

## **Alternative Agriculture Enterprise Agritourism Success Story**

## Rockin' L-H Asparagus Farm

Big River Emporium, Stagecoach Inn Bed and Breakfast, Lonesome Kettle Amphitheatre, Cast Iron Kettle Cookout

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### Introduction

Some farmers are looking at agriculture with a new perspective. Increased production costs and declining commodity markets are prompting agriculture producers to look for alternative enterprises to supplement farming income. One alternative being tested by Oklahoma producers to subsidize traditional farming operations is agritourism.

Agritourism is the intersection of agriculture and tourism. It allows farmers and ranchers to earn higher profits by replacing or supplementing traditional farm operations with innovative on-farm and on-ranch activities that are often attractive to visitors and tourists.

According to the Travel Industry Association of America (TIA), agritourism is one of the fastest growing segments of the travel industry. This includes visits to working farms, ranches, wineries, roadside stands, and agricultural industries.

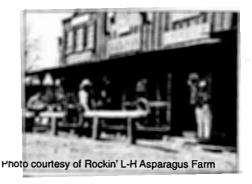
In order to assist producers who are seeking to diversify their operations through agritourism activities, the Oklahoma Cooperative Extension Service (OCES) at Oklahoma State University (OSU), the Oklahoma Tourism and Recreation Department (OTRD), and the Oklahoma Department of Agriculture, Food and Forestry (ODAFF) have developed a cooperative agritourism program for Oklahoma. A media team, including Ron Dahlgren, OSU Agricultural Communications Services Senior Radio/Television Producer, traveled the state interviewing successful agritourism enterprises. These materials will be used for establishment and promotion of Oklahoma Agritourism.

The information below is part of an interview with Lee Henry, owner of Rockin' L-H Asparagus Farm. The farm is located northeast of Stidham, Oklahoma. Established in 1981 as a fresh market asparagus operation, the owner quickly saw a need to add value to the crop to maintain profitability. This resulted in a commercial processing venture to market the asparagus through gourmet food, gift, and specialty stores. What began as a commercial asparagus operation, during the next 15 years grew to include the Big River Emporium, the Stagecoach Inn Bed and Breakfast, The Lonesome Kettle Amphitheatre, and the Cast Iron Kettle Cookout.

Oklahoma Cooperative Extension Fact Sheets are also available on our website at: http://osufacts.okstate.edu

### Interview with Lee Henry

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The following information is from Lee Henry's interview.

# What made you decide to go into the present alternative enterprise?

Since 1981, weather conditions and pests led me to reduce the size of asparagus grown from 40 to 8 acres. Commercial harvests are no longer feasible.

My wife's talent in food preservation directed us to research commercial canning. We went to the University of Arkansas, the only place at that time, to get a "Certified Acidified Glass Packer" the certificate required by the Food and Drug Administration (FDA).

We built a plant and started pickling three asparagus products: pickled, hot and spicy pickled, and bread and butter asparagus.

We discovered it was not possible to command enough room on store shelves to make a living with only three products. Therefore we expanded the product line to include mustards, dressings, bloody mary mixes, pickled garlic, chili mixes, hot and sweet garlic, asparagus pickle jelly, and white lightnin' dressing.

#### How did you make the transition?

We started small, expanded our product line, and then began to enlarge the homestead. One turning point for the business started when Jim Buratti, formerly with the Oklahoma Department of Tourism and Recreation, inquired about bringing a tour bus group to the asparagus farm. They wanted to see the asparagus and be entertained. We wanted to do something special for our first time visitors. Biscuit Bob and I served cowboy camp coffee and chili over an open fire from my chuckwagon. It wasn't long until another tour bus company requested a visit and food for 60 people. That was the day agritourism began for the Rockin' L-H Asparagus Farm.

### What is your primary target audience?

Agritourism does not draw the typical out-of-state tourists. Most are in-state residents. Agritourism enterprises attract more senior citizens than anyone. They enjoy the relaxed atmosphere and peacefulness.

All farmers have a dream to showcase their farm. Agritourism brings back memories for older people and creates new experiences for young people.

### How do you obtain financing?

We didn't borrow money, we saved and returned monies earned back into the business. You need enthusiasm and determination to succeed. We are conservative and want to leave a legacy for our family.

#### How did you acquire information?

I attended several seminars about value-added products and supplemental income. Information was acquired from OSU, the Agritourism Department at OTRD, and Oklahoma Department of Commerce. I can't tell you enough how much these folks helped me.

I also serve on the Oklahoma Agritourism Steering Committee. Every farming operation is a potential agritourism enterprise. You don't have to give up farming, just add to it. Agritourism is added value to farmers.

#### How do you market your services?

Tour bus operators look for 5- to 6-hour destination points. They want packages including 1- to 2-hour stops within 25 to 30 miles. We are trying to develop a cooperative with three neighboring businesses. More businesses in one area, is attractive to visitors.

We maintain four websites on the Internet and are the largest FEDEX shipper in McIntosh County. We offer tours on Tuesday and Thursday and ship merchandise to wholesalers on Monday, Wednesday, and Friday.

All guests receive a "Dofunnie Bag" packed with goodies, a few surprises, and a Big River Emporium gourmet food catalog.

# What went wrong, and why? How did you correct the situation?

Too much fresh asparagus to market correctly, and not having a sales force in place to sell the asparagus before it deteriorated. "Asparagus is the Rolls Royce of vegetables and very perishable." The 2<sup>nd</sup> and 3<sup>rd</sup> years compounded the problem. As the crops grew larger I realized that I had to make my farm more versatile, i.e. internal processing, research and development, packaging, and marketing for all our products.

During the next 20 years, I built a canning plant, sales and marketing showroom, offices, four websites, three warehouses, two Bed & Breakfast Inns, bus tour stop, chuckwagon cookouts, musical shows, and a laser engraving business — all on my 40 acres.

## What went right, and why? How did you build on your success?

The determination of the Henry family and their 100 percent support of the business is a great asset. Our children and grandchildren assist visitors touring the farm. They are a real blessing.

We have a lot of local retirees that love to dress up as cowboys and cowgirls. They come on tour days to take an active part in entertaining the tour groups. They also love the free chuckwagon grub enjoyed by all our employees. During harvest, and now the tours, we employ 16 to 20 people. This is a tremendous boost for our rural economy.

### How do you handle liability concerns?

I carry \$1million in two policies; one for food service and one for farm activities. The Oklahoma Agritourism Steering Committee would like to see insurance companies offer group packages to agritourism enterprises.

## What would be the most important advice you would give other farmers considering an alternative enterprise?

The Oklahoma Agritourism Steering Committee has compiled a questionnaire for potential agritourism enterprises. It includes information on insurance, requirements for Americans with Disabilities Act (ADA), transportation issues, entertainment, and food considerations.

Agritourism is a way to supplement farming income. Find your niche; something you enjoy. You are limited only by your imagination.

#### Where do you plan to go from here?

We would like to add a sod house, expand the wholesale business, and retail business at the Big River Emporium. We would also like to add another bed and breakfast.

The Cast Iron Kettle Cookout and the Lonesome Kettle Amphitheatre are great assets. The Homesteaders Quartet, a professional Southern Gospel group, entertains guests with a toe-tapping "Cowboy Camp Meeting" Branson quality performance on our stage.

### Are you willing to share your information?

Yes. Prospective entrepreneurs need someone to be honest about their venture.

This concludes the interview and information provided by Mr. Henry.

### **Benefits of Agritourism**

The transition to alternative enterprises is happening at a favorable time. People from both urban and rural communities are seeking entertainment and recreation from local farmers and ranchers who support the conservation of natural resources. Children and adults want opportunities to engage in interactive, educational outdoor activities, plus tourists interested in farm culture and heritage want to better understand agriculture.

Increased income for farm families and added visitor attraction sites for communities are two major benefits of agritourism. A farm and its natural resources provide great opportunities for alternative enterprises through agritourism and is a viable option for community economic development.

Tourism brings non-local dollars into the community to be spent at gift shops, restaurants, motels, gas stations, and convenience stores. This translates into profits, salaries, and tax revenues for local economies.

Promoting agritourism is smart for the whole community. It encourages communities to support good infrastructure, creates positive attitudes towards visitors, inspires clean environments, combines good retail mix, increases local tourism organizations, focuses on coordination of activities, and promotes good hospitality.

The Oklahoma Agritourism Steering Committee, an interagency between Oklahoma Department of Agriculture, Food, and Forestry, Oklahoma Department of Tourism and Recreation, and the Department of Wildlife Conservation points out that agritourism combines two of the state's top industries: agriculture (\$7 billion annually) and tourism (\$4.5 billion annually). By combining the two industries, the potential for growth is phenomenal.

According to a study by the TIA of America, nearly twothirds of all U.S. adults, or 87 million individuals, have taken a trip to a rural destination within the past three years.

Travel and tourism is a \$4.5 billion industry in Oklahoma that generates more than 70,700 jobs, according to OTRD. It also generates nearly \$760.4 million in tax revenue for federal, state, and local governments.

It is easy to understand why the combination of agriculture and tourism, with its focus on rural and economic development, has begun to pique the interest of many Oklahoma producers. For many farming operations, making profits depends on diversifying operations which include services and products designed for tourists.

### **Assistance Available for Agritourism**

To encourage rural and economic development, the ODAFF implemented the Oklahoma Agriculture Enhancement and Diversification Program. This is designed to develop or improve uses for agriculture products, expand the state's production of value-added products, and encourage diversified farming. This program has been tremendously successful at helping producers throughout rural Oklahoma increase income and creating jobs in their communities. In addition to diversifying Oklahoma's agriculture industry, the program has been used for producers who want to enter the agritourism business.

The Oklahoma State Legislature recognized the need to assist with rural diversification. House Bill 1680, effective January 1, 2006, was designed to spur investments and create new farming operations in rural Oklahoma. It increases the maximum amount of tax credit for investment in certain agricultural cooperatives and helps landowners with the costs of starting agritourism ventures.

Several government agencies have joined forces to help landowners assess their natural resources and provide information to farmers and ranchers identifying alternative agricultural enterprises and agritourism opportunities.

ODAFF established a special Agritourism Division to help agriculture producers identify opportunities in agritourism. Information on business plan development, marketing options, tourism expansion, and resource assessment is available in the Oklahoma Agritourism Resource Manual listed on their website.

Oklahoma State University Cooperative Extension Service specialists assist potential entrepreneurs and rural communities considering the agritourism industry. Professionals in each county provide educational programs, strategic planning, and information on economic diversification. Check the list below for a resource near you.

Sources: Oklahoma State University Cooperative Extension Service, Oklahoma Department of Agriculture, Food, and Forestry, Oklahoma Tourism and Recreation Department, U.S. Department of Agriculture, National Agricultural Statistics Service, Travel Industry Association of America.

Table 1. Resource List.

| Name                  | Contact                                 | Phone  | Web Site                      |
|-----------------------|---|--|-------------------------------|
| OK Agritourism/ODAFF  | Abby Cash                               | (405) 522-5652                                     | www.oklahomaagritourism.com   |
| OSU/OCES              | County Extension Directors              |  | http://countyext.okstate.edu/ |
| OSU/Rural Development | Mike Woods<br>Stan Ralstin<br>Jack Frye | (405) 744-9837<br>(580) 237-7677<br>(580) 332-4100 | www.rd.okstate.edu            |
| OTRD                  | Barbie Elder                            | (405) 230-8409                                     | www.oklatourism.gov           |

## The Oklahoma Cooperative Extension Service Bringing the University to You!

The Cooperative Extension Service is the largest, most successful informal educational organization in the world. It is a nationwide system funded and guided by a partnership of federal, state, and local governments that delivers information to help people help themselves through the land-grant university system.

Extension carries out programs in the broad categories of agriculture, natural resources and environment; family and consumer sciences; 4-H and other youth; and community resource development. Extension staff members live and work among the people they serve to help stimulate and educate Americans to plan ahead and cope with their problems.

Some characteristics of the Cooperative Extension system are:

- The federal, state, and local governments cooperatively share in its financial support and program direction.
- It is administered by the land-grant university as designated by the state legislature through an Extension director.
- Extension programs are nonpolitical, objective, and research-based information.

- It provides practical, problem-oriented education for people of all ages. It is designated to take the knowledge of the university to those persons who do not or cannot participate in the formal classroom instruction of the university.
- It utilizes research from university, government, and other sources to help people make their own decisions.
- More than a million volunteers help multiply the impact of the Extension professional staff.
- It dispenses no funds to the public.
- It is not a regulatory agency, but it does inform people of regulations and of their options in meeting them.
- Local programs are developed and carried out in full recognition of national problems and goals.
- The Extension staff educates people through personal contacts, meetings, demonstrations, and the mass media.
- Extension has the built-in flexibility to adjust its programs and subject matter to meet new needs.
   Activities shift from year to year as citizen groups and Extension workers close to the problems advise changes.

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