

**2013 NE SARE Sustainable Community Grants  
COVER SHEET**

Project Title Pocahontas County Marketing Coordination and Cooperative Development

Proposal Number CG13-032

Project Leader Jill Young

Affiliation Greenbrier Valley Economic Development Corp

Address PO Box 33  
Industrial Park Road  
Maxwelton, West Virginia 24957

Telephone 304-661-4951

E-mail address jillgraceyoung@yahoo.com

SARE Request \$14,575

Project Duration Mar 21, 2013 - Nov 30, 2013  
(Start/End Date)

How did you hear about our WVU Extension agent  
NE SARE Sustainable  
Community Grants

Topic  Enterprise Development  Finance  Labor  
 Land Use  Marketing  Other  
 Value-added  Water Use

---

### **Project Summary**

After conducting market research and interviews of local producers and buyers, we determined there was potential to link up pieces of the local food chain by providing a consistent delivery schedule. This would benefit the farmers by increasing their access to more outlets and cooperating with other growers for shared distribution infrastructure. The buyers would also benefit by having better access to top of the line locally grown produce with a simple way to order from multiple producers. A part-time market coordinator position was created to define market opportunities, encourage production, establish a distribution structure, increase farmer profits, minimize farmer risk and work toward the long term objective of creating a sustainable system of local food production, distribution and consumption. In 2012 Joe Heathcock accepted the market coordinator position and successfully operated a weekly delivery route on Thursdays from May-November. The regular schedule demonstrated to producers that consistent demand could be tapped into by cooperating to scale up capacity and sharing delivery infrastructure. To build upon this years work, the next step will be to formalize the business structure and increase organizational capacity. As the project enters the second year, the keys to success will be to Implement and formalize cooperative infrastructure (WV Code 19-4- Agricultural Marketing and Distribution Cooperative); Develop solid business structure by gaining commitments from buyers and other collaborators; Obtain Marketing Agreements from producers; Implement Electronic inventory and sales capacity; Encourage a production scale-up and increase sales ; Encourage prospective producers.

## 2013 NE SARE Sustainable Community Grants IDENTIFICATION AND SIGNOFF PAGE

### **Collaborators**

1. Greg Hamons, WVU Extension: 900 E 10th Avenue, Marlinton, WV 24954
  2. David Fleming, President, Pocahontas County Commission: 900 E 10th Avenue, Marlinton, WV 24954
  3. Dawn Baldwin Barrett, Brightside Acres, LLC: PO Box 238, Bartow, WV 24920
  4. Mary Willis, Elk River Restaurant: HWY 219, <http://elkriverinnandrestaurant.com/restaurant.htm>, Slatyfork, WV 26291
- 
- 

**Institutional sign-off.** We require evidence that your project has been approved by the institutional official in charge of grants and contracts. If you are affiliated with a nonprofit organization, the signature of the authorized official of your governing board is required.

Signature:	<hr/>	Date:	<hr/>
Authorized individual:	David Fleming	Title:	<hr/>
Institution:	<hr/>		
Address:	<hr/>		
Telephone:	<hr/>		
E-mail address:	<hr/>		

Greenbrier Valley Economic Development Corp  
900 10th Ave , Marlinton, West Virginia 24954  
304-799-3977  
fleming42@gmail.com

---

**Assurance.** By submitting this application, I affirm that I will manage the grant in accordance with the content of this application, that I will comply with reporting guidelines from SARE, and that I am eligible to apply under the definitions specified in the 'Who can apply' section of the NE SARE Sustainable Community Grants instruction document.

Project leader signature:	<hr/>	Date:	<hr/>
------------------------------	-------	-------	-------

---

**Project Title:**

Pocahontas County Marketing Coordination and Cooperative Development

**SARE request:** \$14,575

**Project Summary**

After conducting market research and interviews of local producers and buyers, we determined there was potential to link up pieces of the local food chain by providing a consistent delivery schedule. This would benefit the farmers by increasing their access to more outlets and cooperating with other growers for shared distribution infrastructure. The buyers would also benefit by having better access to top of the line locally grown produce with a simple way to order from multiple producers.

A part-time market coordinator position was created to define market opportunities, encourage production, establish a distribution structure, increase farmer profits, minimize farmer risk and work toward the long term objective of creating a sustainable system of local food production, distribution and consumption.

In 2012 Joe Heathcock accepted the market coordinator position and successfully operated a weekly delivery route on Thursdays from May-November. The regular schedule demonstrated to producers that consistent demand could be tapped into by cooperating to scale up capacity and sharing delivery infrastructure. To build upon this years work, the next step will be to formalize the business structure and increase organizational capacity.

As the project enters the second year, the keys to success will be to

Implement and formalize cooperative infrastructure (WV Code 19-4- Agricultural Marketing and Distribution Cooperative);

Develop solid business structure by gaining commitments from buyers and other collaborators;

Obtain Marketing Agreements from producers;

Implement Electronic inventory and sales capacity;

Encourage a production scale-up and increase sales ;

Encourage prospective producers.

What is the problem and why is it important?

Farms in Pocahontas County, West Virginia, and the farmers who run them, are central to the history, culture, and community of Pocahontas County and essential for its long-term food security. The region has the capacity to support more production and sales of local produce, but the opportunity is not currently being tapped due to a need for coordination among farmers and purchasers. Local farmers want to connect with sellers to increase profits and make their farms more sustainable, but they already have demanding jobs with little time for or experience in coordinating. Buyers, such as restaurants, have solid and growing customer bases and want to purchase a greater percentage of local food inputs but need farmers to produce and sell more in a way that fits with their current purchasing schedules. We propose a marketing coordinator to link the two.

Pocahontas is the largest county in West Virginia with the smallest population. Estimated population in 2008 was 8,472 people to 121,878 acres of land. Nearly all of the earliest European settlers grew food alongside hunting and cottage industries, and some farms in operation today are sites where families have been growing food for hundreds of years. Today the farms are in danger of dying out due to loss of markets and decreases in profitability. Supermarkets like Wal-Mart and Kroger purchasing from large-scale agribusinesses have moved in and taken over food sales, decreasing farmers' profits. In the 1920s, U.S. farmers earned 41% on every consumer food dollar, but by 1990 their profit declined to 9%. Young people go into occupations other than agriculture, or move out of the region, leaving fewer farms and less people to operate them. As of 2007 in Pocahontas County, the average age of farmers was 58 years, with only 390 farms.

Farmers want to grow and sell more products to sustain their farms but need help developing markets. Despite the ability to produce more food, many farmers believe marketing and distribution is too complicated a process. Steve Saffel is a farmer and longtime resident who produces maple syrup, eggs, honey, produce, and aged artisan cheese. He would be happy to sell more eggs if he could find buyers, but after getting stuck with too much excess last year due to ordering changes and delivery/pick-up challenges, he started having to sell off his chickens. Dawn Barrett Baldwin, another producer, told Joe, "I could grow three times as many potatoes, but I don't have anywhere to store them and I don't think that I could sell them fast enough."

How will your project address the issue?

A network of small farms is the best solution to this problem, given the particulars of our local geography and marketplace. Pocahontas County farmers are excited to increase production, and restaurants strive to cook with fresh local ingredients. This project will ease the coordination between farmers and buyers by supporting marketing position. Farmers will be able to expand their production without worrying about marketing, and restaurants will have access to a variety of local items with one phone call a week followed by a delivery.

This project will assist with:

Implementation of production planning, targeting high profit crops;

Coordination of weekly delivery route May-November 2013;

Developing bylaws to govern new marketing and distribution cooperative;

Implementing marketing agreements, buyer commitments and identifying collaborators;

Coordinating with Pocahontas County school district for Farm to School opportunities;

Encourage diversification from meat centric regional farm production, such as tree crops, grapes, berries, grain and annual vegetables;

Support prospective farmers in gaining experience and expertise;

Foster regional connections and mutual outreach with organizations such as:

Allegheny Highlands Agriculture Center      Meat Processing

Monroe Farm Market      Direct to consumer distribution

Greenbrier Valley Local Foods Initiative      Multiple Projects

Ohio Cooperative Development Center      Cooperative Development

West Virginia University Cooperative Extension Service

Restaurants and local institutions offer a solid, expanding market to farmers that farmers can't tap into simply by selling to family and neighbors. Pocahontas County has less than 9,000 permanent residents, but according to the Convention and Visitors' Bureau, the county has over 1,000,000 visitors each year. Snowshoe Ski Resort at the northern end of the county is the largest employer. It has over 2200 housing units on site and is surrounded by a number of recreational developments with housing and restaurants. The Gesundheit! Institute hosts students and seasonal workers who have demonstrated consistent demand for local produce, beyond what is currently available.

The project addresses the issue by building a community based, rather than a commodity based food system.

What will your methods be?

March 2013

Complete and adopt governing bylaws for marketing and distribution cooperative, following submission of Articles of Incorporation with the state of West Virginia (Draft completed for review, will file by Dec. 31, 2012). This process will be facilitated by the market coordinator, but will ultimately reflect the participation and concerns of the farmers. Production planning and seasonal coordination will take place among producers. Members of the board of directors will be elected among eligible members.

Marketing agreements will be drafted and adopted between the Cooperative and members.

Joe Heathcock will advertise for and identify potential participants among established local farms and assess ways to adjust production to a more locally grown-locally consumed model. Currently 89% of farming effort in the region goes toward the feeding and care of animals,<sup>#</sup> and no meat processing facility exists within the county. Thus, farmers necessarily receive a smaller portion of the final consumer's food dollar because they don't have the means to process and package their product. Growing products that can be fully utilized locally allows greater profits to remain within our region.

For those who do have livestock based operations, the market coordinator can assist in taking advantage of the newly operational meat processing facility just over the border in Virginia. By coordinating slaughter dates and sharing storage and distribution infrastructure, local farmers could capture a greater portion of the profits from their work.

It is also crucial to identify potential participants among beginning, or new farmers by providing information and contacts in order to encourage the viability of local food production and profitable crops.

Survey will be conducted among current and potential buyers in order to identify target areas of growth.

Joe will seek expert advice to help educate members about Cooperative financing and operations, including a technical review of the bylaws by Wake Forest Community Law and Business Clinic, which recently provided the same service for the Monroe Farm Market, and an accountant experienced with cooperatives.

Funds will be acquired among producers and other collaborators.

April 2013

Joe Heathcock will visit member producers to assess progress via production planning and visit with potential members. A survey will be used to assess producers needs.

Joe will coordinate with the school district to maximize the local produce served in schools, including the Fresh Fruits and Vegetables Program (a snack, which we have sourced locally in 2011 and 2012) and the regular school breakfast and lunch programs.

To date, no locally produced meat has been served in the Pocahontas County public schools. The Food Service Director and Board of Education members have cited price constraints as the reason they are unable to serve locally grown meat. The cooperative will establish a fund that can be used to offset the difference between the school district's cost limitations and the market price of local meat.

The market coordinator will attend the WVU Small Farms Conference in Morgantown to learn about various model projects and take stock of what resources are available.

A web based inventory and ordering system will be launched, most likely to be hosted by [www.localfoodmarketplace.com](http://www.localfoodmarketplace.com). Joe will assess participants abilities with regards to computer literacy. Not all of the farmers have internet access, so the market coordinator will assist developing an online inventory of those producers. Some have limited skills and a basic training session will be conducted to teach those who have access but need help learning the system.

This will create the capacity to keep orders and invoices easily organized. When dealing with 8-15 farms who are selling to 5 large buyers and many small buyers, the web based system will make sure that transaction costs are reasonable and data can be easily organized and analyzed.

May-November 2013

Joe Heathcock will verify and update the available inventory every Monday, and check with farmers to see if

anything is additionally available (if something came in early, was more than they predicted, etc). Orders will then be picked up from farmer's houses or set locations if they live too far off of the main road in Pocahontas County, US Hwy 219. All produce will be sorted into coolers labeled for each restaurant. Then all produce will be delivered to the restaurants where restaurants will receive a bill and pay it at the time of delivery.

Late November 2013

A catered dinner will be hosted to bring restaurant owners, co-op purchasers, and farmers together to celebrate the connections made. At this time the market coordinator will help facilitate conversations on what went well, what restaurants would like to see more of, and what didn't work and would need to be changed for the next growing season.

Purchasers will fill out a survey questioning them on their needs for the next growing season and report on the increase of their local purchases for the year. Producers will also fill out a survey on what they would like more help with or what they would like to be producing more of and report on their sales. Producers will also be asked to list what crops they would like to continue to producing, add on, and how much of each they want to grow as a way to begin planning for the next year.

Joe will compile the project data and complete a final report of strengths, weaknesses, and opportunities moving forward.

How will you measure results?

Weekly sales and purchase records will be kept throughout the growing season, demonstrating total sales. Joe Heathcock will be taking weekly delivery orders with farmers and restaurants and will question participants throughout the season on how things are going. These recorded comments paired with raw numbers will give a well-rounded interpretation of the growing records.

At the November dinner every farmer will receive a record of their weekly sales and be asked to compare to the 2012 season as a way to see if production had increased with marketing assistance. Restaurants will also receive a record of their weekly purchases and be asked to compare to their 2012 local purchases. These results will help to assess the impacts of the marketing position.

A follow up survey will also be distributed to measure the interest for next year. If an increase in demand and production is reported this will also be a measurable result of the impacts of the marketing position and assist in the expansion of the local marketing for next year.

The number of producers members of the marketing and distribution cooperative will be another benchmark to assess the project.

How will the results make your community more sustainable?

A successful marketing position will immediately impact the local economy, increasing market share for locally grown products, and accruing more dollars locally. If Greenbrier Valley residents purchased just 15% of their food from locally grown sources, it would generate an additional \$12 million dollars of income from farms in the region#.

The project will:

Create a stronger linkage with the traditional development interests in the county.

Increase the visibility and support among local consumers.

Increase farm income and producer capacity to address local markets.

Build the capacity of the community food system to include other foods and produce.

Provide demographics and a business planning for additional capacity-building economic development funding for the continuing project.

Increase sales within the network of local food producers and buyers.

The marketing position was created to answer immediate problems in expansion for producers. Although farmers and those interested in local foods have decided to begin with mainly produce, both producers and buyers hope to tap into other markets in the future. Many farmers love to raise animals and free-range meats are in high demand. Currently there are issues with storage of surplus meat supplies. In the future with secured markets, a group of suppliers, and storage capability meat markets may be tapped into. The marketer will be able to operate out of a distribution center with coolers and freezer space where farmers can take their produce and meat.

How will you package and disseminate your results?

Immediate results on total purchases and amounts grown and sold will be reported locally at the November dinner to give all involved a sense of the community impact the project is having as a whole.

The marketer will then write a follow-up report on the successes, failures and challenges of the second year marketing developments from the information collected at the November dinner paired with the sales records. This report will be compared to the 2012 final report to assess the increase in sales, investments, and membership.

The market coordinator will attend annual meetings for area farmers' markets, helping recruit members and customers.

The report will be shared at a local level with interested parties in the Greenbrier Valley region, highlighted in an article in local publications such as the Pocahontas Times and Mountain Messenger, and shared at a state level through Savanna Lyons, Program Manager of WV Food and Farm Coalition with the West Virginia Development Hub.

If possible, the project will be presented at the WVU Small Farms Conference.

Who is the project leader? Who are the collaborators?

#### Project Leader

Jill Young , Coordinator, Greenbrier Valley Local Foods Initiative, a program sponsored by the Greenbrier Valley Economic Development Corporation (GVEDC). A producer, a Board Member of Monroe Farm Market Cooperative, and an avid foodie, Jill works to nurture community programs, facilitate outreach and educational programs to enhance economic opportunities for farmers and farming families in the Greenbrier Valley.

#### Lead Organization

The Pocahontas County Commission has a long history of supporting agriculture and economic development activities in the county and significant grant administration capacity. Examples include: Funding for Pocahontas Producers livestock auction facility through its development authority to help maintain and operate the facility. Creation of a Farmland Protection Program. Acted as fiscal agent and sponsor for funding to construct a meat processing facility at the local high school, which provides training to FFA and 4-H students still today.

#### Local Food Market Coordinator

Joe Heathcock received a B.A. from WVU in Philosophy in 2010. He served as the Market Coordinator in 2012, operating a weekly delivery route that sold \$10,000 of fresh farm produce, eggs and honey from May-November. He is a lifelong gardener and well versed in local production methods, capacity and potential.

The market coordinator position has already impacted producers' behavior in 2012, successfully demonstrating that a multiple outlets are ready to purchase larger orders, and that producers can benefit by sharing marking and distribution infrastructure.

Although the 2012 demonstrated a proof of concept year, structural change is a slow process, especially in our rural area. The market coordinator is necessary to maintain the cohesion of the group and encourage the long term changes that will make the local food system fully sustainable.

Collaborators:

Seven producers who were a part of the 2012 project have already signed applications for membership in the yet to be formed cooperative. This agreement speaks to the success of the project so far and the long term commitment to its future success. Those seven collaborators are; Dawn Baldwin Barrett , Michael Buttril, Clark Buzzard, Daniel Lewis, Timothy Peregoy,Tolly Peuleche and Steve Saffel. A copy of the agreement is attached.

David Fleming is a County Commissioner, working in partnership with the other commissions to develop innovative opportunities.

Lisa Dennison is the Food Service Director for Pocahontas County Schools. She is trying to coordinate purchasing orders with the capacity of local farmers, and encourage more production specifically for the school system.

Greg Hamons is the local WVU Extension agent and believes in the sustainability of farms in Pocahontas County.

Blair Campbell owns and runs the Pretty Penny Cafe in Hillsboro. Blair believes in local food and has been demanding it from farmers for years.

Mary Willis owns and runs Elk River, an upscale restaurant in the Snowshoe area of Pocahontas County, and the Fiddlehead a casual dining restaurant. She has interest in buying locally, but is challenged by the amount of time it takes. She expressed a strong need for someone to take over the ordering issues and help ease things for the restaurant.

Budget justification and narrative

Personnel: Joe Heathcock, Project Consultant, \$20/hr for 35 weeks at 16 hrs/ week. \$11,200

Travel: 27 round trips to cooperating farms and buyers at 50 cents/mile, plus some farmer's mileage paid to meet marketer in route: 250 miles/week, for 27 weeks, \$3,375

The GVEDC and other collaborators will provide needed clerical and office support, supplies and other project needs.

The above budget will benefit farmers directly through organizational development, marketing and transportation support.

**Budget**

Category	Line Item Description	Amount
Personnel	Joe Heathcock, Local Foods Market Coordinator	\$11,200
Materials and Supplies	None	\$0
Travel	Mileage	\$3,375
Printing and Publications	None	\$0
Other Direct Costs	None	\$0
Indirect Costs	None	\$0
<b>Total Request</b>		<b>\$14,575</b>

