Whether one is selling produce out of the back of a pickup along the road or from an elaborate display at a farmers market, determining the profitability of marketing specialty crops has long been an inexact science.

Until now.

A new planning tool, Local marketCALC, developed by Roger Wilson, University of Nebraska agricultural economics budget analyst, can calculate costs for marketing individual crops.

“Most people selling at farmers markets and other outlets are not really aware of their per unit marketing costs,” Wilson said. “Taking into consideration these costs helps create a better picture of the profitability of growing and selling a product.”

Found at here , the new tool complements production cost budgets Wilson developed for NU Rural Initiative and University of Nebraska-Lincoln Extension efforts to promote local food production and consumption.

Those budgets (found here) are for 15 specialty crops including tomatoes, sweet corn, garlic, rutabagas, shallots and others.

Wilson believes Local marketCALC may be the first of its kind. Producers enter cost numbers related to mileage, vendor time, containers and other supplies, tables, canopies, advertising and product waste. The tool calculates accurate costs per unit sold so producers can make informed management decisions.

For example, Wilson said tomatoes sold for $2 per pound may net only $1 per pound after all marketing costs are figured.

Rural Initiative outreach program specialist Kim Peterson said producers seeking loans for their specialty crop enterprises would do well to include marketing costs in their business plans. Bankers will be interested and the added detail may help obtain loans, she said.

Local marketCALC is being introduced this spring as interest in local food production and consumption increases in Nebraska and the nation.

Casey Foster, Nebraska Department of Agriculture ag promotion coordinator, said farmers markets nationwide numbered 5,274 last year, up from 4,685 in 2008.

In Nebraska, Foster said, 72 farmers markets were listed with the NDA in 2009, compared to 39 in 2000. Produce stands numbered 538 last year, up from just 78 in 2000.

Foster attributed the growth in farmers markets and roadside stands to consumers wanting fresh, better-tasting and higher-quality produce, and wanting to know who produces their food. Consumers also are willing to pay more for locally grown food, he added.

In addition, Peterson said, more entities such as restaurants, hospitals, nursing homes and schools are trying to purchase and incorporate locally produced foods into their menus.

“As they do so, it creates value-added opportunities for Nebraska farmers. Local marketCALC and the enterprise budgets help growers manage for success in this growing market,” Peterson said.