

## **Agritourism: Make your Farm a Destination**

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As a desire of discovery of “where our food comes from” sweeps the urban/suburban landscape and brings people driving down your rural route that have never been on an unpaved road, you should seize this opportunity to develop your own brand. This can be done obviously through the food you sell, but also through making your farm a destination. Agritourism and agri-entertainment is a great value-added product that can assist in keeping farmers on the farm and people interested in your products.

Harrison Pittman, Director of the National Agricultural Law Center, defines agritourism as any business conducted by a farmer or processor for the enjoyment or education of the public to promote the products of the farm and to generate additional farm income. Harrison put together a very good article on agritourism back in 2006 that can be found [here](#). These dual aims benefits the consumer as they are entertained and educated by and about your farm, and you as it increases direct revenue as well as creates branding of your products. Think of what Busch Gardens does for Budweiser or Hershey Park for Hershey. These are all products that the public would use, but there is a special bond the consumer can create when also entertained and educated on the products by these same companies.

Agritourism can even be more of a revenue builder with the rise of locavorism as many of your customers may be within fifty miles of your farm. You can organize an event a few weeks in advance and advertise the even through your website and during your direct market days. Anticipated ticket sales can help defray superfluous expenditures as you can accurately account for how much of whatever you may need.

Now here comes the gloomy lawyer part, after I got you psyched up about throwing in a hayride or a rock/country music laden wine/beer tasting. There are certain legal considerations you need to take into account before you begin inviting people into the barn or out into the field.

- 1.) As you invite people onto the land, you may have a higher duty of care;
- 2.) Your insurance may not cover agritourism;
- 3.) You may want to create a new business for the agritourism; and
- 4.) You want to look to the government for grant and market-building opportunities.

*In order:*

**First**, you are held to a higher duty of care since you invited these people onto your land, whether for payment or free of charge, than if you just allowed a friend on the land to kick it back with you or if they trespassed. The duty of care in the invitee situation, which you have in agritourism, is for you to use *ordinary care to keep the premises reasonably safe for the benefit of the invitee*. This means you are held to the same liability that the

Wal-Mart in your town is held to regarding customer's expectations. Therefore, it is important that you post where the invited guests are allowed to be on the farm as a protection against further liability. This also means that you need to have safe equipment, and properly trained personnel operating that equipment. Do not let your nine year old give a ride to the guests around the farm on a barely running tractor.

Please research your state statutes or, even more advisable, hire a specially trained attorney, to look over the state statute to see if you fit under a "Recreational use" statute if you do not charge for the person to be on the land. You may be free of all liability, except egregious or intentional acts, if your operation fits under a recreational use statute.

**Second**, see if your current insurance policies cover such activity, you may find many do not cover agritourism activities, because of the higher care and the higher likelihood of injury. You may have to get additional coverage or a separate policy altogether to protect your farm. You may have to do some additional digging in this arena, as many of your local carriers may not be able to offer such coverage. Please read [here](#) for more information regarding agritourism insurance.

**Third**, you may want to create a separate business formation for tax purposes and liability protection for your agritourism activity. This will allow only assets attributed to that company to be at risk in case of a lawsuit. There are a variety of different formation options that can be dictated by state law. There may even be encouragement within your state to form agritourism cooperatives as it has been in many southern states.

**Fourth**, check out your state's ag department if they are getting behind the value-added product of agritourism. There are grants and matching-funds programs out there within the states and federal government. In addition, it can be a wonderful marketing tool for your farm to utilize in addition to your individual marketing. It has even become a tab on the general Tennessee tourism site with links to individual farms throughout the state.

These are a few ideas and suggestions to get you going, but remember to have fun with the new venture as well and use it as a time to let your farm and its products shine.