

# Trends in Food and Ag – What Does it Mean for Farmers?

By Zachary Fore

Regional Educator for Cropping Systems

University of Minnesota Extension Service

*Forex002@umn.edu*

Agriculture is changing. I suppose you have heard that before. If you were around 60 years ago you heard it: the tractor is replacing the horse – agriculture is changing. And it was changing. So, it isn't a new message, is it. There seems to always be change – sometimes faster, sometimes slower. Well, we are entering (are in?) a period of fast change in agriculture.

Predicting the future is a risky business. However, understanding the past and present can give you a good idea of the direction things are going. Here are key trends that some experts in food and agriculture say are already occurring, and a little of what it may mean to farmers.

## **Trend #1. We are entering the era of interdependence, alliances, and partnerships.**

It seems that every week we hear of a new merger, partnership, or alliance that has been formed. Even the biggest companies that have already had numerous acquisitions see the need to form alliances and partnerships to be successful. They realize that their success depends on cooperation.

**What does it mean for farmers?** It is critical that farmers understand the importance of interdependence. Not necessarily sharing equipment (although some are drawing more attention to this concept as well) but rather, farmers working together with each other and with the food industry to meet the needs of the customer.

## **Trend #2. Those who know the customer best win.**

Consumers are becoming more knowledgeable and more demanding about the food they eat. They are willing to pay more to get what they want.

**What does it mean for farmers?** The old system of 'produce it and they will eat it' is on the way out. Consumers are demanding products of specific quality with specific traits, produced in specific ways. And, they will pay more for it.

## **Trend #3. Identity preserved (IP) production, driven by biotechnology, will be the rule, not the exception.**

Up to now biotechnology has primarily been restricted to pesticide tolerance and pest management traits. In the future these traits will be dwarfed by traits that improve the quality and nutritional value of food. These new traits will diminish the objections, especially voiced in Europe, about genetically modified organisms.

**What does it mean for farmers?** Farmers will absolutely need to understand and be able to implement an IP production system. Many farmers already have experience. Certified seed production and organic production are examples of IP production systems. Farmers who have not produced an IP crop should do so ASAP to gain experience with such a system. Buyers will go to farmers who know how to do it, not those that want to learn.

**Trend #4 Food safety will be an immensely important issue.** There is little margin for error when it comes to food safety. Mad cow disease and a little tainted CO<sub>2</sub> in a soft drink are European examples of how devastating a food quality problem can be. Consumers don't request food safety, they absolutely demand it.

**What does it mean for farmers?** Consumers are increasingly willing to pay more for food produced using a system that they perceive results in a safer product. This creates opportunities for farmers who are willing to produce a food product in a specific way. This may involve using specific varieties, using only approved input products and practices, inspections, documentation of all activities, etc. Again, this demonstrates the importance of knowing how to produce using an IP system.

**Trend #5 Access to technology and information will be key to competitiveness.**

People and geographic areas that do not keep up with technological advances will be at a disadvantage. Electronic commerce and information access and dissemination will become increasingly important.

**What does this mean for farmers?** Our rural areas are particularly at risk of being left behind in regard to technology. Farmers need to realize that technology is an important issue for them, and they need to make their voice heard regarding technology and public policy. Farmers also need to learn how to use technology. The internet is an increasingly important tool for information access and retrieval, and commerce. GPS and yield monitors are currently important production tools that in the future may become important tools for record keeping and product certification.

**Trend #6 The government safety net will catch fewer and fewer producers.** Many would say that this is not a new trend. The number of farmers has been decreasing while the size of farms has been increasing for some time now.

**What does this mean for farmers?** There is always debate about how much the government is or is not doing, who it should and should not help, how much it should or should not be involved in agriculture. Government does have a place in agriculture; however, farmers need to spend less time and energy on what the government is or is not doing, and more time and energy on things that are in their direct control. Such as, their own production system and how they can obtain more value in the marketplace.

Someone will be profiting from these changes. Will it be farmers? Only if they work together, learn exactly what the customer wants, and produce according to customer requirements. And the sooner, the better.