



# Marketing for Profit: Tools for Success

## Marketing Training for farmers Curriculum

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### Module 1 Overview: Self-Assessment

#### **Workshops:**

- Assessing Your Identity
- What's out there? Exploring Marketing Channels
- Where are We and Where do we Want to be?

#### **Objectives:**

- Provide the knowledge and tools for farmers to look objectively at their personal capacity for various farming enterprises.
- Provide the knowledge and tools for farmers to assess their farm and business capacity to enter into various marketing enterprises.
- Provide farmers with a clear understanding of various direct marketing channels, the requirements for participation, the marketing costs for participation, etc.
- Farmers will be able to conduct a self-assessment and make informed decisions on the appropriate marketing channels that match their personal, farm and business goals and capabilities.

#### **Target Audience:**

The target audience is all farmers involved in or considering entering direct-to-consumer sales.

#### **Time:**

90 minutes, including Q & A for each workshop

#### **Equipment/Materials/Supplies**

- Laptop/projector/screen
- Easel/easel pad
- Marketing pens

#### **Handouts:**

- Cost of Production Guide
- Production Management Checklist
- Skills Enterprise Assessment
- USDA Food Hub List

## **Resources:**

### Further Self-analysis:

- Understanding yourself about change
  - <http://www.agecon.purdue.edu/extension/programs/fbm21/form11.htm>
- Farmer to Consumer Marketing
  - <http://ir.library.oregonstate.edu/xmlui/bitstream/handle/1957/20662/pnw201-e.pdf>

### Further Information Resources:

- Positioning the Farm Business: Steps for Strategic Planning
  - <http://ageconsearch.umn.edu/bitstream/28647/1/sp98-09.pdf>
- The Internal Environment: What Is Your Farm's Competitive Advantage?
  - <http://www.agecon.purdue.edu/extension/sbpcp/resources/internal.pdf>
- Feasibility Study
  - [http://www.caes.uga.edu/applications/publications/files/pdf/B%201066\\_2.PDF](http://www.caes.uga.edu/applications/publications/files/pdf/B%201066_2.PDF)

### Enterprise Analysis:

- <http://ir.library.oregonstate.edu/xmlui/bitstream/handle/1957/20663/pnw202-e.pdf>
- Enterprise Budgets from Penn State:
  - <http://agalternatives.aers.psu.edu/publications.cfm>
- Farm Cash Records to Cost of Production
  - <http://www.uvm.edu/newfarmer/costpricingfactsheet.pdf>

### Commodity Information:

- [http://www.agmrc.org/commodities\\_products/](http://www.agmrc.org/commodities_products/)
- Butcher Kept Your Meat? : Factsheet on Animal Carcass Conversion
  - [http://www.uvm.edu/newfarmer/marketing/price/The\\_Butcher\\_Stole\\_My\\_Meat.pdf](http://www.uvm.edu/newfarmer/marketing/price/The_Butcher_Stole_My_Meat.pdf)

### Exploring Marketing Channels:

- Guide to Marketing Channels
  - <http://cctompkins.org/sites/all/files/factsheets/factsheet-1317.pdf>

## **Lesson Plan:**

1. Introduce the topic of discussion, encouraging participants to participate in all three workshops in the series, as well as participation in the entire program of Marketing for Profit: Tools for Success.
2. Use the provided powerpoint presentation to present the material to participants.
3. Utilized the notes section of the PowerPoint for discussion points, activities and handouts to present the workshop for this module.

### **Options for Facilitation**

This curriculum is designed to be user-friendly and as easy as possible to incorporate into your programming. The choice of how you utilize the materials is yours. You may use the PowerPoint presentations or just use the notes as a guide as you verbally share the information. The amount of interaction you have in your workshop is also your choice. You can use direct instruction and simply share the information with participants or utilize the activities suggested in the lesson.

### **Feedback and Evaluation**

This project is federally funded and requires documentation of all outreach efforts and follow-up. After you deliver this module, please email [deggert@nyfarmersmarket.com](mailto:deggert@nyfarmersmarket.com) or [dgrusenmeyer@nyfvi.org](mailto:dgrusenmeyer@nyfvi.org) and attach scanned copies of the Workshop Evaluation for or send copies to:

Diane Eggert  
Farmers Market Federation of NY  
117 Highbridge St., Suite U3  
Fayetteville, NY 13066  
Fax: 315-637-4691

**If you have any questions or need assistance, please contact Diane Eggert  
([deggert@nyfarmersmarket.com](mailto:deggert@nyfarmersmarket.com)) or David Grusenmeyer ([dgrusenmeyer@nyfvi.org](mailto:dgrusenmeyer@nyfvi.org))**

# Assessing Your Identity



Presentation Developed by:

Laura Biasillo, Cornell Cooperative Extension – Broome County

Stephen Hadcock, Cornell Cooperative Extension – Capital Area District Ag & Hort.

Team

\* This project is funded by USDA's SARE Professional Development program \*

# Agenda

- Introductions
- Goals/Objective & Activities for Today
- Enterprise & Skills Assessment exercise
- Assessment of Capacity & Production
- Production/Management Assessment exercise
- Cost of Production Budget

# Objectives & Activities for Today

- Objective: Internal assessment to help participants learn about their ability/skills/resources to market profitably agricultural products, with a focus on marketing.
- How Will We Get There?
  - Activities
  - Further Resources

# Enterprise & Skills Assessment

- Importance of Internal & External Assessment
- This is a living document
- Information gleaned allows for you to make decisions on how to proceed with marketing channels
- Some statements on assessment are “deal-breakers” – is this a “hobby” or a “business” for you?

# Enterprise & Skills Assessment

Look at the handout you received for the next one to two minutes.

A copy of the assessment will be displayed on the computer screen as well.



# What Did You Learn About Yourself & Your Enterprise?

- Where are your strengths?
- Where are your opportunities in marketing & products?
- Which areas do you need to educate yourself to remain competitive?

# Assessment of Capacity & Production

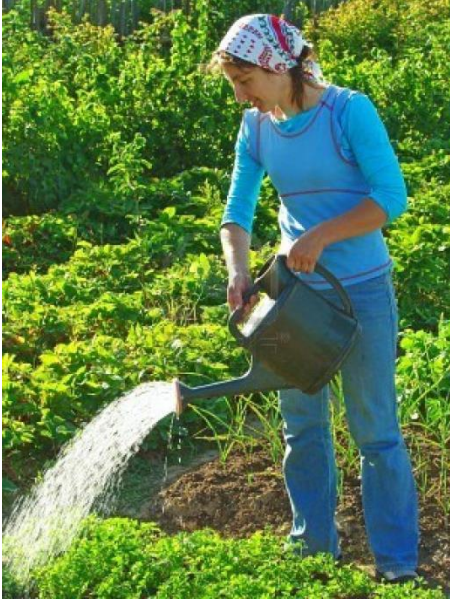
North Carolina Winery Production Statistics - Gallons (sorted by 2001 production)

Winery	Type	1996 Est.	1997	2000	2001 Est.	2002
1. Hillcrest Estate Winery	V	124,715	150,000	240,000	263,000	260,000
2. Duplin Winery	M	60,000	50,000	190,000	148,000	200,000
3. Shelton Vineyards	V	n/a	n/a	30,000	36,000	43,000
4. Dennis Vineyards	M	0	500	7,500	14,000	56,000
5. Woodford Vineyards	v,h	35,385	18,000	36,000	12,000	33,000
6. Raylen Vineyards	V	n/a	n/a	n/a	11,000	10,000
7. Chatham Hill Winery	v,h	n/a	n/a	11,000	8,025	11,000
8. Moonrise Bay Winery	v,h,f	n/a	n/a	2,500	6,000	9,000
9. Waddowen Heritage Wines	A	1,478	3,771	5,000	4,791	5,706
10. Chatham Laneside	v,h,f	n/a	n/a	38,000	3,000	3,000
11. Woody Gap Vineyards	v,h	n/a	n/a	840	2,985	4,200
12. Rockhouse Vineyards	v,h	n/a	n/a	2,000	2,500	3,000
13. Hanover Park Winery	v,h	n/a	n/a	2,500	1,800	2,200
14. Maria Vineyards	v,h	2,000	2,500	2,500	1,800	2,000
15. Germanna Winery and Winery	v,h	1,000	1,000	1,000	1,000	2,000
16. Eastman Vineyard	v,h	n/a	n/a	300	900	1,200
17. Bennett Vineyards	M	5,000	10,000	8,000	900	2,400
18. StillHaze Winery	H	n/a	n/a	300	300	300
19. Riker Ridge Vineyards	V	n/a	n/a	300	328	500
20. The Terrace Winery	V	300	300	300	300	300
21. Silver Creek Winery	V	n/a	n/a	n/a	13,100	20,000
22. Thrush Meadow Winery	V	n/a	n/a	n/a	n/a	2,500
23. Rag Apple Lane	V	n/a	n/a	n/a	n/a	?
24. Hinson Farm	M	n/a	n/a	n/a	n/a	?
25. Snow Mountain Vineyards	M	n/a	n/a	n/a	n/a	?
<b>Total Gallons</b>		<b>220,036</b>	<b>256,071</b>	<b>582,348</b>	<b>538,549</b>	<b>684,276</b>

n/a = not in production  
 v = vinifera  
 h = hybrid  
 a = american  
 p = muscadine  
 f = fruit  
 (listed in order of predominance)



# Example



# Here are the Numbers

- Current Production
  - 58,000 lbs. total on 2 acres
  - No. 1 – 33,060 lbs. (57%)
  - No. 2 – 11,600 lbs. (20%)
  - Culls – 13,340 lbs. (23%)
- “Benchmark” Values
  - 58,000 lbs. total
  - No. 1 – 37,700 lbs. (65%)
  - No. 2 – 8,700 lbs. (15%)
  - Culls – 11,600 (20%)

Should Samantha settle for average?

What might be holding Samantha back?

# Production/Management Checklist

- Place to start to after benchmark assessment
- Am I/we lacking skills to enhance production?
- Does records/monitoring process need improvement?

# Production/Management Assessment

Look at the handout you received for the next one to two minutes.

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# What Did You Learn About Yourself & Your Enterprise?

- Where are your strengths?
- Where are your opportunities in marketing & products?
- Which areas do you need to educate yourself to remain competitive?

# Cost of Production

- Now that we've learned how to assess your production and capacity – let's focus on how much it costs:
  - How many of you have ever completed a cost of production budget for your enterprise?
    - Importance
    - Information needed to complete
  - How many of you believe that marketing is a legitimate cost of production?



# Cost of Production Budget

What did you learn?

What have you been leaving out of your  
cost of production budget?

What did we leave out of ours?

# Importance of Understanding How Everything Fits Together

- Can changes to enhance amount of marketable product be done cost effectively?

# Questions?

Thank You!

# Contact Information for Presenters

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  - Phone: (607) 772-8953
- Steve Hadcock
  - Email: [seh11@cornell.edu](mailto:seh11@cornell.edu)
  - Phone: (518) 828-3346 x106





## Assessing Your Identity

### Marketing Webinar for Direct Marketing Farmers

### Glossary of Terms

#### **Enterprise**

A project, undertaking, or production area within a farm business

#### **Capitalize**

Take the chance to gain advantage from. Provide (a company) with capital

#### **Direct Marketing Channel**

A distribution channel in which no intermediates are used. A manufacturer sells direct to an end-user

#### **Gleaned**

Extract (information) from various sources

#### **Continuum**

A continuous sequence in which adjacent elements are not perceptibly different from each other, although the extremes are quite distinct

#### **Sustainable**

Able to be maintained at a certain rate or level

#### **CSA**

Community Supported Agriculture. Direct-to-consumer marketing where farmers are paid in advance for the food they will produce for their CSA member customers

#### **“Buy local Movement”**

Make food purchases based on local/geographical food system

#### **“Foodies”**

Person devoted to refined sensuous enjoyment, people interested in the total food “experience”

#### **Cold-calling**

Marketing process of approaching prospective customers or clients who were not expecting an interaction (telemarketing, door-to-door)

#### **Connate**

Of the same or similar nature

**Benchmarking**

Process of comparing one's business processes and performance metrics to industry bests and what is believed to be possible given existing business resources. Typically focused on measures of quality, time, and cost

**Benchmark Analysis**

Comparing your business to the best in the industry ("benchmark"), or to personal goals

**Carcass yield**

Livestock term used to define the amount of usable meat obtained from slaughtered animal

**Bushel**

Measure of volume for dry commodities or produce

**Cull**

Produce or an animal remove specifically based on measures of inferior quality

**Fixed Costs**

Costs that do not change with an increase or decrease in the amount of goods or services provided within a defined timeframe

**Variable Costs**

Expenses that change in proportion to the activity of a business within a defined timeframe, typically one year

## Resources for Production and Management:

### Further Self-analysis:

- Understanding yourself about change
  - <http://www.agecon.purdue.edu/extension/programs/fbm21/form11.htm>
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### Commodity Information:

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- Butcher Kept Your Meat? : Factsheet on Animal Carcass Conversion
  - [http://www.uvm.edu/newfarmer/marketing/price/The\\_Butcher\\_Stole\\_My\\_Meat.pdf](http://www.uvm.edu/newfarmer/marketing/price/The_Butcher_Stole_My_Meat.pdf)

**Skills & Enterprise Assessment: Am I Ready for Direct Marketing?**

- I/We Have a written inventory of our family's and farm's physical, social, knowledge, financial and capital resources
- I/We would be willing to make changes to post-harvest handling, product packaging or transportation if it would result in a higher price
- I/We Have several years of production experience
- I/We Have an interest in extending my growing season to get product to market earlier and extend my season
- I/We Would rather focus on growing fewer items in larger quantity
- I/We Would rather focus on growing a diversity of products in smaller quantities
- i/We Know more, or less, which products I/we will grow for sale and when these will be available
- I/We Have a well-researched idea about who will buy my/our product(s) and where the transactions will take place
- I/We Know how to distinguish my/our products from the competition
- I/We have an idea of what I will need to charge to be sustainable
- I/We Know how to effectively brand my product and have started to develop labels, logo, website, brochure and/or packaging
- I/we Understand the infrastructure required for various types of market channels (direct marketing/wholesale/CSA)
- I am open to working with my customers to establish an ordering and delivery schedule that works for my client
- I respect local chefs and would welcome the opportunity to partner with them in featuring local products
- I/We Believe the "buy local movement" and "foodies" should be catered to
- I/We enjoy interacting with customers on a regular basis
- My/our farm is located in an area that could have multiple market channel customers and not be in competition with them
- I/We have a formalized bookkeeping system for tracking expenses, transaction, income, etc...
- I/We feel comfortable cold-calling potential customers regarding my/our products
- I/we are prepared to stand behind our product and make our customer happy
- I/we welcome suggestions from customers
- I/we would enjoy the opportunity to help educate staff about the benefits of my product(s)
- I/We are comfortable using various technologies, such as e-mail, social networking and other online tools
- I/We have a good understanding of various marketing methods, including guerilla, social marketing, online, etc...
- I/We currently possess a website (or other online presence) for our farm and products
- I/We currently have a mechanism to sell (or display) our products on our property (farm store, farm stand, etc...)
- I/We understand the zoning and other requirements for operating a agricultural enterprise with regards to signage
- I/We are currently operating in a business-like manner & filling a schedule "F" with our taxes for farm expenses

Blue = Marketing Skills, Phase I

Green = "Deal-breakers"

Red = Marketing Skills, Phase II

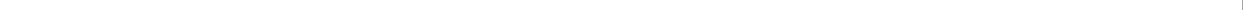
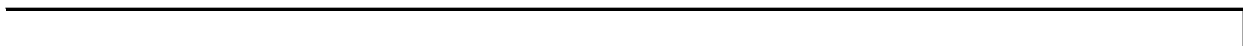
\* This Skills Assessment is based on the University of Vermont's "Are you Ready to Sell to Restaurants" checklist (v



Stronger	Strong	Weak	Weaker
es			
maintain or increase sales			
ce			
or other marketing tools			
A/etc...)			
ts and me			
with each other			
e, buildings, business, etc...			
www.uvm.edu)			

**Production/Management Checklist**

	<b>Strong</b>	<b>Weak</b>
I/we are a low-cost producer, based on monitoring cost per dollar of revenue, cost per bushel, or other similar measures.		
I/we have established a system to identify, monitor, and benchmark key production efficiency measures.		
I/We have an organized financial record keeping system for tracking expenses, transaction, income, etc...		
I/we help employees develop their skills and abilities.		
I/we recognize how everyday operating decisions affect the achievement of long-range business goals.		
I/we can clearly identify and state the source(s) of the business's competitive advantage.		
I/we have established appropriate production benchmarks for evaluating crop and livestock production.		
I/we can quickly identify problems in production performance and take corrective action.		
I/We Have a written inventory of our family's and farm's physical, social, knowledge, financial and capital resources		
I/we can identify the influence production practices has on quality and level of production.		
Closely monitor stored crop and feed inventories to be sure that quality is maintained.		
I/we observe changes occurring in the industry and develop strategies to use these changes for personal gain.		



**Cost of Production Budget (inc. marketing)**

<b>Fixed Costs</b>	<b>Unit to Measure</b>	<b>Notes</b>
Equipment (truck(s) tractor(s), implements, etc...)		Must be depreciated over life of equipment
Land	per acre (down to row feet)	Inc taxes and/or any rental payments
On-site storage	electricity costs	Depreciate cost of unit over productive life
<b>Variable Costs</b>		
Feed	per pound	
Hay	per bale	
Livestock (feeder/youngstock, etc...)	per animal	
Fuel	per gallon	
Hourly Labor	per hour (min wage +)	This will depend on benefits given to labor
Insurance (flood, product, etc...)	yearly cost	Depends on rates & coverages
Health Costs (vet, medicine, etc...)	Depends on vet's rates	
Materials		Can include: wrapping for hay, smaller equipment, etc...
Trucking	variable	
Slaughter & Processing	kill fee plus cut & wrap	Figure out per pound
Electricity	Per kilowatt hour	Do you have separate meters for the house & barns/farm buildings?

Water	Per gallon	Are you using a well? Can you separate home & farm usage?
<b>Marketing &amp; Advertising</b>		
Website (design, hosting, domain name, etc...)		Initial (start-up) & yearly costs
Ink to print brochures, biz cards & labels		on-going
Paper for brochures, biz cards & labels		
Printer or outside source		cost should be figured by the piece
Infrastructure for market channel (coolers/freezers; power source, farmers' market tent, bags/boxes for products, etc...)		Amortize over life of equipment as well as season for selling
Vending and/or membership fee		Divide by number of selling days
Transportation costs (fuel, time, wear & tear on vehicle)		Use per gallon cost for fuel/per hour rate for labor (minimum wage+)/tax rate for mileage & wear & tear
Time to recruit customers (phone, internet, etc..) (chefs, CSA, freezer trade, etc...)		Hourly rate for labor (min wage+) plus costs to use phone and/or internet
Signage (design, materials & maintenance)		Inc design time, construction materials and labor to create and maintain

\* This is not all inclusive, just to get you started thinking \*

\* This is based on the enterprise budgets  
found at the Penn State Ag Alternatives  
website



# Assessing Your Identity and Resources

## Workshop Worksheet

### Enterprise and Skills Assessment

Work down through the following table and give an honest assessment if you, or your business, tends to be stronger or weaker relative to each statement. In addition to your perception of yourself, it may be valuable to ask someone else who is very familiar with you and your business to provide their perceptions and insights into your relative strengths and weaknesses relative to each statement.

Once you have finished, review the assessment tool for valuable feedback.

- What are your strengths?
- Where are your opportunities in marketing?
- Where are your product opportunities?
- In which areas do you need to educate yourself or improve to remain competitive?
- If you have partners, do strengths of one partner help compensate for another partners weaknesses?
- Are individual's strengths being used for maximum benefit to the business?

**Skills & Enterprise Assessment: Am I Ready for Direct Marketing?**

	<b>Stronger</b>	<b>Strong</b>	<b>Weak</b>	<b>Weaker</b>	<b>Comments</b>
I/We Have a written inventory of our family's and farm's physical, social, knowledge, financial and capital resources					
I/We would be willing to make changes to post-harvest handling, product packaging or transportation if it would maintain or increase sales					
I/We Have several years of production experience					
I/We Have an interest in extending my growing season to get product to market earlier and extend my season					
I/We Would rather focus on growing fewer items in larger quantity					
I/We Would rather focus on growing a diversity of products in smaller quantities					
i/We Know more, or less, which products I/we will grow for sale and when these will be available					
I/We Have a well-researched idea about who will buy my/our product(s) and where the transactions will take place					
I/We Know how to distinguish my/our products from the competition					
I/We have an idea of what I will need to charge to be sustainable					
I/We Know how to effectively brand my product and have started to develop labels, logo, website, brochure and/or other marketing tools					
I/we Understand the infrastructure required for various types of market channels (direct marketing/wholesale/CSA/etc...)					



**Skills & Enterprise Assessment: Am I Ready for Direct Marketing?**

	Stronger	Strong	Weak	Weaker	Comments
I am open to working with my customers to establish an ordering and delivery schedule that is works for my clients and me					
I respect local chefs and would welcome the opportunity to partner with them in featuring local products					
I/We Believe the "buy local movement" and "foodies" should be catered to					
I/We enjoy interacting with customers on a regular basis					
My/our farm is located in an area that could have multiple market channel customers and not be in competition with each other					
I/We have a formalized bookkeeping system for tracking expenses, transaction, income, etc...					
I/We feel comfortable cold-calling potential customers regarding my/our products					
I/we are prepared to stand behind our product and make our customer happy					
I/we welcome suggestions from customers					
I/we would enjoy the opportunity to help educate staff about the benefits of my product(s)					
I/We are comfortable using various technologies, such as e-mail, social networking and other online tools					
I/We have a good understanding of various marketing methods, including guerilla, social marketing, online,					
I/We currently possess a website (or other online presence) for our farm and products					
I/We currently have a mechanism to sell (or display) our products on our property (farm store, farm stand, etc...)					

**Skills & Enterprise Assessment: Am I Ready for Direct Marketing?**

	<b>Stronger</b>	<b>Strong</b>	<b>Weak</b>	<b>Weaker</b>	<b>Comments</b>
I/We understand the zoning and other requirements for operating a agricultural enterprise with regards to signage, buildings, business, etc...					
I/We are currently operating in a business-like manner & filling a schedule "F" with our taxes for farm expenses					
Green = Essentials, potential "Deal-breakers"					
Blue = Marketing Skills, Phase I					
Red = Marketing Skills, Phase II					
* This Skills Assessment is based on the University of Vermont's "Are you Ready to Sell to Restaurants" checklist ( <a href="http://www.uvm.edu">www.uvm.edu</a> )					

## Assessment of Production Capacity

In terms of your business enterprise:

What production measures will you track?

What units of measure will you use?

What standards, or available data, will you use for benchmarks to compare and evaluate performance?

How and where will you collect the relevant production data from your operation?

Review the statement in the following table and indicate if you believe they represent strengths or weaknesses for your production capacity or management. Where appropriate think about the statement in terms of the individual who is responsible. Is the knowledge and skill needed to enhance production lacking or missing? Does the records monitoring process need improvement? Feedback from a third party individual may be valuable.

### Production/Management Checklist

	Stronger	Strong	Weak	Weaker	Comments
I/we are a low-cost producer, based on monitoring cost per dollar of revenue, cost per bushel, or other similar measures.					
I/we have established a system to identify, monitor, and benchmark key production efficiency measures.					
I/we have an organized financial record keeping system for tracking expenses, transaction, income, etc...					
I/we help employees develop their skills and abilities.					
I/we recognize how everyday operating decisions affect the achievement of long-range business goals.					
I/we can clearly identify and state the source(s) of our business's competitive advantage.					
I/we have established appropriate production benchmarks for evaluating crop and livestock production.					
I/we can quickly identify problems in production performance and take corrective action.					
I/we Have a written inventory of our family's and farm's physical, social, knowledge, financial and capital resources					
I/we can identify the influence production practices have on quality and level of production.					
I/we closely monitor stored crop and feed inventories to be sure that quality is maintained.					
I/we observe changes occurring in the industry and develop strategies to use these changes for personal gain.					

## Assessing Cost of Production

The contents of a cost of production budget vary depending on the crop being analyzed and the region of the country. If you do not already have one, search the internet for appropriate cost of production budgets. Identify one or two budgets that will be appropriate for your use. The most useful budgets provide more than just budget line numbers, they also provide indications and formulas for how the numbers were calculated so you can adjust the budget to better fit our business.

What is the source of the cost of production budget you will be using?

If you haven't already, take the time now to modify the cost of production budget to fit your business.

**Total Cost of Production = \_\_\_\_\_**

Calculate a breakeven cost of production for the product(s) you sell.

In addition to the cost of production you have identified, you will also need to know how much product you actually sold, or an honest estimate of how much you will actually sell. It is best to calculate a breakeven price based on the same unit of measurement you use when selling the product.

**Total Units of Product Sold = \_\_\_\_\_**

**Total Cost of Production / Total volume of Product Actually Sold = Breakeven Price**

\$ \_\_\_\_\_ / \_\_\_\_\_ = \$ \_\_\_\_\_

Most business owners want to do more than just break even. Depending on how complete and accurate your total cost of production figure is, typically a 25-30% margin is desirable.

**(Breakeven Price X .25) + Breakeven Price = Average Selling Price**

(\$ \_\_\_\_\_ X .25) + \$ \_\_\_\_\_ = \$ \_\_\_\_\_

## Assessing Your Identity

### Quiz

1. What does sustainable mean?
  - a. To maintain a specific rate or level over time
  - b. Ability to keep going in spite of the weather
  - c. The operation is certified organic
  
2. What are 2 types of direct marketing channels?

Farmers market, CSA, Farm stand, u-Pick
  
3. Which of the following are typically fixed costs: (check all that apply)
  - a. Fuel
  - b. Labor
  - c. Land
  - d. Equipment
  - e. Buildings
  
4. Which of the following is typically NOT a variable cost:
  - a. Land
  - b. Trucking
  - c. Livestock
  - d. Feed
  
5. Learning the strengths and \_\_\_\_\_ of your farm business can help you evaluate your efficiency in marketing
  - a. Weaknesses
  
6. Should a website be a part of your marketing plan?
  - a. Yes
  
7. Is interacting with customers on a regular basis considered a “must have”/“deal breaker” for direct marketing?
  - a. Yes



# Choosing & Evaluating Marketing Channels



Matt LeRoux, Marketing Specialist



Cornell University  
Cooperative Extension

**SCNYAG**  
South Central New York Agriculture Team



# Matt LeRoux



**Cooperative  
Extension**  
Tompkins County



- Marketing Specialist with CCE, Tompkins County.
- Recent Master's in Ag/Food Marketing from Cornell.
- Worked for 5 years for the New England Livestock Alliance & Heritage Breeds Conservancy.
- Started and managed 2 brands of Natural & Grass-fed beef sourced from local farms.



# Marketing 101

- Marketing is: identifying customer needs, creating products to satisfy, and delivering.
- Marketing is NOT: the craft of misleading people to get them to buy something.
- Marketing is not just advertising.
- Target market, product, place, price & promotion.
- Marketing materials are business cards, brochures, posters, websites, emails, signs and **conversations.**

# Wholesale

**Selling to a buyer who is not the end user.**

**Packer**

**Restaurant**

**Grocery/Retail**

**Distributor**

**Auction**

**Institution/Food Service**

# Direct

**Selling directly to the end user.**

**Farmers' Market**

**Freezer Trade**

**CSA/Buying Club**

**Farm Stand/Store**

**Web**

# **Things to consider when choosing marketing channels:**

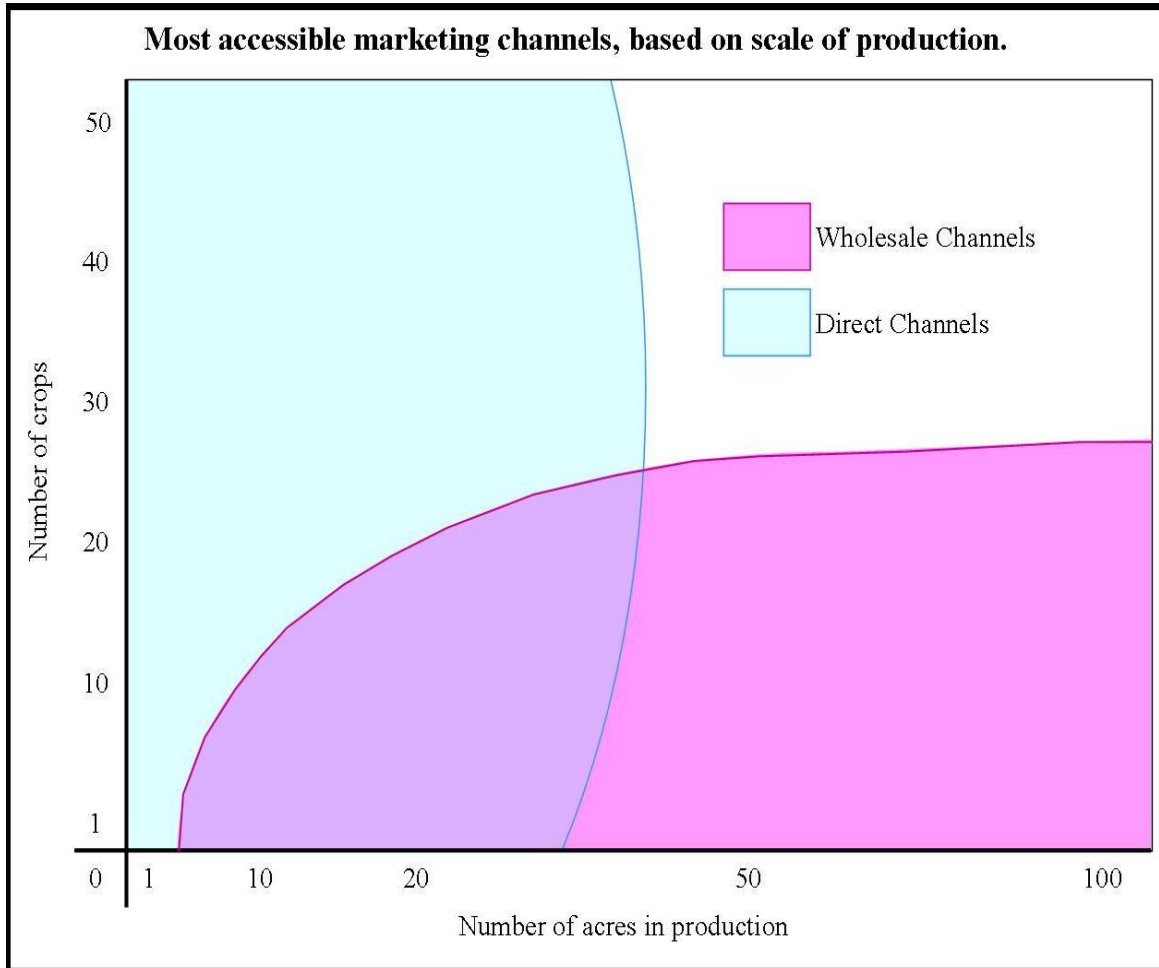
**What is your production like?**

**Location & Local Population**

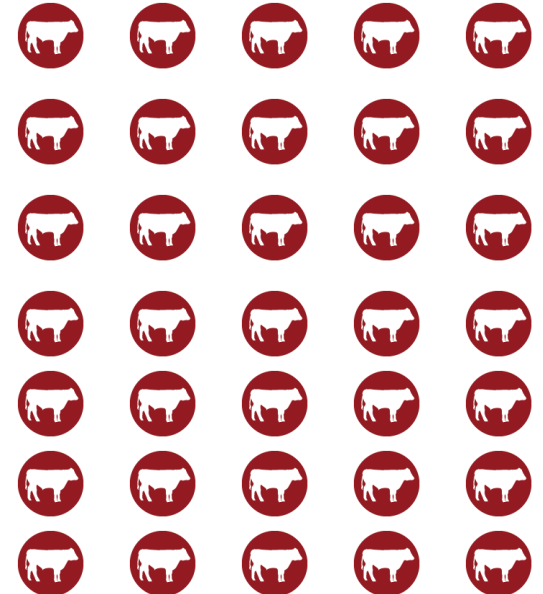
**On-farm sales: Pro's & Con's**

**What do your customers want?**

# What is your production like?



VS.



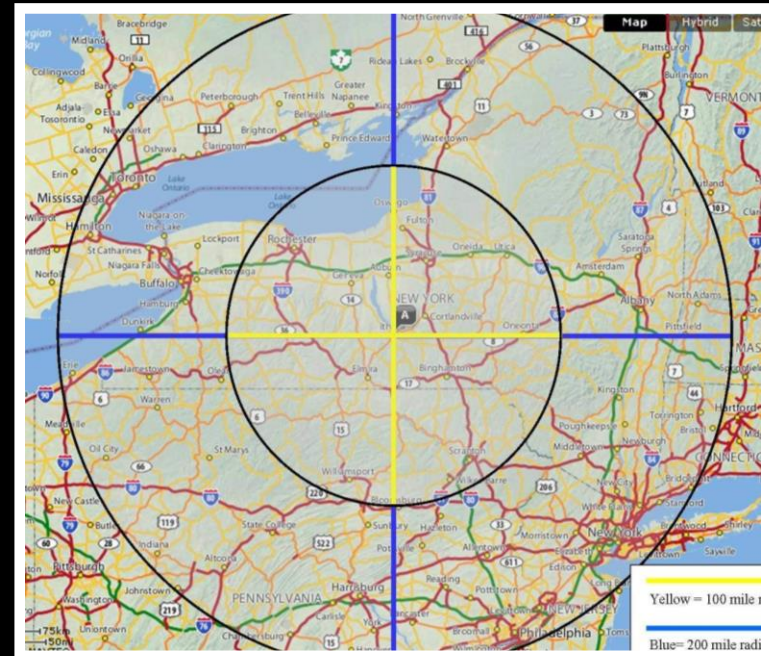
# Location & Local Population

## What kind of customers are around you?

- How many of them are there?
- What is your visibility?

**The more specialized your product, the larger a market area you may need.**

- How far are they willing to go to get it?
- How far are you willing to go to sell it?



# On-farm sales: Pro's & Con's

Farm Stand  
&  
Farm Store

## Pro

- ♦ Low pressure for crop availability, consistent supply compared to wholesale.
- ♦ No people in the fields.

U-pick

- ♦ Customers provide the harvest labor.

## Con

- ♦ Potentially high overhead costs.
- ♦ Lost crop, crop left in fields, timing of customers and crop readiness.
- ♦ Liabilities of people on the farm.
- ♦ Weather sensitive marketing.

Staffed

## Pro

- ♦ Delivers a high level of customer service.

## Con

- ♦ High labor costs.

Unstaffed

- ♦ Low-overhead
- ♦ Flexible market

- ♦ Location is critical.
- ♦ Potential theft of produce and cash.

# What do your customers want?

Try to understand your target customers in order to best serve them. Investigate beyond what they say to the root of their interest or concern.

They may ask: “Are your vegetables organic?”

Are they worried about pesticides? Fertilizers? GMO’s?

Each customer group has different:

- Motivations
- Needs
- Desires
- Buying habits



# Local food buyers: Who are they?

## Three main groups

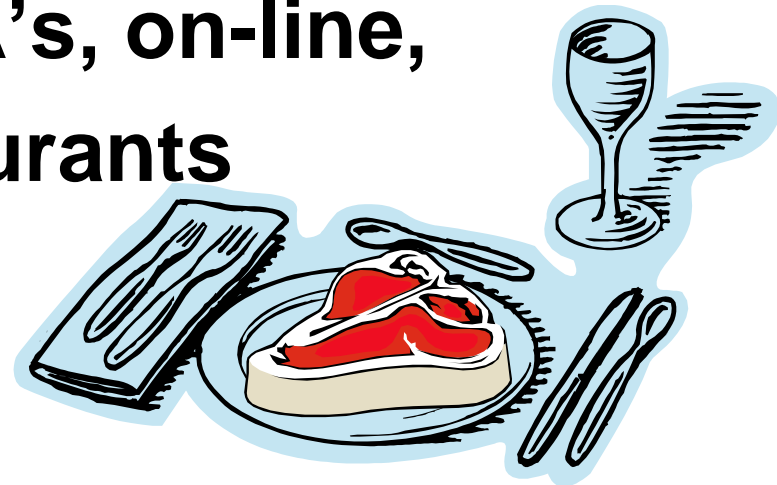
- **Foodie / Locavore Enthusiasts – experience driven**
- **Personal Health / Social Cause Motivated – cause driven**
- **Traditional buyers – price driven**
  
- **Where do ethnic buyers fit in?**
  - **Kosher / Halal – socially (religiously) motivated**
  - **Asian, Caribbean & Hispanic – traditional buyers**
  
- **They all want quality**



# How & where do they buy?

## Foodies

- **Adventurous**
- **Least price sensitive**
- **Seek authentic eating & shopping experience, story behind the source**
- **Farmers' markets, CSA's, on-line, Specialty stores, restaurants**



# How & where do they buy?

## **Socially / Health motivated**

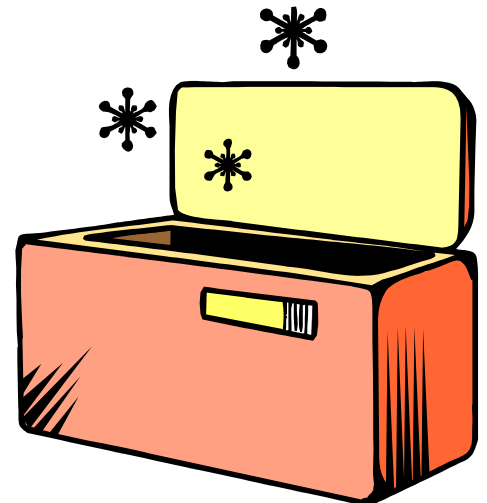
- **Vote with your dollar**
- **Moderately price sensitive**
- **Seeking local foods for food safety, environmental sustainability, personal health, humane treatment, other**
- **Want to learn how it was raised**
- **At the farm, specialty stores, farmers' markets, CSA, bulk**



# How & where do they buy?

## Traditional

- Price and value driven
- Most price sensitive
- Experienced buyers, loyal
- Cannery & freezers
- At the farm, u-pick, roadside stand, freezer beef



# Focusing your Marketing

- **Let's develop your farm's message and your basic marketing strategy**
- **WHY?**
- **Focuses your message & identity**
- **Makes your marketing labor most effective**
- **Differentiates and positions your farm**
- **Attracts your target customers**
- **Allows you to serve customers better**
- **What will the future bring?**

# Narrowing the Focus

Our farm raises *claims/product(s)* for *target customers* who *activity/demographic/behavior*.

Impacts production and marketing decisions.



# Targeted Marketing Impacts:

- Pricing
- Packaging
- Claims used
- Product selection & format
- Marketing Channel selection
- Value-added product selection
- Advertising & Promotion – format & location

## The Perfect Porcine

“Our farm raises heritage breed, pastured pork for wine connoisseurs who host gourmet dinner parties.”

## Country Joe's Natural Pork

“Our farm raises pork without antibiotics for mothers with young children who want to save money and eat well.”

\$11/lb. bacon	PRICE	\$3.50/lb. bacon
Fresh, in a display case	FORMAT & PACKAGING	Frozen in butcher paper
Spclty. Stores & farm mkts.	MARKET CHANNEL	Freezer trade & On-farm sales
By the cut, by the lb.	PRODUCTS & CUT SELECTION	½'s, family packs & by the lb.
Pâté, confit, & other charcuterie	VALUE-ADDED	Basic Sausage, smoked products
USDA-inspected	PROCESSING CHOICE	Custom or USDA
Tasting events at wine shops	PROMOTION	Flyers at family events
Website, social media, full color brochures	COMMUNICATION	Price sheet, sign by the road



# Marketing Channel

# Assessment Tool





# Opportunity is knocking...

**CSA**

**Farmers' Market**

**U-Pick**

**Restaurant**

**Grocery**

**Distributor**

**Cooperative**

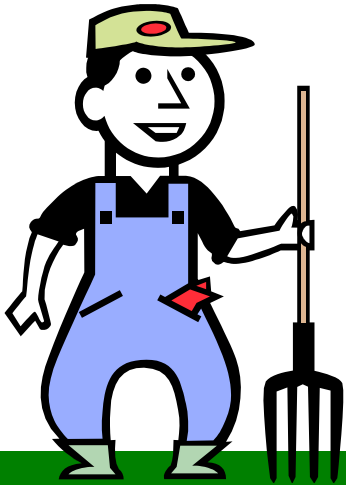
**Farm Stand**

**But, it costs \$150 per day  
to sell there.**

**...and its only 1  
hour per week...**

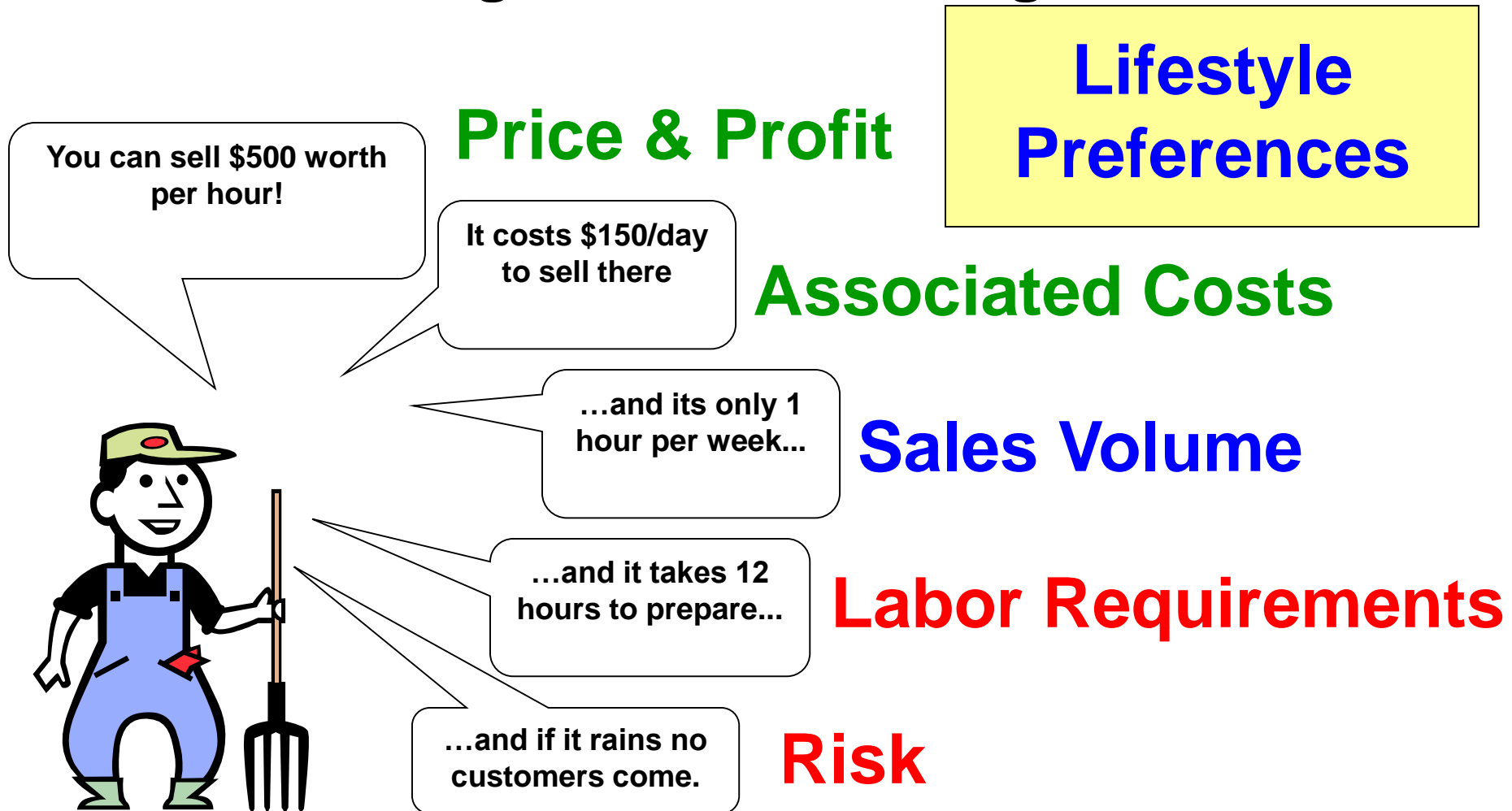
**...and it takes 12  
hours to prepare  
and drive there...**

**...and if it rains no  
customers come.**

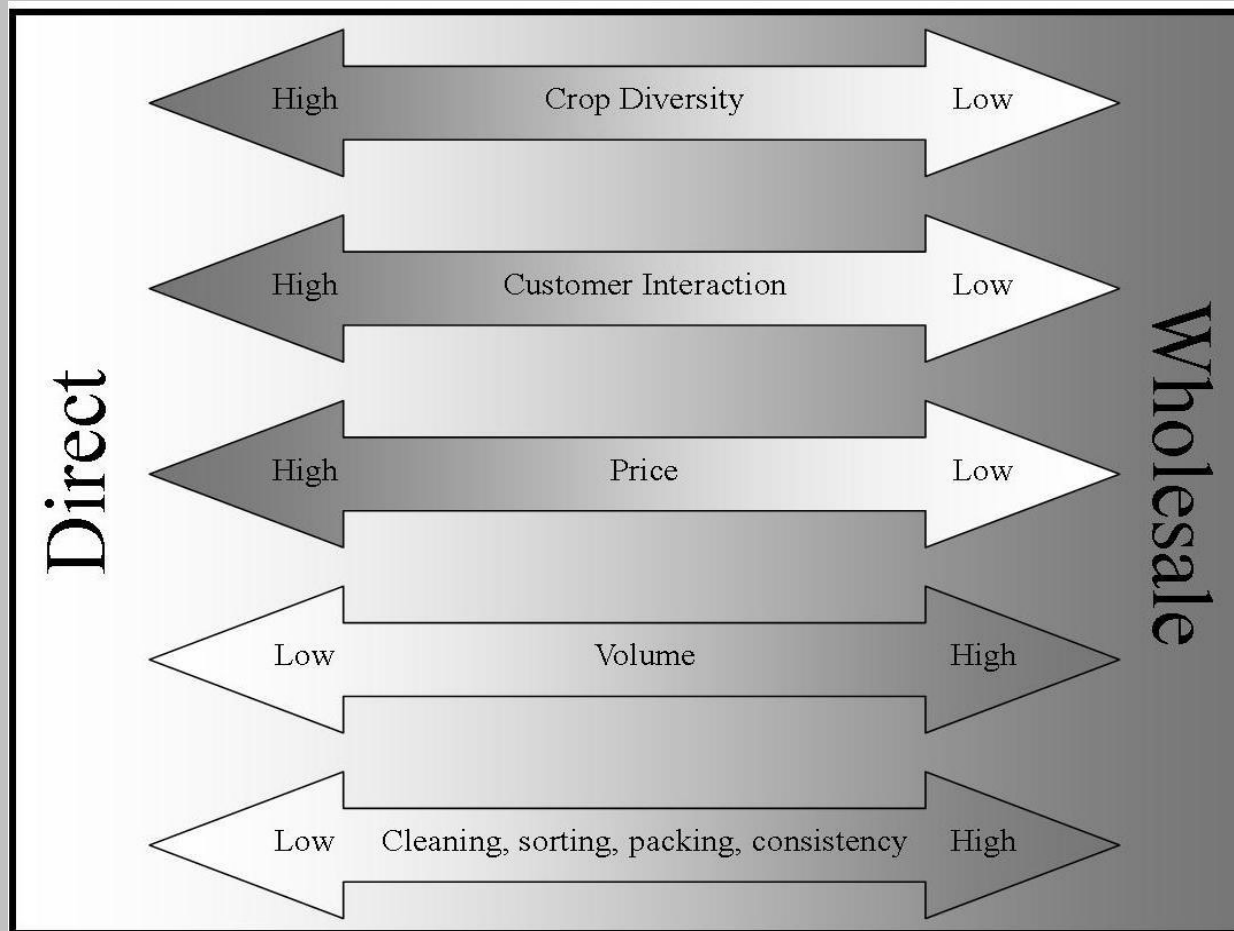


# How do you evaluate a market opportunity?

Six interacting factors impact the “performance” of a marketing channel including:



# The Moving Target



# Muddy Fingers Farm

- Diverse vegetable & fruit production
- Farmers' markets, CSA, & restaurants
- No paid labor, 6 working shares, family & friends that volunteer
- 2.5 acres in production
- Over 45 crops



# Methodology

- **Collect logs of all marketing labor (from harvest to sale) for one typical, peak season week**
- **Collect gross sales & mileage for the week**
- **Collect ranking on lifestyle & risk**
- **Collect weights for each ranked category.**

## Why labor logs?

- **Labor is the largest marketing expense**
- **Consistent unit and format across farms**
- **Operators tell hired help to complete the forms**
- **Each employee filled out their own sheets**

# Labor logs

Farm name

Name:

Joe

Date:

8/5

Time spent (to nearest 15 min):

45

Vegetable(s):

kale & chard

**Activity: Check all that apply**

Create Pick list    Harvest    Cull/grade/sort/wash    Bunch/Bag/Package/Pack orders/boxes

Load/unload truck

Travel to/from market/make deliveries

Bookkeeping/Bills

Sales calls

Sales Time/Set up/Take down

Other (please describe) \_\_\_\_\_

**Product Destination: Check all that apply** (when possible, please write name of biz)

CSA

Restaurant \_\_\_\_\_

Ithaca Farmers' Market

Other \_\_\_\_\_

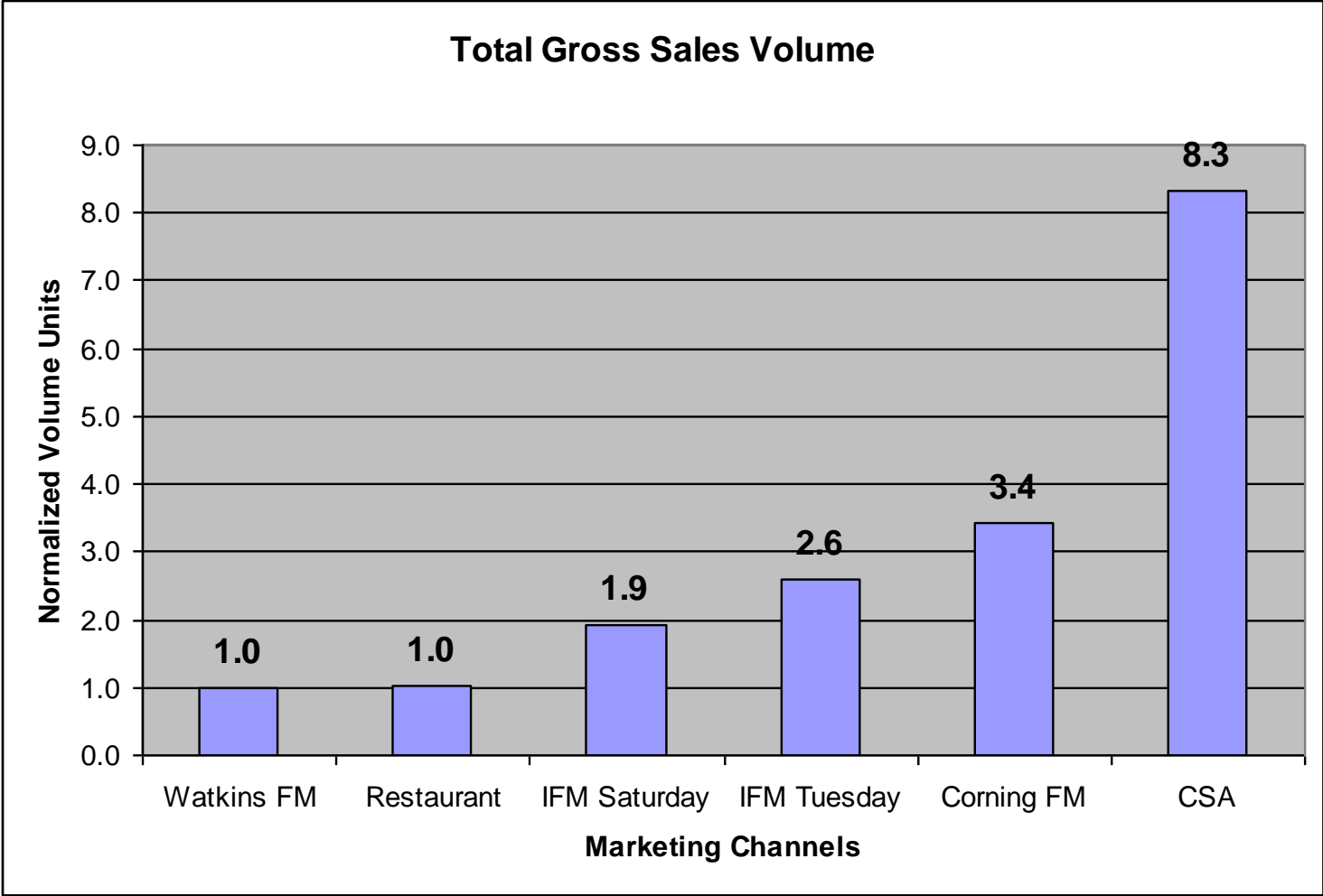
**Harvest** → **Process & Pack** → **Travel & Delivery** → **Sales time**

# Methodology

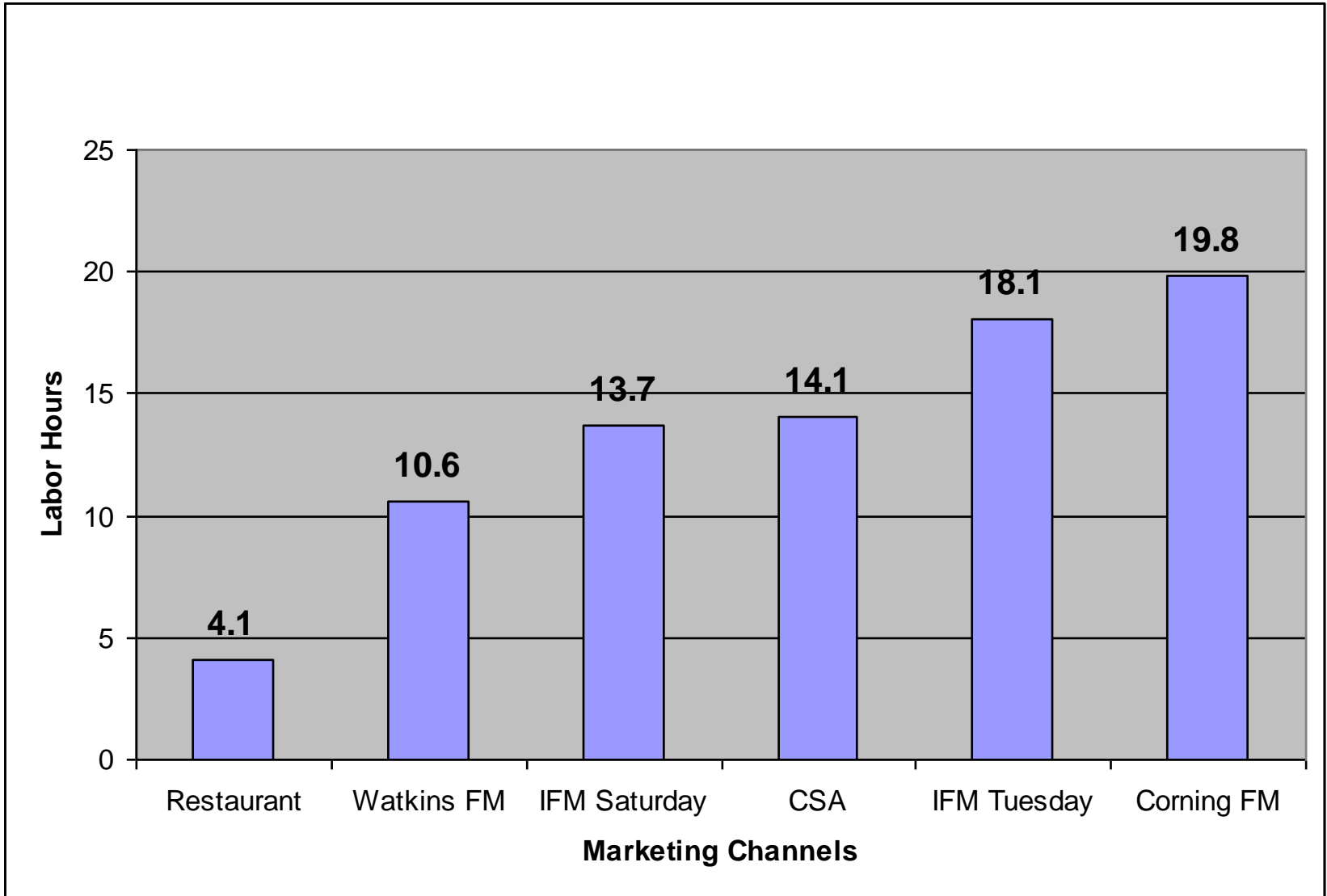
- **Use data to rank and compare channels:**
  - **Profit (gross sales – (labor + mileage cost))**
  - **Labor hours required**
  - **Sales volume**
  
- **Use farmer ranking for :**
  - **Risk perception (financial risk, lost sales, etc...)**
  - **Lifestyle preference (enjoyment, stress aversion)**



# Sales Volume by Channel

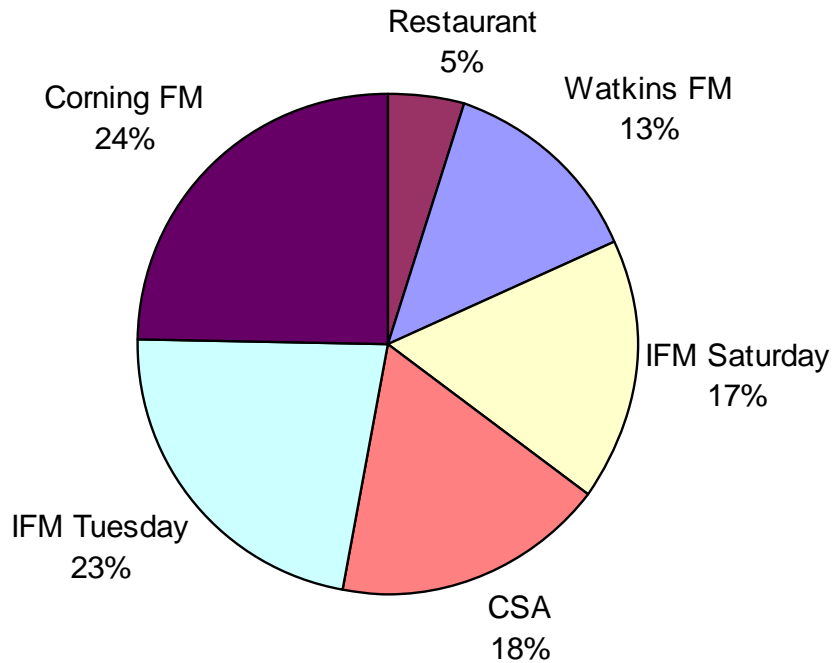


# Total Labor Hours

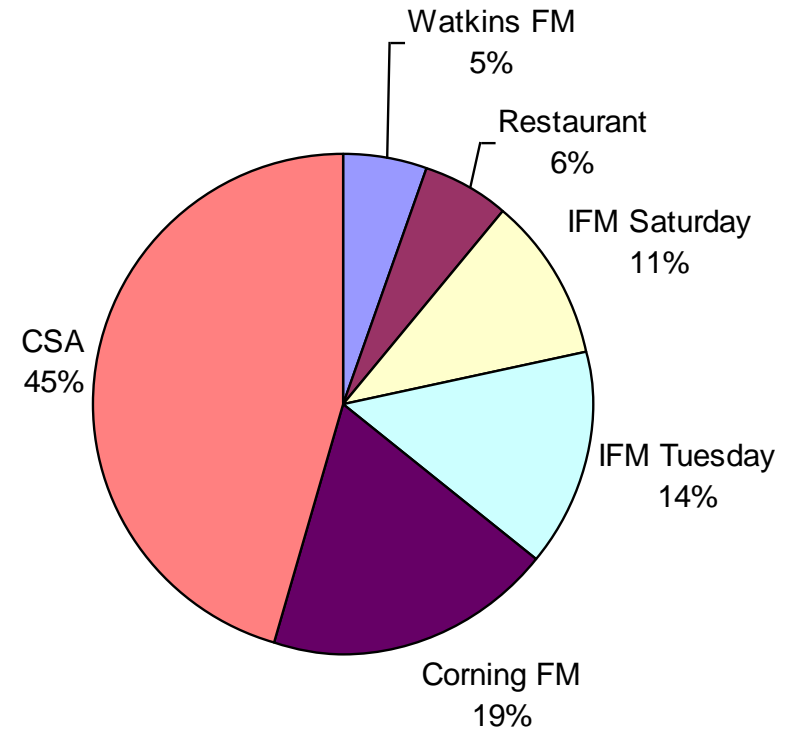


# Simple Comparison of Labor & Sales

## Total Labor Hours



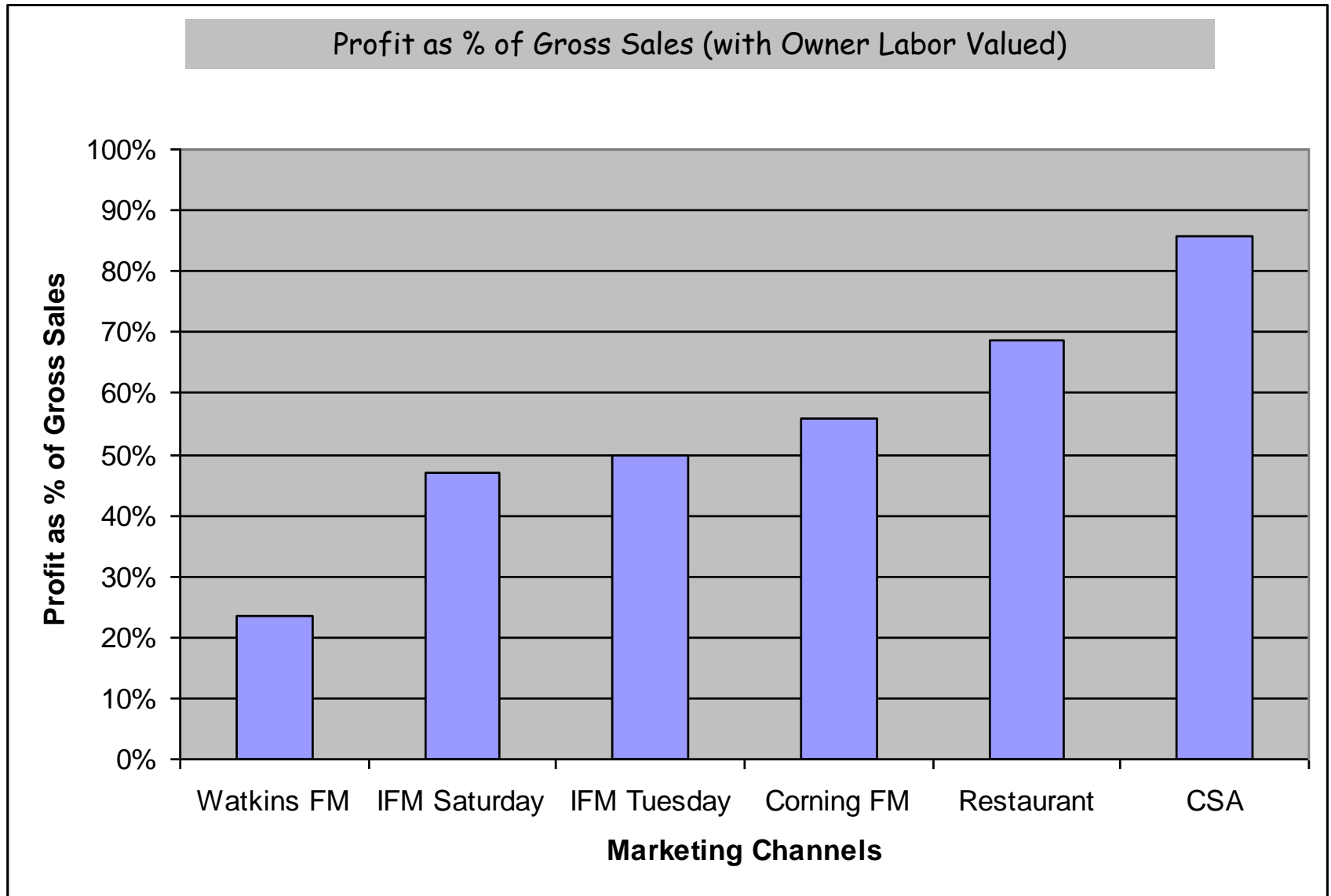
## Gross Sales



**CSA: 18% of weekly labor, 45% of weekly gross sales.**

**Watkins Glen FM: 13% of weekly labor, 5% of weekly gross sales.**

# Profit



# Risks & Preferences:

**Labor requirements**

**Price risk**

**Customer turn-out**

**Competition**

**Buyer back-out**

**Processor is booked**

**People on the farm**

**Customer interaction**

**Time in the field**

**Wash & pack**

**Displays**



# Rank & Compare Opportunities for Performance Factors

	Sales Volume	Labor Hours	Profit Margin	Financial Risk	Lifestyle	Final Scores	
	Rank	Rank	Rank	Rank	Rank	Unweighted	Weighted
IFM Tuesday	4.9	5.4	3.9	2.0	1.0	3.4	3.2
IFM Saturday	5.4	4.0	4.1	2.0	1.0	3.3	3.1
Corning FM	4.3	6.0	3.4	2.0	1.0	3.4	3.2
Watkins FM	6.0	3.1	6.0	2.0	1.0	3.6	3.5
CSA	1.0	4.2	1.0	1.0	1.0	1.6	1.6
Restaurant	6.0	1.0	2.4	2.0	1.0	2.5	2.0

**Based on 5 factors and farmer chosen weights.**

# Practical Application: Marketing Decisions

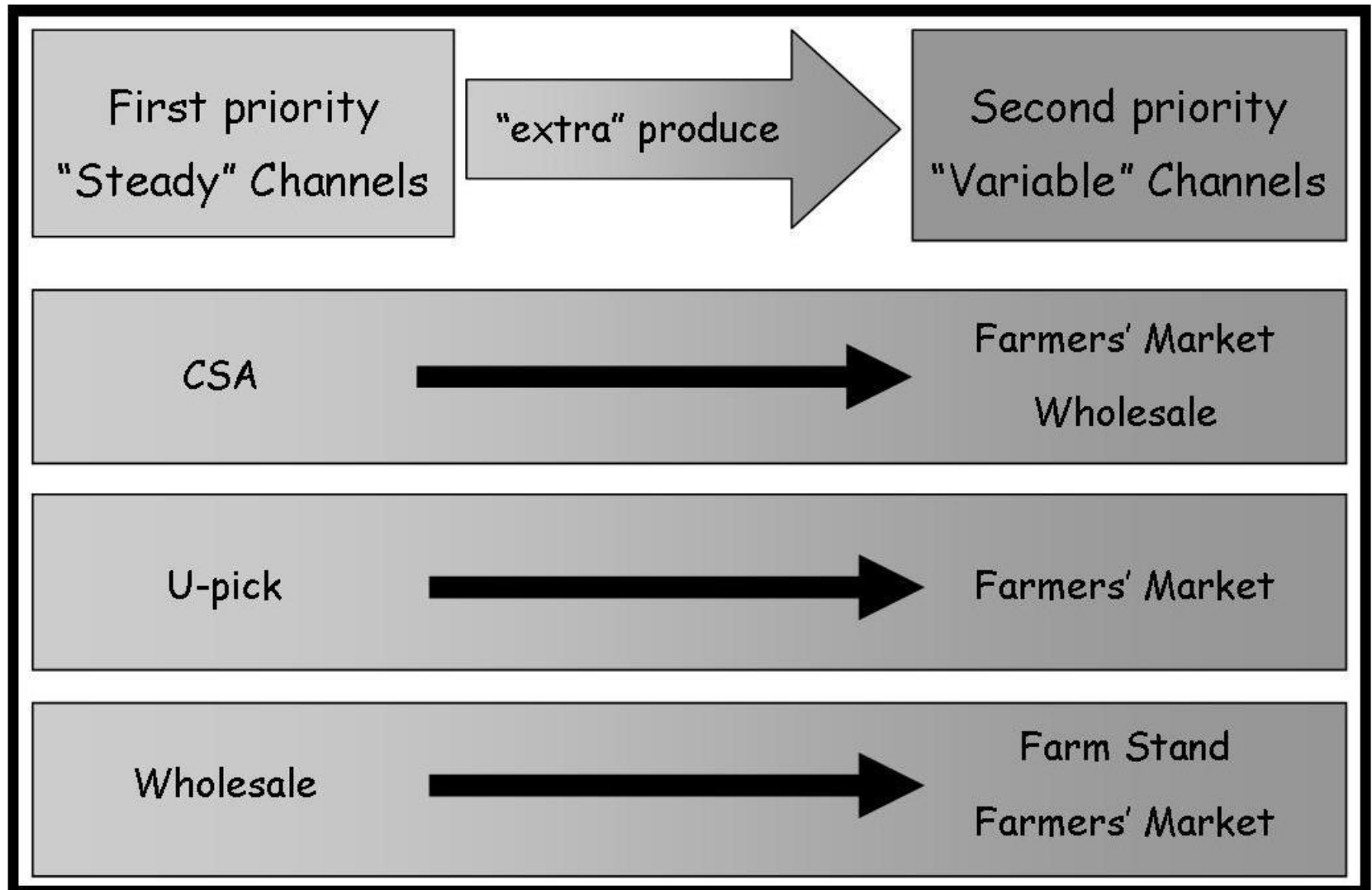
- **Considering a marketing change?  
What should it be?**
- **Reduce participation in weakest performing channel**
- **Increase participation in best performing channel**
- **Strategic channel combination to maximize sales and reduce risks**

# Practical Application: Marketing Decisions

- **Muddy Fingers Farm has been considering a marketing change. What should it be?**
- **Could drop the Watkins Glen Farmers' Market and add 12 shares**
- **Weekly gross sales remain equal**
- **8-9 hours/week less labor**



# Channel Combination with prioritized selling maximizes sales of unpredictable perishable crop yields



# Marketing Channel Assessment

- **Identify your goals and lifestyle preferences**
- **Keep marketing cost & returns records, if only for “snapshot” periods**
- **Value your own time to present an accurate picture of marketing costs**
- **Rank & compare opportunities to maximize profits**
- **Combine channels to max sales & reduce risks**

# Publications

- Smart Marketing

<http://marketingpwt.aem.cornell.edu/SmartMarketing/pdfs/SmrtMktg%20Sep2010.pdf>

- Guide to Marketing Channels

<http://ccetompkins.org/sites/all/files/factsheets/factsheet-1317.pdf>



**Guide to Marketing Channel Selection:**

**How to Sell Through Wholesale & Direct Marketing Channels**



**Cooperative  
Extension**  
Tompkins County

# Contact information:

**Matthew LeRoux**

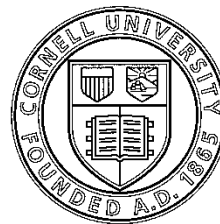
**Agricultural Marketing Specialist**

**Cornell Cooperative Extension Tompkins Co.**

**615 Willow Ave., Ithaca, NY 14850**

**607-272-2292**

**[mnl28@cornell.edu](mailto:mnl28@cornell.edu)**



**Cooperative  
Extension**  

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**Tompkins County**



## What's Out There? Exploring Marketing Channels

### Marketing Webinar for Direct Marketing Farmers

#### Glossary of Terms

#### **Marketing**

Marketing is identifying customer needs, creating products to satisfy those needs, and delivering (it is NOT meant to mislead people into buying something)

#### **Marketing Materials**

These are the materials you use to promote your business, including business cards, brochures, posters, websites, emails, signs, and conversations.

#### **Wholesale**

Wholesale is selling to a buyer who is not the end user (Packer, Restaurant, Grocery/Retail, Distributor, Auction, and Food Service). Generally larger volume buyers

#### **Direct Sales**

This is selling directly to the end user (Farmer's market, Freezer trade, CSA, Buying club, Farm stand, Web). Generally lower volume buyers

#### **Foodie/ Locavore Enthusiast Buyer**

These are consumers who are experience driven, adventurous, least price sensitive, seek authentic eating and shopping experience, shop local (farmer's markets, CSA's, specialty stores)

#### **Personal Health/ Social Cause Motivated Buyer**

These are consumers who are cause driven, moderately price sensitive, seeking local food for safety or environmental reasons, want to know how their food was grown or raised (farm, specialty stores, farmer's market, CSA)

#### **Traditional Buyers**

Traditional Buyers are consumers who are price and value driven, most price sensitive, experienced and loyal buyers, canners and freezers (u-pick, farm, roadside stand)

#### **Total Market Performance**

Total Market Performance is based on 6 factors that impact the marketing channel – price and profit, associated costs, sales and volume, labor requirements and cost, risk, lifestyle preferences



## Choosing and Evaluating Marketing Channels

### Marketing Webinar for Direct Marketing Farmers

### Session Assignment

There are many venues that you can use to sell your farm products. This exercise will help you to understand your marketing options, what is required for participation in each of those channels and how each would fit within your farm operation, as well as farm and personal goals.

1. What's the diversity and scale of production on your farm and how does that compare to the size of potential markets you could, or would like to serve? For the products you produce, does the quantity produced lend itself to Direct or Wholesale channels?

Product	Annual Production	Wholesale or Direct?	Potential Market Size

2. Location – Location – Location
  - a. What types of customers are around you? Write a generalization of your local population. Is your farm or market area visible to this population?

b. List the top three markets & communities that you plan to use. Note the size and distance to each market.

Community Name	Selling Location	Distance	Market Size

3. For the marketing channels you are considering, what are the “pro’s” and “con’s” for you and your business in terms of strengths, weaknesses, challenges, concerns, advantages and disadvantages?

Marketing Channel:	
Pro’s	Con’s

Marketing Channel:	
Pro’s	Con’s

Marketing Channel:	
Pro's	Con's

4. Identify your target consumer group(s) and to the best of your ability describe their motivations, needs, desires and buying habits.

5. Building and Focusing your MARKETING efforts:

a. What sets **you** apart and makes **you** different from other producers in the market place?  
(kno

b. wledge, skill, reputation, charm, customer service, communication skill, etc)

c. What's different about **your product(s)** compared to others? (quality, price, packaging, product mix, value added processing, production practices, variety, etc.)

d. What will **attract customers** and make them **remember you**? (product delivery, color, creative display, flash, product volume, customer service, etc.)



6. Narrowing your marketing focus: In the example statement substitute something about your farm for the words in **RED**. Play with a number of different options.

**Our farm raises/produces/grows product(s)/claims for target customers who activity/demographic/behavior.**

Our farm \_\_\_\_\_ for \_\_\_\_\_  
who \_\_\_\_\_.

Our farm...

Our farm...



## What's Out There? Exploring Marketing Channels

### Quiz

- Marketing is \_\_\_\_\_
  - Getting people to buy what you have
  - Identifying customer needs, creating products to satisfy those needs, and delivering
  - The art of getting people to do things they really don't want to do
  - The art of misleading people to buy the things you are selling
- What are the 4 P's of marketing?
  - Product, Place, Price, Promotion
  - Placement, People, Practices, Prices
  - Plans, Promotion, Promises, Products
- What is the difference between wholesale and direct selling?
  - Wholesale – selling to a buyer who is not end user. Direct – selling directly to the end user.
  - Wholesale – selling the whole item. Direct – selling through a farm stand.
  - Wholesale – selling to grocery stores. Direct – selling to buyers who want the product
- Which are examples of direct selling? (Circle all that apply)
  - Farmers market
  - Restaurant
  - CSA/ buying club
  - Freezer trade
  - Farm stand
  - Grocery store
- Which are examples of wholesale selling? (Circle all that apply)
  - Farmers market
  - Restaurant
  - CSA/ buying club
  - Grocery store
  - Hospital or School
- Between wholesale marketing channels and direct marketing channels, which tends to have smaller volume buyers?
  - Direct market channels

7. Why is location a concern when evaluating marketing options?
  - a. It's important to have a short commute to work
  - b. You need to know where your buyers are so you can sell where the buyers are
  - c. Doesn't matter, if I sell it they will come
  - d. People want to come to the farm to buy
  
8. What are the disadvantages to having a u-pick operation?
  - a. Crop loss due to customers harvest skills, liability risk, customers may not be there when crop is ready
  - b. High overhead costs, stress of producing enough to fill orders
  - c. Customers provide the harvest labor, no pressure to fill specific orders, customers get a "farm" experience
  - d. Money is received in advance creating expectations, customer demand is difficult to predict
  
9. You can better understand your target customer by learning what motivates them, including their: (check all that apply)
  - a. Needs
  - b. Personality type
  - c. Desires
  - d. Political party
  - e. Buying habits
  
10. What are 3 main groups of local food buyers?
  - a. Foodies/Locavores
  - b. Life style buyers - Buying based on personal or health preferences
  - c. Traditional buyers
  
11. What are the 6 factors that impact the total performance of a marketing channel?
  - a. Product, Place, Price, Promotion, People, Plans
  - b. Margin, net income, market size, market location, access to food hubs, crop production practices
  - c. Price & profit, associated costs, sales volume, labor costs, risk, lifestyle preferences

# Where Are We and Where Do We Want To Be

Developed by:

**Steve Holzbaur**



# **Steve's Background**

- **Spent 15 years in the transportation & logistics industry with several companies.**
- **Owned a domestic freight forwarding and 3rd party logistics business in Houston.**
- **Moved to Ithaca, NY in 1999 and worked with family farmers, primarily on marketing, distribution and logistics issues.**
- **The following are examples of distribution projects:**



# FLCB

- **A non-profit collective of chefs, farmers, and food and ag professionals**
- **2002 Distribution Pilot Project**
- **Worked with distribution partner for order aggregation and fulfillment**
- **Project results**



# Evans Farmhouse Creamery

- **An organic creamery based in Norwich, NY**
- **Products include yogurt, butter, cheese and fluid milk**
- **Co-Pack for multiple businesses including Siggi's Skyr Yogurt**
- **Facility has been utilized for the past 10 years as an aggregation point for over 30 family farm businesses**
- **Success stories and barriers**





# CNY Bounty

- **Developed operations model and ran the home delivery wholesale business for almost 4 years.**
- **Project origins**
- **Detailed description later in the presentation**



# Regional Access

- **A natural and specialty food distributor**
- **Based in Trumansburg, NY**
- **Service area is all of New York State**
- **I worked on route efficiency and business development**



- **Bon Appétit, a division of Compass Group, provides food service for Hamilton College**
- **Assisted in local food procurement for all Hamilton College dining halls**
- **Developed and implemented an aggregation and delivery system**
- **Barriers and success stories**



- **Hydroponics greenhouse based in Ithaca, NY**
- **Owned by Challenge Industries**
- **Distribution methods and customer base**
- **Expansion**
- **Barriers to growth**

# **Where are We?**

- **Marketing collectives**
- **Unique CSA concepts**
- **Home delivery businesses**
- **Innovative buying clubs**
- **Web based local food businesses**
- **Food distributors**
- **Food hubs**

# Examples

- **Foodshed Buying Club**
- **Schoharie Fresh**
- **CNY Bounty**
- **Full Plate Collective**
- **Wholesale**
- **CADE Meat Marketing Program**
- **Garden Gate Delivery**

# THE FOODSHED<sup>®</sup>

buying club

- <http://www.thefoodshedutica.com/>
- Web based ordering system
- Products include meat, dairy, produce and more.
- More than 12 farms are listed on website.
- Initial fee for customers to participate.
- Products are aggregated for customer pick up in Utica, New York.
- Business has been in operation for roughly 2 years.
- Expansion / franchise opportunities listed on website.



- <http://www.schohariefresh.com/>
- **Web based ordering system**
- **Product line consists of various items from Schoharie County food producers**
- **Products aggregated for customer pick up in Cobleskill, NY**
- **Just completed first season of operation**





# CNY Bounty

- **Web based ordering system**
- **Over 120 farmers and over 1,000 products listed**
- **Currently restructuring and not operational**
- **Started in 2007 as a home delivery food business utilizing NYS products**
- **2007-2010 delivered more than 10,000 orders. Averaged 150 orders a week in 2010**
- **In addition to home delivery also secured wholesale accounts (Colleges and restaurants) and provided freight services**



- <http://fullplatefarms.webs.com/>
- **CSA business model utilizing multiple farms to provide a very diverse product mix to their customer base**
- **Products include organic produce, fruits and meat.**
- **Home delivery and multiple pick up sites are available in the Ithaca, NY area.**
- **In addition to CSA shares some of the producers market collectively to wholesale accounts**



**Wholeshare**

- <http://www.wholeshare.com/>
- **Web based software business utilizing the infrastructure of local food distributors to create food buying clubs**
- **Software business is based in California and has multiple buying clubs established in NY**
- **Product offering would depend on the catalog of the food distributor partner.**
- **Products they presently offer in NY are from the catalog of Regional Access**



- **Meat Marketing Program**
- **Turn-key software package under development to provide meat producers a platform for sales and order fulfillment**
- **Provides meat producers a tool to reach markets they can't reach presently or move products they have difficulty selling through their present sales channels**
- **Order fulfillment mechanism to automatically calculate freight charges through small package couriers**



Fresh food at your doorstep.  
garden gate

- <http://www.gardengatedelivery.com/>
- Web based home delivery company based in Ithaca, NY
- Wide range of NYS products including meats, dairy, produce, baked goods and more
- Started operation in 2007
- Home deliveries are performed through most of Tompkins County
- Orders are placed by Sunday and deliveries occur on Tuesdays
- Garden Gate also delivers CSA shares for the Full Plate Collective

# **Common Attributes**

- **Providing a central location for product aggregation**
- **Collective Marketing**
- **Direct to consumer marketing**
- **Local food as the main focus of their business**
- **Web based platforms**
- **Distribution mechanisms**

# Potential Barriers

- **Lack of capital**
- **Scale**
- **Equipment**
- **Marketing**
- **Lack of business infrastructure**
- **Appropriate margin structure**

# How To Get Involved

- **Networking with local food producers**
- **Identify existing resources - aggregation facilities, distributors, professional services**
- **Business planning**
- **Follow up with businesses detailed here to explore joining existing groups or starting your own**
- **Identify software and technical needs**
- **Don't under estimate the accounting and bookkeeping portion of the business**
- **Generate the working capital needed to get started**
- **Marketing and Quality!!!!!!!!!!**



# **Food Distributor Roles**

- **Middlemen are not your enemy**
- **In most examples mentioned a food distributor (Regional Access, Purdy & Sons) plays an important role**
- **Freight services**
- **Cost effective access to products**
- **Access to markets you might not be able to reach**
- **Expertise in logistics**

# Food Hubs

- **USDA describes food hub's as providing some or all of the following services:**
  - **Central coordinator for supply chain logistics**
  - **Aggregator or offering services so farm products can be aggregated**
  - **Preparing or processing farm products**
  - **Sales and distribution services**
  - **Branding and certification opportunities**

# Questions and Comments

- **Contact Information:**
- **Steven Holzbaur**
- **[holzbaur@htva.net](mailto:holzbaur@htva.net)**
- **607-279-1204**



## Where Are We?

### Marketing Webinar for Direct Marketing Farmers

### Glossary of Terms

#### **Aggregation**

Aggregation is the collecting of units into a mass or whole

#### **Food Hub**

USDA describes a food hub as a provider of one or all of the following: central coordinator for supply food chain logistics, product aggregation or offering services so farm products can be aggregated, preparing, processing or packaging farm products, sales and distribution services, branding and certification opportunities.

#### **Co-packer**

A co-packer is a processor who will produce a product for someone else, using that persons' or farms' recipe and processing instructions and package the product under that individual's label. They typically provide little of no marketing assistance.



## Where Are We? Where Do We Want to Be Marketing Webinar for Direct Marketing Farmers Session Assignment

This session focused on a variety of options, organizations, systems and mechanisms that can be very useful in establishing some of your direct farm marketing channels. Some of these organizations and options are local in scope and may not be available to you in your business, the concepts however are still useful, and similar options may exist in your area. An internet search can be a powerful tool to help you discover viable ideas and options.

Here are some word suggestions to consider for your internet search. Try different combinations, and use you own words, including your city, state or region to localize the search.

- |             |            |               |                |
|-------------|------------|---------------|----------------|
| • Farm      | • Food     | • Small scale | • Distribution |
| • Home      | • Club     | • Hub         | • Direct       |
| • Marketing | • Buying   | • Delivery    | • Internet     |
| • Web       | • CSA      | • Collective  | • Cooperative  |
| • Broker    | • Marketer | • Aggregation | • Logistics    |
| • Consumer  | • Local    | • Sales       | • Produce      |

1. Evaluate the internet sites and resources that come back from your searches. Given your specific products, desires, and situation note those that may be useful to you.

Useful web sites and resources:

2. It is likely that none of the web sites or resources will be a perfect fit with your farm business and situation. Which resources contain ideas that could be useful? Briefly describe those ideas or resources and note how you might adapt them to your situation.

Useful ideas and adaptations:

## Where Are We?

### Quiz

1. In order to qualify as a food hub: (Circle all that apply)
  - a. The entity must involve at least 50 farms.
  - b. The entity may provide food supply central coordination.
  - c. There must be a physical location.
  - d. The entity typically aggregates food or provides aggregation services.
  - e. The entity may provide processing services for farm products.
  - f. The entity may provide sales and distribution services.
  - g. The entity may provide branding and certification opportunities.
  
2. A co-packer will use \_\_\_\_\_ to make a product.
  - a. Their own proven recipe and standards
  - b. The recipe and standards provided to them
  - c. The recipe and standards of a third party certifying organization
  - d. Only family recipes from Grandmothers
  
3. When an order arrives to a central point and is divided up and repackaged into individual orders for members is an example of a \_\_\_\_\_
  - a. Buying club
  
4. The greatest potential barrier for success of food hubs is
  - a. Lack of capital
  - b. Lack of farmer interest
  - c. Poor food quality
  - d. Insufficient consumer demand