



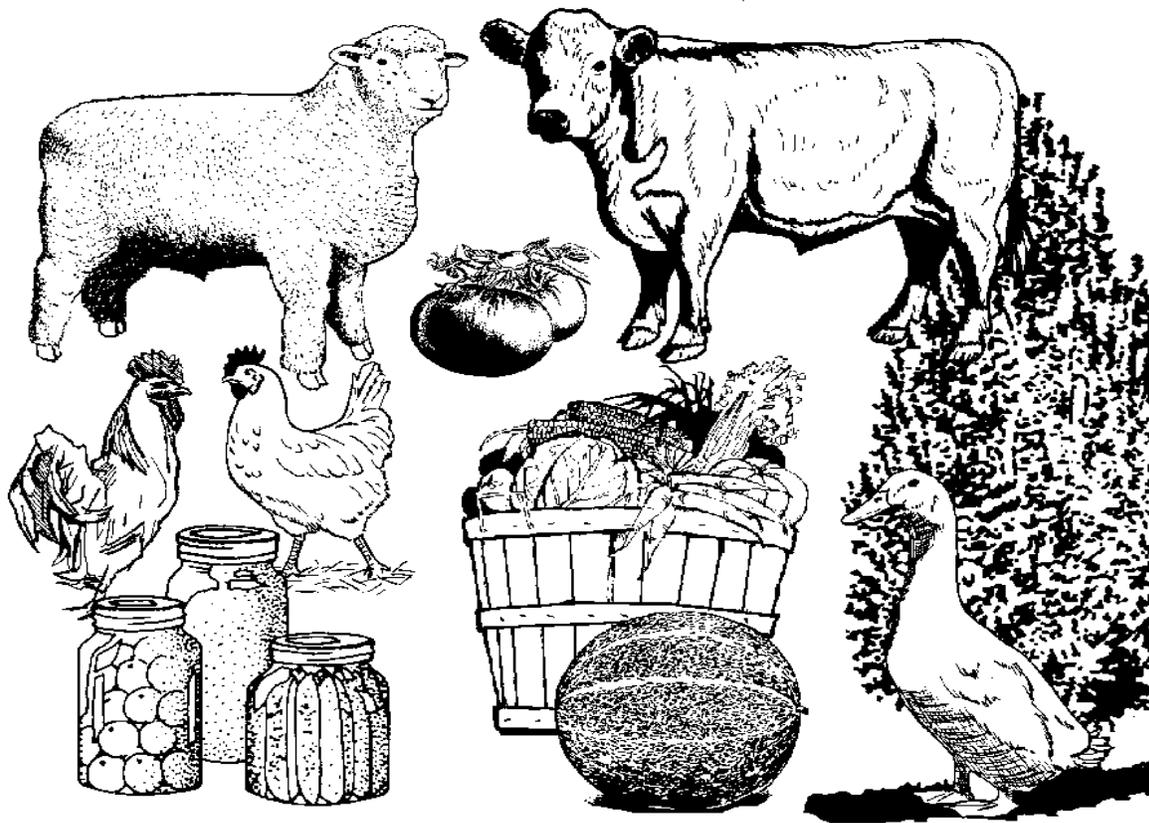
Appropriate Technology Transfer for Rural Areas
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DIRECT MARKETING

BUSINESS MANAGEMENT SERIES

ATTRA is the national sustainable agriculture information center funded by the USDA's Rural Business -- Cooperative Service.

Abstract: *This publication on direct marketing alternatives – with emphasis on niche, specialty and value-added crops – features many farm case studies, as well as information on enterprise budgets and promotion/publicity. A new section discusses implications of Internet marketing and e-commerce for agriculture.*



CONTENTS:

Introduction.....	2	Value-added marketing	11
Alternative marketing	2	Pricing and profitability	13
Present system.....	2	Direct marketing alternatives	15
Exploring alternatives	2	Marketing on the Internet.....	18
Why direct marketing?	3	Promotion and publicity	19
Importance of marketing	3	Conclusion	23
Niche marketing	7	References	23
Specialty crops and diversification	9	Resource list.....	25



**By Katherine Adam, Radhika Balasubrahmanyam, and Holly Born
NCAT Agriculture Specialists
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Introduction

Many growers, especially new ones, are inclined to start production without giving a second thought to the business of marketing. Good marketing is an absolute must for a successful agricultural enterprise. Some would even argue that it ranks higher in importance than production itself—especially for farmers planning to diversify. After all, what good is a product if one cannot sell it consistently for a profit?

Diversification out of commodity crops may mean becoming familiar with, or even creating, new marketing systems. Existing marketing channels very often do not accommodate the new producer well—especially the small producer.

This publication describes direct marketing of produce (and to a lesser extent livestock) and lists additional resources for those who are interested.

ATTRA has more information on marketing animal products. Some farmers may use direct marketing for particular products while simultaneously participating in traditional markets. No two growers are the same, and the reader will have to determine through trial and error what works best.

Alternative marketing

Formal research on alternative marketing mechanisms has been scattered and hard to access by producers. It is mostly experiential and unrecognized by the agricultural establishment and official information channels. Small farmers and grassroots farm groups are the most likely to

develop and use innovative marketing methods (1). The assumption that farmers must either “get big or get out” is being challenged, however, by the emergence of alternatives. It is possible for innovative farmers to stay small or medium-sized *and* make a comfortable and successful living from agriculture (2).

Present system

Less than 2% of the U.S. population farms, a fact often cited as proof of the extraordinary efficiency of U.S. agriculture. Technical strides in production and processing have made more food available to more people around the year. For better or for worse, farmers are constrained by a highly specialized system characterized by a few large farmers and processors, and a production and distribution system increasingly integrated at all levels for the sake of efficiency and economies of scale.

Vertical integration of markets and consolidation of processing are especially pronounced in the livestock industry, where a handful of firms control broiler production, as well as hog and cattle slaughter. By 1996, almost 100% of broiler production was by contract (3). Since 1996 hogs sold to packers by “pre-arranged agreements” (contracts) have increased from 17% to over 60%, according to a study by agricultural economist Glenn Grimes of the University of Missouri (4). In many cases, the products are specified in such great detail in the contract that the farmer is not selling an agricultural product, but is selling his labor (5).

Exploring alternatives

Sustainable farming, which received a boost following the farm crisis of the 1980s, has given impetus to diversified, decentralized systems in which farmers take greater control of marketing by bypassing traditional channels and marketing

When Mike and Jennifer Rupprecht sell beef direct to consumers, they make approximately \$200 more per animal than if they had sold it to a large packing plant. Their consumers save at least \$250 over what it would cost them to buy the equivalent amount in steak, roasts and hamburger in the store...

...The Minnesota Department of Agriculture estimates that in 1994, more than \$31 million were generated through the state's 354 custom meat plants in sales and processing fees, from directly marketed meat. Of this, farmers received an estimated \$22.1 million.

From The Land Stewardship Letter, November-December 1995.

directly to consumers at the local and regional level. Foods that do not require much processing before consumption—like fruits, vegetables and meat—are ideal for one-on-one marketing. Direct marketing is often quite unorthodox and may take the form of roadside stands, pick-your-own operations, farmers’ markets, and sales to restaurants, upscale retail or specialty stores—even supermarkets and institutional food service. Prospects for direct farmer-consumer interaction are particularly promising at the rural-urban fringe, where producers can take advantage of specialty market niches and the demand for local and ethnic food and non-traditional products, while promoting agricultural tourism and education.

Why direct marketing?

It is the excesses of the conventional marketing system that have forced the return of direct marketing. Consumers tired of tasteless supermarket produce and factory-raised meat (and with increasing concerns about food safety issues) want fresh food with flavor, as well as more control over their food supply, and are willing to pay a premium price for it.

Direct marketing, also called “shopping with a human face,” promises “vine-ripened tomatoes that won’t bounce if dropped and are full of the flavor you remember (6).”

Direct marketing can give the farmer a larger share of the food dollar and possibly a higher return on each unit sold, offset to some extent by loss of economies of scale. For some farmers, adding value or marketing some minimally processed farm products directly to the consumer is a way of enhancing financial viability. Farmers who are unable to compete in, or are locked out of, distant markets can build a thriving local

business. However, finding the right niche and marketing directly to the public is a hard and labor-intensive job requiring time and effort, creativity, ingenuity, sales expertise, and the ability to deal with people in a pleasant and positive manner. Agricultural producers must be absolutely sure they are ready for the job.

Importance of marketing

For too long, farmers have thought of marketing as simply how to dispose of their products. Locked into producing a very small number of major crops and insulated from the market, they have not been required to have a clear understanding of ever-changing consumer wants and needs. Producers have traditionally taken whatever price they could get while wholesale and retail distribution networks undertook the business of marketing.

Marketing does not begin *after* production, but well *before* the first seed is planted. For farmers working outside the conventional system, the importance of marketing cannot be over-emphasized. Consumer-focused marketing is the single most important factor that determines the success of an enterprise. Marketing is not just about selling. It requires a clear and astute understanding of what consumers want and the ability to deliver it to them through the most appropriate channels *for a profit*. It includes the planning, pricing, promotion and distribution of products and services for consumers, both present and potential. According to specialty vegetable grower Don Anderson: “Knowing what’s happening in the marketplace is the difference between the farmer who makes it and the farmer who doesn’t make it” (7).

Enterprise evaluation

A good marketing strategy begins with making sure the enterprise is right for you and is feasible. This will require a review and evaluation of your present situation, goals, possible enterprises,

What are the qualities of a successful marketer?

Takes pride in the product and is not shy about saying so
Flexible
Creative

Not afraid to take risks
Willing to plan, research and experiment
Independent
Thrifty

From Market What You Grow by Ralph J. Hills, Jr.

Market development

There are four basic ways to create a market (8):

✓ *market penetration*, where the producer uses more of his current product mix to meet the needs of the market. This could mean boosting sales by improving linkages between the buyer and seller and serving more customers in the existing market or by increasing consumption per customer.

✓ *market development*, where the producer looks for new uses or new markets for the product.

✓ *product development*, where a new product is produced for the existing market. This could be something that is less expensive to produce, or value added to the original product or crop so that it meets the customer's needs better.

✓ *diversification*, where the grower raises new products for completely new markets.

physical, financial and marketing resources, and market potential. The evaluation should help you answer some key questions, chiefly: Is this really what you want to do? Is there a market for the product? Do you have the necessary skills to do it? Are you going to develop the market? Or will you raise a crop for which there is a pre-existing market? Will it be profitable? Can you expand in the foreseeable future? A sample feasibility study for an agricultural enterprise may be found on the University of Georgia Extension website at:
<http://www.ces.uga.edu/pubed/b1066-w.html> (9).

- ♠ Start by listing your business and personal goals. Prioritize them.
- ♠ Is this going to be a full-time enterprise?
- ♠ Is your family involved and supportive?
- ♠ Inventory physical resources like land, soil, machinery, water, buildings, livestock etc. Define constraints.
- ♠ Is family and/or off-farm labor available?
- ♠ Is your spouse involved in the planning? A spouse's knowledge of medicinal herbs or

cooking could spin off into an additional on-farm enterprise.

- ♠ Do you have access to financial resources in the form of savings, credit or investment by family or friends?
- ♠ What are some of the crops that will grow well in your area and will fetch the price you need?
- ♠ What are the marketing resources in your region? Check out the farmers' markets and the retail stores. Is a roadside stand feasible? Talk to others who have one. Are there restaurants, grocery stores and supermarkets willing to buy locally raised produce or meat?
- ♠ Who are your potential customers? Would they like to buy direct-marketed products or do they prefer buying at mass retail outlets where price is the main consideration? Is there scope in your business plan for consumer education? Have you considered the potential for entertainment farming and tourism?
- ♠ What information and resources do you need to help you along the way? How can you best access such resources?

Market research

Following this preliminary survey, begin to identify and define your product. Get all the information you can about sources, marketing, production, processing, packaging and sales. This will require a good bit of systematic research. Check the libraries in your area. Read all the USDA and Extension publications you can lay your hands on as well as trade journals and periodicals, books on market gardening and seed catalogs.

Talk to your Extension agent, visit the local stores (gourmet and otherwise) and supermarkets to see what is selling, and why one product appears more appealing than another. Talk to customers, local stores, food clubs, specialty distributors, ethnic stores, restaurants and other prospective outlets in your region. What do they want? Is there an unfilled niche? With your production, labor and marketing resources, will you be able to fill this niche?

Why market research?

Information from market research helps to formulate a market strategy and project profitability. Two levels of information may be obtained:

General:

Food shopping habits;

What are some trends in lifestyles? convenience? Emphasis on family time and homecooked meals?

What is the ethnic and racial make-up of population, what are its food preferences?

What are the trends in food safety, health and nutrition?

What are the marketing trends? Growth in organics? An emphasis on freshness?

Specific:

Who are the buyers? What are their ages, incomes and lifestyles?

What are their wants?

Size of the market, number of buyers;

Number of competitors; are they successful? What are their weaknesses?

What price can you expect?

How much of the market can you expect to hold?

What are packaging and labeling requirements?

What are the barriers to market penetration for the products you have in mind?

Find out what your prospective competitors are doing. Look for ways to improve upon what they are offering. Useful exercises for defining the competition and customer base can be found in Geraldine Larkin's book *12 Simple Steps to a Winning Market Plan* (see **Resources**). For use in researching the market for new farm-based enterprises, Judy Green of Cornell University has compiled a list of agricultural alternatives. (For a copy of this list, request the ATTRA information on evaluating a rural enterprise.) Information on doing your own market research is also available from ATTRA.

You can either start small and grow bit by bit, or you can start in a big way from the very beginning. Either way, you must be prepared to do your homework and get to know your markets to be successful. One way to identify potential markets that exist in your area is by using the "30-mile market technique" (12). Most customers of direct marketers are believed to live within 30 miles of the point of sale. Market research within this radius will unearth useful information about production possibilities and the presence of competitors. Detailed market analysis and research is imperative before you promote and sell your product. Not only does it

reduce business risk by providing credible information, it can help identify problems in the market as well as little-known opportunities for profit. By knowing the size and makeup of your market, its geographic location, demographic and behavioral characteristics, it will be easier to create the appropriate marketing strategy and you will avoid wasting time and money marketing to the wrong people.

Marketing plan

Marketing is an essential element of a small agricultural enterprise. The marketing environment will ultimately exert a strong influence on the nature of the business. The crop grown will be determined less by the farmer's personal tastes than by what the market will absorb at a price the farmer is willing to take. A good market plan broadly aims to define the consumer, the products or services they want, and the most effective promotion and advertising strategies for reaching those consumers (13). It clarifies objectives, appropriate actions, projected income, pricing structures, costs and potential profitability. A step-by-step business planning tutorial for a direct marketing enterprise is available at <http://fbimnet.ca/bc/>.

A market plan alone does not guarantee success, but it does indicate that many of the factors that affect the profitability and continued survival of the operation have been given consideration. A market plan is usually part of a larger business plan that includes production, financial, staffing and management plans. The process of writing a business plan is not within the scope of this paper but listed at the end of this section are resources to help you find more information on the subject.

A good place to start is the Small Business Administration, a federal agency that operates small business institutes and development centers, SCORE (Service Corps of Retired Executives) and publishes business publications. Each state has an SBA office that may be approached for help with developing a marketing or business plan.

Elements of a marketing plan are (14):

✓Marketing situation—a summary of your present situation, what you are currently selling and how, who your customers are, what their needs are, your competition, your own strengths and weaknesses, how you are promoting your product, what the current food and marketing trends are, etc.

✓Marketing objectives—a summary of your short and long term goals, product diversification, additional market segments (alternative outlets) to tap. Objectives should be realistic and measurable—e.g., you would like to increase sales by 10% within the next year.

✓Marketing strategies—ways to achieve your goals, what you will produce, how you will promote and advertise the new product, the channels of sale, how you plan to beat your competition.

✓Budgets—include estimated costs and return based on sales, and strategies for monitoring and curtailing costs.

✓Action plan—immediate steps (e.g., look in the yellow pages for graphic artists to design logo, shortlist names of newspapers for a press release, assign person to deliver products to market, etc.)

✓Evaluation—a summary of progress on marketing objectives. The frequency of evaluation depends on the plan and could be each month, every six months or annually.

Objectives and strategies are a dynamic part of the planning process and change depending on the market situation and competition.

Domestic food demand - some trends to keep an eye on:

Demography: There will be fewer new U.S. households formed through the year 2010. There will be a greater proportion of single-person households as well as families without children. Households with two adults and one child will fall from 25% of the total to 20% over the next 15 years. *The Packer's* annual *Fresh Trends* survey found that one-person households already account for 25% of buyers. This information implies larger demand for single-serve products and produce, and higher per capita food spending in one and two-person households.

Health and nutrition (10):

#1) Products perceived to be fresh will have the strongest competitive advantage. According to a survey reported in *The Packer's* 1997 supplement "Fresh Trends," 17% of the respondents had purchased one or more new fresh vegetables every year.

#2) Shoppers are looking for taste and may be less willing to compromise this for health. So, if a product is both healthy and tasty, it is guaranteed to be a winner.

#3) Since 1990, the claims "natural" and "grown without pesticides" are the only two labels that have grown in importance relative to others.

#4) Aging baby boomers will push new product positionings and define the market for health foods.

#5) More and more consumers will recognize the connection between nutrition and health.

Safety (11):

The buzzword in 1999 is "local." "Country of Origin" labelling was overwhelmingly (85%) favored by produce consumers participating in the Packer Survey. In fact, 63% favored *mandatory* labelling. This can only work to the advantage of local producers.

Niche marketing

Anyone can pick a bunch of vegetables or fruits, set up a stand at the local farmer's market *et voila!* a direct marketer is born. However, what is it that differentiates a successful marketer from the rest of the pack? James McConnon, Business and Economics Specialist at the University of Maine Coop Extension says that in order to survive in a world of mass retailers, it is absolutely imperative to find and fill a niche that is not filled by the mass retailer (Wal-Mart, Safeway) (15). In addition, he lists three other survival strategies: good promotion, good service, and good customer relations.

The following section focuses on creative marketing tips, including specialty and value-added marketing, using examples of farmers who have built a successful direct marketing business.

What is a niche market?

- ✓ A target group whose market responses are similar to each other, but different from other groups.

What makes a niche market worthwhile for the farmer?

- ✓ There must be accessible information about the group.
- ✓ The group must be reachable through clearly identified information channels.
- ✓ The group must be big enough and sufficiently profitable to make it worth targeting.
- ✓ The nature of a niche market is that it tends to disappear after awhile. Frieda Caplan, whose company introduced the kiwi to America, stopped selling kiwis in 1990 because over-supply and falling prices had eliminated the niche.

Product differentiation

A very elementary way of differentiating one's product is to take it directly to the consumer. It is relatively easy for a direct marketer to promote a product as farm-fresh and different from the one sold at the mass retail store. Other ways to differentiate your product are by producing it earlier in the season, marketing it as low-spray (see box) or organic or naturally-raised, and by adding value to it in some other way. Cut flowers arranged into bouquets, garlic turned into decorative braids or wreaths, prewashed and bagged vegetables, bunched fresh herbs—these are a few simple ways to add value to products.

Blemishes Only Skin Deep, says Orchardist

ATTRA specialist Guy Ames of Ames Orchard and Nursery markets his low-spray apples as ecologically raised. Ames, committed to growing healthy food for the community, is forced to spray for the plum curculio, an insect he is unable to control entirely through organic means. He uses Imidan once or twice during the season (unlike conventional growers who rely heavily on more persistent pesticides, spraying up to 12-14 times in the season for a cosmetically perfect product). Part of Ames' marketing strategy is to educate consumers to disregard minor blemishes on fruit and instead appreciate its freshness and wholesome flavor. Buyers can get a taste of the produce at the Fayetteville, AR, farmers' market three times a week in season.

(see Resources for publications on eco-labeling.)

Consumer concerns with pesticides in food, freshness, nutrition, and flavor have turned the organic food movement into a multi-million dollar industry. The changing racial and ethnic mix of the population signals an increase in the demand for exotic and unusual vegetables and meats. Not least exciting of all is that people are rediscovering the pleasure of fresh ingredients from local farms—a more meaningful connection to the land (16).

The one advantage that direct marketers have over retailers is the ability to build their relationships with customers over time. Indeed, good marketing is *about* building trust and personal loyalty in the relationship. Good sellers know and use the customer's name. Consumers who feel an emotional bond to the grower are likely to remain loyal, even though the product is available at the grocery store at a cheaper price.

Marketing gimmicks will not hold customers unless accompanied by an excellent product and superior service. Conventional marketing wisdom has it that 80% of sales come from 20% of

customer base. The grower must build a core customer base and let them know how important they are. Word-of-mouth advertising is the most effective and inexpensive way to attract new customers (17). Stay on top of consumer trends. The best-made product in the world will not sell if it isn't something people want.

Education of the consumer plays a big part in salesmanship. Most people, for instance, are oblivious to the environmental and health benefits of livestock raised on forage.

Conveying information about the farm, how the product is raised and why it is raised the way it is, the effect of recent weather on the crops, and other farm-centered conversation is important. Not only is this good for business, it also is a small step toward the development of consumer awareness of the farm and of social and health issues. Once customers know that you are providing healthy food, they gladly take on the responsibility to support local farmers. Help *them* help *you* run your business successfully and profitably.

Write up your farm or company's mission statement and display it to your customers and

employees. Let them know why you are in business and the direction you'd like to go. A simple mission statement may read like this: "Helping people stay healthy with fresh, locally grown food!"

Keep up with trends. Flexibility allows you to adapt your product mix to market fashion and trend. Remember, by the time you read that "crop X" is THE hot thing this year, it's probably already too late to cash in on it. You have to be the first to capture, or better yet, create the next hot thing. Visit specialty stores and restaurants—even if you aren't interested in selling to them—to find out what food items professionals see as the trends to watch. Food fashions get started by upscale restaurants and trickle down to the consumer gradually. Read what your target customers are reading.

Food and food trade magazines and women's magazines, in particular, offer great information. Another source is medical research on the health benefits of various foods, as reported in the popular press (also an excellent source of promotional information in today's health-conscious society).

Some resources you can use to educate the consumer about the benefits of fresh fruits, vegetables, and meat are:

☎ Nutrition Action Health Letter

Center For Science in the Public Interest

Suite 300, 1875 Connecticut Avenue NW, Washington DC 20009-5728

202-332-9110; e-mail cspi@cspinet.org, <http://www.cspinet.org>

☎ Produce For Better Health Foundation

1500 Casho Mill Road

Newark, DE 19711

302-738-7100

<http://www.dole5aday.com>

PBHF has been licensed by the National Cancer Institute to promote the 5-a-day Program developed by NCI. PBHF is sponsored by the produce industry.

☎ Mothers and others

40 West 20 Street

New York, NY 10011-4211

e-mail: Mothers@mothers.org, <http://www.mothers.org>

West Coast Office: e-mail: WestCoast@mothers.org

(Publishes The Green Guide. Its primary project aim is to build demand for a better quality food system, to open the marketplace to make it more responsive to consumer needs, and to create market opportunities for regional, sustainably produced food.)

An eggsample of creative marketing

According to Jeff Ishee, a farmer with many years of marketing experience under his belt, if only people knew how commercial layers are managed, they would be flocking to the local market to buy free-range or humanely produced eggs. Laid by hens that are allowed to roam free and have access to fresh air and a rich and varied diet, these eggs have a rich yellow yolk compared to the pale watery insides of factory-produced eggs, and a freshness and good taste that only old-timers recall from their childhood.

To take advantage of the market potential for farm-fresh eggs, talk to buyers about the differences between eggs raised naturally and those sold at the store. Explain why your product is nutritionally superior (a little research helps—see box above), present your point of view pictorially, display photographs of your hens and let the consumers connect. The education helps not just to aid in consumer awareness, but is also a great sales booster. People who feel responsible for their health and recognize instinctively the value of your product will be back for more. And they won't mind paying more for your eggs!

Specialty crops and diversification

Because an enterprise has a better probability of survival if it has a range of products to sell, diversification (especially into a mix of specialty or high-value crops) will benefit many producers. Specialty crops are generally not produced and sold in mass quantities. They have a high cash value per acre, grossing between \$4000–\$20,000 per acre. They are not necessarily exotic and include crops that need a lot of care to raise (and are therefore outside the traditional wholesale loop). They may be crops with special attributes like vine-ripened tomatoes or lean meat, or those raised especially for ethnic markets (7).

David and Lisa Reeves Waterfall Hollow Farm, AR

Niche marketing with grass-fed beef (18)

☞ The two defining characteristics that differentiate the Reeves from other beef cattle farmers are their product and market. When they first set out to direct market, they were determined to give the public an opportunity to eat the kind of beef they grew for themselves. Convinced that there was a niche market for clean, range-grown beef, they proceeded to sell a product that was free of unwanted chemicals, growth hormones, and antibiotics.

The Reeves maintain that conventional wisdom does not apply in the marketing of grass-fed beef. Beef raised entirely on grass has the leanness of wild game and the flavor of sweet beef. It is not heavily marbled as is grain-fed beef. The cattle are butchered between the ages of 18–20 months—the younger the steer, the more delicate and tender the meat. Not much fat needs to be trimmed off the carcass and the beef is sold with cooking instructions and recipes.

It took some time and some “crushingly expensive mistakes” for the Reeves to learn how to tap into their niche market. Glossy advertising in the local tourist guides (*Bon Appetit*, *Eureka Springs Dining Guide*, *Guide to Local Businesses*), press releases and bulk mailings brought few or no sales. The poor response convinced them that they were better off addressing themselves exclusively to the small percentage of meat-eaters who frequent health food stores or similar establishments and who would buy organic meat. On the down side, of course, was the fact that many health food stores themselves steer clear of red meat because of perceived health risks. Their mission is now to:

convince them that there are people out there who will joyfully eat clean, “range”-grown beef, precisely because of the health benefits. We show them photos,

and describe the ranch and the lives of our cattle. We point out the obvious that beef is a very high-quality, nutrient-dense source of protein and obscure nutrients like B12, folic acid and zinc, that it is utterly delicious and deeply satisfying.

Today, their main wholesale outlet is the Ozark Cooperative Warehouse in Fayetteville, Arkansas. The warehouse itself markets only their ground beef but trucks orders to buying clubs—groups of private individuals in 11 states—and allows the Reeves to ship on their truck. This is an enormous bit of luck because it allows them to ship their product out of state for very little expense. The other, and more costly alternative, would be to use delivery services like UPS and Federal Express, which do not have freezer trucks and require insulated packaging.

Lisa notes that they really ought to invest more time and effort into in-store presentations and demonstrations. They've refrained from this partly because they do not wish to offend vegetarians present in the store and partly because they are still uncomfortable playing the role of salespeople.

Yet, store managers have found their obvious naiveté and lack of sophistication refreshing, their "hemming and hawing and just talking about their product" different from the spiel of professional sales people. The couple do not make "cold" calls but prefer to write a letter of introduction in advance before paying a visit to the store.

Their ideal marketing strategy would entail getting to know all the mainstream grocery stores

with alternative clientele, and health food stores within a three-hour driving radius, contact them on a regular basis—perhaps weekly, bi-weekly or monthly—and keep the stores regularly stocked with their product. So far, they have been able to sell everything they produce without actively marketing. Recently, they have been in contact with ranchers in Missouri and Arkansas who share their philosophy. The Reeves hope to buy some of their cattle or contract with them to grow beef animals, and expand the marketing end of their business soon.

Joan and Richard Wrench, Helena, MT

Montana-based growers Joan and Richard Wrench have been raising garlic as a specialty crop since 1971. They currently give about 8 seminars a year at universities and through USDA, available at reasonable cost, to teach other farmers how to create a plan for farm independence through raising specialty crops. They are willing to help individual growers or groups wanting to establish a specialty crop enterprise with developing a market and business plan. They may be reached at 406-752-3127 between 8-9:30 am MST.

James and Alma Weaver, Kutztown, PA

The Weavers grew tobacco and cattle on their 80-acre farm for several years before making the switch to specialty farming. The change has permitted them to survive in agriculture when other less flexible operators have been forced to bail out. The Weavers raise approximately 100 different kinds of herbs, a range of flowers, several varieties of ornamental colored corn, more than 100 varieties of peppers, 54 varieties of heirloom tomatoes, 30 different vegetables including some odd-sounding heirloom varieties like Cherokee Trail of Tears beans, Speckled Mennonite lettuce, and Amish Moon and Stars watermelons (19).

Steve Salt, Kirksville, MO

☞ Steve Salt (20), a Missouri-based farmer who raises 600 kinds of vegetables, fruits, and herbs for sale at farmer's markets, restaurants, and via

household subscriptions, has a book coming out in November 1999 on specialty ethnic produce. Salt says that Asians, Middle-Easterners, Mediterranean Europeans, and Latin Americans, all of whom have a higher per capita consumption of fresh fruit and vegetables than Americans of northwest European heritage, also have a strong tradition of buying their produce unpackaged, at open air markets where they can examine or taste it before purchase. Supermarkets have been unable to cater to the needs of these people, and Salt writes that raising produce for ethnic markets offers a promising specialty niche

where the small grower can compete profitably with the big growers. In addition to direct retail sales, he recommends small-scale (wholesale) marketing to ethnic restaurants and grocery stores (21).

A wide variety of Asian vegetables, once a stronghold of the ethnic market, more and more cross over into the mainstream produce section. Primary markets are ethnic stores, grocery store chains and restaurants. Market data is hard to obtain partly because the truck farmers who raise crops for ethnic markets have generally operated outside conventional channels. Some information on prices and availability may be obtained from *The Packer* and *Produce Business* (see **Resources**).

Frieda Caplan, an authority on specialty produce (see her home page at <http://friedas.com/about.cfm>) says that consumer education is extremely important when marketing specialties to the general public. This is no less true of Asian vegetables, the popularity of which has been fueled by ethnic restaurants and educational campaigns by retailers to demystify the preparation of Asian foods through user-friendly packaging and recipes. For a brief summary on market potential, refer to the publication *The U.S. Market For Miscellaneous Oriental Vegetables* by Mihir Desai (listed in the **Resources** section).

Value-added marketing

Value-added is a relatively new term in direct marketing jargon. Simply put, it means processing or modifying the product through

“cooking, combining, churning, culturing, grinding, hulling, extracting, drying, smoking, handcrafting, spinning, weaving, labeling, and packaging” (22). Other ways to add value to an agricultural product include:

- ♣growing something in a way that is acknowledged as safer, or
- ♣adding a component of information, education or entertainment

The customer is spared the additional work and the producer charges extra for adding value. Take

garlic, for example. Sold in bulk it brings \$4/lb. When braided, it may bring up to \$7/lb as a decorative item. Adding value holds the promise of additional income especially in the off season, but it is certainly more labor-intensive and requires more management, more investment in equipment, and an awareness of legal and regulatory issues pertaining to on-farm processing. Value-added products do not have the same economies of scale as mass-produced goods, and their success hinges heavily on the producer’s retail strategy, especially advertising and promotion.

An alternative agricultural specialty currently attracting a great deal of attention is agritourism. Although not every family is willing or able to entertain the public, for those who enjoy meeting new people or hosting groups, a farm entertainment enterprise is a good opportunity for selling on-farm processed items.

On-farm processors must be aware of regulations governing their enterprise. If a food product is being produced, usually a commercial kitchen is required. Specific regulations vary by state. A good overview may be found in a recent book by Neil Hamilton (see **Resources** section). Many farmers find it easier to lease space in an approved food processing facility, rather than spend the \$100,000 or more required to build and maintain a commercial kitchen on-farm. You should be aware that most states prohibit small children from entering a commercial kitchen, or anyone who is ill, or domestic meal preparation taking place there. A separate packaging facility may be needed. There are specific labeling requirements to be met, and additional regulations may apply in the case of interstate sales. Your state agriculture department and county health department are good places to start gathering information.

An organization that can provide information on developing food products is the Institute of Food Technologists (see **Resources**). In some places, governments, university centers or non-profit organizations (examples that come to mind are Minnesota's Agricultural Utilization Research Institute, the University of Nebraska's Food Processing Center, Iowa's Wallace Technology Transfer Foundation) assist rural micro-enterprise or other home-based food processing businesses in getting started. University food technology departments may be able to provide handbooks and guides for value-added food processing, technical assistance, and funding opportunities, as well as information on rules, responsibilities and marketing options.

Food processing incubators (FPI) have been a popular rural development strategy. FPIs, for a fee, provide commercial kitchen space and processing equipment, as well as technical assistance with product formulation and packaging. Some include peer group counseling to talk over manufacturing or marketing issues.

Arcata Economic Development Corporation

☞ In Humboldt County, California, the Arcata Economic Development Corporation (AEDC) constructed the Foodworks Culinary Center to help develop micro industry in the region (23). The Center served as an incubator for 12 local gourmet and specialty food companies and includes 1000 sq. feet of shared commercial kitchen space in addition to each company's personal kitchen, 4000 sq. feet of warehouse space, and central office services.

Products being made by the companies include baklava, pastas, Finnish coffee bread, smoked salmon and garlic cream cheese spread, tofu products, ice-cream and toppings, jams, flavored honey and chocolate confections. Tenants have formed a marketing cooperative and a mail order catalog featuring the products was made available to promote them all across the country. For more information, call (707) 822-4616.

Little is known yet about the economic impact of FPIs, as they are a relatively new concept. Duncan Hilchey at Cornell's Farming Alternatives Program (see list of organizations under Resources) has conducted case studies of four incubators to get a better understanding of their working and impact. His findings are due to be published early in 2000. Advance copies may be requested. Meanwhile, those interested in exploring this subject further should get a copy of the publication called *Establishing a Share-Use Commercial Kitchen* from:

Bob Horn
Next Level Training Network
University of Colorado at Denver
Campus Box 128, PO Box 173364
Denver, CO 80217-3364
800-873-9378 (cost is \$58 plus \$4 s&h)
(303) 556-6651 FAX

Elizabeth Ryan, who sells a wide variety of value-added products — such as cider, fruit sauces, chutneys and salsa — at farmer's markets in and around New York City says that one way to make on-farm processed goods more profitable is to give farmers access to a commercial processing plant on a time-share basis. This kind of support has traditionally been unavailable to value-added enterprises.

Small farmers with specialty meat products have had particular difficulty finding and gaining access to USDA-certified processing plants. Arkansas-based graziers Lisa and David Reeves searched for three years to locate a good USDA-inspected facility to process their direct-marketed beef. Large processors, although certified by the USDA, will not differentiate between the small farmer's product and the large volume of meat they process and so are not a real option. (In other words, the farmer cannot retain ownership of the product.) USDA certification is mandatory for interstate sales and in states that lack an

ATTRA's Value-added and Processing Series

Overview: Adding Value to Farm Products
Small-Scale Food Dehydration
Grain Processing
Small-Scale Oilseed Processing
Soyfoods

inspection program (24).

Pricing and profitability

If you don't have a percentage of people walking away from you at market, you're selling too cheap, says Tim Kornder, a farmer from Belle Plaine, Minnesota. Setting a price is one of the more challenging tasks faced by the direct

marketer. How does one know how much a pound of tomatoes or a head of lettuce is worth? On what information are these pricing decisions based?

In general, prices are set by production and marketing costs at the lower end, while the upper limit is set by what your customers are willing to pay, how much competition you have, and your own desired profits. It pays to figure your costs and set your prices accordingly, rather than just going by what others are charging; steady, consistent prices encourage steady, consistent customers.

Knowing your costs of production, both fixed and variable, is the first step in pricing strategy. Keeping good records for each item that you produce allows you to assess the profitability of each item in your product mix. Variable costs refer to costs directly associated with that item. These include costs such as field preparation and seed that will be there, even if nothing is harvested, as well as expenses directly related to yield such as harvest and packaging costs.

Fixed costs, or overhead, include costs such as loan repayments, property taxes, insurance, and depreciation and maintenance on buildings and equipment, which will be there even if nothing is grown. In addition, it is important to include some kind of wage or salary for yourself in your fixed costs. Don't forget marketing costs. It's usually easiest to include these in overhead. For the small producer, the biggest marketing cost is probably his or her time spent in finding and serving customers, doing promotions, making deliveries, and so on. Other costs could include advertising, free samples, and fuel and vehicle

upkeep. These fixed costs are allocated to each item you produce, perhaps by the percent of total

acreage or total production that each item accounts for. So if 10% of your land were in corn, then 10% of your total overhead would be included in the costs to produce that corn, for example.

Break-even analysis

The break-even point refers to the price and quantity sold that will just cover all costs, leaving zero profit. At this price and sales level, while no profits are made, you won't be losing money. The break-even point is calculated as follows:

$$\begin{aligned} & \text{Sales Price} \times \text{Quantity Sold} \\ & = \text{Revenues} \\ & - \text{Variable Costs per unit} \times \text{Quantity Sold} \\ & = \text{Contribution Margin ("contribution} \\ & \quad \text{that the item makes to covering} \\ & \quad \text{fixed costs. This concept is useful} \\ & \quad \text{because it is often very difficult to} \\ & \quad \text{decide what part of fixed costs can be} \\ & \quad \text{assigned to a particular item. Rather} \\ & \quad \text{than trying to figure out that your} \\ & \quad \text{rutabaga crop accounts for 5\% of the} \\ & \quad \text{cost of your tractor, you can figure} \\ & \quad \text{out which items contribute the most} \\ & \quad \text{and plan your product mix accordingly).} \\ & - \text{Fixed Costs} \\ & = \text{Zero, or you can substitute a desired} \\ & \quad \text{profit margin, such as 5\% of sales.} \end{aligned}$$

Understanding this concept allows you to experiment with different combinations of prices and quantities, as well as different levels of variable and fixed costs, to assess potential profitability of various items. If you can't sell a product for more than cost, you had better not grow it in the first place. The new grower can start the educational process by studying wholesale prices and comparing those with retail rates at the store.

USDA's Agricultural Marketing Service publishes daily wholesale prices for produce, which may be accessed at <http://www.ams.gov/marketnews.htm>. Some growers call wholesalers for current prices; others check in with local chefs and local retail stores, especially on comparable specialty items. Wholesalers usually market up by 50%, while retailers mark

up by as much as 100%. This kind of information is useful in setting a realistic price for direct-

marketed products. Keep in mind, however, that stores sell “loss leaders,” items that are not marked up, which serve to draw in buyers.

How much would you have to sell to break even at these prices? What about at farmers’ market prices? Or you can start by estimating how much of each item you think you can sell, and then figuring what price you would need to break even. Is that price reasonable for the markets you plan to access? If the price is too high, how much would you have to reduce your costs or increase your sales in order to break even at a more reasonable price? If it appears that the break-even requirement is met, then you can begin figuring how high your prices can go. Again, base your estimates on research. For example, you could talk to growers at markets you won't be attending, so that they won't be giving information to a competitor. How much of each item do they sell over the season?

Cost-plus pricing is an easily used option. Once variable costs are figured per unit of the item produced, you just add a percentage of unit cost to the cost to get the price. That percentage should be enough to cover fixed costs and your desired profits. A 40% markup is about average for a direct marketer, although perishable items and items with higher storage costs are marked up higher (27). For more information and assistance with pricing, Extension and your local small business development center should be able to help.

Beginning lessons in pricing strategies are often best learned at farmers’ markets. Direct marketer Andy Lee says that he usually takes a quick walk around just before the market starts to note other displays and prices. Being the only organic grower at many of the markets he sells in, he marks his prices about 10% higher, especially if he sees that his products seem as good as or better than the others. Lee’s high prices may discourage some buyers but usually, he says, customers don’t complain once they taste the “delicious homegrown goodies” (17).

In one survey of 3000 customers, people were asked to rate the eight most important factors in their decision to buy sweet corn. Price ranked fifth behind freshness and other quality

considerations (25). Less than 15% of the sample thought price was a significant factor in purchasing corn. Roadstand growers who experimented with two piles of corn, one priced at \$3.50 and the other at \$3.00, found that the more expensively corn sold out faster than the cheaper corn. The reason may be that people assumed the higher-priced corn was fresher (25). The above experiment may have turned out the way it did because of the factors unique to corn, but it suggests that price may not be the only consideration for a prospective buyer.

Growers emphasize the importance of setting a price at the beginning of the season and holding on to it. Customary pricing, as it is called, compels the buyer to disregard price and base their purchase on other considerations. Laurie Todd, a small-scale grower based in New York, says that people will pay top dollar only if quality and service are guaranteed (26). To attract consumers, he suggests giving samples so that people can taste the product, using attractive displays and packaging, and emphasizing the product’s uniqueness. Like other growers, he does not recommend that you lower prices even when your competitors are reducing theirs. Full-time growers complain about hobby growers who don’t price realistically and virtually give away their produce for free. Many markets try to educate growers not to undercut the next person.

Growers who hold their price all season have the option of multiple-unit pricing to move extra

Clearly marked prices are a must to let customers know exactly how much a grower is charging.

volumes or attract buyers who want to buy in bulk for canning or freezing.

Mark Brown, Massachusetts

☞ Mark Brown of Brown’s Provin Mountain Farm in Feeding Hills, Massachusetts, tries to set

retail prices twice as high as wholesale rates and says he likes to remain within “reasonable” range of store prices while making sure his production and sales costs are covered (27). In the event of lower prices, either from a sale or a

market glut, Brown prefers to retain his base price and add extra value to his product instead of reducing his price. So, when the competition is selling corn for \$2.75/dozen (0.23 cents an ear), Brown maintains his base price of 35 cents an ear and sells 6 ears for \$2 with a seventh tossed in for free, or \$3.75/dozen with two ears free. Brown finds that more people buy 14 ears for \$3.75, and he still makes 4 cents/ear more than his competitors.

Finally, this advice from growers:

- Don't sell your goods for a lower rate at the end of the day;
- Compete fairly on quality and service, never undercut;
- Don't badmouth other growers;
- Raise a good product and ask for a good price.

Direct marketing alternatives

Ordinarily, retail markets command the highest price per pound of product, while wholesale markets move more of the product than retail markets but at lower prices. Farm sales and farmers' markets, You-Pick, mail-order are typically low-volume markets. Restaurants, retail stores, cafeterias, health food stores, and caterers constitute mid-volume markets, where prices are better than wholesale but on the lower end of retail. Smaller farmers may find that selling to low- and mid-volume markets works best for them. Mid-volume markets, especially, offer the advantage of small to medium crop production as well as medium to better prices (28).

Some direct marketing options are outlined here. State departments of agriculture or Cooperative Extension may have published guidebooks outlining the laws and regulations for direct marketing in the state. Check with local authorities before starting.

Organizing and selling at farmers' markets

There has been an explosive growth in the number of farmers' markets around the country. In the mid-seventies, there were fewer than 300 markets in the United States. Two decades later,

there are more than 2,400 farmers' markets, with approximately 1 million people visiting them each week. The Madison, WI, farmers' market is first in the nation to have a website advertising the market. See <http://www.madisonfarmersmarket.com/>.

Several states have centralized information on farmers' markets, and a number of state-wide farmers' market associations have been formed. A comprehensive address list of farmers' markets is available on the Internet at <http://www.hort.purdue.edu/newcrop/FarmMARKET/FMIndex.html>. Guides for organizing and selling at farmers' markets are published by the Cooperative Extension Service in some states.

A publications list including direct marketing and other information published by the Hartford Food System may be requested (see **Resources**). A new publication offers guidance on selling local produce to school systems. Florida A&M University has initiated the "School Lunch Project" to assist small farmers in marketing to institutional food programs. A network of small farmers cooperatively produces and markets selected produce items to institutional buyers.

Many states offer help in promoting locally grown fruits and vegetables, sometimes with a special logo. City government, tourist departments and chambers of commerce can often be enlisted to help promote farmers' markets.

Farmers' markets seem to work best for growers who offer a wide variety of produce of the type desired by customers. Consumers want markets to be easily accessible with good parking facilities. A little related entertainment never seems to hurt—seasonal festivals, street musicians, tastings, demonstrations, etc. Sales help must be pleasant and courteous, willing to answer questions. Farmers interested in this marketing method can find opportunities for creative selling and fresh ideas through participating in the local farmers' market association and direct marketing meetings.

Additional information on farmers' markets is available from ATTRA.

Community Supported Agriculture (CSA)

Community Supported Agriculture (CSA) plans operate in several different ways. One involves a single farmer selling "subscriptions" or "shares" at the beginning of the season and then

delivering, on a regular schedule, baskets of whatever is produced. Another method involves consumers who band together to rent land and hire a farmer to raise food for them. A new book, *Sharing the Harvest*, provides case histories, models, and strategies for starting a CSA (see **Resources**). The CSA of North America (see list of Associations) can provide more information on how CSAs work, including a video, *It's Not Just About Vegetables*, and accompanying handbook.

An e-mail networking list on CSA was started in February 1996 and subscription is free. To subscribe, send a message to:
listproc@prairienet.org.

In the body of the message, type subscribe csa-l followed by your first name and your last name.

For an overview of Community Supported Agriculture, ask for ATTRA's publication on CSAs.

On-farm sales and agri-tourism

On-farm sales include pick-your-own (P-Y-O) and roadside stands or farm markets. Pick-your-own began in response to the 1974 energy crisis, appealing to customers (mainly families) who had the time and the necessary expertise to process their own foods in quantity. More recently, PYO enterprises have been integrated into the growing "farm entertainment" sector.

Marketing strategies may include educational tours, an on-farm market with opportunities to buy fresh produce or value-added products, ready-to-eat food, festivals, classes, seasonal events such as a personalized pumpkin patch, or agricultural mazes. A buffalo ranch, besides selling hides and meat, charges admission to view the animals.

The Rombach Farm, Chesterfield, MO

Beginning each July, the Rombach Farm becomes a pumpkin wonderland. From late September on, partner Steve Rombach works 7 days a week. Besides pumpkins, apples, and squash, the farm market sells sweet corn (in season) and other vegetables, handcrafted yard furniture, and yard ornaments. Most of the family's remaining 700 acres (100 acres have been lost to development) remain in soybeans and wheat. The biggest profit, however, is from farm stand sales.

Many of the pumpkins are raised on the farm, rotated with wheat. Rombach is thinking of strip cropping pumpkins with wheat, however (because the wheat is not ready when pumpkins must be planted). He uses one field near the house as a display area after the wheat is harvested. The mid-size 20-lb. pumpkin is his best seller, but bigger ones are popular. Few are bought for pie-making. Those left unsold after Thanksgiving are composted in the woods, where wildlife enjoy them. The bulk market for canning does not exist here.

Besides family labor, Rombach hires a lot of part-time help and depends on good friends to volunteer in creating seasonal displays. These elaborate displays are extremely creative and colorful—employing small buildings, 10-ft. high mounds of pumpkins, and Halloween figures. They attract up to 1000 cars a day at the peak of the season. They are not dismantled until the final two weeks "because so many schools come." Backdrops are corn shocks or castor bean plants. Rombach is now looking into offering hayrides.

Insurance is high. The farm carries 5-6 policies, including an umbrella liability policy. Many repairs, seed orders, fertilizer, etc. are undertaken in the off season.

The Rombach farm has been totally rebuilt since 1993, when Missouri River flooding put it under seven feet of water. Initially, the farm enterprises included Christmas tree sales, and acres of U-pick strawberries. But Rombach says they lost money on the trees and PYO customers "trampled too much." Children would throw the berries

around. He now does retail sales only. (A few items offered at the farm market are procured from other farmers.)

Rombach's grandfather started hosting parties in the pavillion in 1928; his parents began the retail sales. Steve Rombach, his brother, and a cousin incorporated in 1993, the year they rebuilt by starting the pumpkin venture. Rombach's father, who is retired, now works for him. Mrs. Rombach works off the farm (29).

Such enterprises work best when farms are within thirty miles of a major population center, preferably on or near a good road. Pick-your-own is most adapted to crops which require stoop labor to harvest. Plans and layout for farm markets are published in the NRAES booklet *Facilities for Roadside Markets*, available from Cornell and in *Bypassing the Middleman*, from Rodale Press (see **Resources**).

In addition to the expected parking, restrooms, harvesting instructions, creative signage, and playgrounds, adequate liability insurance must, of course, be in place.

Direct marketers can get liability insurance through the North American Farmers' Direct Marketing Association (NAFDMA) (30). Comprehensive information on legal issues for all types of direct marketing is available in *The Legal Guide for Direct Farm Marketing* (1999) by Neil Hamilton (see **Resources**).

In some areas of the country, fee hunting is combined with farming. One Nebraska farmer combines fee hunting with hunting lodge accommodations (and a gift shop) during the slow winter season on his 1500-acre grain farm. A publication of interest is *Agritourism in New York:*

Opportunities and Challenges in Farm-Based Recreation and Hospitality, available from Cornell Media Services at Cornell University (607-255-2080) for \$13.85. (This publication is currently being reprinted.) For more information, ask for ATTRA's publication *Pick-Your-Own and Agri-Entertainment*.

Selling to restaurants and stores

According to some reports, over 50% of American meals are now eaten away from home. This would appear to be a growing market for direct sales of produce. However, most high-volume meal servers (institutional food service and restaurant chains) require huge volumes, typically procured through centralized purchasing. It is still possible, however, to find

an individually operated restaurant buying some foods locally. High quality is a prime requisite for sales to such restaurants. Such specialty crops as herbs, garlic, mushrooms, salad greens, cut flowers, and edible flowers for restaurants may be grown on very small parcels of land. One of the main requirements for selling to an upscale restaurant seems to be developing a good relationship with the chef.

In some instances sales by local farmers to local institutions may be arranged. The Hartford Food Project (see list of organizations) has a publication describing creation of such marketing channels.

ATTRA has some additional information on marketing to restaurants and specialty stores.

Mail order and home delivery

Mail order sales generally involve value-added products or (primarily in Florida and the West Coast) fresh fruits. Value-added products are often decorative, rather than culinary. Home delivery of fresh farm products was much more common in the U.S. fifty years ago than it is today. The sight of a horse-drawn farm wagon loaded with bushels of apples, squash, potatoes, and live chickens making its way slowly through a residential neighborhood while the farmer (or his children) knocked on doors was not unusual. But it is still possible for farmers to meet consumers at the doorstep and deliver quality

food. This method is currently most used by dairy and meat producers. Nowadays arrangements are made in advance by telephone and meats are usually frozen. Some CSAs home deliver.

Marketing on the Internet

Plans for selling groceries on the Internet are taking their place along with other forms of e-commerce. Most such plans ask the consumer to pick up an

Harps Supermarket, Fayetteville, AR, has joined the ValuPage website offering Web Bucks to customers who print out coupons from the web page and purchase certain products. Web Bucks may then be used to buy anything else in the store. This is a premium for customers to visit the website. See <http://www.valupage.com>. Customers may also sign up for regular e-mailed coupons.

Internet order at their local supermarket.

High-value, nonperishable, low-weight, specialty food products and nutritional supplements have

been available from a growing number of websites for some time. Delivery is by conventional package delivery systems; this form of e-commerce may be considered another another form of mail-order.

Another way to utilize the WWW is to have a farm or business homepage purely for advertising purposes (perhaps cooperatively packaged). Examples include the Madison, WI, farmers market website mentioned previously and the Virtual Virginia Agricultural Community, at: <http://www.vvac.org>, which facilitates regional communication. The Minnesota Land Stewardship Project's on-line directory of CSA farms (with e-mail and website contacts) is at <http://www.misa.umn.edu/lsp.html>.

According to Jennifer-Claire V. Klotz (USDA/AMS), who spoke at the October 1999 National Small Farms Conference in St. Louis, 92 million potential customers are now on the Internet, one-third of them making purchases.

Internet users tend to be older, with above-average educations and higher incomes. Interestingly,

Internet users share these characteristics with direct market customers in general.

Farms can do business on the Internet either by maintaining their own individual websites, or participating in a directory listing. Research providers and costs; look at bartering to get a website designed. Look at Internet marketing as an opportunity to attract a new clientele, but first determine whether existing customers are on the Internet. Do they have e-mail? Be aware of certain barriers to Internet buying:

- pricing (include shipping costs)
- potential return hassles
- credit card concerns of customers
- privacy issues
- navigating the site

Do everything possible to show you are honest and reputable. Do not sell or lease e-mail addresses. Have a privacy statement that you won't sell customer information.

Customers like a website that is easy to use, quick to download, and updated frequently. Be cautious about graphics that take a long time to come up on screen. At least give customers the option to bypass graphics.

Look into ways to increase search engine results for your site, so that it appears in the first five or ten that come up. (There is a way to bid on "ebay" to get you into the top 5.)

Klotz advises that existing customers (for example, at your farmers' market) should be approached slowly for information for your database. Remember that "customers are selfish and there is a lot of competition on the Net." Invite people to your website; don't ask for the customer's e-mail addresses right away. Have a prize lottery to get customers' names and addresses for your mailing list. Or have on-line coupons they can print out (10% off, etc.). Then ask for their e-mail address so they can receive your newsletter.

With another individual or business website, offer something if they put in a link. Call the local press (Food or Business section, not Agriculture), and offer an interview.

Put your web address everywhere – on all stationery and items that go out. Offer freebies (samples) when filling orders. Have a raffle. Develop a kids e-mail mailing list and send birthday cards. Send fall holiday greetings. List your competitors' prices (shown to be effective). Bid on words for headings (eBay, etc.) to make the top five results from browsers. Make your website interesting. When creating your web page, call the first page "index" to aid search engines.

Constantly test and evaluate your site.

Promotion and publicity

Associations such as the Organic Trade Association (OTA) help promote members through materials and a calendar of events.

Promotions help to increase sales per customer and the number of clients, and enhance the image and visibility of the farm, company and/or product. For an overview of promotion strategies and advertising, refer to *Sell What You Sow!*, *The New Farmers' Markets* and Extension publications such as the Pacific Northwest Cooperative Extension series *Farmer-to-Consumer Marketing* (especially no. 3., *Pricing and Promotional Strategies*) (see **Resources**). Promotions come in different shapes and sizes but they all have some common characteristics.

- ♣ They draw attention and communicate information;
- ♣ They provide an incentive or premium to the consumer;
- ♣ They invite the consumer to buy.

Word-of-mouth advertising by satisfied customers is priceless and cannot be purchased or engineered except by providing good service and a good product. Because an estimated 80% of business comes from return buyers, the focus is on rewarding loyal customers by offering discounts, gift certificates or a free service.

Coverage by the local newspaper or radio/television station can bring in more sales than any paid advertisement. Events on the farm – a Halloween festival for children,

Some Home Pages for U.S. Farms

Claymont Court, Shepherdstown, WV
<http://www.claymont.org>

Cromwell Valley CSA
<http://www.earthome.org>

Earthlands North Quabbin Farm
<http://www.tiac.net/users/elandspc/>

Eco Farms, Lanham, MD
<http://www.ecofarms.com>

Glen Oshira, Hawaii
<http://www.smallfarms.com>

Howell Farm, Titusville, NJ
<http://www.americanmaze.com/PR98Howell.htm>

Massachusetts Farm Directory
<http://www.massgown.org>
<http://www.massgown.org/youpick.com>

Peacework Organic Farm, Newark, NY
<http://www.gvocsa.org>

Three Sisters Farm, Sandy Lake, PA
<http://www.bioshelter.com>

Dog Wood Knob Farm, Mt. Vernon, KY
<http://www.geocities.com/RainForest/8450/>

Mountain Gardens, Burnsville, NC 28714
<http://gardens.webjump.com>

Tate Family Farm/Goat Lady Dairy
 Climax, NC
<http://www.goatladydairy.com>

Wollam Gardens, Jeffersonton, VA 22724
<http://www.wollamgardens.com>

Angelic Organics, Caledonia, IL 61011
<http://www.AngelicOrganics.com>

Elixir Farm, Brixey, MO
<http://www.elixirfarm.com>

Inn Serendipity, Browntown, WI 53522
<http://members.aol.com/innseren/public/innserendipity.html>

Susan's Garden, Plattsburg, MO
<http://ianwhite.stanford.edu/susangarden/>

Camas Meadow Farm, Noti, OR
<http://members.aol.com/camasfarm/>

Emandal, Willits, CA
<http://emandal.com>

availability of a new and unusual food item, a cider-tasting contest – may lure reporters in search of human-interest or weekend-event

stories. Invite the local newspaper's food editor over for a dinner of grass-fed beef, or pastured chicken so she or he can taste the difference from supermarket fare. While writing up a press release, look for the news peg that makes the

story – an accomplishment, an award, anything that seems interesting or valuable to the community. Give the press plenty of notice, good photo opportunities, and always return phone calls.

Paid advertising is the non-personal promotion of an idea, product or service directed at a mass audience. Its aim is to generate an increase in sales, induce brand recognition and reinforce the "unique selling point," inform potential customers about the availability of a product, and create demand for that product. An advertisement should emphasize benefits, not objects. What will people get from your product or from a visit to your farm? High-quality, fresh, delicious produce or meat? Family fun? Friendly service? You can either advertise continuously through the season to maintain your presence in the marketplace, or you can advertise just before a product is available.

Advertising budgets generally range between 4 and 10 percent of sales. Let's say you rely heavily on radio spots for continual advertising during the six months you are open (31). If projected sales are \$50,000 and you commit 4% to the advertising budget, this means you have \$2,000. If 60% of this is allocated to continual advertising through the 6-month marketing season, you have \$1,200 for that period. The balance of \$800 would be allocated to each of those months depending on the percentage of seasonal sales that occurs in that month. If 50% of sales occur in July, then \$400 would be allocated to that month over and above the base budget for April. This amount can be used for other forms of promotion such as direct mailings, or newspaper ads. If competition is high, ad budgets may need to increase. Re-evaluate an ad campaign if it does not bring about a quick increase in sales.

Attractive road signs are another effective form of advertising. Signs that are legible to the speeding

motorist are a way to induce people to stop and visit the roadside market or farm-stand. Signs should have a logo and should reflect the kind of goods being sold—more upscale if they are high-priced and a 'no-frills' sign if otherwise. Signs that advertise an unusual or out-of-the ordinary product will draw the curious to the farm. The first sign should be placed a good distance (at

least 2500 feet) before the market to give the motorist time to decide whether or not to stop. Keep signs neat and well-maintained.

Direct mail is advertising with a personal touch and requires an up-to-date and extensive mailing list. Postcards with pictures of your farm, a logo and a promotional message may be sent just before a farm festival or when produce is available. Direct mailing is only as effective as its mailing list (i.e. its targeting of people who will buy your product).

Mailing lists should be revised each year. Target groups of people likely to buy your product (e.g., members of a health food store or co-op). A mailing list can be developed by asking people to sign up for mailings. Also, ask them where they heard about your product or farm. This information will help you plan future advertising.

Peggy Frederick, Whitney Point, NY

☞ Peggy Frederick of Strawberry Valley Farm in Whitney Point, New York, mails customers a specially-designed card listing the vegetables and strawberries available for U-pick. For Christmas, she sends out the "giftbox" brochure which lists gift items from the farm's bakery and consignment gift shop.

Ellie MacDougall, Maine

☞ *In her catalog, Ellie MacDougall, a Maine-based grower, inserts a little promotional mailing on behalf of a local turkey grower, who in turn sells her poultry and turkey stuffing seasonings (32). Many of her seasonings and*

vinegars are cross-sold by produce growers at other markets and farm stands.

The catalog is a marketing tool that serves many purposes. Common elements of a catalog are (33):

- ✓ It should *tell a story*. It should differentiate your business from others and explain why and how you are different.
- ✓ It should *work like a reference*, providing detailed information about the product, service and business.
- ✓ It should *be a sales tool*. In addition to providing information, it must promote your product, service and business.
- ✓ It should *create a good first impression*.

Business cards have a way of sticking around in people's wallets long after they have been distributed. Print and hand out business cards with your name, phone number, farm location and product.

The Internet offers a whole new world of marketing opportunities. Its key features are 24-hour accessibility by anyone with Internet capabilities and greatly expanded reach without the costs and limitations of direct mail. Customers may be able to place an order on line, but the chief value is the publicity an attractive website can bring to a producer. Another advantage is making your on-line catalog available to Internet users.

The first North American Agricultural Internet Marketing Conference "Internet Goes Ag, Making it Work For You!" was held in October 1996, in Chicago. An excellent source of information and current resources is the Washington State University Extension (King County) publication *Internet Marketing for Farmers* (available on-line at <http://king.wsu.edu/Ag/internetmarketing.htm>). More information on

e-commerce is available from USDA's Small Farm Center (see **Resources**).

Papa Geno's Herbs, Lincoln, NE

☞ Within six months of setting up a Web page and beginning an e-mail newsletter, Gene Gage

of Papa Geno's Herbs found that plant orders from the Internet had surpassed those from his traditional mail-order catalog (34). Size of the average order through the Internet was higher. Gage sends his e-mail newsletter out 15 times a year. Advertising on e-mail is cheaper, he says. It would cost him 50 cents to send a post card to each customer. Direct mailings to 40,000 people would cost him \$20,000. The same people,

assuming they had access to a computer, could be reached by e-mail for \$5. Each day he receives 100 messages via e-mail. These are in addition to the orders that an employee takes in from her home. The hard work involves spending 20-40 hours a week online, for business and "schmoozing." Gage is constantly on the lookout for links to add to his web page and spends hours giving advice free of charge as resident herb expert of America Online and the gardening site Garden Escape. One disadvantage is that he has had several bad checks from Internet customers, a problem he has never had to face in retail and paper catalog sales.

A lively and regular newsletter, written in the first person, discussing upcoming produce, recipes, farm events and life on the farm, makes the reader feel more involved and connected. Ideas for content may come from customers or from employees.

Flickerville Mountain Farm and Groundhog Ranch, Flickerville, PA

☞ Cass Peterson and her late husband, Ward Sinclair, who farmed with great flair and ingenuity for several years, published an annual newsletter for subscribers to their CSA called *The Groundhog Report*. With just the right touch of wry humor, the publication put together by the former *Washington Post* reporters informed consumers about prices and included tips on cooking vegetables, news from the farm, and quotable quotes.

When creating a newsletter, consider the following (35):

- ☞ What items do you want to promote?
- ☞ What should you say to induce readers to buy?

- ☛ Are readers made to feel included and important?
- ☛ Have necessary details such as farm hours, phone number, deadlines, etc. been included?
- ☛ Is the newsletter uncluttered and visually pleasing?

Including a map of how to get to the farm is always helpful. Newsletters may also be sent to the news media or published as an insert in the regional newspapers.

Angelic Organics, Caledonia, IL

☛ Kimberly Rector, formerly of Angelic Organics, a biodynamic farm northwest of Chicago used packaging to promote and educate people about the product (36). An artist by training, Rector chanced upon a motif for the farm, and used it on specially crafted paper labels with the farm logo and information about the product, on packaging for specialty items such as herbs, on signs designed for the farm stand and at the farmers' markets, and on specially-designed point of purchase posters. That increased demand for produce. Rector recommends retail packaging as a plus for farmers' markets and sales to stores.

Single event promotions like harvest festivals, Easter egg hunts, and Halloween costume contests can be combined with ongoing promotions like school tours or Friday happy hours or open house. Publicize the promotions well ahead to ensure a good turnout.

Lost Nation Orchard and Cider Mill

☛ The Lost Nation Orchard and Cider Mill is a good example of the use of a mix of sales strategies. In addition to creating a striking cider label with a logo to enhance their presence on store shelves, partners Michael Phillips and David Craxton promote Lost

Nation as a community farm (37). People trade labor for cider, helping to pick wild apples, label jugs or dig planting holes for new orchards. Phillips and Craxton write occasional press releases promoting apple tastings and harvest festivals, or providing early-season tips

to growers. They also run ads regularly in these newspapers. The format generally remains the same, but photographs and text may vary. Advertising budgets average 5% of gross receipts. The idea behind their marketing strategy is to promote the experience of authentic country life, its fun and friendliness and generosity of spirit, in their advertisements, their brochures, at their annual harvest festival, at the school tours hosted on Friday mornings,

and on the Lost Nation trading cards - educational cards with a little snippet of information that is handed to the consumer with each purchase. All in all, it makes for a wonderful tourist experience. The ideas, the insight and the creativity behind the marketing package, says Phillips, happened only because they loved and believed in what they were doing.

Conclusion

Finally, some parting advice to people considering direct marketing or processing of farm products. First of all, do something you love and enjoy doing. Success will follow. Invest time and, if necessary, money in research. Try to have a well-considered plan before proceeding but don't be rigid. Learn as you go. Start small and keep your costs and debt as low as possible. Provide a reliable supply of high quality products and build a good relationship with your customers. Take time to listen to their wants, identify market possibilities, and find a unique market niche for your product. Be adaptable to shifting market opportunities. Ensure diverse markets, so that if one fails, you can fall back on the others. Set a fair price and avoid competing directly with big business, especially on price.

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<http://www.attra.org/attra-pub/directmkt.html>

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The ATTRA Project is operated by the National Center for Appropriate Technology under a grant from the Rural Business-Cooperative Service, U.S. Department of Agriculture. These organizations do not recommend or endorse products, companies, or individuals. ATTRA is located in the Ozark Mountains at the University of Arkansas in Fayetteville at P.O. Box 3657, Fayetteville, AR 72702. ATTRA staff members prefer to receive requests for information about sustainable agriculture via the toll-free number 800-346-9140.





www.attra.ncat.org

DIRECT MARKETING: RESOURCES

BUSINESS MANAGEMENT SERIES

ATTRA is the national sustainable agriculture information center funded by the USDA's Rural Business -- Cooperative Service.

Sustainable Farming programs, such as those as Cornell University and the University of California, are often the best sources of recently published guides, as are private initiatives such as the Hartford Food Project. Increasingly, such information is most easily accessed through the Internet. Extension personnel in several states say that all their current publications are listed (and should be accessed) on their websites, as did other organizations.

For out-of-print Extension publications, a U.S. Government Documents repository (generally located at a major landgrant university) or private library may provide access.

Publications which inform small farmers and specialty growers on direct marketing options include The Business of Herbs, Small Farm Today, Growing for Market, and the new electronic publication Sustainable Farming Connection at <http://sunsite.unc.edu/farming-connection>.

A variety of conferences on marketing and agriculture are held every year around the country. The largest is the national North American Farmers' Direct Marketing conference held at the beginning of each year. The Year 2000 conference will be held on February 10-12 Cincinnati, OH. For information on conferences or proceedings, contact Vicki Parker-Clark at (208) 667-6426. (There is no conference website this year.) Information on the annual Mid-Atlantic Direct Marketing Conference, usually held in mid February, may be obtained from Dr. Ramu Govindasamy at Rutgers Coop Extension at 732-932-9171, ext. 25.

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River Junction, VT 05001.
800-639-4099

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Walks readers through real life examples of how farmers and others have used e-mail and the Internet to improve their business. Available for \$15 ppd from:
UC DANR Communication Services
6701 San Pablo Avenue
Oakland, CA 94608-1239
800-994-8849 or 510-642-2431
Internet address is www.sarep.ucdavis.edu/

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Provides information on the production of many minor or new field crops. Costs \$45. Also available is the Alternative Agricultural Opportunities, a bibliography listing over 1600 articles on alternative plants and animals. Cost is \$5. Contact:

CAPAP
352 Alderman Hall
1970 Folwell Avenue
St. Paul, MN 55108.
612-625-4707; FAX 612-625-4237
<http://capap.coafes.umn.edu>

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5285 Port Royal Road
Springfield VA 22161
800-999-6779
See publication at www.econ.ag.gov/
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Auburn CA 95602
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P.O. Box 736
Hartington, NE 68739
402-254-2289.
- Mississippi's Southern Rural Development Center produced the *Food Processing Industry—Resource Directory (1997)* as a step toward addressing food processing development issues in the southern region. SRDC #205 is currently out of print, but hard copies, when available, will be \$10 from:
SRDC
Box 9656
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Contact:

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10901 West 84th Terrace

Suite 20, Lenexa, KS 66214.

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P.O. Box 532, Chillicothe IL 61523.
309-274-5254; FAX: 309-274-6143.*

Directories:

National Organic Directory (400 + p) Available for \$50.95 (CA residents add \$3.48) from: *CAFF
PO Box 363
Davis, CA 95617
800-852-3832
(lists farmers, buyers, and brokers, sustainable agriculture publications, organic certification groups, state laws etc.)*

Agencies/Associations:

Alternative Farming Systems Information Center
National Ag. Library
10301 Baltimore Avenue, Room 304
Beltsville, MD 20705-2351
301-504-6559;
E-mail: afsic@nal.usda.gov

Farming Alternatives Program
17 Warren Hall
Cornell University
Ithaca, NY 14853
607-255-9832

Food and Agricultural Products Research and Technology Center
Oklahoma State University
Stillwater, OK
The Center's objective is to help develop successful value-added enterprises in OK. For a free fax subscription to the Food Fax Newsletter, fax a request to Peter Muriana at 405-744-6313 or call him at 405-744-5563.

Agencies/Associations: (continued)

Food Processing Center
University of Nebraska
60 Filley Hall
Lincoln, NE 68583-0928
402-472-5791

Contact Allis Burney

The Entrepreneur Assistance Program helps prospective manufacturers with issues like product development, food safety, market research and selection, packaging and label design, business risk protection, product pricing, image development, regulatory issues, etc.

Hartford Food System (Mark Winne)
509 Wethersfield Ave.
Hartford, CT 06114
860-296-9325; FAX: 860-296-8326

Institute of Food Technologists
221 N. LaSalle St., Suite 300
Chicago, IL 60601
800-IFT-FOOD

Missouri Alternatives Center
628 Clark Hall
Colombia, MO 65211
573-882-1905 or 800-433-3704

Provides information on alternative crops, small farm options and alternative rural opportunities.

National Farmers Direct Marketing Association
14850 Countryside Drive
Aurora, OR 97002
503-678-2455

Organic Farmer's Marketing Association
8364 S. State Road 39
Clayton, IN 46188
317-539-6935; E-mail: cvof@iquest.net
Publishes The Organic Organizer.

Restorative Development Initiative
Collective Heritage Institute
826 Camino de Monte Rey, Suite A6
Sante Fe, New Mexico 87505
505-986-0366; FAX 505-986-1644

Program linking family farmers, including native American growers, directly with progressive companies and markets to facilitate the creation of an alternative agricultural economy outside the commodities market.

Small Farm Center
University of California
Davis, CA 95616-8699
916-752-8136

Published the Specialty and Minor Crops Handbook that describes seed sources, cultivation, production and marketing alternatives for 62 crops. A bimonthly newsletter called Small Farm News is also published. Also available are Considerations in Enterprise Selection, How to Determine Your Cost of Production, Direct Marketing and Quality Control, Marketing Cooperatives, and Setting Up a Roadside Stand, three booklets that cover marketing opportunities for small farmers, and the Small Farm Handbook (169 pp, \$24.55) an easy to follow book for prospective farmers, new farmers and farmers who want to start new enterprises.

USDA/RBS Program
Stop 3201, 1400 Independence Avenue S.W.
Washington, D.C. 20250-3201
202-690-4730

(Rural Business-Cooperative Service (RBS) helps farmers and other rural residents develop cooperatives to obtain supplies and services at lower cost and to get better prices for the products; advises rural residents on developing existing resources through cooperative action to enhance rural living; helps cooperatives improve services and operating efficiency; informs members, directors, employees, and the public on how cooperatives work and benefit their members and their communities; and encourages international cooperative programs. RBS also publishes research and educational materials, including the Farmer Cooperatives magazine).

Periodicals:

Acreage Advisor
15400 N 56th St.
Lincoln, NE 65814-9706
402-785-2220

Bimonthly 24-page publication geared toward the small farm and acreage owner. One year subscription is \$9.95. Contact Phil Pfeiffer.

American Fruit Grower
American Vegetable Grower
Meister Publishing Co.
37733 Euclid Avenue
Willoughby, OH 44094
216-942-2000

Periodicals: (continued)

The Business of Herbs
439 Ponderosa Way
Jemez Springs, NM 87025-8036
505-829-3448; FAX 505-829-3449
E-mail: olives@jemez.com
Bimonthly, \$20 per year.

Country Journal
P.O. Box 500
Mt. Morris, IL 61054

Farm Direct Marketing Digest
P.O. Box 4612
Pasco, WA 99302
509-547-5538; FAX 509-547-5563

Farmers Market Monthly and Farmers Market Outlook
PO Box 4220
Culver City, CA 90231
310-673-8366

Bi-monthly newsletters on California's farmers markets. Carries farmer profiles, updates on new crops, legal and regulatory issues, interviews with chefs, authors, policy-makers and others with and interest in farmers markets. Annual subscription costs \$20.

Farming Alternatives Newsletter
c/o Farming Alternatives Program
17 Warren Hall
Cornell University
Ithaca, NY 14853
607-255-9832

Gourmet News
PO Box 1056
Yarmouth, ME 04096

The Gourmet Retailer
3301 Ponce de Leon Boulevard, Suite 300
Coral Gables, FL 33134
305-446-3388

Growing for Market
Fairplain Publications
P.O. Box 365
Auburn, KS 66402
Subscription is \$24/yr.

Labels: Linking Consumers and Producers

Free monthly electronic newsletter from the Institute for Agriculture and Trade Policy that provides news, events and resources related to the labeling of products for environmental, social and regional sustainability. To subscribe, send e-mail to majordomo@igc.apc.org. Leave subject blank. In body, type subscribe label-news.

MFA Marketing Digest
Minnesota Food Association
2395 University Avenue, Room 309
St. Paul, MN 55114
612-644-2038

Contact: Anne deMeurisse
Reports information of interest to small-scale food producers and processors who are creating a sustainable food system in Minnesota. Features profiles of producers, processors and buyers.

Maine Organic Farmer and Gardener
PO Box 2176
283 Water Street
Farrell Building, 4th Floor
Augusta, ME 04338
207-622-3118

The March-May issue 1996 is full of marketing and production ideas from the Farmer-to Farmer conference. Back issues are available for \$4.50.

The Packer
10901 West 84th Terrace
Suite 20
Lenexa, KS 66214
800-255-5116

Gives weekly news about marketing and production of fruits and vegetables. Produces The Packer's Produce Availability and Merchandising Guide with information on vegetable and fruit crops, display and promotion, post-harvest handling, major production areas and other useful details.

Produce Business
Phoenix Media Network
P.O. Box 810425
Boca Raton, FL 33481
561-447-0810

A monthly magazine available for \$48. Ask for Fran.

Rural Enterprise
P.O. Box 878
Menomonee Falls, WI 53052-0878
414-255-0100

(discontinued but some back (1986-1992) issues still available. \$3 each.)

Periodicals: (continued)

Small Farm Digest
USDA-CSREES
Mail Stop 2220
1400 Independence Avenue S. W.
Washington, DC 20250-2220
800-583-3071; FAX 202-401-5179
smallfarm@reeusda.gov

Free quarterly newsletter on farm-related trends and developments, announcements, etc. Also available from this office is the "Getting Started in Farming" series and other factsheets. See <http://www.reeusda.gov/smallfarm>.

Small Farm Today
3903 Ridgetrail Road
Clark, MO 65243-9525
800-633-2535

Specialty Crop Digest
Homestead Design, Inc.
P.O. Box 1058
Bellingham, WA 98227
360-676-5647

Stockman Grass Farmer
P.O. Box 2300
Ridgeland, MS 39158-2300
800-748-9808

University of Wisconsin Coop Extension
Direct Marketing Newsletter
c/o John Cottingham
Ag. Marketing Specialist
717 Pioneer Tower
University of Wisconsin, Platteville
Platteville, WI 53818-3099
608-342-1392

Videos and Audios:

High-Value Marketing. 1992. Farmer-To-Farmer Series. Rodale Press, Emmaus, PA.

To order, send \$29.95 to:
Farm Videos, c/o Rooy Media
7407 Hilltop Drive, Frederick, MD 21702
301-473-8797
Contact Rooy Media for other titles in the series.

Gerber, Michael. 1995. The E Myth Seminar.
Nightingale-Conant Corp., Niles, IL
(Six sound cassettes on how to run a business.
Suggests that most businesses are started by people who
want to turn a beloved interest into an occupation.)

Databases and listservs:

Foodline is a trio of databases providing international coverage of food marketing, technical and regulatory information. Foodline: International Food Market Data is a bibliographic database of global market information from approximately 250 food and beverage and related publications, Foodline: Food Science and Technology, which consists of abstracts from over 550 journals, books, reports and papers; and Foodline: Current Food Legislation, a database summarizing provisions of current food additive regulations and food composition and labeling standards for the U.S. and seven European Union countries.

The USDA's market news service gives daily or weekly updates on wholesale produce/herb/cut flower prices.

<http://www.ams.usda.gov/marketnews.htm>

The Maine Organic Farmers and Gardeners Association started a bi-weekly price report in 1996. Prices are compiled by interviewing 20 farms about what they are charging for currently available organic produce. Items for which retail and wholesale prices are listed include vegetables, berries, tree fruit, herbs, bunched flowers, seedlings, and organic meats. Report available by mail for \$10 per season from:

MOFGA,
PO Box 2176,
Augusta, ME 04338.

The Massachusetts Department of Ag. Has information on farmers' markets and direct marketing, mail order businesses at their website www.massgrown.org

For 12 years of research reports, including marketing, try the SARE database at www.sare.org/san/projects/.

New Crop Resource Online Program at <http://www.hort.purdue.edu/newcrop> provides a look at new and specialty crops.

A discussion group about marketing is available on the Internet. To subscribe to direct-mkt, send the following message to majordomo@reeusda.gov
subscribe direct-mkt

For a similar discussion group for small farmers, send message to majordomo@reeusda.gov Leave subject blank. In the body, type: subscribe
smallfarm-mg

Organic Farmers Marketing Association web site has a public page and a private page where certified organic farmers can discuss markets, prices and other subjects. The private page is open only to members of the Organic Farmers Marketing Association. Send \$25 to:

OFMA
PO Box 159
La Farge, WI 54639

Or look up <http://www.iquest.net/ofma/>

Databases and listservs: (cont.)

SMALLFARM-MG is a listserv that identifies small farm contacts, farmers and others interested in strengthening the capacity of small and mid-size farmers to improve their income through a systems approach. To subscribe, send mail to majordomo@reeusda.gov. Leave subject blank. In the body, type *subscribe smallfarm-mg Sustainable Farming Connection* is an interactive website with innovative production and marketing information. Visit <http://sunsite.unc.edu/farming-connection>
Contact:

USDA
AMS, F&V Division
Market News Branch, Room 2503
South Building,
PO Box 96456
Washington DC 20090-6456
<http://www.ams.usda.gov/marketnews.htm>

A privately published report called the Organic Market News is available for \$65/year by mail and \$75 by fax. Contact

Farmer's Information Network
PO Box 2067
Santa Clara, CA 95055
408-247-6778

Another is the Organic Food Business News Fax Bulletin available for \$205 and published by:

Hotline Printing and Publishing
P.O. Box 161132
Altamonte Springs, FL 32716
407-628-1377

A private website promising Today's Market Prices has, as of October 1999, "reopened the registration to consult" their daily and historical prices database, free of charge. See <http://www.todaymarket.com> for culinary herbs, fruits, and vegetables.

The CA-based federal-State Market News Service gives daily reports of prices and supplies, annual summaries of shipments and prices.

California Department of Food & Agriculture
Division of Marketing Services
State Market News Service
1220 N Street
Room 126
Sacramento, CA 95814
(916)654-1240
<http://www.cdfa.ca.gov>

Compiled by Katherine Adam, Radhika Balasubrahmanyam, and Holly Born

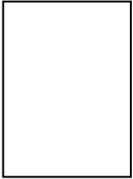
November 1999

Feedback

1. Does this publication provide the information you were looking for?
How could it be improved?
2. Do you know a farmer who is implementing techniques discussed in this publication? Can you provide their address and phone number?
3. Do you know of any related research that would add to the information presented here?
4. Do you know a good related website not listed in this publication?
5. Please add any other information, or comments that you wish to share.



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PO Box 3657
Fayetteville, AR 72702



FOLD



Thank You
FOR YOUR VALUABLE FEEDBACK

