

POTENTIAL FOR GROWING MALTING BARLEY IN NJ

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The continued growth of the craft brewery and malt industries in New Jersey and consumer interest for buy local foods have begun to take hold in the brewery and distillery industry. This has resulted in interest among NJ grain producers as to how they can take advantage of niche markets supporting on-farm breweries, craft distilleries and other distilled products. The idea of producing specialty and niche market crops is a fairly unfamiliar concept to traditional grain farmers in the northeast region. Grain farmers are typically geared to producing for the commodities market where price is largely determined by CBOT pricing. In this model there are generally no price premiums paid for producing superior products. The typical measure of success is measured solely in terms of yield. Many opportunities for specialty or niche market crops presented to farmers at extension and industry meetings are vegetable or fruit crops. Grain producers tend to shy away from such ventures as it often would require investing in additional equipment for production, packaging etc. Such opportunities would require the grain farmer to learn about producing a commodity they have no experience with. These opportunities often require the grain farmer to operate outside of their comfort level. However, recently opportunities for producing specialty and niche grains have become increasingly more available. This is particularly attractive to existing grain farmers as they have the knowledge and understanding to produce grain crops. In addition there is generally minimal capital and infrastructure changes which must be made to produce these crops. An emphasis on higher quality products over traditional commodity grade is one of the usual defining characteristics the specialty markets are seeking. Organically produced and GMO free may also be additional considerations. Alterations to crop production and management are generally the predominate changes that must be made. The transition to producing such crops is generally easier for an existing grain farmer. The most readily apparent market for grain farmers is the craft brewing and distillery markets.

The National Association of Brewers reports that 75% of 21+ year olds live within 10 miles of a local brewery. The resurgence of local brewing in America is certainly evidenced by the more than 4,000 active American breweries contained in the National Association of Brewers database. In fact the US is currently approaching the historical high of 4,131 breweries reported in 1871. Craft beer is in many ways a reflection and driver of the local food movement. In an age of massive corporate brands, people are thirsty for experiences like riding a bike or hiking to the local brewpub and having a beer produced with local ingredients. Very similar to the consumer's desire to source and purchase locally produced fruits and vegetables. Unlike a chef in a local restaurant, craft brewers can find it to be difficult to source locally-grown hops, barley and other ingredients in the U.S. That's starting to change as brewers seek out more local ingredients.