



Rural Development

Rural Development • Rural Business and Cooperative Service • Value Added Producer Grant (VAPG)

Lavender a great cash crop on a budget

Its late summer and the owners of Bluefly Farm are busy getting ready for its yearly harvest of crops. Located in the central Rio Grande Valley the Bluefly Farm is about 30 miles south of Albuquerque, making it an ideal location to grow lavender and other herbs.

The owners of the farm Elizabeth Arnold and her husband Kemper Barkhurst received a \$5,000 Value Added Producer Grant (VAPG) to pay for a consultant to write a business plan for the farming business. The money will also pay for a comprehensive marketing plan. Once the combined plans are implemented the profitability of expanding Bluefly Farms' production of dried herbs, hydrosol and essential oils, and flavored sparkling water from certified organic lavender, rosemary, and mint will grow exponentially.



Elizabeth Arnold (center) and her husband Kemper Barkhurst (right) explain to USDA RD State Director Arthur A. Garcia the different uses of lavender.

It's estimated once these business plans are implemented, Bluefly Farms will increase its customer base from 500 to 1,000 and sales will go from \$29,000 to \$60,000 a year by 2019/2020.

The VAPG program is designed to help agricultural producers such as Elizabeth and Kemper to expand its value-added activities related to the processing and/or marketing of new products. As in the case of Bluefly Farms the program is intended to generate new products, create and expand marketing opportunities and increase producer income. Applicants of the VAPG program may receive priority if they are a beginning farmer or rancher, or a socially-disadvantaged farmer or rancher, including a small or medium-sized farm or ranch structured as a family farm, a farmer or rancher cooperative.

Obligation Amount: \$5,000 VAPG grant

Date of Obligation: June 28, 2018

Congressional District: Representative Pearce, District 2; Udall, Henrich

Partners: Applicant Contribution: \$5,500.00

Demographics: Unemployment 7.5%, median household income is \$49,741 according to city-data.com

Impact: The VAPG funding made by USDA RD will give this very small farm an opportunity to grow its profitability while at the same time provide job opportunities in this rural community of 3,600 residents.