



Farm Credit: Ground-Truthing the Beginning Farmer Experience with Credit

Farm Foundation Emerging Research on Beginning Farmers and Ranchers November, 2020

Changes Made in the 2017 AgCensus

Changes in the 2017 vs 2012 AgCensus

- Removal of the “Principal Operator” framework
- The addition of a fourth listed operator
- Calculated “Principal Producer” (2017 AgCensus only)

Why this is a big deal:

- No more “Young Principal Operators”
- Only “Farms with a Young Operator Present.”

SECTION 35 OPERATOR CHARACTERISTICS

1. In 2012, how many operators (individuals) were involved in the day-to-day decisions for this operation? Enter the number of operators and the number of women operators. Exclude hired workers unless they were a hired manager or family member.

2. Answer the following questions for up to three primary operators of this operation as of December 31, 2012.

a. Full name

b. Sex of operator

c. Is operator 2 or 3 the spouse of the principal operator?

d. At which occupation did the operator spend the majority (50 percent or more) of his/her worktime in 2012?

e. Is the operator retired?

f. How many days did the operator work off the farm in 2012? Indicate days in which the operator worked at least 4 hours per day in an off-farm job. Include work on someone else's farm for pay.

g. Did the operator live on this operation at any time in 2012?

h. In what year did the operator begin to operate any part of this operation?

i. What year did the operator begin to operate ANY farm?

j. What was the operator's age on December 31, 2012?

k. Is the operator of Spanish, Hispanic, or Latino origin or background, such as Mexican, Cuban, or Puerto Rican, regardless of race?

l. What is the operator's race?

m. How many people lived in the operator's household in 2012?

n. Is the operator a hired manager for the operation?

VS

SECTION 7 PERSONAL CHARACTERISTICS

1. In 2017, how many men and women were involved in decisions for this operation (include family members and hired managers)? Exclude hired workers unless they were a hired manager or family member.

2. Answer the following questions for up to four individuals who were involved in the decisions for this operation as of December 31, 2017.

a. Full name

b. Is this person on the farm?

c. Sex

d. What was this person's age on December 31, 2017?

e. Is this person of Hispanic, Latino, or Spanish origin?

f. Race

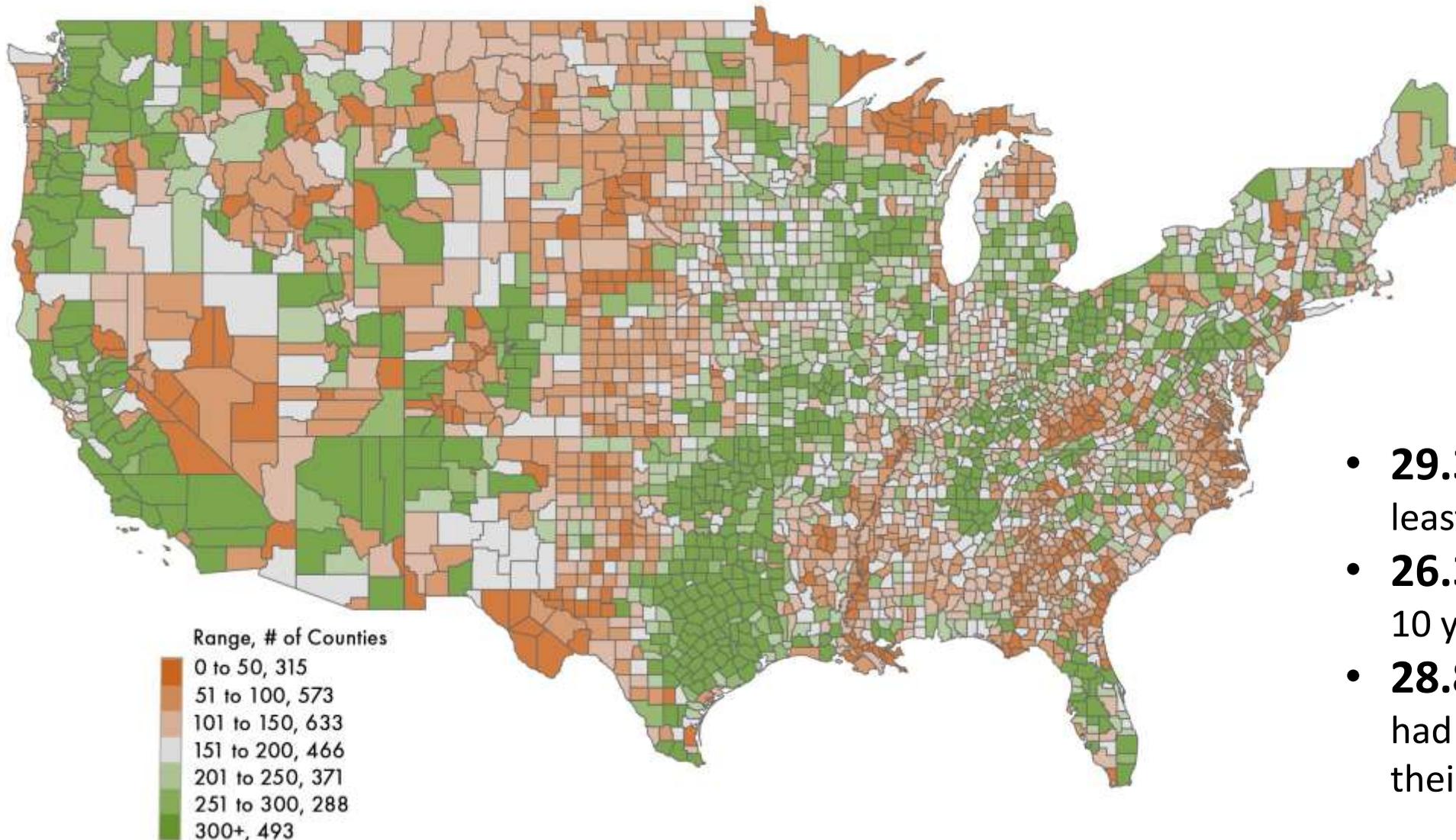
g. At which occupation did the person spend the majority (50 percent or more) of his/her worktime in 2017?

h. Is this person retired from farming or ranching?

i. How many days did this person work off the farm in 2017? Indicate days in which the person worked at least four hours per day in an off-farm job. Include work on someone else's farm for pay.



Count of Farms with a Beginning Farmer (Normal Distribution)

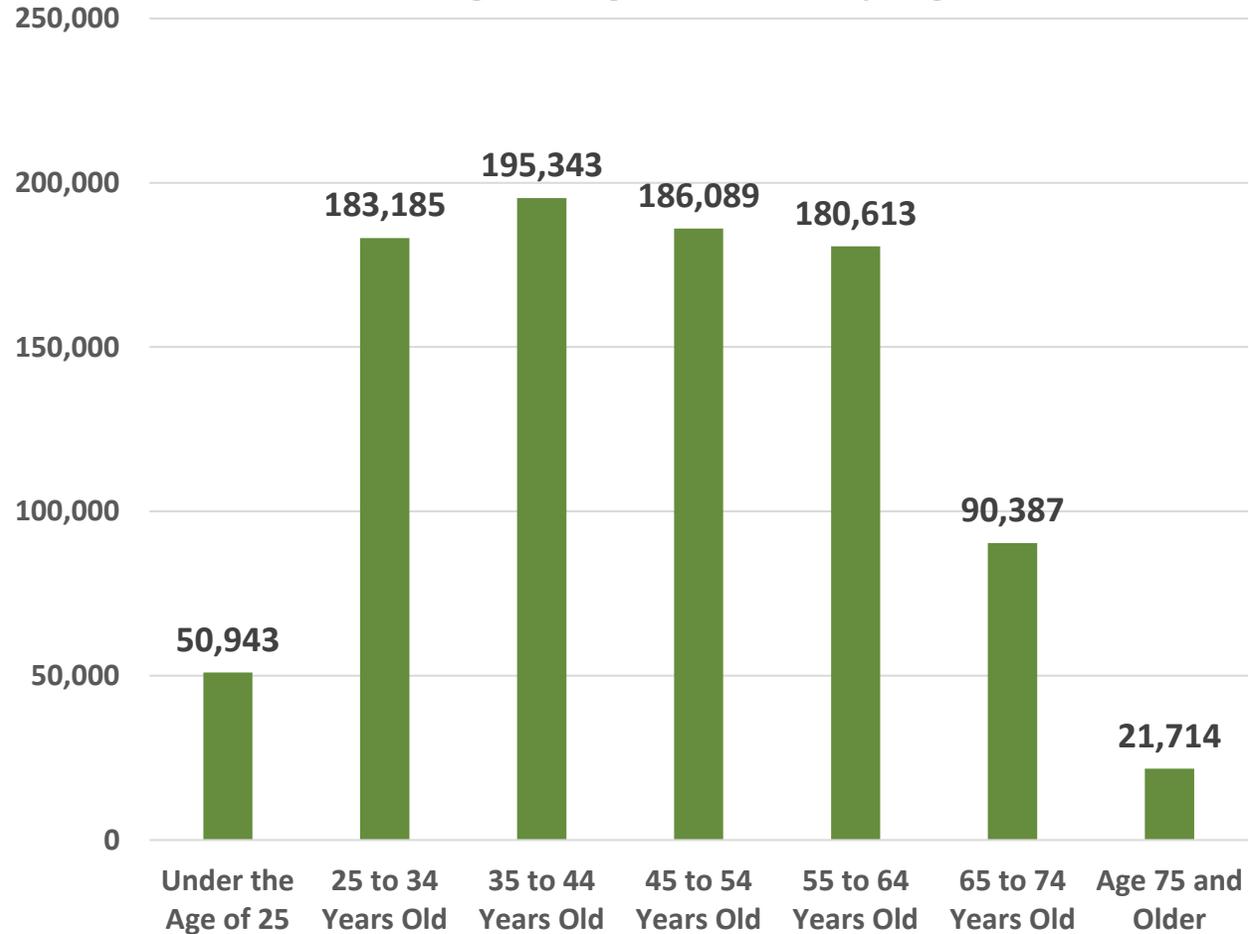


- **29.3%** of all farms have at least one beginning producer
- **26.3%** of all Farmers have 10 years or less experience
- **28.8%** of all farms with debt had a beginning producer on their operation.

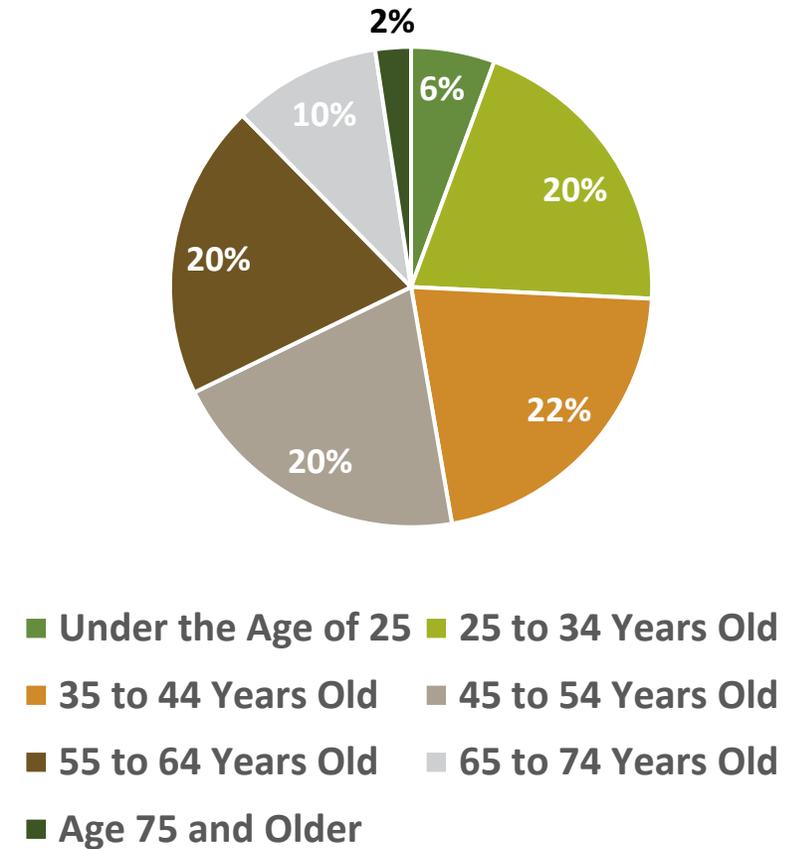


Not all Beginning Farmers are Young

Number of Beginning Farmers by Age-2017



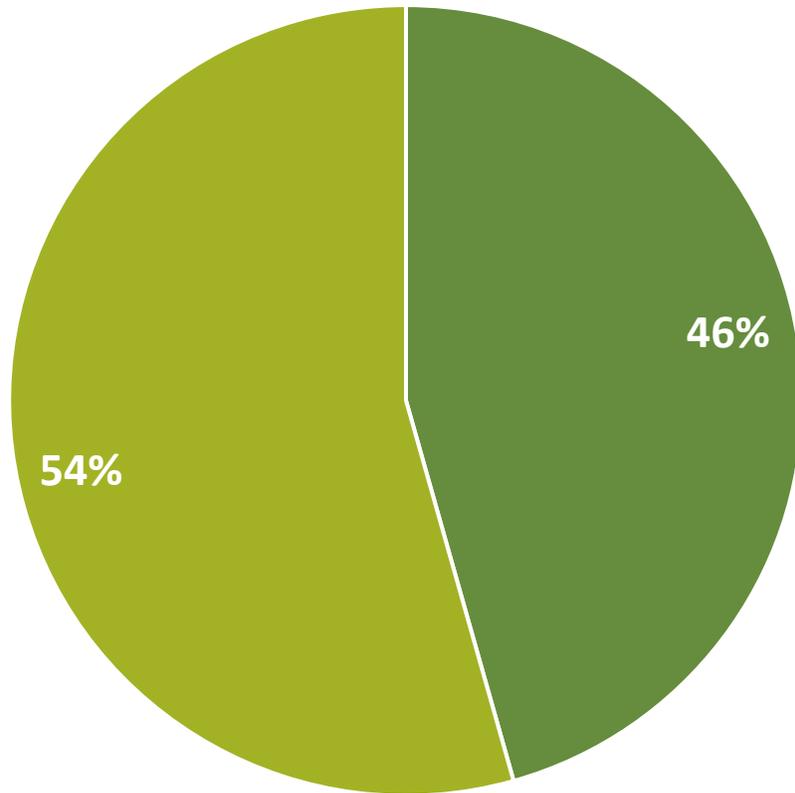
Percent of Beginning Farmers by Age Grouping-2017





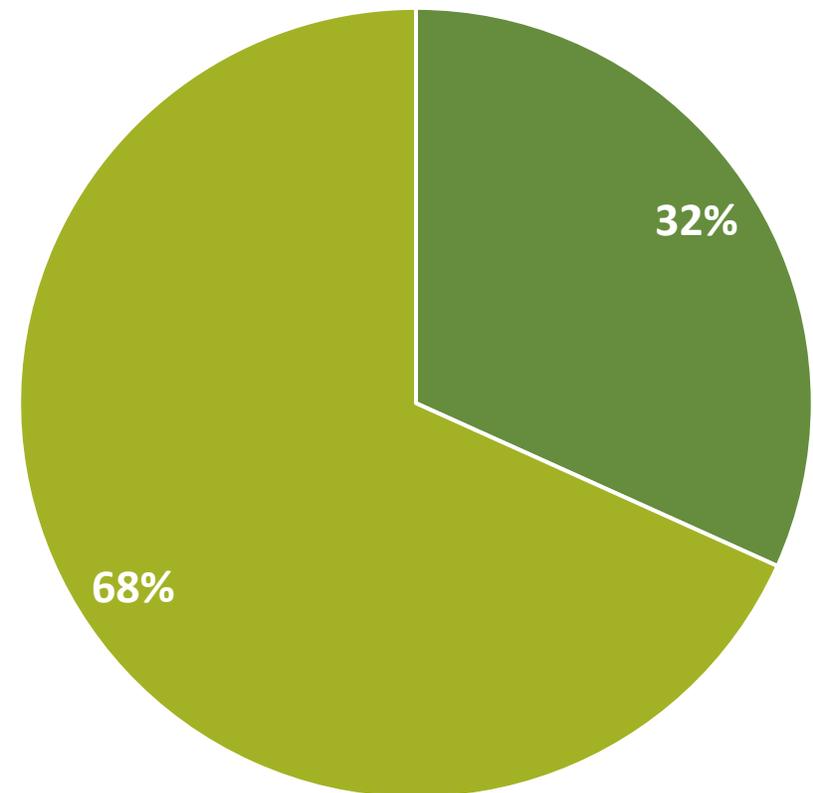
One Operator vs Multi-Operator Farms

All U.S. Farms



■ Farms with Only One Operator ■ Farms with more than one Operator

Beginning Farms

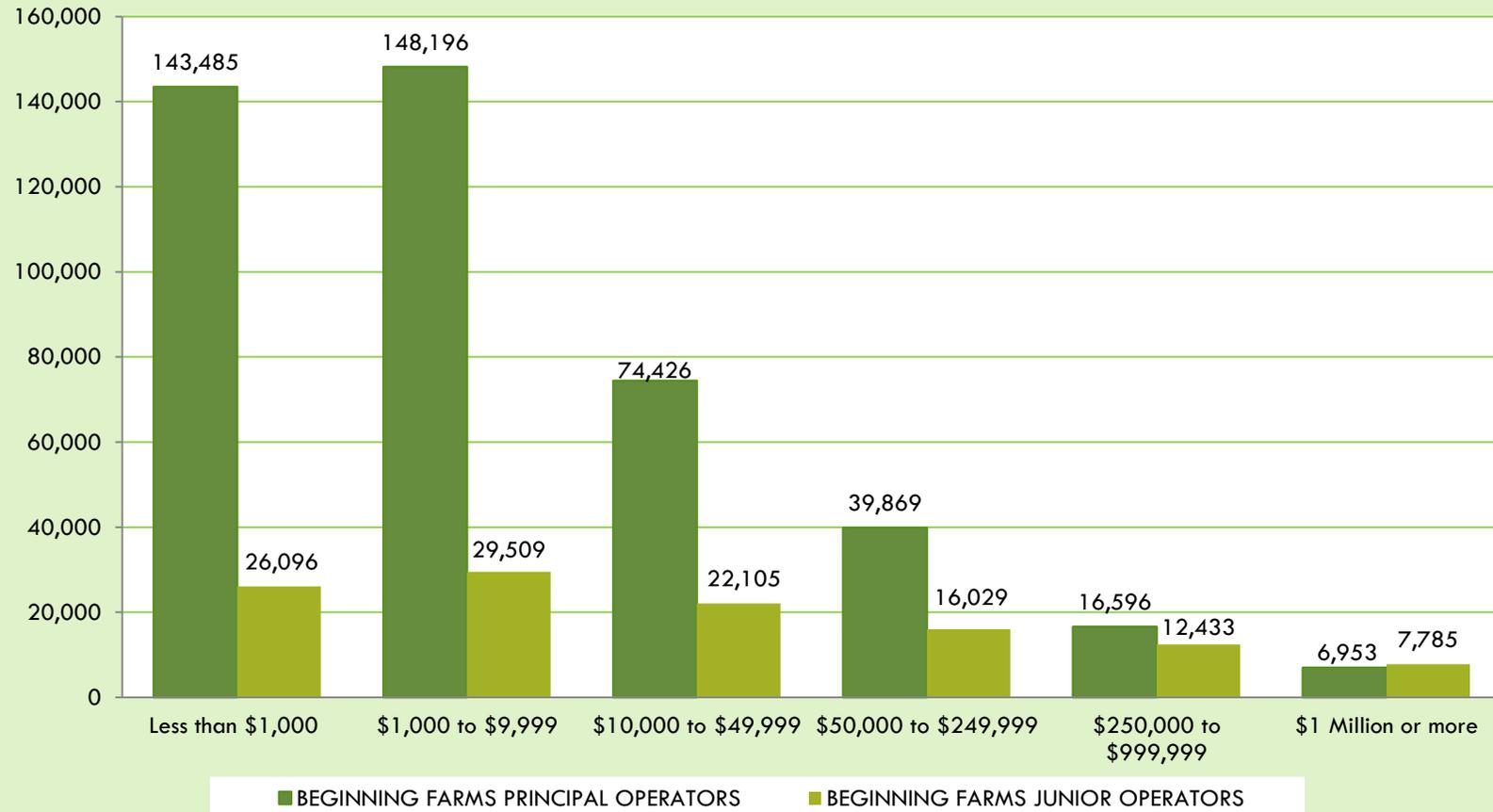


■ Farms with Only One Operator ■ Farms with more than one Operator



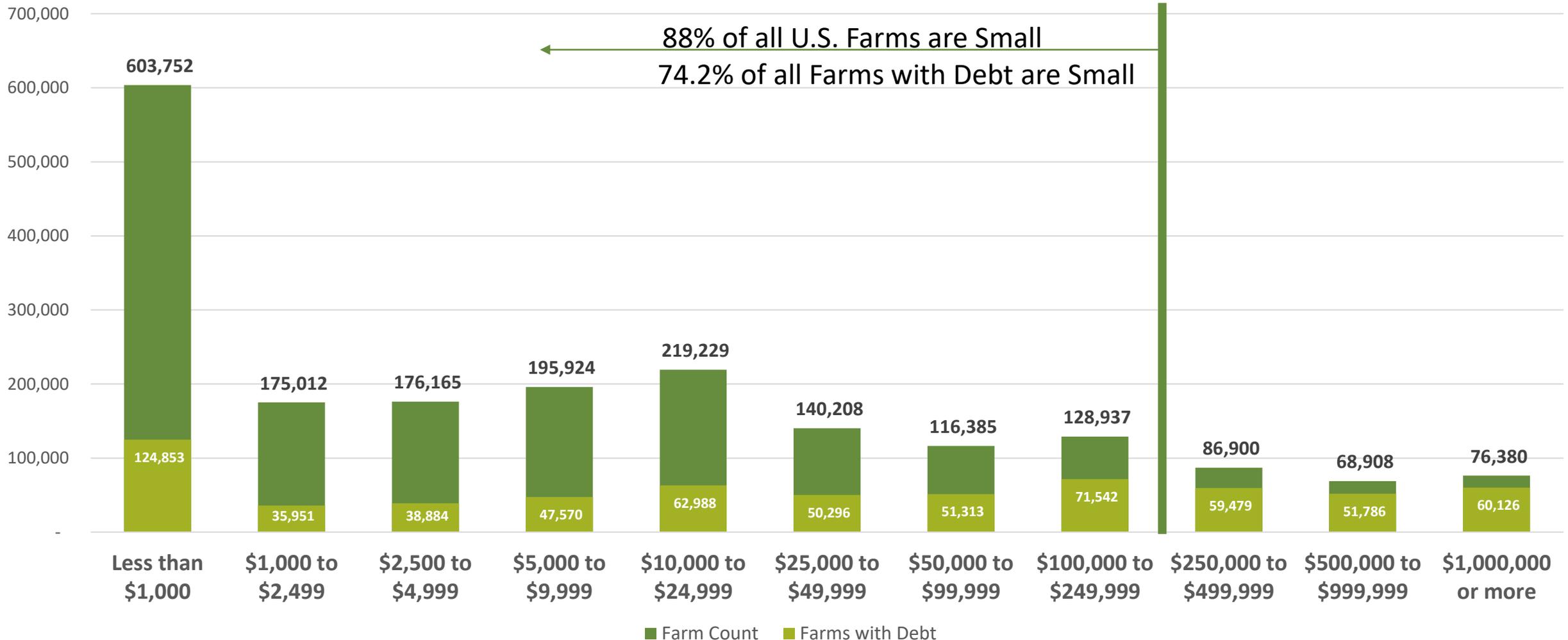
Note: Beginning farmers are those with 10 years or less experience on any operation.

2012 Ag Census- U.S. Total for Beginning Principal and Junior Operators by Sales Size



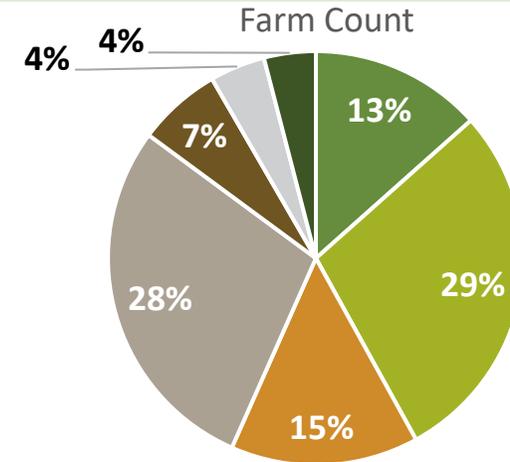
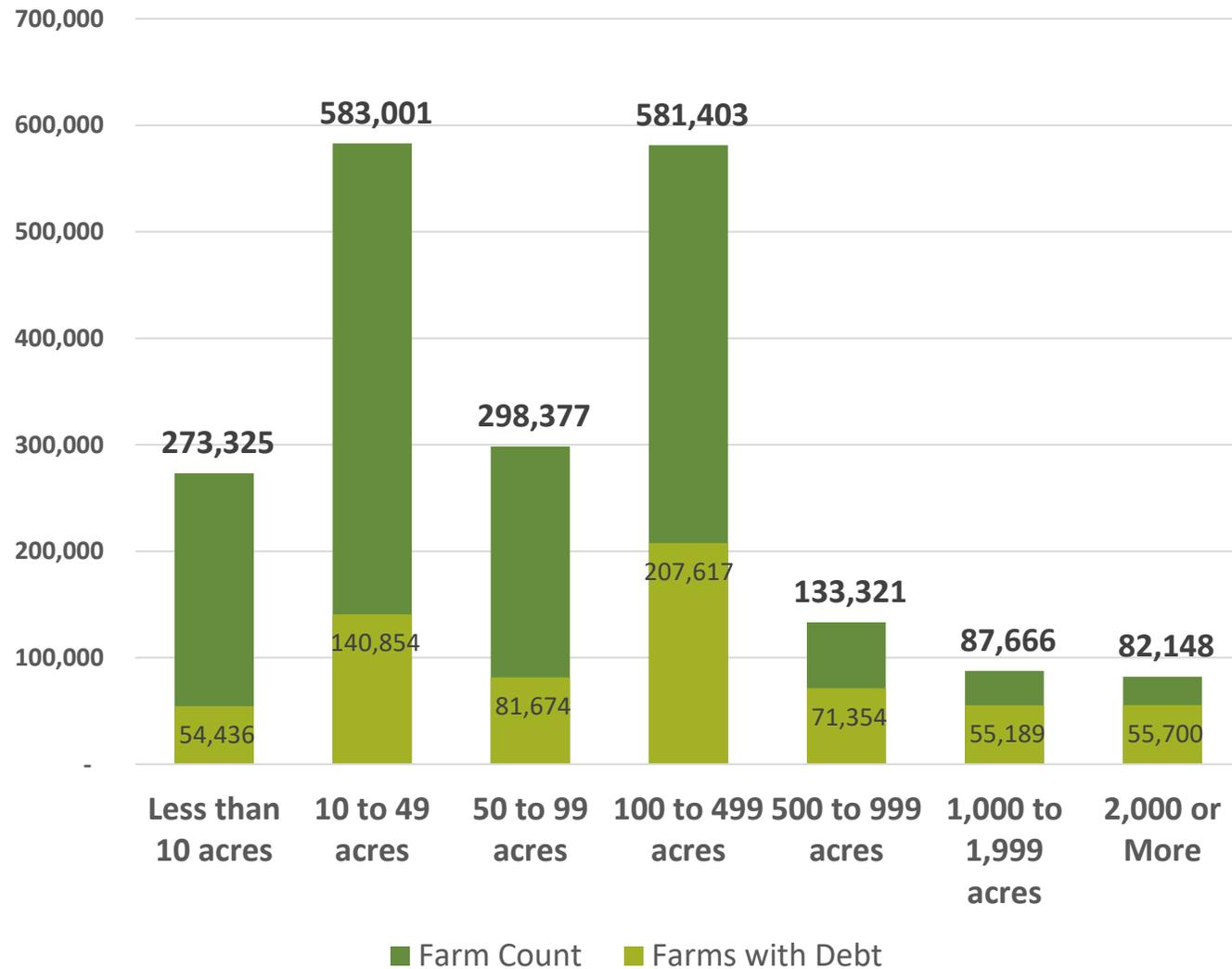


All Farms in the U.S. by Farm Sales Size

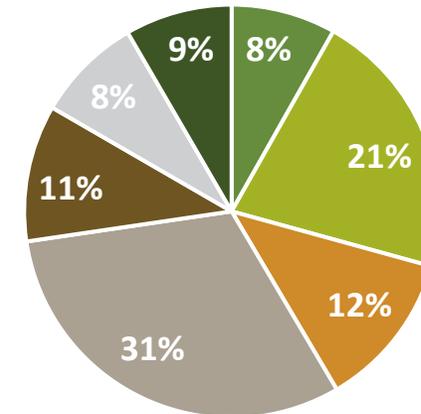




U.S. Farms by Acreage Size



Farms with Debt by Acre Size

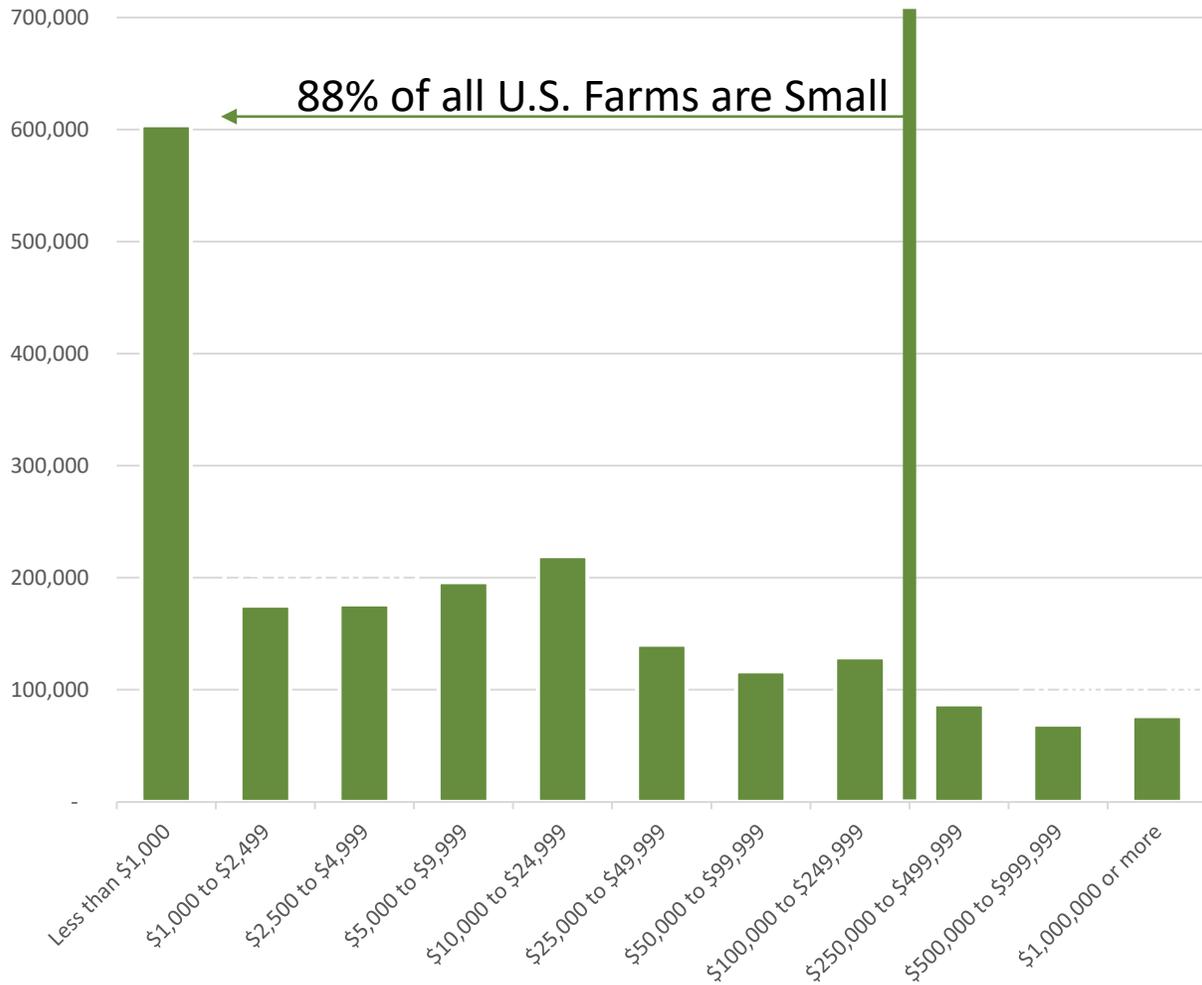


- Less than 10 acres
- 10 to 49 acres
- 50 to 99 acres
- 100 to 499 acres
- 500 to 999 acres
- 1,000 to 1,999 acres
- 2,000 or More

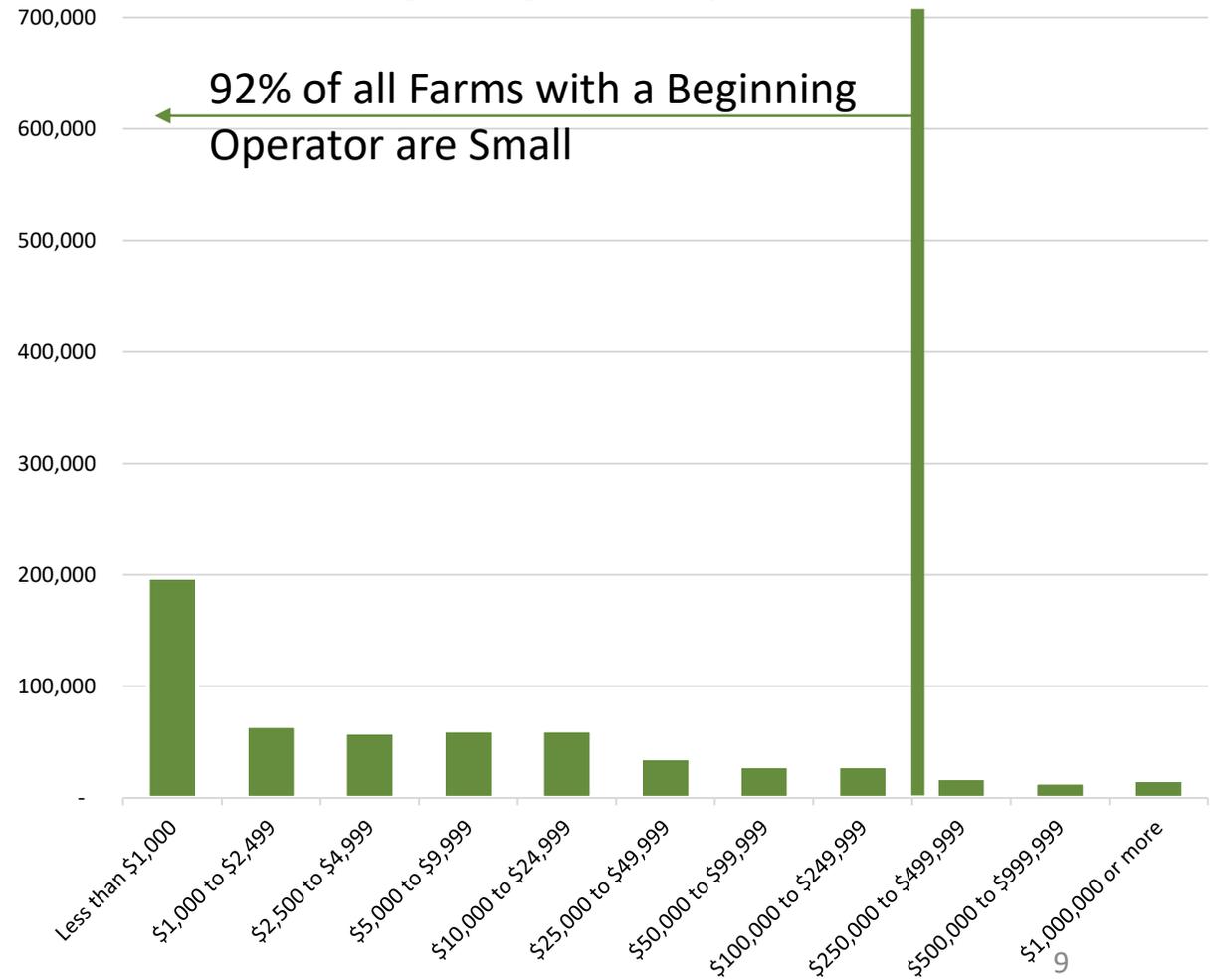


Beginning vs All Farms Sales Size

All U.S. Farms by Sales Size

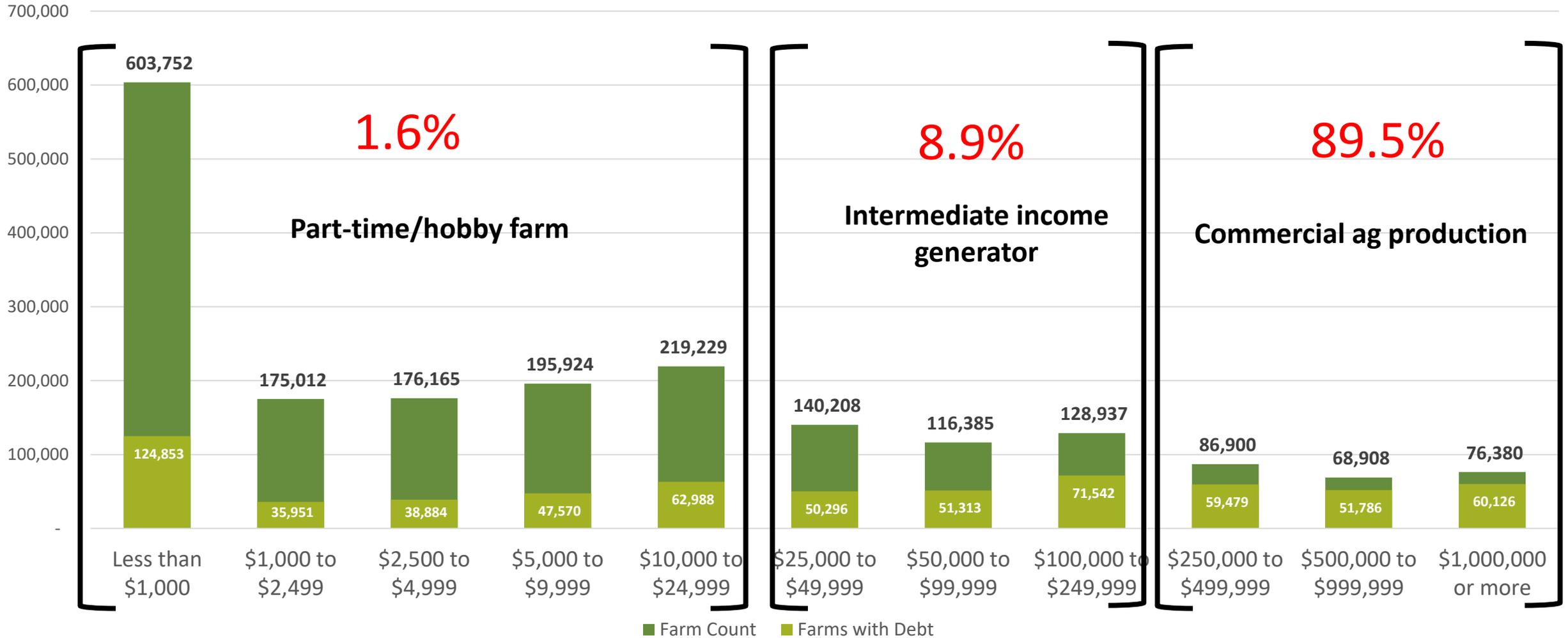


Beginning Farms by Sales Size





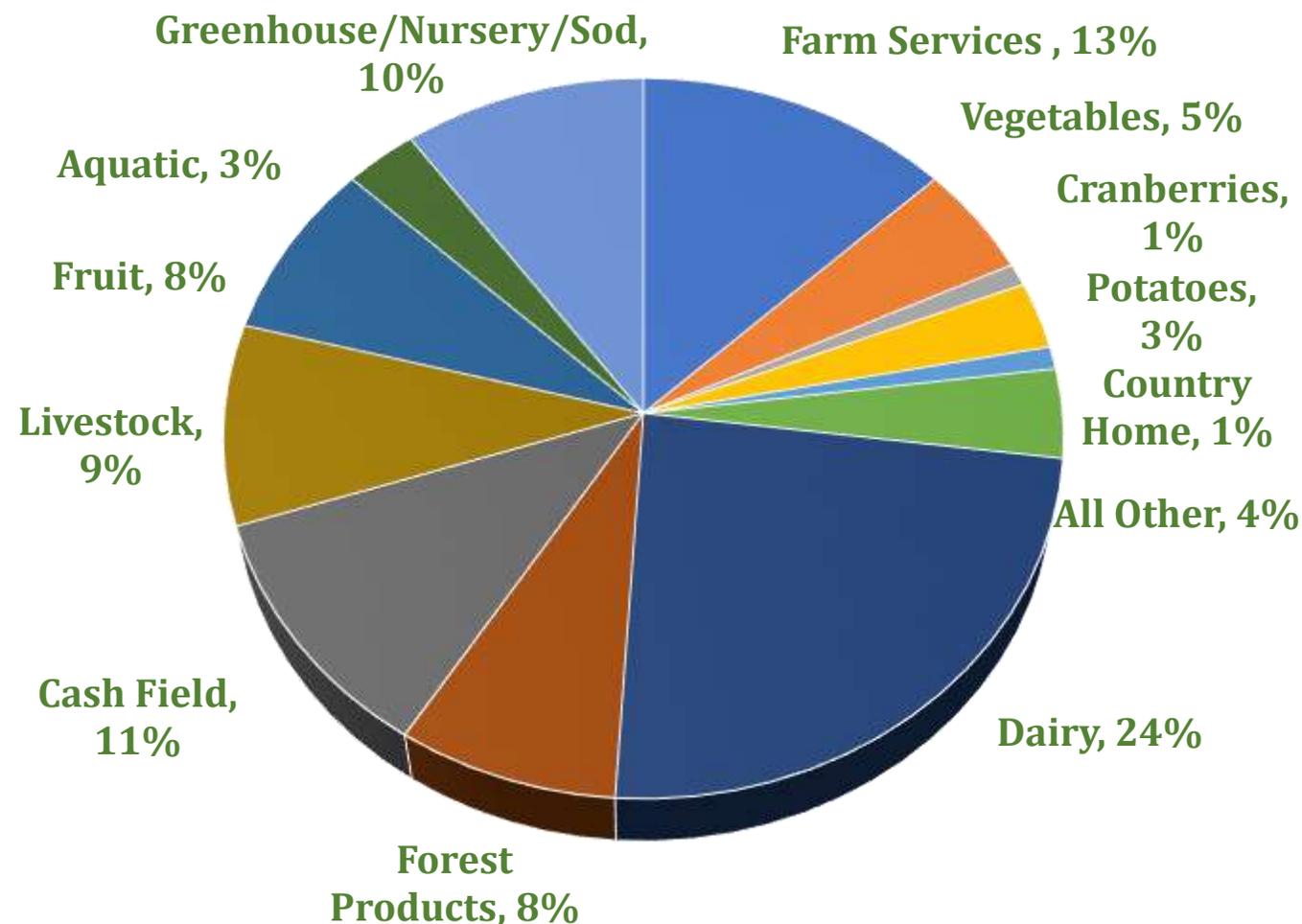
Market Segmentation by Farm Business Expectations using Farm Sales Size



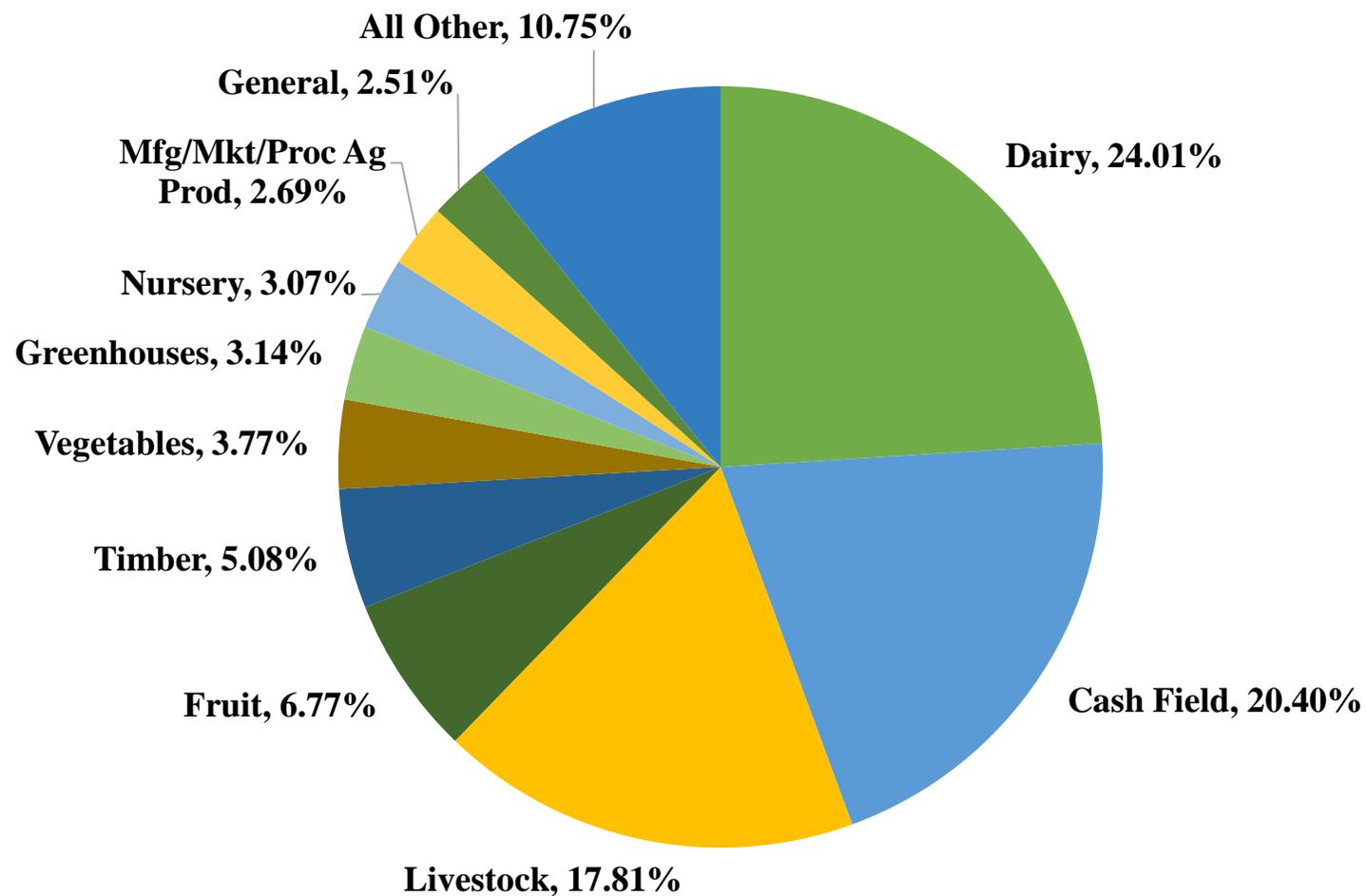
Source: USDA-NASS 2017 AgCensus via Special Tabulation & Published Data; percentage of total farm sales from ARMS data

The Industries We Serve

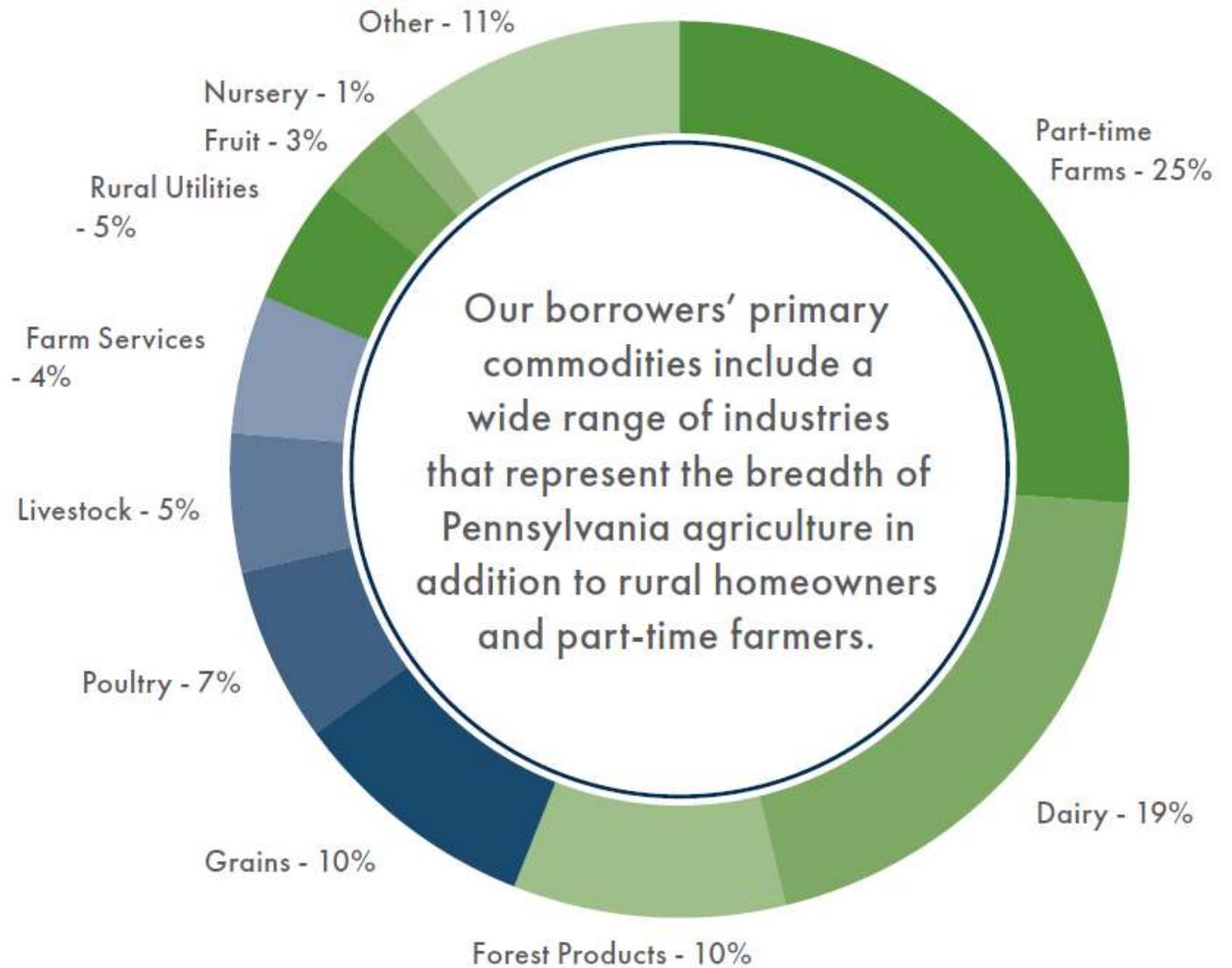
- Diverse portfolio by industry, size and market segment
- Large number of customers serving local markets
- Serve all types of producers big/small, conventional/organic, wholesale/retail



Beginner Farmers We Serve



Loan Volume by Sector

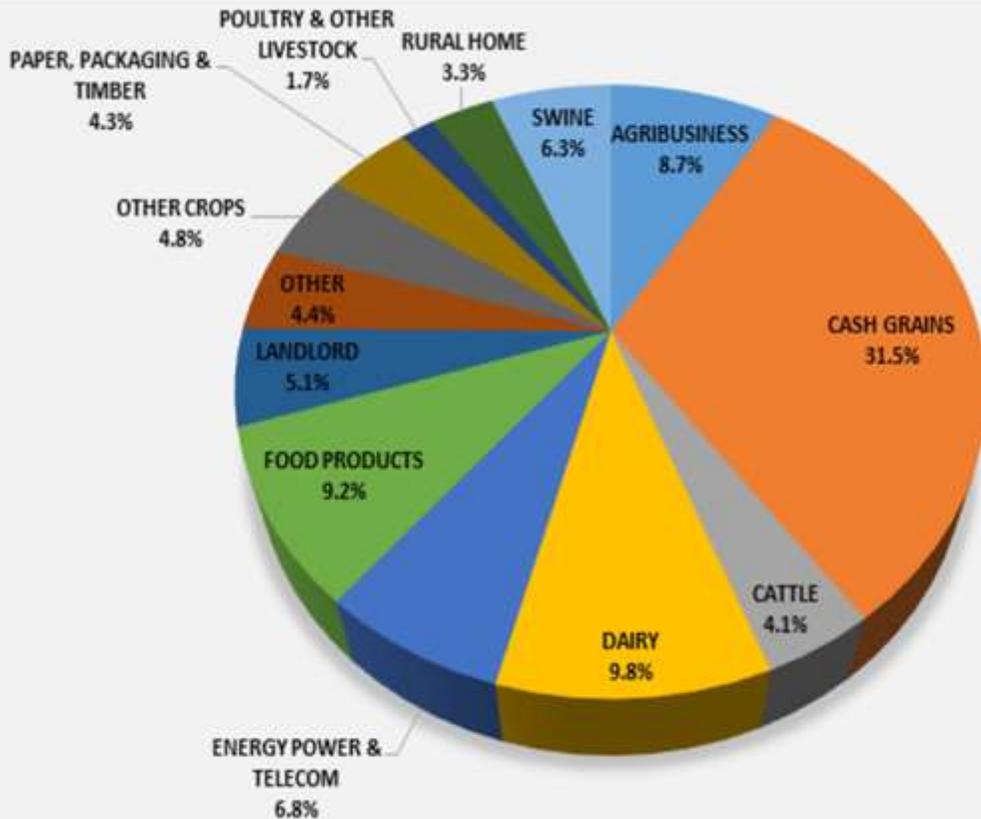


Beginning Farmer Loans:

- 26.4% by number
- 15.4% by volume

COMPEER FINANCIAL

- Compeer \$21.8B



- Beginning Farmers \$4.6B

