



Vermont's Working Landscape at a Crossroad

Vermont's farm and forest economies are the foundation of our Working Landscape and fundamental to the beauty, character, and soul of Vermont – and also to Vermont's economic success.

Vermont needs to decide what type of future we want for our farm and forest families and the working landscape they steward for the future. If we want a dynamic future with opportunity for these families and a strong and vibrant working landscape, we must actively pursue this future.

Now is the time to expand the Working Lands Enterprise Program with a \$3,000,000 investment annually for 5 years to support agricultural and forest products diversification, value added development, innovative entrepreneurship, new business development, and new production on and from Vermont Working Lands, to strengthen and grow this sector and keep our natural resources strong and healthy.

The Working Lands Transition

Vermont agriculture and forest products industries are in the midst of a dramatic transition. Vermont held 11,000 dairies at the beginning of World War II; 1,091 in 2008, and today only 700 survive. Four years of low milk prices have eaten into farm equity and today threaten the viability of the majority of the dairies in Vermont. Meanwhile, between 2002 and 2016 Vermont lost nearly 3,500 forest products industry jobs, and over the last 25 years has lost nearly half of its hardwood sawmill capacity. *Vermont must build a public response at the scale of the marketplace challenge that supports farm and forest business transitions and encourages the regeneration of land based enterprises.*

We know what works. In 2013, Vermont created the Working Lands Enterprise Fund to establish a state-funded program to support our agricultural and forest products sectors. This Fund was created after work was done to identify barriers to business growth in these sectors, as well as opportunities for these businesses to grow.

The Working Lands Enterprise Fund (WLEF), established by Act 142 of the Vermont Legislature, has the power to invest in two solutions:

- **Diversification** to help farmers reduce dependence on the commodity economy where producers cannot control their price and must compete for the bottom. WLEF can invest in new farm models, new products, new entrepreneurship, opening new markets and new opportunities ranging from orchards and vegetables to hemp, energy development, mushrooms, syrups, horticulture, herbs, grass-fed beef, small livestock, grains, hops and hydroponics.
- **Value Added** to control the chain of production and capture higher end value of creative product development, where you can set a price above the fixed commodity economy. Value added production adds creativity to commodity, producing new products ranging from butter, cheese, yogurt and ice cream to sausage and maple products; from timber frames to bowls or pellets, building new markets and new jobs for the local economy.

Working Lands Coalition Recommendations for Action

The Working Lands Coalition, which leads the 1,000-member Working Lands Partnership, recognizes that our state is limited in how it can affect national circumstances that challenge our agricultural and forest products businesses. The State of Vermont cannot subsidize milk prices or sawmills, and it cannot provide other quick fixes that leave the underlying structural challenges intact. The state is also not in a position to judge the wide variety of future economic opportunities in land-based businesses in Vermont or create a top down strategy to encourage one particular category of entrepreneurship. **Instead, Vermont must encourage the full diversity of creative solutions driven by farm, forest, and value-adding entrepreneurs and new enterprise developers who can profitably advance farm and forest production and thereby conserve working lands in practice.**

The Working Lands Enterprise Initiative (WLEI), with the Working Lands Enterprise Fund and its governing board (WLEB), is the perfect vehicle to make public investment in the private sector creativity to inspire successful farm transitions, value-added developments, and new farm and forest enterprises. In fact, it was created for just this purpose and has been wildly successful since its creation.

This state investment program is the fundamental answer to the challenges before us: engage the creativity of Vermonters and aspiring Vermonters to model new enterprises, to build value-adding chains of production, to capture the highest possible value for milk and wood as commodities, to invest in new product development, new farm development, and new forest business capacity—all advancing the profitability of current and new operations and seeding the renewal of Vermont's rural economy.

An investment of \$3,000,000 annually for five years would boost our agricultural and forest products sectors and have a great impact on our overall economy, while strengthening and stewarding our natural resources for future generations.

Strong Results in the First 5 Years!

Since its inception in 2013, Vermont's Working Lands Enterprise Initiative has invested in 118 farm and forest enterprises, creating 485 direct jobs (that's 1.08 jobs for every \$10,000 invested) and leveraging \$59,000 in additional annual sales per business. Investments have advanced value-adding chains for meat production (creating new markets for beef, pork and poultry farms), apples (opening opportunities for new orchard businesses), cheese (supporting direct value-adding opportunities for dairy operations), maple products, character wood, and many other agricultural and forest products markets.

The Working Lands Enterprise Fund:

- ▶ Creates **jobs** in working lands enterprises
- ▶ Keeps **young entrepreneurs** in Vermont
- ▶ Builds **new markets** for value-added products
- ▶ Increases **capacity** for in-state production
- ▶ Leverages **more investment** for growing enterprises

The Vermont Working Lands Coalition

- Cabot Creamery Cooperative
- Center for an Agricultural Economy
- NOFA Vermont
- Preservation Trust of Vermont
- Shelburne Farms
- Vermont Association of Conservation Districts
- Vermont Association of Planning and Development Agencies
- Vermont Community Loan Fund
- Vermont Council on Rural Development
- Vermont Farm Bureau
- Vermont Land Trust
- Vermont Natural Resources Council
- The Vermont Sustainable Jobs Fund and Farm to Plate
- Vermont Wood Works Council
- Vermont Woodlands Association
- The Woodstock Foundation



Vermont Council on Rural Development

Unleashing the power of Vermonters to create a better future