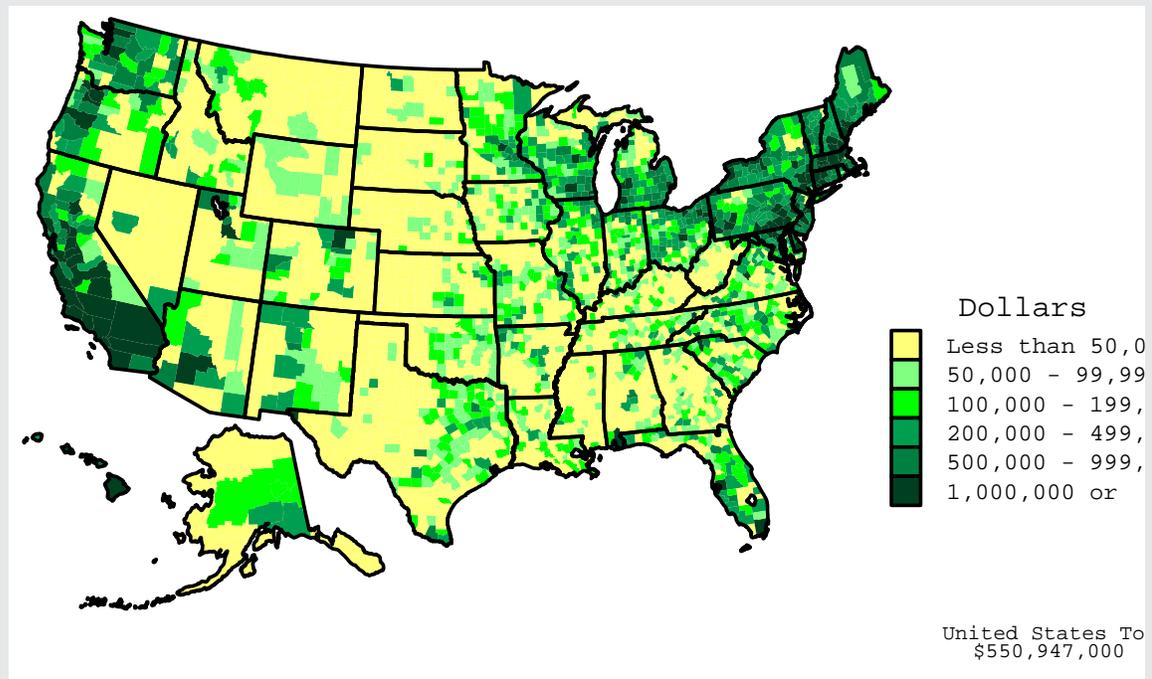


**Figure 11. Value of agricultural products sold directly to consumers for human consumption by county, 1997**



Source: 1997 Census of Agriculture (97-MD54).

The buy-local concept, of course, has been around for years—typically an informal seasonal effort initiated by an individual grower, a farmers’ market or a grocery store. In the Northeast many new programs have been initiated, including “Hudson Valley Harvest” (N.Y.), “Our Lakes Make It Local” (N.Y.), “Be A Local Hero” (Mass.) and “Berkshire Grown” (Mass.).

**Communities want to capitalize on the unique features that make them stand out.**

What we are finding in this new wave of buy-local marketing campaigns is (1) an array of increasingly sophisticated strategies being employed to promote local food, agriculture and communities, (2) a surprisingly broad spectrum of community-based organizational involvement, and (3) a trend toward public financial support of these campaigns. What appears to be the driving force behind these local marketing campaigns is the same thing that the tourism industry discovered long ago: the simple fact that a region is tremendously diverse—culturally, geographically and demographically—can attract an increasing number of consumers. A growing number of communities want to capitalize on the unique features that make them stand out.

## Benefits to Growers

The bottom-line benefit of a buy-local campaign is market exposure—which can potentially lead to increased sales and profit. The new buy-local campaigns generally have a long-term view, emphasizing marketing programs that perform a function similar to marketing cooperatives, but without their formal administration. Just as in a marketing cooperative, for example, sharing marketing costs over a larger group of growers has the potential to increase farm profit. But the time commitments and financial investments are smaller in a marketing campaign than in a cooperative, thus making campaigns attractive to producers who are not interested in joining a cooperative. Other benefits to growers include opportunities to contribute to consumer education about agriculture in general and about farmers' specific products or commodities, as well as the good will which being an active supporter in a community generates.

## Examples of Innovative Buy-Local Marketing Campaigns

Following are examples of some strategies that the new wave of buy-local campaigns employ, beyond the usual point-of-purchase materials and marketing slogans:

**Be A Local Hero, Pioneer Valley, Western Massachusetts:** After market research suggested that consumers would respond to the idea of supporting local farmers, a western Massachusetts group called Community Involved in Sustaining Agriculture (CISA) rolled out its creative “Be A Local Hero” campaign. The “Hero” can refer to farmers or the consumers who support them. The clever underlying market psychology is to provide immediate positive reinforcement to those consumers who consciously choose to buy locally produced agricultural products.



Goals include recruiting participating farmers, retailers and restaurants to utilize point-of-purchase materials to identify locally grown products, and implementing a mass-media advertising campaign to educate consumers about the “Local Hero” products and where to find them. Local consumers are reached through mass-media advertising such as bus signs, radio ads, newspaper ads, direct mail, public-service announcements, public events and appearances, and a Web page ([www.buylocalfood.com](http://www.buylocalfood.com)).

CISA has one full-time coordinator with two part-time staff and interns. CISA's annual

### Resource tip

**Harvesting Support for Locally Grown Food: Lessons Learned from the Be a Local Hero, Buy Locally Grown Campaign.** \$50 plus \$5 for shipping.

Annie Cheatham, Executive Director  
Community Involved in Sustaining  
Agriculture (CISA)  
893 West Street  
Amherst, MA 01002-5001  
(413) 559-5338  
[www.buylocalfood.com](http://www.buylocalfood.com)

budget is about \$400,000, of which approximately \$100,000 is used for advertising and the remainder for administration. Some dues and fees are collected, but the lion's share comes from foundations, and state and federal agencies. In-kind support comes from local colleges and the business and agricultural community.

CISA's "Be a Local Hero" campaign is the Cadillac of buy-local campaigns, but its proof is in the pudding. In the Pioneer Valley where CISA has implemented the "Local Hero" campaign, almost two-thirds of the consumers surveyed in an independent evaluation specifically recalled the "Local Hero" campaign after its first season. And of those, 64 percent said that they changed their buying habits as a result. Further, 70 percent of CISA farmers reported increased sales after the campaign began.

For more information contact Mark Lattanzi, Programs and Membership Coordinator, CISA, 893 West Street, Amherst MA 01002; (413) 559-5338; fax (413) 559-5404; e-mail [markl@buylocalfood.com](mailto:markl@buylocalfood.com); Web site [www.buylocalfood.com](http://www.buylocalfood.com).

**Select! Sonoma County, California, Points Out Buy-Local Difficulties:** If CISA's "Be a Local Hero" is the most expensive buy-local campaign, "Select! Sonoma" is perhaps the oldest continually operating one. Begun in the late 1980s, it is not really part of the latest wave of buy-local campaigns; rather it has been an important forerunner, and its recent demise provides important lessons in "home grown" development.

Using a county-based "branding" strategy, Select! Sonoma offered a set of trademarked logos for fresh agricultural products (Sonoma Grown™) as well as value-added products (Sonoma Made™). To be able to use the trademarked labels, farmers and processors in the county certified that the products were, in large part, produced in the county. Through year-round marketing activities, especially in the nearby San Francisco Bay area, consumers were encouraged to look for these labeled products and to patronize local businesses that carry them.

But Select! Sonoma had, from its beginning, an Achilles heal: As the core supporting businesses grew, they needed to source inputs from outside the county and also

### Select! Sonoma County Certification Criteria

#### *Certified Sonoma Grown™:*

At least 70 percent of the ingredients by both weight and volume (other than added water) in the product were grown in Sonoma County, CA. In the case of wine or olive oil, at least 75 percent of the fruit was grown in Sonoma County. In the case of meat, 70 percent of animal's life was spent in Sonoma County.

#### *Certified Sonoma Made™:*

The majority of the manufacturing and/or processing of the product (exclusive of bottling, packaging, or labeling, or in the case of wine and olive oil, blending) took place in Sonoma County.



needed to market product far beyond the resources and capability of the program administrators to support. When program revenue from the larger businesses declined, Select! Sonoma's educational and marketing programs suffered, and membership dwindled. A more thorough postmortem analysis of Select! Sonoma is expected from Michael Dimock of AGInnovations Network ([www.aginnovations.net](http://www.aginnovations.net)), who was hired to attempt to salvage Select! Sonoma.

Select! Sonoma can be reached at 5000 Roberts Lake Road, Suite A, Rohnert Park, CA 94928; (707) 586-2233; e-mail [info@sonomagrown.com](mailto:info@sonomagrown.com); Web site [www.sonomagrown.com](http://www.sonomagrown.com).

### **Berkshire Grown's Buy-Local Campaign Strategies**

Berkshire Grown of Western Massachusetts implemented an amazing array of marketing strategies to reach consumers in 2001. (See more about Berkshire Grown on page 41.)

- Support local farmers' markets and farmstands with signage, recipes, advertising and promotion of two new markets.
- Second Annual "Buyers' Guide to Locally Grown and Produced Food, Flowers and Plants," a map listing over 90 farms that are open to the public.
- An agricultural calendar bringing together events in the area under one listing and generating some new and exciting events, from farm tours to a "Local Independent Book Stores Support Local Independent Farmers" campaign.
- An educational farm game, bringing families (future customers) onto 31 participating farms to find out where their food comes from.
- A media campaign with numerous articles.
- The third annual Beautiful Bountiful Berkshires, an extravaganza with 350 attendees, celebrating the farmer-chef connections and featuring 20 restaurants and 25 farms, partnering to serve up great local food.
- An ad campaign promoting local food and flowers.
- Updates on the Web site, so that consumers and professional farmers can both use it as a tool.
- Partnership with the Berkshire Visitors Bureau to produce a dining guide promoting "green" restaurants.



For more information on Berkshire Grown, see [www.berkshiregrown.com](http://www.berkshiregrown.com).

### **The Challenges of Buying Local**

Most "growing home" strategies come with a price, and as these campaigns grow and become more sophisticated, their staffing and financial needs increase commensurately. Even the most experienced programs struggle with funding. Overfunding may even

become a problem for some buy-local efforts, if program collapse and disillusionment take place when “soft” funding dries up.

**Political jurisdictions are poor ways to delimit a regional marketing campaign.**

Buy-local campaigns also need to do a better job of evaluating their marketing programs. Very few programs have done adequate pre- and/or post-campaign consumer studies to help them “tweak” their strategies and determine where they can get the most bang for their buck.

However, as more private and public start-up resources are made available to buy-local programs, we are likely to see more accountability.

Political jurisdictions or government boundaries (such as counties or states) are relatively poor ways to delimit a regional marketing campaign because they rely on sheer parochial loyalty rather than a consumer awareness of natural boundaries. Farmers, and sometimes food businesses, see themselves as part of regions defined more by type of farm, or perhaps even by landform or landscape (e.g., a valley). It is unfortunate to see multiple counties in both New York and California *simultaneously* and *separately* jumping onto the buy-local bandwagon, thus devolving into somewhat illogical provincial boosterism.

Furthermore, multiple slogans and labels have the potential to create confusion in consumers’ minds. It is quite possible that in future growing seasons Northeastern consumers might see county, regional, and state marketing labels in a single grocery store or farmers’ market. Is this overkill? This remains to be seen, but some means of integrating smaller municipal-based buy-local campaigns into more logical regional initiatives based on geography, history, culture and tradition (as tourism agencies have done) seems to make sense.

**FoodRoutes Network**

FoodRoutes Network (formerly Fires of Hope) of Milheim, Pennsylvania, has launched a program to support the development of community-based, buy-local food campaigns.



It is partnering with a few organizations to increase local community capacity to design, launch and implement successful buy-local campaigns. Its objective is to strengthen participants’ ability to plan campaigns effectively, to use innovative message research and communication tools, and to evaluate the effectiveness of the campaigns so that it and other communities can learn from its efforts. In addition to technical assistance, FRN also provides mini-grants. For more information, contact:

Tim Bowser  
FoodRoutes Network  
P.O. Box 443  
Milheim, PA 16854  
(814) 349-8030  
e-mail: [timbowser@earthlink.net](mailto:timbowser@earthlink.net)  
Web site: [www.foodroutes.org](http://www.foodroutes.org)

## References and Resources for Buy-Local Programs

For a list of existing and proposed “buy-local” campaigns in the Northeast, contact NY Farms!, P.O. Box 1491, Auburn, NY 13021-6691; (315) 255-9267; e-mail nyfarms@ baldcom.net.

## Value-Adding and Adding Values

### Introduction

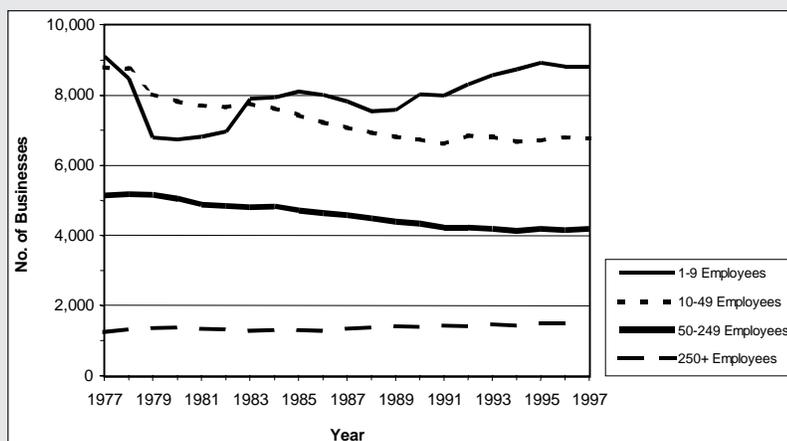
Value-adding typically involves transforming a raw, undifferentiated agricultural product into a prepared item which consumers can more readily use. But producers may also add value to their products by demonstrating to customers that they share their values—whether social or environmental. In this section we describe both of these ways producers can meet consumers’ needs, as well as strategies communities can employ to assist them.

Small-scale food processing, whether on the farm or elsewhere in a community, has become a popular approach to differentiating agricultural products. These small-scale food-processing businesses (those with one to nine employees) have been on the rise throughout the U.S. as individuals and farms attempt to cash in on the demand for

high-value specialty products (see Figure 13). Note that this data does not include the many small-scale food processors who do not have employees and therefore do not show up in the census of manufacturers (these may number in the tens of thousands).

Yet processing raw, undifferentiated product does not guarantee a profit. A common mistake for farmers and others is to discount the value of their time and assume that they are making a “killing” by processing and selling Grandma’s superlative apple-pie

**Figure 13. Trends in the number of U.S. food manufacturers, 1977–1997, by employment size class**



Source: County Business Patterns, U.S. Department of Commerce.

filling. Indeed, many management challenges surface when food *producers* become food *processors*. In a study of New York small-scale food processors (conducted by the Community, Food and Agriculture Program; n=180) the respondents reported many formidable issues, including the following (ranked by level of challenge):

1. Cost of advertising
2. Cost of liability insurance
3. Affording needed employees
4. Taxes
5. Workers' compensation
6. Unemployment taxes
7. Costs of complying with regulations
8. Start-up/expansion financing

Source: *Small-scale food processing study*. 1996. Community, Food and Agriculture Program, Cornell University.

### Figure 14. Value-adding benefits farmers and the community

- Value-adding is a logical extension of many farm businesses—it can grow out of successful retailing or wholesaling operations.
- Value-adding offers the potential for farmers to recapture a larger share of the food dollar—which has decreased from 46 percent in 1913 to 21 percent in 1997 (USDA Factbook, 1998).



- Farmers' share of the consumer food dollar is 21¢ and shrinking.
- Food manufacturing/processing has a high multiplier (for example, dairy-processing income multiplier is 3.81 vs. 2.5 for general manufacturing in New York state). (Jack, K., N. Bills, R. Boisvert. December 1996. *Policy Issues in Rural Land Use*, Department of Applied Economics and Management, Cornell Cooperative Extension, Ithaca, NY. 9:2.)
- Value-adding products help communities capture the essence of place (see Regional Identity Marketing, page 57).

## Community Support for Small-Scale Food Processors

A number of communities are establishing programs to help value-adding businesses. Some community groups have attempted to establish shared-use kitchens, sometimes referred to as “kitchen incubators.” Perhaps as many as 30 shared-use kitchen projects are proposed or underway at this writing. Shared-use kitchens typically offer equipment and facilities to small-scale processors on a fee basis. The advantages of shared-use kitchens are that they provide an inspected facility, an opportunity to test recipes and to process product for sale, without major investment. They may also offer marketing and business planning services. They can provide critical support, especially for limited-resource enterprises.



Taos Food Center in Taos, New Mexico; info at [www.laplaza.org/b\\_e/tcedc/foodcenter.html](http://www.laplaza.org/b_e/tcedc/foodcenter.html).

Our research on the costs and benefits of shared-use kitchens at the Community, Food and Agriculture Program, however, suggests a number of important issues that any community should consider before embarking on this type of complex food and agriculture systems development project. First, case studies of the finances of several kitchens indicate that they are generally easy to establish (e.g., with federal or state grant support), but that they are very difficult to continue operating, financially, once the doors are open. Second, market surveys almost always exaggerate the number of users who really end up renting space, and this in combination with unrealistic operating-cost projections ends up putting major financial burdens on kitchen sponsors. In addition to financial challenges, we found kitchens’ funding proposals to overstate the number of businesses or jobs that would be created or incubated. Taken together, these findings suggest that it is possible that any one kitchen may have a high economic cost with only modest yield in economic benefit.

### Resource tip: Shared-use kitchen case studies

The University of Wisconsin-Madison Extension collaborated with the USDA to create the Wisconsin Incubator Network, which is an informal directory of community kitchen incubators. Its Web site ([www.uwex.edu/ces/agmarkets/kitchdir.html](http://www.uwex.edu/ces/agmarkets/kitchdir.html)) includes up-to-date reports on the development of 10 kitchens in Wisconsin, including their successes and challenges.

Other models of the shared-used kitchen concept have also emerged. With fewer-than-expected users of their kitchens, a number of sponsors have successfully transformed their shared-use kitchens into welfare-to-work programs, which provide culinary training to low-income people seeking employment in the food-service industry. Other programs provide “virtual kitchens” or “incubators without walls” by helping would-be processors find co-packers, or rent of kitchen space in existing facilities (such as restaurants or certified kitchens of established processors). In addition to facilities and technical support, a number of mutual-support networks have been established in recent years to promote the exchange of ideas and technical information. Two of the most successful network listservs include “Foodnet” (targeted to food-related businesses in Ohio, West Virginia and Kentucky) and “Dairycreamery” (which focuses on cheese-making and other on-farm processing). See contact information in the References and Resources at the end of this section for details on how to subscribe.

### **Mobile Meat Processing**

Lack of small and convenient packing houses (slaughterhouses) is prompting some rural communities to be creative. Mobile processing units (MPUs) provide a way for multiple producers to share expertise and equipment that is otherwise cost-prohibitive. In the late 1990s the Central New York Pasture Poultry Association (PPA) developed an MPU (pictured at right) as a means of teaching its members how to efficiently process their poultry. It is also available for rent by producers who want to do their processing on a particular day for pick-up by customers.

Costing about \$3,000 and taking 70 hours of labor to construct, the MPU rests on a 25-foot mobile-home trailer with a reinforced frame and metal grating floor that can be hosed down for easy cleaning. A half-ton pickup truck is required for towing. Details on the MPU are available at [www.norwich.net/socnyrcd/mpunit.htm](http://www.norwich.net/socnyrcd/mpunit.htm) or [www.ibiblio.org/farming-connection/grazing/pastpoulmpupix.htm](http://www.ibiblio.org/farming-connection/grazing/pastpoulmpupix.htm).



The Central NY Pasture Poultry Association’s mobile processing unit in operation. The man at right is standing between the scalding tank and plucker, with kill cones behind him.

Photo: Duncan Hilchey

More recently, the Island Grown Farmers Cooperative of San Juan County, Washington, announced that it has established the first USDA-inspected MPU. The nearest USDA slaughterhouse is 200

miles away. USDA inspection also allows for products processed with this facility to be sold across state borders, a significant advantage for the growing—but scattered—specialty meats market. For more information on this project, contact Bruce Gregory at (360) 378-2309 or go to [www.lopezclt.org/sard/mpu.html](http://www.lopezclt.org/sard/mpu.html).



Island Grown’s mobile processing unit is completing testing and is scheduled to be available for use in 2002.  
Photo courtesy of Island Grown Farmers Cooperative.

### Promoting “Values-Adding” Marketing

The marketing language of some food and farm businesses belies a rather unfortunate, cynical world view. Military euphemisms which emerged in the American business lexicon after World War II to describe marketing strategies generally seem inappropriate for the *Growing Home* approach. Some tactics used in the industrial food system include “product dumping” (selling a product below cost for a period of time in order to mortally wound competitors), or “camouflaging” a product by appropriating a superficially “green” image.

The problem with this aggressive marketing mindset is that it reinforces the disconnect between producers and consumers by implying that consumers are to be manipulated—and not educated—into buying. Consider the following pairs of phrases. Would the participants in your food and agriculture system development educational programs understand the difference in the meaning of each?

- Guerilla marketing ..... versus ..... Relationship marketing
- Marketing tactics ..... versus ..... Marketing strategies
- Target market ..... versus ..... Core market
- Market penetration ..... versus ..... Building trust
- Capturing market ..... versus ..... Building loyalty

The New Agriculturalists (whether individuals or cooperatives) recognize that their customers can discern the sincerity in their marketing message, in the ingredients, packaging and product information. Here are some examples of “values-adding” strategies.

- Environmentally sensitive or minimal packaging.
- Informational labeling (telling consumers about the values of the business and its contribution to the community).

(continued)

- Labeling in languages in addition to English, for immigrant consumers.
- “Standard-plus” marketing (positioning a product above cheap mass-market products, but below expensive organic or super-premium products).
- Emphasizing the *family farm* that produced the product.
- Emphasizing the *place* where a product is produced (see Regional Identity Marketing, page 57).
- Emphasizing that farmers are working together cooperatively, to decommodify.

## References and Resources for Value-Adding and Adding Values

*Adding Values to Our Food System: An Economic Analysis of Sustainable Community Food Systems.* Available at [www.ibiblio.org/farming-connection/foodsyst/addval.htm](http://www.ibiblio.org/farming-connection/foodsyst/addval.htm).

Center for Integrated Agricultural Systems. *Community Kitchens: Key Elements of Success.* Research Brief #54. Available at [www.wisc.edu/cias/pubs/briefs/054.html](http://www.wisc.edu/cias/pubs/briefs/054.html).

Dairycreamery listserv: For information on how to subscribe, send e-mail to [ladybug@swva.net](mailto:ladybug@swva.net).

Foodnet listserv: To subscribe, e-mail your name, address, phone, fax, e-mail address and business name to Leslie Schaller at [leslies@acenetworks.org](mailto:leslies@acenetworks.org).

Markley, K. and D. Hilchey. 1998. *Adding Value for Sustainability: A Guidebook for Cooperative Extension Agents and Other Agriculture Professionals.* Farming Alternatives Program: Community Agriculture Development Bulletin Series.

Richards, Keith and Deborah S.

Wechsler. 1996. *Making It on the Farm: Increasing Sustainability Through Value-Added Processing and Marketing.* Elkins, AR: Southern Sustainable Agriculture Working Group Publications.

Western Entrepreneurial Network. *Establishing a Shared-Use Commercial Kitchen.* To order, contact Bob Horn at the University of Colorado at Denver, Campus Box 128, P.O. Box 173364, Denver, CO 80217-3364; (800) 873-9378.

### Resource tip

**Northeast Center for Food Entrepreneurship** (NECFE): (888) 624-6785.

Mailing addresses: New York State Food Venture Center, Cornell University, NYS Agricultural Experiment Station, 630 West North Street, Geneva, NY 14456; (315) 787-2274; Web site [www.nysaes.cornell.edu/necfe](http://www.nysaes.cornell.edu/necfe); or

Center for Food Science, University of Vermont, Department of Nutrition and Food Sciences, 200 Carrigan Building, 536 Main Street, Burlington, VT 05405-0044; (802) 656-8300.