A BEGINNING FARMERS GUIDE TO GROWING YOUR FARM BUSINESS AND WEEDING OUT YOUR RISK

PA Farm Link

LINKING FARMERS TO THE FUTURE

NORTHEAST EXTENSION RISK MANAGEMENT EDUCATION

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USDA National Institute of Food and Agriculture

U.S. DEPARTMENT OF AGRICULTURE

Pennsylvania Department of Agriculture

AG BUSINESS DEVELOPMENT CENTER

FARM CREDIT

ENB Ephrata National Bank

PennState Extension

YOUR FOOD BUSINESS RECIPE

PENNSYLVANIA SBDC

Small Business Development Centers

Helping businesses start, grow, and prosper.

Agriculture Center of Excellence

Starting a farm is more than planting seeds in the soil or raising cute animals. It's planning a viable business, with vision, goals, enterprise budgets, and plans that are flexible when things don't go as planned.

At Pennsylvania Farm Link, we understand the journey that new and beginning farmers take, and we recognize both the excitement and challenges that come with building a farm and farm business from the ground up.

This book was created with those beginning steps in mind. It is designed to serve as a practical and approachable resource for new and beginning farmers in Pennsylvania, whether you're launching your first season or still shaping your farm dream. Our goal is to help you navigate the complexities of farming by offering insights on a wide range of topics, from land access and business planning to risk management and market development.

Pennsylvania is home to a rich agricultural legacy. With over 48,000 farms across the state covering more than 7 million acres, agriculture is not only central to Pennsylvania's economy, it is deeply woven into the fabric of our communities[1].

The commonwealth ranks among the top producers of dairy, poultry, mushrooms, and hardwoods. Our state is known for its diverse operations ranging from large commodity farms to small, specialized operations. As the average age of Pennsylvania farmers approaches 57 years, the need for a new generation of farmers has never been more vital.[2]

While Pennsylvania Farm Link led the development of this resource, it is far from a solo effort. This book reflects the knowledge and dedication of agricultural professionals and organizations across the state and beyond. Through their contributions, we've assembled a guide that offers not just information, but real-world experience, tools, and encouragement for every stage of your farming journey.

We hope you find inspiration, clarity, and confidence in these pages.

1. Alliance for the Chesapeake Bay. "Agriculture Uncovered: Explore Pennsylvania Ag." Alliance for the Chesapeake Bay, June 2025, www.allianceforthebay.org/2025/06/agriculture-uncovered-explore-pennsylvania-ag/.
2. Center for Rural Pennsylvania. "Anaylysis of the 2022 Census of Agriculture" Center for Rural Pennsylvania, May 2024 https://www.rural.pa.gov/download.cfm?file=Resources/PDFs/Analysis%20of%202022%20Ag%20Census%20Fact%20Sheet%20Web.pdf

Table of Contents

Chapter 1:

Sowing the Seeds

- Visualizing your farm
- Choosing a farm enterprise
  - Enterprise comparison
- Interpersonal communication skills
  - Conflict management styles quiz
  - Communication self assessment
  - Coping with other communication styles
- Chapter 1 review

Chapter 2:

Germination

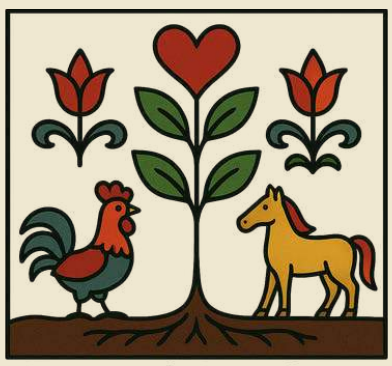
- Education/Training opportunities
  - Rating education worksheets
- Business plan foundations
  - Business plan template: Horizon Farm Credit
- Funding your farm business
  - USDA Beginning farmer & rancher programs
- Preparing to apply for funding
- Building a basic financial plan
- Recordkeeping
  - Recordkeeping basics: Horizon Farm Credit
  - Building a balance sheet: Horizon Farm Credit
  - Farm financial assessment: Horizon Farm Credit
- Choosing a legal structure
  - Addressing legal risk
- Chapter 2 review

Chapter 3:

Taking Root

- Land access and tenure
  - Land access options
  - Finding farm land
  - Beginning farmer tax credit
- Soil Survey
- Zoning
- First equipment
- Crop/Livestock management
- Chapter 3 review

Chapter 4:



Branching Out

- Market access
  - Market access worksheet
- Marketing plans
  - Market research: SBDC
  - Small business branding: SBDC
- Pricing calculators
- Chapter 4 review

Table of Contents

Chapter 5:

Weeding Out the Risks

- Risk management considerations
- Crop insurance
- Liability and general farm insurance considerations
  - What will insurance do for my PA farm?
  - Selecting insurcance products for your farm
  - Does my PA farm need whole-farm revenue protection?
- Understanding FSMA the produce safety rule
  - Selling crops and products that are high risk
- Biosecurity
  - Basic biosecurity measures to implement
  - Species specific resources
- Chapter 5 review

Chapter 6:

Blooming

- Social media 101 for ag businesses: SBDC
- Social media best practices: SBDC
- Web analytics for businesses: SBDC
- Certifications
- Agriculture commodity marketing boards
- Associations and professional organizations
- Chapter 6 review

Chapter 7:

Harvest & Regrowth

- Diversification
  - Exploring food enterprises on the farm
- Agritourism
- Reinvesting in your business
- Succession considerations
- Chapter 7 review

The Tool Shed

- Organizations
- Locating your office
- Centers for excellence
- Food safety resources
- Agristourisim
- Organic

Chapter One: Sowing the Seeds

Every agricultural business begins with a vision. It is the compass for setting priorities, allocating resources, and building a resilient operation.

Before the first seed is planted or the first fence post driven into the ground, it's essential to consider why you want to farm and what you hope to build. This chapter invites you to reflect on the foundational values that will shape your farm and guide your decision-making as you grow.

We'll explore what motivates people to farm and how to align those motivations with clear, realistic goals, both personal and business-related. You'll find exercises and insights to help you identify what success looks like for you, because every farm journey is unique. Your 'why' can inspire your work, but your farm's long-term success depends on more than passion. Ensuring your operation is financially viable is what allows those values; sustainability, tradition, community, to thrive over time

We'll also help you think through the process of choosing an enterprise that fits your values, goals, and resources. Understanding the farm enterprise options that are a fit for you is a crucial first step.

And because no farm operates in a vacuum, we'll touch on interpersonal communication skills; those everyday conversations with partners, family members, landlords, and collaborators that can either strengthen your farm's foundation or cause unnecessary strain. Learning how to communicate clearly and respectfully is just as important as learning how to plant a crop or balance a budget.

This chapter is about more than making plans. It is about making sure those plans are the best fit for you.

Farm Vision

Why do you want to farm?

What drew you to agriculture? ***What values or experiences influence this decision?***

What does success look like to you?

How will you know if your farm is "working" for you? ***Think financially, personally, and emotionally.***

What are your top three personal goals? ***Consider areas like lifestyle, family, community impact, and personal growth.***

What are your top three farm business goals (keep profits in mind)? ***These could be production-focused (e.g., grow X crops) and financial (e.g., make a living wage).***

Do your interests align with your goals, lifestyle, and available resources?

What values do you want your farm to reflect? ***Sustainability, innovation, tradition, community—what matters most to you, and how can your farm embody that?***

Choosing a farm enterprise is an important step. It should match your resources: available land, financial resources, knowledge, abilities and time available to manage the enterprise. Take time to reflect on the following to help shape your decision and remember... farming is a lot of work!

What does your ideal day look like?

How much time can you dedicate to the farm each day or week? Will you farm full-time, part-time, or seasonally?

Will your farm function as a one-person operation, a family-run business, or an employer of additional labor, and how does that influence the enterprise you choose?

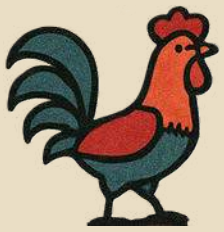
What resources do you already have access to? ***Consider land, water, equipment, labor, and capital.***

What markets exist in your area? ***Selling eggs in a town with three other egg producers may be more challenging than growing niche herbs or mushrooms.***

There is no one-size-fits-all approach. The best enterprise is one that matches your goals, skills, and available resources.

Enterprise Comparison: Finding the Right Fit

Before you commit to a farming path, it's important to explore what types of enterprises align with your goals, resources, and lifestyle. Take some time to compare common options and reflect on what might be the best fit for you.



Livestock (Beef, Sheep, Goats, Pigs, Poultry)

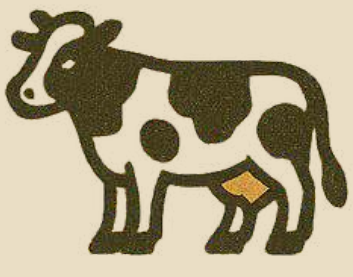
Pros:

- Can utilize pasture land
- Year-round income potential (meat, eggs)
- Often strong local market demand
- Manure provides fertility for crops or pastures

Cons:

- High daily labor needs—animals require care 365 days/year
- Larger acreage and infrastructure needs (barns, fencing, water systems, handling equipment)
- Biosecurity threats
- Feed and veterinary costs can be significant
- Regulations and animal health protocols can be complex
- Advanced experience and knowledge required to provide optimal livestock care

Time Commitment: High and consistent; little flexibility



Dairy (consider Pros & Cons listed above, plus add)

Pros:

- Year-round income potential (Monthly checks for milk deliveries)
- Opportunities for diversified products
- Many enterprise specific resources available (both state and federal)
- Additional income potential when milk production declines (culling non production cows)

Cons:

- High daily labor needs—animals require care multiple times a day, 365 days/year
- Additional infrastructure needs (milking equipment, storage)

Time Commitment: High and consistent; little flexibility

Diversified Produce (Vegetables, Fruits, Herbs)

Pros:

- High-value crops per acre
- Opportunities for direct marketing (CSA, farmers markets)
- Scalable for small or large operations
- Many varieties to choose from, may be easier to diversify income

Cons:

- Labor-intensive, especially during growing and harvest season
- Short shelf life requires regular sales or processing
- Weather and pest pressure can be high
- Requires crop planning and succession strategies

Time Commitment: High during growing season; variable off-season

Specialty/Niche Crops (Mushrooms, Flowers, Herbs)

Pros:

- High market value with lower acreage needs
- Can fill market gaps or serve specific buyers
- Often allow creative marketing opportunities

Cons:

- Can require specialized knowledge or infrastructure
- May have limited or niche markets
- Risk of oversaturation or regulatory hurdles (especially hemp)

Time Commitment: Varies widely based on crop and method

Brambles & Small Fruits

Pros:

- Long-term investment with years of productivity once established
- Strong market demand for fresh fruit, value-added products
- Can integrate well with agritourism or U-pick models
- Perennial crops reduce annual replanting labor

Cons:

- Delayed returns: may take 3–5+ years for full production
- Requires specialized pruning, pest, and disease management
- Susceptible to weather damage (late frosts, hail, drought) which could lead to total crop loss
- Infrastructure (cold storage, ladders, irrigation) can add costs

Time Commitment: Moderate to high; seasonal peak during harvest, lower labor needs in winter

Orchard (Apples, Peaches, Pears, Cherries, etc.)

Pros:

- Long-term investment with years of productivity once established
- Strong market demand for fresh fruit, cider, value-added products
- Can integrate well with agritourism or U-pick models
- Perennial crops reduce annual replanting labor

Cons:

- Delayed returns—may take 3–7+ years for full production
- Requires specialized pruning, pest, and disease management
- Susceptible to weather damage or complete crop loss (late frosts, hail, drought)
- Infrastructure (cold storage, ladders, irrigation) can add costs
- Often requires more acreage to be profitable

Time Commitment: Moderate to high; seasonal peak during harvest, lower labor needs in winter

Field Crops (Corn, Soybeans, Small Grains)

Pros:

- Can be scaled up for larger acreage
- Crops can be stored and sold over time
- Compatible with crop rotation systems
- Pricing can be "locked in" by forward marketing

Cons:

- High equipment and input costs
- Often requires more acreage to be profitable
- Vulnerable to commodity price fluctuations
- Lower income per acre compared to specialty crops
- Susceptible to weather damage or complete crop loss (late frosts, hail, drought)

Time Commitment: Moderate with seasonal peaks; high capital needs

Micro Farms / Urban or Intensive Small-Scale Farming

Pros:

- Can be done on less than an acre
- Can be "soil-free"
- Quick turnover crops (greens, herbs, microgreens)
- Close proximity to urban markets

Time Commitment: Medium to high; depends on enterprise mix

Cons:

- Limited scalability without added labor or infrastructure
- Requires precise planning and management
- Narrow margin for error due to small space
- Advanced growing techniques would require additional training

Value-Added Enterprises (Cheese, Jams, Pickles, Soaps, etc.)

Pros:

- Can have higher profit margins by processing raw products
- Diversifies income streams
- Often appeals to niche or specialty markets
- Extends shelf life of seasonal goods

Cons:

- Requires commercial kitchen or certified facility
- Additional time and labor for production and packaging
- Regulatory requirements can be complex (food safety, labeling)
- Marketing and branding are essential
- Requires proper pricing calculations to ensure a profit

Time Commitment: Medium to high, including processing and sales time

Agritourism (Farm Stays, Pick-Your-Own, Events, Classes)

Pros:

- Brings customers directly to the farm
- Excellent supplemental income
- Builds strong community relationships
- Great platform for education and storytelling

Cons:

- Involves hospitality and customer service skills
- Liability and insurance considerations
- Can distract from core farming activities
- Requires zoning and regulatory awareness

Time Commitment: Seasonal with event peaks; ongoing maintenance and prep

Please note: this is not a complete list of every possible enterprise, and the details provided are only a starting point. Every operation will come with its own unique considerations, challenges, and opportunities. Use this tool to begin your exploration—but be sure to do additional research, ask questions, and seek guidance from experienced farmers, mentors, and professionals as you plan your next steps.

Enterprise Fit Worksheet

Step 1: Scorecard

	Enterprise 1:	Enterprise 2:	Enterprise 3:
Start Up Costs			
Labor Needs			
Infrastructure Needs			
Land/ Acreage Needs			
Market Timing			
Marketing Methods			
Family Interest			
Experience/ Knowledge			
Risk Level			

Step 2: Reflection

Looking at your table, which enterprise feels like the best fit for you to explore further? Why?

Step 3: Further research

Choosing a farm enterprise is an important step, but it's only the beginning. Before you commit time, land, or capital, it's essential to dig deeper. This stage of research will help you validate your ideas, refine your plan, and understand the real-world requirements of running your chosen enterprise.

4. Connect With an Experienced Farmer

One of the most valuable things you can do is learn from someone already doing the work. Look for a mentor who has experience in the enterprise you're considering, whether it's vegetables, beef, flowers, mushrooms, or value-added products.

A mentor can help you:

- **Understand the day-to-day realities of the enterprise**
- **Identify common challenges and mistakes**
- **Learn practical techniques and workflows**
- **Get honest feedback on your expectations and plans**
- **Connect with local networks or markets**

Where to find mentors:

- **Local farms producing your chosen products**
- **Penn State Extension educators**
- **Industry associations and commodity groups**
- **Field days, workshops, and incubator farm programs**

5. Assess Your Current Resources and What's Missing

Now is the time to clearly identify what your farm already has and what you will need to acquire.

***Land & Soil*:**

- **Does your soil type, acreage, and access to water fit the needs of your enterprise?**

***Infrastructure*:**

- **What buildings, fencing, refrigeration, equipment, or tools are required?**
- **What do you already have?**
- **What must be purchased or upgraded?**

Labor & Skills:

- **Do you (and your team) have the skills and time needed to run this enterprise effectively?**
- **Will you need seasonal help, specialized training, or technical assistance?**

Financial Capacity:

- **Can you afford the initial investment and operating expenses?**
- **What will you need financing for to start, what can be phased-in?**

This resource inventory will help you avoid costly surprises and fully understand what the enterprise demands.

6. Analyze Enterprise Budgets

Enterprise budgets are one of the most effective tools for understanding profitability. These worksheets outline expected costs, potential income, and the break-even point for many different Pennsylvania farm enterprises. They help you answer key questions:

- What are the realistic input costs?
- How much labor is required?
- What is the expected yield or output?
- What price ranges are common in Pennsylvania markets?
- Is the enterprise likely to generate profit?

Explore Penn State Extension's Enterprise Budget Worksheets:

You can use these worksheets to compare enterprises side-by-side, estimate your financial needs, and refine your decision. There are other worksheets available, but this link will take you to a variety of enterprise options.

https://extension.psu.edu/catalogsearch/result/?q=Enterprise+budget+worksheets

7. Gather Real-World Market Information

Before committing, research what demand looks like in your area. Be sure to research:

- Who is already selling this product?
- What markets (farmers markets, wholesale buyers, restaurants, CSAs, etc.) exist near me?
- Are there price points that allow for profit?
- Is there unmet demand or too much competition?

Market realities should shape your final decision just as much as your interests or land resources.

Interpersonal Communication Skills

Whether you're negotiating with a landowner, coordinating with employees, or talking to customers at a farmers' market, communication plays a powerful role in your success. Some people thrive in a solo world, working best with minimal interaction, while others find energy in cooperative environments. Neither is "better" but knowing your own style can help you choose roles, strategies, and markets that fit you best. Good communication also matters in marketing. For example, an outgoing personality may find it easier to succeed in direct-to-consumer sales, while a quieter, more reserved farmer may thrive in wholesale or CSA models that rely less on constant interaction. This isn't about changing who you are it's about understanding your strengths and using them to build better connections.

Before you begin, consider these questions:

1. *Do you prefer working independently, or do you gain energy from working closely with others?*
2. *How comfortable are you talking with customers, landowners, or lenders about your farm business?*
3. *When conflict arises, do you tend to address it directly, avoid it, or look for a middle ground?*

Why does communication matter for farmers

- Building Trust: Landowners, lenders, and mentors are more likely to support you if you communicate clearly and honestly.
- Marketing Success: Customers often buy into your story just as much as your products. A friendly greeting or clear explanation can make the difference between one-time and repeat buyers.
- Teamwork & Efficiency: Whether working with family, employees, or volunteers, good communication helps prevent misunderstandings and conflict.
- Problem-Solving: Farms face daily challenges—from weather to pests to finances. Strong communication skills help you find solutions faster and with less stress.

To help you begin exploring your own communication tendencies, this section includes two self-assessment tools: the Conflict Management Styles Quiz (Source: Reginald [Reg] Adkins, PhD, Elemental Truths) and the Communication: A Self-Assessment Exercise (Source: Pierre Casse, Training for the Cross-Cultural Mind, SIETAR 1981. These tools are not meant to label or limit you, but to offer a starting point for understanding how you naturally respond in different interpersonal situations. While you cannot control how others communicate or behave, you can build awareness of your own patterns—and that awareness is a powerful first step in strengthening your relationships, reducing conflict, and communicating more effectively across your farm business.

Conflict Management Styles Quiz

Source: Reginald (Reg) Adkins, PhD, Elemental Truths

http://elementaltruths.blogspot.com/2006/11/conflict-management-quiz.html

We each have our own way of dealing with conflict. The techniques we use are based on many variables such a our basic underlying temperament, our personality, our environment and where we are in our professional career. However, by and large there are five major styles of conflict management techniques in our tool box. In order to address conflict we draw from a collaborating, competing, avoiding, harmonizing or compromising style of management. None of these strategies is superior in and of itself. How effective they are depends on the context in which they are used.

Each statement below provides a strategy for dealing with a conflict. Rate each statement on a scale of 1 to 4 indicating how likely you are to use this strategy.

1=Rarely 2=Sometimes 3=Often 4=Always

Be sure to answer the questions indicating how you *would* behave rather than how you *think* you should behave.

1. I explore issues with others so as to find solutions that meet everyone's needs. ____

2. I try to negotiate and adopt a give-and-take approach to problem situations. ____

3. I try to meet the expectations of others. ____

4. I would argue my case and insist on the merits of my point of view. ____

5. When there is a disagreement, I gather as much information as I can and keep the lines of communication open. ____

6. When I find myself in an argument, I usually say very little and try to leave as soon as possible. ____

7. I try to see conflicts from both sides. What do I need? What does the other person need? What are the issues involved? ____

8. I prefer to compromise when solving problems and just move on. ____

9. I find conflicts challenging and exhilarating; I enjoy the battle of wits that usually follows. ____

10. Being at odds with other people makes me feel uncomfortable and anxious. ____

11. I try to accommodate the wishes of my friends and family. ____

12. I can figure out what needs to be done and I am usually right. ____

13. To break deadlocks, I would meet people halfway. ____

14. I may not get what I want but it's a small price to pay for keeping the peace. ____

15. I avoid hard feelings by keeping my disagreements with others to myself. ____

How to score the Conflict Management Quiz:

As stated, the 15 statements correspond to the five conflict resolution styles. To find your most preferred style, total the points in the respective categories. The one with the highest score indicates your most commonly used strategy. The one with the lowest score indicates your least preferred strategy. However, if you are a leader who must deal with conflict on a regular basis, you may find your style to be a blend of styles.

Style	Corresponding Statements	Total:
Collaborating	1, 5, 7	
Competing	4, 9, 12	
Avoiding	6, 10, 15	
Harmonizing	3, 11, 14	
Compromising	2, 8, 23	

Brief Descriptions of the Five Conflict Management Styles

Collaborating Style: Problems are solved in ways in which an optimum result is provided for all involved. Both sides get what they want and negative feelings are minimized.

Pros: Creates mutual trust; maintains positive relationships; builds commitments.

Cons: Time consuming; energy consuming.

Competing Style: Authoritarian approach.

Pros: Goal oriented; quick.

Cons: May breed hostility.

Avoiding Style: The non-confrontational approach.

Pros: Does not escalate conflict; postpones difficulty

Cons: Unaddressed problems; unresolved problems

Harmonizing Style: Giving in to maintain relationship

Pros: Minimizes injury when we are outmatched; relationships are maintained.

Cons: Breeds resentment; exploits the weak.

Compromising Style: The middle ground approach.

Pros: Useful in complex issues without simple solutions; all parties are equal in power.

Cons: No one is ever really satisfied; less than optimal solutions get implemented.

Communication: A Self-Assessment Exercise

Below are 40 pairs of sentences. Please select from each pair of attributes the one which is most *typical* of your personality. No pair is an either-or proposal. Make your choice as spontaneously as possible. There is no wrong answer. Circle the number of your choice.

1. I like action.
2. I deal with problems in a systematic way.

3. I believe that teams are more effective than individuals.
4. I enjoy innovation very much.

5. I am more interested in the future than In the past.
6. I enjoy working with people.

7. I like to attend well organized group meetings.
8. Deadlines are important for me.

9. I cannot stand procrastination.
10. I believe that new ideas have to be tested before being used.

11. I enjoy the stimulation of interaction with others.
12. I am always looking for new possibilities.

13. I want to set up my own objectives.
14. When I start something I go through until the end.

15. I basically try to understand other people's emotions.
16. I do challenge people around me.

17. I look forward to receiving feedback on my performance.
18. I find the step-by-step approach very effective.

19. I think I am good at reading people.
20. I like creative problem solving.

21. I extrapolate and project all the time.
22. I am sensitive to others' needs.

23. Planning Is the key to success.
24. I become impatient with long deliberations.

25. I am cool under pressure.
26. I value experience very much.

27. I listen to people.
28. People say that I am a fast thinker.

29. Cooperation is a key word for me.
30. I use logical methods to test alternatives.

31. I like to handle several projects at the same time
32. I always question myself.

33. I learn by doing.
34. I believe that my head rules my heart.

35. I can predict how others may react to a certain action.
36. I do not like details.

37. Analysis should always precede action.
38. I am able to assess the climate of a group.

Casse, Pierre Training for the Cross- cultural Mind. SIETAR 1981 .Used by permission from Manitoba Mediation Services Trainers.

39. I have a tendency to start things and not finish them up.
40. I perceive myself as decisive.

41. I search for challenging tasks.
42. I rely on observation and data.

43. I can express my feelings openly.
44. I like to design new projects.

45. I enjoy reading very much.
46. I perceive myself as a facilitator.

47. I like to focus on one issue at a time.
48. I like to achieve.

49. I enjoy learning about others.
50. I like variety.

51. Facts speak for themselves.
52. I use my imagination as much as possible.

53. I am impatient with long, slow assignments.
54. My mind never stops working.

55. Key decisions have to be made in a cautious way.
56. I strongly believe that people need each other to get work done.

57. I usually make decisions without thinking too much.
58. Emotions create problems.

59. I like to be liked by others.
60. I can put two and two together very quickly.

61. I try out my new ideas on people.
62. I believe in the scientific approach.

63. I like to get things done.
64. Good relationships are essential.

65. I am impulsive.
66. I accept differences in people.

67. Communicating with people is an end in itself.
68. I like to be intellectually stimulated.

69. I like to organize.
70. I usually jump from one task to another.

71. Talking and working with people is a creative act.
72. Self-actualization is a key word for me.

73. I enjoy playing with ideas.
74. I dislike wasting my time.

75. I enjoy doing what I am good at.
76. I learn by interacting with others.

77. I find abstractions interesting and enjoyable.
78. I am patient with details.

79. I like brief, to the point statements.
80. I feel confident in myself.

Casse, Pierre Training for the Cross- cultural Mind. SIETAR 1981 .Used by permission from Manitoba Mediation Services Trainers.

Scoring Your Communication Style Inventory

Each selected item has to be reported on the four scales reproduced below. In other words, if items 1, 4 , 6 , have been selected, the same numbers on the four scales should be circled again. Transfer your selections from the previous pages to this sheet by circling the sentence number that you selected.

On each style line add up the number of items that you have circled (not the figures but the number of selected items). The maximum is 20 per style and the total for the four styles should be 40 .

Ex. Style l=1-8-9-13-17-24-26-31-33-40-41-48-50-53-57-63-65-70-74-79=3

Style 1= ACTION= 1-8-9-13-17-24-26-31-33-40-41-48-50-53-57-63-65-70-74-79 = ____

Style 2 = PROCESS= 2-7-10-14-18-23-25-30-34-37-42-47-51-55-58-62-66-69-75-78 = ____

Style 3= PEOPLE= 3-6-11-l 5-19-22-27-29-35-38-43-46-49-56-59-64-67-71-76-80 = ____

Style 4 = IDEA = 4-5-12-16-20-21-28-32-36-39-44-45-52-54-60-61-68-72-73-77 = ____

Styles/Features	They Talk about....	They are....
Action (A)	Results • Responsibility Objectives • Feedback • Performance • Experience • Productivity • Challenge • Efficiency • Achievements • Moving Ahead • Change • Decisions	Pragmatic • Direct • Impatient • Decisive • Quick Gumping from one thing to another) • Energetic • Challenge Others
Process (PR)	Facts • Trying Out • Procedures • Analysis • Planning • Observations • Organizing • Proof • Controlling • Details • Testing	Systematic • Logical • Factual • Verbose • Unemotional • Cautious • Patient
People (PE)	People • Self-development • Needs • Sensitivity • Motivations • Awareness • Teamwork • Cooperation • Communications • Beliefs • Feelings • Values • Team Spirit • Expectations • Understanding • Relations	Spontaneous • Empathetic • Warm • Subjective • Emotional • Perceptive • Sensitive
Idea (I)	Concepts • What's new in the field • Innovation • Creativity • Opportunities • New Ways • Possibilities • Creativity • Interdependence • Improving Issues • Innovation • Grand Design • New Methods • Potential Alternatives	Imaginative • Charismatic • Difficult to understand • Ego-centered • Unrealistic • Creative • Full of ideas • Provocative

Casse, Pierre Training for the Cross- cultural Mind. SIETAR 1981 .Used by permission from Manitoba Mediation Services Trainers.

Coping with other Communication Styles:

A. Communicating with an action oriented person:

- Focus on the results first (state the conclusion right at the outset).
- State your best recommendation (do not offer many alternatives).
- Be as brief as possible.
- Emphasize the practicality of your ideas.
- Use visual aids.

B. Communicating with a process oriented person:

- Be precise (state the facts).
- Organize your presentation in a logical order;
- a)background b) present situation c) outcome.
- Breakdown your recommendations.
- Include options (consider alternatives) with pros and cons.
- Do not rush a process oriented person .
- Outline your proposal (1,2,3…)

C. Communicating with a people oriented person:

- Allow for small talk (Do not start the discussion right away).
- Stress the relationships between your proposal and the people concerned .
- Show how the idea worked well in the past.
- Indicate support from well respected people.
- Use an informal writing style.

D. Communicating with an idea oriented person:

- Allow enough time for discussion.
- Do not get impatient when he or she goes off on tangents.
- In your opening, try to relate the discussed topic to a broader concept or idea (in other words be conceptual).
- Stress the uniqueness of the idea or topic at hand. Emphasize future value or relate the impact of the idea or the future
- If writing to an idea oriented person, try to stress the key concepts which underlie your proposal or recommendation right at the outset. Start off with an overall statement and work toward the more particular

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Chapter One Review

Use this checklist to ensure that you have reviewed the key components of this chapter!

- ☐ I have reflected on why I want to farm, what motivates me, and have identified my personal farm goals.
- ☐ I have explored different farm enterprises that interest me.
- ☐ I have considered how my daily lifestyle will fit with farm demands.
- ☐ I have reviewed my current resources and how they compare to the needs of my farm business.
- ☐ I have thought about how I will communicate and work with others involved in my farm business.

Chapter One: Seed Packet

Take a moment to bring everything together. Use the space below to create a first sketch of your farm dream. These answers don't have to be final—they're a starting point that can grow and change as you learn more.

Location: (*County, Area, Town*) _____

What will I grow/raise? _____

What products will I sell? _____

_____

My farm enterprise/ main focus is: _____

_____

_____

My top 3 farm ideals/goals:

1. _____
2. _____
3. _____

Additional Notes/Inspirations:

_____

_____

_____

_____

_____

_____

Chapter Two: Germination

A strong farm begins long before seeds go into the ground. It starts with a solid business foundation. Many new farmers are driven by passion, purpose, and a vision for the life they want to build. Turning that vision into a viable, long-term operation requires careful planning, financial understanding, and a commitment to treating the farm as a business from day one. A dream becomes a sustainable reality only when it is backed by clear goals, informed decision-making, and systems that support profitability.

Chapter Two, *Germination*, is designed to help you move from inspiration to implementation by focusing on the essential business elements every new farmer must develop. In this chapter, you will:

- Explore training and education opportunities that build the skills and confidence needed to operate a farm business.
- Learn the fundamentals of business planning and how a well-constructed plan guides your decisions and communicates your goals to lenders, partners, and supporters.
- Review startup funding pathways and financial resources commonly used by beginning farmers.
- Understand key legal considerations, including choosing the right structure for your farm business.
- Establish the importance of bookkeeping and financial recordkeeping as tools for managing risk, tracking growth, and staying financially resilient.

You will also find several practical tools provided by *Horizon Farm Credit*, including a Business Plan Template, Recordkeeping Basics, and a Building a Balance Sheet guide. These resources are designed to help you put these concepts into practice immediately. This chapter is not about overwhelming you with paperwork, it's about equipping you with the structure, clarity, and financial mindset needed to build a farm that can grow, adapt, and last. With strong business roots, your farm vision has the best chance to germinate into a thriving, profitable operation.

Accessing Training and Education Opportunities

No farmer starts out knowing everything, and one of the best investments you can make in your farm's future is continuing to learn.

Today, there are more options than ever for gaining knowledge, whether through in-person workshops, field days, or virtual programs you can join from home. Universities, like Penn State Extension or Delaware Valley University, offer research-based trainings across many subjects. Centers of Excellence and private organizations, such as Horizon Farm Credit, provide practical learning opportunities tailored to farmers' business and financial needs. Nonprofits and state programs, including Pennsylvania Farm Link and the SBDC also offer education designed specifically for new and beginning farmers.

Beyond formal classes, there are many ways to learn throughout your farming journey. At the very beginning, mentorships and peer networks can connect you with experienced farmers who are eager to share advice, encouragement, and lessons learned. Apprenticeships and internships allow you to gain hands-on experience by working alongside established farmers, offering an invaluable look at the daily realities of farm life.

When you're ready to start your own operation but not yet ready to make big investments in land or equipment, incubator farms can provide a supportive environment to test your business ideas. These programs often supply access to land, tools, and guidance while you develop skills and confidence.

As your farm grows, continuing education becomes just as important as those first learning steps. Advanced workshops, certification courses, professional organizations and business trainings can help you sharpen your management skills, explore new enterprises, and adapt to shifting markets and technologies.

While this workbook won't list every available program, we encourage you to explore different opportunities, compare them, and find the ones that best fit your learning style, goals, and stage of farming. No matter where you are in your journey; from dreaming, to starting, to growing; there is always more to learn, and always someone willing to teach.

Examples of learning opportunities

Workshops & Field Days

Workshops and field days are some of the most accessible ways to build your knowledge. These events usually focus on a single topic, such as grazing practices, high-tunnel production, or farm succession planning and combine classroom-style learning with demonstrations or farm tours. They are especially helpful if you want to learn about a specific practice without a long-term commitment.

Where to look:

- Penn State Extension
- Rodale Institute
- Pasa Sustainable Agriculture
- Local Conservation Districts and USDA/NRCS

Mentorship Programs

For many beginning farmers, having a trusted guide can make all the difference. Mentorship programs pair you with experienced farmers who can offer advice, share lessons learned, and provide encouragement. Mentors can help with everything from enterprise selection and record-keeping to navigating community relationships and market connections.

Where to look:

- Some commodity groups (e.g., dairy or beef producer associations) informally connect new farmers with seasoned producers.
- Pa Ag Mentor
- Pennsylvania Grazing Lands Coalition

Apprenticeships & Internships

Apprenticeships and internships immerse you in daily farm life, giving you the chance to gain hands-on experience while learning from established farmers. These programs are especially useful if you're still exploring farming as a career or refining your skills before starting your own operation.

Where to look:

- Apprenticeship programs through Pasa Sustainable Agriculture
- Local farms offering internships via regional farm networks
- University farms and agricultural centers sometimes offer summer internships for hands-on training
- Centers for Excellence

Incubator Farm Programs

Incubator farms provide new farmers with access to land, equipment, and mentorship in a lower-risk environment. They allow you to test your business ideas and learn farm management skills without the financial pressure of purchasing property right away.

Where to look:

- The Seed Farm
- Local agricultural nonprofits and urban farm initiatives sometimes offer land-share or incubator opportunities
- University-affiliated incubator farms or community agriculture programs

Online Courses & Webinars

Virtual learning has exploded in recent years, providing access to knowledge no matter where you live. Online courses range from short webinars to multi-week certificate programs and can cover production, business planning, marketing, and more.

Where to look:

- PA Farm Link (Online Learning Academy and frequent Webinars)
- Penn State Extension
- USDA e-Learning modules on farm management, conservation, and safety
- Specialty programs from commodity boards or private organizations

University, Extension & Certification Programs

University extension programs and certification courses provide research-based, credible training. Some programs lead to certifications, which can be essential for compliance or market access, organic, or pesticide applicator certifications.

Where to look:

- Penn State Extension certifications and training programs
- National and state-level organic certification courses
- Specialty certifications through commodity boards or associations
- County Conservation Districts

Peer Learning & Farmer Networks

Peer learning occurs when you learn from other farmers through discussion groups, local meet-ups, or farmer networks. These informal settings provide opportunities to exchange ideas, share resources, and gain practical insights from those in similar situations.

Where to look:

- Farm Bureau's Young Ag Professionals (YAP)
- County Farm Bureau Groups
- Pasa

Rating Education Opportunity Worksheet:

There are many ways to keep growing as a farmer, and no single program will meet every need. Use this worksheet to compare different opportunities you discover. Compare whether in-person workshops, online trainings, university programs, private courses, or nonprofit offerings fit with your goals, learning style, budget, and availability.

This tool is not about finding the *"best"* program overall, but about finding the best fit for you right now. As your farm grows, your training needs will change so revisit this exercise often. Visit the PA Farm Link Website to download a printable version of this form.

Name of Course:	
Organization:	
Instructor:	

Cost & Value

- What is the cost of this program?
  $ $$ $$$ $$$$
- Is the cost reasonable for what I will gain?
  Yes No Maybe
- Are there scholarships, discounts, or free options available?
  Yes No

Duration & Flexibility

- How long does the program last?
  Single workshop Multi-week course Ongoing
- Does the timing fit my current schedule and responsibilities?
  Yes No
- Do I need to travel for this training? (If so, calculate all travel expenses)
  Yes No
- Is it self-paced, or do I need to attend at set times?
  Self-Paced Set Time Schedule

Mentorship & Networking Opportunities

- Does the program connect me to mentors or experienced farmers?
  Yes No
- Are there opportunities to network with other new and beginning farmers?
  Yes No
- Is there follow-up support after the training ends?
  Yes No

Materials & Resources Provided

- Are course materials (handouts, guides, recordings) included?

  Yes No
- Will I have access to resources after the program ends?

  Yes No
- Are the materials practical and easy to apply to my farm?

  Yes No

Instructor & Content Quality

- Does the instructor or program have experience relevant to my needs?

  Yes No
- Are the materials research-based, practical, or hands-on?

  Yes No
- Would I trust this source as reliable and accurate?

  Yes No

Personal Fit & Application

- Does this program match my current goals and stage of farming?

  Yes No
- Will I be able to apply what I learn right away?

  Yes No
- Am I excited and motivated to participate?

  Yes No

Graduation, Certificate, or Recognition

- Does the program offer a certificate, credential, or CEUs (continuing education units)?

  Yes No
- Will completing this program strengthen my credibility with lenders, buyers, or partners?

  Yes No

Total Yes:

Total No:

How to Write A Farm Business Plan

Starting or expanding a farm is more than just planting seeds and hoping for a good harvest, it's about building a sustainable, profitable business. Whether you're applying for a loan, seeking investors, or simply trying to clarify your goals, a well-crafted farm business plan is essential. It's your opportunity to show lenders, partners, and even yourself that you have a clear vision, a solid strategy, and the commitment to make your agricultural venture thrive.

A farm business plan serves as a roadmap for your operation. It outlines your mission, defines your goals, and details how you plan to achieve them. From describing your products and services to identifying your target market and financial projections, your plan should reflect both your passion for farming and your understanding of the business side of agriculture.

If you're new to farming, this plan will help you think through every aspect of your operation before you break ground. If you're already established, it's a chance to refine your strategy, identify new opportunities, and ensure long-term success. And if you're applying for funding, a strong business plan can make all the difference in gaining the trust and support of lenders.

In this guide, we'll walk you through each section of a farm business plan, from the cover page to financials and everything in between. You'll learn what information to include, how to present it clearly, and why each part matters. Whether you're growing vegetables, raising livestock, or launching a niche agribusiness, this step-by-step approach will help you build a plan that's both practical and persuasive.

Let's get started on turning your farming vision into a structured, actionable plan.

Contributions to this section were made by:

Johanna Rohrer
Member Education & YBS Program Officer

FARM CREDIT

Find this template and a virtual learning opportunity on the PA Farm Link Website.

You can go to:

https://pafarmlink.org/courses/how-to-create-a-business-plan-farm-credit/

Or scan here:

BUSINESS PLAN TEMPLATE

Owners:

Address:

City, State, Zip Code:

Telephone:

Email:

Template created and provided by:

FARM CREDIT

Scan here for a PDF of Horizon Farm Credit Business Plan

Business Overview

WHAT: What is the objective of your business? What products/services will your business offer?

HOW: Describe your business operations. What makes your business unique? (Ex: size of operation, location of operation, expansion plans, etc.)

WHO: Who is your target audience? Who will benefit from your products or services?

WHY: Describe the desire and drive behind why you want to pursue this business. What is the mission statement of your business?

IF APPLYING FOR A LOAN: Clearly state how much money you are applying for, how you plan to use it, and how it will make your business more profitable, thereby ensuring repayment.

Business Management and Organization

BUSINESS HISTORY: How long have you been in operation? Were there any previous owners?

ORGANIZATION: How is the business organized? (Corporation, partnership, sole proprietorship, etc.) Who is involved? Please list their roles and responsibilities and/or titles.

IMPLEMENTATION TIMELINE: What is your plan of action? What specific tasks need to be completed in order to reach business goals?

STRENGTHS & WEAKNESSES: Describe the strengths and weaknesses of your business.

GOALS: Please list your operation's short and long term goals. (short-term are 1-3 years, long-term are 3-10 years)

RISK MANAGEMENT: What risk management practices do you have in place? (Insurance, contingency plan, product or market diversification, etc.)

Marketing

INDUSTRY OUTLOOK: What is your target market? What are the current industry trends?

MARKET SHARE: How will you remain competitive? Who are your biggest competitors? Are there any anticipated obstacles?

INCOME: How is your product sold and priced? What is your projected/estimated income? How are you going to gain commitments/contracts to sell your product?

MARKETING: What promotional marketing/communication tools will your business use?

Financials

These are basic templates. Feel free to use more detailed documents if desired

Balance Sheet

Assets

Current Assets: *Other includes: Prepaid Expenses & Investment in Growing Crops; Market Livestock; Other liquid Assets*	
Cash	
Accounts Receivable	
Feed, Seed & Supplies	
Crops for Resale	
Other:	
Total Current Assets	
Noncurrent Assets: Others include: Retirement Accounts; Other Term Assets	
Real Estate	
Equipment	
Vehicles	
Breeding Livestock	
Cooperative Investments (Farm Credit Stock)	
Other	
Total Noncurrent Assets	
Total Assets (Current Assets & Noncurrent Assets)	

Liabilities

Current Liabilities: *(Others include: Loans with Terms less than 1 year; Current portion of Term Liability Principal due within the next 12 months)*	
Accounts Payable	
Accrued Expenses	
Operating Expenses	
Other	
Total Current Liabilities	
Noncurrent Liabilities: (Balances should be less than the principal due in the next 12 months that will be shown as Current Liability)	
Loans (Terms greater than 1 year)	
Capital Leases	
Total Noncurrent Liabilities	
Total Liabilities (Current Liabilities & Noncurrent Liabilities)	
Owner's Equity or Net Worth: (Total Assets-Total Liabilities)	
Total Liabilities and Owner's Equity (must equal Total Assets)	

Income & Expenses:

Farm Revenue	
Crops	
Livestock	
Cull Breeding	
Government Payments	
Custom Work	
Other Farm Income	
Total Revenue	

Farm Expenses	
Car and Truck	
Chemicals	
Conservation	
Custom Hire	
Depreciation	
Feed	
Fertilizer	
Freight and Trucking	
Gas, Fuel Oil	
Unsurance	
Interest	
Labor	
Rent	
Repairs, Maintenance	
Seed	
Supplies	
Taxes	
Utilities	
Vet, breeding, medicine	
Other Farm Expenses	
Total Expenses	
Net Farm Income (Total Revenue-Total Expenses)	

Funding your Farm Business

Written by:
Kelsey J. Fenicle, AVP, Agricultural Relationship Manager
Ephrata National Bank

Starting a farm requires more than passion and production knowledge, it requires financial clarity. Before you plant your first crop or purchase your first animal, you need a plan for how your farm will be funded, managed, and sustained.

What Are My Funding Options?

There is no one-size-fits-all funding solution. Every farmer entering the business comes from a different background. Most successful farms use a combination of financing sources over time.

Self-Funding:

- Personal savings
- Off-farm income
- Partner or spouse income
- Selling assets

Traditional Agricultural Loans:

Many beginning farmers start with agricultural lenders such as:

- Farm Service Agency (FSA) : *Direct and guaranteed farm ownership and operating loans designed specifically for beginning farmers*
- Farm Credit: *Cooperative agricultural lending institutions*
- Local community banks with agricultural portfolios

When seeking financing, look for community banks with dedicated agricultural lending divisions. These specialized lenders understand farm cash flow, land values, and production risk, and can structure loans to fit the realities of farm businesses. To see an example, visit:

https://www.epnb.com/agricultural/

Common loan types:

- Equipment loans: *Typically, a five- or seven-year term*
- Farm ownership/real estate loans: *Standardly financed for twenty or twenty-five years*
- Lines of credit for working capital needs : *Revolving line that should hit zero annually and renews year-to-year*

Alternative & Community-Based Funding:

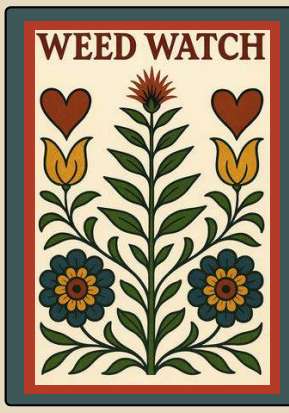
- Crowdfunding
- Community Supported Agriculture (CSA) prepayments
- Investor partnerships
- Microloans
- Cost-share programs (NRCS conservation programs, etc.)

Funding your Farm Business (cont.)

Grants:

Grants are competitive and often project specific. Examples include programs through:

- USDA
- State Departments of Agriculture
- Local conservation districts
- Private foundations



Grants rarely fund an entire farm startup. They often require matching funds, strong reporting, and some form of bridge financing from a lender.

Scan the QR code to view " Farmer's Guide to PDA State Funding and Grant Programs". This guide provides a broad overview of grant programs and funding available to Pennsylvania farmers and agricultural producers through the Pennsylvania Department of Agriculture. To learn more about these opportunities and more, please visit:

www.agriculture.pa.gov

*Deadlines and funding availability will vary depending on individual funding sources/grant program.

Scan the QR code to view Financing your Farm Business, an excellent resource from Penn State Extension. This article provides a comprehensive overview of farm financing for beginning farmers. This resource outlines what lenders expect in a strong loan application, including a detailed business plan, projected income and expenses, multi-year financial forecasts, and a balance sheet of assets and liabilities. Beginning farmers are encouraged to use this resource as a practical guide to understanding their financing options, strengthening their applications, and planning strategically for long-term farm viability.

https://extension.psu.edu/financing-your-farm-business-or-enterprise

USDA Beginning Farmer & Rancher Loan Programs (FSA)

The USDA Farm Service Agency (FSA) offers multiple loan programs designed to help beginning farmers and ranchers start, grow, or strengthen viable farm operations. These programs are especially important for producers who may have limited access to commercial credit. FSA loans are delivered and serviced through local USDA Service Centers, where Farm Loan Officers provide both financing and hands-on technical assistance throughout the application process. All programs emphasize realistic business planning, sound management, and long-term repayment ability rather than credit scores alone.

Who Is Considered a Beginning Farmer?

- For most FSA programs, a beginning farmer or rancher is someone who:
- Has operated a farm or ranch for 10 years or less
- Does not own more than 30% of the average-sized farm in their county (based on the most recent Census of Agriculture)
- Substantially participates in the operation
- Meets general loan eligibility and management requirements

You can find additional general information regarding these loan program by visiting....
https://www.fsa.usda.gov/resources/beginning-farmers-and-ranchers-loans

To view the resource "Your Guide to FSA Farm Loans" created by the USDA, please scan this code!

Types of USDA FSA Loans for Beginning Farmers

Farm Ownership Loans: help producers purchase or expand farmland, improve infrastructure, conserve soil and water resources, and secure long-term land tenure.

Farm Operating Loans: provide working capital to start, maintain, or improve a farming operation

Microloans (Ownership & Operating): simplified versions of FSA loans designed for smaller-scale or beginning operations with lower capital needs

Preparing to Apply:

Beginning farmers should have these items prepared:

- A clear farm vision and goals
- Basic financial and production records
- A realistic business or cash flow plan
- Recent tax returns and documentation of leases or purchase agreements (if applicable)

Preparing to Apply for Funding:
What Lenders & Grantors Want

Written by:
Kelsey J. Fenicle, AVP, Agricultural Relationship Manager
Ephrata National Bank

Before applying for financing, understand this: lenders are not funding your dream; they are funding your ability to repay. *Character, capacity, capital, collateral,* and *conditions* are evaluated throughout the loan process.

Character

- Credit history

  Lenders will review:

  - Credit: *Your credit score reflects your history of borrowing and repayment*
  - Payment history
  - Amount of debt
  - Length of credit history
  - Credit utilization

- Track record of financial responsibility
- Industry experience

Capacity

- Projected income
- Debt-to-income ratio
- Cash flow stability

Capital

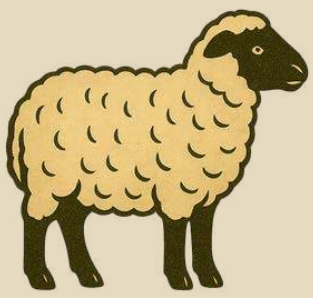
- Personal investment in the operation

Collateral

- Assets of value available to secure the loan. If you cannot repay, the lender can seize the collateral.

  Examples:

  - Land
  - Equipment
  - Livestock
  - Vehicles
  - Savings



Conditions

- Market demand
- Industry trends
- External risks

Scan the code to take the
USDA Farm Loan Quiz

or visit...
https://lat.fpac.usda.gov/producer

Preparing to Apply for Funding (cont.)

Documents You Should Prepare

- Business plan
- 3-year financial projections
- Personal financial statement
- Tax returns (2–3 years)

Understanding Risk

Agriculture is inherently risky due to multiple factors. Lenders know this. Your job is to show how you manage risk. Examples of risk factors:

- Weather
- Market volatility
- Disease and pest pressure
- Policy changes

Risk management tools:

- Diversification
- Insurance
- Forward contracts
- Conservative yield projections
- Emergency reserve fund

Resources:

AgPlan is a free, online tool that helps farmers and agricultural entrepreneurs create a clear and organized business plan. It offers step-by-step templates for different types of operations, along with tips, resources, and sample plans to guide the process. Users can write and edit their plan within the platform, then print, download, or share it with advisors, educators, or lenders for feedback and review. Scan the code or visit: https://agplan.umn.edu

Building a Sustainable Business: A Guide to Developing a Business Plan for Farms and Rural Businesses is a practical planning guide designed to help farmers and rural entrepreneurs turn ideas into viable businesses. Published by the SARE Outreach program, the book walks readers through the business planning process with clear explanations, real farm examples, and step-by-step worksheets. The included planning tools help users set goals, evaluate markets and financing options, and develop a detailed, lender-ready business plan. Scan the code or visit: https://www.sare.org/resources/building-a-sustainable-business/

Building a Basic Financial Plan Before Seeking Funding

Written by:
Kelsey J. Fenicle, AVP, Agricultural Relationship Manager
Ephrata National Bank

Before borrowing money, build clarity around your numbers.

Step 1: Define Your Enterprise(s)

What are you producing?

- Vegetables
- Pastured poultry
- Beef cattle
- Flowers
- Value-added products

Each enterprise should have its own budget and plan. You want to show how you are going to grow year-to-year for the first five years. Feel free to include long-term goals and plans in here as well.

Step 2: Create a Budget

For each enterprise, calculate:

Income:

- Expected yield
- Expected price
- Gross revenue

Expenses:

- Seed/feed
- Inputs
- Labor
- Equipment use
- Marketing costs
- Overhead allocation

Step 3: Project Cash Flow

Cash flow ≠ profit.

Map out:

- When money goes out
- When money comes in

Many farms fail not because they are unprofitable, but because they run out of cash before income arrives. If you are operating a seasonal business such as vegetables or flowers, you are heavily reliant on income in the spring/summer/fall season. You need to be planning and putting aside funding for the winter months or opening a line of credit if needed to get you through the slower season. Same thing with raising beef cattle. If you are raising from calf to finish, you have 24 months (approximately) of expenses to plan prior to seeing a profit from that animal.

Building a Basic Financial Plan Before Seeking Funding

Step 4: Calculate Startup Costs

Include:

- Land (purchase or lease)
- Infrastructure
- Equipment
- Livestock
- Working capital (6–12 months recommended)

Step 5: Determine Funding Gap

This number tells you how much outside funding you actually need.

Funding Gap = Total Startup + Operating Costs – Available Capital

Resources:

U.S. DEPARTMENT OF AGRICULTURE
Farm Service Agency FARM BUSINESS PLAN WORKSHEET
Projected/Actual Income and Expense

https://forms.sc.egov.usda.gov/efcommon/eFileServices/eForms/FSA2038.PDF

U.S. DEPARTMENT OF AGRICULTURE
Farm Service Agency FARM BUSINESS PLAN WORKSHEET
Balance Sheet

https://forms.sc.egov.usda.gov/efcommon/eFileServices/eForms/FSA2037.PDF

Partial Budgeting for Agricultural Businesses is an article from Penn State Extension. This article explains a simple framework farmers can use to evaluate the financial impact of potential changes on their operation. By comparing added costs, reduced costs, added returns, and reduced returns, this method helps producers clearly see whether a decision, such as adopting new technology, changing enterprises, or outsourcing work, will improve profitability before committing resources.

https://extension.psu.edu/partial-budgeting-for-agricultural-businesses

Recordkeeping Basics

Good records are the backbone of a healthy farm business. While farming often feels most rewarding out in the field or barn, the time you spend keeping track of expenses, receipts, and income is just as important for long-term success. Recordkeeping helps you understand where your money is going, measure how your farm is performing, and make informed decisions for the future.

In this section, we'll cover the basics of recordkeeping, including how to build a balance sheet and track both expenses and revenues. You'll learn why it's important to save receipts and record every expenditure, no matter how small, as these details add up to a clear picture of your financial health. To bring the concepts to life, we'll also walk through a case study that gives you hands-on practice with common farm financial records.

The resources in this section have been generously provided by Horizon Farm Credit, whose commitment to farmer education and financial success supports beginning farmers across Pennsylvania.

FARM CREDIT

If you are looking for additional resources on recordkeeping please scan the link to check out the PA Farm Link Resource Hub!

https://pafarmlink.org/resource/interpreting-financial-statements-and-measures/

Recordkeeping Basics

The following pages were prepared and provided by Horizon Farm Credit.

Recordkeeping is essential for all farming operations, and an organized approach can reduce the stress of operating a business.

What are Farm Records?

Keeping up-to-date records is important to the success of your farm business, and keeping all records is vital. Records come in handy when looking for information and understanding where you're spending and earning money. They also:

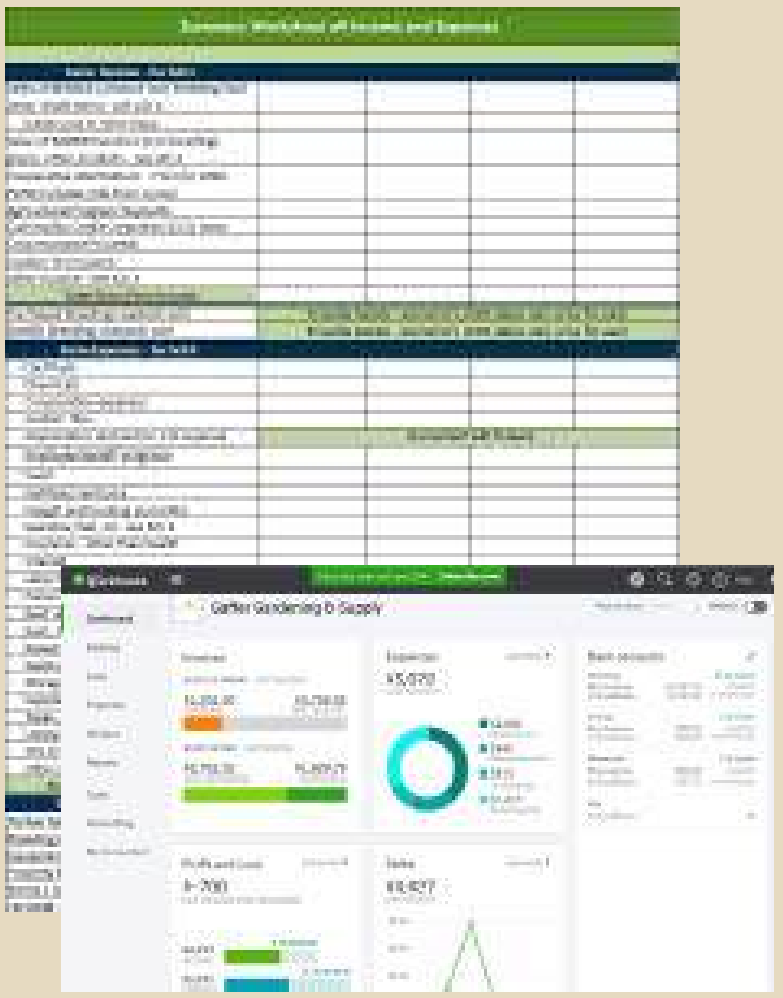
- Provide data about your business's profitability and allow you to monitor progress over time.
- Help tell your farm's story.
- They aid in preparing tax returns, making financial decisions and planning for your business.
- Allow you to reference past information when developing a budget or planning for the future

Farm business records are any income or expense directly related to your operation. Some examples include:

- Paid Bills
- Bank Statements
- Cancelled Checks
- Credit Card Statements
- Income tax receipts for deductions
- Invoices
- Expense receipts
- Livestock, crop and labor records
- Pay stubs
- Inventories
- Receivables
- Payables
- Loan records or settlement statements
- Financial statements (balance sheets, income statements, etc.)
- Sales receipts (with quantities)
- Contracts and sales agreements

How to Keep Farm Records:

One key step to good recordkeeping is creating a Chart of Accounts, which will serve as the foundation for all of your reporting. First, you'll need to determine the level of detail you want from your records. You can use only high level categories, or you may want to include sub-categories to break down certain income, expenses, etc. Either way, you want to keep the correct chart of accounts for both required financial reporting (your tax return) and management reporting (what you need to analyze your business). If you are unsure of how to structure your Chart of Accounts, refer to the Schedule F of your tax return or contact your accountant.



Choosing how you keep your records is another important step to gain a wealth of information out of your records, but it can also be intimidating. There are many software choices, and determining the right one for you can be a challenge. The good news is that it doesn't matter what system you choose, just that you use it consistently and accurately.

Options Include:

- Software-Quickbooks, CenterPoint, Excel, etc.
- Manual/paper- Farm record book, check register, notebook, ledger sheets

Choose the system that works best for you and your farm business, understanding some programs have more benefits than others. Software systems allow for customizable reports and graphs to analyze your information over a specified time period and more easily track and code income and expenses by area.

FARM CREDIT

Tips for Good Farm Recordkeeping

Keep Records Up-to date

- Regular record keeping takes less time than waiting for a rainy day
- Making decisions to help run your operation is easier when you can reference real time information
- This makes you and your account happy because you are ready for tax season

Know what a farm-related expense is and is not

- All items that directly pertain to the production and management of the farm are farm-related
- Items such as electric, telephone and internet bills can be shared expenses between the farm operation and personal use. Good judgement should be used to determine the portion of these expenses that should be considered a personal allocation.
- Items that are truly personal in nature (legal expenses for a will, improvements to your personal property, etc.) are not farm-related expenses.

Track as much information about your purchase as possible

- Save all invoices and receipts, especially for larger purchases. This gives your accountant the information needed, including purchase price and date.
- All repairs over $1,000 should be tracked with receipts/invoices. Keep these to show your accountant.
- Use your bank statements to reconcile your checkbook
- Itemize expenses on credit card statements to make sure you don't miss things you forgot about buying.

Keep detailed records on livestock inventory

- Know which animals were raised on the farm and which ones were purchased and their purchase date.
- Track the age and date of animals when they leave the farm.
- This information is useful because the value of purchased animals can depreciate. If a purchased animal dies during that time, it can be recorded as a loss.

Understand the rules of 1099 reporting

- Services offered by any vendors (landlords for rent, custom hire, etc.) over $600 should receive a 1099 form at year end to meet proper federal and state reporting guidelines.
- Corporations you do business with do not require a 1099 form, unless they are a veterinarian or attorney.
- Vendors should complete a W-9 form for your records to ensure you have proper documentation on file of their EIN/SSN/TIN.

Keep records fresh by making sure your Chart of Accounts is accurate and tailored to your business at the beginning of each year.

FARM CREDIT

Test Your Recordkeeping Knowledge!

1. Should dairy farmers report gross milk income or net milk income for taxes?

   A. Gross milk income
   B. Net milk income

2. What is the best way to keep farm records?

   A. Paper record book
   B. Excel spreadsheet
   C. QuickBooks
   D. CenterPoint
   E. Any of the Above

3. If you buy a new tractor and trade in an old one, what information do you need to share with your accountant?

   A. The gross price paid for the new tractor
   B. The trade in value of the old tractor
   C. Both

4. Do most farms use the cash accounting method or accrual accounting method?

   A. Cash
   B. Accrual

5. What is not a farm--related expense and should not be included in your farm's record books?

   A. 100% of the electric bill, even though you live in the farmhouse on the property
   B. Veterinary bill for the family dog
   C. New gutters for the farmhouse
   D. All of the above

Answers:

1. A. Gross milk income- Your accountant needs to know all expenses being deducted from your milk check as well
2. E. Any of the above- Consistency and accuracy is key, no matter what system you use.
3. C. Both- Your accountant needs all of the information and not just the net price.
4. A. Cash- Farms typically use cash accounting. However, keeping track of inventory, prepaid expenses and other items can help a farmer using cash accounting make accrual adjustments and more informed managerial decisions on their operation.
5. D. All of the above- Items that are truly personal in nature should NOT be considered a farm-related expense.

Building a Balance Sheet

The following pages were prepared and provided by Horizon Farm Credit.

Knowing the financial position of your farm is critical to its future success. One of the most important tools in helping you to understand the financials of your operation is the balance sheet; also referred to as a statement of owner's equity or net worth. It depicts your financial position at a specific point in time.

Why Complete a Balance Sheet?

Because a balance sheet shows a snapshot of your operation, it is recommended to prepare a balance sheet as of December 31 each year or at the end of a fiscal year, if not a calendar year. This allows you to see how your farm operation has changed and grown from year to year. Other benefits of completing a balance sheet each year include:

- Helping you understand your business better, which will allow you to make better management decisions on your farm for the future.
- Information on the balance sheet can be used to calculate key financial ratios for your farm.
- Lenders, such as Farm Credit, need this information to assess your business and can expedite loan approval when completed accurately and as of December 31 of each year.

In addition to creating a balance sheet for your farm business, it is also recommended to complete a separate, personal balance sheet on your individual finances.

Balance Sheet Basics

The three main components of a balance sheet are assets, liabilities, and owner's equity. The standard accounting equation represented on a balance sheet is:

Assets = Liabilities + Owner's Equity

Assets

Assets are anything owned by a farm business that have monetary value. They are classified as current assets and noncurrent assets.

Type of Asset	Description	Examples
Current Asset	Assets that can be turned to cash within a year without disrupting normal operations, or will be sold or consumed within a year	Cash, accounts receivable, marketable securities, stored crops, investment in growing crops, supplies, prepaid expenses, market livestock, cash value of life insurance
Noncurrent Asset	Assets used to carry on production activities that typically wear out and must be replaced	Breeding livestock, automobiles, machinery, retirement accounts, securities (Farm Credit stock, equity in cooperatives) land, buildings, long-term contracts

Liabilities

Liabilities are anything owed by the farm business. Like assets, they are classified as current liabilities and noncurrent liabilities.

Type of Liability	Description	Examples
Current Liability	All debts due within the next 12 months	Accounts payable, cash rents, lease payments, operating loan balances, accrued expenses (rent, taxes, interest accrued on loans, wages, etc.), principle portion of term loan payments due within 12 months
Noncurrent Liability	Debts against any noncurrent asset with a term greater than one year	Loans for breeding livestock, automobiles, machinery/equipment, land or buildings

Owner's Equity

Owner's Equity is the area of the balance sheet that will need to be calculated since it is dependent on the value of your assets and liabilities. It shows what your business is worth.

To calculate Owner's Equity, subtract the Liabilities from your Assets. The remaining value is Owner's Equity.

Assets – Liabilities = Owner's Equity

FARM CREDIT

Case Study Example

John Farmer has asked for your help in completing his 12/31/20XX market value balance sheet. He is requesting a loan with his ag lender. He reviewed what he owns and owes, and prepared the following list. Use the information below to complete the balance sheet for Mr. Farmer.

Assets

Dairy livestock

- 200 head of mature cows valued at $1,500 per head
- 100 head of bred heifers valued at $1,100 per head
- 50 yearling heifers worth $800 each
- 25 calves valued at $400 each

Feed, seed and supplies

- Corn silage: 1,800 tons valued at $40 per ton
- Haylage: 600 tons worth $60 per ton
- Hay: 150 tons worth $150 per ton
- Shelled corn: 30,000 bushels valued at $4 per bushel
- Straw: 50 tons at $80 each
- Dairy concentrate: 10 tons worth $480 per ton
- Seed corn: Prepaid $20,000 of next year's seed corn expense

Market livestock

- 50 head of steers, avg. weight 1,200 lbs. and are worth $1.50 per lb.
- 50 head of steers, avg. weight 600 lbs. and are worth $1 per lb.

Other current assets

- Diesel fuel: 500 gallons at $2.50 per gallon
- Gasoline: 300 gallons at $2.00 per gallon
- Bull semen valued at $1,000
- Crops held for resale
- Soybeans: 8,000 bushels worth $9.00 per bushel

Other information

- He has $15,000 cash on-hand in his savings and checking accounts.
- He had an appraisal of the farm completed and the appraisal report included the following:
  - 160 acres of farm land – north farm ($800,000)
  - 100 acres of farm land – south farm ($600,000)
  - 50 acres on home farm with facilities ($750,000)
  - Machinery and equipment, market value ($380,000)
- On December 26, he received his partial milk check for the month of December for $40,000. It is usually about 40 percent of his gross milk check for the month, meaning he has an accounts receivable of $60,000.
- He has a pickup truck worth $25,000 and a car worth $18,000.
- He and his wife have IRA accounts valued at $140,000.
- He has a cash value life insurance policy worth $60,000.

Liabilities

Term Liabilities

Description	Purpose	Date Incurred	Org. Amount	Balance	Current Portion
Tractor Loan	4WD Tractor	2023	150,000	96,319	21,131
Pickup Truck Loan	F250	2022	28,000	11,482	5,867
Equip. Loan	Forage Harvester	2023	50,000	26,736	10,110
Barn Loan	Heifer Barn	2021	75,000	47,744	7,338
Mortgage	Land Loan	2018	350,000	225,363	22,486

***Note: If unable to estimate your current portion of each debt, you can provide your balances and repayment terms to your lender to help determine the current portion for you.**

Other Liabilities:

- A load of dairy concentrate delivered December of the past year has not been paid for and is $4,200.
- He has labor accounts payable for payroll, payroll taxes and workers comp insurance of $6,000.
- He owes the neighbor farm the second of two installment payments for custom combining corn of $15,000.
- The vet bill arrived in the mail January 5 and showed the farm's outstanding vet bills for December of the past year totaled $2,400.
- He has a balance on his credit card of $3,000.
- He has a $100,000 revolving credit line with Farm Credit with a principal balance of $60,000 as of December 31.

FARM CREDIT

Balance Sheet as of 12/31/20XX

Complete this blank balance sheet based on the information about John Farmer.

Assets		Liabilities	
Current Assets		Current Liabilities	
Cash		Operating Loans	
Accounts Receivable		Accounts Payable (Feed, Fertilizer)	
Feed, Seed and Supplies		Credit Cards	
Crops held for Resale		Current Portion of Term Debt	
Market Livestock			
Life Insurance- Cash Value			
Other:			
Other:			
Current Assets		Current Liabilities	
Noncurrent Assets		Noncurrent Liabilities	
Machinery and Equipment			
Breeding Livestock			
Vehicles			
Retirement Account			
Farm Land: _____ Acres			
Farm Land: _____ Acres			
Farm Land: _____ Acres			
Other:			
Other:		Less Current Portion of Term Debt	
Noncurrent Assets		Noncurrent Liabilities	

Total Assets		Total Liabilities	

FARM CREDIT

Net Worth (Total Assets-Total Liabilities)	

Flip the page for the answer key!

Balance Sheet as of 12/31/20XX

Balance sheet based on the information about John Farmer.

Assets		Liabilities	
Current Assets		Current Liabilities	
Cash	15,000	Operating Loans	60,000
Accounts Receivable	60,000	Accounts Payable (Feed, Fertilizer)	27,600
Feed, Seed and Supplies	279,300	Credit Cards	3,000
Crops held for Resale	72,000	Current Portion of Term Debt	66,932
Market Livestock	120,000		
Life Insurance- Cash Value	60,000		
Other:	2,850		
Other:			
Current Assets	609,150	Current Liabilities	157,532
Noncurrent Assets		Noncurrent Liabilities	
Machinery and Equipment	380,000	Tractor Loan	96,319
Breeding Livestock	460,000	Pickup Truck Loan	11,482
Vehicles	43,000	Equioment Loan	26,736
Retirement Account	140,000	Barn Loan	47,744
Farm Land: 160 Acres	800,000	Farm Mortgage	225,363
Farm Land: 100 Acres	600,000		
Farm Land: 50 Acres	750,000		
Other:			
Other:		Less Current Portion of Term Debt	(66,932)
Noncurrent Assets	3,173,000	Noncurrent Liabilities	340,712

Total Assets	3,782,150	Total Liabilities	498,244

FARM CREDIT

Net Worth (Total Assets-Total Liabilities)	3,283,906

Farm Financial Assessment Guide

The following pages were prepared and provided by Horizon Farm Credit.

FARM CREDIT

Financial Assessment Benchmarks

Having a good understanding of financials is an important part of a whole-farm analysis. Below are five key ratios used to determine the financial health of any farm business. Benchmarks are color-coded as:

Equity

Your equity position depicts the relationship between your assets and your financial obligations. The basic ratio to determine percent equity is:

% Equity = Total Farm Equity / Total Farm Assets

<40% Red	40%-70% Yellow	>70% Green

Liquidity

Liquidity is the availability of cash or near-cash assets to cover short-term obligations without disrupting normal business operations. A good ratio to reflect liquidity is working capital as a percentage of annual expenses.

Working Capital as a Percentage of Annual Expenses = (Current Assets – Current Liabilities) / Farm Expenses

<20% Red	20%-40% Yellow	>40% Green

Profitability

The Return on Assets (ROA) shows the percentage of how profitable a farm's assets are in generating revenue. The ratio to determine ROA is:

ROA = (Net Income + Interest) / Total Farm Assets

<4% Red	4%-8% Yellow	>8% Green

Efficiency

To measure efficiency, the Operating Expense Ratio (OER) can be used to show the relationship between operating expenses and gross revenue. The ratio is:

OER = Farm Expenses / Farm Receipts

>80% Red	60%-80% Yellow	<60% Green

Repayment Capacity

A common ratio used by lenders to measure a farm's ability to service its current debts by comparing its net operating income with its total debt service obligations is the Total Debt and Lease Coverage Ratio. The formula for the Total Debt and Lease Coverage Ratio is:

Total Debt and Lease Coverage Ratio =
(Net Income + Depreciation + Interest Cost + Capital Leases) /
(Scheduled Annual Principal and Interest Payments on All Debt + Capital Lease Payments)

<125% Red	125%-175% Yellow	>175% Green

*Please visit the FFSC recommendations at https://ffsc.org

FARM CREDIT

Case Study Example

Try your hand at calculating these five financial ratios for the dairy farm case study example included below. Then, calculate the ratios using financial information for your farm.

Balance Sheet

Assets		Liabilities	
Current Assets: (Cash; Accounts Receivable; Feed, Seed & Supplies; Crops for Resale; Prepaid Expenses & Investment in Growing Crops; Market Livestock; Other Liquid Assets)	$340,000	**Current Liabilities:** (Accounts Payable; Accrued Expenses; Operating Loans; Loans with Term less than one year; Current portion of Term Liability Principal due within next 12 months)	$122,500
Fixed Assets: (Equipment; Vehicles; Breeding Livestock; Cooperative Investments; Retirement; Real Estate; Other Term Assets)	$2,200,000	**Term Liabilities:** (Loans with Term greater than one year ; Capital Leases; Balances should be less the Principal due in the next 12 months that will be shown as a Current Liability)	$476,200
Total Assets: (Current Assets plus Fixed Assets)	$2,540,000	**Total Liabilities:** (Current Liabilities plus Term Liabilities)	$598,700
		Owner's Equity or Net Worth: (Total Assets less Total Liabilities	$1,941,300
		Total Liabilities and Owner Equity: (Must equal Total Assets)	$2,540,000

Additional Information Needed: Scheduled Principal payments due next 12 months	$75,000

Income Statement

Farm Receipts: (Milk; Crops; Cattle Sales; Government Payments; Cooperative Patronage/Dividends; Other Farm Income) *Note: These income figures should be accrual adjusted for changes in accounts receivables, inventory levels and internal breeding livestock growth*	$942,700
Farm Expenses: (Labor, Fertilizer, Chemicals, Seeds, Fuel, Custom Hire, Marketing, Supplies, Vet, Breeding, Livestock Replacements; Feed, Miscellaneous, etc.) *Note: These expense figures should be accrual adjusted for changes in accounts payable and accrued expenses. Interest expense and depreciation expense are not included here.*	$780,900
Earnings Before Interest, Taxes, Depreciation and Amortization – EBITDA (Farm Receipts less Farm Expenses)	$161,800
Less Interest Cost (Includes interest paid on all loans)	$21,700
Plus Net Non-Farm Earnings (This is non-farm income less non-farm expenses; other business income or jobs/W-2 wages)	$17,000
Less Depreciation	$72,300
Less Family Living and Income Taxes *(Owner Draws; Living Expenses; Income Taxes)*	$52,300
Net Earnings or Net Income (EBITDA less interest cost plus net non-farm income less depreciation less family living)	$32,500

FARM CREDIT

Case Study Farm Assessment

Financial Ration	Case Study Farm
Equity *Total Farm Equity / Total Farm Assets*	76% 1,941,300 / 2,540,000 ☐ Red ☐ Yellow ☒ Green
Working Capital as a % of Expenses *(Current Assets – Current Liabilities) / Farm Expenses*	28% (340,000 – 122,500) / 780,900 ☐ Red ☒ Yellow ☐ Green
Return On Assets *(Net Income + Interest) / Total Farm Assets*	2.1% (32,500 + 21,700) / 2,540,000 ☒ Red ☐ Yellow ☐ Green
Operating Expense Ratio *Farm Expenses / Farm Receipts*	83% 780,900 / 942,700 ☒ Red ☐ Yellow ☐ Green
Debt Coverage Ratio *(Net Income + Depreciation + Interest Cost + Capital Leases) / (Scheduled Annual Principal and Interest Payment on All Debt + Capital Lease Payments)*	131% (32,500 + 72,300 + 21,700 + 0) / (75,000 + 21,700 + 0) ☐ Red ☒ Yellow ☐ Green

Your Farm Assessment

Financial Ration	Your Farm
Equity *Total Farm Equity / Total Farm Assets*	☐ Red ☐ Yellow ☐ Green
Working Capital as a % of Expenses *(Current Assets – Current Liabilities) / Farm Expenses*	☐ Red ☐ Yellow ☐ Green
Return On Assets *(Net Income + Interest) / Total Farm Assets*	☐ Red ☐ Yellow ☐ Green
Operating Expense Ratio *Farm Expenses / Farm Receipts*	☐ Red ☐ Yellow ☐ Green
Debt Coverage Ratio *(Net Income + Depreciation + Interest Cost + Capital Leases) / (Scheduled Annual Principal and Interest Payment on All Debt + Capital Lease Payments)*	☐ Red ☐ Yellow ☐ Green

FARM CREDIT

Choosing a Legal Structure for Your Farm Business

Selecting the legal structure of your farm business is an important early decision. The structure you choose affects how the business is taxed, who is responsible for debts and liabilities, and how ownership and profits are managed. Each structure has advantages and limitations, and the right choice depends on the size of the operation, ownership structure, and long-term goals of the farm.

This section is intended as a starting point to help you understand common business structures used in agriculture. Before making a final decision, you should consult with an attorney or accountant who can help evaluate your specific situation.

Sole Proprietorship

A sole proprietorship is the simplest and most common business structure. In this arrangement, the farm business and the owner are legally the same entity. The owner makes all decisions, receives all profits, and is responsible for all debts and obligations.

This structure requires little formal setup, although registration may be required if the business operates under a name different from the owner's. The primary drawback is that the owner's personal assets are not legally separated from the business, meaning they could be at risk if the business faces debts or legal claims.

Partnership

A partnership is a business owned and operated by two or more individuals. Partners typically share responsibilities for management, decision-making, profits, and losses. Income from the partnership generally passes through to the partners and is reported on their individual tax returns.

Because multiple people are involved, partnerships should clearly define roles, financial contributions, profit sharing, and procedures for situations such as a partner leaving the business. Written partnership agreements are strongly recommended.

Limited Liability Company (LLC)

A Limited Liability Company (LLC) is a common structure for small businesses, including farms. An LLC provides liability protection for the owners, meaning personal assets are generally separated from the business's financial obligations.

LLCs also offer flexibility in management and taxation. Income typically passes through to the owners' personal tax returns, avoiding corporate-level taxation while still providing a legal structure that separates the business from the individual owners.

S Corporation

An S Corporation is a tax designation that allows profits and losses to pass through to shareholders' personal tax returns, avoiding corporate-level taxation. In some cases, a farm business organized as an LLC can elect S Corporation tax treatment.
While this structure can offer certain tax advantages, it involves additional regulations and may not be necessary for many small farms.

Choosing a Legal Structure for Your Farm Business

C Corporation

A C Corporation is a separate legal entity from its owners. The corporation itself is responsible for debts and legal obligations. This structure can offer strong liability protection but also requires more administrative requirements, including corporate governance and separate taxation of corporate profits. Because of the complexity and administrative requirements, C Corporations are less common for small or family-run farms.

Cooperative

A cooperative is owned and controlled by the people who use its services. Members share in decision-making and elect a board to oversee operations. Profits are distributed to members based on their use of the cooperative.
Cooperatives are common in agriculture when farmers work together to purchase expensive infrastructure, process products, or market goods collectively.

Final Considerations

Understanding business structures and their liability implications is an important step in protecting both the farm business and personal assets. Taking time to evaluate the options and seek professional guidance can help ensure that the chosen structure supports the farm's long-term success.

Resources:

National Agricultural Law Center

The National Agricultural Law Center provides trusted information on laws and regulations that impact farmers and agribusinesses across the United States. Their website offers articles, fact sheets, and legal resources on topics such as land use, farm programs, food regulations, and business structures. It's a helpful place to explore agricultural legal topics and identify questions to discuss with your attorney or advisor.

https://nationalaglawcenter.org

Penn State Center for Agricultural and Shale Law

The Penn State Center for Agricultural and Shale Law offers research-based information on legal and policy issues affecting agriculture in Pennsylvania and beyond. Their website includes articles, guides, and updates on topics such as farmland preservation, environmental regulations, and agricultural business law. Farmers can use these resources to stay informed about legal developments that may impact their operations.

https://aglaw.psu.edu

Addressing Legal Risk

Section provided by the Pennsylvania Small Business Development Center and adapted by PA Farm Link

There are many items that fall into the "Legal" portion of your farm and related business(es). They range from issues directly related to the farm to personal issues that impact your family and heirs. The legal structure of the farm and business will be a major factor in your risk management toolbox to protect your future. The legal tools you should consider are listed below.

Attorney

Most farmers don't keep an attorney on retainer, but identifying an attorney you work with, when necessary, should be common practice. A good way to begin the process is to research whom other farmers and friends use when needed. Once chosen, you'll need to set up an initial appointment to familiarize your attorney with how your business operates.

Current attorney:_____

If you do not have an attorney, describe impressions from initial interviews of several candidates:

Attorney's Name/ Law Firm	Positives	Negatives

Sample Interview Questions:

1. What experience do you have working with agricultural businesses or family farms?
   Farming operations often involve unique issues such as land leases, conservation programs, succession planning, and liability risks. An attorney familiar with agricultural law can better anticipate these complexities.
2. How can you help protect both the farm business and personal assets when choosing a legal structure?
3. What other professionals do you typically work with when helping farm businesses?
   Farm legal decisions often intersect with accounting, tax planning, and succession planning. Attorneys who regularly collaborate with accountants, financial advisors, or extension specialists can provide more comprehensive support.

Addressing Legal Risk

Section provided by the Pennsylvania Small Business Development Center.

Business Structure

Your business structure can provide considerable risk management protection, in some cases providing personal liability protection. If your farm, or a specific enterprise, does not yet have an established business structure, the discussion leading to selection should include your family, business partners, and insurance provider involved in the conversation, since many structures will outlast the original "owner."

If you are just beginning your farm or a secondary enterprise, consult an attorney to determine the best structure to provide the maximum protection with the least amount of work and reporting. Your accountant should also be included in the conversation to make sure the tax accounting and reporting will not be overwhelming.
Use the chart to keep track of recommendations related to your business structure that you have considered, who might have recommended this structure, and the one that you have chosen.

Business Structure	Attorney Recommending	Accountant Recommending	Chosen Structure
Sole Proprietorship			
Partnership			
Limited Liability Company			
S Corporation			
C-Corporation			
Cooperative			

Scan the code to visit the PA Business One-Stop Shop for more information or visit:
https://business.pa.gov/plan/choosing-a-business-structure/

Addressing Legal Risk

Section provided by the Pennsylvania Small Business Development Center.

Regulations

There are many regulations that impact on every farm, farm business, and value-added business. Begin to explore what will be expected of your new or expanding farm by contacting your township office. If your township has zoning, confirm that your value-added business is allowed. If not, you may need to seek a zoning variance, which will cost you time and money.

In addition to federal law and the Food Safety Modernization Act (FSMA), each state or commonwealth has regulations that impact on food businesses. In Pennsylvania, all food businesses must be inspected and licensed or registered by the Department of Agriculture, or in some cases, a county or municipal health department, to comply with food safety requirements. Keep in mind that if a customer gets sick and an investigation demonstrates negligence — such as failing to follow proper food safety protocols — you risk being named in a civil lawsuit alleging strict product liability, according to the Food Safety News. If it can be asserted that you knowingly sold a contaminated food product or were aware of hazardous conditions in your production facility (but kept on operating) the stakes are much higher. In such cases, criminal penalties can apply, leading to substantial fines and even imprisonment for responsible individuals.

There are also regulations that will impact on your marketing. You must get a license from PDA for each farmers market in which you sell products. If you make a food product in your inspected, registered residential kitchen, you can sell in-state, but not across state lines (and you can't sell on the Internet).
All farms fall under laws concerned with the environment. The Federal Worker Protection Standards govern the purchase and use of all pesticides (even organic) and their application. The use of fertilizer and manure on farms may require the farm to have a nutrient management plan. If your farm has any livestock, the nutrient management plan will govern the spreading of manure on your farm.
Agritourism businesses are coming under more scrutiny from the local governments. When high numbers of automobiles descend on a farm on weekends, the increase in traffic may cause roads to deteriorate quicker than planned, and higher numbers of people may impact the septic system. It is important to review the Penn State Center for Agriculture and Shale Law's online article to learn how the Pennsylvania Agritourism Activity Protection Act of 2021 will potentially reduce liability if you follow the guidelines.

What did you learn when you contacted your local government to determine if your business is allowed to operate at your location? _____

_____

_____

_____

Have you researched the regulations that will impact you? Yes _____ No _____

Does your business plan include how you will comply with all regulations impacting your farm and business? Yes _____ No _____

Do you need a nutrient management plan? Yes _____ No _____

(If applicable) Does your agritourism enterprise meet the requirements of the PA Agritourism Activity Protection Act of 2021? Yes _____ No _____

Chapter Two Review

Which area of learning or planning (training, business plan, funding, structure, bookkeeping) do I feel strongest in right now?

Which area feels most intimidating, and what first step can I take to make it more manageable?

What resources, mentors, or organizations can I reach out to for support in the coming months?

When I picture my farm five years from now, how will the planning I'm doing today help me get there?

Use this checklist to track your progress through the five key components of this chapter. Check off what you've completed, and make notes on what still needs attention.

Accessing Training

- ☐ **I have identified areas where I need more training.**
- ☐ **I have researched at least one training program, workshop, or resource.**
- ☐ **I have reached out to (or plan to reach out to) a mentor, Extension office, or organization.**

Building a Business Plan

- ☐ **I have written down the farm's purpose and vision.**
- ☐ **I have outlined potential customers and markets.**
- ☐ **I have started a draft of the business plan (even if it's rough!).**

Funding & Financing

- ☐ **I have estimated how much money I will need to start.**
- ☐ **I have identified potential funding sources (savings, loans, grants, etc.).**
- ☐ **I understand my comfort level with borrowing or taking on debt.**

Legal Business Structure

- ☐ **I have learned about the main farm business structures (sole proprietorship, partnership, LLC, etc.).**
- ☐ **I have considered which structure best fits my goals and liability needs.**
- ☐ **I know who I can ask for legal or tax advice before making a decision.**

Chapter Two Review

Recordkeeping

- ☐ I have set up a system for saving receipts and recording expenses.
- ☐ I have chosen a bookkeeping method (paper, spreadsheet, or software).
- ☐ I understand the importance of building a balance sheet.

Next Steps:

What is the one action step from each section of this chapter I will commit to completing this month? (*ex. schedule a meeting with a business consultant, register for a course on a specific enterprise, create a recordkeeping system that works for your farm.*)

_____

_____

_____

_____

Additional Resources:

Developed by Land For Good, with assistance from PA Farm Link, *Farm Access Methods: A Decision Guide* is a valuable tool for beginning farmers, helping them explore different ways to access land and evaluate which options best align with their goals, finances, and business structure.

Starting a New Agricultural Business – Penn State Extension

This guide from Penn State Extension provides practical tools and considerations for individuals starting a farm business in Pennsylvania. The article covers key topics such as business planning, regulations, financing, risk management, and available agricultural support programs. It's a helpful starting point for new farmers who want to better understand the steps involved in launching and managing a successful farm enterprise.

https://extension.psu.edu/starting-a-new-agricultural-business

Chapter Three: Taking Root

Every seed needs good soil to grow, and the same is true for your farm business. Once you have clarified your vision and started your planning, the next step is to establish the foundation. Decisions like the farms location, what structures and equipment you'll need, and how you'll comply with local rules and responsibilities. These choices will shape not only your daily work but also the long-term sustainability of your farm.

In this chapter, we'll explore the practical side of "taking root." You'll learn about land access options and tenure arrangements. We'll look at the infrastructure and equipment that new farms often require, and how to prioritize those first big investments. Zoning and regulations will also come into focus, since understanding your community's rules is critical to avoiding setbacks. Finally, we'll touch on the basics of crop and livestock management, encouraging you to align your enterprise with the land, facilities, and resources you have available.

The goal is not to make every decision at once but to equip you with the knowledge to take your first steps wisely. Just as roots anchor a plant, these foundational elements will support your growth as a farmer and give your business the stability it needs to thrive.

Common Land Access Options: Pros and Cons

Seasonal or Short-Term Leases

(Community gardens, incubator farms, conservancies, short-term agreements, some private landowners)

Pros

- Lower financial risk and startup cost
- Ideal for testing an enterprise or gaining experience
- Often includes shared infrastructure or support
- Greater flexibility if plans change

Cons

- Limited security and long-term stability
- Restrictions on infrastructure or improvements
- May not allow perennial crops or livestock
- Less control over land use decisions
- At risk of losing lease with change of ownership

Long-Term Leases

(Land trusts, conservancies, nonprofit or private landowners)

Pros

- Greater stability for planning and investment
- Often supports conservation and agricultural use
- Lower upfront cost than purchasing land
- Can allow for infrastructure with agreement

Cons

- Lease terms may restrict certain activities
- Improvements may not increase equity
- Requires careful legal review of lease agreements
- Availability may be limited and competitive
- At risk of losing lease with change of ownership

Private Land Purchase or Lease-to-Own

(Direct agreements with landowners)

Pros

- Highest level of control and decision-making
- Long-term security and equity building
- Ability to invest in infrastructure and perennials
- Strong foundation for multi-generational planning

Cons

- High upfront capital and ongoing financial risk
- Financing and zoning requirements can be complex
- Greater responsibility for maintenance and compliance
- Less flexibility if business plans change

Finding Farm Land

PA Farm Link Land Linking Database:

https://pafarmlink.org/land-linking-database/

The PA Farm Link Land Linking Database is designed to connect Pennsylvania landowners with beginning and current farmers seeking land for agricultural use. This resource supports farm business transitions and new farm start-ups by helping both parties explore potential leasing, purchasing, or succession arrangements. Entering farmers are encouraged to develop a clear business plan prior to engaging with the database, as having defined goals and a viable farm plan helps create stronger, more successful land connections. The database contains land available for all tenures.

Western Pennsylvania Conservancy – Farmland Access Initiative

https://waterlandlife.org/land-conservation/farmland-access-program/

The Western Pennsylvania Conservancy's Farmland Access Initiative helps address the challenge of accessing affordable farmland, particularly for beginning and small-scale farmers serving urban markets. Through this program, the Conservancy leases farmland in Mercer and Westmoreland Counties to local farmers, providing opportunities for diverse agricultural operations within reasonable proximity to the Pittsburgh region.

Finding Urban Farmland

https://farmphilly.org/
https://www.growpittsburgh.org/

Finding farmland in urban areas requires a different approach than traditional rural land searches. Many Pennsylvania cities offer unique programs and partnerships that support urban agriculture, such as municipal initiatives, nonprofit organizations, and community-based land access programs. For example, cities like Philadelphia and Pittsburgh have established networks that connect growers with available land, technical assistance, and community resources. In addition, land trusts and redevelopment authorities throughout the state may hold or manage properties suitable for agricultural use. Because urban agriculture policies, zoning, and land access pathways vary by municipality, prospective growers should research city-specific programs and regulations to identify opportunities that align with their production goals and business model.

Pennsylvania Beginning Farmer Tax Credit Program

The Pennsylvania Beginning Farmer Tax Credit Program is designed to encourage landowners to sell or lease agricultural assets such as land, buildings, livestock, or equipment, to certified beginning farmers. While the tax credit itself is claimed by the owner of the agricultural assets, the program plays an important role in expanding land access opportunities for new and entering farmers by making it more attractive for landowners to work with them.

To participate, a farmer must first be certified as a Beginning Farmer by the Pennsylvania Department of Community and Economic Development (DCED), in consultation with the Pennsylvania Department of Agriculture. Certification is based on experience or transferable skills, a limited history of farm income (no more than ten years), and a demonstrated intent to actively manage and provide the majority of labor for the farming operation. Beginning farmers must also document the viability of their proposed operation, often through projected earnings or other business planning materials. This certification is valid for up to three years, with annual recertification required in years two and three.

For beginning farmers, this program does not provide a direct cash payment, but it can be a valuable land access tool when negotiating a sale or lease. By offering a financial incentive to landowners, the program may help facilitate farm transitions, long-term leases, or purchase agreements that might not otherwise be possible. Farmers exploring this option should be prepared to coordinate closely with landowners, complete the certification process in advance of any asset transfer, and align timelines carefully, as tax credits are allocated on a first-come, first-served basis within each program year. To learn more information, contact the Pennsylvania Department of Community and Economic Development at 1.866.466.3972 or please visit....

https://dced.pa.gov/programs/beginning-farmer-tax-credit-program/

Scan here to view the beginning farmer tax credit certification form

Pennsylvania
Department of Community
& Economic Development

FARMLAND ASSESSMENT CHECKLIST

PennState Extension

This checklist is meant to be used as a guide as you examine prospective farm properties for lease. BEFORE visiting farm properties for lease, carefully review each consideration. Identify any particular aspects vital to your operation. This checklist was developed by Penn State Extension. The following page is an outline of this assessment. To view the entire document, including detailed instructions and consideration detailed visit: https://extension.psu.edu/farmland-assessment-checklist

Considerations:

Soils:

- Soil type/rating
- Depth to water table
- Depth to bedrock, fragipan, and hardpan
- Flood zones – *Is the land historically prone to flooding? How often?*

Land Suitability and Climate:

- Sufficient Acreage
- Location and proximity
- Land Orientation
  - Sufficient sunlight
  - Sufficient shade
  - North vs south facing slopes
  - Wind
- Microclimates
- Topography/ Slope
- Vegetation
- Site History
- Weed pressure and poisonous weeds
- Prior herbicide applications

Water & Irrigation:

- Sufficient water
- Appropriate water quality *(potable, irrigation, livestock)*

Infrastructure, Equipment, Improvements & Maintenance:

- Access
- Fencing
  - Fencing, corral, loading ramp, restraint system
  - Deer fencing
- Cell Phone Reception
- Equipment Storage
- Equipment Usage Housing / Residence
- Infrastructure
  - Barns
  - Equipment sheds
  - Farm office
  - Farm stands
  - Feed storage facilities
  - Food processing facilities
  - Greenhouses, high tunnels
  - Mobile livestock units
  - Product storage facilities, coolers, freezers
- Livestock
- Power Supply(public / private / generator)
- Property Borders
- Roads

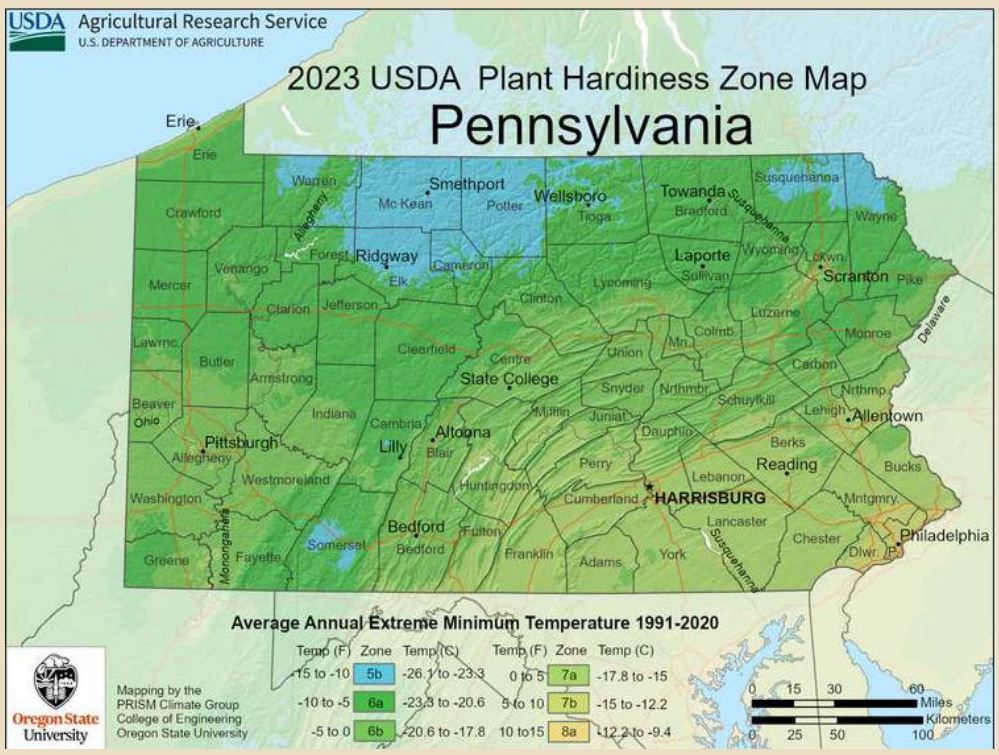
Other Considerations

- Ag Support Services
- Current Tenant Relations
- Easements
- Neighbor Relations
- Records
- Restrictions/Restricted Areas

Finding your Farm's Zone

Understanding the land is a critical step in evaluating whether a property aligns with your farm enterprise. Soil type, drainage, slope, productivity, and land capability all influence what can be grown, how it can be managed, and what investments may be required. Before purchasing or leasing property, farmers should assess whether the soil and landscape characteristics support their production goals and long-term profitability. The USDA Web Soil Survey is a valuable tool that provides detailed information about soil composition, limitations, and recommended uses to help guide informed land decisions.

https://websoilsurvey.nrcs.usda.gov/app/



Zoning

Zoning can be one of the most confusing, and most important issues for beginning farmers to understand. Before investing in farm infrastructure, it is essential to know the local regulations that apply to your property.

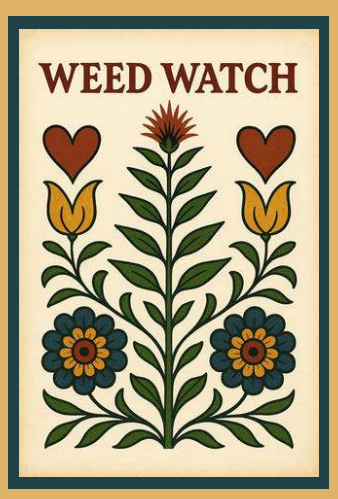
Because Pennsylvania is a commonwealth, zoning laws are set at the local level. This means that every township, borough, city, or county may have different rules for agricultural activities. For example, one township may allow two laying hens per half-acre as long as they are not visible from the road, while just a block away a neighboring township may prohibit any backyard poultry on properties under five acres.

An important thing to remember is that some zoning does NOT ALLOW farming. This is why finding out the properties zoning regulations is vital to all planning decisions. When in the planning stages, you must also consider the State Conservation Commission and the Environment Protection Agency and their limits. You must consider these factors when considering livestock as well as wells, ponds & waterways.

These differences can have a huge impact on what you are able to do with your farm. The best practice is always to check and understand the regulations in your specific community before making any lasting decisions or investments.

Steps to locate your farm zoning regulations:

- Identify the exact Municipality of the farm property. Start with: County- Town/City-Township
- Start contacting the agencies. You will want to start with the most local first. If your township does not have a planning office, the planning would then be handled by the county.
- Make sure to photocopy or print all related ordinances for your farm property
- Research any easements/ conservancies on the property (certain easements do not allow farming, only greenspace)
- Consult an Ag attorney.



Minimum Lot Size: While the USDA considers a farm a piece of property generating $1000 of farm income in a one year period, not every township in Pennsylvania agrees. Some do have a minimum lot size to be zoned as agriculture.

Agritourism: If you are planning to have regular farm visits, including a farm stand, CHECK YOUR ZONING! This may require a special permit or specific certification in your township.

My Farm:

Street Address:	
City	
Zip Code:	
County:	
Township:	
Acres:	
Local Zoning Rules:	
Currently Zoned	
Minimum Acreage	
Permitted Use	
Where to find Zoning Regulations:	
Contact of Office Personnel	

First Equipment for Beginning Farmers

Getting started in farming does not mean you need every piece of equipment on day one. Many successful farmers build their toolkit gradually, purchasing only what they need at the time and expanding as their operation grows. Equipment can be sourced in a variety of ways: brand new from a dealer, secondhand from dealers auctions or local classifieds, or even through online marketplaces like Facebook or community publications. Each option has its benefits, from warranties and reliability to cost savings and accessibility.

It's important to remember that some tools and supplies, particularly those used in handling food, must be sanitized and food-safe to protect both consumers and your products.

Homemade or repurposed equipment can be a perfectly valid and creative solution, allowing you to save money while tailoring tools to your unique needs. However, be aware of regulations regarding certain equipment.

When gathering your tools and equipment, start small, focus on what will help you operate safely and efficiently, and add to your collection as your farm takes root and grows. Also consider that activities like planting, combining, hay baling, spraying etc. can be hired out to custom operators if you cannot afford that equipment.

What are three pieces of equipment or tools you already own that could be used (or repurposed) for your farm?

Which one or two items do you think are most important to invest in first?

Are there any items you could borrow, rent, or share with another farmer to reduce costs?

How might you creatively repurpose or build something instead of buying new?

Is there a local custom operator that I can utilize for specific tasks?

(Use this space to jot down your thoughts and create a starting equipment plan that works for you.)

Crop & Livestock Management

Crop and livestock management drive both productivity and long-term sustainability on the farm. Whether you are raising vegetables, grains, fruit, livestock, or a combination of enterprises, success depends on thoughtful planning, consistent management, and the ability to respond effectively to challenges as they arise. Sound production decisions directly impact not only yields and animal health, but also profitability, labor efficiency, and overall business viability.

For crop enterprises, effective management includes understanding soil health, selecting appropriate varieties, and implementing practices such as crop rotation, irrigation, and pest and weed management to protect yields and control costs. Livestock operations require careful attention to housing, nutrition, herd health, and daily care, balancing animal welfare with labor demands, regulatory requirements, and financial sustainability. In both cases, ethical management and efficient use of resources are essential to building a resilient farm business.

While crop and livestock management may look very different from day to day, both rely on close observation, accurate recordkeeping, and informed decision-making in response to weather, disease pressure, and market conditions. Beginning farmers are not expected to master every aspect immediately, but developing strong management habits early will support steady growth and long-term success.

Farming involves many moving parts, and managing crops and livestock requires daily attention, seasonal planning, and ongoing learning. Each farm business requires its own unique plan based on the needs of the farm. Because every farm is different, beginning farmers are encouraged to seek out additional research specific to their chosen enterprise, work with incubator farms or farm mentors, and learn directly from other producers whose experience can offer practical insight. Building a strong management approach is an active process, shaped by observation, education, and collaboration over time.

You must create a plan that aligns with your enterprise. Here is one example of a program to help assist with certain aspects of planning:

PaOneStop Farm Planning System

PAOneStop provides reliable online mapping and planning tools to help farmers meet requirements for Agricultural Erosion and Sedimentation Control Planning, Manure Management Planning, and Nutrient Management Planning. This tool was developed by Penn State Extension with support from: PA State Conservation Commission; PA Department of Agriculture, PA Department of Environmental Protection

https://paonestop.psu.edu/nutrientmgmt/login.aspx

Chapter 3 Review

- ☐ I understand the different land access options available to farmers (owning, leasing, partnerships, incubator farms, etc.).
- ☐ I have identified what type of land and acreage my enterprise will realistically require.
- ☐ I have reviewed tools and programs that help farmers find land, including the PA Farm Link land-linking database or farmland access resources.
- ☐ I understand how the Beginning Farmer Tax Credit Program can support landowners and farmers entering lease agreements.
- ☐ I have reviewed the soil types and agricultural capability of land I am considering using the USDA Soil Survey or similar resources.
- ☐ I have checked local zoning regulations and farm zoning requirements that may impact my farm operation.
- ☐ I understand the basic equipment and infrastructure needed to begin operating my farm.
- ☐ I have considered the daily management needs of my crops or livestock when evaluating potential farmland.

What type of land access arrangement makes the most sense for your farm right now (*leasing, purchasing, incubator program, partnership, etc.*)?

Describe the ideal characteristics of farmland for your enterprise. *Consider acreage, soil quality, water access, proximity to markets, existing infrastructure, and potential expansion opportunities.*

What zoning or regulatory considerations might affect your farm plans?
List any potential restrictions or requirements you may need to research further.

What additional research or conversations do you need to have before committing to a specific property or land agreement?

Chapter Four: Branching Out

Once your farm has taken root, the next step is ensuring it can operate profitably over the long term. Farming is not only about production it is a business, and the choices you make about operations, markets, and pricing directly influence your ability to generate consistent income and manage risk. This chapter focuses on operations and markets: the systems that move your products from field to customer while supporting a farm business that is financially sound and built to last.

You will explore a range of market channels available to farmers. Each channel comes with different cost structures, labor demands, and profit margins. Understanding these tradeoffs will help you assess which markets align with your enterprise, capacity, and financial goals, not just what is possible, but what is sustainable for your operation.

This chapter also emphasizes the importance of intentional planning and informed pricing. You will be connected to expert resources, including marketing plan guidance developed by the Pennsylvania Small Business Development Center, to help you identify target customers, manage expenses, and communicate the value of your products. In addition, you will be introduced to pricing calculators that can help you evaluate costs of production, test different pricing scenarios, and set prices that reflect your labor, overhead, and desired profit. Together, these tools support smarter decision-making and help ensure your farm can remain a viable business over the long term.

Market Access & Sales

Finding the right market for your farm products is just as important as growing them.

Every farm has unique strengths, and the way you sell your goods should reflect your scale, resources, and goals. There isn't a one-size-fits-all model, Many farmers combine different sales channels to balance stability, profitability, and community connections.

Three primary types of sales that beginning farmers can explore: wholesale, direct market, and contract sales. Each comes with its own opportunities and challenges.

Wholesale Sales

Examples: Grocery stores, food hubs, restaurants, auctions, schools, hospitals.

Definition: Selling products in bulk to distributors, retailers, restaurants, or institutions. Your farm delivers larger quantities at lower prices per unit, but with more consistent buyers.

Pros:

- High volume sales potential
- Consistent, often repeat buyers
- Less time spent on direct marketing and customer service

Cons:

- Lower profit margins per unit
- Requires meeting strict quality, grading, and packaging standards
- Often requires reliable transportation, storage, and delivery capacity

Direct Market Sales

Examples: Farmers markets, CSA subscriptions, online farm stores, on-farm stands, pick-your-own operations.

Definition: Selling products directly to customers without a middleman. This includes farmers markets, CSAs (Community Supported Agriculture), roadside stands, online sales, or farm stores.

Pros:

- Highest profit margin per unit
- Builds strong community relationships
- Flexibility in product offerings
- Direct feedback from customers

Cons:

- Time and labor intensive (marketing, setup, sales, customer service)
- Less predictable sales volume week to week
- Requires strong communication and people skills

Contract Sales

Examples: Contracts with food processors, breweries, institutional buyers, or wholesale distributors.

Definition: A buyer agrees in advance to purchase a set quantity of product, often at a set price, before it's produced or delivered.

Pros:

- Predictable income and reduced financial risk
- Helps with planning production and cash flow
- Can reduce the stress of finding a market during harvest

Cons:

- Less flexibility to adjust production
- Risk of penalties or disputes if you can't fulfill the contract
- Pricing may not reflect sudden market changes (good or bad)

Most farms don't rely on just one market channel. A mix of sales outlets often provides the best balance of stability, profitability, and flexibility. Use the resources listed below to begin identifying market opportunities available in your area. Local and regional markets vary widely, and understanding what already exists can help you make informed decisions about where your products may fit. Exploring nearby farms, current vendors, and established sales channels can also provide insight into pricing, customer expectations, and competition.

Online tools, such as Google or other search engines, are a practical starting point for locating farmers markets, CSAs, wholesale buyers, and food hubs. In addition, reviewing other farms' websites and social media pages can help you understand how similar operations market their products and connect with customers. This research will support the worksheet that follows, where you will begin organizing potential markets and evaluating which options align best with your farm's goals, capacity, and business model.

extension.psu.edu/farm-market-finder

papreferred.com/search

These tools allow you to search for existing farm markets and food businesses by region across Pennsylvania. They can help you identify where similar products are being sold, explore potential sales outlets, and better understand market saturation in your area. Use them as a starting point for researching market opportunities and planning your own market access strategy.

Market Access Worksheet

Step 1: Explore Your Local Market Landscape

What potential markets are available in your area? (*List farmers markets, distributors, institutions, etc.)* _____

_____

_____

_____

_____

What other farms near you are selling into these markets? What are they offering?

_____

_____

_____

_____

Step 2: Evaluate Each Sales Channel

For each type of market (Wholesale, Direct, Contract), write down your thoughts.

Wholesale

Local buyers to approach: _____

_____

What products of yours would fit wholesale?_____

_____

Do you have the volume, packaging, and transportation needed?

□ Yes □ No □ Maybe

Direct Market

Farmers markets, CSAs, or stands to sell your product: _____

_____

Do you enjoy customer interaction and marketing?

□ Yes □ No □ Maybe

What makes your farm unique to sell directly?_____

_____

Contract Sales

Possible buyers who might commit in advance:_____

_____

Do you feel comfortable making agreements ahead of harvest?

□ Yes □ No □ Maybe

Risks(weather, pests, labor, etc.):_____

_____

Step 3: Compare Your Options

Rank each sales channel (1 = most appealing, 3 = least appealing for now).

Wholesale: ___

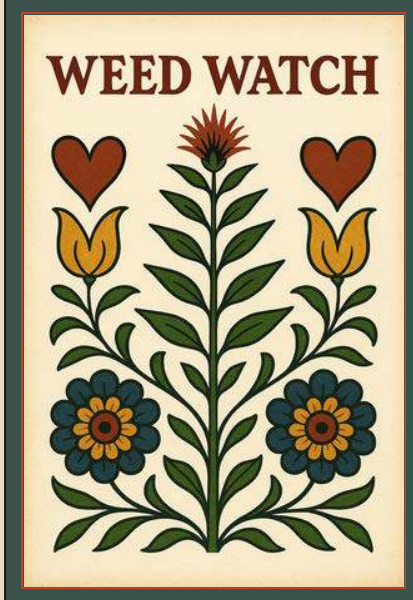
Direct Market: ___

Contract Sales: ___

Which markets seem most realistic for you to start with?

Which markets could you grow into in the future?

What resources, mentors, or training would help you succeed in these markets?



If you plan to sell food at a Pennsylvania farmers' market, you are required to obtain a Retail Food License through the Pennsylvania Department of Agriculture. Each individual market stand must be licensed separately even if you are selling at the same farmers' market on multiple days. Scanning this code will take you to the official guidance to help you understand requirements and next steps. You can also visit:

https://www.pa.gov/agencies/pda/food/food-safety/retail-food/farmers-markets

Marketing Plans

A marketing plan helps turn your farm's products and values into consistent, profitable sales. It moves marketing beyond "selling what you have" and toward intentionally reaching the right customers in the right ways. For beginning farmers, this planning is essential to building stable income and long-term relationships that support the sustainability of the farm business.

At the core of any effective marketing plan is a clear understanding of your ideal customer. Who is most likely to value your product, return regularly, and support your farm over time? This may include their purchasing habits, values, budget, and preferred ways of shopping.

A strong marketing plan also considers how to cultivate and maintain customer relationships. This includes choosing sales channels that fit both your customer's needs and your capacity as a business owner. Convenience, communication, pricing, and reliability all influence customer loyalty, but must be balanced with the need for the farm to remain profitable.

Marketing 101: Creating a Marketing Plan

This webinar explains why every farm business needs a marketing plan, what key components it should include, and how a clear plan can improve decision-making, profitability, and long-term success.

https://pasbdc.ecenterdirect.com/events/32600

Understanding Customer Value

This three-part video series helps small businesses understand what customer value is, why it matters, and how to clearly communicate it. The videos introduce practical tools for identifying where value is created in your business and show how strong customer relationships and feedback can support effective marketing and long-term success.

https://pasbdc.ecenterdirect.com/events/32607

Developing a Comprehensive Marketing Plan

This webinar walks business owners through the structure and purpose of a comprehensive marketing plan. You'll learn how to set clear marketing goals, conduct basic market research, define your strategy, and identify measurable tactics that keep your marketing efforts focused and cost-effective.

https://pasbdc.ecenterdirect.com/events/32873

Why Market Research Is Important

Written by Zachary Balla, Pennsylvania
SBDC Lead Office Marketing Team

So you're ready to start a business. You have your business plan ready, a location and product in mind, and everything go live in just a matter of time. One critical step that just might be slipping your mind is the observation of competitors through effective market research.

What is Market Research?

According to Investopedia.com market research is the process of determining the viability of a new service or product through research conducted directly with potential customers. This research can be done through a variety of methods. It is often a process of trial and error in order to figure out what works best for both your business and current situation. For example, someone doing market research while looking to buy a business might go about things differently than someone who is just starting up.

How Do You Perform Market Research?

This leads us to the question of how is market research performed? Well, like I stated in the previous section, there are multiple ways to do things. It comes down to your budget and time availability. The five main types are: surveys, focus groups, personal interviews, observation, and field trials. There is far too much information to go into detail on each type. However, a simple Google search will provide you with more than enough information. These can all be conducted either in person, or online through a variety of tools and websites.

Why Is This Relevant for Small Businesses?

Typically, small businesses are operating with limited capital and a pretty tight knit staff. For those reasons, free market research can provide an incredible return on investment. Additionally, it can go hand and hand with an effective social media strategy. By utilizing in-app features such as story polls and direct messaging, small businesses can effectively reach the customer faster than ever. If your social media platforms have a noticeable following, interacting with your customer base through the apps can be a no cost strategy to observe their habits and preferences.

When Should Market Research Be Conducted?

This research can be conducted whenever you feel like! It is, however, particularly important during the starting phases of business. Understanding what your clients are looking for can allow for more focused marketing strategies. Ultimately, more focused strategies will provide you with a greater ROI and faster growth and success for your business.

The Importance of Small Business Branding

Written by Zachary Balla, Pennsylvania
SBDC Lead Office Marketing Team

Every business owner likes to believe that their product or service is the best. Yours might actually be the best, but some potential customers may take some persuading. This is where a strong brand identity comes into play. In this post, we will go over small business branding. This will include a brand strategy discussion, some tips for getting started, as well as tools that can assist in building a brand.

Why Does Your Small Business Need to Brand Itself?

When looking at a company, there are certain things that stand out and make it unique. The few that may come to mind are logo, color scheme, and fonts used. However, brand can go much deeper than that. As defined by merriam-webster.com brand is "a public image, reputation, or identity conceived of as something to be marketed or promoted." From that we can conclude that brand is an all inclusive term in which its status is continuously updated. This is why keeping in mind the identity of your business is critical, especially for a small organization that thrives off of community and local perception.

What Steps Can You Take To Get Started?

1. Do Your Research

The first step in almost any marketing strategy is research. Find out who you are planning on attracting with this brand. This step can be thought of as defining your target audience. Something we have done here at the SBDC that proves to be beneficial, is creating customer personas. This is the process of creating a fake consumer and identifying what they like, where they shop, how they spend their free time, etc. The persona can then be used to make assumptions about a wider range of customers and target them effectively.

2. Develop Your Resources

After identifying your target audience, its time to get to work. This is where you want to develop brand materials. Things like logos, color palettes, style guides, and a stock of photographs should all be developed. When creating these assets, keep in mind that they should properly represent your business and what it is that you do. Also, your brand resources should be easy to understand. Keep in mind things like your social media and website. The message and identity should be clear and consistent across the board.

The Importance of Small Business Branding

Written by Zachary Balla, Pennsylvania SBDC Lead Office Marketing Team
Zachary Balla is a graduate assistant at the PA SBDC and current MBA student at Kutztown University.

3. Identify a Story for Your Business

If you've ever watched ABC's business reality show, Shark Tank, you know that the best proposals always have an interesting back story. This is especially important for small business branding. Because the focus is typically local consumers, a good story will make it that much easier for customers to support you. With assistance in developing this story, I can recommend this book by Donald Miller. Miller goes through 7 steps that allow you to effectively develop that story. Essentially, it's all about identifying a problem that you target audience has and providing an answer to that struggle with a product or service.

Things to Keep In Mind When Building Your Brand

Remember, brand is an ongoing commitment. It is not a set and forget type of strategy. Keep your brand materials organized and evaluate them from time to time. Yes, the creation of resources, online presence, and all of that technical stuff is very important. However, you cannot forget to create memorable experiences for your consumers. That is part of your brand as well. Good, quality services is perhaps one of the most fundamental strategies for small business branding.

Building a Strong and Memorable Small Business Brand

This on-demand course introduces the core elements of a strong brand and why branding matters for long-term business success. Participants will learn how to define their business's unique voice, develop a clear and consistent brand identity, and create a simple brand kit to guide marketing efforts across websites, social media, and other outreach. The training also highlights practical tools to help small businesses build and communicate their brand efficiently and effectively.

https://pasbdc.ecenterdirect.com/events/32654

Marketing 101: How to Find and Attract Your Ideal Customers

This training helps small business owners identify and understand their ideal customers so marketing efforts are more focused, effective, and profitable. Participants will learn how to define a target market, distinguish between a target market and an audience, and use research, competitive analysis, and product knowledge to attract the right customers.

https://pasbdc.ecenterdirect.com/events/32599

Pricing Calculators

Pricing your products correctly is one of the most important steps in running a successful farm business. It's not just about what the market will pay—profitability depends on knowing all the costs associated with producing your product, from seeds and feed to labor, equipment, and ongoing operational expenses. Tracking these costs carefully allows you to price your products for profit and make informed decisions about your farm operation.

Here are two easy-to-use calculators:

Cornell Meat Pricing Calculator:

The Cornell Meat Price Calculator is an easy-to-use online tool that is designed to help livestock producers calculate the true cost of raising meat and determine a profitable price point for retail cuts or quarters and halves

https://www.MeatSuite.com/Calculator/

University of Minnesota CropCost

CropCost is a product of the Center for Farm Financial Management (CFFM), University of Minnesota. It is ideal for vegetables, fruits, grains, and other crops, helping you account for inputs, labor, and overhead to ensure a sustainable profit margin.

https://cropcost.umn.edu/about

These calculators are not the only tools available, but they are user-friendly, allow you to save your information, and provide a clear starting point for pricing your products. By using them, you can gain a better understanding of your costs, plan for profit, and make strategic decisions that support the long-term success of your farm.

Chapter Four Review

- ☐ I have researched the different sales opportunties for my products in my area.
- ☐ I have identified at least two potential sales channels to contact
- ☐ I have completed a marketing plan for my farm business.
- ☐ I have found a pricing calculator or other tool to insure I am pricing my products for profit.

Use the following questions to help build your marketing plan:

Who is my ideal customer? ***Consider age, location, household type, values, and purchasing habits. Who is most likely to become a long-term, repeat customer for my farm?***

What problem does my product solve for my customer? ***Think about convenience, quality, trust, health, price, or values. Why would someone choose my product over other options?***

How and where do my customers prefer to shop? ***Farmers markets, CSA pickups, on-farm sales, online ordering, wholesale accounts, or contracts, what aligns best with their habits and my capacity?***

How will customers find and learn about my farm? ***Consider word of mouth, social media, email, signage, community events, or partnerships. Which channels make the most sense for my business?***

What makes my farm business stand out? ***This may include production practices, product quality, story, location, pricing, customer service, or consistency. What is my farm's value proposition?***

How will I build and maintain customer relationships over time? ***Think about communication, reliability, transparency, and customer experience not just the initial sale.***

Does my marketing approach support profitability? ***Are pricing, labor demands, and time commitments aligned with my financial goals and business capacity?***

Additional Resources:

PA Farm Link Resource Hub

Looking for more ideas to promote your farm? The PA Farm Link Resource Hub features a curated collection of marketing tools, guides, webinars, and practical resources to help farmers strengthen their brand, connect with customers, and grow their markets. While this page highlights marketing-focused resources, the full hub includes materials covering many other aspects of farming.

Chapter Five: Weeding out the Risks

Every farm faces challenges, and while some risks are unavoidable, many can be managed with careful planning. Just as produce fields may be weeded to keep the crops from being crowded out, addressing risks early helps protect your farm, your family and your future. Risk management identifies what can go wrong and puts systems in place to lessen the impact.

In this chapter, we'll explore several key areas of farm risk. We'll cover liability and general farm insurance, which safeguard your business and personal assets. You'll learn about crop insurance and how it can provide stability when weather, pests, or markets negatively impact a crop. We'll also look at biosecurity practices that help protect the health of your plants and animals, product safety measures, and links are provided to food safety licensing requirements to keep your farm in compliance.

The goal is not to eliminate every risk but to create a strong safety net. By "weeding out" the biggest threats and putting protections in place, you'll give your farm the space to grow.

Risk Management

Pennsylvania Department of Agriculture
AG BUSINESS DEVELOPMENT CENTER

Written by: Corinne Elliot,
Business & Risk Management Specialist
PA Department of Agriculture,
Agriculture Business Development Center

What is Risk Management?

Risk is an important consideration of the farming business. The uncertainties impact farming and can cause wide swings in farm income. Risk management involves choosing among alternatives that reduce the effects. Having appropriate crop insurance and risk management/mitigation strategies, can help you be a more prepared and profitable farmer.

Types of Risk:

PRODUCTION RISK: Weather, disease, pests, and other factors affect both the quantity and quality of commodities.

PRICE/MARKET RISK: Uncertainty about the prices producers will receive for commodities or the prices they must pay for inputs.

FINANCIAL RISK: Rising interest rates, not having enough cash to meet financial obligations, or lower than expected profits contribute to this risk.

LEGAL/INSTITUTIONAL RISK: Tax laws, local regulations, and failure to fulfill business agreements can carry a high cost.

HUMAN RISK: Key sources of human risk involve divorce, death, and disability.

BIOSECURITY: The prevention and control of new pests and disease is an ever-rising concern across the commonwealth.

Risk Mitigation Benefits:

Minimizing Financial Loss:

Farmers can protect their financial stability and income by implementing risk mitigation strategies that aim to minimize the negative financial impact of adverse events.

Enhancing Profitability:

Effective risk management can help farmers make informed decisions, improving their bottom line and leading to more consistent and predictable profits.

Preserving Farm Operations:

Risk mitigation is crucial for the long-term sustainability of farming operations, preventing a single catastrophic event like crop failure or a natural disaster from jeopardizing the viability of a farm.

Crop Insurance

Written by: Corinne Elliot, Business & Risk Management Specialist PA
Department of Agriculture, Agriculture Business Development Center

Insurance/Coverage Available to You:

- Yield Protection
- Pasture/Rangeland & Forage
- Livestock Gross Margin
- Hail/Fire Policies
- Whole Farm and Micro Farm Revenue
- Revenue Protection
- Catastrophic Risk Protection
- Agricultural Risk Coverage
- Noninsured Assistance Program
- Dollar Plan Coverage
- Supplemental Coverage
- Protection for Organic Crops, Orchards, Vineyards, Processing, Market Vegetables, Tobacco

Questions to Consider When Looking for an Insurance Agent:

- What crops are eligible for coverage?
- Are there subsidies or discounts available?
- What are the coverage periods or deadlines?
- How would we make a policy change/adjustments to coverage
- Please describe a few historical claims/experience in our area.
- What kind of customer service is available?

Next Steps:

- [ ] Complete the Risk Management Checklist: Visit www.rma.usda.gov for more information and resources.

- [ ] Find an Agent Locator through the USDA. Shop around, ask your neighbors and be prepared to have the following:
  - Name, address and employer identification number (EIN)
  - Year business was established
  - Detailed description of business/property/operations
  - Detailed description of buildings/structures/square footage
  - Employee's names/information
  - Vehicle/Equipment information
  - Gross annual income and annual gross sales
  - Value in items
  - Dollar amount in liability protection you are considering
  - Description of any past losses

- [ ] Contact your Local Farm Service Agency (FSA) to learn more about the coverage options they can provide.

Crop Insurance Resources:

Pennsylvania Guide to Crop Insurance

A PDF developed by the National Crop Insurance Services and the USDA. This guide is designed to introduce crop incurance in Pennsylvania.

USDA Crop Insurance Agent Locator

Scan the code to find a licensed USDA crop insurance provider near you. You can also visit:

https://public-rma.fpac.usda.gov/apps/AgentLocator/#!/#%2F

Beginners Guide to Crop Insurance

A PDF developed by the USDA RMA to aid beginning farmers in understanding crop insurance. You can also visit:

https://www.rma.usda.gov/about-crop-insurance/basics-beginners/beginners-guide-crop-insurance

Agricultural Law Virtual Resource Room

Penn State's legal resource hub for current ag-related topics. Scan the code for articles on a variety of topics. You can also visit:

https://aglaw.psu.edu/research-by-topic/library-guides/ag-law-resource-rooms/

Penn State Extension

This article and checklist, developed by Lynn Kime and Winifred McGee is a helpful tool to explain products and has a checklist for items to prepare before meeting with an agent. Scan the code or visit:

https://extension.psu.edu/crop-insurance

Insurance Considerations

Written by: Todd Givler, PA Insurance Professional,
Agritourism Farmer

Liability and General Farm Insurance

Insuring your property starts with making sure your values are accurate. If your home, equipment, barns, or other structures aren't valued correctly, you may not be fully protected in the event of a loss. Liability coverage, on the other hand, is a separate part of your insurance that protects you from financial responsibility if someone is injured or their property is damaged due to your farm operations. Farm liability coverage is designed to address the unique risks associated with agricultural operations, both on and off the farm.

Core Areas of Farm Liability Coverage

Premises Liability

This covers injuries or property damage that occur on the farm property. Liability depends on the visitor's status; licensees (e.g., customers), invitees (e.g., social guests), or trespassers. Common concerns include slip-and-fall incidents, dog bites, swimming pools, and agritourism activities. Charging a fee for agritourism or other services may classify the activity as a business pursuit, which is not covered under the base policy and requires additional coverage.

Operations Liability

This extends coverage beyond the farm's physical boundaries. It includes incidents like livestock escaping onto roads or accidents involving farm equipment on public roads. This type of liability is one of the most common sources of claims.

Product Liability

This protects against claims arising from the use of farm products. The base policy typically covers unprocessed, farm-grown produce sold wholesale. Limited retail activities like "Pick Your Own" or farmers markets can be endorsed onto the policy. However, processed goods or products not grown on the farm require separate commercial liability coverage.

Pollution Liability

Covers damage or injury caused by the escape of pollutants from the farm. For instance, if a manure lagoon overflows or leaks due to structural failure or heavy rainfall, and the waste contaminates nearby water sources or neighboring properties, the farmer could be held liable for environmental damage and cleanup costs. The base policy offers limited coverage, but broader protection can be added through endorsements.

Key Takeaways for Beginning Farmers

Base policies offer limited protection; endorsements may be necessary based on your operation. Don't assume, review your policy annually with your agent:

Communicate all farm activities to ensure proper coverage
Take inventory of all buildings, equipment, and operations
Note any changes in your operation since prior year
Talk through likely scenarios and have a response plan
Know your points of contact for when an accident occurs
Report any name/owner changes and/or entity creations to keep policies updated

What Will Insurance Do for My Pennsylvania Farm?

Article provided by the Pennsylvania Small Business Development Center.

In a phrase, insurance transfers a portion of the risk from the business owner to the insurance company, for a fee (the premium). This is pretty cut and dried. Let's look at the matter a little more in-depth.

It is generally known that being in business requires insurance, but when faced with premium payments, it is understandable why many people begin to question the value of this investment. You can see the seeds, chemicals, and other supplies you pay for, but how do you "see" the effects of business insurance? When considering this specific expense category, farmers have the habit of becoming far more optimistic about the risks that they take. It's much easier to point to years when premiums were paid with no appreciable return and to conclude that an insurance purchase didn't "pay for itself."

However, there are years when insurance would have been good to have, so let's take a look at the things you need to know about business risk coverage to decide what's right for you and your farm.

Insurance Providers vs. Insurance Brokers

Not all insurance agencies are the same. There are basically two types:

Insurance providers, who traditionally sell insurance products from a single company.

Insurance brokers, who represent several companies, offering a blend of insurance coverage that reflects your needs.

This means each type has its strengths. Insurance providers may be able to combine several policies, offering a quantity discount because of bundling under one main carrier. On the other hand, an insurance broker may help you customize your coverage from several companies, providing the best fit for multiple areas of business risk. For example, by using an insurance broker, you may have farm owner's coverage with Company A, vehicle coverage with Company B, and health insurance for your families and employees with Company C.

Obviously, who to work with and the types of coverage to be selected are not decisions that can be made overnight. Like many other business decisions, you'll need to do your homework when selecting an insurance agency.

Building a Relationship with Your Salesperson

It helps to keep in mind that the relationship you have with the person who sells you a policy may be more valuable than getting a bargain in coverage. Any coverage you purchase may not offer adequate protection when you are not able to communicate with your salesperson if you need modifications. You need to find a salesperson with whom you feel comfortable, in whom you have confidence, and with whom you can regularly communicate when your needs change.

As you conduct your search, remember that communication is a two-way street. Always be open and honest with prospective insurance providers. Not telling them everything you are doing, or ignoring some aspect of your farm business, isn't necessarily a way to save money, since specific claims might be denied because of inadequate coverage.

It's in your insurance provider's best interest when everything is going as anticipated. He or she will only make money when you are in business and can continue to pay premiums. When hedging about your true situation leaves you not completely protected, business termination may result, and your insurance provider will not only lose a customer but, if you've chosen well, a friend. Because of this reality, your provider's goal is to ensure that you have enough coverage to reduce your chance of a total loss. You can become "insurance poor" trying to cover all potential circumstances where loss might occur. Your provider's goal is to keep you in business and as a customer for as long as possible.

What Will Insurance Do for My Pennsylvania Farm? (cont.)

Considering the Cost (and Uses) of Coverage

Once you've chosen a person with whom you find it easy to talk and who listens to you, the next thing to consider is the cost of coverage. Several things will play a factor in insurance cost – your credit score, your experience in farming, and the diversity of your operation.

Your credit score plays a part in the cost of insurance because experience has shown that business owners who have lower credit scores are riskier and more likely to file claims. Operators with lower credit ratings may also find it more difficult to pay their insurance premium or a deductible if a claim is filed. Because of this, keeping your credit score as high as possible will be beneficial when the company provides your premium quote.

Insurance companies also consider your experience. This means that having a track record in business, working in or managing the type of operation that needs coverage, is important. The more experience you have, the more favorable the company will view your risk.

If you plan to operate or are operating a value-added business, a detailed conversation with your insurance salesperson will be necessary. Many scenarios could be discussed in advance, to give your salesperson a full picture of what you plan to do, where the products will be made, and how they will be sold. Being as detailed as possible will allow the salesperson to assess the entire level of risk for all parties involved. They may suggest more than just insurance products to make your risk management plan work for all. If you have multiple business entities, for example, one for agricultural production and another for direct sales of your products, you need to be sure that the insurance for each entity protects the other.

If you are like many farmers who rent or lease land, you need to be sure your landlord is protected too. Many landlords will require that they be named as an insured party on your policies to protect their investment(s).

These are the basics to consider as you decide how to use insurance as one of the risk management tools and strategies for growing and diversifying your agricultural business.

If you found this article useful, there are many more related to insurance products! Here are two additional resources that go in-depth on specific insurance products.

When Might My Food Business Need Recall Insurance?

https://rvs.umn.edu/Uploads/EducationalMaterials/020ea0e8-2087-4e16-926c-dfd6e6304588..pdf

Noninsured Crop Disaster Assistance Program

https://rvs.umn.edu/Uploads/EducationalMaterials/4c534bef-c48c-4bc7-ab33-a7f4cef8111f..pdf

Selecting Insurance Products for Your Farm

Article provided by the Pennsylvania Small Business Development Center.

There are several insurance products that all farm business owners need to consider for basic risk management, along with additional products if the business model includes transitioning farm production into value-added products. You'll need to protect your interests to ensure the future viability of the entire business, as well as the individual enterprises under the farm's umbrella. You'll need to explore what products should be considered for your unique business for the best peace of mind.

The Policy

Insurance companies structure their policies in a specific format, so while two policies from different companies may not be identical, all policies will contain this necessary information:

The name of the company, policy identification number, and the names of the insured

Any new coverages

Any changes to the existing policy (if it is a new policy, this will not apply) Privacy statements

The costs of the various coverages

Requirements from the state in which you live

The conditions of the policy

Any specific endorsements such as personal or household property and the values and costs associated with each. These will also include the inclusions, exclusions, and definitions of each.

Farm Owner's Policy

The farm owner's policy provides coverage for liability, home and contents, farm personal property, farm structures, and other coverages listed on the policy. Liability coverage protects against most accidental bodily injuries, medical expenses, and property damages. Many times, the coverage will also cover attorney's fees associated with defending the policyholder. The main thing to remember is that the liability coverage is for the dollar limit of the policy. For example, if the policy limit is $500,000, you will not be completely covered for a $600,000 claim. The additional $100,000 will be your responsibility, as the policyholder. As with any insurance policy, you will also have a deductible to pay. In this example, if your deductible is $500, you would pay $100,500 related to the $600,000 claim.

If your home is included in the deed to the farm, the policy will cover both the home and the contents within. If your home is on a separate deed, you will need to discuss your options with your insurance provider.

Policies will cover accidents or other situations specified in the policy. Anyone injured by something you intentionally created may not be viewed as an accident. For example, fences are customarily erected to keep animals within the farm boundary. If you construct a new fence because of evidence of human trespassing, you should clearly mark the new fence to be sure everyone can see it.

A farm owner's policy will usually cover the equipment used on the farm that is listed under the section titled personal farm property. If you borrow money to purchase a piece of equipment, such as a tractor, the lender will ask you to provide proof of insurance for that piece of equipment. The covered causes of loss will be included in the policy but usually include fire and storm damage. If the farm has multiple locations, the equipment may be covered if those locations are included in the policy details.

Selecting Insurance Products for Your Farm (cont.)

Farm Owner's Policy (cont.)

One class of farm equipment that may not be covered under your policy is all-terrain vehicles (ATVs) and similar utility vehicles. Although most companies will cover these vehicles, you may be required to divulge how much they are used off-farm and if you traverse other people's property while riding. Discuss your options with your salesperson, as separate policies may be available or endorsements may be added to your farm owner's policy.

Farm structures will be included in a separate section of the policy, containing a detailed description of each structure. This description will include the dimensions, the type of building materials used (frame, block, etc.), and customary use. Some structures have a specific use, such as a milkhouse, which requires that the contents be listed. This is in contrast with a farm shop where equipment is repaired, where each wrench or screwdriver may not be listed but would be included in "miscellaneous equipment or hand tools" with a value attached. If you have a hoist or other large equipment in the shop, they may be listed separately.

It's important to know what causes of loss are listed in your policy. For example, wind or hail damage may be covered but excessive snow load may not be covered. Fire is almost always covered as are lightning, and theft or vandalism.

There are three ways to value equipment or buildings lost due to a covered peril:

Actual Cash Value (ACV)

Replacement Cost Value (RCV)

Functional Replacement Cost Value (FRCV)

Under the ACV option, a tractor that was purchased three years ago for $100,000 with a current value of $70,000, now damaged beyond repair, would be valued by the company at the $70,000 level.

That same tractor, if insured under RCV, would be valued like a very similar tractor found at a dealer or online. If you find a tractor that has almost the same hours and horsepower for $78,000, you will receive this larger amount.

Some older buildings may be insured using the FRCV method. For example, an equipment shed built forty years ago may not have enough clearance, sufficient bays for current use, or the width to accommodate some of your newer equipment. If this building is destroyed, you may use the insured value to build a structure more suitable for today's equipment.

Addressing New Business Challenges

Although pollution coverage is not normally included in the liability policy, it may be added with a supplementary endorsement. An example of coverage would pertain to spreading manure or fertilizer, where the ingredients leach into your neighbor's well or a nearby stream. With a pollution endorsement, you would be covered to the limit of the policy.

As identity theft becomes more common, this can be an important coverage to include. If it is not included in your policy, you may inquire about adding it to your current coverage. In the event of a claim, it may take a year or more to get everything back to what it was before. Make sure the amount of coverage meets your needs as the theft can impact you for many years to come. In the interim, you may be responsible for whatever the thieves have done.

Another type of coverage that might be overlooked pertains to computers and office equipment. Even if your farm office is in your home, office equipment and supplies purchased for farm use should be covered under the personal farm property part rather than any homeowner's policy you may have.

Selecting Insurance Products for Your Farm (cont.)

Addressing New Business Challenges

Custom farming has become very commonplace, and your farm owner's policy may include coverage for this work. Normally, the amount allowed in this coverage is not a large figure but would provide some recourse if your neighbor gets in a bind and you help them out. If this opportunity arises, and the neighbor offers payment for your help, you may be covered.

Check the limit on your policy for custom farming to be sure you are not exceeding that figure. If you consider expanding your operation to include a custom farming enterprise, consult your insurance provider as a separate business may not fall within the boundaries of your current policy.

Unique Situations

A portion of any insurance policy that you should be sure to read is the exclusions. This section will tell you what is NOT covered. Some examples of common exclusions are diseases in livestock, including poultry, and any issues involving employees. Accidents or injuries to employees are not covered under your liability policy. Those issues will be covered under the workmen's compensation policy. If there is something out of the ordinary that you feel you need to protect against, discuss it with your salesperson.

An option to consider is a blanket policy. Farm owner's policies insure to a specified limit that may not adequately protect your assets. To remedy this situation, a blanket policy might be purchased to increase your insured limit to an acceptable level. In some cases, the additional coverage under the blanket policy may be cheaper than increasing the main policy to an extreme limit. Because the main policy is in place, the additional coverage, which would only be paid after the main policy limit is reached, does not cost as much. And, if your situation changes so that the main policy covers everything in the future, it might be easier to drop the blanket than it would to reduce the standard policy.

If your spouse operates another business within the household or on a part of the farm, inform your salesperson. The company may not want to provide liability protection to people entering the farm for a secondary business. They may require an endorsement or a business owner's policy to provide protection for the additional business.

If you have not paid your premium on or before the due date, the company may have a grace period where you can pay without penalty. Keep in mind that you may not be insured during that time. Technically your policy has expired, and you are not covered by the company. This is a gray area which you should try to avoid at all costs. If you miss the due date on a continuing basis, this may result in cancellation or an increase in your premium.

Any incidence of fraud will not be covered by your policy. If you have misrepresented any aspects of your business or potential risks, the company may cancel your policy

Does My PA Farm Need Whole-Farm Revenue Protection?

Article provided by the Pennsylvania Small Business Development Center.

What is Whole-Farm Revenue Protection?

If you have a very diverse farm growing a wide range of commodities or you're selling specialized commodities to the wholesale market, Whole-Farm Revenue Protection (WFRP) insurance might play an important role in your risk management strategy. A WFRP policy is designed to provide coverage against the loss of expected revenue of the entire operation. This product is different from the traditional crop-specific insurance that focuses on reduced yield or reduced price for a specific crop.

Because WFRP focuses on the dollars you expect to return to the farm, it's possible to combine the revenues from a variety of crops that you grow under one policy. When the costs that the market will bear change so that you don't make as much from farmers market sales, despite having the same quality and quantity of your products to sell, WFRP will cover a portion of what you hoped to see come into your operation for the season.

This product is available in all counties of all 50 states. As with all United States Department of Agriculture (USDA) Risk Management Agency (RMA) products, the program is subsidized by the USDA and sold by independent companies who RMA regulates. Owing to these subsidies, you won't be required to pay the entire premium costs.

How to Obtain WFRP Coverage

Premiums are based on income reported to the Internal Revenue Service (IRS) on your Schedule F document. Since the insurance company through which you purchase WFRP coverage does not have access to your IRS account or documents, you'll need to present a new Schedule F annually to determine the level of coverage you choose to insure. If your business is a more formal business structure than a sole proprietorship, and you don't file a Schedule F, you can complete a Substitute Schedule F to supply the information your insurance salesperson will need. For example, if your operation is a C corporation, the document that the corporation files for income and loss is used to complete the necessary WFRP documents.

Up to $17 million in approved income can be insured for your operation. However, you do not need to insure your entire income. Like other products, you can choose to insure a percentage of your entire income from 50 percent to 85 percent. At least half of all the revenues covered must be related to products from your farm because no more than 50 percent of your expected income can come from items you buy to resell since this coverage is meant for producers rather than distributors of agricultural products per se.

The government's contribution toward this type of policy takes the amount of diversification of crops on the farm into account. In other words, a farm that grows four different crops receives a greater premium subsidy than a farm growing one crop. All the same, a farm with one crop will still receive an enterprise premium subsidy so even those farmers who specialize can benefit from WFRP.

Important Dates

The sales closing dates vary by county. The three options for calendar year tax filers are January 31, February 28, or March 15, so you need to decide at the end of the previous year if you wish to purchase this insurance product. Fiscal year tax filers have until November 20 to apply. Regardless of when your taxes are filed, a Revised Operation Report will be due no later than July 15 and your Contract Change Date is August 31. These reports are covered in more detail later in this document.

Does My PA Farm Need Whole-Farm Revenue Protection? (cont.)

What can be covered?

All commodities produced during the insurance period may be covered, even if they are not sold. Any products bought for resale are covered during the term of the policy up to 50% of your total sales.

The policy includes replant coverage. If you plant a crop and that crop is lost due to a covered reason, you can file a claim to recover the cost to replant that crop in that same crop year. A replant loss can only be claimed one time per crop per year.

Allowable income includes revenues from the sale of animals, produce, grains, or other commodities raised during the insurance period. Expected income from animals, greenhouses, or nurseries (excluding aquaculture) is limited to $2 million.

The taxable income of cooperative distributions or revolving funds, as long as they come from the sale of insured crops, is also covered. Additional revenue from fuel tax credits, from line 8 of Schedule F, is also insurable. In summary, all income the IRS requires you to report can be covered.

On the other hand, this type of policy won't cover:

- Income or revenue from post-production operations (slicing, freezing, or drying)
- Hedging or speculation
- Crops in which you have less than 10% interest (such as animal contract grower)
- Any income from providing custom farming for other producers
- Income from animals raised for sport or show
- Timber or forest product proceeds
- Income from additional crop insurance policies
- Controlled substances
- Increases from accrual accounting on your income statement

What are the covered losses?

Covered causes for WFRP claims of loss include:

- Adverse weather conditions
- Fire, earthquake, and volcanic eruption
- Damage due to insects or diseases
- Failure of your irrigation water supply, if caused by an insured peril

In contrast, losses due to mismanagement or wrongdoing by a member or employee of the farm, pesticide drift, and arson are not covered.

For a loss to be covered, all efforts must be taken to protect the insured livestock or crops. When a loss does occur, you are required to provide documentation that you took all possible steps to control any pests or diseases. You must also take precautions to protect your crops from wildlife damage. Pictures, pesticide application records, and vaccination records will be important to create a paper trail of your efforts.

Next Steps Toward WFRP Coverage

As the operator of a small- or medium-scale farm, you may have found that some insurance products don't match your needs. Products like WFRP can help you weather market and production risks because the focus is maintaining realistic revenues, based on your past experience. Having WFRP might make you more resilient and give you more certainty to get through "price roller coasters" tied with direct marketing of what you grow or raise. For those reasons, it's good to give this coverage good consideration and to learn more about what having WFRP will mean for your farm.

If you find yourself strongly considering this type of insurance, your next steps would be to learn what you will need to gather to apply, gauge the workload associated with maintaining this coverage, and locate an insurance provider who offers WFRP.

Why is Product Liability Insurance Important to My Pennsylvania Farm?

Article provided by the Pennsylvania Small Business Development Center.

Legal Issues and Product Liability Insurance

In general, liability insurance coverage protects your assets if you are found negligent in complying with the food safety regulations, resulting in your customers' food-borne illness.

A good description of the legal issues involved in food product liability is found in the Penn State Center for Agricultural and Shale Law's "Specialty Crop Producer's Guide to Understanding Liability Protection, Regulatory Processes, and Other Legal Risks"[1]. According to this guide, liability insurance provides payment, up to the amount specified per incident in your policy, from the insurance company to the customer, when negligence claims are proven. Because you have this coverage, the insurance company also must try to prevent financial losses to your farm by making good-faith efforts to settle claims within the liability limits stated in the policy. In this way, your liability insurance premiums purchase peace of mind that your farm and personal assets are not the only source of dollars needed to settle a claim.

When the unexpected happens and your customers get sick, their attorneys, as a rule, are not interested in going after your business or personal assets. Instead, they will attempt to settle with the insurance company from which you purchased your policy of liability insurance. In this way, insurance becomes the primary, and usually the only, way that injured customers are assured recovery of damages.

Any time there is an incident involving food-borne illness, the "clock is ticking." This is because there is a two-year statute of limitations in Pennsylvania for negligence cases, resulting in personal injury. The injured customer's attorney will initially focus on setting the claim so that filing a lawsuit is unnecessary. This means that settling a claim is usually the first and last step taken. When your insurance company makes any payment of indemnity related to your liability insurance policy to the customer, the insurance company has a duty to obtain a "general release" in exchange. A signed general release is a binding contract never to make any additional claims against any party whatsoever because of the incident that caused the injury.

Keep in mind that your insurance carrier is NOT your attorney. You might be a little surprised that your insurance company will initiate the negotiations by disclosing the applicable insurance policy(s) and the indemnity limits to the plaintiff's attorney. This routinely happens so that any potential settlement negotiations can occur in good faith from both sides as early as possible. If negotiations break down and a lawsuit is filed, disclosure of insurance policies becomes mandatory, so withholding that information until a suit is filed might stifle any pre-lawsuit settlement negotiations and draw out the process.

Because of the role that product liability insurance plays in adding a buffer between your farm and a food-borne illness, shopping for the proper insurance is one of the most important steps in protecting your specialty crop production, or value-added business. If a review of your standard farm insurance policy, or business owners' policy, reveals that you have some commercial general liability insurance coverage included, don't just assume that your product liability is taken care of. It's essential to check with your insurance agent, familiarizing yourself with exactly what any current coverage includes. What you need to look for is liability insurance coverage of bodily injury and property damage claims caused by the alleged negligence on your part, according to the policy's terms. Since part of any policy's terms are exclusions to coverage, you must review what isn't covered, as well as what is covered during your conversation with your insurance agent. What might you discuss in the way of "things not covered?"

Be aware that it is standard in many liability insurance policies to exclude claims arising from intentional acts causing injury or damage. This means that you took actions to make people sick, so this exclusion will not have very much impact on you, as a specialty crop producer in good standing.

Why is Product Liability Insurance Important to My Pennsylvania Farm? (cont.)

However, another standard exclusion may pose a big problem for your specialty crop operation. This is the exclusion from coverage of claims for injuries or damage caused by the actual products or services that a farm or specialty crop producer supplies or provides. The result of this exclusion is that your policy might not provide coverage for claims arising from food products produced or supplied for human consumption. This is called the "your work" or "completed products" exclusion. Because direct marketing to customers or adding value to your commodities is at the heart of your venture, it is essential that you ensure that a "completed products" exclusion is not present, or that you purchase supplemental "products liability" coverage to include "completed products" or "your work" in your insurance protection package.

Not All Product Liability Policies are the Same

How much insurance is "enough?" The simple answer is that coverage that provides the best protection of your business and personal assets is needed, with the limits of the liability coverage on a policy being high enough to cover the total of all potential liability claims within the policy period, generally one year. This amount will vary, based on the relative risks associated with the types of food items you make and sell. For example, the types of foods that are on the Food and Drug Administration's Food Traceability List (FTL) are generally linked to more episodes of food-borne illness, and so might have a higher potential for liability claims.[2] At any rate, it is difficult for most farmers, and their insurance agents, to determine how many times in a year there will be a potential foodborne outbreak, as everyone hopes that there will be no liability claims (and the FTL is relatively new, having only been released in 2022).

In addition to just getting product liability coverage, several other decisions need to be made, together with your insurance agent, such as whether to purchase:

an "occurrence" or "claims made" policy. This affects whether claims are judged to be within the policy period —differentiating between when the food-borne illness occurred, or the claims were filed.

a policy with a high deductible (trading a lower premium in exchange for your agreeing to be responsible for contributing a larger amount of the money that goes to each claimant, upon occurrence).

an "excess policy" that supplies an additional amount of liability insurance, at a much lower premium rate (should the primary policy's limit be exhausted within the policy period).

These are just a few examples of the decisions to be made about liability insurance—an essential component in protecting a specialty crop production (or value-added) operation from legal liability risks.

Product Liability Insurance Isn't a New Concept

Even though the idea that you need additional insurance may be new to you, it is not actually a new concept. Documented awareness of the need for product liability insurance as hand-in-hand with producing and selling food items can be traced to the early days of the Food Safety Modernization Act, commonly known as FSMA, when Kathryn A. Boys published a report of her 2012 study of small- and medium-scale fruit and vegetable farmers in the U.S. Southwest Region, Food Product Liability Insurance: Implications for the Marketing of Specialty Crops.[3] According to the report, 38% of the 258 growers surveyed had purchased product liability insurance for varied reasons – some of which might resonate with you.

Of the 98 farmers making the purchase, 73 of them said they bought the coverage because of "liability concerns." In plain language, they wanted to make sure their farm assets were covered adequately in the case of a food-borne outbreak traced back to their operation.

About one-third of the same set of growers said that purchasers (wholesale buyers of the commodity or potentially the farmers' markets where they had stands) required this coverage. This is not unusual. In Pennsylvania, most farmers' markets require individual stand holders to have $1 to $2 million in product liability insurance coverage.

Why is Product Liability Insurance Important to My Pennsylvania Farm? (cont.)

Product Liability Insurance Isn't a New Concept

To a lesser extent, 17 of the respondents said that their purchase of the coverage was part of the marketing strategy in their business plan. The link between insurance and marketing is particularly important as we continue to see the number of food product recalls accelerating, as well as a matching increase in consumers' requirement that farmers and processors ensure that the foods bought are the safest possible.

The same survey report also talked about farmers' opinions concerning specific attributes of food product liability insurance. Think about this as being "why product liability insurance matters to me." The most important attributes, as far as farmers were concerned, were that having this coverage opened the doors to new markets for their products and because "being in business today" meant that farmers needed to depend on more than the goodwill of the customer to protect them. It's no longer a matter of "I'm selling to friends and neighbors. They would never sue me." Selling food to the public in the twenty-first century means that health insurance carriers will hold you, the seller, liable for any food-borne illness that your customers experience and document through a doctor or emergency room visit.

A close third reason why product liability insurance was important was the peace of mind that it provided farmers. They could sell food knowing that they had done the best job possible of safeguarding the product, like GAP/GHP certification or following FSMA Good Manufacturing Practices (GMPs), and insurance was there as an additional safety net for personal and business assets if they were ever taken to court. Some farmers also said that their reputations were enhanced by having coverage and that by having insurance when their competitors did not, their farms' quality was enhanced in the eyes of safety-conscious customers.

Bringing Your Liability Focus to the Present Day

In the past, most insurance was bought reactively – to manage an incident, if one occurred – and that's why farmers' markets and shared kitchens often required producers who use their premises to make or sell a product to have food product liability insurance. These facilities also required the farmer to include the market or kitchen as a second insured on the policy. Also in the past, when a producer wanted to sell fresh produce or a value-added product through a grocery or to a retail food establishment, that wholesale buyer required that food product liability insurance be bought.

Fast forwarding to today, food safety management has become much more proactive. Instead of reacting when something has gone wrong, as was the focus of the Hazard Analysis Critical Control Points (HACCP) program introduced in the 1990s, FSMA now requires that food producers look at what might happen and make changes to preclude the possibility of food adulteration, "cutting it off at the pass."

In November 2022, the U.S. Food and Drug Administration (FDA) introduced a new component of FSMA, the Food Traceability Rule[4]. This new rule requires safe food handling records that extend from field to table. The Food Traceability Rule states that by January 2026, persons subject to the rule who manufacture, process, pack, or hold foods on the FTL (and the majority of foods except for meat, poultry, eggs, and catfish are on that list), will need to maintain records of what was done and how it was done to proactively handle food hazards. Alongside this consumer protection, there is a need to insure to protect your farm's assets when, despite your compliance with all of the FSMA GMPs, described later in this guide, or the basic tenants of the Produce Safety Rule[5], someone still gets sick.

Why is Product Liability Insurance Important to My Pennsylvania Farm? (cont.)

Product Liability: Where Do I Start?

There are several things that you can do, even before you secure the appropriate insurance coverage. One action is to assess your compliance with produce or food safety rules and protocols. Do you have any holes? Are there activities that would improve your awareness of safe food production, like participating in a Produce Safety Alliance (PSA) Training[6] or going to a Preventive Controls for Human Foods certification course[7] even if you are partially exempt? This is a good first step because it's important to know how your business applies due diligence.

If you are adding value to any of the crops grown on the farm, you are required to comply with the FSMA Good Manufacturing Practices (GMPs). Even if a business only sells within the community or the state, as long as it is within PDA's oversight, that business will still need to comply with the GMPs.

Generally, GMPs address the following areas:

Building and Facilities
Personnel Health and Practices
Sanitation and Controls
Equipment Maintenance
Production and Process Controls
Storage and distribution

A five-page document[8] was created by the Pennsylvania Department of Agriculture (PDA), in checklist form, for business owners and their inspectors to ensure compliance, and going over this checklist is a good starting point for processors to more fully understand what they are doing to keep foods made on the farm safe. However, just like Good Agricultural Practices, these GMPs focus on food safety standards that serve to protect the customer but will offer limited protection to business and personal assets, should food become adulterated.

Of course, compliance with any part of FSMA is just a starting place. FDA acknowledges that practice certification like Good Agricultural Practices/Good Handling Practices (GAP/GHP) or GMP adoption reduces the chances that a farmer's products will make someone sick, but such compliance wouldn't protect the farmer from a lawsuit, because these practices alone don't address any legal representation for the farmer, nor do they do anything to protect business and personal assets.

> "That's why you need product liability insurance, should you get sued," according to food safety attorney Bill Marler, publisher of Food Safety News. "By doing that, you're protecting yourself as an individual."

Keep in mind, too, that the small amount of liability coverage from your farm or business owner's policy is not adequate to protect you against a food-borne outbreak. General liability included in basic business insurance is designed to cover risks that may include bodily injury or property damage caused by direct or indirect actions of the insured. For example, it would cover a market canopy falling over during a windstorm and injuring a customer, not the aftermath of coliform or listeria adulteration of products.

How easy is it to get the insurance I need?

> One of the easiest paths to getting product liability coverage is if the insurance company from which you get your standard business coverage also offers product liability products.

You already have a relationship with this company and potentially might be able to have your new coverage bundled with other products. However, this is not always possible, which points to your need to contact new insurance companies to discuss food product liability through new carriers. To prepare yourself for this possibility, it's good to learn what insight farmers who came before you might share.

Why is Product Liability Insurance Important to My Pennsylvania Farm? (cont.)

How easy is it to get the insurance I need?

Food producers who have been selling wholesale to grocery stores and those who have farm market stands have the most experience with product liability insurance because these marketing paths have required this type of coverage for many years. Feedback from these producers indicates that it's often extremely difficult to find and purchase the type of insurance that fits their specific enterprise needs.

On average, a majority of farmers have reported that locating a source for the appropriate insurance was elusive; they needed to contact two to three insurance carriers to find one offering liability coverage for food products. In about 10% of cases, farmers reported approaching five or more insurance companies before they were able to get a quote. After a nearly exhaustive search, when an insurance company offering the coverage is finally located, the cost may be higher than was expected, the maximum coverage that can be purchased may be lower than the wholesale buyer or farmers market requires, or a review of the policy might indicate that there may be exclusions such as related to communicable diseases that make it impossible to satisfy what is required. Knowing that others have met with these types of issues in the path should not imply that you should just give up, but rather that getting the right coverage for the right price will take some time and work.

Small wonder that some farmers will tell you that they do not need this insurance. They bank on being conscientious in their good on-farm handling practices and believe that their effort and energy will see them through. However, as was discussed earlier, counting only on following the rules ignores reality. This is not a perfect world and, despite the best intent, things happen. It takes proactive management of an on-farm system and good insurance coverage to protect both farmers and their customers. This guide provides you with the tools needed to persevere, through the unknown, to a place of assurance that both you and your customers are covered in the event of the unexpected.

My Prep Checklist for Insurance Discussions

This checklist can be used as a guide to prepare for your discussion with your insurance agent, to ensure that you have thought through the process, potentially saving you time and money while ensuring that your customers' needs are considered

- ☐ Estimate the amount (actual or projected) of product sales you will have over the coming year for each raw and processed item.
- ☐ Draft a detailed description of the raw products you plan to sell, including all crops, estimating the annual yield of each crop.
- ☐ Next to each crop, put the number of years/seasons you have been producing this product for direct sales.
- ☐ Gather all records related to any claims you may have dealt with in the past, for full disclosure.
- ☐ Produce a detailed description of all value-added products you currently, or plan to, sell including identification of the processor, either yourself or your co-packer.
- ☐ For any foods on the FTL, be prepared to discuss the applicability of product recall insurance, along with your product liability coverage.

Understanding FSMA: The Produce Safety Rule

PennState Extension

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Discussion of farming activities and produce covered in the Produce Safety Rule under the Food Safety Modernization Act (FSMA), key requirements, possible exemptions, and deadlines for compliance.

Food Safety Modernization Act

The Food Safety Modernization Act (FSMA) is considered to be the most sweeping reform of food safety laws in more than 70 years. Signed into law by President Obama on January 4, 2011, it directs the U.S. Food and Drug Administration (FDA) to shift the focus away from merely responding to contamination events toward establishing systems to prevent them from occurring. Seven regulations were written under the law, each of which will affect the vast and complex food production, processing, and distribution network that provides consumers with an uninterrupted supply of safe, nutritious, and affordable food. One of these regulations, "Standards for the Growing, Harvesting, Packing, and Holding of Produce for Human Consumption," is of critical importance to growers of fresh produce. Known more simply as the "Produce Safety Rule," this regulation establishes, for the first time, science-based minimum food safety standards for growing, harvesting, packing, and holding fruits, vegetables, mushrooms, and sprouts intended for human consumption.

The following is a discussion of:

- farming activities and types of produce that are covered under the rule,
- key requirements within the regulation, 3 certain exemptions and modified requirements for which farms may be eligible, and
- deadlines for complying with the rule.

Coverage under the Produce Safety Rule

When we say that a type of produce, a produce-growing activity, or a farm or orchard is "covered" under the regulation, we mean that growers who meet the criteria for coverage will need to comply with the farm food safety standards written in the regulation. Not all produce or growing activities are covered. Retail establishments where produce is sold or served to consumers (e.g., farm stands, farmers markets, grocery stores, and restaurants) are not covered under the regulation, although they may be covered under other state or local regulations. Only commercial produce farms are affected. Home gardens are not regulated.

Criteria for determining which farms or types of produce are covered are based on the size of the farm in terms of annual sales and the inherent risk for some commodities to cause illness if they were to become contaminated.

Fruits, vegetables, sprouts, and mushrooms covered under the regulation are:

- Grown on commercial farms with average annual produce sales of at least $25,000 calculated over the previous three years of production. Sales values in the regulation written in 2011 must be adjusted upward each year to account for inflation (see the calculation tool on the FDA website).
- Likely to be eaten raw (e.g., leafy greens, cucumbers, tomatoes, summer squash, and most fruits). Raw produce is considered riskier than cooked fruits and vegetables where any harmful microorganisms are likely to be destroyed.

Understanding FSMA: The Produce Safety Rule (cont.)

PennState Extension

Put another way, produce not covered under the regulation includes those commodities that are:

1. Grown on farms with average annual produce sales less than $25,000 (increased each year to account for inflation).
2. Rarely eaten raw (e.g., potatoes, winter squash, pumpkins, and some root crops). FDA has an exhaustive list of produce that is rarely consumed raw, and thus not covered under the regulation.

Qualified and processing exemptions are available wherein all parts of the rule are not required and only certain modified requirements are in place. These will be discussed later in this article. Keep in mind that even if you think your produce is not covered, you are still required to do all that you can to prevent contamination with harmful microorganisms.

"The regulation states that only produce likely to be eaten raw that is grown on farms with at least $25,000 in produce sales is covered."

Key Requirements in the Produce Safety Rule

The Produce Safety Rule is divided into key requirements that are intended to prevent contamination of produce during production, harvesting, and after harvesting. Each of these will be discussed separately in detail:

Worker Health, Hygiene, and Training
Agricultural Water for Pre- and Postharvest Uses
Biological Soil Amendments
Domesticated and Wild Animals
Equipment, Tools, Buildings, and Sanitation
Required Records

Worker Health, Hygiene, and Training

FDA requires that all personnel who harvest or handle fresh produce covered under the regulation, and those who supervise them, receive food safety training that is appropriate to their assigned duties. Training must be offered upon hiring and periodically thereafter, and it must be presented in a language that all workers can understand.

Specific training outcomes required for harvesters and handlers include:

1. Recognizing the importance of health and personal hygiene for all personnel and visitors, including knowing symptoms of a health condition that is reasonably likely to result in contamination of produce or food-contact surfaces with harmful microorganisms.
2. Knowledge of appropriate hygienic practices when handling produce or food-contact surfaces. This includes washing and drying hands when necessary, especially after using the toilet, and removing or covering jewelry that could fall into the product.
3. The ability to recognize produce that should not be harvested because it is likely to be contaminated with harmful microorganisms.
4. Understanding the importance of inspecting harvest containers and equipment prior to harvest so that they are functioning properly, clean, and maintained.

In addition to these requirements, at least one supervisor or responsible person on a covered farm must have completed food safety training at least equivalent to that received under a standardized curriculum recognized by FDA. The Produce Safety Alliance (PSA), in association with FDA, has created a seven-hour training curriculum. Grower training courses are offered throughout the country and can be found on the Produce Safety Alliance website. In Pennsylvania, Penn State Extension offers regular produce safety certification courses. Visit the Penn State Extension FSMA website for a list of upcoming courses in Pennsylvania.

"Harvesters, handlers, and supervisors must receive training appropriate to their assigned duties."

Understanding FSMA: The Produce Safety Rule (cont.)

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Agricultural Water for Pre- and Postharvest Uses

Water is used extensively in farming operations. Preharvest uses include irrigation, chemical crop sprays, cooling, and frost control. Postharvest uses include washing or cooling harvested produce or cleaning food-contact surfaces. Handwashing and drinking water are also important uses of water on the farm. In the Produce Safety Rule, FDA only regulates the safety of preand postharvest "agricultural water," a term FDA has defined as water that is intended to, or likely to, contact the harvestable part of the growing crop, the harvested produce, or surfaces that can come into contact with the product.

The source from which agricultural water is obtained is strongly associated with its potential to become contaminated. Surface water has the highest level of risk because it is a shared resource that may be subject to sudden and unexpected contamination from animal intrusion, manure runoff from neighboring livestock operations, or wastewater septic tank discharge. Groundwater is considered safer, although shallow, improperly constructed or located wells may be subject to surface water contamination from runoff or during flooding events. Municipal water is the safest because it is regularly monitored and usually treated to eliminate harmful bacteria. Indirect irrigation methods, such as drip systems, are considered to have the lowest risk for produce contamination because the water is unlikely to contact the harvestable part of the crop. On the other hand, overhead spray systems are at a higher risk because the water will likely contact the harvestable part of the crop.

"Only water that is intended to, or likely to, contact the harvestable part of the crop is regulated."

Microbiological Testing Requirements

FDA initially required growers to periodically monitor the quality of pre- and postharvest agricultural water through microbiological testing. However, in 2024, FDA revised its requirements for evaluating the safety of agricultural water. Testing pre-harvest agricultural water for generic E. coli concentration is no longer required, although it is a regulatory option for some situations and can be helpful in identifying trends. FDA's new approach is that water test results are not to be used as the sole factor when making use decisions for pre-harvest agricultural water. Instead, the new ruling places more emphasis on considering factors such the location and nature of the water source, how it is applied, and the surrounding environment. A pre-harvest agricultural water assessment must now be conducted at least once a year.

Compliance dates start April 07, 2025, for farms that sell more than $500,000 total food per year (three-year rolling average) and are staggered by business size class, as in other parts of the Produce Safety Rule. FDA indicates there may be updates to this revision as they obtain more data.

Sanitizers may continue to be used as long as the product is labeled for crop contact and used according to label directions. Other treatments, such as ozone or UV irradiation, can be used as long as scientific evidence that proves their effectiveness is presented. Microbial testing of treated water is not required, although treatment variables (e.g., concentration, pH, and application method) must be monitored and documented for each use.

FDA resources on the new ruling include a summary of factors to consider are online and an " Agricultural Water Assessment Builder" decision making tool.

Visit the FDA FSMA Final Rule on Pre-Harvest Agricultural Water page for more information.

Understanding FSMA: The Produce Safety Rule (cont.)

PennState Extension

Biological Soil Amendments

Biological soil amendments are materials of animal or plant origin that are intentionally added to the soil to improve its chemical or physical properties (e.g., compost and manure). Animal manures are often added to soil because they are a rich source of nutrients that support plant growth. However, untreated animal manure is a potential food safety hazard if it comes into contact with the harvestable part of the crop. For this reason, the Produce Safety Rule establishes farm food standards for the application of biological soil amendments of animal origin. The regulation forbids the use of human waste except for sewage sludge biosolids that have been treated according to applicable federal or state regulations.

FDA has established standards in the Produce Safety Rule for the use of raw animal manure and compost prepared from raw animal manure as soil supplements.

"Only raw or composted animal manure that can come into contact with the harvestable part of the crop is regulated."

Raw Manure

FDA states that it is highly likely that raw animal manure contains one or more microbial species that can cause human illness. However, scientific studies have shown that once human pathogens are no longer within the protective environment of the animal colon, they begin to die in response to the destructive effects of sunlight and less favorable temperature and humidity conditions.

FDA is currently sponsoring studies to measure the rate at which pathogens die as affected by climatological conditions, application methods, and soil type. Of particular interest is determining the number of days needed between field application and harvest to reduce pathogens to safe levels. FDA has stated that this will require several years of research under actual farming conditions. Until these studies are complete, FDA does not object to farmers adhering to the raw manure application standards described in the USDA National Organic Program, which call for a 120-day interval between the application of raw manure for crops likely to come in contact with the soil amendment, and 90 days for crops that do not contact the soil. They further state that all untreated biological soil amendments of animal origin, including raw manure, must be applied in a manner that does not contact produce during application, and minimizes the potential for contact with covered produce after application. FDA advises that adherence to these standards is a prudent step toward minimizing the likelihood of contamination while the issue continues to be studied.

Compost Containing Materials of Animal Origin

FDA has established microbial reduction targets for processes used to treat biological soil amendments, including manure. Safe compost must have no detectable levels of Listeria monocytogenes, Salmonella spp., and E. coli O157:H7. Alternatively, if only Salmonella species are tested, they must be absent in a 4-gram dried sample, and fecal coliforms must be fewer than 1,000 colony-forming units per gram (CFU/gm).

The Produce Safety Rule provides two examples of scientifically valid composting methods that will meet these standards:

1. Static composting that maintains aerobic (i.e., oxygenated) conditions at a minimum of 131°F (55°C) for three consecutive days and followed by adequate curing
2. Turned composting that maintains aerobic conditions at a minimum of 131°F (55°C) for 15 days (which do not have to be consecutive), with a minimum of five turnings followed by adequate curing

Understanding FSMA: The Produce Safety Rule (cont.)

PennState Extension

Compost Containing Materials of Animal Origin (cont.)

There is no restriction on the number of days between application of compost and harvesting for either of these two methods. Any composting method that deviates from these protocols must follow the application intervals for raw manure. In addition to compost preparation requirements, FDA requires that preventive measures be taken to minimize the potential for contact of the compost with produce during and after application. Research will continue to develop and validate alternative composting methods that can meet the microbial reduction standards, and further guidance will become available in the future.

Domesticated and Wild Animals

The Produce Safety Rule addresses concerns about the potential for grazing animals (e.g., livestock and dairy cattle), working animals used in fields for various purposes (e.g., mules or horses), and intrusion by wild animals (e.g., birds, deer, or feral swine) into fields. Growers must take measures to prevent entry of domesticated animals such as cattle, swine, and poultry into fields. Control measures include confining them to designated areas that are not accessible to fields, and being aware of potential routes for contamination, such as wind-blown dust or water runoff.

During the growing season, fields must be inspected for evidence of fecal contamination, and measures must be taken as necessary to ensure that contamination cannot occur during harvesting. For example, placing brightly colored flags or cones around a contamination site is a recommended way to notify harvesters that they should not harvest produce within the designated perimeter.

FDA recognizes the challenges associated with preventing wildlife intrusion and does not expect growers to completely eliminate this potential hazard, such as by surrounding fields with fences. FDA also acknowledges that unwarranted killing or trapping of animals is not recommended if they threaten protected species. Instead, all reasonable and practical nonlethal methods, such as noise cannons, decoys, or netting, are appropriate.

"FDA requires that reasonable and practical measures be taken to ensure that wild and domesticated animals do not become a source of contamination."

Equipment, Tools, Buildings, and Sanitation

Sanitation standards for equipment and tools that are likely to contact produce during harvesting and postharvest handling are written into the Produce Safety Rule. Knives, implements, mechanical harvesters, hydro-coolers, grading belts, sizers, and equipment used to store or convey harvested, covered produce (e.g., containers, bins, food-packing material, dump tanks, flumes, and transport vehicles) are examples of equipment with produce-contact surfaces.

Equipment and tools must be designed and constructed so they can be easily cleaned and, when necessary, properly sanitized. They must be stored and maintained to protect produce from becoming contaminated and to prevent them from attracting and harboring pests.

Postharvest packing or storage facilities must be suitable in size, construction, and design to facilitate maintenance and sanitary operations that reduce the potential for produce contamination. Packing buildings must have adequate space for efficient operation, pest intrusion must be monitored and controlled, and overhead drip or condensate minimized. There must be adequate drainage to prevent accumulation of water and waste liquids on the floor. Readily accessible toilet facilities must be provided that are designed, located, equipped, and maintained so they cannot become a source of contamination.

FDA has no objection to packing or sorting activities that are conducted outdoors or in buildings with open walls, as long as measures are taken to prevent pests from becoming established and to trap or otherwise remove them when necessary.

"Postharvest equipment, containers, tools, and the packing environment must not be potential sources of contamination."

Understanding FSMA: The Produce Safety Rule (cont.)

PennState Extension

Exemptions to the Rule and Modified Requirements for Exempt Farms

Discussed above are the full requirements for growers who are covered under the regulation. However, some produce farms covered under the regulation may be eligible for certain exemptions and may not have to comply with all parts of the Produce Safety Rule. Two types of exemptions are available for some growers: the qualified exemption and the processing exemption. These two exemptions are discussed below, in addition to a brief review of the mixed-type facility exemption that falls under another FSMA regulation. The following discussion should help you decide if you are eligible for either of these exemptions.

Qualified Exemption

Determination of Eligibility

In an attempt to further lighten the regulatory burden on smaller farms, Congress wrote into the law that produce farms with average annual food sales of less than $500,000 over the previous three years may be eligible for a qualified exemption (QE). Again, note that because of inflation, this number increases each year.

It is important to understand that, in contrast to criteria for coverage, which are based on average annual gross produce sales, QE eligibility is based on three-year average annual farm food sales. This means that in addition to gross receipts for fruits and vegetables, sales of grains for human or animal consumption, animals raised for human food, dairy products, and farm-processed food products are also factored in.

This may be a particularly important factor for highly diversified farms where a variety of agricultural food and feed products are produced. A further requirement for QE eligibility is that more than half of the average annual food sales must be made directly to qualified end users (QEU). FDA defines QEUs in either of the following ways:

- Consumers who purchase food directly from a farmer such as at a farmers market or farm stand, over the Internet, or at a community-supported agriculture (CSA) operation
- Retail grocery stores or food service establishments (restaurants) that are located in the same state as the farm where the produce was grown or within 275 miles of the farm (note that indirect sales where the produce is resold, such as to distributors, warehouses, and fresh-cut processors, do not fall into this category)

"*Eligibility for a qualified exemption is based on average annual total food sales.*"

Modified Requirements

Farms that have attained qualified exemption status are not subject to the full standards and recordkeeping requirements in the areas of worker health, hygiene, and training; the use of biological soil amendments containing animal manure; sampling and testing of agricultural water; exclusion of domesticated and wild animals; and sanitation of equipment, tools, and buildings. However, compliance with these farm food safety standards is still highly recommended since FDA may withdraw an exemption if, at any time, they determine that your farming practices could put consumers at risk of illness.

Qualified exempt growers are subject to the following modified requirements:

- If the produce is displayed and sold in unpackaged form, such as at a farmers market, the name and complete business address of the farm where the produce was grown must be prominently displayed on a label, poster, sign, or placard at the point of purchase. This information must include the street address or post office box, city, state, and Zip code.
- If the produce is packaged for retail display and sale, the same type of name and business address information must be prominently displayed on the label.

Understanding FSMA: The Produce Safety Rule (cont.)

PennState Extension

Processing Exemption

Determination of Eligibility

As mentioned above, the Produce Safety Rule only applies to produce that is likely to be eaten raw. However, some fruits and vegetables could be grown for either the fresh market or further processing. For instance, a tomato grower might sell at least some of the crop to a grocery store where it would be displayed and sold in its fresh form. On the other hand, at least some portion of the harvest might be sold to a commercial cannery where the tomatoes would be subjected to high temperatures that are sufficient to kill harmful microorganisms. Other examples of processes with "kill steps" include blanching prior to freezing, fermenting, or distilling. If evidence can be presented that proves the process is adequate to reduce harmful microorganisms to safe levels, then that portion of the crop destined for further processing would be eligible for this exemption. The rest of the crop would not be eligible, although it is possible that the qualified exemption could apply.

"*Covered produce that is further processed may not be subject to all parts of the rule.*"

Modified Requirements

Farms claiming a processing exemption are not subject to all parts of the Produce Safety Rule. However, the following modified requirements apply:

1. You must disclose in documents accompanying shipment of the produce, whether directly to the processor or to an intermediary broker or distributor, that it has not yet been adequately processed.
2. You must obtain annual written assurance from either the processor that adequate processing procedures are followed or a broker or distributor that "not yet adequately processed" documents must accompany further shipments and adequate processing was performed before the final product was sold to consumers.

Mixed Type Facility Exemption

There is another type of exemption that some growers might be interested in. It is not written in the Produce Safety Rule but instead in another FSMA regulation, the Preventive Controls for Human Food Rule. This is for mixed-type facilities (MTF) where both growing and processing activities take place. MTF exemptions to the Preventive Controls Rule are available, but only for certain products and processes that FDA has determined to be "low risk." For instance, in addition to growing fresh produce, a farmer might also have an on-farm side business where baked goods are cooked, packaged, and sold to customers. If your farm is a MTF, see the article on the Preventive Controls for Human Food Rule to learn more about this exemption.

Required Records

Unlike third-party audits mandated by many wholesale produce buyers, the FDA Produce Safety Rule does not require a written food safety plan. However, in order to remain compliant with the regulation, certain records must be kept for at least two years past the date the record was created. Records used to satisfy the criteria for a qualified exemption must be kept as long as necessary to support the farm's status during the applicable calendar year.

"*FDA has a list of required records that must be kept to document compliance with food safety standards.*"

Personnel Qualifications and Training

You must keep a record that proves at least one supervisor or responsible person on your farm has successfully completed food safety training at least equivalent to that received under standardized curriculum recognized as adequate by the FDA. Training information was provided in the "Coverage under the Produce Safety Rule" section above.

Understanding FSMA: The Produce Safety Rule (cont.)

PennState Extension

Agricultural Water

Recordkeeping is relatively simple, but can become more burdensome if you choose to use treatments or methods not specifically provided in the regulation. You must keep records showing the following:

1. The findings of the required inspection of the agricultural water system.
2. Results of any analytical tests conducted on agricultural water. Laboratory results must be reviewed, dated, and signed by a supervisor or responsible party within a reasonable time after the records are made.
3. You must document any corrective measures you have taken if agricultural water does not meet the geometric mean and statistical threshold water quality criteria.
4. If you are treating your agricultural water with chemical sanitizers or physical treatments such as UV irradiation, you must keep treatment monitoring records and scientific data or information that proves the adequacy of the water treatments.
5. If public municipal water is used, annual documentation of testing results or certificates of compliance provided by the public water system must be kept on file.
6. If you are claiming a specific microbial die-off reduction during washing or storage, you must have on hand the results of scientific studies that support your claim.
7. If you use microbial water quality criteria sampling frequencies or laboratory testing methods other than those stated in the regulation, you must provide the results of scientific studies supporting your claim that your water is safe for its intended use.

Biological Soil Amendments of Animal Origin

If compost is prepared on the farm, records must be kept documenting that proper time, temperature, and number of turnings were achieved. Records related to on-farm soil amendment treatment must be reviewed, dated, and signed by a supervisor or responsible party within a reasonable time after the records are made.

When soil amendments are purchased from outside vendors, growers must document annually that:

1. The method used to treat or compost the biological soil amendment of animal origin is a scientifically valid process that was carried out with appropriate process monitoring.
2. Upon receipt on the farm, the soil amendment has been handled, conveyed, and stored in a manner and location that minimizes the risk of contamination from untreated or incompletely composted biological soil amendments of animal origin.

Equipment, Tools, Buildings, and Sanitation

Records must be kept showing the date and method which food-contact equipment used during harvesting, packing, or holding was cleaned and sanitized. The records must be reviewed, dated, and signed by a supervisor or responsible party within a reasonable time after they are made.

Qualified Exemption Requirements

Qualified exemption status is not automatic. You must keep at least three years of records, such as receipts, demonstrating that your farm meets the average annual food sales criteria. Receipts must be dated, but no signature is required. You must review your eligibility for the qualified exemption each year and keep a written record of the annual review that verifies your continued eligibility for the exemption. The annual review record must be dated and signed by a supervisor or responsible party within a reasonable time after the records are made. Growers are encouraged to begin keeping records from previous and upcoming years so they will be ready to claim the exemption once the enforcement date occurs.

Understanding FSMA: The Produce Safety Rule (cont.)

Processing Exemption Requirements

To claim a processing exemption, you must obtain written assurance from the business that processes your product that it has adequate processes in place to reduce microorganisms of public health significance to safe levels. Processors are required by other state or federal regulations to prove the adequacy of their processing methods, so they should be able to provide this to you. These records must be updated annually.

Addressing Food Safety

Section provided by the Pennsylvania Small Business Development Center and adapted by PA Farm Link

The Food Safety Modernization Act (FSMA), signed into law in 2011, enables the Food and Drug Administration (FDA) to protect public health by requiring that producers from farm to table focus on preventing food safety problems. This is different from the previous focus which was more reactive, responding only when problems arose. FSMA (and therefore the FDA) regulates most food, except for meat, poultry, eggs, and some types of fish, which are regulated by USDA Food Safety Inspection Service – FSIS. There are several "rules" within FSMA that apply to farmers and processors: the Produce Safety Rule, the Preventive Controls for Human Foods rule, and (as of January 2026) the Food Traceability Rule. Knowing if and how you must comply with FSMA is an important aspect of risk management.

The Produce Safety Rule

If you sell unprocessed fruit and vegetable crops that will be marketed into wholesale, retail, or other identified markets may require that you develop and implement a food safety plan that addresses known or foreseeable risks that could impact the safety of the food. A Penn State Extension online article, "Understanding FSMA: The Produce Safety Rule" provides information about the types of food covered, and how you can determine its impact on your operation. In addition to a specific food safety plan, growers need to follow Good Agricultural Practices (GAP) – which was covered in the Production section of this workbook – to ensure proper practices are being followed when growing, harvesting, processing, transporting, and marketing their produce. Information and training related to the Produce Safety Rule and GAP are available through Cornell University's Produce Safety Alliance website.

Read the Penn State article (featured before this section) to determine whether you grow and sell produce that must meet the FSMA Produce Safety rule, and answer the following questions.

Do you need to comply with the FSMA Produce Safety rule? Yes _____ No _____

If yes, do you have a written food safety plan that covers the six areas of the Produce Safety rule compliance for your operation? Yes _____ No _____

In addition to production-oriented requirements and records, do you provide food safety and hygiene training to employees and family members? Yes _____ No _____

Selling Crops and Products That are High Risk

Article provided by the Pennsylvania Small Business Development Center.

For the last ten years, the US Food and Drug Administration (FDA) has been working with the Center for Disease Control (CDC) to identify foods that are "high-risk." These foods may need special preparation or to be more carefully monitored to reduce the chance that people will become sick as a result of consuming them. As you start to add value, or you change your marketing strategies for an established product, it's important to determine whether your product falls into the high-risk category, and to plan accordingly.

The ability to get a permit or registration for making and selling products here in Pennsylvania is not always an indication that what you're offering is not high-risk because Pennsylvania food law may allow you to make and sell items within the Commonwealth that you can't necessarily sell on the internet or take to a farmer's, or street, market in a neighboring state.

This is because the FDA's judgment for high-risk items, ones that are not Generally Recognized As Safe (GRAS), depends on the food's potential to cause foodborne illnesses, usually due to their having a pH of over 4.5, or being high in protein, starch or moisture, and the number of times that such products have been recalled on a national scope. On the state level, allowable foods are designated by the legislature, and then policed by the state bureau of food safety. Oversight usually includes a demonstration of food safety compliance through production records and annual inspections.

When we say high-risk foods, what items might fit this category? As a general rule, these are products that have less processing and have demonstrated greater incidence of food poisoning, including raw meat or poultry, unpasteurized (or raw) milk, soft cheeses made from raw milk, unpasteurized bottled juice, raw sprouts and unwashed fresh vegetables, including leafy greens.

The list above is not all-inclusive, but it touches on some of the major types of food that require additional farm food safety planning because of elevated risk. Let's look at each briefly.

Raw Meat

Suppose you raise and sell meat animals. Pennsylvania does not have a state meat inspection system, so one option is to have the meat processed in a USDA-inspected plant, which will deliver packaged individual cuts, each labelled with their inspection number, which you could warehouse on your farm and sell direct to consumers. For this type of enterprise, you would need to apply for a Commercial Food Establishment registration, and your freezer would be inspected, as a warehouse and distributor of the meat. The risk associated with this business is shared by the USDA-registered processor and your own operation, but the safeguards associated with the Food Safety Inspection Service (FSIS) applied to the processor are an example of some of that special preparation and monitoring that the high-risk designation requires.

Another way to run your livestock production and sales would be to use a Custom Exempt processor. This type of meat plant will not have a USDA inspection number, although they are subject to periodic, risk-based inspection by USDA FSIS. The custom processor will process only animals provided by the owner or owners (if the resulting meat is divided among two more households) for a fee, and all meat will be returned to each owner for their household use, in packages labeled "not for sale." In that case, you as the farmer will sell the animal to one or more customers, and receive money related to the purchase. You may also deliver that animal to your custom processor, and the processor will charge the owner or owners a service fee for slaughter and butcher service. Using a custom processor will lessen the risk for you as the farmer since the food safety component is associated with the processor. You are protected because your responsibility is severed at the sale. However, if someone becomes ill, you will probably be named in any litigation that may arise, so there is still some risk related to this type of enterprise.

Selling Crops and Products That are High Risk (cont.)

Raw Milk

When dairy farm operators look for a way to keep more of the food dollar on the farm, they may consider selling milk and value-added products from milk directly to the consumer, in an on-farm store or a stand at a farmer's market. In Pennsylvania, all dairy farmers selling milk from their farm, whether pasteurized or raw, must obtain an Application for Permit to Sell Milk and/or Milk Products , from the Pennsylvania Department of Agriculture (PDA) Milk Sanitation Program. Penn State Extension has a very informative web page that describes the process, listing the various types of products that are covered , and PDA has many resources on its Dairy & Dairy Product Manufacturing web page.

The most important decision related to this type of enterprise is whether to pasteurize the milk as a component of adding value or to sell raw (unpasteurized) milk. In Pennsylvania, it is possible to sell either pasteurized or unpasteurized milk. Currently, it is possible to obtain a permit to sell raw fluid milk and to process cheese from raw milk for sale within the state. At the time that this publication is being written, the state House of Representatives is considering whether to add raw butter to the list of allowable products.

If the product has potential to be sold on the internet or across state lines, there are substantial challenges. According to the CDC , raw milk is considered a high-risk food due to the potential presence of dangerous pathogens, exposing the drinker to E. Coli, Salmonella, Listeria, or Campylobacter. These bacteria can cause serious foodborne illnesses, especially in specific groups of people – children, pregnant women, older adults, and people with weakened immune systems. The FDA does not consider unpasteurized milk or resulting value-added products to be GRAS, and in 1987, they issued a regulation prohibiting the interstate sale of raw milk. Customers are allowed to come into Pennsylvania to purchase raw milk products and take them across state lines, but your business can't transport those products.

Because of these challenges, if you want to sell interstate, you might purchase a small-scale commercial pasteurization unit to process milk before bottling and selling it to your customers. You might also limit your interstate sales to raw milk cheese, aged over 60 days, that you make in your on-farm creamery, as this is the one exception to the FDA interstate ban, while planning to sell any other products intrastate only. Keep in mind that, whether selling raw or processed milk, you'll need a permit from PDA, after which you'll be required to follow all testing schedules and sell your product in the appropriate marketplace.

Beyond the processing and marketing decisions, if you take the raw milk route, you may find it very difficult to get product liability insurance to cover your enterprise. Many underwriters will not be willing to assume risk related to a product that, per the CDC and FDA, is inherently risky to produce and sell. For that reason, you will want to contact your insurance company to determine if they will provide liability insurance for your protection before launching your jugging operation or creamery.

Raw Juice

When fruits and vegetables are fresh-squeezed or used raw, bacteria from the produce can end up in your juice or cider. Unless the produce or the juice has been pasteurized or otherwise treated, including high hydrostatic pressure (HHP) or ultra-high pressure (UHP), ultraviolet (UV), and pulsed electric field (PEF), to destroy any harmful bacteria, the juice could be contaminated.

The FDA has received in the past, reports of outbreaks of foodborne illness, often called food poisoning, that have been traced to drinking untreated fruit and vegetable juice and cider. This is the main reason that raw juice is considered a risky food. Most consumers' immune systems fight off the effects of foodborne illness, but children, older adults, pregnant women, and people with weakened immune systems, such as transplant patients and individuals with HIV/AIDS, cancer, or diabetes, risk serious illnesses or even death from drinking untreated juices.

Selling Crops and Products That are High Risk (cont.)

Raw Juice

An effective way to denote potential risks related to raw juice products is by using warning labels on the bottles. Although most of the packaged juice sold in the United States is pasteurized (heat-treated) or subjected to non-heat processes (listed above) to kill harmful bacteria, some grocery stores, health food stores, cider mills, farmers' markets, and juice bars sell packaged juice that was made on site that has not been pasteurized or otherwise treated to ensure its safety. These untreated products need to be kept under refrigeration and are required to carry the following warning on the label:

> WARNING: This product has not been pasteurized and therefore may contain harmful bacteria that can cause serious illness in children, the elderly, and persons with weakened immune systems.

The only exception to the labeling requirement is when juice is sold for immediate consumption. The FDA does not require warning labels for juice or cider that is sold by the glass; for example, at apple orchards, farmers markets, roadside stands, juice bars, and some restaurants.

In comparison to untreated juice and glasses of juice, if you want to make and sell juice or cider in bulk (wholesale lots) it can't legally be raw juice. The Pennsylvania Rev. 12/2017 Guidance for Apple Cider/Juice Producers in PA , states that juice products sold wholesale as juice or for use in an ingredient in other beverages must be processed according to the juice Hazard Analysis Critical Control Points (HACCP) regulation found in 21 Code of Federal Regulation, Part 120. This means that juice of this type must be pasteurized or otherwise treated and processed under a HACCP system including a Sanitation Standard Operating Procedures (SSOP) program addressing sanitation conditions and practices before, during, and after processing.

Raw Sprouts

Sprouts are seeds that have germinated to become very young plants, cultivated by exposing seeds that have been soaked in water to the right combination of temperature and moisture for two to seven days. There are a number of health benefits associated with eating sprouts, including easier digestion, improved blood sugar levels and a lower risk of heart disease, but this product has been frequently linked to cases of food poisoning.

The types of sprouted food include bean and pea sprouts, sprouted grains, vegetable or leafy sprouts, and nut and seed sprouts. Since sprouts are typically consumed raw or only lightly cooked, they have no "kill step" to decrease harmful bacteria that might be present.

Sprouts are considered an especially risky food because they must be grown in warm, humid conditions where specific bacteria (E. coli and Salmonella) thrive. Since 1996, the FDA identified at least 52 outbreaks associated with sprouts, resulting in 2,700 cases, 179 hospitalizations, and three deaths. The majority of outbreaks were attributed to alfalfa sprouts (n = 30), followed by clover (n = 7), mung bean (n = 6), and sprouted chia powder (n = 1). Salmonella was the most common pathogen identified (n = 34), followed by E. coli (n = 12) and Listeria (n = 2).

As with the previous foods discussed in this sheet, children, pregnant women, the elderly, and people with generally weaker immune systems may have more significant responses to poisoning from sprouts. Cooking sprouts well is one solution for the consumer, but as a grower of sprouts, you will need to do more than just advise at-risk customers to cook the product.

In 2022, the FDA published "Guidance for Industry: Reducing Microbial Food Safety Hazards in the Production of Seed for Sprouting" . Like most FDA guidance, the information contained in this document is not enforced by law but does provide steps that can be taken to ensure that production, processing, and packaging are done in a manner consistent with food safety practices, and strongly advises having Good Agricultural Practices (GAPs) certification.

Selling Crops and Products That are High Risk (cont.)

Raw Sprouts

A good place to begin your GAPs process is to access Penn State Extension's "Tools for Writing a Farm Food Safety Plan" . This web page links to resources to build a useful tool to comply with the Food Safety Modernization Act (FSMA) Produce Safety rule, and to prepare for a third-party GAP Audit, which may be required if you sell your sprouts by contract. You can also visit the Pennsylvania Farm Bureau website to view some videos that portray how small farmers can comply with the Food Safety Modernization Act .

Unwashed Vegetables and Fruit

Some vegetables and fruit have bacteria that are systemic rather than just on the surface, and on occasion, contact with water post-harvest will cause additional challenges:

> In 2011, Jensen Farms was found culpable of selling melons that were likely contaminated with Listeria caused by dirty water on the floor of the farm's packing house or on "old, hard-to-clean equipment." Ultimately, the bacteria penetrated and contaminated the fruit of the melons, and 33 consumers died.
>
> In 2021, organic baby spinach from a small number of farms was responsible for an outbreak strain of E. coli O157 H7 across seven states including IA, IN, MI, MN, MO, OH, and SD. At least 10 people were reported infected with the outbreak strain, and product recalls were instituted.
>
> In 2024, an outbreak of Salmonella infections traced to cucumbers from two farms in Florida was reported. Upon testing, Salmonella Braenderup was detected in canal water samples from both farms, and as of August 22, the FDA reported that 551 people had been sickened in the outbreak.

When the FDA composed a Food Traceability List (FTL) in 2023, they included cucumbers, herbs, leafy greens, melons, peppers, tomatoes, tropical tree fruits, and fresh-cut fruits and vegetables, other than leafy greens . These items must be documented from field to the consumer, to enable the traceback that benefited the 2021 and 2024 recalls and would have been of tremendous assistance in 2012 to separate the Jensen melons from others' produce. For farmers, the awareness of the potential for vegetables and fruit normally eaten raw, without a "kill step" to remove dangerous pathogens from the product, means that certain precautions must be taken – submitting your production to GAP/GHP or Produce rule standards – from the time that seeds are sown until the produce leaves your custody. Suggestions made above related to sprouts and a farm food safety plan also apply to these products on the FTL. Farmers who add value to produce raised (by cutting, peeling, washing, packaging) also need to verify the parts of the FSMA Preventive Controls for Human Foods rule that may apply to this process. In the case of small-scale farmers, who make less than $25,000 a year, there is a exclusion from the Produce rule requirements. For farms recording total food sales revenues of under $500,000, with more than 50% of the product sold to qualified end users, as well as produce that will be further processed by customers, there is the opportunity for qualified exemption. However, this does not necessarily reduce the risk factor. Exemptions and exclusions are in place because it is presumed that the food will stay in the local area and tracebacks for any food sickness outbreaks will be easier to track. It is still up to the producer to ensure safety wherever possible.

The foods discussed above are ones that are allowed to be produced and sold in the Commonwealth by Pennsylvania Food Law, and so they are legal. However, before you begin to produce or sell any food product, it is important to contact your insurance company to determine if they will provide product liability insurance for your protection.

Selling Crops and Products That are High Risk (cont.)

Unwashed Vegetables and Fruit

Beyond the farm products and crops themselves, these high-risk foods should not be used in recipes for any value-added items without appropriate protocols and product liability insurance, because of the possible inability to protect your business assets. When you include an uninsurable crop or product in a recipe, you make that product a risk to your business.

When you apply for product liability insurance, you should inform your provider of all crops or products sold to the public or used in the value-added process. When you add a new product to your line, you should revisit your list with your insurance provider. This will help eliminate any surprises should a crop or product you sell be responsible for a food-borne illness outbreak.

Keep in mind that there have been numerous incidents of crops or products being recalled because of bacterial contamination. If you are responsible for this type of event, you will benefit from Recall Insurance in addition to Product Liability. See the "Why is Product Liability Insurance Important to My Pennsylvania Farm" and "When Might My Food Business Need Recall Insurance?" tip sheets for additional information about these types of coverage.

Remember that all food sold to the public has a chance of incurring problems, even those items not high-risk. By adhering to strict safety protocols, growing or producing products that are not extremely high risk, and purchasing as much product liability and recall insurance as you can afford, you will help minimize your exposure. It is always recommended to keep your insurance provider informed of all enterprises and crops grown and sold so they can offer your business the best protection possible.

Resources

FDA Food Traceability List

In November 2022, the U.S. Food and Drug Administration (FDA) introduced a new component of FSMA, the Food Traceability Rule. This new rule requires safe food handling records that extend from field to table. The Food Traceability Rule states that by January 2026, persons subject to the rule who manufacture, process, pack, or hold foods on the FTL (and the majority of foods except for meat, poultry, eggs, and catfish are on that list), will need to maintain records of what was done and how it was done to proactively handle food hazards.

CDC - Raw Milk

Guidance for Apple Juice/Cider Producers in PA

"20 Years of Sprout-Related Outbreaks: FDA' Investigative Efforts" in Oxford Academic Open Forum Infectious Diseases

Biosecurity On Your Farm

Protecting Animal Health and Your Operation

Written by:
Michelle Kirk, Executive Secretary for the Center for Beef Excellence

Biosecurity is the implementation of procedures and practices on your farm operation that help prevent the introduction and spread of disease within your farm and to neighboring operations. Good biosecurity will help prevent the spread of disease within a farm facility and between different locations. It is essential for maintaining herd or flock health, protecting your business, and ensuring the safety of surrounding farms. Strict biosecurity measures also ensure continuity of business in the event of an outbreak.

The need for biosecurity is brought to the forefront when a large outbreak occurs such as High-Path Avian Influenza, but stringent biosecurity measures adhered to on a daily basis on your operation will help to prevent other more common diseases such as pink eye, ring worm, scours, pneumonia and more. Consistent biosecurity measures can save time and reduce veterinary costs.

Getting started in Pennsylvania:

The first step is creating and implementing a daily biosecurity plan. This routine reduces the risk of disease and can help avoid costly treatment and production losses. Additionally, many industries offer a more detailed "Secure Food Supply" plan. Having one in place can speed up the permitting process for transporting animals or milk during a quarantine situation.

To develop a biosecurity plan, all operations must first have a Premise ID number which can be obtained from the PA Department of Agriculture. Scan this QR code to apply today!

Questions on biosecurity planning in Pennsylvania?

Visit the Pennsylvania Department of Agriculture website for more information.

Biosecurity measures to implement now:

- Keep separate footwear for the barn and off-farm errands. Avoid wearing barn boots to feed store or other public areas where other farmers may be wearing their barn boots bringing along bacteria they have on their operation and spreading it to others.

- Ask visitors, salespeople and service providers to disinfect their shoes or wear boot covers before entering your buildings or barns. Boot washes can be effective if used properly and cleaned as directed, however, many do not take the time to stand in them for the several minutes that the label recommends for proper disinfecting. At minimum provide a can of Lysol spray for them to use on their shoes.

- Post "Biosecurity Area" signs at farm entrances and barns. Most of the species-specific organizations offer signs to producers.

- Quarantine all new animals for a minimum of 21 days before introducing them to the herd or flock.

- Clean and disinfect trailers after hauling animals for other producers.

- Clean and disinfect areas used by sick animals before allowing healthy ones to access it.

- Use separate equipment buckets for manure and feed. Or at minimum thoroughly was and disinfect buckets after cleaning up manure and prior to using for feed.

- In the event that you have a sick animal, contact your veterinarian. They will know the proper steps for testing and disease reporting, if necessary.

Everyday Biosecurity on Farms: Simple protocols to protect your animals and property from disease spread.

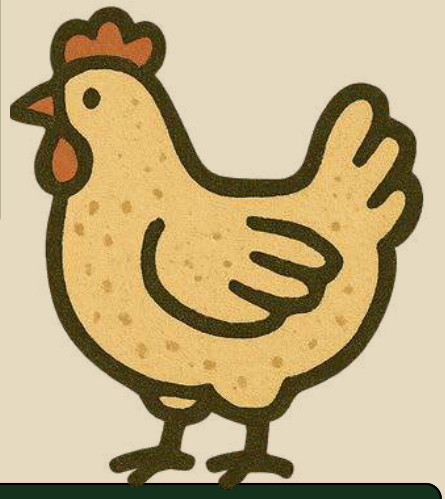
Species Specific Biosecurity Resources

Beef

PA Beef Quality Assurance

Center for Beef Excellence

Secure Beef Supply



Dairy

Center for Dairy Excellence

Secure Milk Supply

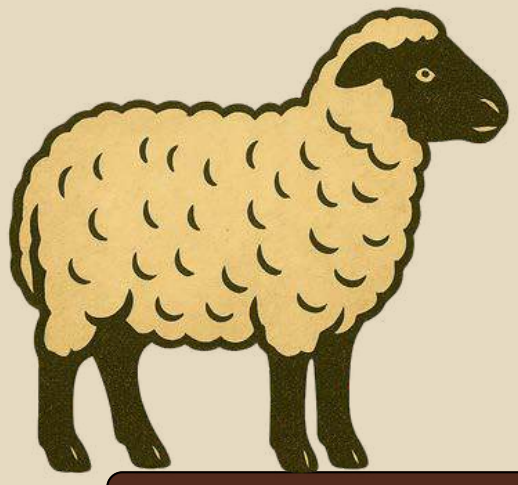
Range of Species

Center for Poultry and Livestock Excellence

Poultry

PA Department of Agriculture: Disease Control Programs

Secure Poultry Supply: Moving Poultry and Poultry Products



Swine

Secure Pork Supply

Sheep

Secure Sheep & Wool Supply

Chapter 5 Review

- ☐ I understand the basic types of farm insurance (liability, property, vehicle, workers' comp).
- ☐ I have reviewed options for crop insurance and have determined if it applies to my farm.
- ☐ I have considered whether my farm activities (such as agritourism, direct sales, or on-farm events) may require additional insurance coverage.
- ☐ I have written down an emergency or contingency plan for my farm business.
- ☐ I keep records and documentation that would support insurance claims, regulatory compliance, or disaster recovery if needed.
- ☐ I have considered biosecurity measures to protect my livestock, crops, and soil health.
- ☐ I have identified the biggest risks unique to my farm operation.
- ☐ I know the licensing, testing, and food safety requirements that apply to my farm products or food business.
- ☐ I know where to go for professional guidance and support (insurance providers, Extension, lenders, regulatory agencies, or other advisors).
- ☐ I understand which organizations or programs I could contact if a risk event occurs on my farm.

What are the three biggest risks facing your farm right now? ***Consider production risks (weather, pests, disease), financial risks, legal risks, and market risks.***

Which types of insurance coverage seem most important for your farm enterprise, and why?

Are there policies you already have or plan to explore further?

How could a crop failure, livestock illness, or major equipment breakdown affect your farm business?

What steps could you take now to reduce the impact of these events?

What food safety practices or licenses are required for the products you plan to sell? List any training, inspections, or certifications you may need to complete for each enterprise.

What biosecurity practices could you implement on your farm to protect crops, livestock, or soil health? ***Think about visitor policies, sanitation, sourcing animals or plants, and monitoring for disease or pests.***

Who are the professionals or organizations you could contact for help with risk management decisions?

Chapter Six: Blooming

Blooming is about how your farm shows up in the marketplace and in your community, how you communicate your values, and how customers, partners, and supporters come to understand what makes your operation unique. Your products matter, but so does how you present them and the decisions you make about where to invest your time, energy, and resources.

Articles provided by the Small Business Development Center (SBDC) covering Social Media 101 for agricultural businesses, social media best practices, and web analytics will help you understand what is working and where adjustments may be needed. The workbook also includes examples of certifications and promotional programs as well as links to Pennsylvania commodity and marketing boards. In addition, two examples of professional and sales-focused organizations are included to highlight the role of networking and collaboration.

Not every tool, certification, or organization will be the right fit for every farm. The goal of this chapter is not to suggest that you do everything, but to encourage you to thoughtfully evaluate which options align with your specific business model, target markets, and capacity. Marketing decisions should be made with profitability and long-term sustainability in mind, supporting both your immediate goals and the future of your operation.

Finally, this chapter is not a comprehensive list of all available resources. There are many additional opportunities at the local, statewide, and national levels. Building connections and engaging with professional networks can help you discover resources, partnerships, and ideas that support continued growth.

Social Media 101 for Agricultural Businesses

Kara M. Riccioni, MBA, MS, PAS
Director of Agricultural Business Development
Pennsylvania Small Business Development Centers

Consumer Buying Behavior in the 2020s

Survey of 1,288 consumers showed 66% research products online before shopping on site.

- **Approx. 50% frequently (if not always) do this**
- **Shoppers 25-34 years are more likely to do this**

Shoppers focus on 2 channels for product research

- **Online reviews (55% of consumers)**
- **Company websites (47% of consumers)**

according to KPMG's 2017 study "The Truth About Online Consumers"

Consumers most trusted sources of information

- **1st: family & friends**
- **2nd: branded websites**
- **3rd: consumer opinions posted online**

according to Nielsen's Global Trust in Advertising Survey

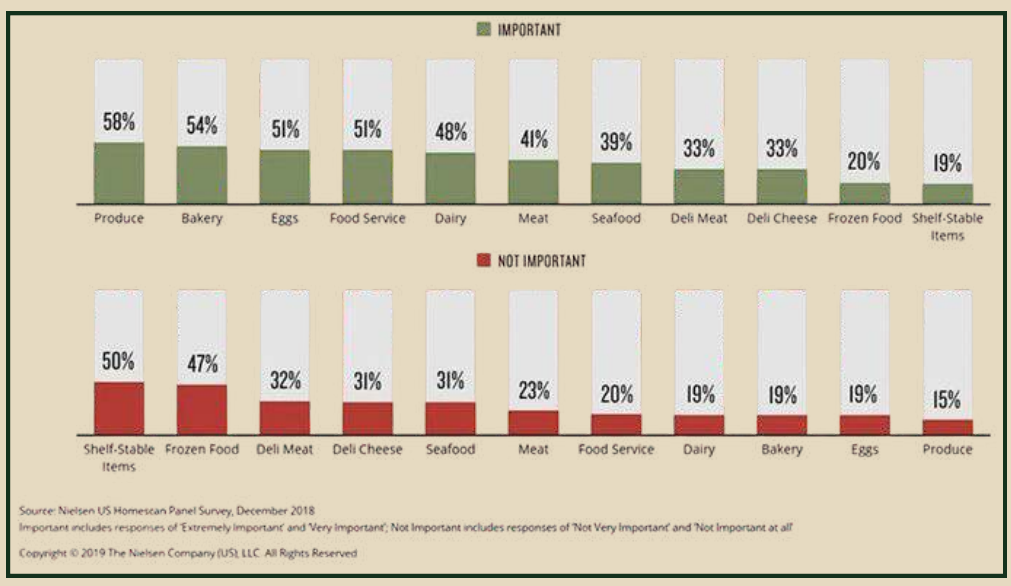
Food Products

Farmers markets & community supported agriculture (CSA) have become more popular

- **Consumers look to cut out the retail middle-man**

Grocery stores have incorporated local sections within produce departments

- **Prominent signage touting goods that haven't traveled as far**



Consumers consider produce, bakery and eggs to be very important to buy local

Social Media & Buying Behavior

55% of consumers learn about new brands on social media

- **Power of radio/TV ads is declining with the increase of streaming services**
- **Social media ads & brand content live in or next to a social stream**

68% of consumers agree that social media enables them to interact with brands & companies

- **Traditional marketing is 1-way to the consumer**
- **Social media allows 2-way communication**
- **2 in 5 consumers report they engage with a brand or company by "liking" posts or following on socials**

Gen Z	78%
Milenials	61%
Gen X	56%
Baby Boomers	35%

***based on a 2021 survey of 1,000+ US consumers & 250 business executives**

Social Media 101 for Agricultural Businesses

Social Media & Buying Behavior

Based on a 2021 survey of over 1,000 US consumers & 250 Business executives

Use of social media increased compared to a year ago for...

(% Significantly/slightly increased)

- 43% Discovering new products, services, brands
- 42% Learning about products, services, brands
- 36% Purchasing products, services, brands

Use of social media expected to increase in the next 3 years for...

(% Significantly/slightly increased)

- 40% Discovering new products, services, brands
- 38% Learning about products, services, brands
- 36% Purchasing products, services, brands

Information sources and the purchase journey:

% of the U.S. internet users who say they typically hear about new products and services, found information or searched for things online via the following:

Discovered new products: *How do you typically hear about new products or services?*

- 24% Search engines
- 22% Ads on social media
- 12% Ecommerce websites*
- 12% Consumer review sites
- 9% Ads that play before online video starts

Searched for information: *Which way(s) have you found information or searched for things online in the last month?*

- 76% Search engines
- 29% Social media
- 26% Ecommerce websites*
- 12% Review sites
- 27% Video sites

**information based on 21,209 US Internet users aged 16+*

Social Media 101 for Agricultural Businesses

The basics of social media:

Definition of social media (*noun, plural in form but singular or plural in construction*): Forms of electronic communication (such as websites for social networking and microblogging) through which users create online communities to shar information, ideas, personal messages, and other content (such as videos)

What site is best for your business?

Know your audience

- Most important factor when choosing platform
- Internet users have an average of 8 social medias
- Younger generation leans towards TikTok... but Facebook has more users than any other network

Know your business

- Brand personality, products/services & business type all influence channel

Understand the different platforms

- Twitter is great for conversations & trending topics
- LinkedIn is good for professional expertise & company information
- Snapchat was the first to have disappearing posts
- Instagram is great for sharing photos

Research the industry

- What are competitors doing?
- What platforms are getting the best engagement?

Align goals

- Match overall marketing goal with the main goal of the social network

Understand your resources

- Requires time commitment
- Approx. 1 hour per day per channel

Username/Handles

- Use or incorporate your business's real name & Make sure it is clear
- Keep the same username for duration of business Promote the username on print & at in-person events Be consistent across platforms & link all accounts when possible
- Use your logo as a main photo for brand easy recognition Develop & share a #hashtag for users to share on social media
  - *-Can do this for a specific event or contest or business*
  - *-Creates a thread (or page) of all comments, pictures, & reshares with the same tag*
- Utilize 'about' section to clearly indicate services/products offered, especially if it isn't evident in your business name or handle

Social Media: Best Practices

Kara M. Riccioni, MBA, MS, PAS
Director of Agricultural Business Development
Pennsylvania Small Business Development Centers

Page Content – What to Post?

Educate your audience

- Provide valuable information &/or practical advice
- People will look to you as an authority & in time become loyal customers

Choose stories more often than promotion

- Take the educational approach *Do more teaching than selling*
- Storytelling *Doubles as an educational tool by bringing to life relatable characters & situations*
- Much of the customer's decision making is feeling-based *Stories can push emotional triggers*

Produce diversified content types

- Producing the same content type can bore audience *Target audience (or subsets of it) may not respond to one type of content as they do to another*
- Break up the monotony by creating & sharing various types of social media content *Learn what your audience wants & be able to keep them engaged long-term*

Try micro-influencer marketing

- Partner with respected & well-connected members or other businesses to promote products *Creates a credibility & increases marketing reach*
- Audiences of micro-influencers are more engaged & it is more likely they will engage with you

Capitalize on customer loyalty

- Loyal customers are one step away from being brand advocates: *Loyal customers will create effective content for social media marketing*
- They boost awareness of the business *Help you build trust with potential customers*

Social media is an excellent tool when in the hands of motivated brand advocates

- Ask for reviews on social networks
- Encourage people to share user-generated content based on their positive experience - then use in social media campaigns
- Interview satisfied customers & sharing their stories on social media
- Hold contests, doing giveaways, & offering incentives: motivate people to spread the word about the business on social media

Social Media: Best Practices

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Director of Agricultural Business Development
Pennsylvania Small Business Development Centers

Page Content – What to Post?

Embrace video & live-streaming

Many studies have proven the effectiveness & appeal of videos

- It's clearly been rising in popularity (TIKTOK!!)
- 68% of people claimed their viewing habits were affected by the pandemic *96% of those said they watch more videos now*

Leverage privacy & exclusivity

Concerns about data privacy greater now than ever *Social media climate is shifting more toward private interaction*

- Create more intimate settings to engage with your audience
  - -'Close Friends' list for your top Instagram followers
  - -Private Facebook groups

Be more human

- People have always hated marketing that's impersonal & insincere
- Human, empathetic marketing is more important than ever

Post Timing

Analysis of 37 million social media posts from more than 30,000 organizations revealed:

Ranking of days with most post engagement:

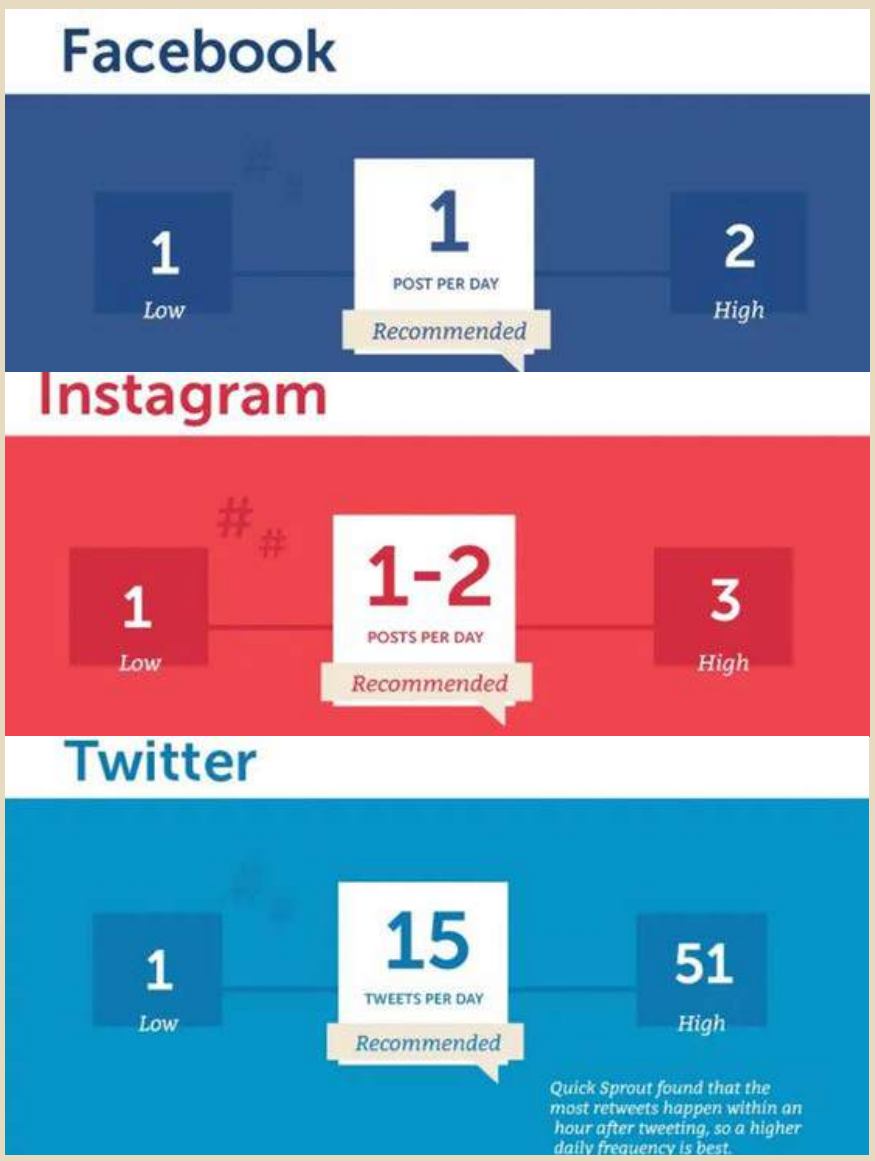
- Friday
- Wednesday
- Monday
- Sunday
- Thursday
- Tuesday
- Saturday

Best hourlong periods:

9:00 AM, 7:00 PM, & 10:00 AM

Worst hourlong periods:

2:00 AM, 3:00 AM, & 1:00 AM



Social Media: Best Practices

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Pennsylvania Small Business Development Centers

Boost Engagement!

Ask Questions

- Open-ended questions are one of the most effective ways to strike up a conversation
- Make the question is relevant to the interests of your target market

Add Visuals

- Facebook posts with images see more than 2X the engagement
- Tweets with relevant images increase engagement by 150%
- The image should be relevant to your post & context

-Use photos from your product catalogue, pictures from business, or find quality stock photos

Reward the Contributions of Your Followers

- Launch giveaways that revolve around user generated content
- Have followers submit photos or videos around success stories, how they use your products, brand experiences, etc.

-Can be a source for testimonials & content creation for future campaigns

Important note: prize must be relevant & have enough value to spark engagement

Inject Value in Every Post

- Social media engagement: comment, like, share, retweet, re-blog, etc. Make content that is valuable enough that followers are willing (& compelled) to take the time to do those things
- Value can be: Teaching something, Inspiring action, Providing laughter or entertainment

It's Not Just About You

Find trending topics in the industry to discuss

- Share relevant memes, news & articles
- Sustainable, local, all-natural, organic, are all hot topics right now!

Feature followers & customers

- Own a beef operation? Share your local produce stand to send customers their way for a delicious summertime meal!

Ask followers about any aspect of your product, service or brand

- Customers notice when you pay attention & make changes based on feedback
- Add a product line, change pick up times (or location!), change packaging: If you implement any changes based on feedback: make sure you share it
- Customers who feel valued spend more, engage more & refer others

80/20 rule: aim for 80% value-driven content &
20% promotional content

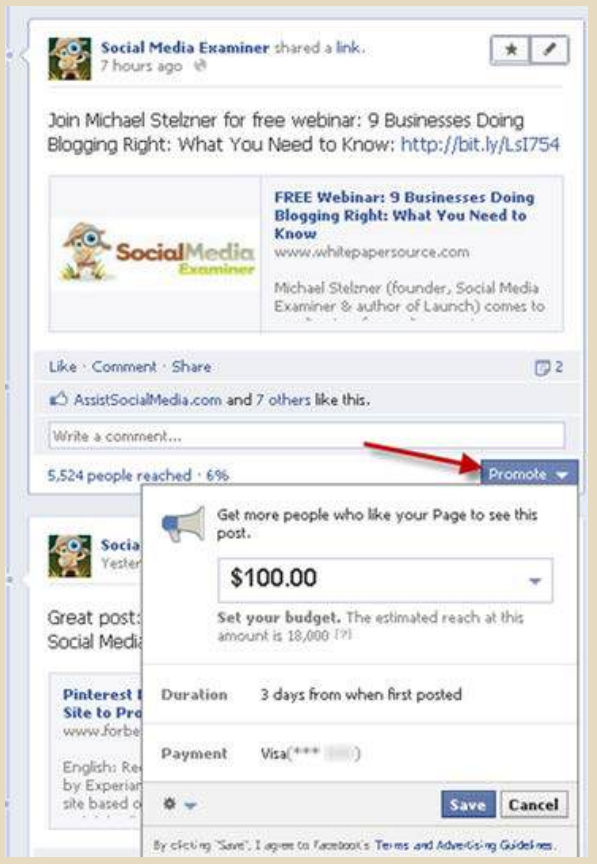
Social Media: Best Practices

Kara M. Riccioni, MBA, MS, PAS
Director of Agricultural Business Development
Pennsylvania Small Business Development Centers

Promote your posts:

Facebook & Instagram allow business accounts to put a financial push behind posts to boost reach & social media engagement

- This is a great way to make sure posts are getting into the feed of the customers who matter most to your brand



<u>Don't boost everything</u> – Limit boosts to post that are already starting to gain traction with organic social media engagement

- Boost important posts that include critical updates for followers: new product launches or events

<u>Targeting matters –</u> Boosting posts is a bit like paid social advertising where you need to choose your audience

<u>No big budget required</u> – $5-$25 can be enough to gain significant reach (especially if you're targeting a specific geographic area)

Key Take Aways

Social media is important

- Consumers are gravitating towards online company reviews & product research
- An online presence can help drive in-person or eCommerce sales by reaching a broader audience than traditional marketing
- Social media enables 2-way communication for easy feedback

Content of posts should be valuable & engaging to target market

- Understanding your intended consumer likes, dislikes, & needs is invaluable in generating content
- Variety in post type & content increases user engagement
- Contests, giveaways, & surveys/polls are great tactics to increase interaction

Timing of posts impacts engagement

- Studies show social media performs best when posts occur regularly
- You can increase engagement following historical timing performance

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Web Analytics for Your Business

Written by Brian Kennerly, Pennsylvania SBDC Lead Office Marketing Team

Web analytics are the "collection, reporting, and analysis of website data". The intent of web analytics are to create and identify measures and goals for your website, and then employ data from the website in order to achieve said goals. Essentially, web analytics are a two-fold process. Web analytics allow people to create goals for their webpage, and then to analyze data webpage in order to compare the results to their metrics. Web analytics are therefore useful to business owners in numerous ways. Primarily, these metrics allow business owners to set goals and standards. Goals and standards are essential to any business, large or small. Furthermore, web analytics allows businesses the opportunity to increase how they are doing in "key metrics". We will touch more on what these key metrics are, and how businesses go about forming and maximizing them.

How do I increase interaction on my webpage? How do I get more people to actually buy once they are viewing my content?

Basics of Web Analytics

Web analytics are a topic that people have written whole books about. However, for the sake of brevity, web analytics can be broken down into three main steps:

Creating Business Objectives and Goals

Identifying what goals and objectives your business has on their webpage is critical to the success of utilizing web analytics and data. Goals and objectives act as a metric that will be the basis of your web analysis. For example, how can anyone (in a general sense) know how to measure success or failure if they do not have a standard to compare it to? Therefore, pre-set goals and objectives will act as a standard.

These goals vary greatly from business to business, and can be anything from improving website viewership to increasing how often people who interact with the webpage actually purchase items. Regardless of the goal itself, these objectives should ask hard questions of your business and webpage. These questions can be as vague as "what is the purpose of this business", or as specific as "how and why do we want to increase webpage viewership". It is essential that these questions are critical and are answered honestly in order to achieve the highest level of success for your webpage. In turn, these objectives and goals will stand as your metrics for success or failure.

A great tip when creating goals and objectives for your business' webpage is to make sure that they are DUMB. Now, this does not mean that these goals are overly simplistic. Instead, it means that your goals should be comprised of four factors. These goals should be Doable, Understandable, Manageable, and Beneficial. This acronym breaks down your webpage and business goals into easy steps, and while somewhat over-simplified, can be extremely helpful.

Create Calls-To-Action

Calls-to-Action on websites are something that many people are probably familiar with, but do not realize. Calls-to-Action are prompts on a website that tell users to take a specific action. A well-known example would be a "Read More Here!" prompt at the bottom of a webpage article. These prompts should align with the goals of your webpage. Therefore, if one of your goals are to boost how long viewers stay on your webpage, then a good prompt would be something along the lines of "Read More Now". However, if different goals require differing prompts. For example, if your business goals include boosting the amount of viewers that make a purchase than your call-to-action may be more along the lines of "Buy Now!". Regardless of the prompt, it is essential that they align with your objectives in order to propel your webpage forward.

Identifying Key Performance Indicators (KPIs)

KPIs are a metric that help webpage owners to understand how they are doing against their objectives. KPIs, similar to business goals, differ from business to business and webpage to webpage. However, a similarity remains; one cannot gauge their success without a metric to gauge it against. These metrics can be something simple as webpage viewership. However, unlike the webpage goals/objectives, KPIs are more specific. Instead of wanting to boost viewership, which is a goal, a KPI would indicate that the webpage owner wants to increase the amount of clicks on their page from 1000 per month to 3000. In this example, "clicks per moth" are the KPI whereas increasing clicks per month is the goal/objective.

Useful Web Analytic Tools

Webpage analytics can seem like a very formidable challenge. However, the growing use of analytic tools and outsource make it easier than ever before!

Google Analytics

Google Analytics is one of the top rated webpage analytics tools on the market today. There are many perks of using Google Analytics for your small business webpage. For example, Google Analytics is both fully automated, but also customizable. This allows business owners to shape their analytics to fit their goals and KPIs, while also not having to constantly monitor the analytics. Another useful aspect of Google Analytics stems from how easy it integrates with other platforms. Google Analytics is downable and appears on your computer dashboard similarly to many other add-ons.

Not only is this platform very helpful, but it is also free! The utility of Google Analytics, in combination with no cost, makes it an essential tool for small business owners attempting to crack into web analytics. Also, there are also paid version of Google Analytics to fit the needs of anyone who feels the free version is not enough coverage. The ability to get free or paid coverage by Google Analytics is a very unique trait for small businesses, or those who intend to upscale.

Yahoo Analytics

Yahoo Analytics offers many of the same perks as it's counterpart, Google. However, Yahoo Analytics carries a much smaller "market share" than Google Analytics. This can be seen easily when examining that Google Analytics operates for over 13 million websites, whereas Yahoo Analytics only covers about 8,000. Despite the fact that Yahoo Analytics is not as large as it's counterpart, it still offers many similar features. While Google Analytics may be the better option (and in some cases the best), it is still worth the time to examine some of the pros and cons of Yahoo.

Useful Analytics to Track

Email Marketing

Email marketing is an excellent tool for grabbing the attention of new potential customers. In theory, quality email marketing tactics will allow for more viewership to be directed to your page. Increased viewership is good for numerous reasons. Primarily, increased viewership will allow you to have more data. This data will show you not only how many viewers you have, but how long they stay, what pages they exit on, and how many are converted to purchasers. Furthermore, many business owner's goals are simple to boost viewership–this means that email marketing would at least check off one goal or objective in itself.

Leveraging Social Media Channels

Keeping your social media pages up to date with fresh, concise, and relevant content will help to optimize the platforms. In doing so, business owners will help to draw viewership to their webpage through referrals from social media pages. People love to see social media pages that have new content every week or few weeks, especially when this content is relevant and interesting! On the other hand, social media pages with old, out-of-date, or irrelevant content can be detrimental to the optimization of ones' webpage. Therefore, business owners should work equally hard on their social media pages as their webpages. This includes staying updated on newer social media platforms, such as TikTok.

Are you interested in learning more about marketing or reading additional works from Brian and others from the SBDC, please check out their website. You can find this article here...

https://www.pasbdc.org/web-analytics-for-your-business/

or scan the QR code!

PENNSYLVANIA SBDC
Small Business Development Centers
Agriculture Center of Excellence

Certifications

The certifications highlighted in this chapter are examples, not a comprehensive list of all options available. Many certification programs also offer additional sub-certifications or niche designations that may better align with specific enterprises, production practices, or markets. It is important to note that most certifications recommend or require at least one year of production and sales before applying, allowing farmers time to evaluate their systems, markets, and capacity. Using this initial period to assess which certifications add real value to your operation is a practical approach. Farmers are encouraged to explore additional certifications that support their specific goals and enterprises; several suggestions and resources can be found in the Tool Shed section of this workbook.

Certified Humane®

Certified Humane® is an independent, nonprofit certification that verifies livestock and poultry are raised and handled according to rigorous animal welfare standards, from birth through slaughter. The program focuses on humane care, responsible management practices, and third-party inspections conducted by animal scientists and veterinarians. For farmers, certification can help communicate animal care values to consumers who are seeking humanely raised products. Visit the Certified Humane® website to explore the standards, eligible species, and determine whether this certification aligns with your farm's practices and goals.

Scan the QR code to visit the Certified Humane® website or visit: https://certifiedhumane.org/

Certified Naturally Grown

The Certified Naturally Grown certification, or CGN, is a non profit organization not affiliated with the USDA National Organic program. This certification is tailored to small to medium farms who direct market in their community. This program certifies farmers through a peer-review certification process. This process, typically performed by other farmers, allows this certification to typically require less paperwork and lower annual dues. This application is open to farmers who have been in production and selling for at least one year. Certifications are available for Apiaries, Aquaponics, Livestock, Mushrooms, Produce, and Flowers.

Scan the QR code to visit the Naturally Grown website or visit: https://www.naturallygrown.org

Certifications

Certified Organic:

Certified organic production is more than a label, it is a long-term management decision that affects how a farm operates, documents its practices, and engages with regulators and customers. Organic certification verifies that a farm or handling operation complies with USDA organic regulations and allows products to be marketed and labeled as organic. These regulations are administered through the USDA National Organic Program (NOP) and apply to crops, livestock, processed products, and wild crops. For many farms, organic certification can open doors to new markets and price premiums, but it also brings increased recordkeeping, inspections, and ongoing compliance responsibilities.

For beginning farmers, it is important to understand that organic certification is an involved and continuous process rather than a one-time achievement. Land used for organic production must meet a three-year transition requirement without prohibited substances, and every certified operation must develop and maintain an Organic System Plan (OSP). This plan documents how the farm meets organic standards and becomes the foundation for annual inspections and ongoing certification. Certifying agents, accredited by the USDA, review applications, conduct inspections, and verify that organic practices are being followed over time.

Organic certification also carries financial and operational considerations that should be evaluated early in the business planning process. Certification costs vary by operation and certifier, and while cost-share programs may offset a portion of these expenses, certification still requires an investment of time, organization, and management capacity. The resources in this section are intended to help you better understand the organic regulatory framework, certification process, and decision points, so you can determine whether certified organic production aligns with your farm's goals, resources, and long-term business strategy.

This resource provides an overview of the organic certification process and the key components involved in becoming certified. It explains the required transition period for land, the role of the Organic System Plan (OSP), and the steps involving application review, on-site inspection, and final certification or resolution of noncompliance. The page also offers guidance on selecting an accredited certifying agent, including questions to ask about responsiveness, services, and fee structures, and a list of certifiers serving Pennsylvania.

Use this code to view the USDA fact sheet *"What is Organic Certification"*

Certifications

Pennsylvania Agriculture Conservation Stewardship

Pennsylvania Agriculture Conservation Stewardship (PACS) is a voluntary certification program that recognizes farms that go above and beyond basic environmental and conservation requirements. Administered by the Pennsylvania State Conservation Commission, PACS highlights farmers who demonstrate exceptional stewardship of soil, water, and natural resources through verified best management practices. Certified farms may benefit from enhanced marketing opportunities, reduced regulatory inspections, and preferential consideration for certain state grants and programs. Farms apply on a rolling basis and work with a qualified verifier to complete plan reviews, on-farm verification, and soil testing when applicable.

Scan the QR code to learn more about eligibility requirements and how PACS certification may support your farm's conservation and business goals.

PA Preferred®

The PA Preferred® Program is a voluntary trademark program that helps identify and promote agricultural products grown, produced, or processed in Pennsylvania. For beginning farmers, participating in PA Preferred® can support marketing efforts by signaling local origin and quality to customers. Eligible producers, processors, and marketers can apply to use the PA Preferred® or PA Preferred Organic® trademarks as part of their branding strategy. The program is administered by the Pennsylvania Department of Agriculture and is designed to strengthen connections between farmers, businesses, and consumers across the state.

Agricultural Commodity Marketing Boards

The Pennsylvania Agricultural Commodity Marketing Act (ACMA) supports commodity-specific programs that help promote, research, and strengthen Pennsylvania-grown products. These producer-led boards invest funds into marketing, education, and industry development that can benefit farmers participating in covered commodities. For beginning farmers, these programs can offer opportunities to connect with established industries, access promotion efforts, and better understand market trends within specific commodities.

Scan the code to visit the Agricultural Commodity Marketing Boards homepage.

The ACMA Boards include:

PA Potato Research Program

PA Peach & Nectarine Research Program

PA Vegetable Marketing and Research Program

PA Apple Program

PA Dairy Program

PA Malt and Brewed Beverage Industry Program

PA Wine Marketing and Research Program

Associations and Professional Organizations

Associations and professional organizations can play an important role in the growth and long-term success of a farm business. These memberships often provide access to education, advocacy, networking, technical resources, and peer support that can help farmers make informed decisions and stay connected within the agricultural community. The organizations listed in this workbook represent only a small sample of what is available; many additional associations exist at the local, state, regional, and national levels, each serving different business models and production goals.

When exploring association memberships, farmers should evaluate how each organization aligns with their specific operation and long-term objectives. Local chambers of commerce and regional business organizations can also be valuable resources, particularly for farms engaged in direct marketing or community-based sales. As with any business investment, it is important to weigh membership costs against the benefits offered and consider which connections, services, and opportunities will best support the sustainability and growth of your farm business.

Pennsylvania Vegetable Growers Association

The Pennsylvania Vegetable Growers Association (PVGA) supports vegetable, potato, and berry growers through education, research, advocacy, and promotion. PVGA provides timely industry updates, newsletters, grower meetings, and access to major events like the Mid-Atlantic Fruit and Vegetable Convention.

The association also invests directly in grower-focused research to improve profitability and address production challenges across the state. Through legislative advocacy and consumer-facing promotion, PVGA serves as a unified voice for Pennsylvania produce growers. This resource is valuable for farmers seeking technical knowledge, industry connections, and representation at the state and national levels. Visit https://www.pvga.org/ or scan the QR code for more information.

Associations and Professional Organizations

Pennsylvania Young Farmers' Association

Pennsylvania Young Farmers' Association (PYFA) is a member-driven organization dedicated to strengthening agriculture through education, leadership development, and networking. PYFA supports farmers and agribusiness professionals at all stages by offering instructional opportunities, leadership training, and peer connections that promote environmentally responsible production and sound business practices. The organization also works to improve communication and understanding between the agricultural community and the consumer public around shared concerns and challenges. Through education, collaboration, and outreach, PYFA helps individuals become established in agriculture and continuously improve their operations. Scan the QR code to learn more about membership, programs, and upcoming opportunities.

PennAg Industries Association

PennAg Industries Association is a full-service membership organization that informs, educates, and advocates for Pennsylvania agribusinesses of all sizes. PennAg represents and supports the food and agriculture supply chain by monitoring legislation and regulations, educating decision-makers, and giving agribusiness a strong, credible voice in Harrisburg. Members benefit from timely industry insight, advocacy, networking opportunities, and a suite of business resources designed to support long-term competitiveness and sustainability. Through councils, committees, and partnerships, PennAg works collaboratively to address complex industry challenges and advance practical solutions. Scan the QR code to learn more about membership, benefits, and ways to get involved. You can also learn more information regarding membership by emailing: pennag@pennag.com

Showing your Farm Products (PA Fairs)

Sharing your farm's products at fairs and shows is one of the most rewarding ways to connect with your local community. These events give you the opportunity to showcase the quality, uniqueness, and variety of your farm products from crops and livestock to specialty foods and value-added items. Participating in local and statewide events allows you to build relationships with other farmers, learn new ideas, and gain insights into customer preferences.

Engaging with fairs is also an excellent way to involve younger generations. Whether it's children helping with displays, youth competing in agricultural contests, or students learning about farm operations, these events inspire the next generation of farmers and encourage interest in agriculture. For your farm, fairs can serve as a low-pressure testing ground for new products, giving you a chance to see what resonates with your audience before expanding production or marketing.

Pennsylvania State Association of County Fairs

The Pennsylvania State Fairs website provides a comprehensive listing of county fairs across the state. Each fair is a local celebration of agriculture, community, and tradition, offering opportunities to show your crops, livestock, and farm-made products. Beyond competitions and exhibitions, fairs provide a space to meet other producers, network, and collaborate on ideas. By participating, you become an active member of your community while sharing the story of your farm with visitors who may become loyal customers.

https://www.pafairs.org

Pennsylvania Farm Show

The Pennsylvania Farm Show attracts visitors from across the state and beyond. This event gives farmers the chance to display their best products, introduce new innovations, and gain recognition for their hard work. From fresh produce and livestock to specialty foods and craft items, the Farm Show celebrates the diversity and excellence of Pennsylvania agriculture. Exhibiting at this event provides exposure to a wider audience, the chance to network with fellow producers and agribusiness professionals, and the opportunity to inspire the next generation through hands-on experiences and demonstrations. For any farmer, the Farm Show is more than an event—it's a chance to share your farm's story, highlight your values, and build lasting connections that support the growth of your business.

https://www.pa.gov/agencies/farmshow/pa-farm-show

Chapter 6 Review

- ☐ I understand the difference between social media platforms and which ones are most appropriate for my target customers.
- ☐ I am familiar with basic social media best practices, including consistency, engagement, and professionalism.
- ☐ I know what web analytics are and how they can help me evaluate the effectiveness of my marketing efforts.
- ☐ I can identify at least one certification, marketing organization, or professional association that may be relevant to my farm.

What is one short-term marketing goal (next 6–12 months) and one long-term goal for your farm business? How do these goals support profitability and long-term viability? _____

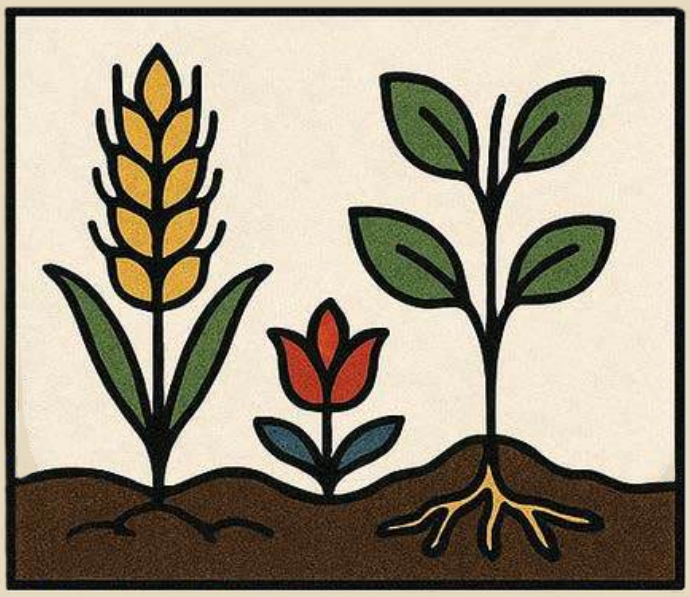
What are two social media best practices you plan to prioritize (*for example: posting consistency, storytelling, customer engagement, or professionalism*)? How will these practices support your farm's reputation and sales? _____

Are there any certifications or labels (*such as Organic, Certified Naturally Grown, PA Preferred, or others)* that you are interested in pursuing? How might they affect your marketing, pricing, or customer trust? _____

Identify one marketing organization or professional association that could support your farm. What resources, connections, or credibility could it provide?

Who could help you continue developing your marketing and branding skills? This might include mentors, incubator farms, Extension educators, SBDC advisors, or other farmers. How will you seek out and use their expertise?

What is one practical action you can take in the next month to strengthen your farm's branding or marketing efforts? _____



Chapter Seven: Harvest & Regrowth

The harvest is a time to gather the fruits of your labor, but it's also a moment to pause and reflect. Farming is a continuous cycle, and each season brings lessons that can shape the next. Just as fields need rest, renewal, and sometimes a new approach, your farm business also benefits from evaluation and thoughtful planning for the future.

In this chapter, we'll focus on how to step back and assess what's working well on your farm, where adjustments might be needed, and how to measure success beyond just yields or income. We'll look at strategies for scaling your business, whether that means expanding production, adding new enterprises, or deepening customer relationships. We'll also explore ways to set long-term goals that allow for both growth and sustainability, ensuring your farm continues to thrive year after year.

Harvesting is not the end of the journey, but part of a larger rhythm. By reflecting, regrowing, and planning for what's ahead, you'll keep your farm resilient, adaptable, and rooted in your vision for the future.

Diversification of Your Operation, Why

PennState Extension

Jeffrey Hyde, Ph.D. Associate Dean and Director of Penn State Extension
Lynn Kime Former Senior Extension Associate Pennsylvania State University

By diversifying, you are spreading the downside risk over more than one enterprise.

Most people have heard the phrase "don't put all of your eggs in one basket." There are several meanings behind this phrase. One meaning suggests that the basket will be too heavy to carry while another is that if you slip or fall, you may break more eggs if they are all in one basket. For agriculture and business, I prefer the second meaning. If you are only engaged in one enterprise (growing corn for example) and have a crop failure, it will be more devastating than if you grew more crops. By diversifying, you are spreading the downside risk over more than one enterprise.

In general, diversification refers simply to an increase in the number of enterprises operated on the farm. In practice, this may take several forms. You may grow more than one field crop to spread the work over a longer planting and harvesting season. You may spread the risk over more than one enterprise (such as livestock), or you may add value to a crop you currently produce. Another method of diversification is to utilize your resources to their optimum level. This may take the form of custom planting or harvesting, storing grain for others, or utilizing existing labor or management abilities to their best advantage.

If you are currently struggling to meet your cash flow demands, it may not be a good idea to try something new. Trying to learn new crops and production methods may stretch your management abilities and many new enterprises may not be profitable the first year. You will need to learn all of the new practices and methods while trying to be profitable. Start with a small plot (1 acre or less) the first year and grow the enterprise as you develop the new skills. You should also be developing your marketing plan while starting the small enterprise.

Because of crop rotation and replenishing soil nutrients, growing more than one field crop is highly recommended. Planting small grains before row crops may enable you to produce two crops on the same land within a twelve month period.

Adding a legume crop into the rotation will help raise nitrogen levels in the soil and increase the organic matter within the soil structure. This also spreads your time over several crops allowing for better use of management overhead. Adding livestock to an agronomic crop business may benefit both enterprises. The benefit to the agronomic crops would be to have manure to spread on the fields to reduce the amount of purchased fertilizers and increase organic matter. Your farm or ranch may have slopes too steep to plant in crops and the livestock could utilize this land. For the livestock enterprise, you may not need to purchase all of the grain to feed the animals. The livestock may also provide income for months in which no grain is sold, thus producing better cash flow for the business.

Many producers have the equipment necessary to accomplish all of the tasks for their enterprises. Smaller producers may be unable to purchase this necessary equipment because of cost. If you have excess machinery capacity, you may diversify your operation to include custom hire for others. This will make better use your equipment, labor, and management resources throughout the year. There are many times a farmer or rancher wishes they had larger or more equipment to complete their tasks in a timelier manner. Being poised to do custom planting, harvesting, or hauling may increase your income and profits for the year.

Diversification may also take the form of adding value to existing production. You may have the expertise within your farm or ranch operation to be able to make pies from fruit crops, cider from apples, or direct market fruit or vegetable production. Anything you do to increase the returns for production you have. Or you may venture into agritainment if you have a member of your team who enjoys working directly with the public.

Diversification of Your Operation, Why

PennState Extension

Market diversification is another positive practice. Some farm or ranch businesses such as dairies may not be able to take advantage of marketing to several cooperatives. However, forward contracting a portion of your production would be a form of market diversification. Grains may also be forward contracted to take advantage of higher prices throughout the year. Fruit and vegetables may be direct marketed (if you have the varieties demanded by consumers) or sold through local stores or farmers' markets.

The goals of diversification are to protect against downside risk and against cash flow problems and better utilize your land, labor, and capital. Diversification also spreads the risks associated with your farm or ranch business over a greater base. If you keep your income levels constantly increasing, you may be better poised to withstand a disaster without relying on a disaster program to supplement your income. Insuring your crops, livestock, or revenue, will also help accomplish this goal. Through insurance policies, you are paying someone else to assume a portion of your potential risks. However, not putting all of your eggs in one basket is also a good idea.

Additional Resources:

Explore Value-Added Agriculture

This in-depth Penn State Extension article highlights strategies to enhance your farm business through value-added products and services. Learn how to expand your offerings, increase profitability, and identify opportunities that fit your farm's goals. A great resource for planning and growing your farm enterprise.

https://extension.psu.edu/value-added-agriculture-enhancing-farm-opportunities

Value-Added Producer Grant

The Value-Added Producer Grant (VAPG) program helps farmers and ranchers increase revenue by creating new products, expanding marketing opportunities, and entering value-added activities. Grants support planning projects like feasibility studies or business plans, as well as working capital for processing, packaging, and marketing. Priority is given to beginning, veteran, and socially disadvantaged farmers, cooperatives, and small- to medium-sized family farms.

Agricultural Marketing Resource Center: Value Added Agriculture

https://www.agmrc.org/value-added-agriculture/

Exploring Food Enterprises on the Farm

Article provided by the Pennsylvania Small Business Development Center.

When you begin to think about making and selling processed food from your farm and you talk to people who already have a similar business, you may hear that it's an easy thing to do. Many of these businesses will have started their ongoing enterprises more than five years ago, and so your experience may differ from theirs in a significant way.

Start-up food enterprises launched before the end of 2018 were able to initiate without any concern related to provisions of the Food Safety Modernization Act (FSMA) – Preventive Controls for Human Food, Preventive Controls for Animal Food, and Produce Safety rules. These game-changing national rules altered the focus for start-up and existing food processors. Prior to FSMA, food safety was primarily reactive; when a customer got sick, the business was checked out and told how to change what they were doing or were closed down. FSMA focuses on being proactive – having all food processors implement Good Manufacturing Practices (GMPs) that address situations where something could go wrong. The old proving period where a processor showed that they could make safe food because no one got sick was eliminated, and inspectors began to look for activities and facilities that would promote safe food as a new business was starting.

As we emerged from the pandemic and FSMA continued to strengthen, the Pennsylvania Department of Agriculture (PDA) inspectors returned to the field. The overwhelming number of uninspected, and therefore unlicensed, enterprises resulted in a change to the entry process for new food businesses. PDA evolved from having regional offices with sanitarians and inspectors assigned to individuals or groups of counties. These individuals were readily available to provide guidance on how to set up and launch a venture. The system has since changed, and now applications are available online for the prospective food processor to:

- Select an application based on the type of food processed and how it will be sold Accomplish many pre-venture tasks to address all sections of the application
- Send the fully completed application, with accompanying documentation, to PDA's Bureau of Food Safety, Plan Review Division
- Refrain from making or selling any products until being contacted by PDA

Following the new process, the applicant either receives notice of deficiencies in the application, at which time a new application must be developed addressing the concerns or has an inspector/sanitarian contact them to set up an appointment for an inspection. When the business passes the inspection, the registration or license fee is paid, and the enterprise can launch, process and sell the product. Because there are several initial steps to take, and the PDA processing time is four to six weeks for an application review, the time that an applicant originally begins to fill out the form until the time their doors open may take three or more months. If the enterprise was launched without a license or registration, it is expected that all sales cease until approval is given for the operation.

Exploring Food Enterprises on the Farm

Getting Started on the Process

To make matters as seamless as possible, visit the PDA's Food Safety page and determine which application best fits your business model. Retrieve the application and read the entire form and the instructions that come with it. Although in most cases you will not be able to talk directly to an inspector before the pre-opening inspection, it is good to get advice about what will be needed. The phone number for the Plan Reviews Division is published on each application to get guidance.

Sometimes it is difficult to reach a PDA program specialist. As a second source of assistance, contact your regional Pennsylvania Small Business Development Center (PASBDC) – through the link provided at the end of this sheet under "Resources" and get connected with a business consultant at the center to receive help interpreting and completing various segments of the application. PASBDC business consultants can guide you through the full completion of your application, addressing product-specific requirements that the generic instructions won't address. Your SBDC consultant will be able to help you think through key issues related to starting your enterprise, including:

- Identifying the characteristics and general factors related to food safety for your prospective product.
- Assisting you in determining the market demand for the contemplated products and brainstorming additional value-added items that might fit your needs.
- Identifying which application fits your situation. How PDA personnel will interpret your situation is often not just a matter of what you want to make, but how you will be selling it (direct to consumer, wholesale, or ecommerce). Those variables will make a difference in how your business is categorized for your registration or license. Discussing how to establish information about your business's water source and making a referral to the appropriate PA Department of Environmental Protection regional or district office.
- Identifying any food safety systems you may need to implement your chosen value-added process, including what they will mean in the way of money and time to the overall enterprise.
- Providing suggestions for several potential sources of product liability insurance, as well as reviewing the purpose of crop insurance, Noninsured Crop Disaster Assistance Program (NAP), Whole Farm Revenue Protection, or the Micro Farm Program. The United States Department of Agriculture (USDA) has a wide range of small and mid-sized farm resources that will support adding value and direct marketing for your farm fresh products.

In this way, you will have a clear view of the path ahead so that you can begin to see what starting, or continuing, a food venture on your farm will mean for your schedule and your budget. You will be able to move ahead with confidence.

References

(1) Pennsylvania Department of Agriculture Food Safety Page www.agriculture.pa.gov/consumer_protection/FoodSafety/Pages/default.aspx
(2) Directory of Pennsylvania Small Business Development Centers www.pasbdc.org/locations
(3) Directory of Pennsylvania Department of Environmental Protection Offices https://www.dep.pa.gov/About/Regional/Pages/Office-Locations.aspx
(4) USDA Small and Mid-Sized Farm Resources www.usda.gov/topics/farming/resources-small-and-mid-sized-farmers

What Can I Process in My Pennsylvania Home Kitchen?

Article provided by the Pennsylvania Small Business Development Center.

Many products start in the home kitchen, as the processor perfects a recipe for production and distribution. However, not all food products can be made for commercial purposes in that home kitchen; and in many cases, the culinary equipment used by the family will not meet the standards to enter the local or regional food stream due to Pennsylvania food law and the national requirements found in the Code of Federal Regulations. Ramping up from a family-favorite recipe to a mainstream food product has the potential to be complicated, timeconsuming, and costly. For that reason, the first question to ask yourself about any new product is "Can I make this legally?"

The Pennsylvania Department of Agriculture (PDA), Bureau of Food Safety & Laboratory Services oversees the safety of foods processed and sold within the state. For that reason, they are the first stop in answering the question. The short answer is that you will sometimes be able to set up a food business from your home kitchen, as long as the food products and the kitchen where you plan to make your products meet the requirements of the PDA's Limited Food Establishments regulations.

The allowed foods include:

- Baked goods (cakes, pies, breads, and cookies)
- Dry goods
- Dressings and sauces
- Honey
- Beef/meat jerky
- Acidified foods
- Jam, jelly, or preserves
- Maple syrup/product
- Fruit butters and spreads
- Candy, including chocolate and fudge items
- Beverage/drinks (to be served directly to the customer)
- Vinegars
- Dried herbs and dehydrated foods
- Mixed nuts
- Spices and seasoning mixes
- Storage only/no handling (warehousing commercially packaged products)

Additional items can be approved by a PDA food safety inspector but may require commercial laboratory tests to ensure that the finished product is able to be stored and transported without any sort of refrigeration or consistent maintenance of heat.

As stated on the PDA website, "Generally, the types of production that can occur in 'limited food establishments' (whether an actual home-use kitchen or a kitchen designed in a residential fashion) are limited to foods that are not 'time and temperature controlled for safety' (TCS) foods (i.e., potentially hazardous foods, 'PHF')."

What Can I Process in My Pennsylvania Home Kitchen?

Article provided by the Pennsylvania Small Business Development Center.

Here's how TCS foods are defined:

- Generally, any product that is not shelf-stable at room temperature and requires refrigeration after preparation would be considered TCS food.
- This product refrigeration is needed to limit the growth of bacteria and remain safe for people to consume.
- These foods can only be produced in a licensed/registered "commercial" food establishment kitchen that meets the full regulatory code requirements, including separation from residential-use areas, and adequate plumbing fixtures.
- The minimum requirements related to food safety standards are found in the Current Good Manufacturing Practices Food Establishment Checklist.

(Note: If your intended product is TCS, please refer to "When Will I Need to Use a Commercial Kitchen?" for guidance.)

When foods that are originally TCS are subjected to certain processes that are needed to make a product shelf stable, they once again are allowable for processing in an inspected, licensed home kitchen. For instance, Limited Food Establishment Producers may process canned food products that reach a pH of 4.6 or less upon completion of the recipe (in some cases, a combination of pH [acid level] and Available Water [aw] may also be tested).

To see where the packaged food you plan to make fits in the definition, here are the basics:

- Acid foods are foods that have a natural pH of 4.6 or below.
- Low-acid foods have an equilibrium pH above 4.6 and water activity above 0.85.
- Acidified foods are defined by the FDA as low-acid foods to which acid(s) (vinegar or lemon juice) or acid food(s) are added, and which have a finished equilibrium pH of 4.6 or below and a water activity (aw) greater than 0.85.

Types of food products that might be approved for placing in jars for sale include:

- Naturally acidic foods (e.g., most fruits like apples, peaches, lemons, etc.)
- Fermented foods (e.g., Korean kimchi, sauerkraut, pickles, green olives, etc.)
- Acidified foods (e.g., salsa, chow-chow, pickled beets, pickled vegetables, hot sauces, and BBQ sauce)

Because acidified foods contain ingredients that are not, in their natural state, acidic, your intended product needs to have:

- A written recipe that establishes the formulas and procedures that will be used
- A formal review performed by a process authority to establish the safety of the process flow (this is often called "scheduled process")
- A benchmark test run by a food laboratory to confirm that, when the product is made according to the scheduled process, it has a finished equilibrium pH of 4.6 or below.

These are all prerequisites that need to be documented on your application, to be submitted online, to RAAGPLANREVIEW@PA.GOV or by mail to the Pennsylvania Department of Agriculture Bureau of Food Safety and Laboratory Services, ATTN: Plan Review. The full distribution address is found in the application packet.

Legal and Regulatory Considerations for Agritourism in Pennsylvania

PennState Extension

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https://extension.psu.edu/legal-and-regulatory-considerations-for-agritourism-in-pennsylvania

This article provides an overview of important legal and regulatory issues an agricultural operator encounters when starting or expanding an agritourism operation.

There are several important legal and regulatory considerations when starting an agritourism operation in Pennsylvania, such as zoning, land development and building approvals, liability, accommodating visitors with disabilities and, if you have animals, animal welfare regulations. In this article, we provide an overview of the typical issues an agricultural operator encounters when starting an agritourism operation, or if you would like to expand your operation and add more activities. You should know that additional requirements may apply based on the proposed land use and development.

Agritourism activities tend to look and sound different than traditional agricultural production activities, which in turn can raise questions and concerns from neighbors and community members. Such concerns can include issues such as traffic, parking, access, safety, hours of operation, lighting, noise, and litter. Regulating land use and development can be challenging for local officials. This is especially true as traditional uses, such as agriculture, change their practices to adapt to market conditions and opportunities. Officials must consider the farmers impacted by the regulations as well as the neighbors and community.

Agricultural operators must be aware of the potential need to comply with several types of regulations and possibly obtain approvals/permits. Regulations may not permit the proposed use, or may require engineered plans, as well as improvements to the site and structure(s) as applicable. This could include items such as improved access roads and parking areas, stormwater/erosion and sedimentation plans and improvements, restrooms, and lighting. The application of local land use regulations will be dependent on the type of project proposed and related site features. Be aware that the degree to which local municipalities have enacted land use regulations varies, so what may be enacted and enforced in one local municipality will not necessarily mirror what is required and enforced in another.

This article is intended to guide you in conducting research for starting or diversifying an agritourism operation. If researching the regulations yourself, be sure that you understand their application to your project. While viewing the regulations will help you in determining the potential feasibility and requirements for your project, be careful to proceed only after getting confirmation from the applicable officials.

When initially giving thought to an agritourism project, you may want to consult with a surveyor, planning consultant, engineer, or attorney who is knowledgeable about the local land use and development regulations. Doing so could save you time, and they may also be able to provide cost estimates and/or estimated time frames for project approval.

Legal and Regulatory Considerations for Agritourism in Pennsylvania (cont.)

PennState Extension

Outlined below is a list of local, county, and state regulations often applicable to agritourism projects. These regulations will depend on the type of project proposed and related site features. This list of regulations is not meant to be all-inclusive. Depending on the type of agritourism business and the goods and services provided, approval from other agencies may be required, for example, from the Pennsylvania Liquor Control Board or health agencies/departments. The list of potential applicable regulations also provides information on whom to contact for specific information about the corresponding regulation and if and how it would apply to your proposal. Note that the title and responsibilities of local regulatory officials also may vary, and the list includes those most common. Many local governments list their officials and regulations online.

Zoning

Zoning laws regulate most aspects of land use. These laws have the potential to affect every business and most activities. Zoning is a system that regulates the type and intensity of land use development that occurs within a community. It is the division of a municipality into districts or zones in which certain activities are permitted and others are prohibited. Zoning allows a local government to regulate land uses within its boundaries and set standards for the development of land parcels. As such, agritourism operators should be aware that a zoning ordinance may not permit their proposed land use, or if allowed, may affect how their operation manages parking, hours of operation, traffic, noise, lighting, structures, and more.

Zoning typically establishes separate zoning districts for residential, commercial, industrial, and agricultural uses. Of these district designations, the purposes of agricultural districts can be the most varied. These can range from the protection of agricultural practices and soils to reducing the impact of agricultural activities on other properties. In some cases, agricultural districts serve as a "catch-all" and include land uses that would not specifically fit in any other district (e.g., kennels, landfills). Zoning is administered through a zoning officer. This officer will determine if the proposed use is, or is not, permitted. This determination will be based upon the zoning ordinance in effect and the location of the proposed use. A good first step when considering an agritourism-related activity is to check and see if a zoning ordinance is in effect for your municipality (local or county). If there is, find out if your proposed land use is allowed in the area in which it is being considered.

The level at which zoning is enacted and enforced is dependent on the state's enabling legislation. In Pennsylvania, local municipalities are given this authority through the Pennsylvania Municipalities Planning Code. However, if a local municipality chooses not to enact a zoning ordinance, the county then has the authority to do so if it desires. If neither adopts an ordinance, the municipality is not covered by zoning. To find the applicable zoning laws, operators can request a copy of their local ordinance from the local or county zoning office or planning board as applicable. Due to the unique nature of agritourism, zoning laws may not specifically address certain aspects of all activities.

Under Article VI Section 617.2 of the Pennsylvania Municipalities Planning Code, violating a zoning ordinance could result in fines up to $500, plus fees. In some situations, it may be clear that the planned agritourism activity is not permitted under the local zoning laws (The zoning officer has the authority to determine if a use is or is not permitted.). If the use is not permitted, the operator could consider a conditional use permit, special exception, variance, or non-conforming use. These permits/approvals grant an exception or waiver to the landowner to use the property in a way that does not conform with the zoning ordinance.

Contact(s):

- Local Municipality – Zoning Officer/Planning Commission
- County – County Zoning/Planning Office

Legal and Regulatory Considerations for Agritourism in Pennsylvania (cont.)

PennState Extension

Subdivision and Land Development

Subdivision and land development regulations control the layout and design of subdivisions and certain types of development. Subdivision involves the division of land into parcels, (for transfer or lease) and land development involves the improvement of a lot(s) for a variety of purposes, including a group of two or more residential or nonresidential buildings, or a single nonresidential building.

In Pennsylvania, there are some exemptions for agriculture in subdivision and land development regulations. Regarding subdivisions, the subdivision by lease of land for agricultural purposes of more than 10 acres is exempt from requiring approval (provided the subdivision does not involve any new street, easement of access, or any residential dwelling). Regarding land development, there may be provisions for an exemption for the addition of an accessory building, including farm buildings on a lot or lots subordinate to an existing principal building.

A Subdivision and Land Development Ordinance (SALDO) is administered by a planning commission or the governing body. As with zoning, local municipalities are given authority for SALDO regulation through the Pennsylvania Municipalities Planning Code. However, if a local municipality chooses not to enact such an ordinance, the county then has the authority to do so if it desires. If neither adopts an ordinance, the municipality is not covered by subdivision and land development regulations.

Contact(s):
Local Municipality – Planning Commission, Municipal Secretary
County – County Planning Office

Pennsylvania Agritourism Activity Protection Act 27

The Pennsylvania Agritourism Activity Protection Act came into effect on August 29, 2021. One of the most important aspects of the law is that it codifies a legal definition of agritourism in Pennsylvania law where one did not exist before. Generally, legal definitions like this may become a standard relied upon in other contexts such as the interpretation of zoning ordinances. It remains to be seen if that happens on a township-by-township basis going forward but anything that could create uniformity across municipalities will make it easier for farmers and landowners to understand their legal obligations. It is important to note that Pennsylvania's Act is different from other state agritourism liability statutes in a few significant ways. Unlike every other state statute, Pennsylvania specifically excludes liability protections for injuries that occur during weddings or concerts. In addition, Pennsylvania's Act will not apply to injuries sustained during overnight stays or due to food and beverage service.

Legal and Regulatory Considerations for Agritourism in Pennsylvania (cont.)

PennState Extension

For liability protection to apply under this statute, all four essential elements of the law must be met. Agritourism operators interested in the liability protections offered by Pennsylvania's Agritourism Activity Protection Act should review each of the four essential requirements, as described below.

1. The injury must occur while the visitor is participating in an activity that meets the definition of agritourism in the law.

The Agritourism Activity Protection Act defines "agritourism activity" as:

"*A farm-related tourism or farm-related entertainment activity that takes place on agricultural land and allows members of the general public, whether or not for a fee, to tour, explore, observe, learn about, participate in or be entertained by an aspect of agricultural production, harvesting, husbandry or rural lifestyle that occurs on the farm.*"

2. The agritourism activity must occur on land which is used for a so-called "normal agricultural operation" as defined in Pennsylvania's Right to Farm Law.

Pennsylvania's Right to Farm Law defines "normal agricultural operation" as:

"The activities, practices, equipment, and procedures that farmers adopt, use or engage in the production and preparation for market of poultry, livestock, and their products and in the production, harvesting, and preparation for market or use of agricultural, agronomic, horticultural, silvicultural and aquacultural crops and commodities and is:

1. *not less than ten contiguous acres in area; or*
2. *less than ten contiguous acres in area but has an anticipated yearly gross income of at least $10,000.*"

3. The required warning signs must be posted on the property at the required locations.

The Pennsylvania statute requires operators to post signs at every entrance or at all activity locations. The signs should be placed in a way so that they are easily observable by the participants of the agritourism activity. The statute specifically requires the sign to be “three feet by two feet" and must include the exact language as seen below:

"Warning: *Read your written agreement or the back of your ticket. Under Pennsylvania law, except for limited circumstances, an agritourism activity provider is not liable for any injury to or death of a participant resulting from an agritourism activity. Do not participate in the activity if you do not wish to waive liability.*"

4. The required acknowledgment agreement of limited civil liability must be signed by the visitor before engaging in the agritourism activity.

Agritourism operators who wish to benefit from the Pennsylvania statute, must have visitors sign a written agreement prior to their participation in the activity. This written agreement must be typed in at least 10-point bold font, or larger.

Legal and Regulatory Considerations for Agritourism in Pennsylvania (cont.)

PennState Extension

"Agreement and Warning: I understand and acknowledge that, except for limited circumstances listed below, an agritourism activity provider is not liable for any injury to or death of a participant resulting from an agritourism activity. I understand that I have accepted all risk of injury, death, property damage and other loss that may result from an agritourism activity. I understand that an agritourism activity provider is not protected from liability if the provider:

- *Performs an act in a grossly negligent manner and causes injury or damages to a participant.*
- *Purposefully causes a participant's injury.*
- *Acts or fails to act in a way that constitutes criminal conduct.*
- *Recklessly fails to warn or guard against a dangerous condition that causes injury or damages to a participant. A dangerous condition is a condition that creates an imminent and substantial risk of injury or damages to a participant."*

Alternatively, the statute also allows the agritourism operator to print the "Agreement and Warning" language on a ticket. This option would allow participants to purchase a ticket they would use to participate in the activity. The statute does not include requirements for the ticket to be a certain size or shape, however, the statute does say that the ticket must be "required for access…" to the activity. In other words, an agritourism operator must devise some process that requires participants to receive the ticket and then present the ticket before they participate. This process will look different for every operation and may require adjustments to an operator's current business procedures. Guests who do not agree to release the agritourism operator from liability as stated on the ticket or written agreement, should not participate in the activity.

Application of the Act to Minors

The law states that a parent or guardian must sign the acknowledgment agreement on behalf of a minor or care-dependent person. Generally, children do not have legal capacity to sign liability waivers and a waiver signed by a child may be voidable.
Pennsylvania case law suggests that waivers signed by a parent on behalf of a child are unlikely to waive the child's potential claim in this state. A parent's signed waiver would, however, waive the parent's claim for compensation relating to their child.

Additional Information

Agritourism operators who are interested in gaining the benefits from Pennsylvania's statute should carefully review the statute language and should consult an attorney to determine if this law will apply to their operation. The exact language of the Agritourism Activity Protection Act can be found online from the Pennsylvania General Assembly.
For additional information, operators may also review the available guidance (with an option to purchase signs with the required statute language) offered by the Pennsylvania Farm Bureau. Pennsylvania Farm Bureau, along with affiliated groups and advocates have been very instrumental in pushing the Agritourism Activity Protection Act forward in Pennsylvania.

Contact(s):

Pennsylvania Farm Bureau (for purchase of signage and wristbands)

Hayride Attractions

Before beginning operations, the owner of a hayride must secure approval from the Pennsylvania Department of Agriculture for both the wagon/trailer and the tow vehicle. This approval requires verification of compliance with design, operational, maintenance, inspection, and testing standards, and meeting the criteria on the Department's hayride approval checklist.

Legal and Regulatory Considerations for Agritourism in Pennsylvania (cont.)

PennState Extension

This approval is granted annually and is specific to each site. On January 28, 2023, the Pennsylvania Department of Agriculture's (PDA) Bureau of Ride and Measurement Standards published an order (53 Pa.B. 616) in the Pennsylvania Bulletin allowing hayride operators, according to the terms of the order, to register a hayride attraction under 7 Pa. Code § 139.4 without submitting written verification from a registered engineer as generally required under 7 Pa. Code § 139.4(d)(7)(ii)."

Contact(s): ra-amusementrides@pa.gov

Building and Construction

In Pennsylvania, most building projects require a building permit under the Pennsylvania Uniform Construction Code. There are some exemptions for agricultural buildings, but they are based on agricultural storage or housing livestock. Pennsylvania's statewide building code is called Uniform Construction Code (UCC) and is assigned its own code enforcement staff or uses a third-party agency contracted for code enforcement. The UCC adopted the International Building Code 2015 as its official code.

If the municipality has no code enforcement assigned, Pennsylvania's Department of Labor and Industry is responsible for code enforcement. Over 90% of the 2,562 municipalities in Pennsylvania have adopted the UCC. In those cases where the municipality has opted out of the UCC, the Pennsylvania Department of Labor and Industry is the building authority. Typically, the township or the city is responsible for code enforcement and permit applications. It is best to work with the building inspector from the start of your project, as this will save you from making costly mistakes. The inspector will often offer valuable advice as you begin your new endeavor.

Changing the use of an existing building (e.g., residential to food service):

When changing the use of an existing building, a permit application must be submitted and approved, an inspection must take place, and a new Certificate of Occupancy must be awarded for the intended facility use. Changes being made to an existing structure should be listed on the permit application, along with facility aims. For commercial use, compliance with the American Disabilities Act is typically required.

You should be aware of Pennsylvania's fire regulations to understand your occupancy code for your permit application, and the associated requirements, as they can have a significant impact on the cost of your project.

New construction:

For new construction, the requirements above also apply, but you will also need to consider utility easements, soil conditions, sensitive environments, architectural review requirements, and utility availability. Typically, an elevation drawing of the proposed facility is required with the permit application.

Agricultural operations have a permit exemption in the state of Pennsylvania for buildings that are used for certain types of storage and operations (e.g., maple sap processing). The permit exemption form and specific regulations can be found on the Central Keystone Council of Government website. For structures that will not stand for more than 30 days, no permit is required.

Contact(s): Local Municipality – Building Permit/Code Enforcement Officer, Municipal Secretary

Legal and Regulatory Considerations for Agritourism in Pennsylvania (cont.)

PennState Extension

Highway Occupancy

A new access road or the use of an existing access road for expanded use may require a permit before accessing a public road. For a state highway, permits and related requirements are processed through the Pennsylvania Department of Transportation (PennDOT) Permit Office.
For local municipal highways, permits would be issued through a locally appointed officer. The applicable individual can be found by contacting your local municipal office.
Contact(s):

- Local Municipality – Building Permit/Zoning Officer, Municipal Secretary
- Penn DOT Highway Occupancy Permit Officers

Promotional and Directional Signs

On- and off-premise signs may require a permit from the local municipality. Items such as size, height, illumination, and visibility are items that are normally reviewed. For signs that are near state highways, PennDOT permitting may be applicable. Information can be obtained through your Regional PennDOT Office.
Contact(s):

- Local Municipality – Building Permit/Zoning Officer
- PennDOT Regional Offices

Sewage

For certain types and sizes of buildings and activities, sewage disposal will need to be addressed. The specific type of disposal system will depend on the availability of public sewer, the type of structure or activity, and local sewage requirements. The applicable information can be found by contacting the sewage enforcement officer.
Contact(s): Local Municipality – Sewage Enforcement Officer

Erosion and Sediment Control

If earth disturbance is part of the preparation of an agritourism development or activity, a Chapter 102 Erosion and Sediment Control plan and/or permit may be required. The agency responsible for these permits may vary depending on the county. In some counties, the County Conservation District is the designated permitting agency. In other counties, permitting is through the PA Department of Environmental Resources, Waterways and Wetlands Program.
Contact(s):

- County Conservation District – Erosion & Sedimentation Technician
- State - PA Department of Environmental Resources, Waterways and Wetlands Program

Water Obstructions and Encroachments

A Chapter 105 General Permit is required for work done in wetlands or crossing or encroaching upon a stream, river, or other waterway. The agency responsible for these permits may vary depending on the county. In some counties, the County Conservation District is the designated permitting agency. In other counties, permitting is through the PA Department of Environmental Resources, Waterways and Wetlands Program.
Contact(s):

- County Conservation District – Erosion & Sedimentation Technician
- State - PA Department of Environmental Resources, Waterways and Wetlands Program

Legal and Regulatory Considerations for Agritourism in Pennsylvania (cont.)

PennState Extension

Liability and Insurance

Like any business, agritourism operations have risks, but with the added dangers inherent in farm or ranch activities. Agritourism participants with no farm familiarity could unknowingly act in a manner that could cause harm to themselves or others. The operator should make note of any equipment or animals that could be hazardous to children or the uninformed. In addition, the operator should make note of other potential risks, including the terrain, paths and walkways, zoonotic diseases, weather, and parking. Common-sense actions may address some of these risks. For example, an operator should purchase a first aid kit, put up 'do not touch' signs, use rock salt for ice or hay for mud, and keep dangerous animals away from guests. Agritourism participants are owed the highest duty of care, and, as such, landowners must inspect their property, must warn of any dangerous conditions, and must remedy these conditions.

Even though Pennsylvania now has liability protection legislation (see Pennsylvania Agritourism Activity Protection Act 27), agritourism operators should still consider both liability insurance and business entity structure. An operator should first check to see if liability insurance is required by their municipality.

The operator should also consider the cost: comparing how much protection is needed and how much the operator can afford to spend. Not all insurance companies will cover the varied activities offered in agritourism operations. The operator must make sure that the insurance company understands all aspects of the proposed operation. Even with insurance, an operator should consider the most appropriate business entity structure for liability protection. While many farms operate as sole proprietorships, that type of entity does not provide liability protection. Operators interested in liability protection should research entities like corporations or Limited Liability Companies (LLC). When creating these types of entities, the business owner, or agritourism operator, must decide which assets to move into the corporation or LLC. Entity creation allows the operator to choose to keep personal assets out of the agritourism operation. In this case, if an injured participant brings a lawsuit against the agritourism operation, the participant would only be able to recover from the assets within the business entity.

If the operator kept personal assets separate from the business and complied with entity requirements, their personal assets would be protected. Depending on the type of entity created, the operator might also benefit from transferability or tax benefits.

Contact(s):

Local insurance agent

Attorney

Accommodating Visitors with Disabilities

If an operator holds public events, they must ensure that visitors with disabilities have access to these events as well. The type of accommodations needed will depend on the event (for example, accessible walkways, wide paths for wheelchairs, spacious parking spaces designed for visitors with disabilities). For more information, please see the American with Disabilities Act (ADA).

Contact(s): www.ada.gov

Animal Laws

Petting zoos are a great way to educate the public about raising farm animals. Therefore, it is important to set an example of appropriate animal husbandry. Animal health and safety, besides visitors' safety, are of paramount importance. All agritourism operations with animals must adhere to the Animal Welfare Act. In addition, Pennsylvania passed a comprehensive animal protection law (Act 10) in 2017.

Legal and Regulatory Considerations for Agritourism in Pennsylvania (cont.)

PennState Extension

Every operator should be familiar with the Licensing and Registration Under the Animal Welfare Act. For example, if you keep eight or fewer domesticated farm-type animals for exhibition, then you are likely to be exempt from licensing.

Pennsylvania also requires operators to comply with the state's Animal Exhibition Sanitation law. This law applies to operations that allow physical contact between humans and animals, not just operations characterized as petting zoos. Operators in Pennsylvania must 1) promote awareness of the risk of zoonotic disease and 2) provide handwashing facilities in a convenient location with signage encouraging handwashing. Keeping animals and having visitors interact with them adds new risks to your operations. Inform your insurance agent if you are planning to add any animal interactions. Describe your exact plan to the insurance agent and request an updated quote and acquire written confirmation that your liability insurance coverage is adequate. Close encounters between animals and humans introduces the risk of zoonotic diseases. Salmonella, Cryptosporidia, Listeria, and E. coli O157:H7 or Shiga toxin-producing E. coli (also known as pathogenic E. coli) are some of the important pathogens. For more information, please see Penn State Extension's article on Reducing the Risks of Pathogenic E. Coli Infections.

Selling Food

Farm operations providing food to visitors should contact the Pennsylvania Department of Agriculture (PDA) Bureau of Food Safety to learn about regulatory requirements they may be subject to under the law and the options for meeting these regulations. According to the PDA Bureau of Food Safety, using a "residential style kitchen" to prepare food can fall under a retail food establishment or as a Limited Food Establishment, depending on how a product will be sold.

As a Limited Food Establishment where food will be sold for distribution, the types of food produced on the property are 'limited' to foods that do not require temperature control for safety.

Under the Limited Food Establishment regulation, the food sanitarian will discuss the foods that can be produced in the home and offered for sale. They will inspect the kitchen to discuss any concerns identified.

Offering meals/entrees and foods requiring temperature control for safety (TCS) requires a retail food establishment license. The designated kitchen must meet the Pennsylvania Food Code for commercial applications.

Contact(s): PDA Department – Limited Food Establishments

Summary

Agritourism activities can provide farmers with opportunities for new revenue streams. As with any new business venture, planning and researching the regulations and requirements are critical in determining the feasibility of your agritourism activities. This guide serves as a starting point in conducting that research. Additional requirements may apply based on the details of the proposed land use and development.

Legal disclaimer

Penn State Extension does not provide legal advice, nor is its work intended to be a substitute for such advice and counsel. As such, the materials and information provided here do not constitute legal advice and are for informational purposes only. While efforts are made to maintain and update these resources, no warranty or other guarantee is made regarding the timeliness or accuracy of any materials or information provided.

If you have any additional questions regarding zoning and liability issues, please contact the Center for Agricultural and Shale Law at Penn State: AgLawCenter@psu.edu. If you have any questions regarding planning, contact Neal Fogel, nef3@psu.edu. If you have additional questions about food safety, please contact Richard Kralj, rak15@psu.edu.

Reinvesting in your Farm

Why Should I Reinvest?

Reinvestment is about taking what your farm earns, whether profit, grants, or savings and putting it back into the business to strengthen its foundation. Farming is not static; equipment wears down, buildings need upkeep, and markets shift. Regular maintenance, thoughtful upgrades, and strategic improvements not only keep your farm running smoothly but can also boost efficiency, reduce long-term costs, and open new opportunities for growth. Investing today helps ensure resilience and success for years to come.

Categories of Reinvestment

- *Maintenance & Repairs*

  Staying on top of the basics: fence mending, equipment servicing, barn repairs, soil fertility checks prevents small problems from becoming costly emergencies. Prioritizing maintenance protects both your investment and your peace of mind.

- *Upgrades & Improvements*

  From energy-efficient lighting to new irrigation systems, upgrading can increase productivity and cut waste. Improvements might also include building a washing station, expanding cold storage, or adopting digital tools to streamline record keeping. These steps often save labor and improve product quality.

- *Expansion*

  As your farm grows, you may want to scale up production, add new enterprises, or branch into value-added products. Expansion might mean acquiring additional land, diversifying with livestock or orchards, or investing in packaging equipment to reach new markets.

- *Conservation Investments*

  Practices like cover cropping, rotational grazing, or installing riparian buffers protect soil, water, and biodiversity. These not only safeguard natural resources but can also improve yields, reduce inputs, and make farms more resilient to natural disasters.

How to fund/support future projects:

When it comes to paying for reinvestments, there are multiple pathways, however, nothing will ever be “free”:

- *Federal Programs* – Agencies like the USDA and NRCS offer cost-share and grant opportunities that help cover the costs of conservation practices, infrastructure, and disaster recovery.

- *State Programs* – Pennsylvania often provides agricultural development grants, low-interest loan programs, or tax credits designed to encourage farm upgrades and innovation.

- *Nonprofit & Private Support* – Centers for excellence, commodity boards, or local cooperatives sometimes provide training, mini-grants, or equipment-sharing opportunities.

- *Self-Funded Options* – Setting aside a portion of farm income for a maintenance or reinvestment fund is one of the most sustainable ways to grow over time. Even small, consistent savings can make larger upgrades more achievable.

Farm Succession Considerations

Written by,
Darlene Livingston, PA Farm Link Executive Director

As you begin your journey, it's doubtful you don't understand what succession planning has to do with your beginning farmer adventure.

You'd be surprised. It has nothing yet *everything* to do with your endeavor.

Looking for farmland?

Succession and beginning farmer are similar to the chicken and egg dilemma. The age-old discussion of which comes first.

Farmland owners hold a valuable resource beginning farmers are seeking, land. Their future plans for the land deeply impact future access for the next generation of farmers.

It's at this intersection that beginning farmers need to realize the value of the older farmers within their reach. Not only do they hold the key to the land they also have a lifetime of experience to share.

Why not grab some patience and a five-gallon bucket and sit down beside an older farmer and listen to the stories. While listening you will find weaved through the stories a lifetime of valuable experiences and knowledge shared. If you take time to listen.

You will learn how they survived the worst years, the crises and daily challenges. You'll also hear about the reasons they are still farming. The reasons it's so hard for them to give up the land. It's their life, their entire being, their everything.

You can offer assistance putting hay in the barn or helping when they need a hand. Shovel their walk after a winter storm, plow their barnyard, deliver a bowl of homemade soup when they've been outside caring for livestock on a cold winter day. While sharing a bit of the load with them that gets heavier every year, you'll learn more than you give.

They were born and raised in an era when work life balance wasn't a thing. They don't know how. However, with gentle, kindness you can show them. Encourage older farmers to step off the farm, invite them for a simple lunch or dinner, nothing fancy required. Help them learn the joy of spending a moment off the farm.

In this place of new appreciation an enjoyable relationship will grow. A common friendship where each learns from the other. Knowledge exchange where you gain farming skills and ingenuity of unique fixes only an old farmer can share. An understanding of why the farmer holds on to the land and just maybe an appreciation of why the land is so important to you, the next generation. An advocacy for each other will grow and the support will be priceless.

Don't miss another commonality between beginning farmer and farm succession planning succession resources are valuable to both.

Farm Succession Considerations

Cont.

Farm succession workbooks are not just for farm succession. Cultivating the Future of Your Farm* guides you through Where Are You Now? Where Do You Want to Be? and How Do You Get There? All areas of consideration as you plan your farm for the first time. It's companion Cultivating Continuity* provides a wealth of knowledge on topics from financials to soft skills of communication, it even addresses trust and anger. Take time to study these in digital or hard copy format. Reach out to PA Farm Link if you'd like a hard copy.

Once you have established your own farm, remember where you started and encourage a beginning or wanna be farmer to pull up a bucket and sit and chat. Think about how you can help them learn the ropes.

Engage your children from a young age, assign farm chore responsibilities that fit their age. When you give responsibility provide positive feedback and leadership. Correct as necessary especially for the safety and wellbeing of the children and livestock. Encourage 4H participation and embrace the project they want to complete, assist them do not do it for them.

Foster a sense of ownership in your teens by including them in farm meetings and decisions. When you ask for their input listen to it, value it and use it. This grows the next generation farmer.

Develop a succession plan for the future of the farm you've brought to fruition ensuring the next generation of farmers have the land they need for their farming operation.

**Links to these resources are available in the Tool Shed*

Looking for more information?

Scan the code to visit the PA Farm Link resource hub for even more resources on Farm Succession! You can also sign up to receive emails from PA Farm Link and read our monthly succession blog.

Chapter 7 Review

- [ ] I have identified potential diversification opportunities for my farm enterprise.
- [ ] I have researched the regulations and licensing requirements for any new enterprises I am considering.
- [ ] I have considered agritourism options that could complement my farm operations.
- [ ] I have evaluated how reinvesting profits into my farm could support long-term growth.
- [ ] I have discussed or developed a preliminary succession plan for my farm business.
- [ ] I know where to go for professional guidance on diversification, agritourism, or succession planning.

What new products, services, or enterprises could you add to your farm to diversify income while fitting your goals and resources?

Are there agritourism or on-farm experiences that could enhance your farm's visibility and profitability? How would these align with your operation?

Which regulations, permits, or certifications will you need to pursue these new opportunities?

How could reinvesting profits in equipment, infrastructure, or training improve your farm's long-term sustainability?

What steps have you considered for succession planning, and who would you involve in the process?

How will your diversification and succession plans support both financial stability and resilience in your farm business?

Ending Note:

Pennsylvania agriculture is more than an industry, it is a living tradition that shapes our communities, landscapes, and economy. New and beginning farmers are vital to continuing this legacy, carrying forward the knowledge of the past while bringing fresh ideas and energy to the future.

As you've worked through this guide, you've explored visions and values, planning and preparation, land and infrastructure, markets and operations, risks and protections, community and branding, and finally, growth and renewal. No one begins with all the answers, and no farm ever stays the same. The most important step is simply to begin, planting your first seed, writing your first plan, making your first connection. Each small action builds momentum and brings your farm dream closer to reality.

And remember—farming in Pennsylvania takes many forms. You don't need 50 acres of land to make an impact. Whether you are tending vegetables on a city lot, raising herbs on a rooftop, keeping bees in a neighborhood, or managing a larger farm in the countryside, you are part of the same agricultural story. Urban and rural farms together strengthen our food system, expand access to fresh food, and connect people to the land in new and meaningful ways.

Pennsylvania needs your voice, your vision, and your contribution to agriculture's rich and diverse story. So take the leap, start where you are, and know that you are not alone. You are part of a broad and supportive community that believes in the power of farming—wherever it happens—to feed, strengthen, and sustain our future.

Final Reflection:

Congratulations on completing this workbook! This review is designed to help you reflect on what you've learned, assess your confidence in key areas, and identify next steps for your farm business. Use this sheet to pinpoint where you feel strong, where you need additional support, and to start building your professional network.

Part 1: Confidence Self-Assessment

For each area, mark your current level of confidence:
1 = I need a lot of help
2 = I feel somewhat confident but could improve
3 = I feel confident and ready to take action

Area	1	2	3
Vision & Values: defining goals, mission, and farm identity			
Business Planning: budgeting, financial planning, risk assessment			
Land & Infrastructure: finding land, assessing soil, equipment planning			
Operations & Crop/Livestock Management			
Social Media & Web Presence			
Risk Management: insurance, biosecurity, food safety			
Diversification & Agritourism			
Succession Planning & Long-Term Growth			
Networking & Professional Development			

Which farm practices or business strategies do you feel most prepared to implement?

What additional education, mentorship, or resources would most benefit your farm at this stage?

Looking at your confidence rankings, what is one area you commit to improving in the next six months, and what is your first step?

The Tool Shed

No single workbook can cover every detail of every type of farm enterprise, and every farm is unique. The Tool Shed is designed to give you a starting point for ongoing learning, guidance, and connections. Here you'll find links, QR codes, and references to trusted organizations, professional associations, and educational resources that can support you as you grow your farm business. Use these tools to explore new ideas, find answers to your questions, and connect with experts who can help you make informed decisions for your farm's long-term success.

USDA Beginning Farmer & Rancher Program
Farmers.gov/your-business/beginning-farmers

Pennsylvania Department of Agriculture
Pa.gov/agencies/pda

Pennsylvania Farm Link
Pafarmlink.org

Ag & Shale Law Center
Aglaw.psu.edu

National Young Farmers Coalition
youngfarmers.org

Horizon Farm Credit
horizonfc.com/beginning-farmer-loans

Pasa Sustainable Agriculture
Pasafarming.org

Pennsylvania Farm Bureau
Pfb.com

Penn State Extension
Extension.psu.edu

Deleware Valley University
delval.edu/academic-schools/agriculture-and-environmental-sciences

Rodale Institute
Rodaleinstitute.org

Agricultural Business Development Center

Agricultural Business Development Center (ABDC) Established through the 2019 Pennsylvania Farm Bill, the Agricultural Business Development Center (ABDC) supports farmers at all stages, with a strong focus on helping beginning farmers build viable, sustainable farm businesses. The ABDC provides guidance on business planning, farm transitions, expansion, diversification, risk management, and access to financial assistance, including low-interest loans and reimbursable grants. For new and aspiring farmers, the Center serves as a key resource for navigating entry into agriculture, strengthening business skills, and connecting with the technical and financial expertise needed to build a successful future in farming.

Pennsylvania Small Business Development Center

The Pennsylvania Small Business Development Centers (SBDC) is a valuable resource for beginning farmers because it provides no-cost, confidential business consulting tailored to agricultural enterprises. Through the Pennsylvania SBDC Agriculture Center of Excellence, farmers can work with advisors who understand agribusiness and can help with market research, business planning, financial projections, and diversification strategies. The SBDC also supports farm transitions, grant research, and connections to industry professionals, giving new farmers practical guidance and networks to strengthen their farm businesses and make informed decisions as they grow.

Pennsylvania NRCS Programs

Scan this QR code to visit the Pennsylvania NRCS Programs page. Explore conservation programs that support farmers in reducing soil erosion, protecting water quality and supplies, enhancing wildlife habitats, and preparing for natural disasters.

Pennsylvania State Grange

Pennsylvania State Grange is a longstanding grassroots organization dedicated to strengthening agriculture and rural communities. Through local chapters, members work together to support community service, leadership development, and advocacy on issues important to farmers and rural residents. Visit their website to learn more about the Grange network in Pennsylvania and opportunities to become involved or support their mission.

https://www.pagrange.org

Farmers Market Coalition

The Farmers Market Coalition provides tools and resources that help strengthen farmers markets and support the farmers who sell there. Through educational materials, best-practice guides, and networking opportunities, the Coalition helps farmers and market operators build successful markets, connect with partners, and navigate common challenges. Their work also promotes farmers markets nationally and supports policies that improve market opportunities, helping farmers reach customers, earn fair prices, and strengthen local food systems.

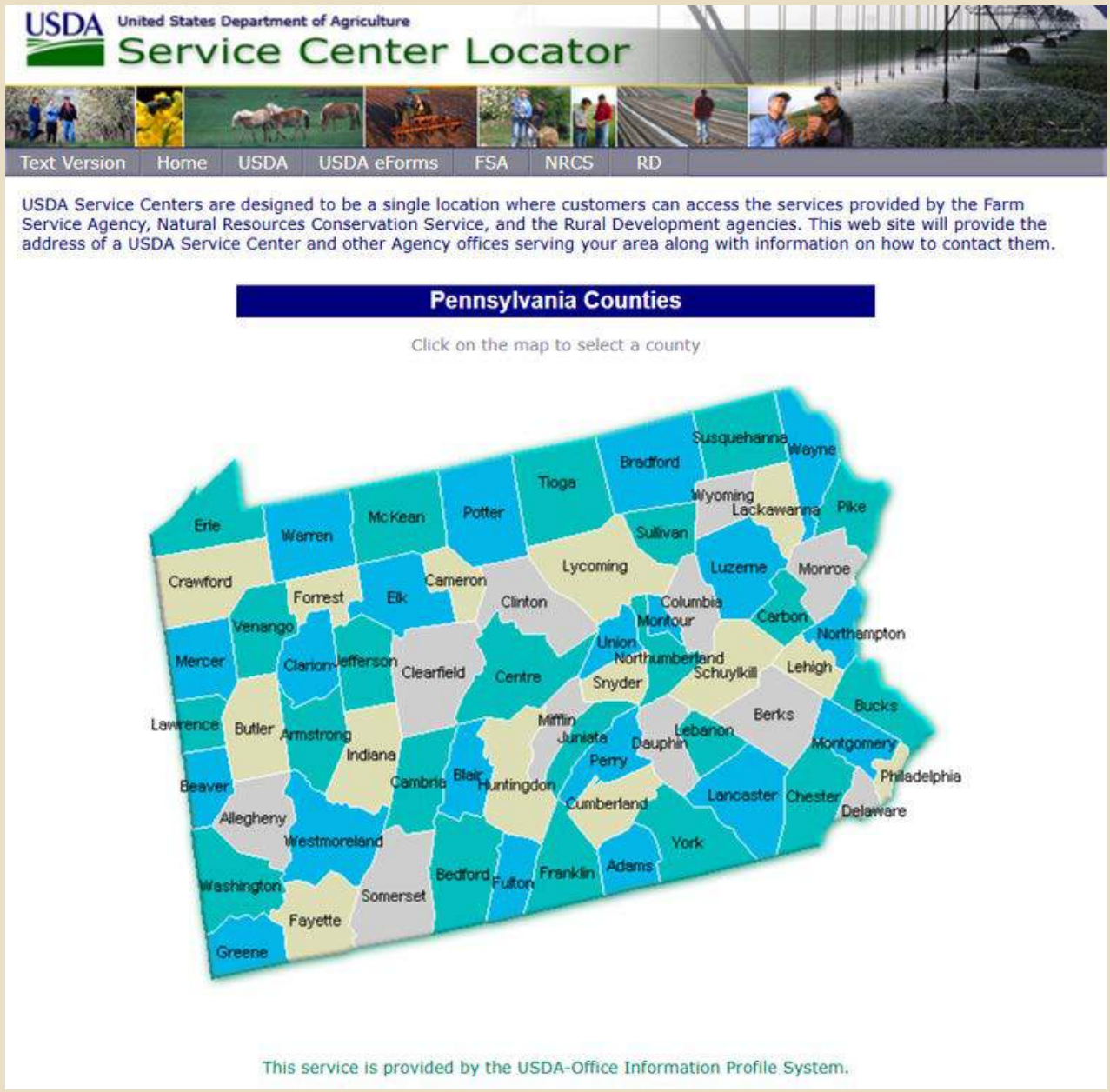
https://farmersmarketcoalition.org/joinus/

Pennsylvania Farmers Union

Pennsylvania Farmers Union works to protect and strengthen the economic well-being and quality of life of family farmers across the state. Through education, advocacy, and community engagement, the organization represents farmers on key issues such as sustainability, conservation, competitive markets, rural development, and food and energy security. Explore their website to learn how they support both beginning and established farmers and to discover opportunities to connect with a broader farming community.

https://pafarmersunion.org

Find Your Offices!



To visit the Pennsylvania FSA homepage visit...

https://www.fsa.usda.gov/state-offices/pennsylvania

To locate your local FSA office visit...

https://www.farmers.gov/working-with-us/service-center-locator

To visit the Urban Center homepage visit...

https://www.farmers.gov/your-business/urban-growers/urban-service-centers

Centers for Excellence in Pennsylvania

Pennsylvania's Centers of Excellence serve as sector-specific hubs designed to strengthen farm businesses by pairing practical, on-the-ground knowledge with targeted technical assistance. Each center focuses on a particular segment of agriculture and offers curated resources, education, and connections that help producers improve profitability, manage risk, and make informed decisions as their operations grow. Each center will have a different set of resources, and not each center has the same opportunities to offer.

For beginning farmers, these Centers of Excellence provide a valuable entry point into industry-specific support. Whether you are exploring business planning, production practices, marketing strategies, financing opportunities, or mentorship, these organizations connect farmers to trusted expertise and programs tailored to their commodity or production focus. Together, they form a statewide network committed to supporting both new and established producers across Pennsylvania's diverse agricultural landscape.

Center for Dairy Excellence:

Business planning, grants, and mentoring for dairy producers.

https://www.centerfordairyexcellence.org/

Center for Poultry & Livestock Excellence:

Promotes animal agriculture with industry resources and producer services.

https://www.plcepa.org/

Center for Beef Excellence:

Offers production tools, news, and marketing guidance for beef farmers.

https://www.beefexcellence.com/

Center for Plant Excellence:

Supports farmers and industry professionals through research funding and grants, events, workshops and publications.

https://extension.psu.edu/centers/plant-excellence

Food Safety Resources

What is the Food Safety Modernization Act?

This 28 minute video prepared by Penn State Extension educator Luke LaBorde, Ph.D., provides an overview of the Food Safety Modernization Act.

https://extension.psu.edu/what-is-the-food-safety-modernization-act

Produce Safety Rule

This page explains the Food Safety Modernization Act (FSMA) Produce Safety Rule and how it applies to produce farms in Pennsylvania. The page also introduces the free, voluntary On-Farm Readiness Review (OFRR) program offered through the Pennsylvania Department of Agriculture, where trained specialists walk through a farm operation to help growers prepare for food safety requirements.

https://www.pa.gov/agencies/pda/food/food-safety/produce-safety-rule

Produce Safety Alliance

The Produce Safety Alliance (PSA) provides science-based food safety training and resources for fruit and vegetable growers. Developed through a collaboration between Cornell University, the FDA, and USDA, the program helps farmers understand and comply with the FSMA Produce Safety Rule, which sets standards for safely growing, harvesting, packing, and handling fresh produce.

https://cals.cornell.edu/produce-safety-alliance

FDA: Food Safety Modernization Act (FSMA)

This page provides an overview of the Food Safety Modernization Act (FSMA) and its role in shifting the U.S. food safety system from responding to foodborne illness to preventing contamination before it occurs. Readers can access information on key FSMA rules, guidance documents, training resources, and technical assistance, along with details about the programs and regulations that apply to farms, food processors, and others involved in the food supply chain.

Food Safety Modernization Act (FSMA)

This page will lead you to the Penn State Extension FSMA homepage. Readers can view organized pages regarding many aspects of the FSMA for different enterprises. There are articles, videos and access to learning opportunities.

https://extension.psu.edu/fsma

Tools for writting your Farm Food Safety Plan:

Penn State Extension: Templates, checklists and logs to assist in writting farm food saftey plans

https://extension.psu.edu/tools-for-writing-a-farm-food-safety-plan

Food Safety Resources

FDA FACT SHEET Produce Safety Rule (21 CFR 112) Required Training for Covered Farms

This PDF will provide the guidelines provided by the FDA regarding required training

Food Manufacturing , Packing, Holding , distribution : PDA

This page will offer links to the follow Pennsylvania Department of Agriculture programs: commercial and limited food establishments, seafood and shellfish registration and certification, certificate of free sale.

FDA STANDARDS FOR PRODUCE SAFETY Coverage and Exemptions/Exclusions for 21 PART 112

Pennsylvania Food Code

PART III. BUREAU OF FOOD SAFETY AND LABORATORY SERVICES

Pennsylvania Farmers Union

These short training videos introduce key food safety concepts for fruit and vegetable growers, including common sources of contamination and practical strategies to reduce risks on the farm. Developed through partnerships between farmer organizations, extension educators, and food safety agencies, the modules help growers better understand FSMA requirements and how to implement effective food safety practices on farms of any size.

https://pafarmersunion.org/food-safety-videos/

Specialty Crop Producers' Guide to Understanding Liability Protection, Regulatory Processes, and Other Legal Risks

https://aglaw.psu.edu/wp-content/uploads/2023/11/RP23-026-SCBG-Producer-Guide-2023.pdf

Introduction to Good Agricultural Practices (GAPs)

This page provides resources developed by Penn State Extension on Good Agricultural Practices (GAPs) and farm food safety, helping growers develop FSMA-compliant food safety plans. It covers safe growing, harvesting, packing, and transport practices for all crops, including mushrooms, and offers tools, templates, and training to minimize contamination risks and ensure safe produce from farm to table.

https://extension.psu.edu/food-safety-and-quality/farm-food-safety/good-agricultural-practices

Food Safety Resources

Dairy & Dairy Product Manufacturing

This page on the PA Department of Agriculture website provides information on Pennsylvania's Milk Sanitation Program, covering inspections, certifications, and licensing for milk and dairy operations. It includes details on Weigher/Sampler and Approved Sampler certifications, regulatory testing, emergency reporting, and laboratory evaluation, helping dairy producers and handlers comply with state and federal milk safety standards.

https://www.pa.gov/agencies/pda/food/food-safety/dairy-and-dairy-product-manufacturing

Fruits and Vegetables

PDA Federal and State fresh fruit and vegetable grading, GAP/GHP audits, Requests for fruits and vegetable grading services and GAP/GHP Audits

https://www.pa.gov/agencies/pda/food/food-safety/fruits-and-vegetables

Eggs

PA Department of AgricultureEgg Inspections, Egg Grading & Size, Small flock producers

PA Plants

This page provides access to the PA Plants online system, where agricultural businesses can create an account to manage licenses, renew registrations, report required information, and track certifications. Users can also access resources related to pesticide applicator credits, product registrations, and regulatory programs administered by the Pennsylvania Department of Agriculture's Bureau of Plant Industry.

https://www.paplants.pa.gov/Index.aspx

Retail Food Safety

This page provides guidance on Retail Food Facility licensing in Pennsylvania, covering restaurants, food trucks, farmers market vendors, and temporary event food operations. It explains licensing requirements, exemptions, employee certification, and specialized processes, and helps operators determine whether they fall under state or local health department jurisdiction.

https://www.pa.gov/agencies/pda/food/food-safety/retail-food

Laboratory Testing Facilities

This is a general list of third-party laboratories that provide analytical services for food manufacturers. The types of tests conducted are dependent upon the laboratory and include general microbiological, pathogen, chemical, food components, nutritional or environmental testing, and shelf-life evaluation. Please contact the laboratory directly to verify they can perform the specific testing to meet your needs, and to obtain current analysis timelines, sample size requirements, and pricing information

Food Safety Resources

Food Safety Jurisdiction

Food safety oversight in Pennsylvania varies by location. While many retail food facilities are regulated by the Pennsylvania Department of Agriculture, several counties and local municipalities operate their own health departments and licensing systems. This map helps you determine which agency has jurisdiction over your operation and where to seek inspections and permits. Beginning farmers should confirm their jurisdiction early, as there is no reciprocity between local health departments and the Pennsylvania Department of Agriculture.

PA Deptartment of Agriculture Food Safety

Pennsylvania Food Safety ensures that the food you grow, sell, or serve is safe from the farm to the fork. The Bureau of Food Safety and Laboratory Services oversees education, regulation, and compliance with food safety laws across Pennsylvania. Farmers and food businesses can renew licenses and registrations online, and access resources to stay informed about safe production practices.

Soil Testing (Penn State University)

Page includes links for Soil Fertility Testing, Environmental Soil Testing, the Pre-Sidedress Nitrate Test for Corn (PSNT), Particle Size and Sand Sieve Test, and Aluminum Stress Test.

Water Testing (Penn State University)

Page includes links for Drinking Water Testing, Livestock Drinking Water Testing, Irrigation Water for Nurseries and Greenhouses, Irrigation Water for Turfgrasses, and Pond and Lake Water.

https://agsci.psu.edu/aasl/water-testing

Current Good Manufacturing Practices (GMPs) -- Food Establishment Checklist* – PA Department of Agriculture

This document serves as a guide only, but can provide a starting point for GMPs

https://www.pa.gov/agencies/pda/food/food-safety/retail-food

Code of Federal Regulations

Title 21 - Food and Drugs Volume: 2Date: 2016-04-01Original Date: 2016-04-01Title: PART 117 - CURRENT GOOD MANUFACTURING PRACTICE, HAZARD ANALYSIS, AND RISK-BASED PREVENTIVE CONTROLS FOR HUMAN FOODContext: Title 21 - Food and Drugs. CHAPTER I - FOOD AND DRUG ADMINISTRATION, DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONTINUED). SUBCHAPTER B - FOOD FOR HUMAN CONSUMPTION.

Agritourisim

Agricultural Law Webinars & Resources

Center for Agricultural and Shale Law offers a collection of recorded webinars and educational materials covering key legal topics that affect farmers and landowners. On this page, you'll find presentations, recordings, fact sheets, and supporting resources from the Understanding Agricultural Law webinar series. Topics include agritourism liability protections, landowner immunity laws, and Pennsylvania statutes such as the Recreational Use of Land and Water Act and the Agritourism Activity Protection Act. These materials help farmers better understand legal risks and protections when inviting the public onto their land or operating diversified farm businesses.

Understanding the Basics of Agritourisim Laws

A pdf of a powerpoint presentation delveloped by the Penn State Center for Agricultural and Shale Law.

Understanding the Basics of Agritourism Laws

A PDF page of resources related to agritourisim.

Agritourism Laws by State

This compilation offers a state-by-state survey of case law addressing disputes related to agritourism activities.

PFL Farm Succession Workbook

Cultivating your Farm's Future Workbook

Cultivating Continuity – Expert Insights for Farm Succession

Long Term Care and the Farm, Pennsylvania Edition

Organic

Certified organic production in the United States is governed by federal law under the USDA National Organic Program (NOP). These regulations define allowable practices for crop and livestock production, soil management, inputs, recordkeeping, and labeling. Reviewing the federal standards is an essential first step for any farmer considering organic certification, as compliance is required regardless of certifying agency.

https://www.ecfr.gov/current/title-7/subtitle-B/chapter-I/subchapter-M/part-205?toc=1

National Organic Program (NOP) Handbook

The NOP Handbook provides practical guidance and instructions to help organic farmers and operations understand and comply with USDA organic regulations. While the Handbook itself is non-binding, it clarifies how the federal organic rules are interpreted and applied by certifying agencies and inspectors. This resource is especially useful for certified and transitioning farmers seeking detailed explanations of standards, certification requirements, compliance, and enforcement processes.

https://www.ams.usda.gov/rules-regulations/organic/handbook

PA Preferred Organic™

The PA Preferred Organic program helps Pennsylvania farmers expand market opportunities for their USDA certified organic products. As part of the state's Farm Bill initiatives, the program provides a recognizable brand that helps consumers easily identify and purchase Pennsylvania-grown organic foods.

Eligible farms and businesses can join at no cost and gain benefits such as using the PA Preferred Organic™ logo on products and marketing materials, inclusion in statewide marketing campaigns, access to a network of Pennsylvania producers and agribusinesses, and free promotional materials. These tools help organic farmers increase visibility, strengthen branding, and connect with more customers across the state.

https://www.pa.gov/agencies/pda/business-and-industry/agricultural-marketing/pa-preferred-organic

PA Farm Link

LINKING FARMERS TO THE FUTURE