

Farm Diversification

Teagasc Options Webinar

20th October 2020

Allen McAdam, MCA Consulting



Motivation for change

- Money
- Family
- Social
- Drive and determination
- Grant aid

Necessity is the mother of invention.

Why people from Farming are suited to business start-ups

- Multi skilled – e.g. welding, machinery repairs etc.
- Usually disciplined.
- Familiar with handling their own finances.
- Usually have assets (land, stock)
- Hard working.....work ethic
- Familiar with dealing with people – buying/selling.

Example of Rural Enterprise startup rationale : Farm Diversification

- You can continue to farm

And....

- Outdoor lifestyle
- Remain your own boss
- Flexibility of working hours
- Suitable setting to bring up a family

Ideas generation....

- What are you good at doing?
- What have you an interest in?
- What resources.... Land, money, disused buildings etc.?
- What is there a need for locally?
- Have you a hobby or interest that has potential to generate money?

Types of Business

- Opportunity led
- Demand Led

Development of idea

- Two main categories of rural enterprise –
 - Service
 - Manufacturing
- Research viability of your proposal
- Do you need training in specific skills
- Have you adequate resources
- Is there a market for your product service
- How many hour per week can you commit

Business Plan development

- Essential document to prepare
- Should Provide a clear and concise outline of your plans for
- the proposed business venture
- Covers research, investment, markets , projected sales etc.
- Helps to keep you on track
- Required by banks and funders when sourcing finance i.e.
- loans or grant aid.

Tips for good business planning

- Be realistic
- Don't bite off more than you can chew!
- Those people who have the greatest number of successes also have greatest number of failures.
- Always be certain degree of risk – try to minimise
- Lean lead in period – usually 1 to 2 years
- Farmers are ideally placed as they are already self employed and run a business.

Examples of projects

- On farm plastic recycling business
- Fire wood processing and bagging
- Angling tourism pond
- Quad bike and 4x4 off road track
- Open farm/pet farm
- River adventure park
- Timber stake processing business
- Allotments business on farm
- Cross country hunter trials course
- All weather arena
- Pony trekking
- Conversion of old farm buildings for tourism accommodation
- Conversion of old farm buildings for tourism amenities
- Recycling business using old farm sheds
- Converting mushroom houses for wood pellet production
- Shavings production for poultry and equine use.
- Briquetting of wood waste for use as a fuel.
- Boat trailer manufacturing
- Rural therapy centre
- Equine swimming pool
- Conversion old mill into training centre

Farm Diversification Ideas Generation

Key tips

- How much time have you?
- What resources ?
- What are income expectations ?
- Is there a skills gap and if so how can it be filled ?
- Head over heart.
- Is there scale in your proposal to make it viable.

SYNERGY

If I have a euro and you have a euro and we exchange euro nothing changes

BUT

If I have an idea and you have an idea and we exchange ideas you now have two ideas and I have two ideas

AND

We might even end up with three or more ideas if we put these ideas together

HOW'S YOUR IMAGINATION?

- ▶ What colour is the letter “S”?
- ▶ What does purple taste like?
- ▶ What colour is the smell of your favourite perfume?
- ▶ What does winter sound like?
- ▶ How does the letter “M” feel?
- ▶ What sex is the number “6”?

WARM UPS

What letters come next?

A **EF** **HI**
BCD **G** **J**

What number comes next?

3, 1, 4, 5, 9, 14, 25, 39

WE ALL MAKE MISTAKES

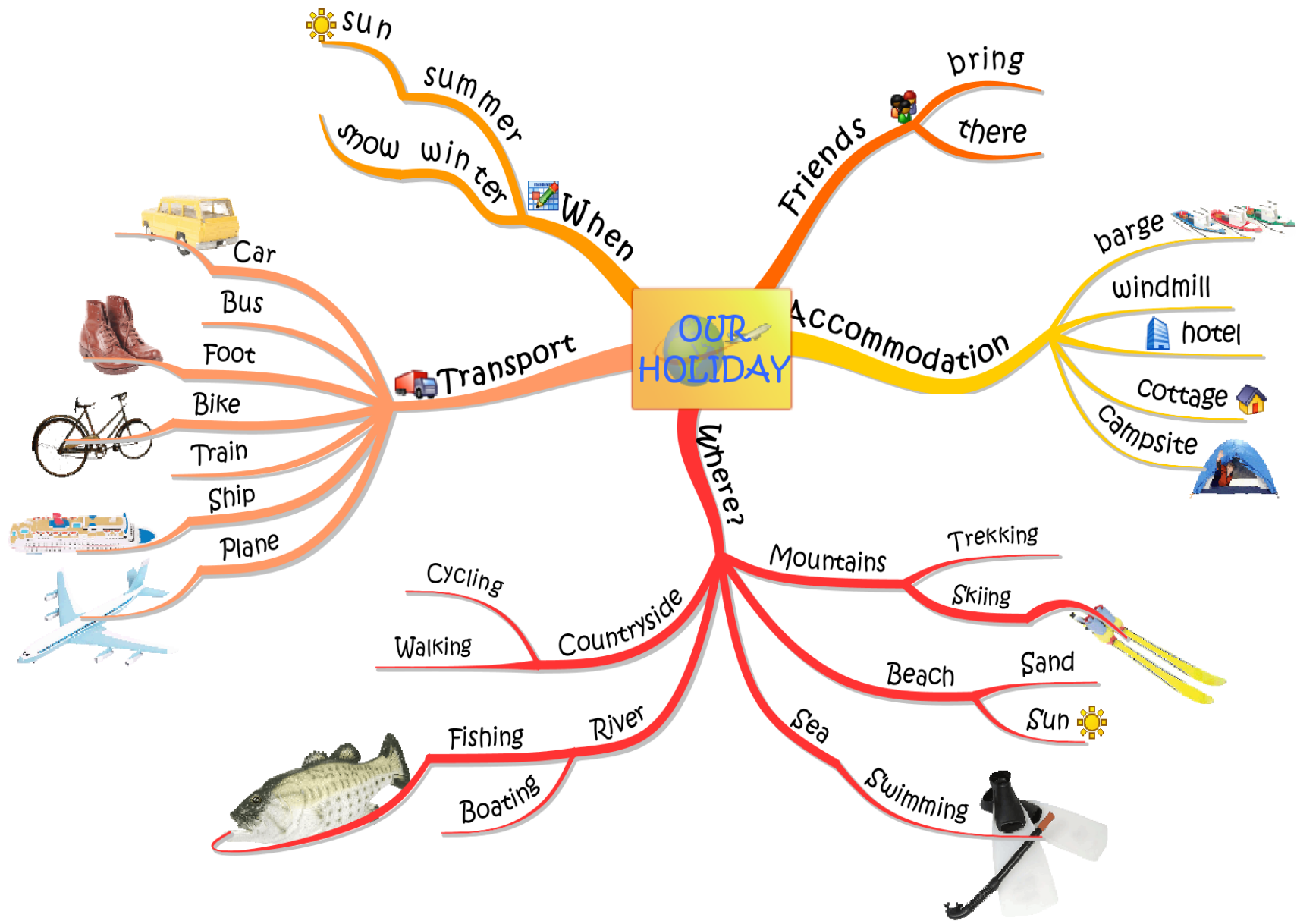
- ▶ Head of Patent Office in USA wanted to close it in 1900 as everything had been invented
- ▶ Darryl Zanuck of 20th Century Fox Films dismissed TV, saying people will not stay in to watch a box of plywood in the corner of their living room
- ▶ Decca Records turned down the Beatles in 1962 on the grounds that guitar bands were dead
- ▶ Walter Hunt sold the rights of one of the top 50 inventions for \$10 to clear a gambling debt

EVOLUTION OF IDEAS

- ▶ 1830 Train
- ▶ 1838 Bicycle
- ▶ 1884 Car
- ▶ 1905 Aeroplane
- ▶ 1955 Hovercraft
- ▶ 1957 Spacecraft
- ▶ ? ?

MIND MAPPING

- A colourful visual form of note taking which can be worked on by one or more people
- At its heart is a central image which is explored initially by means of main or parent branches representing main ideas which all connect to the central issue or idea
- Sub-branches or child branches can then flow from the main or parent branches



OUTSIDE THE BOX

- ▶ Telegraph was invented by an artist
- ▶ Steamboat was invented by an artist
- ▶ Frisbee was invented by a baker
- ▶ Cornflakes were invented by a farmer
- ▶ Bicycle tyre was invented by a vet

Definition

- What is creativity?

Creativity is the bringing into being of something which did not exist before, either as a product, a process or a thought.

What is creative thinking?

Creative thinking is the process which we use when we come up with a new idea.

It is the merging of ideas which have not been merged before.

Brainstorming is one form of creative thinking: it works by merging someone else's ideas with your own to create a new one.

You can use the ideas of others as a stimulus for your own.

WHAT IS CHANGING IN OUR WORLD?

- ▶ Economically or financially?
- ▶ Socially?
- ▶ In the workplace?
- ▶ In our leisure?
- ▶ In technology?

NEW IDEAS CAN COME FROM:

Opening your mind

+

Opening your eyes

+

Listening

+

Learning from failure

=

Spotting opportunities and creating new ideas

BLOCKS TO GENERATING IDEAS

- ▶ Lack of belief in yourself
- ▶ Negative attitude
- ▶ Fear of failure
- ▶ Following the rules
- ▶ Fear of appearing stupid
- ▶ Closed mind or attitude
- ▶ Too logical
- ▶ Making assumptions

WHERE IDEAS COME FROM:

-Learning from others

- Don't re-invent the wheel
- Learn from the successes and mistakes of others
- Adapt and improve.



NOMAD

www.nomadcounters.com

Allen McAdam

MCA Consulting
Ardragh
Carrickmacross
Co, Monaghan

042 9691990

info@mcaconsulting.ie