

# How To Survive Tough Times

## (Part II-Harvesting Wealth)

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We have already talked a little bit about Basic Economics and How To Find Work when you desperately need it.

Now we will talk a little bit about how to Harvest Wealth and Trade it to others for a portion of their wealth.

Remember, in this series of articles, when we talk about wealth, we are talking about things we can use ~ things that will help us survive or increase our standard of living.

(food, clothing, homes, cars, books, jewelry, cd players, computers ~ Things).

What do we mean by harvesting wealth?

Kind of cryptic - but I titled it that way because we are building a foundation and that is the simplest concept I could come up with.

There are a myriad of ways we can harvest wealth.

- Cut some firewood and sell it
- Raise a garden and sell the produce
- Raise some chickens and sell the eggs and or meat
- Drill a well and sell the water
- Find some gold and extract it
- Start a greenhouse and sell some flowers
- Control a stream bed and sell some gravel

In other words, using our time, energy and skills to . . .

1. Harvest and sell a natural resource

We are harvesting wealth.

As I demonstrated in the previous article, anyone who desires to badly enough can find work. Maybe not a job, but that extra cash that you sometimes may need.

After we have flipped burgers or worked as a clerk long enough we may see that there might be a way to increase our incomes and improve our lots through creating or acquiring wealth.

Let us now examine the steps needed to harvest wealth.

### 1. Harvesting and selling a natural resource

This is where we actually harvest or raise something from the Earth-A natural resource, whether it be petroleum, silver, food, firewood, sprouts, eggs or what have you.

What do we need in order to do this?

It is a good idea to see if others want or need this resource before we get started.

Is there a market for it? Will others pay us cold hard cash for this resource or trade us something of value for it? Will people pay us enough money to make it worth our time and energy to harvest?

There was a time when we had 23 Emu's out here at the old homestead. There are a bird like an Ostrich. Their oil can be used for things like Arthritis and they have a very low-fat red meat.

Billed as the meat of the future-but unfortunately the market never really developed for them, at least in this area.

And markets can also be cyclic-we currently have some low grade silver and gold claims that weren't worth it to mine in the past, but that time may soon be changing.

So before you harvest wealth, look into whether people really want it; sign up your customers ahead of time if possible, before any money or much time is invested.

So you have found a resource that people want or need (or you can develop a want for it in some way).

Next you will need the actual resource itself. Whether it be plant, mineral or animal.

Do you have it in abundance? Is it easy to harvest? raise? transport? market? legal?

There may be a large market for weed/pot, it may be easy to grow and transport, but is it worth it to have years of freedom taken away because it is illegal?

Next you will need the knowledge to harvest this resource; whether it be guard dogs or water.

Once you have an idea of how to harvest it you will need to acquire the tools necessary.

Then you need to actually get some experience/skills in harvesting it and taking it all the way to money in the bank.

In short, the steps are . . .

-locate a market

-locate your resource

-learn how to harvest it

-get the tools needed

-harvest it and gain some experience

-sell or trade it for something of value (wealth)

I will now actually take you through a couple of examples that we have actually done in the past.

Firewood

In our part of the country I'd say more than half of the population has a wood stove, so I definitely knew there was a market for it, not much competition and I could sell it for a decent price.

We live right on the National Forest and wood used to be plentiful and cheap/easy to acquire.

I had been wood-hauling all of my life so I already had the knowledge needed and most of the tools.

Basically all I had to do was throw my tools in the truck, get a firewood permit at \$10 a cord from the Forest Service and drive out and get a load of wood.

I'd then go into either the Post Office or K-Mart parking lot and hang a big sign on the truck which read "Firewood-\$120 Will Deliver" and sell all I could get.

Now I actually used to do this when I was a kid and I did learn the value of actual experience while harvesting this wealth and the value of 'cookie-cutter' systems.

I definitely learned it was a lot harder work than it looks-especially when you do it day after day.

I learned that I needed to maintain my tools properly. I eventually ended up getting 3 chain saws and extra chains for each that I would take with me as back-ups. When one got dull or had a problem I would fall back on a spare and when I got home at the end of the day, the very first thing I would do was clean those things and sharpen each chain. And I'd also maintain my truck religiously and take extra everything.

After losing 3 or 4 days of work and having to go back to town empty, you learn.

I learned the value of contacts, networking, referrals, up-selling, add-on sales and customer service.

Nearly 1/3 of the time I'd deliver wood to someone they would want more. I learned to actually ask them if they wanted any more and if they didn't did they know anyone that did. If they didn't know anyone, I was sometimes able to look around their place as I taught in the first article to see what they did need help with that might actually earn me a buck or two. And if I provided excellent customer service, I had usually made a friend and valuable contact for life.

And I also learned a little bit about the advantages and disadvantages of expanding your enterprise. It wasn't long before I was running classified ads and had way more business than I could handle and was taking on friends, partners and no-accounts to help me out until we had a crew of about 15 of us going out every day.

Now this can be a real eye-opener, especially for a kid. You get to learn all about managing employees and solving various daily conflicts. Sure, the money might be better, but so are the headaches.

And if you are really lucky like I was you get a first-hand introduction into our legal and tax systems in this great country of ours. Once the Forest Service found out that we were an actual commercial enterprise, the cost of our firewood permits went up (and nowadays you have to look at environmental impact statements and much more).

Then when our competition saw what was going on, it wasn't long before I learned all about tax ID numbers, payroll taxes and various other fun things. Great experience-yes; but it wasn't long before I was back to a one-man operation.

I also learned the value of saving and re-investing money in your business. I found out that if I didn't save at least 25-40% of my profits, I wouldn't have the operating capital needed and I was back to square one. If I drank up and partied all of my profits away, I would have to re-establish my foundation.

Just some things to consider.

A pretty simple example of harvesting wealth, but it employs all of the steps we have discussed.

### A Wholesale Sprouting Business

Another example of a way to harvest wealth was our sprouting business.

We had this when people were becoming more health conscious and wanted something extra with their salads.

First, we determined if there was a market.

The groceries stores were selling alfalfa and bean sprouts and a few of the salad bars around town had some alfalfa sprouts. So I got my handy-dandy clipboard and went around to various establishments asking the managers a few questions.

Would they like to offer sprouts to their customers? Who is supplying them now? What is it costing them? How often would they like delivery? Do they have any special requirements? Are there any other type of things they have a problem obtaining?

Now when doing your market research, it pays to know a little bit about your product beforehand so you can discuss it intelligently. In some cases it might even pay to have some samples available.

But your main goal should be to see if people will pay you for your product, service, etc. If they actually want it-Great! Time to do some more research.

I learned a few valuable pieces of info from this research. I learned that most of our sprouts came in from Mexico every Monday and by the end of the week they were bad. I learned the various prices they were paying. I learned that they definitely wanted more sprouts of a better quality and variety and were willing to pay for them.

Now I didn't learn these facts all in one place or even all at one time. But I took different clues and used them at the next place, payed a few bribes to employees and eventually learned everything I needed to know in one way or another.

So we knew we could sell them.

Next I had to determine if we could sell enough of them at a cheap enough cost to be worth our while. Price of raw materials (seeds in this case) and initial equipment, operating costs of our sprouters, packaging materials, time needed for harvesting and deliveries, business expenses, etc.

We calculated it all pretty close and found out that it would take us half a day for this part-time enterprise, we could out-price our competition and still make a good profit if we got and maintained around 25 accounts.

Next stop was the local Health Department to see what rules and regulations pertained to this business. And in those days, it was mainly just a cleanliness of our operations inspection and periodic spot-checks.

So we decided to give it a shot.

The first thing we did was build some very simple sprouters out of some plastic clothes tubs, built a shelf to hold them and set up an automatic misting system for these trays.

Basically just a water supply hooked up to a small automatic pump and timer that went to some plastic hose I secured to the top of each tray with plastic tie-downs. The hose had some mister

nozzles on it like you can get at your garden shop. The pump turned on for about 5 minutes every four hours. Holes in the bottom of the trays for good drainage.

If I remember correctly, it took me a couple of days and around \$100 bucks in materials to set it all up. We started off with alfalfa sprouts, since they were the most popular at the time.

We started off growing two tubs a day filled with alfalfa sprouts. And the next day, I'd start two more trays, etc. As one was ready for harvesting, we'd be starting another one. Our packaging at first were just gallon zip-lock bags and two trays would give us around 20 bags of sprouts.

After we had packaged, I'd get into the truck and drive around to our accounts early each morning. We only had 8 accounts to start with and were losing money in the beginning, but we were eating pretty good :)

We eventually built it up to around 47 accounts for alfalfa, built more sprouters, got better packaging, expanded into other sprouts and a few garden vegetables and had a pretty good sideline business going for half a day of work and some pretty easy labor.

Eventually a large local greenhouse undercut us and we moved on to something else, though we probably still could have done it through better customer service and variety, etc. but it wasn't really worth our time and we were kind of tired of it.

A little bit more complex example, but once again our steps still apply.

-locate a market

-locate your resource

-learn how to harvest it

-get the tools needed

-harvest it and gain some experience

-sell or trade it for something of value

Harvesting Wealth-A great way to create some wealth if you follow the above steps and do your homework (and the barter system definitely applies-you don't have to do it for cash).

As we talk about these various wealth-generating ideas in this series we must discuss another aspect of wealth-building, which is our Foundation.

Our Foundation is in whatever ways we currently meet our basic needs of food, clothing and shelter.

Each of us has found a way to satisfy these needs, in one way or another or we wouldn't be here. Whether it is through our parents, partial self-sufficiency, Government handouts, a minimum wage job, a small business, as a skilled professional in the workforce or a combination of all of the above.

If we do need or want to generate more wealth for ourselves, it is important that we organize our daily activities so that we have the extra time and energy needed to generate more wealth without destroying the foundation we currently have.

Sometimes a lot easier said than done, when we work an 8-5 job and come home beat and all we want to do is sit in front of the tube.

But where there is a desire and a will/self-discipline, there is almost always a way to find the energy and time needed to reach a certain goal.

That choice is entirely up to you.

Which is also one reason why I covered harvesting wealth first.

It may help you improve/re-establish your foundation or replace your current one with very little out of pocket expense when you are harvesting the resources of the earth.

In many cases all it takes is a few tools, your knowledge/labor and some time.

Market - - ->Natural Resource - - ->Knowledge - - ->Tools - - ->Experience - - ->Marketing - - ->Wealth (all over a period of time)

So take a look around you at the true wealth of the universe and I'm sure you will find many ways to harvest some resources and generate some wealth.

NOTE: Some resources are better than others; some are renewable and some are not; there may be laws, rules, ethics and regulations governing your resource of choice; you may need to grow and automate to generate significant wealth; it all depends upon your locale, the market and your needs.

Look around! Find a Market! Make it easy and repetitive! Combine resources, markets and ideas!

ANIMAL

eggs

milk

cheese

meat

seafood

pearls

pets

trained work animals

display specimens (parrots, exotic animals, purebreds)

internal organs as health extracts

external parts like hides, fur, hooves, horns, tusks, feathers, marrow

manure

earthworms

honey

butter and oils

laboratory/scientific animals

PLANT

sprouts

seeds

vegetables

grains

hay

herbs and extracts

flowers

wood (for burning or building)

sawdust

bark

sap and syrups

nuts

fruits

mulch

seaweeds and corals

grass for lawns, coverings, etc

decorative plants

**MINERAL**

precious metals

precious gems

gemstones

minerals

water (in all of its states)

rock (building, gravel, decorative and collecting)

clays

dirt (adobes, etc)