

# Building a Farmer-Based Industry from the Ground Up

**E**lderberries. You might know them from the wild, or if you are an aficionado of craft wines, jellies and tonics. But with emerging interest in them as an antioxidant-rich health food, a group of Missouri farmers and researchers are helping to pull this tart, black berry out of the obscure and into the mainstream.

For farmers, the picture looks promising: According to University of Missouri market research conducted in 2011, one-third of consumers are familiar with elderberries, and demand is growing for locally raised berries versus European imports. Also, the return on elderberries is very high. It costs between \$2,500 and \$4,500 to establish an acre of plants, plus another \$1,500 or so in annual management costs. By the third year, an acre can yield about 5,000 pounds of berries, and a pound is worth anywhere from \$0.50 to \$25, depending on whether it is used in jams, pies and wines, sold wholesale in bulk, or is processed into high-value concentrate.

University of Missouri Center for Agroforestry researcher Michael Gold, who, along with colleagues Ina Cernusca and Larry Godsey, led the market study with funding from a 2010 SARE grant, says that it was the missing piece in what has been a successful, 15-year effort by his colleagues Patrick Byers

and Andrew Thomas to develop cultivars and management information for commercial production in the Midwest. Previously, the only commercial varieties available were suited to the Northeast.

“What we already knew was the production side of things, but nobody had really done anything to add the market and consumer side,” Gold says. “Now we have the first solid understanding of elderberry’s market potential in the United States.”

Two other key outputs of Gold’s SARE-funded research are a 12-page production guide and the Elderberry Financial Decision Support Tool developed by Godsey, a detailed enterprise budget calculator that can help both farmers and lenders assess the risk and potential of growing elderberries.

For elderberry farmer Terry Durham, of Hartsburg, Mo., this multi-tier



Pioneering elderberry farmer Terry Durham, of Hartsburg, Mo., (right) hosts many farm tours as part of a collaborative effort to build a strong regional market around the lucrative berry. Photo by Mike Gold, University of Missouri

research has been vital to creating what he calls “a farmer-based industry.”

“This is the way land grant universities are supposed to work,” he says. “They’re supposed to be working with and ahead of farmers to bring them new opportunities. This whole project has worked like that.”

Durham began growing elderberries in 2006 after getting a handful of cuttings of local varieties from Byers and Thomas. Now he is up to 37 acres. Through his business, River Hills Harvest, he offers processing for 40 local farmers and distributes juices, jellies and other products to co-ops and grocery stores throughout Missouri and northern Arkansas. Farmers have the option of buying their processed berries back from River Hills Harvest at below-wholesale prices in order to distribute under their own brand.

“We encourage our growers to develop their own elderberry products,” Durham says. “Once they do all the steps to develop their market, we’ll bring them in.”

Durham further promotes the industry by speaking at workshops and collaborating with growers as far away as Minnesota and North Carolina. At the research

level, the University of Missouri team remains busy, improving the varieties and studying the health benefits of elderberries, which builds on research that has already been done abroad.

For more information, go to [www.sare.org/project-reports](http://www.sare.org/project-reports) and search for LNC10-324.



Elderberries grow in dense clusters that must be harvested by hand, and are difficult to destem when fresh. Farmers and researchers are exploring ways to improve the efficiency of destemming. Courtesy the University of Missouri

**FREE RESOURCES!**

**Grantee product:** *Growing and Marketing Elderberries in Missouri*. Find the University of Missouri’s guide and financial decision-making tool at [www.sare.org/elderberries](http://www.sare.org/elderberries).

**SARE book:** *Building a Sustainable Business*. Download for free or purchase hard copies: [www.sare.org/business](http://www.sare.org/business).

**Grantee product:** *Marketing for the Ag Entrepreneur*. University of Nebraska webinars available at [www.sare.org/agri-marketing](http://www.sare.org/agri-marketing).