

## **The Future of Agriculture: Regional Branding and Niche Marketing**

Dr. Andy Hammermeister

I have never been in a building quite like the Washington State Convention and Trade Center. Long escalators take you between the 6 levels of this large complex that is primarily full of meeting rooms and trade show space. The registration desks for the annual conference of the tri-societies (American Society of Agronomy, Crop Science Society of America and Soil Science Society of America with a special meeting of the Canadian Society of Soil Science) were located in the large open South Lobby. Here I picked up my 500-page registration handbook including maps, presentation titles and schedules and a 70-page index of authors. The 5-day conference with roughly 500 sessions (not presentations) from a combined total of 31 'divisions' of the societies includes oral presentations, poster sessions (over 2500 posters), business meetings, social gatherings, award luncheons, and special lectures, not to mention the trade show. The conference covered virtually every topic related to agriculture and agricultural land management (and some non-agricultural) that one could imagine. Fortunately, my colleagues had warned me of the scale of this event and suggested that, like a good boy scout, I should be prepared.

I wasn't expecting too many sessions directly related to my interest, organic agriculture, but wanted to explore the latest advancements in agriculture. So I chose to attend a variety of keynote presentations and special lectures given by leading researchers that were being honoured for their leadership and contribution to their field of study. I was inspired by what I heard and would like to share my interpretation of what was presented. The first presentation I attended certainly caught my attention, despite being given by an economist...

Plowing New Ground in the Rural Economy – *Mark Drabentstott, Federal Reserve Bank of Kansas City (E.T. and Vam York Distinguished ASA Lectureship)*

With globalization and technological development, the current system of commodity agriculture cannot be economically sustained in North America. Our rural communities, which traditionally were the economic engines, are now lagging in growth and becoming depopulated. Rural places used to be protected because they were our source of food. We no longer need to rely on local production for our food due to globalization, adoption of modern agricultural technologies, and the ease of transporting goods. Production of 100 bushels of corn that took 35 hours 100 years ago, now only takes 2 hours of work. These efficiencies, however, have resulted in depopulation of the rural landscape and a growing shortage of people interested in working in agriculture. With globalization, farmers now have to become the lowest cost producer of food, which in most cases means be big or be gone. There are two futures for agriculture: 1) Commodity Agriculture which is characterized by large scale and volume of production at low cost or, 2) Production Agriculture that targets a niche market, knows the consumer, focuses on high quality and large margins while staying small in scale.

While Commodity Agriculture remains rooted in government subsidization, Production Agriculture may take the form of 3 models: a) value adding, b) direct or targeted marketing to niche consumers (e.g. organic), c) high value production which may be high-tech, novel products (e.g. 'farmaceuticals' - extremely high value crops grown for medicinal properties). In all cases regional branding of products to develop consumer loyalty is extremely advantageous. And don't underestimate the value of agri-environmental-tourism which has the potential to become a very lucrative market.

So what should our strategy be? We need to focus regional development on the "new main thing". Never underestimate the power of everyone in a region focusing their efforts on "the main thing". 1) What crops & land uses give the region a world class edge? 2) Find a niche – regional development means diversity. 3) Partner, partner, partner; move beyond the professions in your own sector. So who is responsible for convening partnerships in the new world economy? We need to develop a means for farmers to respond to a consumer-driven market. We need programs that will transition 'experienced' farmers and train new farmers. And ultimately, the regions that prosper in the future will be rich in entrepreneurial culture that attracts the population back to the rural land base.

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