



## **News from the Northern New York Agricultural Development Program**

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### **Resources Available for Maple Producers, Landowners to Collaborate on Leasing Trees, Buying/Selling Sap**

Northern New York Maple Specialist Michael Farrell is excited about the 2013 maple season. As part of a Northern New York Agricultural Development Program-funded outreach program, Farrell has developed tools to encourage producers and landowners to help Northern New York realize its true maple industry potential.

“For New York State and the Northern Forest region to increase its production of maple syrup, it is imperative that additional landowners become engaged in the industry,” says Farrell, director of Cornell University’s Uihlein Maple Research Forest at Lake Placid, NY.

Farrell has documented the potential for growth in the Northern Forest area of New York, Vermont, New Hampshire and Maine. He says on an average year more than 75 percent of the total U.S. syrup production comes from those four states, yet of the 640 million potential taps in those four states, only 6.3 million were being used for syrup production in 2009 - an overall utilization rate of less than one percent.

The number of maple taps in the Northern NY region increased by 26 percent from 2005 to 2010, but there is still a lot of room to grow. Farrell is encouraging landowners to consider leasing their maple trees or harvesting sap from those trees to sell to maple producers looking for the raw material from which to make syrup or confections.

For woodlot owners wondering if they should lease their maple trees for maple production rather than sell them for lumber, Farrell developed a Net Present Value Analyses tool that compares a single maple tree’s potential for annual leasing income to the long-term return for timber production.

According to Farrell, “Several large landowners have already used this tool to determine that they would earn greater revenues by leasing their land for sugaring than harvesting the maples for timber production. With the added benefit of qualifying for agricultural assessment by leasing a sugarbush to a maple producer, many landowners are discovering that they can reduce their property tax burden, while generating income in the process.”

To help producers calculate whether it makes sense to buy sap from other producers, Farrell has created a spreadsheet software program to help them determine pricing and return on investment.

“The larger producers with a substantial investment in their sugarhouses and maple equipment – evaporators, reverse osmosis units, filter presses and confections makers – need to produce a quantity of syrup and value-added products to realize profit through economies of scale,” says Farrell. “Purchasing sap can be one way to increase the overall profitability of a sugaring operation and to help pay the fixed costs of investments.”

For sugarmakers already buying sap, Farrell offers a spreadsheet to track volumes and payments. He suggests sap buyers need to use reliable ways to measure the volume of sap delivered to them, e.g., using a water meter, and the sugar content of that sap. He also suggests using a simple contract between sap buyer and seller.

Find more details on the maple resource tools for producers and landowners and to learn more about the Northern New York maple industry at [www.nnyagdev.org/index.php/mapleforest/maple/](http://www.nnyagdev.org/index.php/mapleforest/maple/). The Northern New York Agricultural Development Program is a farmer-driven research, outreach and technical assistance program for farms of all types in Clinton, Essex, Franklin, Jefferson, Lewis and St. Lawrence counties. -30-