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SANTA CRUZ FARM: DIRECT AND NICHE MARKETING IN NORTHERN NEW MEXICO

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Introduction

Santa Cruz Farm is a family owned and operated certified organic farm, located in the Española Valley in northern New Mexico. We are certified organic by the New Mexico Organic Commission, a state agency. The farm has been in the family since the late 1600s, and we have been growing organically certified for about ten years. Santa Cruz Farm grows traditional and regional crops as well as specialty crops. We farm according to the moon cycles and the sun's energy, and with a little help from modern technology, we can extend the growing season in order to bring an ever widening variety of fresh, locally grown food to the community all year long. Santa Cruz Farm has been running a successful Community Supported Agriculture program (CSA), both summer and winter, for the past nine years. We combine traditional methods with more modern techniques such as hoop houses and greenhouses which allow us to grow certain foods twelve months a year. Santa Cruz Farm consists of three and a half acres of land with ten thousand square feet of greenhouse and cold frames. We are now hoping to find funding sources to help develop a solar heating process, which may allow us to extend the growing season of more heat sensitive crops. Santa Cruz Farm follows a three-pronged marketing plan consisting of direct sales through farmers markets, steady CSA, and wholesale accounts. The majority of our income comes from the farmers markets. Wholesale has generally been the least profitable avenue, but through the Farm to Table program, we have recently begun regularly supplying the Santa Fe school district with fresh, healthy salad greens. By means of this carefully balanced marketing plan, Santa Cruz Farm is able to function dependably while filling the needs of a variety of members of the community through methods best suited to each one. In this way, we maintain our traditional lifestyle as we continue to play a valuable role in our community.

History of the Land and Water

Santa Cruz Farm was named after our church and after the Santa Cruz del la Cañada land grant. The land grants in New Mexico were given by the king of Spain in the 1500s and 1600s to encourage people to come to the new world and help settle and claim land for Spain. Families that moved to New Mexico and met the qualifications were often given large pieces of land, in some cases to individuals but typically to communities. The Santa Cruz Land Grant was given to 15 families and is a communal grant. The original land grant consisted of 44 thousand acres that has been lost for several reasons. We have a group of people in New Mexico working on this issue, and we have made great progress on both state and federal levels to begin returning lands back to the community. By becoming a sub-division of the state government, much like a department in state government, the land grants will be able to ask the state of New Mexico for funding to build affordable housing, clean up dump sites, and purchase lands that were part of the original grant. The US General Accounting Office (GAO) released a report in 2004 that addresses the land grants and some of the remedies that might occur. Just recently, in February 2005, at a public assembly, Governor Bill Richardson announced that he would help us with funding and start a program at Highlands University on land grants.

The source for water used to farm the land involves a traditional system known as acequias, which is the main method of water distribution in Northern New Mexico. Acequias are four hundred year old systems which represent the first form of democracy in the United States. The New Mexico Acequia Association has taken the lead to protect our water rights and ensure that our water stays tied to our land. The acequias were brought by the Spaniards and integrated with existing systems in use by the Native Americans. The system had been developed by the Moors and introduced to Spain during a war between the two cultures. In New Mexico, it is based on the premise that everyone is equal and should get a fair share of water to grow crops, water livestock, and for drinking. Acequias are usually governed by a commission elected every two years, which sets the times when the acequias are cleaned and water is released from the rivers, as well as help resolve any conflicts that might arise between members. The Majordomo is responsible for acequias law enforcement, coordinating the cleaning, and daily oversight of acequias affairs. Majordomos must also make sure everyone gets their share of water, a challenge during times of drought. This system has served us well over the generations, and at Santa Cruz Farm, we have integrated modern technology into the traditional distribution system to help conserve our precious water.

Methods, Techniques and Production

Santa Cruz Farm uses a drip system to help conserve water when irrigating our crops. The drip system was first introduced to the farm nine years ago, when the establishment of our CSA program allowed us some extra money to invest in farm improvements. Some of the first investments made with the CSA funds were two triton sand filters, a small five horsepower pump, drip tape, and two-inch distribution pipe; enough for one acre of crops. Our research found RainFlow products to be the most affordable and dependable source for our needs, and we still use them to this day.

Santa Cruz Farm grows seventy six different varieties of crops twelve months a year using nothing but solar energy. For fall and winter production, we are using a technique that I learned from Elliot Colman and his book *Four Season Harvest*. We have also received a huge amount of advice and help from the Alcalde Science Center of New Mexico State University, run by Edmund Gomez and assisted by Agriculture Specialist Del Jeminez. This method uses layers of material to create climate zone changes. We start with a cold frame structure and cover it with two-year, 5-millimeter, UV-protected greenhouse plastic. Inside the cold frame we use five-foot sections of thick-gauge wire bent into a half circle with ends pushed roughly 6 inches into the soil. We then cover this with a woven polyester cloth that lets light and water in, but protects the crops from freezing temperatures. It is much like an igloo effect. As one layer freezes, it traps warmer air between the layers. When the second layer freezes, it traps the heat released by the soil. We have also used plastic mulches to warm the soil and keep the root zone from freezing. We are now hoping to find funding sources to help develop a solar heating process, which may allow us to grow more heat sensitive crops longer into the winter and earlier in the spring. By heating water and moving it underground beneath the beds, we hope to heat the soil and trap the warmer air. Currently, our winter production allows growing cold tolerant crops such as spinach, swiss chard, lettuce mix, arugula, and kale.

In the spring, we can start about 30 days earlier than we could otherwise by using plastic mulches to heat the soil along with the wire hoops and remay cover. We start with our cold crops and move our winter production outside. This frees up our cold frames for the early production of warm weather crops like basil, tomatoes, and cucumbers, allowing us to get to the farmers' markets early with locally grown food. By mid April, we have all our major crops outside covered with remay, and have directly seeded our field crops like chile, squash, cucumbers, and beans. We can then start to harvest our spring crop of asparagus and strawberries. Thanks to Ron Walser, the fruit specialist with the Alcalde Science Center, we started with strawberries three years ago, have expanded to raspberries in 2004, and are now looking forward to planting blackberries.

Then we shift into our summer mode. We harvest squash and cucumbers by mid June and are working on all our summer crops, like green chile, by July. By early fall, the majority of production is moved back inside the greenhouses and cold frames, and the cycle begins again.

Marketing

In the early nineties, Santa Cruz Farm developed a business plan through a program Edmund Gomez put together. A business consultant was hired to help farmers approach their farm as a small business. I was fortunate enough to participate in the classes. Out of the program, I developed a three prong marketing plan much like a milk stool; if one leg is a little weak, you can still balance on the other two.

The first prong of the marketing plan is the local farmers' markets. We go to the Española market in our home town on Mondays; on Thursdays, we go to the Los Alamos market; and on Tuesdays and Saturdays we go to the Santa Fe Farmers' Market. At these markets, we make 70 percent of our income from direct sales to customers. Green chile is, by far, our best summer crop. Northern New Mexico has the perfect climate for growing chiles, and we attract tourists from all over the country and the world. We grow about one acre and sell it at the markets, where we roast the chile over an open flame. The sight and smell of roasting chiles brings the customers in droves. Another very popular item is our strawberries, which are the only strawberries currently being grown in the region. Due to their rare status, these delicious organic berries are snapped up fast and bring a high price at the farmers markets.

The second area of sales is our Community Supported Agriculture program. Our CSA started nine years ago, when a group of women from the Los Alamos Unitarian Church came on a farm visit in the middle of winter, based on a recommendation by county extension agent Tony Valdez. They were impressed when they saw the cold frames full of greens and ready for sale. I had planted the crops with the intention of selling them to wholesale accounts. The only problem with that is I was at the mercy of the market value set by large, sometimes international corporations and receiving prices that were only making a small return on my capitol investment. The CSA allowed me to charge full farmers market price and to get the capitol in early spring, allowing me to reinvest in the farm without having to ask for a loan from my banker. That meant I had money to buy seed, repair equipment, hire labor, and try out new technology without feeling I was putting the farm at risk. We have a summer membership of about 35 members which I believe is the right balance of a CSA and direct market sales; in the past, we have had as many as 75 summer members! We also have a winter membership that is capped at 35 shareholders, although the demand for fresh organic vegetables in the winter is increasing year by year as more people come to understand the value of locally grown food.

Our third market includes wholesale accounts, which has been our least profitable area. The problem is that we are competing with the big boys for market share in stores and restaurants. That is okay when we have an abundance of vegetables; but, otherwise, it is difficult to make a profit. For example, Santa Cruz Farm was the first farm in New Mexico to grow European Cucumbers. We partnered with San Juan Pueblo to teach their members how to grow greenhouse produce. They were doing quite well and receiving about \$24 per case of cucumbers. Halfway through the summer season, cucumbers from Canada started to make it into the market and the price dropped to around \$12 to \$18 per case; yet, we were still competing and even making a profit, although less. Then the imports from Mexico hit the market and the price dropped to \$6 per case, and we started to lose money. We closed down the operation the next crop rotation and have not gone back to full production since. I still grow European Cucumbers, but just for the farmers' markets.

Then, recently, as luck would have it, Mr. Craig Maples, marketing division, the Department of Agriculture at NMSU, and private citizens like Lynn Walters and many more introduced a memorial at the state legislator encouraging schools to buy directly from small local farmers. We were fortunate

enough to be chosen to supply the Santa Fe school district with salad greens through the Farm to School program. This means we deliver freshly harvested salad greens to the distribution point in Santa Fe, and they send it off to different schools. At this time, we are supplying the elementary schools in Santa Fe. We have to go through a bidding process and meet certain nutritional requirements set by the USDA regulations. We are required to carry a one million dollar insurance policy and to harvest less than 24 hours before delivery, package in three pound increments, and label each box with our name and the package's destination. We deliver before 6am on Monday mornings. The price we are getting is profitable and we can count on a reliable market that is not at the mercy of market value. This program has really helped us pay the bills in the winter and taken the pressure off of us in the summer. Now we don't have to grow and make all our income in a short summer season. We can spread the risk all year. Craig Maples is working on increasing the markets to other school districts, and rumor has it that this coming year, we and other local farmers might have a market of up to 10,000 lunches per week.

Salad greens are not the only produce being bought by the school districts. Apples watermelons, and many more locally grown fruits and vegetables are in high demand. The greatest result is that young children are now eating healthy locally grown food produced by their neighbors on farms in their bio-region. Thus, together, we are helping save the environment, addressing social issues, land and water issues, and supporting our local economy. Thanks to modern advances and the increasing support for locally grown food, Santa Cruz Farm is able to function dependably while helping fill the needs of more and more members of the community through methods best suited to each one. In this way, we maintain our traditional lifestyle while evolving to suit the needs of our environment and of our community.