



Sweet Corn

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In an area known for conservative consumers, Harward Farms has prospered selling sweet corn at premium prices. They have successfully increased revenues, even while competing with “cheap” sweet corn sold in retail stores. Their success is a lesson in dedication to quality and in turning urban encroachment into an advantage for farming.

Company Background

Judd Harward’s father started a small beef operation near Provo, Utah in 1945. The farm was similar to over 100 others in the county at that time, growing sugar beets and corn silage in the summer and feeding cattle during the winter. The farm seemed to hold no future for Judd, so he went to college, worked for a bank for five years, then ran his own real estate appraisal business for another twenty-five.

When his father passed away in 1986, Judd became more involved in the family farm. His two sons also wanted to farm, so to make a place for them and keep the farm profitable, they added other enterprises. The first was sweet corn. They started with two acres and sold the corn from the back of a pickup truck. Today, they plant 160 acres and sell from 18 stands, some of which are franchised. Judd says that without an intense marketing effort, they would not have been able to stay in business.

Marketing

Harward is the brand name of their sweet corn. The family owns stands that are located at strategic intersections throughout Utah County. Each stand is covered by a green awning emblazoned with the name Harward. This brand name and “packaging” is easily recognizable throughout their marketing area. Corn maturity is closely monitored to ensure that every ear provides a premium eating experience for the customer. The offer of a “baker’s dozen,” or 13

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ears for the price of 12, is used in Harward’s pricing and marketing strategy as well. Plantings are staggered to stretch their marketing season out as long as possible.

Judd discourages hiring teenagers to work the stands because he feels they are not responsible enough to attract the customer base he is targeting. He wants repeat customers that will be greeted by their name. While some farmers follow very loose guidelines in setting up and running produce stands, Judd views marketing as a science and pays close attention to details, including

where stands are located. He has noted, for instance, that stands on asphalt are more successful than those on gravel or dirt. Customers are more willing to stop and get out of their cars where they will not get dirty.

Sweet corn is not the only direct-marketing enterprise for Harward Farms. They also sell 80-pound bales of alfalfa in small lots or by the single bale. Judd has found the competition quite stiff in selling large quantities to dairy farms or feedlots. Instead, they advertise themselves as “Bales R Us” and sell primarily to people who own one or two horses and want just a few bales at a time. They get \$15 to \$25 more per ton than they would selling to dairy farmers. With over 100,000 horses in the state of Utah, Harward Farms has many potential customers for its hay. Judd admits that it is more of a headache to sell in small quantities. However, he believes the premium is worth it.

Harward Farms also has a custom spraying business that evolved from a pest problem in their sweet corn. They purchased a spray rig to control corn earworm, and since they needed it for only a short time, they started custom spraying for others. They also use it to control weeds in alfalfa during dormant periods.

Management

The Harwards divide their operation into what they call “kingdoms.” The kingdoms include sweet corn, alfalfa sales, and spraying. Judd says everyone gets along best when s/he knows the enterprise(s) or business activities over which each has direct responsibility and decision-making power. Besides ensuring cooperation among family members, the divisions have helped the business grow and prosper. Judd Harward compares investments to bets and says his best bets are on himself and his own abilities. This includes his willingness to put money back into the business and to expand into new enterprises. It also allows looking at each enterprise and determining if each is profitable and if not, asking what can be done to make it so.

Threats

In an era when prices received for agricultural products are of primary concern to farmers, Judd doesn’t believe price swings are an immediate threat to his business. This is true in part because he is not selling his products as commodities where he must take the price offered. By marketing his products directly to the consumer, he can ensure a stable price. He believes that the biggest threats to his sweet corn business in the next few years are competition, maintaining consistent quality, and personal failures. He sees urban sprawl as his biggest long-term threat for staying



in farming. For example, the U.S. Department of Agriculture's *Agricultural Census* showed the amount of land in farms in Utah County decreased by almost 17 percent between 1992 and 1997 (2000 Utah Agricultural Statistics). The county's population grew from 263,590 in 1990 to over 368,000 in 2000, an increase of almost 40 percent (Census 2000). In the face of all this urban growth, Judd's goal is to be the last farm with 100 acres in Utah County.

Pricing Products

During the summer of 2000, Judd increased the price he charges for sweet corn by \$0.50 per dozen to \$3.50, while retail stores sold it for ten cents per ear, or less. That increase caused just one customer to walk away. When customers were upset and complained about the price, they were given six ears to try because the Harwards believe their corn is worth the price. Judd monitors competitors' prices, but he feels he offers a higher-quality product and aims for a particular market niche. Harward only has one variety for sale on a given day and it is priced consistently at all stands. There has been a small price break for purchasing a case (five-dozen ears), but otherwise, all ears are sold for the same price. A stand that they operate in a small town of less than 5,000 is one of their most successful stands and Judd believes this is due to how the stand caters on a personal name basis to many consumers.

Competitive Edge

Judd Harward considers his competitive edge to lie with his product and his marketing. He makes a point of telling customers where their corn comes from and how it is handled. Franchisees agree to do the same. Because of Harward's quality, Judd does not consider sweet corn sold in grocery stores for \$1 per dozen to be competition. Apparently his customers agree that

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store-bought corn quality is inferior compared to the Harward product's. Franchisees sell only Harward corn, although their stands will sell a few other produce items such as melons or tomatoes. The focus of the stand is on sweet corn and the stand must be operated according to Harward guidelines, including displaying the green awning. Franchisee profits are based on the volume sold.

Marketing Research

Judd regularly exchanges information with groups growing sweet corn in other geographical areas of the United States. He also tracks urban expansion and the local economy. Judd

constantly looks for ways to improve the quality of his product, as well.

Consumer feedback from the stands is some of the most valuable marketing research that Judd relies on. He closely monitors which stands do better and tries to identify what is causing these differences (including location, people, etc.) The sprayer he purchased to control the worms was motivated by this consumer feedback. Additionally, the corn is picked early in the morning every day and put immediately into trailers that then deliver the corn to stands directly. This way, the corn is only handled once and the consumer receives corn that has been picked only a few hours earlier.

Replicability

Judd feels their corn business could be replicated if tried in another urban setting. A large population base is seen as a necessary ingredient for this kind of enterprise to succeed. In this respect, urban growth has been an asset to Harward Farms rather than a detriment. Harward Farms has an established recognition of its brand name and many prime roadside locations tied up, so not just anyone could come in and successfully compete with them. However, there are many potential farm stand lots and given the distance many consumers travel to and from work, competition could surface for them in the future.

Measures of Success

Judd says he doesn't measure success by the number of dollars generated, but by the quality and yields of his product. Although quality and yield directly relate to revenue generated on the farm, it is the *focus* on quality and yield that assures sufficient revenues. Customer acceptance is another good quality measure for Judd, too. Most customers are repeat buyers. In fact, one of Harward's customers that moved to New Mexico recently drove back to Utah to buy Harward corn to freeze for winter use. Judd also notes that each of the kingdoms has to carry itself independently in order to ensure that the entire operation is profitable.

Future Plans

Judd has no immediate plans to change his business. He sees his task as continually improving his product, which will in turn enhance customer satisfaction. He is not considering organic production; he says if you have taste, quality, and wholesomeness, that is what customers want.



Conclusion

The success of Harward Farms can, in part, be attributed to Judd Harward's experience with operating his own business outside of farming and to applying business principles to the family farm. He constantly searches for ways to improve his products and better serve the needs of his customers. He has found a niche for very high-quality sweet corn and puts his efforts into maintaining and servicing it. When something works, he expands it. He views marketing in a sophisticated way and as an absolutely essential and indispensable part of his overall business plan. An impressive aspect of Harward Farms' success is that the family works well together to maintain a viable farming operation, even in an area of rapid growth and declining farmland acreage.

Judd Harward has been willing to do the homework needed to know which areas of the business are profitable and which are not. This information has allowed Harward Farms to expand into the most profitable "kingdoms" on their farm. Marketing sweet corn and alfalfa hay on a customer name basis has proven to be the most profitable enterprise.

Guiding Principles

- Keep different components of your business independent of one another. If part of what you do involves marketing a product or value-added product and another part provides a service, make sure the one aspect of the business does not rely on or support the other. Each aspect should be able to function independently. This will also help you see what works and what doesn't.
- If you will be marketing your product(s) through farm stands, give careful consideration to what you market, how you price it, and how you present yourself and your product. Not only

do you want to induce customers to stop at your stand, you want them to appreciate the quality of what you're selling and to become repeat buyers.

- Marketing your products should not be an afterthought. Look on it as another part of your farm business, and research and plan for it as you would for your farm.

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