

## ECONOMICS

# Choose Your Agricultural Enterprise

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### Individuals new

to agriculture often seek direction on how they should get started with their agricultural business. As a consultant, I interpret this to mean

that someone needs help developing a checklist of steps to take in order to achieve a defined goal. Surprisingly, however, I find many of these “getting started” questions center around goal setting and “What should I do?” rather than “How do I do it?”. To those seeking direction, I hope the following quote by B.C. Forbes, founder of *Forbes Magazine*, strikes home with you as much as it did me: “A business, like an automobile, has to be driven in order to get results.”

You are the driving force behind your enterprise. If you think of an agricultural business as the automobile, then the make and model would be the agricultural enterprise. Each farm or ranch has different resource requirements (e.g., land, labor, financial obligations), as well as individual levels of associated risk and income potential. Educational resources are available for individuals new to agriculture who may be unfamiliar with traditional agricultural practices. The Noble Foundation ([www.noble.org](http://www.noble.org)),

**Table 1. Rank and value of production by commodity for Oklahoma and Texas**

Rank	Oklahoma		Texas	
	Commodity	\$ Value (millions)	Commodity	\$ Value (millions)
1	Cattle and calves	1,747	Cattle and calves	6,939
2	Poultry and eggs <sup>1</sup>	653	Broilers	1,650
3	All hay	510	Greenhouse and nursery	1,284
4	Hogs and pigs	474	Cotton, lint and seed	1,189
5	Winter wheat	370	Milk, wholesale	1,172
6	Milk production	152	Corn	1,002
7	Corn for grain	128	Sorghum grain	377
8	Cotton and cottonseed	118	Eggs	347
9	Soybeans	113	Wheat	325
10	Grain sorghum	41	Hay	263

<sup>1</sup>Broiler production including other domestic meat-type breeds. Turkey production not included.

the Oklahoma Cooperative Extension Service ([www.oces.okstate.edu](http://www.oces.okstate.edu)) and the Texas AgriLife Extension Service ([agrilifeextension.tamu.edu](http://agrilifeextension.tamu.edu)) all have long histories in educating the public about agricultural enterprises and management practices.

The National Agricultural Statistics Service ([www.nass.usda.gov](http://www.nass.usda.gov)) also provides a wealth of information relative to each state’s agriculture industry. Agricultural enterprises common to your state can be found in the Annual Statistical Bulletin, which is updated

each fall. The latest bulletin for Oklahoma and Texas reports that cattle enterprises are the No. 1 valued commodity for both states. The remaining top commodities for Oklahoma and Texas can be found in Table 1.

Alternative agricultural enterprises can provide opportunities for those looking to distinguish themselves from other producers. These enterprises can include, but are not limited to, specialty fruits and vegetables; exotic flowers; bees and honey; and a variety of field crops. ▶

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Agritourism – tourists visiting an agricultural operation – is another alternative agricultural enterprise. Oklahoma Agritourism ([www.oklahomaagritourism.com](http://www.oklahomaagritourism.com)), a part of the Oklahoma Department of Agriculture, Food and Forestry and the Oklahoma Tourism and Recreation Department, lists the following as possible tourist attractions: vineyards and wineries; hunting grounds; guest ranches; trail rides; u-pick operations;

mazes; country vacations; specialty crops or products; exotic animal breeds; farm and ranch activities; farmers markets; and birding.

The list of possible agricultural enterprises is endless. Many who are new to agriculture find this overwhelming. Focusing on only the enterprises you want to manage will narrow the list considerably. The Noble Foundation's experience suggests that an agricultural operation is more

successful when the owner/operator is truly passionate about the agricultural enterprise. While individuals experienced in agriculture can suggest possible enterprises that fit your current resources, remember that the choice is yours and yours alone. Think back to the quote by B.C. Forbes, "A business, like an automobile, has to be driven in order to get results." The question to you then is what "make and model" do you want to drive? ■