



AgroForestry Strategies

Direct Marketing & Value Added

June 30, 2006 ::: 2 PM :: C.Smith





Outline

Value Added AgroForestry

- (1) Typical Vs Value Added
- (2) Land Ownership
- (3) Economics
- (4) Examples



(1) Typical AgroForestry

Short Annual Crops<>Tall Trees

1. Grow high value annual crops
2. Grow low value tree crops
3. Sell both as commodities

No Value Added Here



Rice &
Coconuts
in RP,
Batangas

Batangbaler.Net



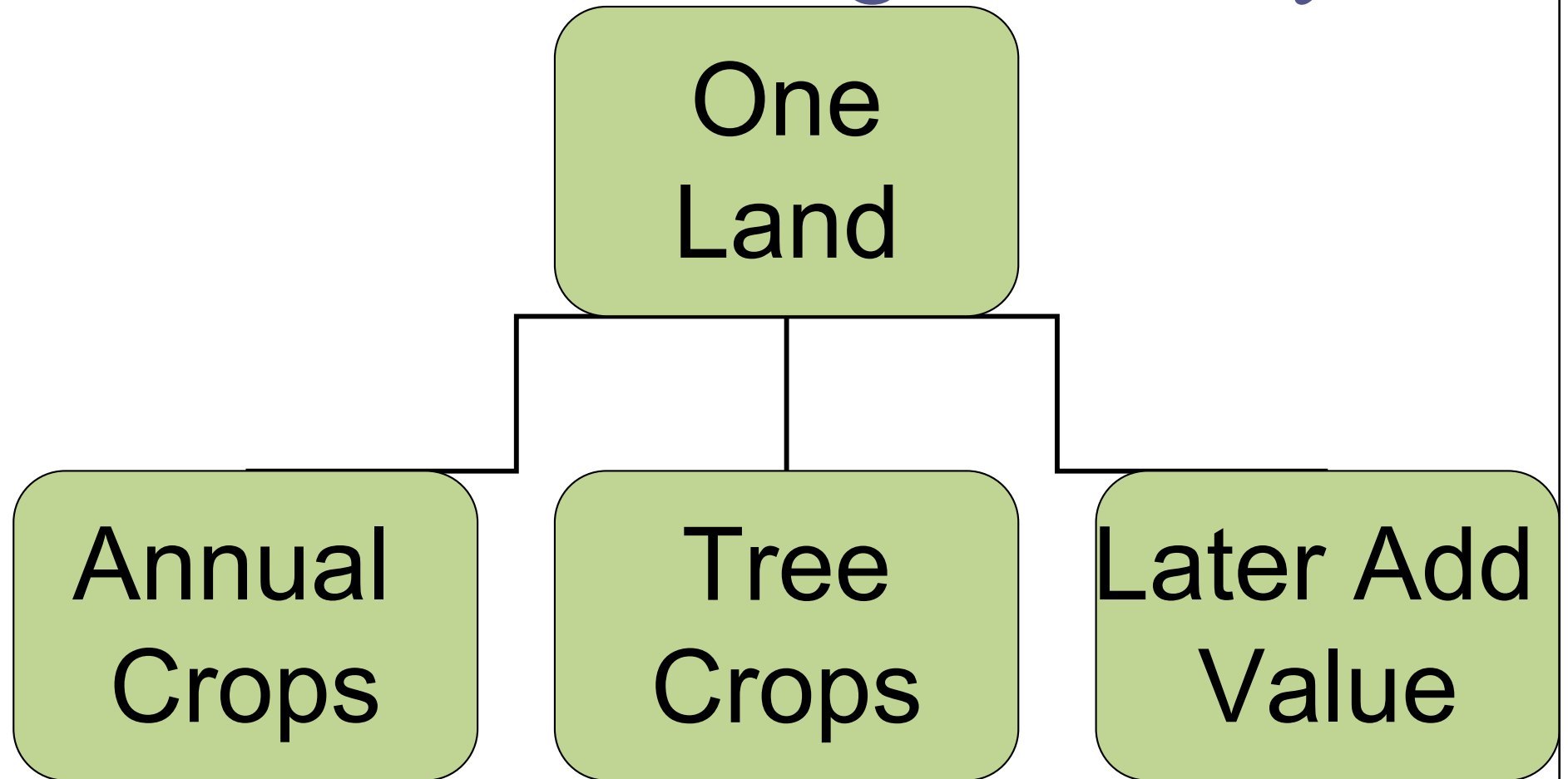
Value Added AgroForestry

Process Either \leftrightarrow More Income

1. Manufacture higher value product from 1 or more crops
2. Sell to larger area
3. Market direct to customer



Value Added AgroForestry





Typical Forestry Company

Value Added to Raw Timber

1. Grow or harvest a forest
2. Make square lumber & plywood
3. Make furniture & paper



Monoculture Forest

Sell Value Added Products

1. Large Marketing Department
2. Dedicated Sales staff
3. Good Old School Connections



Stora Enzo ::: Forestry Case Study

I. Large Finland multinational

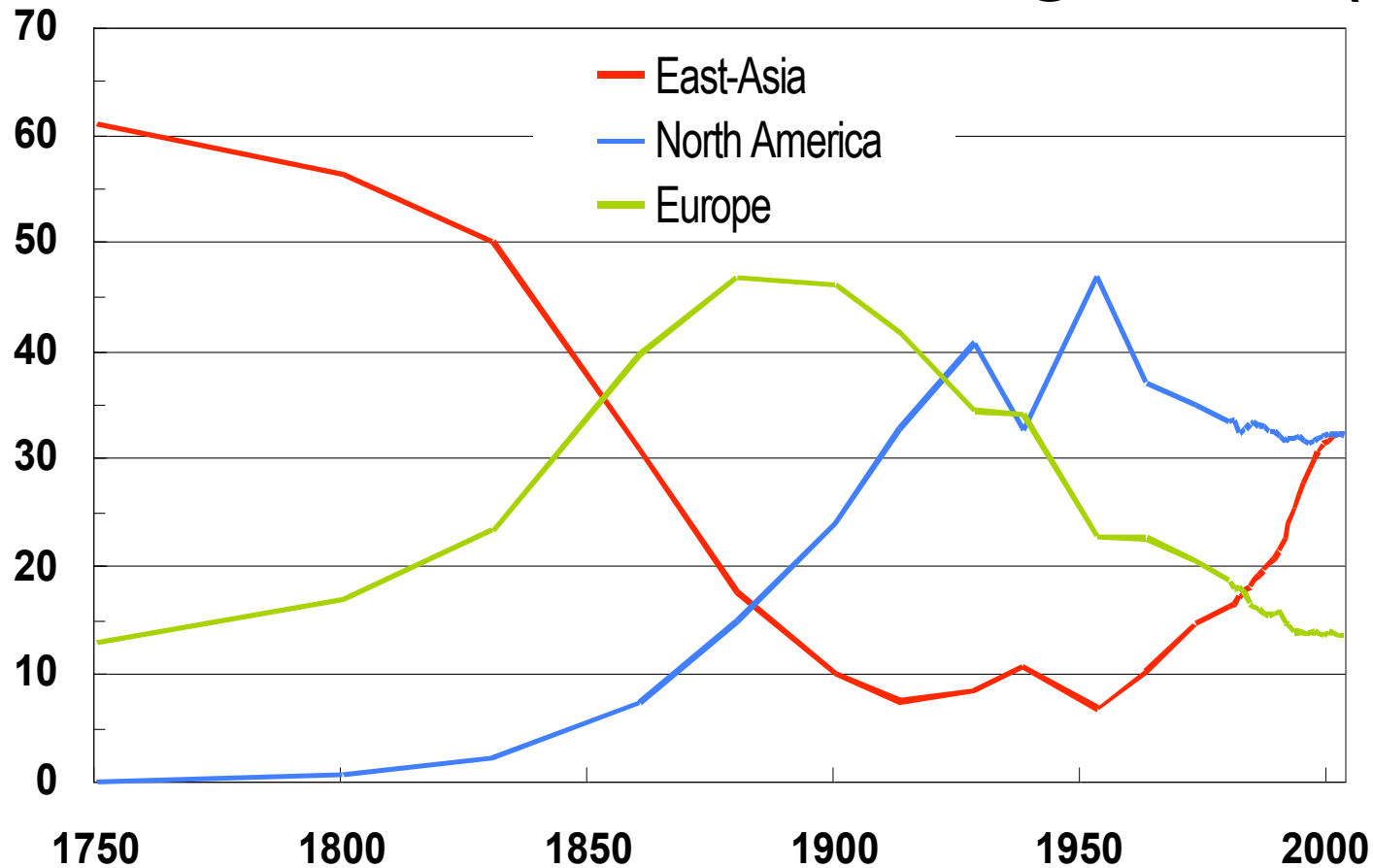
I. Owns lots of timberland

I. Makes high value products

StoraEnzo.Com

Industrial Production 1750-2003

Distribution between regions (%)



East-Asia = China, Japan, India

North America = United States, Canada

Europe = Germany, Great-Britain, Italy, France, Spain, Sweden, Belgium, Switzerland

Lähteet: *Bairoch (1982), ETLA.*

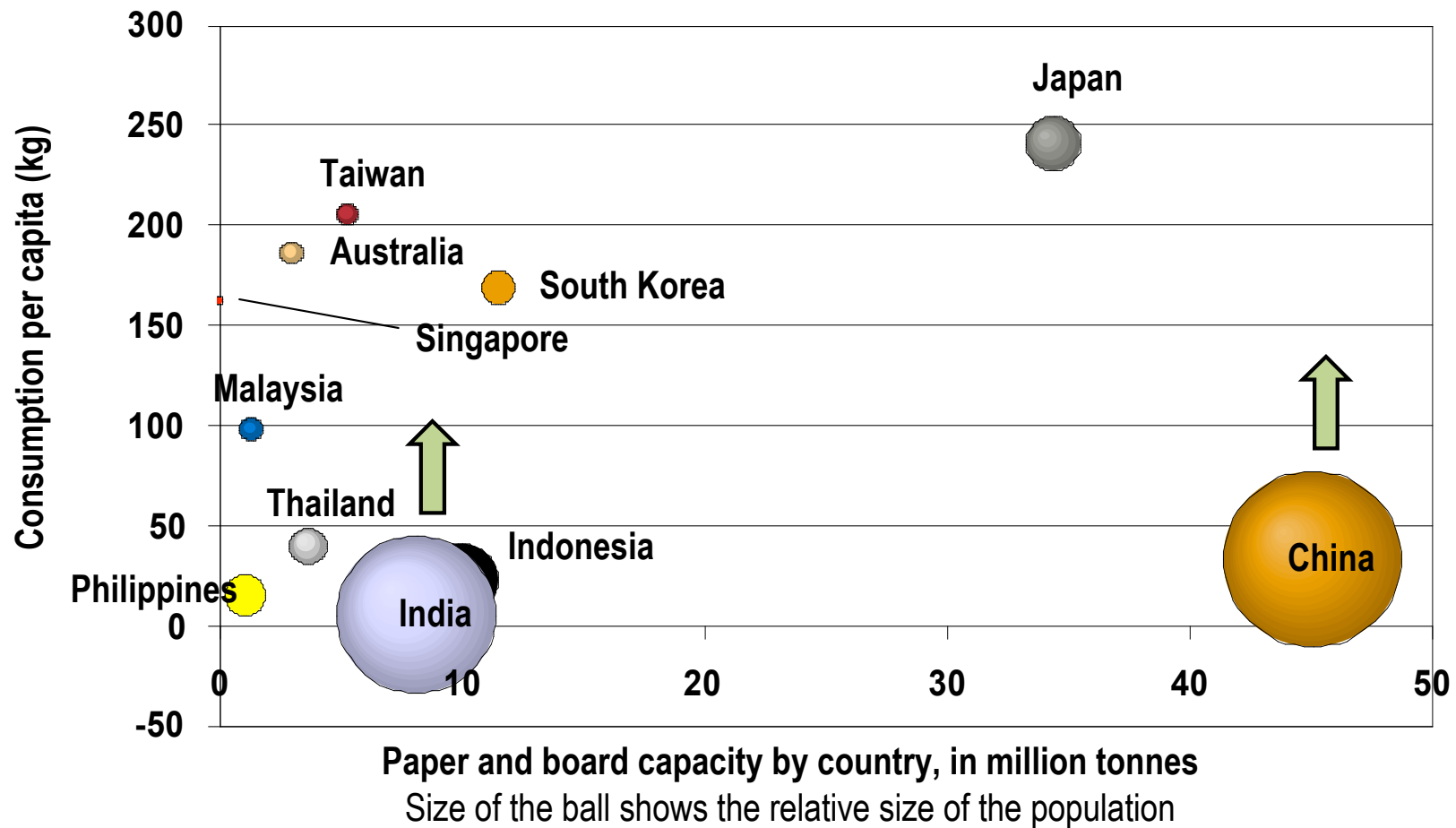
From: Stora Enzo

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Kansantalous 2028/k4.8

Asia Paper and Board

2002 Consumption & population



Source : PPI 2003

From: StoraEnzo.Com

Stora Enso (Finland) Asia Pacific Sales Staff

14 sales offices
8 countries in Asia
128 sales employees



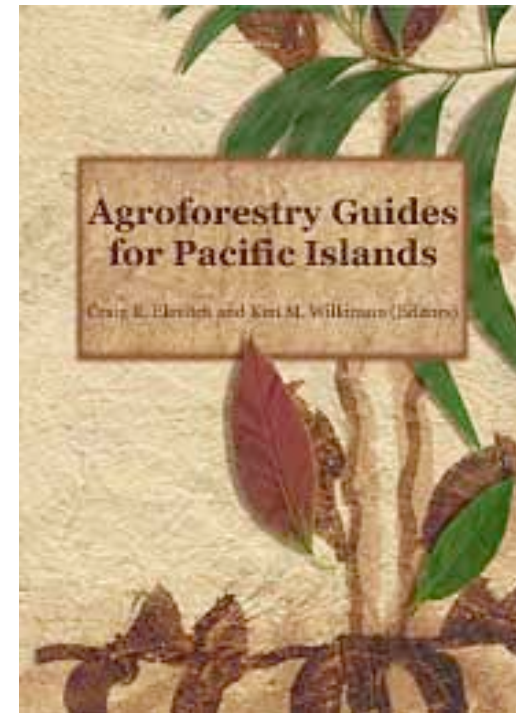
From: StoraEnzo.Com

Pacific Islands

Best Approach for Islanders?



Hawaii.Edu ForestTeam



Agroforestry.Net

(2) Land Ownership

Europe/Asia:
Long history of
few land owners.
But many tenant
farmers.

Bruegal the Elder
1550's, Holland



Top Down ::: Mainland Europe/Asia

Absentee land owners want profits from a few crops.

Historical reason for monocultures



Louis XIV, France, 1700s

Small Farms:::Many, High-Value Crops

~Most
Nepali
farmers
own their
land.

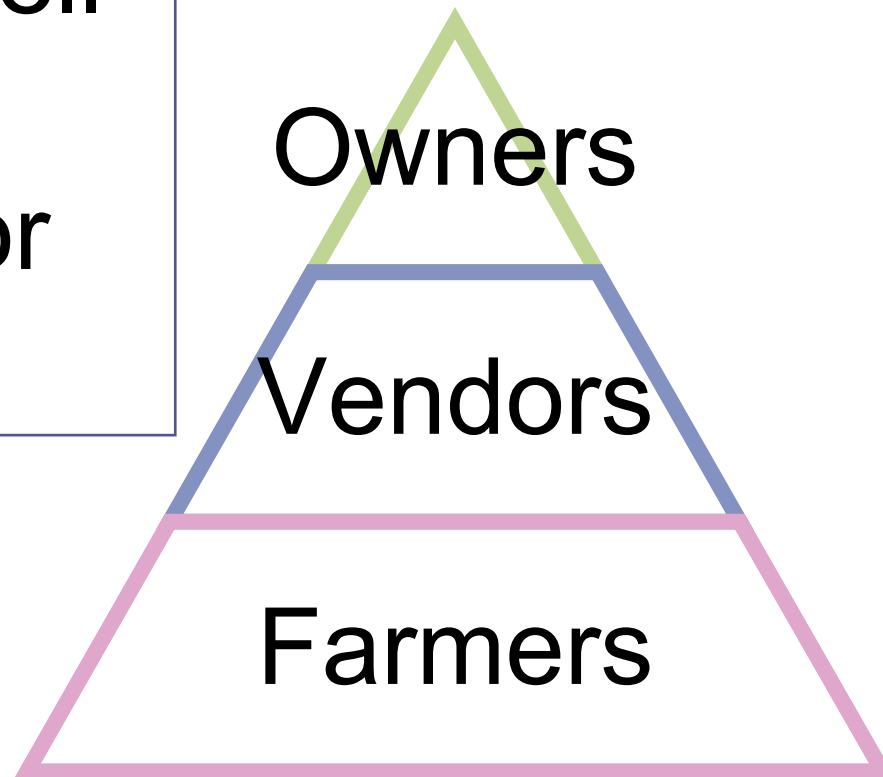


Grow multiple trees & annual crops

FAO.Org

Top Down ::: Mainland Europe/Asia

Works well
if no
choice for
farmers.



Top Down ::: If Farmers No Choice

Top Down
Works well if
no choice
for farmers.

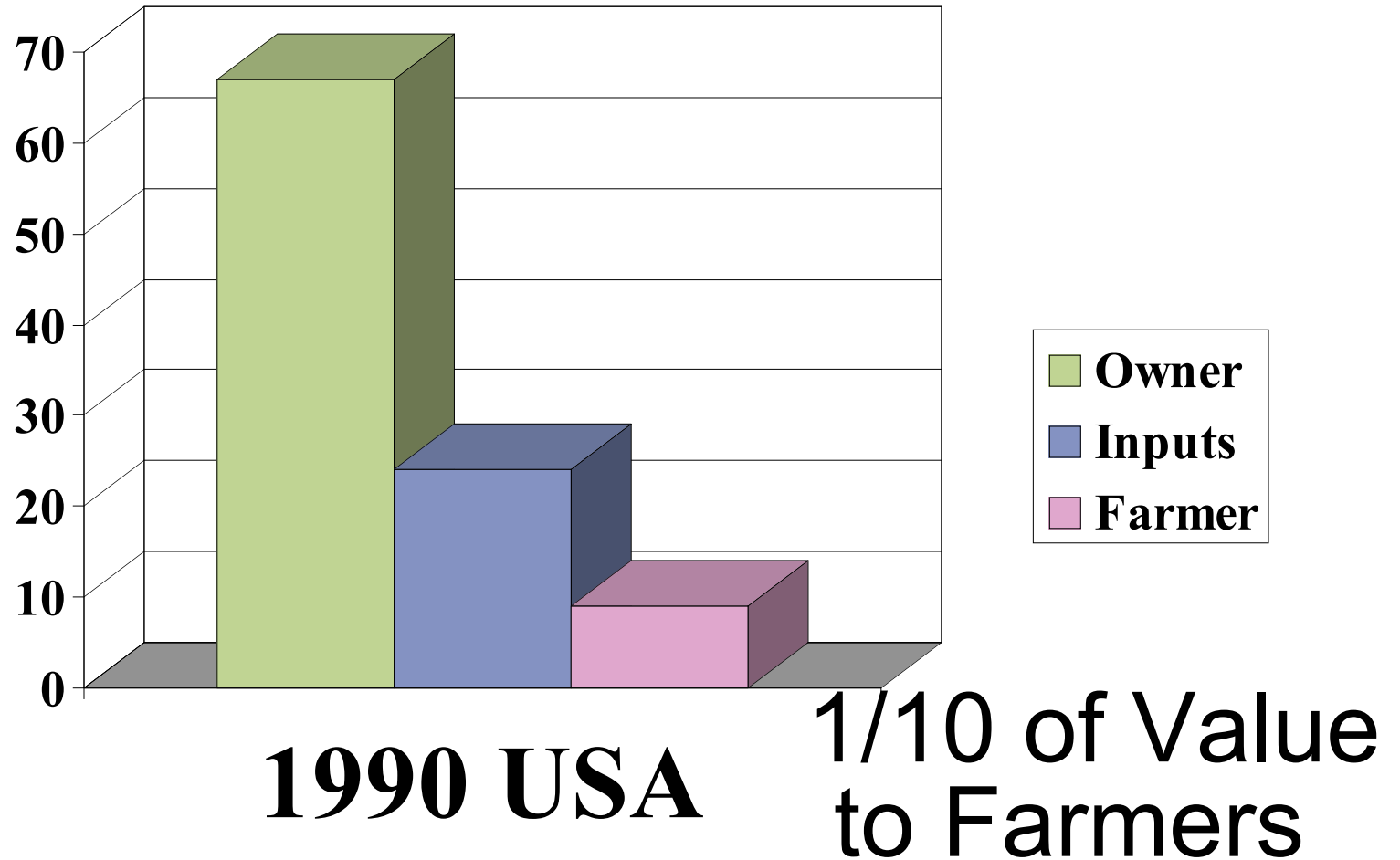
Owners

Pacific
societies have
more choice

Farmer

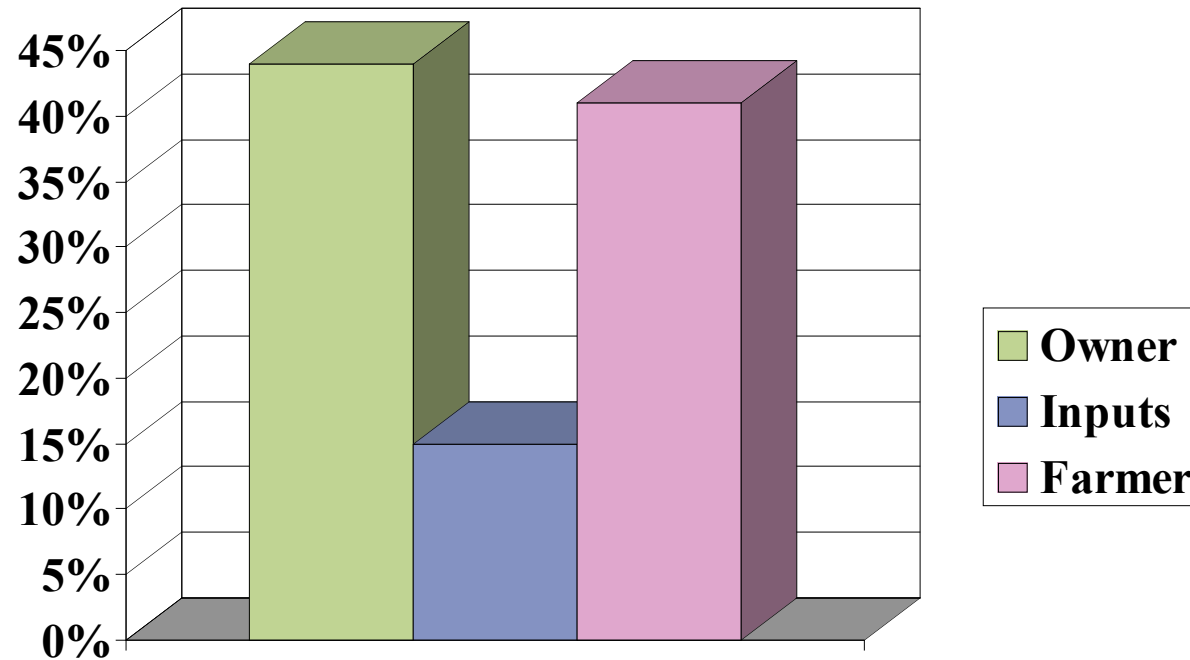
Vendor

(3) Economics



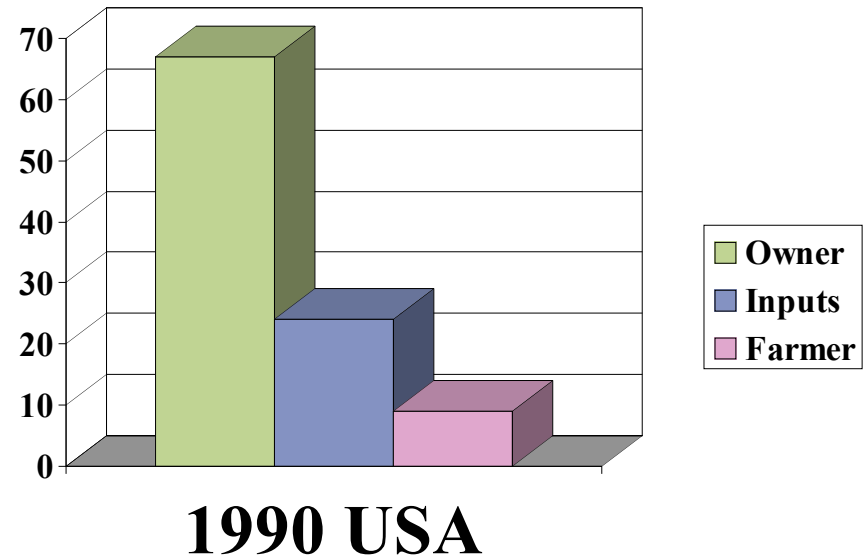
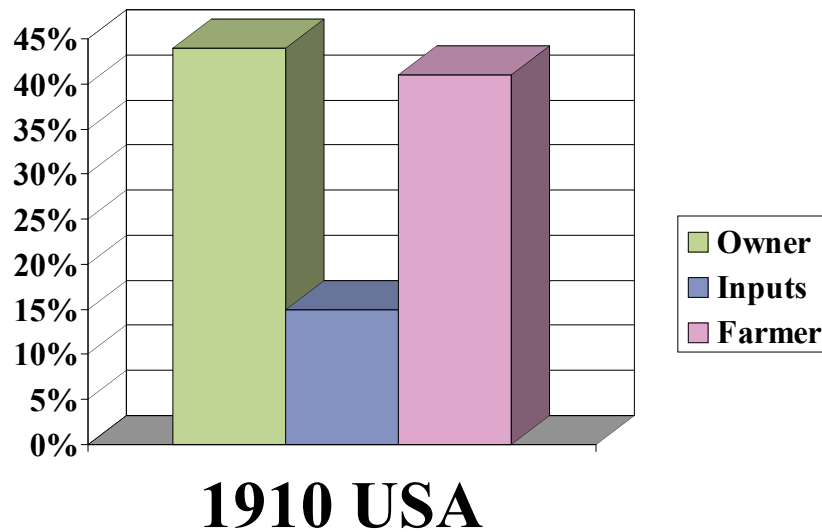
Stewart Smith. 11-14-1991.

US Farmers : 4/10 of Of Value



1910 USA

US Farmers : Lost 3/10 Value 80 Years



Nearly 4% Lost of Value Per Decade



How Farmers Regain Value Share?

Farmers Need To Be Marketers

1. Market stacked in favor of marketer
2. Farm families need to direct market
3. Should grow what can direct market

(4) Value Added ::: Examples



Sell green
bean coffee
by co-op

Sell timber as
furniture or
doors

Timber and Coffee in Colombia

Univ. GA via CATIE, Colombia

Traditional: Sell Fruit in Local Market



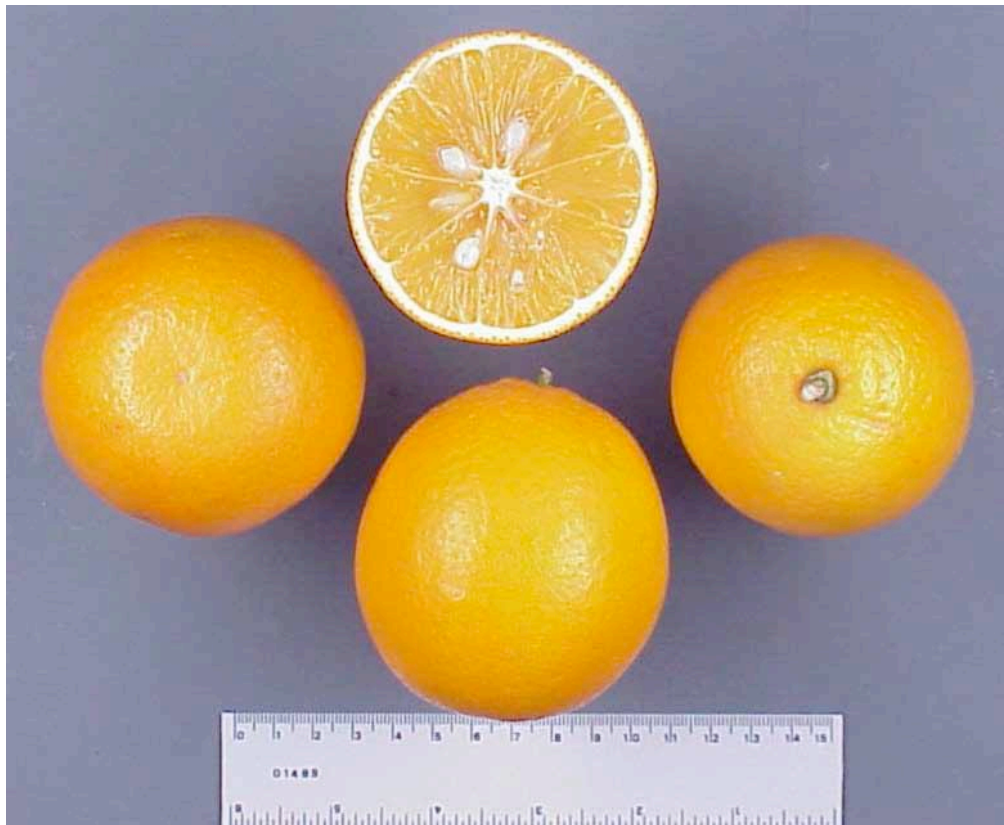
Easy to sell in local market.
Limited amt.

Better to preserve. Sell to large area.

Peach Palm Fruit in Colombia

Univ. GA via CATIE, Colombia

Florida: 1920's Sold Citrus for North



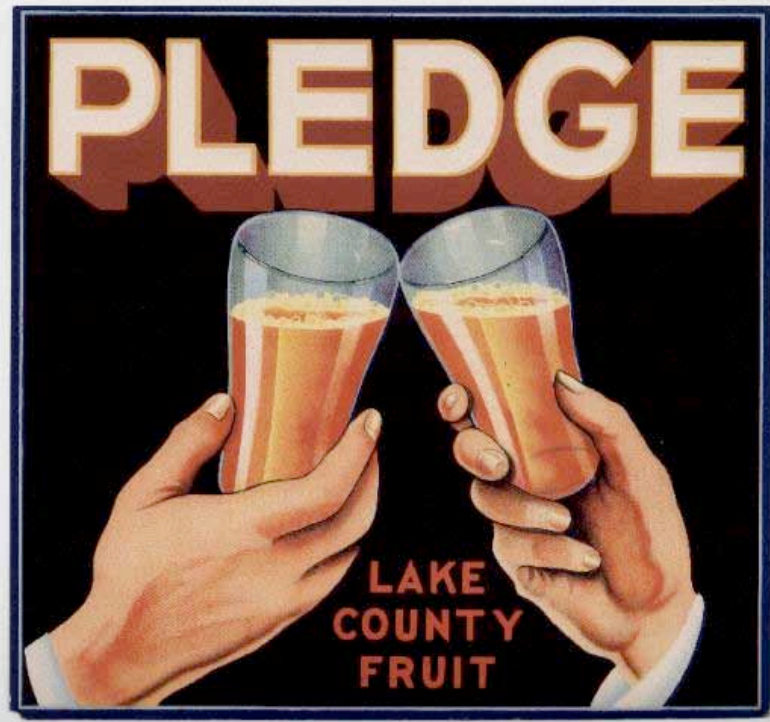
1st-Long storing oranges
(Parson's Brown)

1st-Citrus scattered on homestead

Shipped north on Flagler's Railroad

TAMU.Edu – An early orange.

Florida: 1930's::: Juice Concentrate



2nd-Juice
concentrate

2nd-Plantation
monocultures

Lake County Florida – Juice Conc.

TheLabelMan.Com

Monoculture Fruit is Optional



Owner-Operator
or Absent
Landlord can
choose Multi
Specie Orchard.

Mango Orchard in Costa Rica

AtenasRealty.Com

CNMI: Noni



Idea by Edgar
Cocker, Tonga

Sell to
alternate
medicinal mkt.

Noni in Asian “Health Tonic”

AltGuide.Com: Noni for Juice

CNMI: Da'ok



Edgar got
Million Dollar
Order

Oil in
cosmetics &
skin elixirs

Tamanu = Calophyllum = Da'ok

MedicineHunter.Com

Raphia Palm ::: With Taro?

A Swamp Palm



Congo has amazing woven products: bags, shoes



Ramsar.Org &
TNTech.Edu

Flowers => Perfume



Distill Flowers
from Perfume

Sell Direct

Profumo.It - - - Sandalwood

Nutraceuticals ::: Bottle or Tourism



Distill into
extracts & bottle

Sell Direct to
Tourists

Nutraceuticals ::: Name Brand Mix



Add mystical
appeal

1000% Markup

Blend with
Honey

ShamanShop.Net - - - Name Brand Kava



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