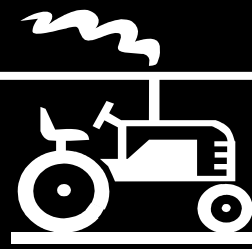


Field Notes

A Bi-Monthly Innovative Ag Publication



July
2004

“Fields of Tomorrow” theme featured in new CF marketing brochure

Chesapeake Fields announces the creation of a marketing brochure for use in its development program and in the equity drive. The text and photos in the tri-folded piece underscore how important farm fields are to our sense of place.

Staff worked with designers **Walter and Lotte Bowie** of *Lob-lolly Productions* in Still Pond, MD to develop the theme of “Fields of Tomorrow”.

“The communication objective we were given was to inspire support of CF and to inform about CF’s accomplishments over the last five years,” explains Lotte. “We envisioned a piece that would be very visual with minimum copy – the graphics would tell the story if the copy was not read.”

The striking front cover features subdivision houses being built just beyond a cornfield and asks, “Will this be our horizon?”

“We state that the problem is

in just 15 years, nearly 90,000 acres of the Delmarva Peninsula’s farmland vanished,” continues Lotte. “Then we introduce the land preservation model CF developed based on enhanced profitability for family farmers growing identity preserved grains and by CF producing its own value-added products”.

The text asks readers to become involved in CF’s efforts to preserve farmers and farmland with a call to action to “invest in our fields of tomorrow” accompanied by a photo of an adult and child silhouetted on the crest of a grain field’s hill. A unifying field of green barley runs across the bottom of the piece.

The inside spread introduces icons summarizing CF’s work: research and development; education and Agri-tourism; farming and production and processing and distribution. Look for them in this newsletter.



Front of CF’s new marketing brochure

Montague Farm’s **Bryan Taliaferro** (standing left) invited CFF chair, **Jim Miller** (right) to accompany him on a visit to soybean customers in Japan in late winter. They visited Takano Foods, the buyer of CFF’s natto soybeans, to learn how natto is made. In the photo, Jim and Bryan are standing behind the manager of the Takano food plant who is happily displaying souvenirs the visitors brought from America. CF presented their customer with a pewter crab and another visitor gave an autographed baseball. Jim made several good contacts with potential Japanese customers.



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**Chesapeake Fields Institute:
Preservation through Profitability**

Search continues for IP markets

Chesapeake Fields continues searching for national and international markets for its *identity preserved* (IP) seed crops. Contacts have been made with US, Asian, and European companies.

"In late winter, CF created a sales catalog featuring its IP soybean seed products," explains

John Hall, president of CFI.

"Each page features the protein and oil content of a single variety of bean seed allowing buyers to select the food attributes required for their products. Our intention is to interest buyers in contracting to purchase IP beans with attributes selected to meet their specific needs; we then contract with farmers to grow that specific variety."

Maryland's Department of Agriculture (MDA) distributed catalogs at Maryland's Annual Embassy Day in May, attended by over 135 representatives from embassies throughout the world.

Maryland's Department of Business and Economic Development along with MDA have distributed catalogs. One caught the attention of large mid-west food processor, which resulted in CF agreeing to provide the company with over 1,400 bushels of a clear hilum snack soybean that seven growers are now planting. The company later asked CF to provide a similar bean to be grown organically and four certified organic growers are planting 350 acres. All CF soybean growers will receive premium dollars for these IP beans.

One Japanese inquiry is bringing representatives of the Wilbur-Ellis Company to Chestertown in late June. "I have been told it is one of the 'big boys' in soybean purchasing," notes Hall. In Japan Wilbur-Ellis is an importer, exporter, distributor and agent for food-



stuffs commodities and animal feed. Its main import products are non-GMO soybean powder and non-GMO soybeans. CFF hopes to become one of their suppliers.

CF's catalog also located a California company that purchased the 503 snack soybean CF growers produced last year. Part of these were shipped to Europe in the last month.

"The seed business is indeed looking up for Chesapeake Fields," Hall says.

CF receives Shore Leadership Award

Chesapeake Fields Institute received a *Shore Leadership Alumni Association* Award for Excellence in Program and Service regarding issues impacting the Eastern Shore of Maryland. CFI was honored for its leadership in creating a model for regional economic development that helps farmers become more profitable and for enabling our working landscapes to not only survive, but to thrive.

The Shore Leadership Program is sponsored by the Talbot County Chamber of Commerce to broaden the base of mid-shore leaders. Executives and upper management individuals representing business, government, nonprofits and education throughout the Eastern Shore are recruited as class members.

CFI will present the program at the July meeting of the 2004 class that is focused on economic development on the Shore.



Picture (left to right) are **Patti Willis**, president of Shore Leadership Alumni Association, **Mike Waal**, secretary for the CFI Board, **Lansing Williams**, CFI's director of administration, and **John Hall**, CFI's president. The event was held at the Aspen Institute Wye River Conference Center, near Queenstown.

Education Center study moves forward

Chesapeake Fields Institute is moving closer to discovering if an Educational/Agritourism Center is a workable idea for Delmarva. Major companies, government agencies and foundations have been asked to support CFI's concept and its financial need by helping to fund a study to evaluate the feasibility of building such a center. A planning consultant has been located to thoroughly investigate the idea and work continues to gather the funds needed to pay for the study.

Support has come from **Council for Rural Maryland, John Ben Snow Foundation, Maryland Grain Producers and Pioneer/DuPont**. Securing these funds has made it possible to ask for additional dollars from **Maryland's Department of Business & Economic Development**.

"We must reach tomorrow's leaders to instill in them the importance of local agriculture as the source of our food supply and the value of our farms and fields to our sense of place." CF marketing brochure

Since its inception in 1999, CFI has recognized a need to teach communities, citizens, and future leaders about the importance and value of preserving and investing in America's existing farmlands. CFI remains firm in this commitment. Agriculture cannot be sustainable unless people understand its significant impact upon the everyday lives of Americans. Out of this commitment CFI developed the vision of creating a national agriculture education center that will help overcome the public's disconnect regarding where its food comes from and will strengthen the idea that agriculture is the best use of our land.



There is a need to create agriculturally literate citizens who have a basic understanding of our food system and to equip them with enough knowledge of nutrition to make informed personal choices about diet and health.

An agriculturally literate populace might also ensure that citizens would make intelligent decisions concerning policies that benefit agriculture. A basic knowledge of agriculture is especially important where agriculture is a major industry in a state and the lack of agricultural knowledge and experience impedes agriculture's economic development.

Delmarva is the ideal location for a center. It is one of the last farming areas on the East Coast and is just ninety minutes from both Washington and Philadelphia and sixty minutes from Baltimore—and within a five-hour drive of 60 million consumers. This is a third of the nation's consumers! This location is extremely convenient for international visitors to the nations' capital (often potential customers) to learn about our agriculture products.

Looking into the future, it would be ideal if this center became a prototype for other such centers to be built in other locations throughout America---every citizen needs to learn how important food production is and the role farmers have in it.

CF notes

Website

Check out CFI's web site at www.chesapeakefields.com. A link to a weather-reporting site has been added along with an announcement banner to report current and emergency happenings. Archives of past newsletters and the minutes of General Session meetings are posted. Look for changes as *Chesapeake Fields Farmers, LLC*, develops its own web pages.

Telling the CF story

CF's Awareness campaign has reached over 34 Lions, Rotary, Ruritan, Farm Bureau and other civic organizations since September. Our trained speakers have been well received by groups in Delaware and Maryland from Northeast in Cecil County to Vienna in Dorchester County. We continue to look for opportunities to tell the CF story – call 410-810-2082 today to schedule a speaker for your group.

Bazaar generates publicity

CFI's *Spring Bazaar* brought in over \$1,100 and tons of good publicity. It was an opportunity to tell the CF story to folks not familiar with our work. Thanks to all who donated and purchased yard and bake sale items and supported the silent auction. Thanks to the volunteer workers—it could not have been a success without their help!

Newsletter Changes

CFI newsletters are now mailed via US mail only to CFI members which is a benefit included in all CFI memberships. New contacts and inquiries get two issues and must then become members to continue receiving mailed copies. The newsletter is posted at www.chesapeakefields.com, - we send an e-mail notice of its posting to those requesting electronic copies. If you prefer an electronic copy, just tell us.

CF scores with organic bean sales

John Hall, President of CFI Board of Directors

Chesapeake Fields has secured two significant organic soybean contract sales for this growing season.

First, we negotiated a sale for a black hilum, high protein (48%) organic soybean with a mid-West exporter. The second sale was for an organic snack bean with a mid-West food manufacturer. We were pleased to be able to negotiate the two contracts at 180 percent of the Chicago Board of Trade Price, plus sufficient funds were added in for storage and handling for our growers.

We could have contracted over 2,000 acres of organic specialty soybeans if that number of organic acres had been available.

In 1997 when Horizon Organic Dairy moved into the area, I

started an organic discussion group. Organic was becoming popular at that time. Today it appears that most of the organic production since that time has gone in to feed production, not food production.

Back then I was told the organic interest in Asia did not offer the level of premiums local producers needed to sell *food* instead of feed. These two CF contracts appear to have proven that to be wrong. I hope over the next few months we will be able to better understand the real potential of long-term organic grains for international export in the food market.

———— □ ————
Bill Kilby and I recently testified at a hearing before the US House of Representatives Subcommittee on Fisheries Conservation, Wildlife and

Oceans which Congressman **Wayne Gilchrest** chairs. It focused on ecosystem management through sustainable agriculture with the Delmarva Peninsula as an example. We both testified of the importance of farm profitability as key factor in preserving farms and their role in keeping streams, rivers and, ultimately, the bay healthy. Bill is a Cecil County dairy farm owner who works with the Cecil County Land Trust organization and is the husband of CFI Board of Director member, **Phyllis Kilby**.

A week later, Congressman Gilchrest hosted a fly-over tour of Delmarva with **Jim Moseley**, US Deputy Secretary of Agriculture and the Ag Secretaries of Delaware, Maryland and Virginia. I was invited to talk about CF's work. Secretary Moseley was impressed with the diversity of agriculture on Delmarva and came away with an appreciation for the challenges facing farmers in this region. And he was very impressed with what CF has accomplished.

Bringing Local Supply and Demand Together

Chesapeake Fields has collaborated with Maryland's Department of Agriculture on a study to evaluate the potential of the organic market in Maryland. Organic products are *identity preserved* (IP) in that growers must track and record all inputs and growing procedures plus the crops must be kept segregated, but not all IP crops are grown organically.

Many consumers want to buy locally grown, organic or IP food and many are willing to pay a premium price for it. At the same time, farmers are seeking new ways to develop the market and reach these customers, according to a new study, *Local and Organic: Bringing Maryland Organics from Farm to Table*.

John Hall, President of CFI, said, "We are interested in providing all Delmarva farmers with tools to help them find new markets and to remain profitable over

the long term. This study adds to the bank of information available to farmers to help them make decisions in their own operations".

"The demand for certified organic or IP products is growing and this may be a market our farmers wish to tap into more fully," notes Hall.

"CFF has secured a contract to grow organic soybeans for a mid-west company and four certified organic growers have planted this bean and will receive a nice premium."

The recently completed study was funded through a grant from the U.S. Department of Agriculture Federal-State Marketing Improvement Program and administered by the Maryland Department of Agriculture. The study analyzes survey responses from 218 consumers and 184 certified organic or "organic-interested" producers in Maryland. It contains information for agricultural producers and recommendations for state policymakers.

To read the entire report, visit



www.chesapeakefields.com and at the bottom of the page you will find a link to a PDF file of the report. CFI also has printed copies to distribute.

News from Chesapeake Fields Farmers, LLC

CFF board organized

The steering committee of **Chesapeake Fields Farmers, LLC** (CFF) is no more. With the adoption of an Operating Agreement that defines the governance of the company, the steering committee became the *Board of Directors*.

Board members and officers are: **Jim Miller**, chairman; **Bill Cooper**, vice-chairman; **Bill Backer**, treasurer and **Walter Schmidt**, member. CFI named **John Hall** as one of three CFI members on the new Board. **Lansing Williams** serves as secretary to the Board.

These members will serve until the first membership meeting when nine permanent Board members will be elected to serve three-year terms. Four seats are still open: two CFI representatives and two to be elected by CFF members.

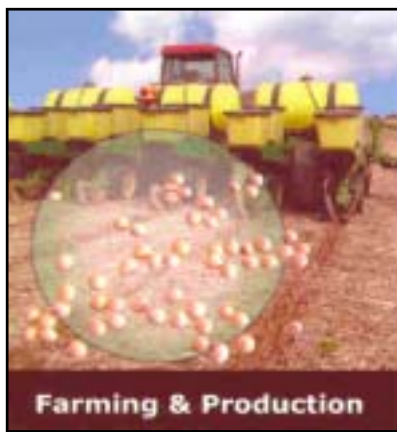
Director of operations, **Joe Bauer**, Ph.D., is completing the final draft of the business plan that describes CFF products, analyzes potential markets and outlines the methods to be used to successfully enter those markets. The plan is supplemented with detailed five-year financial projections. Using the business plan as a guide, the Board is now developing a Limited Offering Memorandum, the legal document used to offer company membership shares to the public.

There is a fun part to setting up a new company. Dr. Bauer is working with local experts to develop packaging designs for the snack product lines and identify co-packers who will manufacture our products to our specifications initially.

He has found an exciting variety

of popcorn that pops into a kernel at least twice as large as popcorn found at the movies. All of these new sample products have to be taste tested and the office staff gladly volunteers – YUM!

It is expected that the Limited Offering Memorandum will be completed in a few weeks and it will be made public and will be made public as CFF begins to solicit members. These are indeed exciting days!



CFF's growing opportunities expand

Chesapeake Fields Farmers, LLC, is pleased to have offered contracts for several *identity preserved* (IP) grain crops this year. This is our third year of growing natto-type soybeans for a market in Japan and the second year for snack-type soybeans we sold to a mid-west company. For the first time we offered wheat and organic soybean growing opportunities.

We have worked with twenty-eight growers over the last three

years -- thirteen are first time CFF growers in 2004. Geographically, we years -- thirteen are first time CFF growers in 2004.

Geographically, we have reached growers from eight Maryland counties, including both Carroll and Hartford.

CFF has paid premiums up to 95 cents per bushel over commodity crop prices for some crops. We have shipped soybeans to Japan, Europe and the mid-west.

Most growers have just planted the group-five natto bean (SS 516); the snack beans that are group four and three beans, are now being planted behind barley. We have our fingers crossed for good weather conditions this year; growers dealt with drought conditions two years ago and too much rain last year.

This past fall we branched out from soybeans when seven growers planted 1,100 units of wheat. Today it is just about ready to be harvested and looks good. It will be stored locally and later ground into flour that CFF will use in its first Artisan bread products. **Joe Bauer** Ph.D., director of operations for CFF, is now testing bread recipes using similar wheat searching for the special taste to lead CFF's line of Artisan breads.

We continue searching and testing new crops. A grower has planted nine acres of super-sized kernel popcorn to be studied to see how it grows here and if it is suitable for CFF's snack food lineup.

Our progress has been great since CFF became official in February 2003. We continue our search for new things—new crops, markets, storage and growers as we work to improve the profitability

CHESAPEAKE FIELDS INSTITUTE CALENDAR

CFI Sponsors:

A.T. & Mary H. Blades Foundation;
Caroline Gabel, Shared
Earth; Chestertown Bank of Maryland;
Connective Power Company; Council
for Rural Maryland; Delaware Soybean
Board; John Ben Snow Foundation;
Kent County Government;
Kolija, Inc.; Loblolly Productions;
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Atlantic Farm Credit; Montague Farms;
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Kent County Chamber of Commerce;
Kent County Farm Bureau; Kent
County News; Maryland Agricultural
Commission; Maryland Department of
Agriculture; Maryland Department of
Business and Economic Development;
U.S. Department of Agriculture;
University of Delaware; University of
Maryland, College Park; University of
Maryland, Eastern Shore and
Washington College.



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Bill Quigley

Jack Tarburton

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Staff Associate/Editor

S. Lansing Williams

Director of Administration
& Accounting

Joe Bauer, Ph.D.

CFI Director of Operations
410-810-8833

July

Kent County Fair

Thursday, July 15 to Saturday, July 17; Kent Ag Center, Route 21, Tolchester, MD
Call 410-778-1661 for details

CFI Monthly Board Meeting-General Session

Open to Public, Wednesday, July 28— 9 a.m. to 10 a.m.
Kent County Public Works Complex's first floor conference room
709 Morgnec RD, Chestertown, MD

August

CFI Monthly Board Meeting-General Session

Open to Public, Wednesday, August 25— 9 a.m. to 10 a.m.
First floor conference room at 709 Morgnec RD, Chestertown, MD

Rural Heritage Day—sponsored by the Eastern Shore Land Conservancy

Celebrate our agricultural heritage past, present and future. Enjoy food featuring locally
grown and prepared dishes, plus music, storytelling and interactive exhibits.

August 28, 2004, 10 am - 4 pm

Queen Anne's County 4-H Park, West of Centreville on Rt. 18 and Dulin Clark Road

Call 410-827-9756, Ext. 165 for details

