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Forget Conventional 401(k)s; Think Goat Cheese and Fennel

By [STEPHANIE SIMON](#)

SANTA FE, N.M. -- Woody Tasch wants to rewrite the gospel of financial growth.

A former venture capitalist, Mr. Tasch now travels the country warning that money moves too fast. Billions zip through global markets each day, bundled into financial packages so complex that it is hard to know what you own.

His antidote: A fundamental shift in our attitude toward investing. Taking a page from the Slow Food movement, which calls on consumers to take the time to savor home-cooked meals, Mr. Tasch dubbed his philosophy Slow Money.

The crux of the movement is persuading investors to put some of their assets into businesses they can see, smell and even taste -- to measure growth not by the flashing numbers on a stock ticker, but by the slow ripening of a tomato.

That isn't dramatic. But Mr. Tasch argues that investing in sustainable local agriculture will yield an enviable return -- just not the type of return many are used to.

If all goes well, investors will see a modest 3% profit, maybe 6% over many years. But Mr. Tasch has a broader balance sheet in mind. The real dividend, he says, is diversity: In an era of industrial agriculture, where millions of acres are planted with the same variety of corn and millions of pigs are bred to be genetically similar, small local farms are the ultimate hedge fund. They preserve heirloom seeds and quirky breeds; strengthen the soil with organic nutrients; create local markets that connect producer directly to consumer.

Mr. Tasch is thinking about farmers like Martin Ping of upstate New York, who invites customers to invest in projects like a cheese processing plant. Investors can expect only about a 3% return. But they also get a ready source of fresh-made cheese and the knowledge that they help preserve an agrarian landscape. "They have to redefine what return is," Mr. Ping said. "I tell them, come out in the pasture and you can watch your money grow."

The Slow Money movement piggybacks on the "locavore" fad for eating only food grown within a 100-mile radius. But that trend has attracted some skepticism of late. In his new book, "Just Food," historian James McWilliams argues that too many "locavores" romanticize the power of small farms, blinding them to the need for industrial agriculture. "We have to be wary of thinking small-scale is the answer," he said.

Even some of the most gung-ho advocates of small farms are uneasy about the Slow Money philosophy. They will gladly spend more for organic, but investing their retirement in a fennel farm is a whole different matter.

A national Slow Money convention last week drew 400 people to Santa Fe, and while there was idealism to spare, there was also trepidation.

"I won't lie -- it's a scary thing," said Christopher Lindstrom. An heir to the Rockefeller fortune, Mr. Lindstrom says he is committed to investing his entire portfolio in small-scale local enterprise, especially farming.

Or at least, he thinks he's committed. He has been a traditional stocks-and-bonds guy all his life, so putting his financial future in the hands of a goat farmer feels "like I'm jumping off a cliff," Mr. Lindstrom said.

Some farmers are just as anxious. Ed and Michael Lobaugh make artisan cheeses from Nubian goat milk on their New Mexico farm, the Old Windmill Dairy. In the past year, they have taken three small loans from local investors, totaling about \$15,000, to build cellars for aging the cheese. But they now need \$50,000 for a pasteurizer and other equipment.

They like the Slow Money concept but worry that it may be more cumbersome than a traditional bank loan. Specifically, they fear deep-pocketed local investors will demand a say in management decisions. Equally perilous: small-sum investors swamping the Lobaughs with requests for tours and samples, and interminable inquiries about the goats.

"We're still weighing out" whether it's worth the trouble, Ed Lobaugh said.

The Slow Money movement aims to address these concerns by creating regional funds to broker interaction between investors and farmers. Such funds exist in many communities for investment in affordable housing and mom-and-pop entrepreneurs. Just a few have cropped up to invest in local farms, such as the Carrot Project in New England.

Mr. Tasch has spent years in the field of socially responsible investing, managing foundation funds and distributing tens of millions in venture capital. He came to the Slow Money philosophy several years ago, he said, but it all crystallized for him after the financial crash of last fall. The author of the recent book, "Inquiries into the Nature of Slow Money," he has posted a statement of his principles online and hopes to get a million people to endorse them.

"We must bring money back down to earth," he says. He knows it won't be easy, he says. But slow money is nothing if not patient.

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