



# Risk Management Outreach for Small-Scale Poultry Producers in Central Kentucky

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## Project Introduction

### Expended Amount: \$33,696

The intent of the project was two-fold. The first objective was to teach business planning, direct marketing opportunities and risk management alternatives to a group of African American small farmers in central Kentucky, half of whom are beginning farmers. The second objective was to introduce small pastured poultry operations into central Kentucky as a new enterprise opportunity to manage risks through farm diversification in an economically depressed farming area. The participants were expected to improve their record keeping and business management skills. The group of farmers organized themselves into the Farmer2City Connection for direct marketing their products in a cooperative-like, informal organization. Because these farmers were seeking new value-added product lines that they could direct market, and because they were animal oriented, pastured poultry appeared to be a good option for them to add to their operations.

## Project Participants

The small farmer participants break into a few similar groups. The first group, and primary focus, is limited-resource, African American small farmers of whom half are beginning farmers. The second group is refugee farmers who are seeking to become beginning farmers, and the third group is small farmers who are looking into pastured poultry broiler operations to diversify their farms.

## Project Area

Most of the participants are located in central Kentucky, most within 75-100 miles of Louisville, Kentucky; however, some of the workshops had statewide participation.

## Project Outcomes

The workshops taught pastured poultry as an alternative enterprise, business management and value-added marketing opportunities to some participants. Ten African American producers added pastured broilers and turkeys and twenty small farmers added pastured broilers to diversify their farms and to add to their direct-marketed products. Nine refugee farmers plan to add pastured poultry enterprises in 2014. These farmers learned the risks of incorporating this enterprise into their operations. They learned that to manage the production risks, they need to consider breeds, growth, weather, pasture species and wildlife control. They learned to process and direct market their products. They learned about food safety issues. They learned about diversifying their operations to spread the risks and stabilize their profits. They studied different direct marketing systems. The ten African American farmers directly involved in the demonstrations are now producing pastured broilers with an average return of \$6 per broiler (see Project Success Story). The workshops taught pastured poultry as an alternative enterprise, value-added marketing, direct marketing systems and "show and tell" programs from successful small farmers to some participants. Evaluations showed that nearly 70% of the participants used the risk management information in their operations.

**SRME208FR**

## Quotes

“There is a lot to learn about growing pastured broilers and the food safety issues of direct marketing. The broilers really helped me to diversify our operation and to spread risks. The bottom line is what counts. I want to spread the risks around through diversification because my farm is too small for most insured commodity products. This project has really helped me to get started.”

**André Barbour, Hart County  
African American beginning farmer**

“I welcomed the opportunity to show these young farmers another way to diversify their farms. The SRMEC project has helped me to jump-start this initiative . . . In this area, we need to look at risk management through better business planning, enterprise diversification and direct marketing.”

**Tehran Jewell, Warren County  
African American beginning farmer and  
KSU Area Small Farm Agent**

“I want to manage the risks on my small farming operation by diversification, local marketing and keeping better records. The poultry project will really help me by adding a new product line.”

**Travis Cleaver, Hart County  
African American beginning farmer**

“Tehran and his small farmer group have really got it together. They plan as a group, work out production problems, discuss risks and are aggressively going into this pastured poultry thing as new enterprises. They will be successful. The SRMEC project has put us months and years ahead of where we would have been without it.”

**Steve Skelton  
KSU Mobile Processing Unit Manager  
and small farmer**

## Project Success Story

Economically, the SRMEC project has led to the development of a new farm enterprise in an economically depressed small farming area. In December, 2013 alone, four farmers processed 4,000 pastured broilers for returns of \$24,000 (nearly 20% of their annual farm income). These diversified, beginning, African American farmers are managing their risks through enterprise diversification, direct marketing and incorporating low input cost alternative enterprises.

The pastured poultry industry in central Kentucky is expanding, both from new producers entering the business and the increasing number of consumers desiring fresh, locally produced products. The SRMEC project provided funding for production demonstrations, MarketReady training for producers and training through “show and tell” success stories from other farmers. Early projections are for over 8,000 broilers to be produced, processed and marketed in 2014 in Hart County, yielding about \$64,000 for the beginning farmers in the Farmer2City Connection. Also, a new brooder facility is being constructed on one of the farms to ensure that quality, recommended breed chicks are available locally for the producers. André Barbour added pastured poultry to his diversified farming operation. His children assisted with the production process. He was able to show income of \$1,250 from the initial demonstration in July while diversifying his portfolio of locally raised products for sale via the business web site and local farmers markets. By expanding into pastured poultry, he was able to attract new customers for the other meat, dairy and vegetable products. By December, André had produced and marketed over 1,000 broilers for \$8,000. This project supported two of the Kentucky State University “The Third Thursday Thing” workshops. The Third Thursday Thing Team received the 2013 U.S. Secretary of Agriculture’s Honor Award in the area of economic vitality in rural communities.

\*Sandra Martini, H. L. Goodwin and Ronald L. Rainey, Grant Coordinator and Co-Directors, respectively, of the Southern Risk Management Education Center, serve as editors of this report series. To learn more about risk management education programs and resources, visit the Southern Center web site (<http://srmec.uark.edu>) or the Extension Risk Management Education Program link ([www.extensionrme.org](http://www.extensionrme.org)).

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