Value-Added Agriculture among Small Farmers in North Carolina: A Case Study

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Abstract
This case study research was undertaken as an initial step towards studying the critical factors that influence the adoption of value-added as an additional enterprise by small farmers in North Carolina. Key factors such as age, years in farming, and level of education were measured in comparison to key variables such as Wages and value-added marketing were also deemed to be common factors. The key drivers for the adoption of value-added are demand for consumer demands, and expand core business operations were often mentioned among the goals of operators implementing value-added activities. Average value-added operators, land availability, access to raw materials, and weather calculations were cited as barriers or problems faced at their value-added operations. The biggest driving force behind the operators' view of success was position for their value-added growth and educational attainment.

Literature Review
The trend towards fewer, larger, and increasingly corporate farms has formed a concern that many mid-sized family-owned farms will soon disappear. Disappearing in the number of farms and sales is growing average age per farm has occurred over the years in the United States. Almost less than 2 percent of all farms account for nearly 50 percent of the value of U.S. output. Many rural areas faced with declining numbers of farm jobs consider the food-processing sector as a source of potential income and employment growth. By adding value to farm products, this trend could be reversed by providing new value-added activities to rural communities as a key lever for rural growth, as well as to enhance farm income and provide rural jobs. Leaders of local communities are interested in finding solutions to their local economic problems. Value-added agriculture is an important strategy to both agricultural entrepreneurship and rural development (Oliner, Brown and Solon, 2000; Kilgore and Schurman, 2001; Womack, 2005). Value-added activities targeted to consumer demands have the potential to become more numerous in the future. These opportunities could help those involved in value-added activities to capture higher economic profits. Adding value to farm commodities could become an even more important income-generating strategy for producers. USDA (2007) reports that agricultural operators in the United States are becoming more diverse as farmers and consumers both demand commodity production to find new ways of generating income. Farmers are diversifying their operations to increase profitability by providing additional incomes from agriculture and nonfarm activities, direct-to-consumer sales, and sales of value-added and specialty products, including certified organic products. The Bureau of Economic Analysis reports that in 2012 value added contributed more than $201 billion to the agricultural sector. Research has shown that value-added agriculture is an important strategy to both agricultural entrepreneurship and rural development (L. & Dube, 2010). (Cubin, Brown and Solon, 2001; Kilgore and Schurman, 2001). The current case studies build on the same initiative of alternative enterprises naming their practices and agriculture by focusing specifically on value-added agriculture among small and socially disadvantaged farmers (SDFs) in North Carolina as a strategy for enhancing the reliability of the state's small farms.