



THE PRODUCE PAGES

SERVING THE FRUIT AND VEGETABLE GROWERS OF EASTERN NEW YORK



April 2019

Tips From The Mohawk Valley Produce Auction How to be Successful in Selling at a NYS Produce Auction

Crystal Stewart, ENYCHP

The Mohawk Valley Produce Auction was started in 2009 by a group of Amish produce farmers who wanted to create a wholesale outlet for their product. Since then it has grown to include numerous farmers from Amish, Mennonite and "English" communities. Ninety-five percent of the produce sold at auction is grown within 20 miles of the auction house in Fort Plain. Buyers for the auction come from farther afield, ranging from farm stands located in the Hudson Valley and Syracuse area to small grocery stores scattered throughout the region. Special auctions such as the pumpkin auction may attract buyers from Long Island and Pennsylvania.

The Mohawk Valley auction is currently one of 8 produce auctions throughout the state, the oldest of which is the Finger Lakes Produce Auction in Yates County, established in 2000. This approach to wholesale marketing is often credited to enterprising farmers in Pennsylvania who started the Leola Produce Auction in the 1980's. Indeed, most produce auctions in business today are built on this model. However, produce auctions were in existence nearly 200 years ago in New York. These early markets fell out of favor as they offered too little benefit to the growers, having been organized for the benefit of buyers.

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The Produce Pages

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Cover Art: Photograph of Mohawk Valley Produce Auction by Crystal Stewart

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The re-development of auction as a market channel in the 1980's has proven successful in large part because of the involvement of growers in governance. Produce auctions today are run by an elected Board of Directors, usually comprised of growers and buyers, who act in the best interest of creating economic returns (Reid, 2019).

One of the largest concerns that growers have when considering whether or not to sell to a produce auction is price. I sat down with two of the key organizers of the Mohawk Valley Produce Auction, Eli and Mervin, to discuss how to be a successful auction grower and how this season is shaping up.

The first thing they said is that there is a misconception surrounding auctions that they are a place to "unload" lower quality or over-abundant produce. In reality, treating an auction in this way starts a race to the bottom by attracting people looking for a deal rather than attracting buyers looking for top quality produce to sell in retail channels. A functioning auction continues to drive quality higher, as it is the primary way that growers differentiate themselves from others. Wholesale buyers will pay good prices for good product as long as supply matches demand. It is important to remember, however, that even good wholesale prices are still significantly lower than retail prices. If this is a first foray into wholesaling, you should research wholesale prices for the crop you are considering selling and make sure your cost of production is low enough to enter a wholesale market channel.

"Consistency is almost as important as quality [in receiving a good price]," said Eli Martin, auctioneer. "If buyers can depend on certain growers having a regular amount of product every week they will plan to buy from them." Buyers want to know the product they are getting will be consistent, week in and week out, and working with one grower whenever possible helps to ensure this is the case. However, he also noted that quality essential to buyer retention and getting good prices. "The product at the bottom of the box has to be the same as the quality at the top. Otherwise you are hurting yourself and your co-farmers," shared Eli.

Cooperation was a theme that came up repeatedly during our conversation. At produce auctions all growers rise and fall together, and by coordinating everyone can help to ensure that buyer demand is met (keeping buyers relying on the auction rather than other market channels) and that the market is not flooded, overly depressing prices. "If you want to make money at the produce auction you have to show up all season long. Your glut is everyone's glut, so if you only bring excess you won't make money and you'll drop prices for the committed growers, too."

Each spring growers and buyers meet to share a meal, hear some educational updates, and do a little coordination for the



Mohawk Valley Produce Auction
840 Fordsbush Road, Fort Plain, NY 13339
(518) 568-3579

Regular Auctions

2019 season starts on April 23, 2019
Tuesday and Friday, 10:00am

Special Auctions (each independently run):

Mother's Day Sale: Friday-Saturday of Mother's Day weekend. Includes: equipment, tools, building materials, animals, bedding plants, perennials, and quilts.

Wholesale Bedding Plant and Hanging Basket Sale:
Tuesday prior to Mother's Day

Pumpkin Sale: September 17, 2019

coming season. Buyers might share about plans for expansion to let growers know demand will be increasing, or growers can share with each other what they plan to grow in order to identify potential over and under production areas. Everyone is free to grow what they like, but the coordination can help.

The auction also helps growers bring uniform and safe product in by selling a variety of produce boxes. All product is required to be brought in new food-grade boxes. As a general rule, product sells better in the packaging buyers expect to see—tomatoes in tomato boxes, bushel and a ninth boxes for zucchini.

This year, the Mohawk Valley Auction is expecting shortages of asparagus, bunched beets, berries, garlic, and niche crops, including bundles or ornamental corn and exotic pumpkins. It is also going to try to extend the season, so fall vegetables will be in higher demand. Early produce always receives good prices. Crops like peppers, cantaloupe, and tomatoes are always solid favorites, if the quality is good and the products well packed. Prices of zucchini will always fall in mid-summer, sadly.

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Would you bet the farm on red?



Natural disaster can strike at any time!

Don't leave your farm's financial future to chance...

If you suffer a loss this year, would you be able to plant next year? Crop insurance can help protect you and your family from losses caused by bad weather and volatile prices.

Be sure you don't miss the following sales deadlines!

March 15: Barley (spring), Beans (dry, green), Cabbage, Corn, Forage Seeding (spring), Grain Sorghum, Green Peas, Oats (spring), Potatoes, Soybeans, Sweet Corn, Tomatoes (processing), Whole Farm Revenue (early fiscal filer)

May 1: Nursery (field, container)

July 31: Forage Seeding (fall)

Sep. 30: Barley (winter), Forage Prod., Wheat (winter)

Nov. 15: Apiculture, Pasture Ranchland Forage (PRF)

Nov. 20: Apples, Grapes, Peaches, Tart Cherries, Whole Farm Revenue (late fiscal filer)

Monthly: Dairy, Swine (Livestock Gross Margin)

Daily: Milk (Dairy Revenue Protection)

To locate an RMA agent visit: <http://cli.re/gzPVWY>

To learn how you can apply crop insurance to your risk management strategy and about crop insurance products available to New York farmers visit:

<https://agriskmanagement.cornell.edu>

Cornell CALS
College of Agriculture and Life Sciences





Hemp and CBD Contracts— Reducing Your Risk

Maire Ullrich, CCE Orange County

Move over Kale, CBD is the new rock star of agriculture!. Most of the excitement about CBD, a hemp extract, is the potential to double (or more) one's investment in gross sales. That is a rare situation in farming. However, this potential gain does not come without risks. For example, CBD production far outpaces grain or fiber production in cost per acre to produce which means the risks are high at the end of the season if something goes wrong with the crop. Despite the risks, attraction to this crop is strong.

An additional risk to farmers is that this new market is attracting investors and interested parties from non-ag backgrounds. If you are working with an investor or partner

like this, it is very important to make sure that they understand all of the potential pitfalls that come with growing an agricultural crop. Of course farmers are well aware of all the hazards of Mother Nature but it is best to not assume that your partners understand these risks.

In this article I will focus on some ways to reduce or mitigate business risks in this high stakes crop.

I will spend a lot of time on this article discussing contract terms, but it is expensive to enforce a contract in court, and for most farms, not the optimal financial situation. The first best step in developing a partnership, especially in a risky business or a new market area, is to develop a relationship with respectable businesses and ethical partners who are reliable and who are adept at negotiating expectations verbally as well as contractually. Things will go wrong, and you want to work with someone who will work ethically with you.

In combination with a solid business relationship, a contract is important for making sure that all parties know what is expected of them and how issues will be addressed. The contract for CBD and hemp production should reflect the areas below. Certainly any situation may need additional reflection.

With that—here are my recommendations for getting into CBD/hemp production while reducing your risk:

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Barriers to Wholesaling For Small-Scale Vegetable Growers in New York State

Robert Hadad, CCE Vegetable Program

Through an USDA-AMS funded grant project, we surveyed over 200 fresh produce growers across New York State to provide feedback on their experience with wholesale marketing. The responses to the survey provided enlightening information on how and why they tried wholesaling, why some stayed in it while others left that marketplace, and why some farmers are apprehensive about trying.

From the survey, follow up focus groups and eight case study farms we gleaned the following recommendations for farms that are considering moving into wholesale:



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Manager's Toolbox: SCORE

Feedback for Performance

Dr. Richard Stup, CCE Ag Labor Management Program

Giving your team feedback on their performance is your most important job as a supervisor. **Silence Is Not Golden!**

Choosing to not give feedback sends a message that the person's performance on that task is unimportant.

Unfortunately, many supervisors ignore team member's performance on important tasks. That's a very wrong message, one that leads to confusion and discouragement for team members. Your team won't know how they are doing unless you give them feedback that they can understand and use. Even worse, without good feedback, employees who are performing badly might think they are doing great, and employees who are excelling might think they are failing.

Remember the acronym **SCORE** to give effective feedback!

S—Specific and to the point. Focus your feedback on behaviors that can be named, not just general observations.

C—Credible. Team members need to believe that you understand or have observed the work enough to recognize good and bad performance.

O—On-time and frequent. Give feedback as soon as possible after you observe performance, don't wait for planned meetings like an annual review.

R—Relevant. Give feedback on behaviors that directly affect performance. Focus on behaviors, not the person.

E—End looking ahead. Always end your feedback with a look ahead. Talk about how they can do better in the future. ■

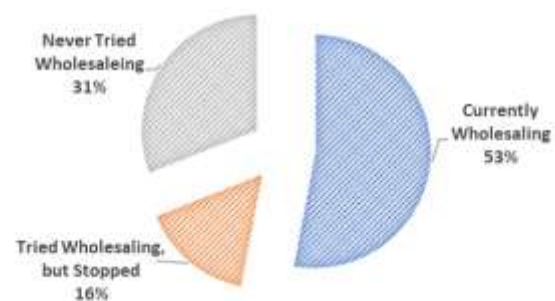
(Barriers to Wholesaling, Continued from page 5)

- Farms who want to enter wholesale markets need to have a firm handle on their financials. Cost of production provides invaluable information for making calculated business decisions. Without this information a farm cannot determine whether or not they will produce efficiently enough to be profitable at wholesale pricing.
- To wholesale more profitably, a farm's focus should be on a small number of crops grown well.
- Farmers who wholesale need to understand the buyer's demands. This includes packaging demands, and availability for taking orders.
- Quality of production is very important for wholesale markets as well as product consistency.
- Being on top of farm food safety practices is very important for this market.

From the project information we also learned that:

- Smaller growers don't seem to trust bigger buyers or the food industry.
- Labor needs are a major issue for farmers looking to scale up into wholesale.
- Some farms reported a need to have training on methods of implementing farm efficiencies to scale up.

FARMS RESPONDING TO WHOLESALE MARKET SURVEY



The study's overview, results, and recommendations have all been put into two presentation videos. The presentations can be found posted on our YouTube Channel <https://www.youtube.com/user/cccevvp>. ■

Source: VegEdge, Volume 15, Issue 2, February 15, 2019

First Step

The first step to growing hemp, after researching the crops and markets thoroughly, is applying for a permit to grow and/or process. This is done through New York State Department of Agriculture and Markets. Temporarily, permitting is closed for CBD production. No, there is not a projected opening date. Many factors in hemp and marijuana production/licensing are at work here. Expectations are that there will be permitting for CBD in 2020 open later in 2019.

Also, as of 2019, there will no longer be affiliated grower permits so the farm entity will have to have its own permit - independent of other hemp businesses. It is recommended that the hemp business be its own entity (preferably LLC or S corp.) apart from the other farm business activities, especially if processing will be involved. This does mean additional fees and possibly additional insurance but, given the legal intricacies of this crop, it is a wise measure.

Acquiring Genetics

Obtaining CBD genetics is one of the more relationship-oriented areas of this crop. Plant matter acquisition can be a complicated activity. It is as not as if one can open a commercial seed catalogue and find a select variety. Varieties are privately owned and access to seed, transplants, or “mother” plants requires knowing an owner-breeder. Therefore the following questions should be addressed in a growing contract:

- Who is providing the plants/seeds?
- Who owns the intellectual property of the seeds/plants and how will those use agreements be respected?
- Who is determining which variety will be grown?
- Who is transporting seeds/plants and when will they be acquired/delivered?
- What growth stage will they reach the farm?
- What happens if seed germination is low or transplants

arrive damaged/infected/infested/dead/too big or small for transplanting equipment?

- Who is responsible for seed quality especially feminized* seed, ensuring there are very few males?
- What if many males (>10%) appear in the maturing plants?
- Who is financially responsible for removal?
- And, finally, who owns the crop and when? If the processor provides transplants, at what point does the farm take ownership and responsibility for the crop?
- When they are shipped from the greenhouse or when they are in the ground? Similarly, when does ownership of the plants change end of season? It should be FOB terms - grower responsibility ends at farm-gate.

Other duties that should have clear assignments and timelines, if possible, include: harvesting, drying, stripping, chopping, transportation, and storage until processed.

Testing

NYS Dept. of Ag & Markets will be sampling the crop to be sure it meets the <0.3% THC content. It is recommended that the farmer also test the product a couple of weeks before DAM testing so there are no “surprises” as to the utility of the product. The contract should reflect the party that will be financially responsible for CBD or other quality testing such as residue or contaminants. These tests can be quite expensive and contracts should reflect:

- How often and how many (per field, per ton of product, per variety, etc.)
- Which tests, specifically and, possibly, a method of testing
- Recognition of THC test calculations and limits as per the law
- Which laboratory will perform the tests

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*Feminized Seed and CBD

Seed can be feminized in different ways, resulting in different male to female ratios in the field. When planting CBD, assurance that there are very few males, optimally none in the field, is critical to reducing cost of production and maintaining CBD quantity. Pollination can significantly reduce CBD % in final products, reducing its value.

Clauses: Non-Compete, Indemnification, and Confidentiality

A processor may ask that a non-competition clause be included in the contract. The farm's management and attorney should evaluate this very carefully. What are the specifications in terms of duration, acreage, poundage, variety etc.? It is not uncommon for a buyer to secure their product in this way however, if the farm were to have an additional opportunity with another buyer or excess crop the buyer did not contract for, can they develop that market or will they be restricted? If the farm agrees to this restriction, there should be ample compensation to balance the potential profits derived from additional sales relationships.

It is also recommended that the farm/grower be indemnified or "held harmless" for all activities that occur once the product has changed ownership to the processor. Likely this is at the farm-gate. This relieves the farm of any liability in the processing, sales, or use of the product. This is especially important with CBD products as they are supplements that consumers will ingest. The farm insurance agent should be included in the conversation. Ensure that policies are up-to-date and the insurance carrier is aware of this contract and agrees with its terms. Not having the insurance carrier agree to contracts runs the risk of loss of coverage. To discover this after an incident could be catastrophic.

Confidentiality clauses are also commonly found in contracts for CBD hemp production. There are many areas where proprietary information and/or intellectual property may be utilized in this budding industry. Be sure the contract spells out what is "secret". And the contract should reflect that the farm and permit holder have some responsibility to report to NYSDAM and possibly cooperate with a Land Grant or other University on research.

Similarly, farms may have production practices that have been honed through trial and error and to have the processor share those with other producers may not be desirable. Confidentiality applies to the contract itself as well. Terms should be held confidential. If not, who can they be shared with?

Force Majeure – A Superior Force

Most contracts have a force majeure clause. This translates to situation that is both unforeseeable and uncontrollable making completion of the contract impossible. Examples are war, labor strike or weather/geological events. In agriculture, some weather events are expected while others, resulting in total devastation should be considered in the

contract. There, currently, is no crop insurance for hemp. The 2018 Farm Bill instructs USDA to develop a policy but that could take several years before coverage is available. What party is assuming financial risk for costs should a major weather impact production? Is it a shared costs-to-date for both parties so the farm is not bearer of all seasonal risk?

An additional force majeure risk is a regulatory one. FDA has stated that, because there is an FDA-approved drug based on CBD, interstate sales are under their purview and future oversight may become stricter. The result would mean significant risk to the future distribution of CBD products. If the FDA were to enforce interstate trade regulations and significantly impact movement, who is owner of the crop and product and the bearer of the risk? What if federal regulations were to change in October when the majority of the crop costs are already invested at farm level?

Attorneys

Recently many have arrived on the scene saying they are experts in the subject of hemp laws. However, in most cases, they have specialized in medical and recreational marijuana in other states. Ask your current attorney if they are comfortable with the subject, noting that you think it is unique agricultural and legal area. If they are not comfortable, ask them to suggest an attorney to use during contract drafting and negotiation. Ask them to provide documentation of their work and/or recommendation from clients as to their experience. It is probably prudent not to accept legal assistance or recommendations from those you are contracting with, regardless of the expertise they bring. After a few potential experts have been located, first ensure they are admitted to the NY Bar Association. Admission to any State Bar does not necessarily permit them to appear in federal court. If the processor's business is located outside of NY, it would be judicious to have an attorney who is also qualified to practice in that state.

Rejection of the Crop

Ensure that clauses regarding rejection or price adjustments for low quality are clear. Rejections or price adjustment language should include at least these points:

- Who can reject a lot – specifically which people, their names and titles.
- For what characteristics, be specific – use numbers and industry standards, if available. There are no "USDA Grade A" standard no "USDA Grade A" standards to rely on for this crop.

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- For which contaminant/s, at what level, determined by what test, performed at what lab?

Bottom Line

Payment for the product is usually the primary focus of a contract but, as already outlined, it is only one of the many important points that need attention. Typically, for CBD crop, growers are paid by poundage and quality. Quality has at least two facets, one of which being CBD density and the other is lack of contaminants / residue. In the case of CBD for hemp, THC can be considered a contaminant. Percent of CBD is the primary measurement of quality that is in direct relationship to payment. A good example is \$3.50 per pound, per point of CBD. Therefore 10% CBD crop would see for \$35/lb. Buyers may also look to include deductions for loss of quality such as contaminants. Are there bonuses for additional poundage or, more likely, high density CBD content (e.g. >12%)? As with all formulas, do the math for all potential permutations not just the typical crop in a typical year to determine if the contract provides adequate insulation from disaster. For those typical numbers you might plan on 1.0 pound of dried flower bio mass per plant from 2000 plants per acre at 10% CBD or 200lb of CBD.

The contract should also include a timeline for payment. CBD crops require significant up-front investment and it is wise to negotiate that the processor have some forward payments. If not, the contract should clearly state when the crop will be paid for (upon transportation off the farm/change of ownership) and by what means. Interest or penalties should also be included if payment timelines are not met. Again, it is expensive to enforce a contract in court so the contract might reflect who is responsible for those fees should enforcement be necessary.

“Skin in the Game”

It seems popular that processors formulate payments that encourage the grower to invest in the profit-making. It is not uncommon that the payment scheme includes a factor that accounts for the final value of the raw CBD extract and the market price at sale. Of course, as in all things profit is a function of risk. The contract may be a very straight-forward pay-by-the-pound formula but it may also incorporate market price. Including market price is riskier and the producer bears more burden and may have to wait longer for payment. But maybe, payment will be relatively higher. Again, push the pencil on the options offered.

In business, return on investment is usually directly proportional to the risk carried by the investor. But we all know this is by no means a law of mathematics. This is still

farming, risk is great and comes in many forms. Be skeptical and cautious.

Important Notes and Disclaimers:

The author is not an attorney and does not provide legal advice. Every effort has been made to provide useful and accurate information however this information should not be relied upon in lieu of consultation with appropriate legal advisors in your own jurisdiction. It may not be current as the laws in this area change frequently.

The information provided here was written for your research purposes. Cornell Cooperative Extension does not endorse or recommend any product, service, individual, business or other entity.

This article was updated in March 2019. Please refer to NYSDAM frequently for updates on permitting. ■



Labor Laws and Regulations—

New in 2019, Implementing Required NYS Sexual Harassment Policy and Trainings

Elizabeth Higgins, CCE ENYCHP

As many of you are aware, New York State passed a law requiring **all** employers, including farms, to adopt a sexual harassment prevention policy for their business and offer sexual harassment trainings, annually, to all employees. The deadline for adopting a policy was last October (2018). Employees must be trained by this October (2019).

Sexual Harassment Prevention Policy

The adopted policy for your business must meet or exceed the minimum standards outlined by the regulations. A model sexual harassment policy that meets the minimum standards is available.

In order to implement the policy, you will need to:

1. designate someone in your business to be the point person for taking complaints of harassment and conducting investigations.
2. Make sure that all managers/supervisors are aware that they are **required** to report all complaints of sexual harassment they receive or any sexual harassment they observe or become aware of to the designated point person.

Sexual Harassment Training

The annual sexual harassment training on your farm must also meet or exceed the minimum standards outlined by the regulations. New hires should receive some version

of the training when they are hired.

1. The trainings must be interactive—you cannot just show a movie.
2. They must also include information concerning employees rights and all forums for handling complaints.
3. Finally the conduct and expectations of supervisors must be included.

There are some training resources available from NYS including PowerPoints and videos. The state is working to make additional training materials—especially those that are more relevant to agriculture—available, but they are not yet developed.

The videos are available in English and subtitled in other languages, including Spanish. The state is also planning to translate the videos into Spanish, but it has not been done yet.

All resources are available from NYS at: <https://www.ny.gov/combating-sexual-harassment-workplace/employers>.

The Cornell Agricultural Workforce Development Program keeps updated information and resources for farms on this topic at <http://agworkforce.cals.cornell.edu/regulations/sexual-harassment-prevention/> ■



Hardy kiwiberries in a kiwi vineyard in New Hampshire

Interested in diversifying your farmers market, farm stand, or CSA offerings with specialty fruit crops?

Have you ever thought about growing currants, kiwiberries, goji berries, beach plums, or other “unusual” fruits? Tell us about it! The Eastern NY Commercial Horticulture Program is gauging grower interest in growing specialty fruit crops. Your input will help guide a project that will aim to develop growing recommendations and enterprise budgets for unusual fruit crops in New York.

Fill out our online survey by clicking on the following link:

https://cornell.qualtrics.com/jfe/form/SV_6MerCyXklTm7YIT

Calculating Fair Rental Rates When You Don't Have Market Data For Land, Equipment and Buildings

Elizabeth Higgins, CCE ENYCHP

What rent should I charge for ____? Or how much does ____ cost to rent?... is one of the most frequent questions I am asked as an ag business specialist. Unfortunately, for most items in our area there are not clearly defined and developed active rental markets. Deals are done between friends and neighbors and land, equipment, business needs and locations are extremely variable. So the best answer is—"it depends."

So the better question might be "how do I set a rental rate for ____ that is fair?" or "how do I know what I should pay in rent for ____, given my other alternatives?" "Should I rent or buy?"

Before we get into the methodology it is important to note that what makes rental agreements successful for both the owner and the renter is open and honest communication. The terms of the lease should be fair to both the landlord and the producer. The lease should be flexible enough to permit fair adjustments to unexpected situations. The lease period (term) should be reasonable to the practice. For example, land leases should be long enough to allow the farmer to adopt good farming practices. Written leases are preferred because they force each party to think through what is equitable and reasonable and prevent conflict when the unexpected occurs or there are misunderstandings.

So how rental rates are calculated can vary depending on whether or not you are the owner or the renter, but the basic goals are the same—the amount of rent either paid or received should improve your situation compared to your reasonable alternative options—including doing nothing and both parties should receive enough benefit to want to continue the relationship.

For the Landlord—Setting a Rental Rate.

If you are renting something you own to someone else your concerns are (from highest to lowest priority):

1. Covering liability and legal costs incurred from renting (liability insurance and legal fees)
2. Covering variable costs of ownership due to renting (repairs, maintenance, staff time for managing the rental)
3. Covering costs of eventual replacement due to wear and tear from renting (depreciation)
4. Covering fixed costs of ownership, paid whether or not the property is rented (taxes, mortgage, insurance, loan

payments, costs to minimally maintain the property) - note: if you have overpaid or if your asset is valued for a different market than you are renting it for, you might not be able to cover these costs. In some cases your best option may be to sell the asset as it will never be a profitable rental.

5. Making a profit (the amount of profit will depend on the asset and the market).
6. Consideration of other "costs and benefits" stability of rental arrangement, hassle-factor, intangible benefits (helping a friend or young farmer get started), add-on benefits or costs—benefit of new ideas and relationships, cost of additional traffic or loss of privacy.

For the Tenant/Lessee

If you are renting the use of something from someone else your concerns are (somewhat from highest to lowest - #1 is critical):

1. The extent to which the money you earn from the rented property will exceed your cost of renting the property, as well as your other costs of doing business. (Use enterprise budget and business plan to assess this). With what range of rental payments would you be likely to end up with a reasonable expected return?
2. The "goodness of fit" of the rental. How much of what you really need is included in the rental rate. Does the rental fee save you money in other areas (e.g. covers your utilities) or are you paying for features you will never use (too expensive a location or too large a building)? The better a handle you have on your business the better job you will be able to do in assessing "goodness of fit".
3. Your reasonable next best options (rent or buy, consider other rental properties). The broader your search, the more next best options. This can become overwhelming. It is better to start with a focused business plan. For the decision between renting and buying, considerations are: (1) How much value does it add to your business, how quickly will it pay for itself? (2) How much will you use the equipment vs days idle? For items with very infrequent use, leasing is often the more financially viable alternative.

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4. The stability/terms of the rental agreement or the flexibility of the rental agreement (depending on your needs).

In both cases market demand will also play a factor, driving rental prices (and opportunity for profit) up and down—but in neither case, either as an owner or as a renter, should you put yourself by renting into a worse situation than doing nothing.

So How Do You Set a Rental Rate?

So this article is assuming that market rental rate data isn't available or is unreliable or not relevant to your business. So what do you do?

1. Base the rent on expected yields of a crop that the land is suitable for. For example rental of an orchard would be based on the expected yields of the fruit planted there and the number of acres. The rent would be based on a price per bushel/box. For example, maple stands are often leased by the tap.
2. If you are the renter, taking over an existing enterprise (retail outlet or agritourism venture) the rental rate could be based on prior revenues. One rule of thumb is retail rents for food-based or recreational businesses should be in the ballpark of 3% of expected revenue but a restaurant would be more like 5-6%.
3. Base the rent (for equipment and infrastructure) on the replacement cost, optimal life, insurance and repair, opportunity cost (interest rate). For example, a rule of thumb for optimal life of buildings is 30 years. If the in-place value of a structure is considerably greater than the removal value, if the rent covers variable costs plus anything additional, the owner is better off to rent than to leave the facility idle (Perdue 1989).

Ultimately the ideal scenario is where the landlord (or owner) and the renter work together to come up with a rental rate

where they are both in a good situation.

Resources:

How to Determine the Right Farm Rental Rate (2014)

University of Vermont New Farmer Project. Fairly comprehensive publication on assessing rental rates. <http://www.uvm.edu/newfarmer/land/RentalGuide.pdf>

Farm Machinery Custom and Rental Rate Guide 2018/2019 in Manitoba (2018) Province of Manitoba Canada. Although the rental rates provided are for a different country and growing region, the report does an excellent job explaining how the rates are calculated and provides good information on factors to consider when renting equipment or custom hiring and some conversion tables and tools. <https://www.gov.mb.ca/agriculture/farm-management/financial-management/pubs/calculator-farm-machinery-custom-and-rental-guide.pdf>

Figuring Rent for Existing Farm Buildings (1989) Perdue University Cooperative Extension. (EC-451). Provides different ways of calculating rental rates for farm buildings when market rental rates are not available. <https://www.extension.purdue.edu/extmedia/EC/EC-451-W.html>.

Land for Good's website offers template leases and information for leasing farmland in New England <http://landforgood.org/>.

Equipment Buy Vs. Lease Calculator (2018) FBC (Farm Bank Canada). Their website has an interactive calculator to help estimate whether or not you would be better off buying or leasing equipment. <https://www.fbc.ca/blog/equipment-buy-vs-lease-calculator>.

Leasing Vs Buying Farm Machinery (2010) Kansas State University Department of Ag Economics (MF-2953). <http://agmanager.info/leasing-vs-buying-farm-machinery-mf-2953>. An Extension publication that goes into considerations of leasing vs buying machinery and equipment and also discusses custom hire. ■



(Mohawk Valley Produce Auction, continued from page 3)

All product moving through the wholesale channel of the auction is sold in lots of 4 minimum, so plan to bring enough quantity of any product to meet this floor. Generally, Eli and Mervin agreed that bringing more product will lead to better average prices, as long as you aren't doing a one-time sale or in a period of excess.

Produce auctions at the Mohawk Valley Produce Auction are held every Tuesday and Friday at 10 a.m. starting on April 23rd. Auctions are a lively place, with growers meeting to see each other's product, share thoughts on the season, and have some tasty fries from the snack bar [*did I mention the pies? There are pies!*]. If you are considering buying or selling at the auction, taking a trip out to see the mechanics of a regular auction day might help with the decision-making process. ■

Source: Reid, Judson: Grower Success at Produce Auctions. VegEdge, March 4, 2019



Do You Have Migrant or H2A Workers?



The Cornell Farmworker Program has developed a statewide **Map of Resources for Farmworkers**, including medical care, child care, immigration and legal assistance, ESL and educational opportunities. The map's resources are available in English and Spanish.

<https://cardi.cals.cornell.edu/programs/farmworker/service-directory-nys-farmworkers-and-immigrants/>

Worker Protection

Respirator Fit Testing and WPS Training

Maire Ullrich, CCE Orange County

The **New York Center for Agricultural Medicine and Health (NYCAMH)** and **HealthWorks** is providing respirator fit testing clinics. During the clinics NYCAMH will provide **medical evaluations; respirator fit tests; and WPS compliant trainings** on how to properly inspect, put on, take off, fit, seal check, use, clean, maintain, and store respirators. Clinic appointments are **one hour long**, and groups of **4 workers** can be seen at a time. Medical evaluations, fit tests, and trainings are available in both **English and Spanish**.

Appointments for the fit tests and trainings are on a first come first served basis. When calling to schedule an appointment please have the following information available:
Total number of people attending from your farm, name of

each person being scheduled, language spoken by each attendee and the make and model of each respirator to be tested. **See the calendar of events on page 16 for dates and registration information**

Do You Need WPS Training For Your Workers?

The Worker Protection Standard (WPS) is an EPA regulation to protect agricultural workers from the effects of exposure to pesticides. One of the requirements of WPS is regular worker training. If you need to train your employees, WPS training videos and other training resources in English & Spanish are available here: <http://pesticideresources.org/>. The site also provides more information on WPS requirements.

Documentation of trainings and recordkeeping is very important. We have also provided a sample WPS training roster you can use below. ■

EPA Worker Protection Standard Training Roster

Program Location _____ Date/Time of Training _____

___ Worker Only Training ___ Handler Only Training ___ Worker & Handler Combined ___ English ___ Spanish ___ Other- _____

Training Format _____ EPA Training Document/Approval# _____

Worker Statement:

I have attended this WPS Training and have had all of my questions answered.

He asistido a esta WPS formación y he tenido todas mis preguntas contestadas.

Name/Nombre (print)	Signature/Firma	Date of Birth/ fecha de nacimiento

Employer Name/Business/Address _____

Trainer Name (print) _____ Signature _____

Certification # _____ exp. date _____ OR # EPA WPS TTT # _____

Round-up of Recommended Resources—Staff Picks

Timely information on production topics to get your growing season off right!

Jim Meyers and Ethan Grundberg, CCE ENYCHP

Although this issue of Produce Pages was focused on business management, we want to leave you with some recommended resources on production to help you get your 2019 growing season off to a good start.

Grapes 101

Powdery Mildew: How Important is Overwintering Inoculum?
Experienced grape growers are familiar with the concept that what goes around comes around —also known to devotees of Eastern philosophy as 'karma.' Grapevines have a history, and the previous season's crop, weather and water stress will affect this year's crop. One never starts with a 'clean slate.'



Photo: Mature (dark) and immature cleistothecia on a leaf. The number of mature cleistothecia present at the end of one growing season determines the amount of inoculum in your vineyard at the start of the following growing season. *Photo by David Gadoury.*

But how much does it matter with diseases such as powdery mildew (PM)? How much does the amount of inoculum originating from last year's infections really matter? The answer, in the case of powdery mildew, is "it matters a lot." This article has information on how to assess your risk and how to respond effectively. To read the whole article go to:

<https://grapesandwine.cals.cornell.edu/newsletters/appellation-cornell/2013-newsletters/issue-15/grapes-101/>

Grapes 101 is a series of articles on production topics available at the Appellation Cornell: News from Cornell's Viticulture and Enology Program, newsletter. Past articles are available online at: <https://grapesandwine.cals.cornell.edu/newsletters/appellation-cornell/appellation-cornell-topical-index/>.

Vegetable Podcast

Introducing the Eastern New York Veg News Podcast! Looking for something to listen to during greenhouse seeding season? Need a new source of stimulus to keep you focused during the hours of field preparation this spring? Even if you answered "no" to the previous two questions, you should check out the brand new Eastern New York Veg News podcast brought to you by the regional vegetable specialists of Cornell Cooperative Extension's Eastern New York Commercial Horticulture Program!



Episode one features Crystal Stewart and Natasha Field on their summer grown romaine lettuce variety trial results from 2017 and 2018. Chuck Bornt joins the podcast on episode two to share some findings from his years of fresh market potato variety trialing. Stay tuned for episodes on garlic fusarium management strategies, winter high tunnel nitrogen uptake trends, allium leafminer updates, and more. If you have a suggestion for a topic you'd like to hear us discuss, let Ethan Grundberg know (eg572@cornell.edu).

The Eastern New York Veg News podcast is now available on Soundcloud at <https://soundcloud.com/easternnewyorkvegnews> or just search for 'Eastern New York Veg News' on Apple Podcasts.



Calendar of Events

See the Website to register for many of these programs

<http://enych.cce.cornell.edu/events.php>

April 3, 2019	An Intro to Tree Fruit IPM —CCE Clinton County, 6064 Route 22, Suite 5, Plattsburgh, NY 12901. Cost: \$15.00 ENYCHP enrollees, \$25.00 non-enrollees. For more information, visit: bit.ly/TreeFruitIPM .
April 4, 2019	Hudson Valley Special Permit Training —Contact Dan Donahue for more information at djd13@cornell.edu .
April 12, 2019	Champlain Valley Peru Special Permit Training —Contact Mike Basedow for more information at mrb254@cornell.edu .
April 15-16, 2019	NYCAMH Fit Testing Clinic, Warren County —Appointments are mandatory, contact NYCAMH at 800-343-7527.
April 17-18, 2019	NYCAMH Fit Testing Clinic, Clinton County —Appointments are mandatory, contact NYCAMH at 800-343-7527.
April 23-24, 2019	FSMA/PSA Grower Food Safety Training Course and Food Safety Plan Writing Workshop —Cost is \$35/person per day, or \$50 to attend both days. FSMA training completion is required to attend the day 2 workshop. Pre-registration required at bit.ly/AprilFSMAPSA .
April 25, 2019	Business Plan Writing & Guidance to Basic Accounting Principles —Do you have a business idea? Are you having difficulties developing it? Do you need help on how to write a business plan? Find more information at bit.ly/2019BusinessPlanAccounting .
April 29, 2019	Last Monday Grant Webinar for Fruit and Vegetable Growers —To help disseminate information on available grants, ENYCHP will be offering a ‘current grants’ webinar on the last Monday of every month. Visit bit.ly/LastMondayApril for more information.
May 7-9, 2019	NYCAMH Respirator Fit Testing Clinic, Orange County —Appointments are mandatory, contact NYCAMH at 800-343-7527.
May 27, 2019	Last Monday Grant Webinar for Fruit and Vegetable Growers —To help disseminate information on available grants, ENYCHP will be offering a ‘current grants’ webinar on the last Monday of every month. Visit bit.ly/LastMondayMay for more information.

The Label is the Law. Cornell Cooperative Extension and the staff assume no liability for the effectiveness of results of any chemicals for pesticide use. No endorsement of any product is made or implied. Every effort has been made to provide correct, complete, and current pesticide recommendations. Nevertheless, changes in pesticide regulations occur constantly and human errors are still possible. These recommendations are not substitutes for pesticide labeling. Please read the label before applying any pesticide. Where trade names are used, no discrimination is intended and no endorsement is implied by Cornell Cooperative Extension.

Diversity and Inclusion are a part of Cornell University's heritage. We are a recognized employer and educator valuing AA/EEO, Protected Veterans, and Individuals with Disabilities.