

## The Future of North Carolina Agriculture

[MUSIC]

Albert Einstein once said that in the middle of difficulty lies opportunity.

Last time on Farms, Food and You, we learned about some difficulties North Carolina farmers have faced in recent years – changing consumer preferences, disastrous weather, falling prices and the state’s rapid population growth.

In this episode, we’ll take a look at some of the opportunities farmers and others in agriculture see within those difficulties. And we’ll discuss how NC State Extension and research are working to position them for future success.

I’m Dee Shore, and I’m with North Carolina State University’s College of Agriculture and Life Sciences.

[MUSIC]

[Archie Griffin]

In any industry, you have to continuously change because once you become stagnant, then you fall behind on the wayside.

Archie Griffin has no intentions of falling behind. With his father, Steve, he grows corn, soybeans, wheat and peanuts in Washington, North Carolina. This year, as the COVID-19 pandemic set in, Archie saw prices for his corn and soybeans fall. Grocery stores struggled to keep certain items on the shelves. He knew it was time to change course.

[Griffin]

We have taken a step back and said we need to analyze our business plan and vision and see where we are going, because now that this is occurring, there are bound to be drastic changes. Who knows whether those changes will last indefinitely, but there will be some changes, and there will be opportunity.

Griffin believes the opportunity stems from changing consumer preferences, especially the rising demand for food that’s produced and marketed locally.

[Griffin]

If you look at your trends before all of this COVID hit, and even now since COVID has been here, you still see a lot of trends going towards your fresh produce, your restaurants and cafes that are utilizing fresh foods, as well as you’re seeing a lot of the younger generation venture towards these beer gardens or these breweries or distilleries or things like that, places where they can associate and have a meal together.

What we are trying to focus in on is creating a culmination of all of these things and making almost like a little village, so to say, with a restaurant, a farmer's market and a brewery all in one.

It kind of goes back to that old saying, 'Build it, they will come.' I think if you build it and you have the right atmosphere and the right culture and it focuses and hits on what people are interested in at the moment, I think it could be a success.

Griffin sees opportunity in marketing locally, but he also intends to continue to market some of his crops to wholesalers. That mixed formula is one that Bryan Blinson, executive director of the North Carolina Cattlemen's Association, sees as a possible route to success for some beef producers.

**[Bryan Blinson]**

One of the things about the cattle industry is that we're steeped in tradition. But many people are looking for new opportunities to capture value or to add value.

Many of the state's cattle farmers keep herds to produce calves. Once the calves are weaned, farmers send them out of state, where they're grown to market weight.

The cattlemen's association is working to strengthen that cow-calf system. Blinson is also interested in expanding the infrastructure and worker training needed to allow North Carolina producers to tap into the demand for locally produced foods.

**[Blinson]**

There's no question that the consumer here in North Carolina is interested in buying local products. And there's no doubt that the products that they can buy at their local grocery store – phenomenal, the beef products. But if they really – if they want to know the farmer that raised it, have a relationship, we want to make that available, too.

If our farmers can help sustain their farm by using part of the production as local, and capture more of that end food dollar, that's a good thing. And then all the while, we've got to continue to work on maintaining the value proposition of a conventional market as well, so that our farmers can stay in business.

Sue Leggett and her husband, Brent, have long taken such a diversified approach. At their farm in Nashville, North Carolina, they market their strawberries directly to consumers. They also sell other crops like peanuts, sweet potatoes and soybeans to wholesalers and retailers. Success, Leggett says, requires flexibility.

**[Leggett]**

We can't just do this the way we've always done it, because things are different. Things are changing, and farmers are going to have to be engaged and be willing to interact with folks you wouldn't normally deal with.

We had originally scheduled this interview for earlier today, but my schedule got bumped

because I had to get on and do a FaceTime or a Zoom call with somebody that we supply sweet potatoes to. They wanted to see some field production and how it's done. So it's something we'd never done before, FaceTiming our customers directly – these grocery stores – and showing them our production practices, which I'm more than happy to do, but they'd never asked.

Another thing is with a growing population, many farms will have to change the crops they grow and include some food crops. And along with that, you can't just grow a food crop like you do a row crop. It is a lot more that goes into it, making sure that that the product is safe.

NC State economist Blake Brown agrees that diversifying into food crops could be a good move, especially for tobacco producers. Tobacco remains one of North Carolina's top three crops, but Brown expects demand to continue to slide. Sweet potatoes are another story.

**[Blake Brown]**

We're going to see declining global demand for tobacco, as well as declining U.S. demand. We will see demand for products like sweet potatoes continue to grow. Our biggest challenge with markets like that is just not to jump out ahead of it and over supply it. We can do that, even though demand is growing rapidly – we can jump ahead of demand and push prices down.

Brown's colleague, economist Mike Walden, sees additional opportunities for North Carolina's meat producers. Right now, meat production generates about two-thirds of the state's agricultural income.

**[Mike Walden]**

I think one of the long-run opportunities for North Carolina meat producers is the fact that as the rest of the world becomes richer, which most of the rest of world is, people change their eating habits and they tend to eat more protein and less carbohydrates. So they tend to eat more meat, and we're good at producing meat. So that has presented opportunities for North Carolina, particularly in terms of exports.

Like Brown, Walden adds a word of caution.

**[Walden]**

Quite frankly, and I wrote about this in my 2017 book about the future of North Carolina's economy, I think a challenge – a potential challenge – for North Carolina farmers, particularly meat farmers, is will there be artificial meat? The market has grown recently. Will it continue to grow? And could that displace our traditional meat producers?

If protein demand grows, Owen Wagner believes it could also be a boon not just for meat producers but for those who grow feed crops. Soybeans, grown here largely to feed animals, were North Carolina's top crop in 2019 in terms of both acreage and income.

Wagner is chief executive officer of the North Carolina Soybean Producers Association. He sees increased opportunities for North Carolina farmers who can meet demands for higher-quality soybeans.

**[Owen Wagner]**

For the longest time, farmers have been rewarded almost solely the basis of quantity or how much they're producing. The more you grow, the more you get paid. And with that, this idea of quality has almost gotten lost in the shuffle, but that trend can only go on for so long. You look at things like protein content in soybeans over time, and they've unfortunately been trending downward. So there seems to be a pretty clear, renewed emphasis on quality.

This happens to be a good thing for North Carolina. The nature of our soils and our climate and just agronomic practices in general mean that protein content of North Carolina soybeans tends to be higher. I think it will end up rewarding our farmers in the long term.

Wagner says North Carolina soybean producers have another advantage: They're close to ports in Wilmington and Norfolk and to local feed mills that supply the state's animal producers. That means soybeans are handled fewer times as they move through the supply chain than those grown in many other parts of the country. And that means the beans are less likely to break, and less foreign material gets introduced.

**[Wagner]**

I would say that's a tremendous opportunity for maybe new buyers looking for a footprint in North Carolina. This is a state where high-quality soybeans can be purchased for a relatively low, low cost. What we ultimately need is more buyers.

Trends related to changing consumer preferences – whether it's for higher quality, more protein, more transparency or greater access to local foods – present difficulties, for sure. But they also present opportunities.

Researchers in NC State University's College of Agriculture and Life Sciences pursue ways that producers and others involved in the agricultural supply chain can make the most of those opportunities. NC State Extension Director Rich Bonanno says his organization serves as a link.

**[Rich Bonanno]**

Our core, basic job in agriculture is very, very simple and is to provide unbiased research-based knowledge to farmers to help them make better decisions and improve their prosperity.

Now that comes with some pieces. One of those pieces is to make sure that we're also aware of what the needs of the industry are through our connection with agriculture out in the countryside and out on the farms to make sure that our researchers back on campus have a focus, not just on a lot of a grand paradigm-shifting research, but they're also focusing on the needs of the industry.

One way Extension meets that mission is through three initiatives: one related to plant sciences, another to animal agriculture and the third to food processing.

**[Bonanno]**

To me, the opportunities, the thoughts, the ideas, the things that are being thrown out right now by people on what we could achieve are amazing.

The fact that we've got the collaborations, public, private collaborations, scientists willing to work together – it's something that, when we bring the needs of the industry back to the researchers, the potential for getting something back – that, as we might say up North, is wicked exciting.

And it's not just to put more toys on farms. It's not to put more things in front of farmers that cost money. It's all about profitability – putting something in front of them means something, that makes a difference that allows them to stay in business.

We want to move towards a place where our technology and our new technology can really, really help farmers be profitable and keep that land in their families and provide opportunity for generations to come.

Bryan Blinson is also excited about what NC State is doing.

**[Blinson]**

There's no more resilient or innovative people I know of than farmers. And because of the work that is done through research and Extension at NC State, our other land-grant universities, it enables these farmers to take that optimism to fruition.

I don't want it to sound like that our farmers aren't facing huge challenges, because they are. You know, prices are always a challenge. Being able to maintain the farm's always a challenge. But in order for us to survive and to go forward, we've got to find those opportunities that present themselves. And actually act on them.

**[Music]**

Thanks for listening today, and we hope you'll join us again for our next episode. To learn more about the college and our podcast, visit [go.ncsu.edu/farms](http://go.ncsu.edu/farms). While you're there, share your thoughts. We'd love to get your ideas and to hear what topics you'd like for us to explore in the future.

## **Our Guests**

**Archie Griffin** produces tobacco, corn, soybeans and wheat on a 2,000-acre farm in Washington, North Carolina. He's a graduate of NC State's Crop and Soil Sciences Department and a past recipient of the prestigious Nuffield International Farming Scholarship.

**Bryan Blinson** is executive director of the North Carolina Cattlemen's Association. He is a graduate of NC State's Department of Animal Science and a recipient of that department's Outstanding Alumni Award.

**Sue Leggett** operates a 3,000-acre diversified farm in Nash County with her husband, Brent, producing sweet potatoes, tobacco, cotton, peanuts, soybeans and strawberries. Leggett serves on the Nash County Board of Commissioners and holds a bachelor's degree in agronomy from NC State.

**Blake Brown** is Hugh C. Kiger Professor of Agricultural and Resource Economics at NC State. An expert in agricultural policy analysis, Brown has served as a senior economist for the Council of Economic Advisers in the Executive Office of the U.S. President.

**Mike Walden** is a William Neal Reynolds Distinguished Professor of Agricultural and Resource Economics at NC State and one of North Carolina's most well-known and well-respected economists. His latest book is [North Carolina Beyond the Connected Age: The Tar Heel State in 2050](#).

**Owen Wagner** is an economist and engineer who serves as chief executive officer for the North Carolina Soybean Producers Association. He holds two NC State degrees, one in agronomy and the other in biological and agricultural engineering.

**Rich Bonanno** serves associate dean in the College of Agriculture and Life Sciences and director of NC State Extension. He also owns Pleasant Valley Gardens, a farm in Massachusetts that his daughter operates. The farm has been in the family since 1910.