



Rapid-Response Business & Technical Assistance for the Working Lands Sector: A Strategy for COVID-19 Response & Recovery

May 13, 2020

Current Challenges for Working Lands Businesses:

Agricultural and forestry sector businesses are experiencing a wide range of impacts, as well as some opportunities, during this COVID-19 pandemic. Many businesses will struggle to maintain operations or survive this year's economic toll, while others are able to shift operations, products and markets to weather this storm. At the moment, dairy farmers are hit particularly hard economically, with quotas and additional drops in prices for conventional fluid milk that nowhere near cover the costs of production. Many dairy farms will consider alternative production and business models to adapt to the ever changing dairy sector, or sell their cows earlier than planned, while others—particularly those with strong business management and land stewardship practices—will stay in dairy but may be going through an extremely stressful time. Businesses across the spectrum have increased need for support and technical assistance.

While federal stimulus and loan forgiveness products, and the state's pandemic unemployment assistance program will be helpful and perhaps essential to some of our farm, food, and forestry sector operations, these tools are not sufficient for many enterprises that were already struggling, over-leveraged, or reliant on labor from outside the U.S.

Ensuring that as many of our working lands businesses as possible survive this unprecedented challenge and come out stronger businesses on the other side will require targeted and nimble support. The key supports we see needed include COVID relief grants or payments, business coaching, and mental health/emotional support.

Opportunity:

VHCB's Vermont Farm & Forest Viability Program provides comprehensive business advising and technical assistance to working lands businesses through our network of service providers. Key Viability providers are the Intervale Center, Center for an Agricultural Economy, UVM Extension, and NOFA-VT, with additional services provided by the VT Sustainable Jobs Fund, VT Woodlands Association, Land for Good, and a suite of private consultants. Each year we deploy approximately \$650,000 in contracts to these organizations to provide long-term, in-depth one-on-one business

assistance to more than 150 working lands businesses annually—with a focus on business planning, financial management and succession planning.

More than 850 working lands businesses have completed a business or succession plan with the program since it began in 2003. We also act as a facilitator across an interconnected and collaborative network of state agencies, educational institutions, service providing organizations, nonprofits, and industry groups.

We see our role in COVID-19 response and recovery as an extension of this work, advancing statewide goals to increase support for business adaptation and ownership transition-- a need that was already accelerating prior to this pandemic ([Vermont Agriculture & Food System Plan](#), 2020).

COVID Response Coaching:

The Viability Program has launched a [new COVID-19 Resources web page](#), [intake form](#), and a streamlined process to match working lands entrepreneurs seeking urgent help with a business advisor for an initial 30-60 minute consultation. Entrepreneurs are able to share their situation and the advisor makes initial recommendations and referrals, with follow-up consultations as needed. Topics range from cash flow analysis, navigating federal relief programs, and labor issues, to seeking alternate markets, shifting to online or direct to consumer sales, and connecting with mental health and wellbeing resources.

As a part of the business coaching network we will include mental health and technical support provided by Farm First, and financial mediation services provided by the VT Agricultural Mediation Program. All services will be free of cost to the business and may act as a bridge to existing long-term advising services as appropriate.

We are currently assisting 15 businesses each week, and anticipate requests for COVID-response business assistance to increase rapidly, to 50 or more a week, as we more broadly build and launch this initiative. We are seeking financial support for this rapid-response work, in order to bring on additional business coaches. \$13,000/week provides coaching for 40-50 businesses per week. We anticipate needing approximately \$32,000/month during the second half of 2020 – and perhaps for the long-term recovery period—to provide crucial business coaching for the working lands sector.

We are also working to identify long-term needs for working lands business and expect to submit applications to several federal agencies to seek support for COVID-recovery work in FY21-FY22.