

Project Report for Farm Credit Alliance

UC Sustainable Agriculture Research and Education Program

Agricultural Sustainability Institute at UC Davis | August 26, 2015

Preparing small, beginning and immigrant producers to capitalize on values-based, wholesale marketing channels

The UC Davis/Farm Credit Alliance bus tour project began in October 2013 with two tours and continues to help small, beginning, and underserved farmers find new marketing outlets and strengthen their operations. In February 2015 we completed two more tours so in total we have worked with 105 farmers and 17 food system partners on four bus tours; through workshops we have reached more than 60 additional growers. The project has served growers in four different regions of California—Fresno, Sacramento, Monterey and the North/East Bay Area. We are conducting two more tours in Southern California tentatively scheduled for December 2nd and 9th. After those tours, we will convene a statewide summit of partner organizations.

The tours help participating farmers to develop new markets and relationships and to assess the marketing side of their operation. We have seen notable improvements in access to markets, with all farmers expanding their buyer contacts and some farmers directly boosting their sales and contracts. The tours have improved their understanding of and confidence in approaching wholesale markets and buyers that we did not visit on the tour. Moreover, we have seen clear networking benefits as the participants have collectively learned from each other through sharing experiences, contacts and marketing challenges. Overall, the project fills an important niche in UC Cooperative Extension (UCCE) building institutional knowledge and capacity to assist small and mid-scale farms with their marketing challenges.

TOUR HIGHLIGHTS

- 122 participants in 4 tours
- Covered 4 geographic regions in California
- Farmers meet an average of 6.2 new contacts
- 4 out of 8 farmers interviewed from 2013 tours now sell to at least one buyer visited on the tour
- Two workshops and farmer-to-farmer meetings after the Fresno tour covered food safety and marketing/branding

Direct Impact

The tours have successfully connected beginning and limited-resource farmers' to new buyers and market channels. In the two 2013 tours, participants reported making 7.6 new business contacts from the tour and 94% planned on following up with those or similar buyers. Our year 2 follow-up interviews have so far confirmed these numbers, as 7 of the 8 farmers followed-up with buyers from the tour or approached a similar marketing channel. The number of new contacts dropped to 4.2 in 2015 tours—perhaps because of different interpretation of the word “contact”—but 79% of the participants were somewhat or very likely to follow up with the new contacts.

For some of the 2013 tour participants, these new contacts have directly resulted in new sales. During our year 2 follow-up interviews, 4 out of 8 farmers indicated a new sales channel from one of the stops on the tour. One farmer is now selling to two of the locations visited on the tour. Additionally, 5 of the 8 farmers cited a demonstrable large increase in sales in 2014 ranging from 10% to 100%. One farmer developed a new sales channel that not only increased gross sales but also reduced the time spent selling at farmer's markets. The remaining two farmers cited production challenges, not marketing, as the reason sales did not increase. After the 2013 tour we conducted one-on-one technical assistance with 15 of the tour participants. During that process, we provided assistance on pack & grade, boxes, labels, and compiled one farm profile¹. Additionally, we connected those farmers with other resources, people and organizations and were able to gain a deeper understanding of their marketing challenges and needs. We have also completed one direct consultation after the 2015 tours and are developing profiles for several Fresno area farmers this month.



Photos by Ezra David Romero/Valley Public Radio

Educational Experience

The tours cater to a diverse range of farmers at different stages in their development and needs, offering more of an introductory educational experience for some farms. In all of our follow-up interviews, participating farmers expressed an increased understanding of the wholesale market chain. For some of the beginning growers, this was the major benefit of the tour and opened their eyes to the inner-workings of wholesale supply chains. Participants engaged with many different types of distribution business models, access points and opportunities for smaller producers in the wholesale marketplace. Moreover, the tours demystify wholesale markets, helping farmers learn how to approach and develop relationships with buyers.

The tours have also provided an important opportunity for small and beginning farmers to connect with and learn from each other. For beginning farmers, this connection has been especially fruitful. During the follow-up interviews, several farmers cited the networking and collaboration on the tour as a key component. Some tangible benefits have even emerged from these connections. One Sacramento area farmer discovered a new insurance broker that saved her several hundred dollars a year. Another beginning farmer learned of some possible land for lease and was able to expand his operation to 10 acres over the past two years as a result of a conversation on the tour.

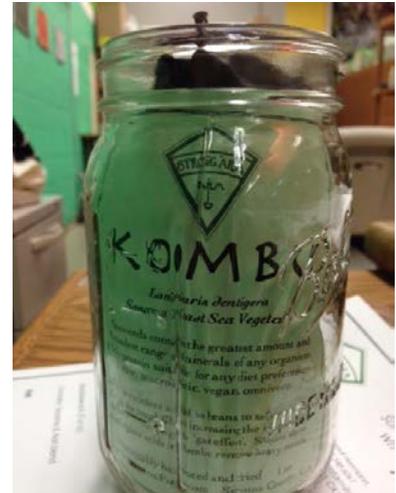
Success Stories

Several of the farmers communicated clear success stories after the tour. From the 2013 tours, a Fairfield-based farmer veteran now sells his tomatoes to Cooks Company, a distributor visited on the tour, and used some of

¹ A colorful one-page handout that succinctly conveys the story of the farm. Very helpful for approaching produce buyers or even as a handout at the farmer's market.

the lessons on the tour to diversify his marketing channels and supply small grocery stores in Marin and Sonoma County. Another beginning farmer developed two new relationships out of the tour, selling her stone fruit to both Good Eggs and Cooks Company. Those two channels have become very important secondary market channels in her operation.

The 2015 tours have already reaped direct benefits for a few participants. One North Bay farmer started selling her seaweed to Three Stone Hearth, a community supported kitchen, after leaving a sample with the produce buyer on the tour. They developed new packaging for her product that worked better for the Three Stone Hearth retail shop.



A farmer on the 2015 tour is now selling her seaweed to Three Stone Hearth.

Sustained Engagement

In addition to the actual bus tours, this project seeks to sustain engagement with small, beginning and limited resource famers on a wide range of “beyond the farm gate” topics that are very much vital to help their farms survive and thrive. After the first two rounds of tours farmers have expressed less interest in developing farm profiles or receiving technical assistance than we anticipated. Instead, we have started to redirect our time and resources and tailor the outreach to the unique needs of the different groups of farmer’s attending the tours. We are focusing on the best way to create an ongoing conversation and dialogue with the respective groups and channel it into a statewide summit in 2016.

For instance, the farmers on the bus tour out of Fresno this February—primarily Southeast Asian immigrants²—identified food safety as their greatest challenge in pursuing new markets, especially as new regulations are coming from USDA. With this information in mind, we partnered with the Community Alliance with Family Farmers, UCCE and the Fresno Workforce Investment Board (WIB) to put on an on-farm food safety workshop this spring. In addition, we partnered with UCCE and WIB for another workshop covering traceability and branding and had a lunchtime farmer-to-farmer conversation about marketing challenges and possibilities. Some interesting topics that emerged were potential avenues for aggregation and distribution along with collective branding. Throughout this time, we have also been involved in conversations about possible marketing cooperatives for small Hmong growers in the Fresno area. SAREP is excited to play a supporting role to assist their development.



² Vast majority Hmong, with a small percentage of Lao and Mien.

2016 Summit

Currently, many organizations in California—non-profits, financial institutions, government agencies, UCCE—support small, beginning and limited resource farmers to build their marketing and business management systems. The groups operate at several levels; some providing tangible resources or market access while others strive to provide voice for these farmers in the policy process or elevate their profiles and stories for the public. Their goals often overlap and are directed toward helping these farms to find reliable markets that pay fair prices so they can thrive. To meet those ends, these groups will benefit from engaging in a unified conversation with each other. The Summit seeks to spearhead this conversation by naming and discussing the challenges facing these producers in various supply chains, brainstorming actionable directions, and building partnerships.

The Summit will help build and strengthen a network of support for farmers on marketing and business development. We will invite a wide range of partners in addition to Farm Credit such as Farm Bureau, California Certified Organic Farmers, Community Alliance with Family Farmers, California Center for Cooperative Development, California FarmLink, Kitchen Table Advisors, USDA, Farmers Guild, Workforce Investment Board, National Hmong American Farmers, San Francisco Produce Market, Small Business Development Centers, Center for Land-Based Learning, UCCE, and more.

Prior to the event, we will invite attendees to submit a brief summary about what they are doing to help small and mid-scale growers. We will share the compiled listing among all participants and later, farmers. During the event, we plan to identify practical resources available to benefit farmers throughout the state and opportunities to strengthen marketing and business development support for farms, either collectively or through individual organizations. We would be honored to feature Farm Credit as the event co-sponsor with CDFA.