

***Tools for Transition Project*¹: Financial Data Resources and Educational Materials for Farmers Transitioning to Organic Production**

As more farmers consider transition to organic production, the high cost of transition – coupled with uncertainty about those costs and subsequent returns – will be a significant impediment to growth in this promising market sector. There are few published studies on the economics of organic transition, and there is very limited access to actual farm data on costs and returns during and after transition.

This integrated, long-term project, sponsored by the USDA National Institute of Food and Agriculture, has two inter-related goals that address the need for farm-based information on enterprise and whole-farm performance during the transition from conventional to organic production:

1. Collect data on farm performance measures during the transition to organic production and develop resources such as an online database and analysis tools within the Center for Farm Financial Management's FINBIN software (<http://www.finbin.umn.edu/>) to generate benchmark reports for crop and livestock enterprises and whole farm performance during transition.
2. Develop web-based and print materials to address the informational needs of farmers transitioning to organic production and the educational needs of agricultural professionals who advise them.

Through on-farm research, data analysis and a multifaceted outreach program, this project will produce data and information on farmer practices and experiences during organic transition and contribute to evaluation of potential economic benefits of organic production.

During the first two years of the project, 37 transitioning and recently certified farmers joined the project by enrolling in the state's Farm Business Management (FBM) program (<http://www.mgt.org/>). Scholarships, worth up to 90 percent of FBM program tuition, are offered to transitioning dairy and field crop farmers who enroll in the program.

At the start of project participation, these 37 farms collectively represented 3,815 acres in transition and 990 recently certified acres. They cultivated 5,868 acres that had been certified for three years or more and an additional 4,850 acres of conventional land. Together, these farms had 507 dairy cows in transition, 583 recently certified dairy cows, 455 certified organic dairy cows, and 90 conventional dairy cows.

Additional information is available at the project website: www.eorganic.info/toolsfortransition or contact: Robert King, Department of Applied Economics, University of Minnesota, 612-625-1273, rking@umn.edu.

¹ The project is sponsored September 2010 – September 2014. Project partners include: Robert Craven (U of M), Tim Delbridge (U of M), Gigi DiGiacomo (U of M), Robert King (U of M), Meg Moynihan (Minnesota Department of Agriculture), Helene Murray (U of M), Dale Nordquist (U of M), Jim Riddle (U of M). Project advisory committee members include: Ira Beckman (MnSCU), Ron Dvergsten (MNScu), Carmen Fernholz (farmer), Kent Hoehne (farmer), Loretta Jaus (farmer), Michelle Menken (Minnesota Crop Improvement Association), Carolyn Olson (farmer), and Carissa Spencer (USDA/NRCS). Richard Joerger advised the project in his capacity as director for the FBM program from September 2010-July 2012.