, agents will assess needs and call in others to help resolve issues. We have a strong bottom-up system with national priorities that provide us with a lot of flexibility to address local issues. In many cases in Hawaii, what you see is what you get. Agents have had to become experts in many areas to address local needs.



Molokai Extension Agents Alton Arakaki, and Jennifer Hawkins (Hawaiian Homes Agriculture Program)

If you look at the evolution of agriculture in Hawaii after its 'discovery', it was predominantly plantation agriculture fashioned after southern slavery agriculture such as cotton production. Later as workers broke away from the plantation and farmed on their own, these farmers filled around the edges of sugar and pineapple plantations in what was considered 'marginal' lands.

Some also grew pineapple and sugar under contract to the large plantations. Subsistence farming allowed families to feed themselves and this was evident in many plantation communities. Only

recently has diversified agriculture come into its own and still struggles because it's so diversified, no one can get a handle on all these crops. We probably grow the most diverse crops of any state, albeit small in scale, and someone has to know something about each crop.

The need for new farmers can never be overstated. With the average age of farmers at about 60, this needs to be an important priority for Hawaii agriculture to cultivate new farmers. We started the first beginning farmer program in Hawaii in 2009, the Molokai Native Hawaiian Beginning Farmer Program, and were the first Hawaii program to receive funding from the USDA Beginning Farmer and Rancher Program.

How will we double production of our food according to Governor Ige's plan? As he heads into another term, I hope there will be an honest effort into putting much needed resources and energy into sustaining and expanding agriculture. Things happen when everyone comes together.

Developing your tribe means bouncing ideas off of other farmers who have similar philosophies and ideologies, and I think this is very important. This is where you creative juices flow and result in something better. Seek advice from those who are doing what you want to do, who are actually living it, and who have skin in the game and are still playing successfully. We in Extension have skin in the game and even some

bumps, bruises, and battle scars to show it.

# PROTOTYPE WITH SMALL TRIAL BALLOONS

Here's Joel's starting quote: "Innovation is always expensive because it requires many failures prior to success. The only difference between success and failure is that the successful person picked himself up one more time. That's why the opposite of success is not failure, but quitting."

Well put, and I think it also comes down to how fast you pick yourself up after falling down. When I was young, we owned a lot of horses, at one time over 40 head, and falling off a horse was common place, maybe even landing on your head one time too many. We were always taught to get back on the horse so you don't get scared of them. You can't be 'afraid' of agriculture if you hope to overcome challenges and succeed.



What is the next generation of pests attacking your crops, and how are you going to deal with this problem without running out of bullets? Axis Deer

All successful people have a history of errors; they just learn from them. Two people come to mind, Frank Fasi and

Abraham Lincoln. Both lost too many elections to count, but they prevailed and became great leaders.

The take away in this marker is to start small, like an embryo. Some projects are meant to stay small, and there's something to be said about 'limited edition' especially if it's 'premium priced'. Test your idea, take it around and seek valuable feedback. Know where your market is and why they're buying your product. A lot of this is not rocket science; it's just takes a lot of common sense to figure things out.

#### **EFFICIENCY**

I can spend a lot of time talking about this marker and the book, The Lean Farm really hits this point home. Joel says, "Industries spend a lot of effort into time and motion studies. Successful farmers do the same." How long does it take to harvest 500 pounds of bananas, and can you find ways to do it faster?

His classic line is this: "Too many farmers think their vocation is noble enough and important enough to transcend basic business principles, as if they're immune from profit and loss." Farming is just another business, albeit a complex one if you make it complex. Break it down to its component parts, refine it, and connect it back together just like Legos or Tinkertoys.

Learning to operate a business and understanding costs of production are critical to a successful agribusiness, and an area where many farmers fall never to get up. Every activity on the farm has a cost and needs to be figured into the total equation.

### **VALUE ADD & INCREASE MARGINS**

This is a hard one, but an important one for many farmers. It's hard enough growing and selling, let alone creating another job for you, but you have to find a way of selling everything you grow, otherwise it creates a drag on the business. Find other ways of selling your product and not just to a middleman who makes more than you without all the risk.

We have an interesting marketing program on Molokai overseen my Sustainable Molokai, a non-profit organization. Check it out: <a href="http://www.sustainablemolokai.org/">http://www.sustainablemolokai.org/</a>
It's a Mobile Market, here is how it works. On Sunday afternoon, farmers go into the Sustainable Molokai internet site and enter in products they have available for that week, as well as a price per package.

Sizing or portioning the product is important and starts by knowing how much consumers will need for the week or for a meal. Smaller packages can sell for a higher price per pound. Farmers set their price and need to be aware of competition, but prices can be higher that retail store prices, and definitely higher than what farmers receive selling it to the stores.

On Monday, residents will place their order on the internet marketplace

through credit card transactions. On Tuesday, farmers will receive a print out of what has been ordered. On Wednesday, farmers deliver their packaged products to Sustainable Molokai or they will even pick it up from your farm. On Thursday, consumers will pick up their ordered products from two sites on the island, one in Kaunakakai Town and another on West Molokai. Within 10 days, you'll receive a check in the mail. How easy is that?



Quarter pound grape & cherry tomatoes, ready to sell.

There's a 30% fee charged to the farmer so this needs to be figured into your selling price and still be competitive. If you're selling your breadfruit for \$1 a pound, they will add 30 cents onto the selling price. Not bad compared to other marketing options available to Molokai farmers, and still way better than selling to a retailer who will mark it up 100%.

The key here is freshness, usually harvested that morning, and buyers can be eating it by that afternoon. There's a premium for freshness and much of it is organic, so there's a price for each of these premiums. The money stays on the island and everyone is happy. This

is simple value-adding because the farmer has to package them.

The days of selling to someone who is selling your goods to someone else should be the fallback position in marketing. As Joel says, "Commodity marketing always drive down prices to the floor, asking for the greatest price concessions on the segment that is most able to defer true costs." That happens to be the poor farmer who cannot defer anything because it comes right out of his or her pocket.

Again, name recognition, your signature or mother ship needs to always be front and center. The consumer knows the farmer and the farmer knows the consumer, and thanks them. An important trend here is 'reputation' and is critical in social media as well. You need to build and maintain your reputation so buyers will seek out your product above all others. No skimping on quality or sliding substandard products here because your reputation and future sales depend on it.

In closing, farmers have to be on their toes with their antennas fully extended. They need to have their ears to the ground to zero in on the rumblings and be ready to move with the nimbleness of a preying mantis. Farmers have to be one step ahead and constantly upping their game.



Sunset from Kaunakakai Wharf

The views contained in this newsletter are that of the author, and are not the views of the University of Hawaii, College of Tropical Agriculture and Human Resources or the Sustainable and Organic Agriculture Program. The author takes full responsibility for its content.