Final Report

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Ethnic markets and sustainable agriculture: A model for linking Northeast farms and urban communities

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Summary

The goal of this project was to help support the viability and sustainability of northeastern farms and to help urban ethnic food buyers gain access to high quality, fresh agricultural products from the northeast region by linking them through mutually beneficial marketing relationships. In the first phase of this two-year effort, project partners set out to test and demonstrate a methodology for identifying and characterizing ethnic marketing opportunities drawing on the interest, expertise and involvement of community stakeholders.

A first step was to develop a Participatory Action Research (PAR) committee made up of project partners and community stakeholders representing various sectors. Members of this broad-based PAR committee were involved in learning about the goals and methods of participatory action research, refining the research goals of the project, narrowing the geographic scope of research to a manageable size, reviewing and commenting on research instruments for both market-based and producer-based research, identifying key market contacts, and serving as community liaisons throughout the interview process.

In year two, the PAR committee participated in analyzing the qualitative and quantitative market data collected, identifying farmers to interview, discussing and selecting pilot projects and analyzing the results of producer research and pilot projects. Altogether, the project partners conducted 44 market interviews: 20 with retail operations, 10 with restaurateurs, 11 with suppliers and three with processors. A total of 149 farmers (mostly vegetable growers, some fruit

growers, and some goat and lamb producers) were involved in the producer research interview process.

Objectives

Test and demonstrate a methodology, based on the principles of participatory action research, for identifying and characterizing specific marketing opportunities in urban communities that have the potential to enhance the profitability of farms in the Northeast.

Implement two or three pilot marketing projects to test and demonstrate the ability of Cooperative Extension and non-governmental organizations to facilitate successful marketing relationships linking northeast farmers to ethnic markets.

Support the replication of this type of market research and development in other communities by publishing a guide that outlines the PAR process used, results achieved, and the experiences of participants over the course of the two-year project.

Methodology

A PAR committee, made up of major participants and at least ten other representatives of stakeholder groups, farmers, market gardeners, and ethnic retailers, buyers, distributors and restaurants, design and implement the market and producer research. The PAR committee is also involved in the pilot marketing projects.

The PAR committee conducts two studies, one focused on all aspects of serving the target ethnic market and one focused on measuring the interest and capacity of producers in the multi-county region surrounding New York City to supply the markets. The studies are either concurrent or sequential, depending on what is perceived to be the best approach by the committee.

Through networking, the committee identifies and interviews several key informants who are knowledgeable about the broad range of ethnic markets or who have in-depth knowledge about a specific ethnic market. The committee discusses this information and chooses two or three target markets to focus on.

For the market research, the committee adopts an ethnographic approach that uses culturally sensitive interviews with prospective buyers such as storeowners, restaurateurs, distributors, and wholesalers. An interview guide is developed, with assistance from the key informants and bilingual translators. This involves a three-step translation—English to native language to English. Pre-testing completes the interview guide development process.

Interviews last up to an hour and a half, and are conducted by people familiar and comfortable with the culture and native language of the interviewee. Interviews also focus on the needs and current buying patterns of the business owners, including details about the buying, sourcing, and negotiating practices of the target businesses, product requirements such as volume, quality, price, packaging, and delivery schedule, and the interviewee's interest in working with producers or suppliers outside their current distribution system.

The producer research consists of interviews with commodity groups, farm organizations, individual farmers, market gardeners and commercial community gardeners. The purpose is to assess whether or not these producers are potentially capable of serving ethnic markets effectively and profitably. The interviews also gauge producer interest in and capacity for growing for ethnic markets along with their current production levels, acreage, experience with inner-city marketing, and cultural awareness.

Producers identified and contacted included onion growers in the black dirt of Orange County, East End growers of Long Island, New Jersey growers, and growers of specialty crops and community gardeners in and around New York City with an interest in producing higher value specialty ethnic products.

Pilot projects test and demonstrate the role of the marketing facilitator; they also serve the needs of the stakeholders involved and the interests of the researchers to learn from the experience and document the results for the benefit pf other communities. Pilot project criteria include the likelihood of long-term success, the degree of genuine participation, and the level of economic benefit to farmers and gardeners.

Specific project results

Development of the Participatory Action Research committee began through formal invitations extended by the core project group. The invitees participated in a preliminary meeting to increase their understanding of the project and to involve them in building the trust and respect needed to manage the study. Participants received a formal training in Participatory Action Research methods from Dr. Gil Gillespie, a rural sociologist at Cornell University, to clarify their respective roles in designing and implementing the study.

The invitees formalized their membership by agreeing to engage in networking to define the geographic scope of the study, to review buyer and producer interview guides, to help analyze interview results and consider possible pilot projects, to serve as a liaison with neighborhoods or farmers, and to help collect additional information.

Since PAR members are busy professionals, the core group decided to meet only when it was most needed and useful. Therefore, the PAR committee met three or four times a year, and the rest of the work was done by subcommittees working in the communities, on the farms, and in the counties. Project partners prepared materials and background documents to be circulated in advance so that face-to-face meetings would be brief.

The resulting 22-member committee was formed with seven representatives of community-based organizations, six extension agents, four farmers, three groups working on agricultural economic development, one chef, and one farmer's market. Although food retailers, distributors, and restaurateurs were recruited—and were excited about the project—the PAR committee did not include these people because their schedules made their active engagement in the project impossible. On different note, 15 ethnically diverse students were recruited from an alternative high school in Upper Manhattan for their native knowledge of different languages and cultures in various New York City neighborhoods. After training, however, the core group felt that they were too young and too unfamiliar with food system terms and issues to translate the spirit of the study and engage community residents in the project.

Unfortunately, the core group effort to form the best possible committee did not always translate into the desired results. The people on the committee showed widely divergent levels of participation, activity, and engagement. Although all PAR committee members believed in the project and wanted it to happen, many missed meetings and failed to respond to core group inquiries and solicitations about the project. As a result, the core group adopted an open policy to include people on the committee whenever they could commit some time to the study.

Geographic Scope of Project

From the outset, it was clear that covering all ethnic groups in the city would be impossible. The PAR committee met several times to share information from their networking with key informants in the communities of Williamsburg, Chinatown, Little Italy, South Bronx, Washington Heights and Far Rockaway. After investigation, debate, and consideration of the ethnic concentration in these communities, the committee decided that even picking one or two specific ethnic groups would be difficult. The most plausible strategy was to focus intensive work in specific neighborhoods in order to draw insights regarding ethnic markets in other areas.

Thus the research focus was no longer ethnic groups but instead on ethnically diverse communities. The geographic scope of the research was narrowed to two communities, Williamsburg and Chinatown. Williamsburg, a section of Brooklyn, was chosen because it included a wide range of ethnic groups, diverse income levels, willing partners, key informants and community liaisons, good access for farmers via the Brooklyn Queens Expressway, and varying degrees of food availability and scarcity. Chinatown, on the other hand, was chosen as a prototype of ethnic marketing that works—Chinatown could serve as a model to understand the dynamic systems underlying Chinese ethnic marketing in New York City and to broaden our view on ethnic marketing strategies.

Three PAR Committee members and two community informants spent two days on exploratory visits to Williamsburg and Chinatown to finalize the research sites. This sidewalk reconnaissance allowed the committee to explore the physical structure of the community, speak with key informants, and pick up on aspects of local culture and politics. In Williamsburg, the committee reviewed zoning and economic development maps of the community with a resident who is also a city planner, visited food-related stores and restaurants to gain a sense of the neighborhood lay-out, and gathered other relevant information. With the guidance of another community partner, the group analyzed ethnic complexity, geographic clusters, local politics, and some cultural practices.

In Chinatown, it was necessary to organize a formal tour with a paid interpreter who grew up and is still living in the neighborhood. The committee needed the interpreter to gain entrance, get acceptance, and break language barriers. The group visited the commercial section of the area, where there is intense food retail and wholesale activity. Consumers were buying fresh, high quality fruits and vegetables at relatively low prices. Both demand and supply for quality products were high in the community, so competition was at its peak. For example, we saw a bunched-head carton of fresh iced broccoli from Guatemala for $8, which made us realize that northeastern farmers cannot compete in that market.

This preliminary viewing of the two communities turned out to be more informative than expected. Most importantly, we learned that understanding ethnic marketing in Chinatown is a tremendous task. Among other hurdles, cultural and language barriers would not allow us to conduct a meaningful study of this market due to limited resources for this project. Based on those findings, Williamsburg proved to be more suitable for the project.

Market Research: Methods

The core group developed four survey instruments to investigate retailers, restaurateurs, suppliers, and processors serving the Williamsburg area. The surveys gathered information on buying and negotiating practices, product volume, quality, price, packaging, delivery, and interest in working with producers or suppliers outside their current distribution system. Each survey consisted of five sections: A general introduction to the project, assurance of confidentiality and a release of consent; general business information; customer and product information; relationship with suppliers; and miscellaneous and conclusion.

A preliminary draft of the survey instrument was sent to PAR members for their feedback on improving wording, clarity, order, length, and usefulness. The revised interview guides were translated into Spanish and proofread twice by two different bi-lingual Spanish speakers for accuracy. The proposed three-step translation process proved difficult mainly because of time constraints: Translators need weeks to deliver a good translation, but we had to start the survey as scheduled. Still, since Spanish is the dominant language in the Williamsburg community, the use of one translation that had been corrected by two natives of different Spanish-speaking countries worked out fine.

The interview guide was translated only into Spanish to accommodate the new immigrants who feel more comfortable speaking their native language. However, the Irish, Italian, Jewish, and Hasidic population in Williamsburg had no problem being interviewed in English. The questionnaires were tested in the Williamsburg community before conducting the actual interviews, and these pre-tested instruments were revised to clarify wording and accommodate for language and cultural differences. Finally, culturally sensitive native speakers in English or Spanish conducted interviews. For example, it was suggested that in the Hasidic community white males should conduct interviews because Hasidic men might not talk to women. In actuality, some were quite open and gave candid interviews to women, while others were indeed more comfortable with a male interviewer.

To assess the size of the population to be surveyed, we first employed a map of the commercial area of Williamsburg and a directory of retail stores, restaurants, processors and suppliers. Together, the map and directory were useful guides, but individually neither tool was sufficient. But since the interviewers traveled on foot to solicit and schedule interviews, many other members of the population came to be included in the interview process. This "snowballing" method was used to select interviewees, as the core group realized its advantages.

Strategies for scheduling and conducting interviews varied from one group to the next. For example, retailers and restaurateurs were first contacted in person in their stores and restaurants to schedule interviews. If owners, managers, or cooks were absent, their names, telephone numbers, and time of availability were taken so that we could call to schedule interviews. It was important to hand the interviewees information about the project, share business cards, and mention the university's role in the project to establish credibility and rapport. However, we decided not to mention our association with community groups because of fragile local politics and tensions in Williamsburg. Confusion about our association with local groups could have endangered the community's trust and led to a ruffled interview process. Before the actual interview, a follow-up call was given to confirm appointments.

Altogether, the project partners conducted 44 market interviews, 20 with retail operations, 10 with restaurateurs, 11 with suppliers and three with processors. Interviews usually lasted between 25 minutes and an hour, depending on the interviewees' activities during the interview. Most of the interviewees had to keep on working while engaging in the interview. However, they were very receptive to the questions and willing to share their experiences.

Suppliers' names, telephone numbers, and addresses were obtained from the retailers and restaurateurs, or from truck drivers making deliveries in the area. Suppliers were first contacted by telephone or beeper to schedule interviews or to inquire about the best times to call. A follow-up call was often necessary either to confirm future interviews or to complete previous attempts to schedule interviews. In most cases, suppliers were interviewed by telephone because of their work schedule, business location, and the nature of their businesses. Like the interviewed retailers and restaurateurs, they were very willing on the telephone to share information about their competitive businesses.

The processor sector was interviewed next. The New York City Department of Agriculture and Markets provided a scan list of kosher processors in Williamsburg and the neighboring community of Greenpoint. Calls were made to schedule interviews, which began with showing credentials, providing background on the project, and then asking the interviewee to read and sign a release form. Interviewers also asked permission to tape record the conversation. Interviews usually ended with interviewers obtaining permission to take pictures of staff at work and the facilities.

In general, interviews were conducted with minimal problems or setbacks. However, most interviews were not recorded, as many interviewers felt that it was difficult to record the conversations given the loud background noise and multiple interruptions for business to be conducted during the interview. Written notes taken on site and fleshed out afterwards captured the key points and a surprising amount of useful detail.

Market Research Analysis:
Opportunities and Challenges by Food System Component

Preliminary analysis of our market research resulted in some expected and unexpected findings.

We expected that retailers and restaurants in particular would report that there were ethnic food items they would like to carry, but could not access. On the whole, this was not the case.

We found that many popular items sold by ethnic marketers and requested by community residents include fairly standard items that could easily be supplied from the Northeast, rather than the "exotics" usually thought of in ethnic studies.

Not surprisingly, price repeatedly came up as a major barrier to carrying different items and higher quality goods.

Some retailers, restaurateurs and wholesalers seem open to working with new sources of supply, including through existing or new brokers, wholesale markets, and farmer-direct.

Further analysis of the data suggests there are definitive, albeit organizationally complicated, opportunities for New York growers to tap ethnic markets in Williamsburg. What follows is a summary of the challenges and opportunities, based on our research, that exist with each component of the food distribution system in the community:

Jobbers

Jobbers in Williamsburg are generally small wholesalers whose business strategy is simply to buy produce (typically from a terminal market) at a low price, and resell the products to other small businesses at a profit. Many jobbers take orders and make their purchases and deliveries within 24 hours. Though their clientele of restaurants and bodegas is stable, the jobbing business itself is consolidating as competition heats up, leaving fewer and fewer doing business in the community. Jobbers may also be feeling competitive pressure from wholesalers moving into the Williamsburg market.

As bargain hunters, jobbers might consider buying higher quality, competitively priced products at the Bronx Terminal Market, the Brooklyn Terminal Market, or some other alternative wholesale markets. As their numbers decline, they may want to differentiate themselves in terms of service or quality, which could help them stay competitive. Paralleling the rise in incomes and status of Williamsburg residents, jobbers may find a more secure niche serving the growing restaurant trade with higher quality, specialty and value-added items. This could mean opportunities for growers in the region who would like to bring fresh and value-added products into the community.

Wholesalers

Williamsburg wholesalers own more trucks and warehouse space than jobbers. They buy in large volume and can store their product for the time it takes to get the best price. They have a significant advantage over jobbers.

Wholesalers receive shipments directly from large grower-shippers in the South and West, and also make purchases at Hunts Point Terminal Market. Because of their interest in large volume purchases, however, it is less likely, although not impossible, for small growers to make direct sales to wholesalers in Williamsburg.

It is possible that wholesalers, like jobbers, would be interested in buying organic and ethnic produce if a convincing economic argument can be made about the profitability of this market.

Restaurants
Williamsburg restaurants generally cater to local low- and middle-income clientele. There are currently few tourism, shopping, or entertainment destinations in the community to draw outsiders. However, they range from well established local eateries patronized by Polish, Latino, Italian and Hasidic residents to more trendy diners and ethnic restaurants frequented by the growing artistic and professional community.

The restaurants are presently stable, as the general economy is doing well. However, fast food chains, including McDonalds, are making inroads along the commercial corridors and this is being felt by some of the lower-income restaurants.

These restaurants have multiple sources of products including jobbers and wholesalers (including brokers) who source products from the Hunts Point, Bronx, and Brooklyn terminal markets. Other distributors include "provision" companies that specialize in meats and dairy products. Despite being satisfied with the ethnic products they get, most of restaurants reported they would buy directly from farmers if deliveries were consistent. Furthermore, the majority indicated they would be willing to pay more for fresher local products. These results suggest there are opportunities for direct wholesaling by farmers to restaurants.

Food Retailers
Despite having a population over 150,000, the Williamsburg community—like most areas in New York City—has no supermarkets. The retail food sector is largely comprised of small chain grocer stores such as Key Foods and C Town, small independent stores, Korean greengrocers, specialty shops such as bakeries and butcher shops, and bodegas.Grocery stores are served primarily by wholesalers, or by the chain headquarters, which, in turn, get their products from Hunts Point or the other terminal markets.

About two-thirds of the food retailers report that they are stable, while the remainder is struggling. This is likely due to consolidation resulting from the expansion of chain grocers, as well as cuts in food stamp allocations and disproportionate drops in the food stamp rolls. Unlike restaurants overall, the retailers are looking for the highest quality they can get at the lowest price. Retailers seemed most satisfied with quality and variety, while they are least satisfied with price and the availability of some specialty ethnic items. Most of the retailers reported that their customers would be interested in local products, but some were not sure their customers would pay more for it. The views of the retailers indicate that point-of-purchase signage promoting fresh local products in the native language of the dominant customer might increase sales.

Bodegas
With over 4,000 bodegas in New York City, it is easy to think there would be a market opportunity for selling fresh local produce. However, these small shops—many less than 500 square feet—rely heavily on cigarette and alcohol sales as well as sales of canned and pre-packaged foods. Small amounts of poorly handled and poorly stored produce can be found, but this would be only for the desperate convenience shopper. Greengrocers are typically near areas where there might be multiple bodegas (for example, in a four-corners area), and thus bodegas tend to specialize in non-produce items. The bodegas reported that lower quality goods offered on sale will sell ahead of high quality goods. This, coupled with the bodegas' entirely inadequate techniques in handling fresh produce make this an unlikely market opportunity for direct sales in the near future.

Processors
We interviewed several kosher processors in Williamsburg and found well managed, thriving businesses. One produced kosher meals for airlines, another produced prepared food, and another served as a large butcher shop, breaking down kosher animal carcasses. The markets for these processors' products were citywide as well as local. The managers were generally satisfied with their suppliers but had concerns on occasion about freshness. Quality is critical with kosher products, even if the product is to be further processed. The large butcher described how important it is that meat products be pure, with the least amount of human impact possible, including no wounds or markings of any kind. This butcher was also interested in organic meats.

Terminal Markets
We visited two of the three wholesale terminal markets including the beleaguered Bronx Terminal Market and the Brooklyn Terminal Market in Canarsie. We did not gain access to Hunts Point Terminal, which is well known to commercial growers and is generally considered a market of last resort by small growers. The two small terminal markets do potentially offer some wholesale and even direct retail opportunities.

Because it lies in the shadow of Yankee Stadium and is caught up in possible expansion plans by the city, the Bronx Terminal Market (BTM)—investments in the market facilities have been kept in limbo until decisions are made about where the Yankees will finally end up. And the city remains in the awkward position of possibly having to cede the BTM property to Yankee Stadium for the purposes of expansion in order to keep the Yankees in New York City. This has led to decay. Still, the crumbling buildings are occupied by a bustling assortment of tropical wholesalers—including Latino, African, and Caribbean specialists. During the growing season, a handful of New York growers also sell at the BTM.

Meanwhile, the facility is still functional: Wholesalers pass inspections, garbage is routinely picked up, and buyers still frequent the place to get what they need. One farmer who is a member of our PAR committee suggested that there are opportunities for other growers if they want to make the trip into the city. Prices are competitive but business is steady; farmers who have ethnic specialties may do well.

Farmers' Markets and Green Markets
There are about 45 retail farmers' markets in New York City, 29 of them Green Markets operated by Greenmarket, Inc.; sixteen others are independent markets sponsored by neighborhood organizations. Three farmers' markets serve the Williamsburg community, including two that are Green Markets and one that is sponsored by El Puente, a local Latino community organization. These markets offer growers in the tri-state region the opportunity to sell ethnic specialties to underserved inner-city populations. Ethnic customers are bargain hunters, but the Latino community we worked was loyal to growers who provided the freshness that is part of their culture and cuisine. Just Food, Inc. and the economic development program of Cornell Cooperative Extension of New York City, co-partners in this project, are working to establish new markets in low-income communities on the outer fringes of the city.

Producer Research

The purpose of meeting with farmers and conducting focus groups was to gather information about farmers' interest and abilities to supply ethnic products in New York City. We worked with extension and other regional contacts to talk with farmers at winter meetings already planned. This report summarizes results of the major farm group meetings, including outlining the key issues raised.

We convened a working group (a subcommittee of the PAR committee) at Cornell Cooperative Extension—New York City in early December 1998 to outline parameters of the study and begin setting meeting dates. An interview guide of 16 questions was devised. Most but not all of the research consisted of semi-structured focus groups where farmers were asked a series of questions as a group to solicit discussion. The committee contacted seven groups of producers in New York to arrange focus group sessions, and a number of New Jersey and Pennsylvania farmers were also interviewed.

Meetings with farm associations consisted of semi-structured focus groups where farmers were led through a brainstorm and discussion process. Sixteen open-ended questions for growers guided the process, including queries about current production levels and marketing practices, interest in serving ethnic markets effectively and profitably, experience with inner-city marketing, cultural awareness, possible and potential links with New York City, and perceived barriers or opportunities to serving ethnic groups.

On average, eight to 10 farmers participated in the focus group meetings that usually lasted and hour or an hour and a half. A subcommittee member took notes on the discussions, including ideas for potential pilot projects.

A total of 149 farmers (mostly vegetable growers, some fruit growers, and some goat and lamb producers) were involved, and, in general, growers are interested in new market opportunities but need more information before deciding to begin growing for markets in New York City. More education is required to dispel the myths about the safety of the city and the availability of actual markets opportunities. Smaller producers with direct marketing experience tended to show greater interest in ethnic markets, and many reported have some experience in producing ethnic crops and livestock and even marketing in the city. Larger commodity producers, on the other hand, need more training and encouragement, but represent the best hope for getting significant quantities of agricultural products into the city.

Summaries of Farmer Interviews

Vegetable Growers Association Annual Meeting, February 9th, 1999, Syracuse
Five small growers participated in a focus group. Most of the growers had produced food for ethnic markets, including Asian vegetables, Latino foods, European root crops, and lamb for Halal and Greek markets. Most of the growers sold at farmers' markets, roadside stands, and pick-your-own operations, with some direct wholesale to restaurants and grocery stores. Reflecting on the advantage of direct marketing, one meat producer remarked that "the market will often determine what the farmer decides to grow"; for example, lambs *with* tails are considered far superior by certain ethnic groups. These small producers reported they need wholesale prices, packing information, varieties, quality, and volume before making a decision to shift production to an ethnic market.

New York State Farmers' Direct Marketing Association, February 1, 1999, Buffalo
Eight growers from central and western New York were chosen and interviewed separately. These were mainly farm stand producers who currently reported they did not grow ethnic crops. They indicated they could be flexible in meeting market demand, but felt they were too far from New York City and were more interested in local markets. However, if they did not have to go there they would be interested in growing for New York City markets.

Columbia County Cooperative Extension Growers Meeting, February 24, 1999
A directed interview was conducted with about 20 growers in Columbia County. Most were fruit growers or mixed-product growers. Few were growing ethnic products, but there was considerable interest—a discussion emerged from the group about establishing a new cooperative that could use existing trucks, cooling facilities, and other infrastructure. Cooperative Extension Agent Les Hulcoop of Dutchess County expressed interest in working with growers to establish a Hudson Valley co-op that would not require growers going into the city. Instead, a company could bring a truck to strategic locations and pick up the products. It was agreed that project team members would have a conference call to discuss this option further.

Orange Co. Onion School, March 2, 1999
This meeting included a presentation to 65 onion growers, mostly large wholesale commercial onion growers. These growers are very competitive and were reluctant to answer questions openly during the meeting, but were more forthcoming afterwards. About one-third of the growers did grow other crops besides onions, and members of their families were involved in some form of direct marketing other than farm stands. Two farms grew Kalaloo and cilantro commercially, but onions are still the primary product planned for the wholesale market. Participating in farmers' markets seemed more prevalent than farm stands. Growers reported that there is little choice in deciding where to sell. Since everything is wholesaled to local jobbers who deal with where it goes. They guessed that about a third of their onions go to NYC; they generally do not understand the marketing system in New York City. Growers unanimously

reported that they need more information on what to grow for New York City, since they are pretty much committed for the season at first day of planting.

Duchess County Irrigation Seminar For Fruit and Vegetable Growers, March 17, 1999
About 26 farmers attended this meeting, and were very interested in ethnic marketing opportunities. They grow collards, kale, gooseberries, loki or cucuzzi (Hercules arm). Some farmers noted that certain vegetables such as finger eggplants have different names in other countries and can be considered ethnic. These growers generally plan based on known markets or guarantees of what is marketable, either wholesale or retail. However, if weather fouls up planting or crops, planting plans will change to make up for losses. Most do direct marketing, but some wholesale direct or to Hunts Point. There is a general consensus is that going down to New York City is a hassle; they fear crime, do not like to travel the distance to the city, and generally do not like to leave the farm. The farmers who went to Hunts Point were disappointed with their experience, and one farmer reported that, on a price bid for their sugar snap peas, they received almost 50% less than they had anticipated. The growers want to know what to plant and how much, and whether there is a guaranteed market. The growers did show interest in a farmers' market, but said they thought the Bronx Terminal Farmers' Market was impossible to get into.

Sullivan Co. Cooperative Extension Farmer Meeting, March 18, 1999
We met with Rick Bishop, the manager of the Catskill Growers Association, along with a couple of farmer members. They were eager to get results from our market research, especially results specific to goats. They are in a position to move forward with ethnic products since they are already bringing a truck into New York City that serves higher end markets in Manhattan; ethnic specialties would complement their line. While they are not likely to go into Williamsburg, it was discussed that the Catskill Growers could cooperate with Hudson Valley counties to form a regional marketing initiative to bring ethnic products into the city.

Broom County Alternative Livestock Meeting, May 22, 1999
We conducted a workshop to discuss the project for a group of twelve lamb and goat producers. The group showed interest in producing for ethnic markets. Some producers already had some experience in selling to ethnic markets in upstate New York; one goat meat producer, for example, reported selling to an Italian family that was considering opening a restaurant. The producers discussed earlier failed attempts to cooperatively market goat meat in New York City. A lack of coordination and trust seemed to foil this initiative. The producers discussed their general frustration with selling at Pennsylvania auctions and getting almost nothing for their hard work.

Conclusion

Based on our discussion with nearly 200 agricultural producers about ethnic market opportunities we can make the following observations:

The further from New York City the growers were, the less likely they were to have experience and interest in marketing in New York City.

Commodity growers, regardless of proximity, were not accustomed to thinking about marketing overall, but especially marketing ethnic products in New York City

Larger farmers further from the city expressed interest in marketing in New York City only if they did not have to distribute the product.

Farmers want specific marketing information before committing to marketing programs in the city.

Fruit growers have less knowledge and experience in growing ethnic products than meat and vegetable growers.

Selection of Pilot Projects

The committee selected pilot projects based on market research, preliminary analysis of the producer focus groups, and the committee's assessment of Williamsburg's needs among ethnic groups. Decisions to adopt pilot projects were based on the ability and willingness of community partners to take ownership of a pilot project. The core group also considered criteria such as the likelihood of long-term success, the degree of participation from suppliers and consumers, and the level of economic benefit to farmers, consumers, and their community.

Three pilot projects were implemented: Community Supported Agriculture (CSA), Restaurant Supported Agriculture (RSA) and a goat meat project. In each of these projects, the role of a community partner was crucial to keeping it economically vital for both the farmers and community residents. All three pilot projects were interconnected, allowing for more impact.

A community organization (El Puente) had had problems retaining farmers in its newly-opened community market, and was looking for ways to keep the market running and to attract and retain farmers who would enjoy selling in the Williamsburg community. One of the project partners had been looking at ways to foster Community Supported Agriculture (CSA) as an anchor market that provides enough up-front and guaranteed income to one or more farmers to make it worth their while to also participate in an otherwise unattractive farmers' market with underdeveloped foot traffic and sales volume. Because the staff of El Puente served on the committee *and* their needs coincided with the project vision, a partnership was born where the committee provided the expertise and technical assistance and El Puente supplied labor and a location. The participating family farm received guaranteed initial income from CSA memberships, in addition to being involved in the community market.

The incentive to spend a day selling at the community farmers' market was further enhanced by the formation of a Restaurant Supported Agriculture (RSA) effort. One chef, Neil O'Malley, had contacts with upscale restaurants in the Williamsburg area and helped make connections with restaurants in the community. O'Malley was eager to work with the core group to pilot an RSA project that would produce a direct linkage between area farmers and these restaurants. O'Malley introduced the committee to community restaurants and worked closely with one of the project interns to demonstrate that connections between farms and restaurants could be made effectively and efficiently. Community members, O'Malley, and the intern, who served as a marketing facilitator, were key to linking farmers and restaurants. The RSA concept was new to all parties involved, and required coordination to keep it going.

The goat meat project was brought into the Williamsburg community because of the enthusiasm of students and entrepreneurs in a local catering training program. Their needs coincided with the interest of goat meat farmers who served on the PAR committee. The students wanted to promote the consumption of fresh and locally grown goat meat in their community. They volunteered their time to prepare goat meat for a trial run in the community farmers' market. There, people could taste the difference and express their willingness to buy fresh goat meat and support local farmers.

Economic Analysis

This study focused on market research, pilot projects, and the dissemination of our methodology and results. It did *not* focus on adopting sustainable farming practices or systems that would lend themselves more readily to economic analysis regarding inputs, costs, yields, and net returns. Nevertheless, the pilot phase did clarify a number of issues concerning the economic feasibility of developing and serving potential ethnic markets, particularly in the Williamsburg area.

First, there are **significant personnel and time costs both in pursuing participatory action research and in building relationships between various wholesale and retail buyers and regional farmers**. Information must be gathered, compiled, and made accessible to buyers accustomed to looking first and foremost at the bottom line. Secondly, such projects as CSA and RSA need dedicated community members willing to donate their time and energy to talking with neighbors, retail stores, and partner organizations about the benefits of buying from regional farmers. It proved essential to have not just native speakers of Spanish, but local community residents involved in project outreach and development; these community partners helped develop markets and created the social glue needed for success. It is less likely that a community-based organization can provide staff and support long enough for the rural-urban connections to become self sustaining.

Secondly, there is the common **correlation between geographic areas where there is a high concentration of ethnic community residents and a relatively high rate of poverty**. Because this type of community often has poor access to high quality foods, there is significant market potential, but there is also considerable price inelasticity in food purchases and an understandable concern with low prices and affordability. The community-based strategy of developing multiple marketing outlets for farmers and reducing middleman costs for consumers certainly worked in the South Williamsburg case. It is, as noted above, a labor- and relationship-intensive style of market development.

Lastly, there are issues of **the costs and scale of production in the Northeast versus the high-volume, low-margin wholesale distribution system that dominates today's markets**. In the case of the goat meat market analysis, we particularly found buyers and individual consumers interested in fresh goat meat, and goat meat producers ready to sell, but found the gap in price too large to overcome. An added factor was the lack of smaller-scale slaughtering facilities—see below for more about this.

Adoption & Direct Impact

Vegetable Farmers: Impact and Changes in Practice

For Mike and Cheryl Rogowski, this project has opened up tremendous marketing opportunities as they shift from a primarily high volume, low-margin, dead-end production and marketing strategy for their farm to one that emphasizes diversification, higher profit potential, and direct marketing. As Cheryl said at the project's celebration and wrap-up event, "Working on this project with all of you has made all the difference in the world to our farm... I'm glad my father lived to see at least the initial results of the CSA. He couldn't believe anyone would ever pay in advance for vegetables, and still couldn't believe when we brought the first checks home." For Mike and Cheryl, developing markets in a low-income Latino community and mixed-income, mixed ethnic community has let to major changes on the farm.

The previous marketing strategy for this farm was through wholesale outlets and a seasonal farm stand. This year, the farm stand will be replaced with a permanent structure for year-round sales and the CSA will be expanded from 30 members in 1999 to 60. The farmers are also considering participating in additional farmers' markets not far from the Williamsburg community, and in encouraging some of the neighboring farms to get involved.

While the Walter Rogowski farm previously had only about 50 acres under cultivation, the farm will increase to between 80 and 100 acres in 2000 because of their involvement in CSA and RSA project components, and will likely have all 109 acres in cultivation in 2001.

In the past, the Rogowskis grew onions, potatoes, sweet corn, pumpkins, winter squash and root crops such as beets, radishes, carrots, and turnips. In the first year of the CSA, they diversified to include leafy greens and summer crops like tomatoes, peppers, eggplant, summer squash, snap beans, cucumbers, and melons. This year, more crops will be planted in a spring-summer succession of consecutive crops to make available a wider selection for CSA members, restaurants, and the farm stand. Experiments in the cultivation of small fruits like strawberries, raspberries, and blueberries will begin.

Pesticide applications will be reduced considerably except for on the onion and potato acreage. But, starting in the year 2001, the onion and potato acreage will be also reduced as direct marketing opportunities increase and wholesale growing acres decrease. As onion and potatoes acres decrease, so will the total usage of restricted-use insecticides and fungicides.

Vegetable Farmers' Recommendations

The pilot projects have confirmed that direct marketing opportunities exist in New York City, and that family farmers can run a profitable business through direct marketing. However, someone has to facilitate the process, and that, in itself, can be a full-time job. Coordination between farmers and markets in the city has to be done by a third person who has expertise and the skills to nourish fragile relationships.

Goat Meat Farmers: Impact and Changes in Practice

The goat meat pilot project made apparent the large population of goat meat consumers in New York City. Distant suppliers provide most of this commodity, which often takes the form of fake goat meat, usually lamb, to keep up with the high demand. Despite provision of this low-priced, USDA-inspected and -packaged goat meat, knowledgeable customers are not satisfied and they can distinguish the fake from the real goat meat. But the majorities of customers accept the goat meat supplied in the market and do not bother with the difference. Other customers are willing and able to pay a high premium for authentic goat meat, and they have been paying high prices to upstate farmers for live goats that are slaughtered on the farms. However, this customer base is heavily seasonal around Christmas and Easter, and customers in New York who would support a year-round market may not be able or willing to pay a price higher than what they are now paying for low-quality or even fake goat meat.

As a result of this dilemma and the possibility for a niche market, PAR members were in touch with the owner of a chain of restaurants specializing in goat meat dishes. The owner was willing to serve as a liaison between goat meat farmers and 25 of the chain's stores in New York City to supply fresh meat. The smallest of these needs 200 pounds of goat meat per week. The liaison proposed to handle slaughtering, inspection, packaging and distribution if the goat farmers did not wish to get involved. However, the price for a pound of *live* goat is double what the restaurants are currently paying for ready-to-cook goat meat that is delivered to their door. The restaurant owners would readily serve a fresh, reliable product to their customers, but cannot justify such a drastic price hike if few customers can even tell the difference. Price is the primary barrier to fresh and reliable goat meat competing in New York's market today. The question remains as to what goat meat farmers might be willing to sacrifice to capitalize on New York's goat meat markets and how much more people are willing to pay for a high quality product in return.

Goat Meat Farmers' Operational Recommendations

A way must be found to narrow the gap between the farmers' productions costs and the buyers' bottom line before any headway can be made in developing this market. In-depth discussion among goat meat producers, buyers, and project partners pointed to a number of ways the two sides could approach one another. For example, most goat meat consumers are used to goats raised on pasture with minimal care. Their goats are usually lean but meaty. Northeastern goat suppliers involved in this project raise goats combining grains and pasture. Their goats are usually not as lean, nor is the goat meat. The economic value in the market place of this preferred practice and perceive added value (in terms of weight and taste of the animals) remains an open question.

Practical Applications for Working with a PAR Committee

In theory, a PAR committee works in designing, implementing and evaluating a project and nourishes it for sustainability. In practice, major efforts are required to form and maintain a PAR committee so it functions as a group. Forming a PAR committee for the Ethnic Markets Project was time-consuming and tedious. After prospective members had and expressed an interest in the project, official membership required the extension of a formal invitation. Also, most PAR Committee members were busy professionals who could not participate in all meetings regardless of their level of commitment to the project, and they could not develop ownership of the project apart from a desire for its success. Forming a core group was necessary to provide leadership and inspire action. The core group helped the PAR committee stay focused and productive.

Potential Contributions and Practical Applications of "Multi-layered Direct Marketing Approach"

Results of the integrated CSA-Community Market-RSA pilot projects indicate great potential for such "multi-layered direct marketing" approaches to provide farmers with markets and community residents with greatly improved access to regional farm products. Work with El Puente, the Rogowskis, local restaurants, and partners in the Ethnic Markets project has led to the development of a layered, place-based approach that will unfold differently depending on the communities and farmers involved. The consistent element will be the development of three marketing opportunities (CSAs, farmers' markets, and restaurants) with participating rural and urban farmers and community groups. The CSA market, being most secure, serves as the anchor for other market development, using the principles of season-long commitment and up-front financial investment to benefit many more community members and potentially many more farmers than just those participating the CSA.

The continued growth and support of CSA development in New York City—there are now 16 CSA groups supporting nearly 20 farmers—and Just Food's commitment and increasing experience in making CSA work in low-income communities bodes well for the future. Another critical element is the development and maintenance of an RSA component, and area where Cornell Cooperative Extension has taken the lead over the past year and a half. These two organizations could assist many low-income community farmers' markets that are now struggling in the same way El Puente's market was. In fact, one community has already asked us to help them get a "bona fide" farmer to bolster their market in East New York, and plans have begun for 2000 to work on youth farm stand development and for a CSA/RSA combination in 20001.

The hard-copy and Web publication produced from this project should help to encourage other communities to explore this kind of marketing strategy.

Practical ramification of ethnic markets and low-income populations

The majority of the population surveyed in South Williamsburg consisted of a recent wave of Spanish-speaking immigrants living in the area. Generally, the Latino community tends to occupy a modest income bracket, and resources for food are limited. This situation was both an advantage and inconvenience for the study. On the one hand, new immigrants are more attached to their food and culture; thus, their participation greatly enriched and informed the study. On the other, lower income people are not the most appealing consumers to Northeastern farmers. In the process of trying to balance the combined realities of limited income levels and the high demand for fresh produce in the area, we quickly learned that a unique blend of marketing strategies was needed. No single marketing tactic would work, but a mix of strategies might form mutually beneficial ventures to farmers and ethnic groups. Therefore, the CSA and RSA programs were merged with a community farmers' market to serve the ethnic communities in Williamsburg (see explanation on CSA & RSA).

Farmer involvement

Number of growers/producers in attendance at:

28 Workshops

____ Conferences

____ Field Days

149 Focus Groups

Areas needing additional study

Best methods, locations and approaches for development of wholesale farmers markets in New York City and other major metropolitan areas.

How to foster cooperative marketing and distribution among farmers of similar (or even disparate) products in order to tap urban markets, ethnic and otherwise.

Overcoming transportation and storage barriers to small- and medium- farm access to larger urban markets, including supermarkets, bodegas, school systems and other institutional buyers.

Dissemination of findings

Project findings will be disseminated in the form of a Cooperative Extension bulletin and guide outlining the PAR process used, results achieved, and the experiences of participants to encourage other communities, extension offices and organizations to become actively involved in agricultural market development. The Farming Alternatives Program, which has a recognized track record in community agriculture development publications, will take the lead on production and dissemination of the publication, with assistance from Just Food and Cornell Cooperative Extension—New York City. The target audience for this publication includes farmers, extension, and USDA field personnel, along with community organizations with an interest in facilitating the linkage between agricultural producers and market opportunities in the region. The models to be provided here are relevant beyond the northeast region and for other, not necessarily ethnic, markets. Findings will also be disseminated through presentations at a number of related conference and meetings throughout the region, including those of the Direct Marketing Association, the Northeast Sustainable Agriculture Working Group, Just Food, NOFA-New York and others. A press release announcing the publication will be posted on relevant Web sites and e-mail list servers.

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