



United States
Department of
Agriculture

Natural
Resources
Conservation Service

Resource Economics
and Social Sciences
Division

September 2001

Alternative Farm Enterprises – Agritourism Success Stories

Fruits and Vegetables/ Farmers' Markets

Interview with Francisco Resendiz, 4342 Geer Road,
Hughson, California 95326, Telephone 209-883-0100

What is the history of your farm and farming experience?

My parents traveled from Mexico to California each year to work in the fields. They would return home in the fall so the children could go to school. I was 13 years old when my parents made their first trip, and I also worked in the fields. My plan was to go to college and get a job in Mexico, as I did not like the United States. But I was the oldest and had to work to help support the family.

At 15, I started working full-time on a 350-acre almond and peach ranch. I would return to Mexico during the winter for visits, and I still wanted to get a job and live there. At 21, I set a 5-year goal to be a farm manager and save enough money to buy a piece of land. In a year and a half, the owner made me the manager. I made all the production decisions for the ranch. At 23, I started attending conferences and seminars on agriculture, which gave me confidence about farming. I also set a goal that I needed to change my attitude about agriculture and the United States. Then, everything became positive. I learned to read and write English, but speaking was very difficult to learn as we always spoke Spanish at home and in the fields. I worked there as an employee for 10 years and as the manager for 20 more years. My wife and I purchased our 33-acre farm in 1987.

Describe the alternative enterprises in which you are presently engaged.

The Resendiz family owns 53 acres and rents 50 acres for the production of fruits and vegetables. My wife Gregoria, son Diego, daughter Diana,

youngest son Frankie, and I operate the ranch with the assistance of 35 employees. We grow four cherry, six apricot, four apple, four grape, ten plum, and seven pluot varieties, and about 70 varieties of peaches and nectarines. We also raise tomatoes, squash, peppers, melons, okra, eggplant, strawberries, onions, and cucumbers.

We sell our produce at the ranch—The Resendiz Family Fruit Barn—and at 25 farmers' markets each week in the San Francisco Bay Area (120 miles away). The Fruit Barn also houses our offices and a commercial bakery. We bake fresh fruit pies made from scratch, bread, scones, cookies, turnovers, and apple dumplings. We use six greenhouses to produce vine-ripened tomatoes (about 20 lbs. per plant). I am building a 3-acre farm park to show adults and especially children how their food is grown. We will demonstrate how local vegetables, trees, and landscape nursery crops are grown. How irrigation is used. We will also have a working miniature feed mill. The park has a large pond for fish and a pet farm.

What made you decide to go into the present alternative enterprise?

We purchased the farm with the idea of growing fruits and vegetables for the direct sales market. I planted 15 acres for fresh fruit sales and some vegetables. (The main purpose of growing the vegetables was to keep my children busy. My father always made sure that his children were busy and out of trouble. I followed in his footsteps.) I set up the roadside stand as a means of selling the fruit and vegetable produce. My 5-year old son, Diego, had

to be at the stand with my wife to understand and translate customer requests. It was fun for the children and successful. In 1987, our first year, we sold about \$36,000 worth of vegetables and fruits. This has grown to over \$700,000 with the associated products and services.

How did you make the transition?

I managed both ranches for 11 years. I supervised 50-60 employees at the 350-acre ranch and 3-4 employees at my ranch. An 18-hour day was common, especially during the growing season. We outgrew the small roadside stand in a couple of years and expanded on a temporary basis. In 1994, we built the 3,500-square-foot Fruit Barn. It is a hip roof styled barn that is very cheerful, open, and customer friendly. In 1999, I quit my job and applied all of my production, marketing, and management skills to our ranch. We continued to expand our farmers' markets and roadside stand sales.

It was difficult to obtain all the permits and approvals for the Fruit Barn. The County Commissioners turned down our first request. But after a little explanation, we received our permit. It was also difficult to obtain the health certificates and clearances since we are located in the country. This process took more than 6 months.

What was your decisionmaking process?

I attended several seminars and workshops. I wanted to do something new and different that was not discussed at the marketing conferences. Everybody was selling vegetables and crafts, but no one was heavily into the fruit business. So I decided to build my business around a fruit stand.

Describe your business planning/goal setting.

We did not have a formal business plan when we began in 1987. I started with the idea of having a garden and some fruit trees to keep my children busy. This grew into the roadside stand and the farmers' market business. We still don't have a formal marketing plan. We stop and look at what we are doing and what types of new ideas we need to develop and implement. We test new ideas and move ahead with the good ones.

How did you acquire information?

I attended several seminars and marketing conferences in California and the West. I heard farmers and ranchers speak about their businesses. Most of these were pumpkin and apple businesses, and some were very large.

How did you obtain your production information?

The ranch owner taught me a substantial amount when I was working on his ranch. I went to many conferences and seminars on production practices for peaches and almonds. I read publications, books, and magazines about fruit production.

How did you obtain financing?

We saved our money for 6 years. It took us quite a while to understand the land real estate market, finances, and the loan system. When it came time, I went to the Federal Land Bank for a loan. Since then, we have mainly used our own finances to make improvements on the ranch.

How did you market your products?

We started by being very local—with our friends, support group, and people who just drove by our roadside stand. We started advertising in the local newspapers. This is very costly, and the response is not very great, but it is necessary when starting a new business. We have a \$10,000 advertising budget today, but we don't spend it on newspaper ads. We have been holding a "Festival of Thanks" every October since we built the Fruit Barn in 1994. The Fruit Barn, 3-acre park, and the festival are designed to entertain adults and kids.

The festival began slowly and reached close to 10,000 people in October 2001. Everything is free—hay rides, horse rides, games, 1,500-bale hay maze, free gifts, music, and fruit. We also have crafters, police cars, a fire truck, and an ambulance for the kids. We have a pumpkin patch where kids can pick pumpkins. We also show them how their food is produced.

School tours come constantly. The tours started with 300 children in 1994, and in 2000 we had 4,800 students. We charge them \$2.50 apiece and they get a one-hour tour, and a bag of goodies (pencil, coloring book, apple, cinnamon crisp, and a pumpkin). We also have them plant crops such as

broccoli that we harvest and deliver to the school for the students to take home.

Our goal is more than just numbers and dollars. We want our customers to be happy—happy so they go tell a friend. We want a balance between our customers and ourselves that results in a friendly relationship. We look at it as our social responsibility. We give all of our leftover bakery items, fruits, and vegetables to the local Salvation Army every day.

A very important part of marketing is a name. We started as the Resendiz Farm Market, but we found it was difficult for people to pronounce our name. Also, my family and I realized what it means to use your name on a business. It is such a responsibility to represent that name properly at all times. People need to consider this when selecting a name. We are proud of our name but needed something more unique, so we call our business The Resendiz Family Fruit Barn. The public calls it the Fruit Barn. It is a good marketing trademark that stands for freshness, quality, and service.

There are now five similar businesses in the Modesto, California, area, which has a population of about 500,000.

How do you price your products?

We arrive at a price that is fair to our customers and ourselves. Our fruit is fresher, high quality, fruits are sweeter and vegetables more sound. My production management practices are designed to bring out the sweetness of the product. Our 9-inch pies are \$9.50, bread is \$3.95 per 1.5 pound loaf, apple dumplings are \$3.00, and turnovers are \$2.25. We also sell scones for \$1.00 and cookies for \$1.00.

What went wrong? and Why? How did you correct the situation?

We made a few mistakes. First, I over-planted watermelons—5 acres was just too much. I tried new varieties—like yellow watermelon. They tasted great, but they had to be red for people to buy them. I had difficulty learning how to prune all the new varieties correctly. Some years I had more fruit than we could sell, but there was not sufficient time to wholesale the produce. I tried tomatoes of different sizes and shapes. It did not work as I planned because the customers wanted red, round tomatoes. Today, the market has changed, and there is a niche

for these tomatoes. I tried to use hormones to reduce the spray requirements. The idea was good but sound research was lacking. It was too risky and I lost money for a few years. Today I use about half hormones and half spray on the fruit crops.

What went right? and Why? How did you build on your success?

When I became manager of the ranch, I treated it as if it were my own. My accomplishments in management grew. It was educational, and it prepared me for buying and managing my own ranch. I was able to build a considerable level of confidence in my ability to manage a ranch, and I was not afraid of trying ideas and making them successes. Our Fruit Barn has become known in the community, and the people understand what we are trying to do. So they are very supportive of the business. They would drive out of their way to purchase our products. Now, we give back to the community through our Festival of Thanks.

What would you have done differently?

Basically, I would not have done anything differently. One always has to develop new ideas in a competitive business of this type. This places a considerable amount of stress on you and the family. These new or unique ideas and products are needed to continue to build your business. However, they can also be the cause for failure if not implemented or managed correctly.

Where do you plan to go from here?

We need the next few years to get better at what we are doing. The business has grown very fast. We need to make changes to make it better. I want my children to receive that all-important college degree and then decide what they want to do. I want to grow fun! I have a responsibility to help my community to grow, which will require more of my time. My dream is to have a special place for children to learn about agriculture.

What would be the most important advice you would give other farmers considering an alternative enterprise?

1. The business/enterprise must come from the heart.

2. You must be yourself in your business and not copy somebody else.
3. You must be committed to the enterprise.
4. You must be willing to serve the public.
5. You must have and maintain a quality product and/or service.
6. You need to maintain a community/business balance. You must develop a relationship with the community. The business cannot be focused only on making money. You must return something to the community. The community needs to understand and appreciate what you are doing as a farmer.

How did you handle the liability concern?

I have a \$3 million umbrella policy with my farm insurance company.

What do you dislike the most and like the most?

I find working with and serving the people the most enjoyable part of the business—especially working with the children. We have 400-500 children on this ranch at one time many times during the year.

I dislike the uncertainty that weather has on food production. People just do not understand how weather affects the quality and types of food they see at the farmers' market.

Would you start this alternative enterprise business today after learning what is involved?

Yes.

What groups/organizations/activities have you joined?

I have not joined any groups associated with my farming or marketing activities. I have made

presentations at seminars and to schoolchildren about agriculture.

What conservation and education activities do you have?

I have been involved in conservation activities since the first year. I have tried many different hormones and used minimal pesticide application management techniques such as Integrated Pest Management. We plant cover crops to attract beneficial insects and use irrigation water efficiency technology. I am very much into educating the public about agriculture and how their food is produced. My agricultural park is my main education activity, but I hope to interest neighbors in building upon my actions to teach people about agriculture.

What did your customers like the most about your product and services?

They enjoy seeing the Resendiz family and employees working as a team. They appreciate seeing who we are and what we are. They see us as producers of quality, flavorful fresh fruit and vegetables. They also appreciate our honesty and our policy of bring it back if you don't like it.

Would it be ok for people to contact you? Yes

Do you want additional information?

For more success stories and other information, go to <http://www.nrcs.usda.gov/technical/RESS/>

The U.S. Department of Agriculture prohibits discrimination in all its programs and activities on the basis of race, color, national origin, gender, religion, age, disability, political beliefs, sexual orientation, and marital or family status. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (braille, large print, audiotape, etc.) should contact USDA's TARGET Center at (202) 720-2600 (voice and TDD).

To file a complaint of discrimination, write USDA, Director, Office of Civil Rights, room 326W, Whitten Building, 14th and Independence Avenue, SW, Washington, D.C. 20250-9410, or call (202) 720-5964 (voice and TDD). USDA is an equal opportunity provider and employer.