

# 5.0 Other Direct Marketing Strategies

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# Introduction: Other Direct Marketing Strategies

## UNIT OVERVIEW

*Along with Community Supported Agriculture, there are a number of other direct marketing strategies that growers are using to maintain the economic viability of their small farms. This unit introduces students to some of the innovative marketing approaches being explored by many small-scale producers, as well as by sustainable agriculture and community development activists interested in developing more sustainable food systems that support small-scale growers.*

Unit 5.1: "Farmers' Markets and Roadside Stands" provides an overview of the essential considerations for developing and managing direct market sales through farmers' markets and roadside stands.

Unit 5.2: "Cooperative Marketing Groups and Producer Cooperatives" introduces the ways that groups of farmers can collaborate to address the many economic disadvantages small-scale growers face due to increasing consolidation within the industry and lack of economies of scale.

Unit 5.3: "Regional Agriculture Economic Development: Buy Local Campaigns" looks at the ways that farmers and sustainable agriculture advocates are developing regional membership organizations to address the issue of small farm viability. These organizations promote community education and facilitate business relationships between local producers and food retail enterprises.

Unit 5.4: "Institutional Buying Arrangements and Farm-to-School Programs" reviews the opportunities and challenges of direct sales to institutions such as schools and hospitals. These arrangements can secure stable markets for growers and provide institutions with fresh, locally produced foods.

Unit 5.5: "Selling to Restaurants" introduces students to the steps involved and the opportunities and challenges faced in selling directly to restaurants.

## MODES OF INSTRUCTION

> LECTURES (1–2 hours per unit)

## LEARNING OBJECTIVES

### CONCEPTS

- Steps and considerations involved in direct marketing through farmers' markets and roadside stands
- Advantages of marketing through cooperatives
- Regional marketing efforts and their potential benefits for growers and sustainable food systems advocates
- Opportunities and challenges of selling to various institutions and restaurants



# Resources

## BOOKS

Backyard Market Gardening: The Entrepreneur's Guide To Selling What You Sow (5th printing), by Andy Lee and Jim Hightower. Good Earth Publications, 1993.

*A complete why-to and how-to of small-scale market farming. 320 pages. Email: goodearth@rockbridge.net*

Building a Sustainable Business: A Guide to Developing a Business Plan for Farms and Rural Businesses. USDA SARE and the Sustainable Agriculture Network, 2003.

*A thorough introduction to business planning for sustainable agriculture entrepreneurs. Building a Sustainable Business provides sample worksheets for setting goals, researching processing alternatives, determining potential markets, and evaluating financing options. Blank worksheets help the reader develop a detailed, lender-ready business plan or map out strategies to take advantage of new opportunities. Includes many examples of actual business plans. A very user-friendly and value-based approach to business planning. See: [www.sare.org](http://www.sare.org); [www.misa.umn.edu/publications/bizplan.html](http://www.misa.umn.edu/publications/bizplan.html) for description, ordering information, and pdf version of the document.*

Developing a Strategic Marketing Plan for Horticultural Firms, by Gerald B. White and Wen-fei L. Uva. Dept. Agricultural, Resources, and Managerial Economics, College of Agriculture and Life Sciences. Cornell University, NY, 2000.

*Available online: [www.nysl.nysed.gov/scandoclinks/ocm43610110.htm](http://www.nysl.nysed.gov/scandoclinks/ocm43610110.htm)*

Direct Marketing of Farm Produce and Home Goods. Department of Horticulture, University of Wisconsin Cooperative Extension, 1994.

*A publication with direct marketing alternatives and strategies for beginning and established producers. Available online: [cecommerce.uwex.edu](http://cecommerce.uwex.edu).*

The Direct Marketing Resource Notebook, by Steve Bonney, Cris Carusi, Paul Johnson, and Meg Moynihan. Midwest Sustainable Agriculture Working Group, 1996.

*Includes case studies of different direct marketing enterprises, Midwestern state and federal marketing contacts, and an extensive resources section*

Direct Marketing Today: Challenges and Opportunities – 2000, by Nelson Bills, Monika Roth, and Jane Maestro-Scherer. Agricultural Marketing Service, USDA, 2000.

*A look at direct marketing options, challenges, and information needs based on a survey of industry participants. Available online at [www.ams.usda.gov/directmarketing/DirectMar2.pdf](http://www.ams.usda.gov/directmarketing/DirectMar2.pdf).*

Dynamic Farmers' Marketing: A Guide to Successfully Selling Your Farmers' Market Products, by Jeff Ishee. Bittersweet Farmstead, 1997.

*An informal book dedicated to the sole topic of selling at farmers' markets. Save two years of trial and error just by studying and implementing the tips found in this book.*

The Farmers' Market Book: Growing Food, Cultivating Community, by Jennifer Meta Robinson and J. A. Hartenfeld. Quarry Books, 2007.

*The Farmers' Market Book examines this national phenomenon through the story of the market in Bloomington, Indiana, and considers the social, ecological, and economic power of farmers' markets generally.*

The Flower Farmer: An Organic Grower's Guide to Raising and Selling Cut Flowers, by Lynn Byczynski, Chelsea Green Publishing, 224 pages.

*A comprehensive introductory guide to commercial cut flower production, including variety recommendations, cultivation, harvest and post-harvest handling, flower marketing, yield and pricing, woody ornamentals, dried flowers, arranging, profiles of successful growers, and an appendix with production and harvest advice on 100 species. A lovely book as well. Available from Growing for Market at 800.307-8949.*

The Legal Guide for Direct Farm Marketing. Neil Hamilton. Des Moines, IA: Drake University, 1999.

*The author is a successful farmer, attorney, and professor of agricultural law. This comprehensive guide is essential for anyone considering direct farm marketing. Hamilton covers liability, regulations, labor law, processed foods, and meat marketing issues in layman's terms. 235 pages, paperback. Available through the New England Small Farm Institute Library: [www.smallfarm.org](http://www.smallfarm.org).*

Making Your Small Farm Profitable, by Ron Macher. Storey Books, 1999.

*Covers marketing and balanced farm management for the beginning or experienced farmer.*

See: [www.smallfarmtoday.com](http://www.smallfarmtoday.com).

Market Farm Forms: Spreadsheet Templates for Planning and Tracking Information on Diversified Market Farm, by Marcie A. Rosenzweig, 1999.

*Developed to help with planning, planting, and income diversification. The book explains how to enter your farm's information into the templates, and what the calculated data tell you. Cross-platform CD works seamlessly with Excel. Computerless farmers can use the printed forms with a pencil and calculator. 100 pages plus diskette. Order from Full Circle Organic Farm, 3377 Early Times Lane, Auburn, CA 95603. E-mail: [fullcircle@jps.net](mailto:fullcircle@jps.net).*

Marketing on the Edge: A Marketing Guide for Progressive Farmers. Canadian Farm Business Management Council. Ottawa, ON, 2002.

*A comprehensive guide to direct marketing, co-published with the North American Farmers' Direct Marketing Association. 144 pages, paperback. Available through the New England Small Farm Institute Library: [www.smallfarm.org](http://www.smallfarm.org).*

Marketing Options for Commercial Vegetable Growers, by Brent Rowell, Tim Woods, and Jim Mansfield. University of Kentucky, College of Agriculture, Cooperative Extension ID-134.

*Publication exploring various marketing options for vegetable crops producers. Available online: [www.ca.uky.edu/agc/pubs/id/id134/id134.htm](http://www.ca.uky.edu/agc/pubs/id/id134/id134.htm).*

Marketing to the New Natural Consumer, by Harvey Hartman and David Wright. Bellevue, WA: The Hartman Group, 1999.

*A summary of the Hartman Group's research into organic and lifestyle consumer trends. Understanding consumer trends in the food and natural products market can help you succeed in this new marketplace. 267 pages, paperback. Available through the New England Small Farm Institute Library: [www.smallfarm.org](http://www.smallfarm.org).*

Metro Farm: The Guide to Growing for Big Profit on a Small Parcel of Land, by Michael Olson. TS Books, 1994.

*Thorough and fun to read, this book generates a million ideas and helps you chart your course for creating a new small farm enterprise. See: [www.metrofarm.com](http://www.metrofarm.com).*

The New Farmers' Market: Farm-Fresh Ideas for Producers, Managers, and Communities, by Vance Corum, Marcie Rosenzweig, and Eric Gibson. SARE, 2001.

*Provides extensive information in a clear, nuts-and-bolts manner. Contains invaluable insight and advice both for those selling at markets, and those organizing them. See: [www.sare.org](http://www.sare.org)*

The New Organic Grower: A Master's Manual of Tools and Techniques for the Home and Market Gardener, by Eliot Coleman. A Gardener's Supply Book, 1995.

*Great general guide for the principles of intensive crop management. Includes strategies on defining market opportunities and marketing.*

Reap New Profits: Marketing Strategies for Farmers and Ranchers. USDA Sustainable Agriculture Network (SAN).

*"This 20-page bulletin offers snapshots of the many alternatives to marketing commodities through conventional channels. Describes how to break into farmers markets; establish pick-your-own operations and farm stands; begin entertainment farming; open a Community Supported Agriculture (CSA) farm; join or start a cooperative; sell to restaurants or through mail order and the Internet; how to process and direct-market meat; and ways to add value to farm products." Online version at: [www.sare.org/publications/marketing.htm](http://www.sare.org/publications/marketing.htm).*

Sell What You Sow, by Eric Gibson. New World Publishing, 1990.

*Great overview of marketing techniques for a variety of situations. Appendices and resource list. Aimed at small- to medium-scale farmers. E-mail [egibson@jps.net](mailto:egibson@jps.net).*

Selling Produce to Restaurants: A Marketing Guide for Small Acreage Growers, by Diane Green. Sandpoint, ID: Green Tree Naturals, 1999.

*A concise guide to direct marketing to restaurants for small-scale growers. Includes chapters on: selecting restaurants; what to grow; deliveries and sales; working with caterers; working with other growers; market surveying; and sample letters to use for approaching restaurants. See: [www.greentreenaturals.com](http://www.greentreenaturals.com).*

The Small Commercial Garden, by Dan Haakenson. Pc-Services, 1995.

*Detailed information from his own records on designing the garden to grow for sale, marketing, commercial design of necessary structures, planning, growing, harvesting, and intensive advice on basic crops that are the mainstay of any good market garden—no unusual crops. Highly recommended for small market growers. Accompanying video available.*

Successful Small-Scale Farming, An Organic Approach, by Karl Schwenke. Storey Publishing, 1991.

*This book goes beyond growing crops to show everything you need to know—including which direction to begin plowing your fields, machinery you might not need, how to pull up old fence posts, and other info you missed from your farming grandparents!*

Sustainable Vegetable Production from Start-up to Market, by Vern Grubingers. Natural Resources Agriculture and Engineering Services (NRAES), 1999.

*Covers equipment thoroughly, as well as farm planning and business management. Contains a section on grower profiles for 18 crops, including their enterprise budgets. A great overview for farmers starting out or those looking for different angles. See: [www.nraes.org](http://www.nraes.org).*

USDA Risk Management Agency, Farm Services Agency and Farm and Agriculture Collaborative Training Systems. Risk Management Training for Diversified Family Farmers.

*Based on a series of workshops, the 7-workbook series is designed to assist diversified family farmers to manage risk proactively through addressing many elements that contribute to creating a financially healthy farming operation. Covers the following topics: Introduction to Risk Management; Managing Family and Personal Risk; Managing Financial Risk; Managing Production Risk; Managing Marketing Risk. Available online through CAFF (see below): [www.caff.org/programs/rma/rma.shtml](http://www.caff.org/programs/rma/rma.shtml).*

Western Profiles of Innovative Agricultural Marketing: Examples from Direct Farm Marketing and Agri-Tourism Enterprises. Western Extension Marketing Committee, Cooperative Extension of the University of Arizona, 2003. Publication AZ1325.

*Provides 16 case studies of successful innovative direct farm marketing enterprises.*

## PERIODICALS

American Vegetable Grower/American Fruit Grower

*A subscription magazine for produce growers and marketers. Meister Publishing. See: [www.meistermedia.com/vegetables](http://www.meistermedia.com/vegetables).*

Growing for Market

*A very useful national monthly newsletter for direct market farmers. Covers production and marketing of vegetables and flowers. P.O. Box 3747, Lawrence, Kansas 66046. See: [www.growingformarket.com](http://www.growingformarket.com).*

Marketing Your Produce

*A compilation of the best marketing articles that appeared in Growing For Market, 1992-1995. Chapters include information on specialty produce, selling to restaurants and/or supermarkets, farmers' markets, CSAs, and expanding your market. Ends with a list of recommended books. See above for ordering information*

The Packer

*A business newspaper for the produce industry. See: [www.thepacker.com](http://www.thepacker.com)*

Small Farm Digest

*A subscription newsletter published three times a year by the Cooperative State Research, Education, and Extension Service, United States Department of Agriculture (USDA). Discusses issues affecting today's small farmers. Small Farm Digest is available on the CSREES home page: [www.csrees.usda.gov/newsroom/newsletters/smallfarmdigest/sfd.html](http://www.csrees.usda.gov/newsroom/newsletters/smallfarmdigest/sfd.html).*

Small Farm News

*The Small Farm Newsletter is a quarterly publication of the UC Davis Small Farm Center. The newsletter features farmer and farm advisor profiles, research articles, farm-related print and web resources, news items and a calendar of state, national and international events. See: [www.sfc.ucdavis.edu/pubs/SFNews/news.html](http://www.sfc.ucdavis.edu/pubs/SFNews/news.html) for the on-line editions.*

## ARTICLE

Fairchild, L. 2002. Fresh trends: a 2002 profile of the fresh produce consumer. Vance Publishing. Lenexa, KS.

## WEB SITES

### Agribusiness Online:

[www.agribusinessonline.com/](http://www.agribusinessonline.com/)

*Agribusiness Online is a free market intelligence and technical information service for agribusiness professionals. Provides market news, prices, surveys, trade regulations, research, events, post-harvest, and production guides from various extension services*

### Alternative Farming Systems Information Center's Organic Agriculture Products: Marketing and Trade Resources:

[www.nal.usda.gov/afsic/index.html](http://www.nal.usda.gov/afsic/index.html)

*A comprehensive listing of electronic resources addressing the following subject areas: Regulation, Laws, and Legislation governing organic production and trade; How-to guides on Marketing, Business Planning, and Sample Enterprise Budgets; Guides to Data, Suppliers, Outlets, and Event; Industry and Data Sources; Market and Consumer Studies; Support Organizations. Compiled by Mary V. Gold of the National Agricultural Library in association with the Agricultural Research Service of the U.S. Department of Agriculture.*

### ATTRA—National Sustainable Agriculture Information Service. Direct Marketing. Business Management Series:

[attra.ncat.org/marketing.html](http://attra.ncat.org/marketing.html)

*Contains extensive listings of concise online publications addressing all aspects of direct marketing and alternative marketing arrangements including; marketing of organic products, institutional buying relationship, cooperatives, value added, selling to restaurants, agricultural tourism, farmers' markets, and CSA.*

### California Department of Food and Agriculture Regulations:

[www.cdffa.ca.gov/cdffa/pendingregs/](http://www.cdffa.ca.gov/cdffa/pendingregs/)

*California Department of Food and Agriculture Regulations (CDFAR) is a California State agricultural agency with divisions of Animal Health & Food Safety Services; Fairs and Expositions; Inspection Services; Marketing Services; Measurement Standards; and Plant Health & Pest Prevention Services. The web site contains links to the services and programs of the above agencies as well as links to county agricultural commissioners and official statements and policies of the USDA, FDA, and CDFAR on current events in agriculture.*

### California Federation of Certified Farmer's Markets:

[www.cafarmersmarkets.com/](http://www.cafarmersmarkets.com/)

*An information clearinghouse on certified farmers' markets in California. A comprehensive information on certified farmers' markets; links to locate farmers' markets in a given area; product specific listings of associations and organizations; links to information on agriculture and trade policy; and much more. The California Federation of Certified Farmers' Markets is a statewide non-profit membership organization of California Certified Farmers' Markets.*

### Community Alliance with Family Farmers (CAFF):

[www.caff.org](http://www.caff.org)

*A nonprofit family farming advocacy organization encouraging economic and environmental sustainability through farmer oriented land use and crop production workshops, publications, policy initiatives, and economic development programs encouraging regional food systems and public education programs. Contains 'Risk Management Training for Diversified Family Farmers'; a series of risk management publications covering: Family and Personal Risk; Financial Risk; Production Risk; Marketing Risk; Legal and Regulatory Risk. See: [www.caff.org/programs/rma/rma.shtml](http://www.caff.org/programs/rma/rma.shtml).*

### Direct Marketing Resource Guide Online Database:

[www.sare.org/publications/dmrg.htm](http://www.sare.org/publications/dmrg.htm);

[wsare.usu.edu/marketing/search.cfm](http://wsare.usu.edu/marketing/search.cfm)

*This extensive annotated listing includes practical, high quality resources such as print publications, videos, and web resources that will help growers meet their direct marketing goals. The resources are organized into 9 categories including: Farmers' Markets; Community Supported Agriculture; Agricultural Cooperatives; Farm-to-School/Selling to Institutions; Direct Marketing Livestock; Roadside Stands/Markets; Selling to Restaurants; and Value-Added Production/Marketing.*

### Growing New Farmers:

[www.growingnewfarmers.org](http://www.growingnewfarmers.org)

*Growing New Farmers is a community of new farmers and service providers organized through the New England Small Farm Institute. This web-site will assist the spectrum of beginning farmers from those assessing whether they want to get started to those finalizing business plans. Though created for farmers in the Northeast, it has a wealth of information for California farmers including worksheets, articles, and a user-friendly question and answer section.*

**Nolo Press:**

[www.nolo.com](http://www.nolo.com)

*Dedicated to helping people handle their own everyday legal matters or make more informed legal decisions, Nolo Press publishes reliable, plain-English books, software, forms, and up-to-date legal information covering almost any legal topic. Includes an extensive list of publications and online articles on the types of legal ownership structures that are available and do-it-yourself manuals on forming sole proprietorships; partnerships; limited partnerships; limited liability companies (LLC); nonprofit corporations; and nonprofit cooperatives. Includes links to other helpful web sites.*

**Organic Agricultural Products: Marketing and Trade Resources:**

[www.nal.usda.gov/afsic/AFSIC\\_pubs/OAP/srb0301.html](http://www.nal.usda.gov/afsic/AFSIC_pubs/OAP/srb0301.html).

*A collaborative program of the USDA Agricultural Research Services and the National Agricultural Library to provide marketing and trade information for organic agriculture products. Contains information on: Regulations, Laws and Legislation; How-to Guides; Guides to Data, Suppliers, Outlets and Events; Industry Data Sources; Market and Consumer Studies; Support Organizations; and a listing of appendices containing USDA National Organic Program standard for certification, production, labeling and marketing.*

**The Organic Trade Association (OTA):**

[www.ota.com/index.html](http://www.ota.com/index.html)

*The Organic Trade Association (OTA) is the membership-based business association for the organic industry in North America. OTA's mission is to encourage global sustainability through promoting and protecting the growth of diverse organic trade.*

**Produce Marketing Association**

[www.pma.com](http://www.pma.com)

*Home page of the Produce Marketing Association. Lists conventions, other events, links to the web pages of major produce companies including organic.*

**Resources for Economic Viability in Sustainable Agriculture:**

[www.mvls.info/revsa/](http://www.mvls.info/revsa/)

*Annotated resource listings compiled by the Mohawk Valley Library System containing business planning resources for small scale farmers (see Generalized Tools for Small Businesses)*

**UC Small Farm Center:**

[www.sfc.ucdavis.edu](http://www.sfc.ucdavis.edu)

*The UC Small Farm Center (SFC) serves as a clearinghouse for questions from farmers, marketers, farm advisors, trade associations, government officials and agencies, and the academic community. The SFC maintains a library of books, scientific and popular journals, reports, directories, and periodicals covering production, marketing, and policy issues. SFC publishes manuals, proceedings, pamphlets, leaflets, and a quarterly newsletter that includes news of upcoming events, publications, topical issues, and profiles of farmers and farm advisors. The SFC organizes and coordinates statewide conferences, workshops, and symposia and supports advisors, farmers' markets, and farm organizations in regional and local programs.*

**USDA Agricultural Marketing Service:**

[www.ams.usda.gov](http://www.ams.usda.gov)

*The Agricultural Marketing Service includes six commodity programs providing standardization, grading and market news services for those commodities. The AMS Science and Technology Program provides centralized scientific support to various AMS technical programs (e.g., Plant Variety Protection, Pesticide Testing and Pesticide Recordkeeping Programs). The AMS Transportation Program addresses problems of U.S. and world agricultural transportation. The Marketing program serves to increase the overall effectiveness of the food marketing system, provide better quality products to the consumer at reasonable cost, improve market access for growers with small- to medium-sized farms, and promote regional economic development.*

**USDA Agricultural Marketing Service (AMS) Farmer Direct Marketing Bibliography:**

[www.ams.usda.gov/directmarketing/](http://www.ams.usda.gov/directmarketing/)

*An extensive listing of online resources relating to direct marketing.*

USDA AMS Market News Service:

[www.ams.usda.gov/marketnews.htm](http://www.ams.usda.gov/marketnews.htm)

*Provides current U.S. price and sales information. One of the best sources for daily to weekly reports for all kinds of commodity prices, bids, imports and exports in the U.S., from dairy, feedstuffs, fruit and vegetables, futures, grains, hay, livestock, meat, poultry, tobacco. Reports cover both domestic and international markets. Other reports include information on volume, quality, condition, and other market data on farm products in specific markets and marketing areas.*

#### **VIDEO**

Farmers and Their Diversified Horticultural Marketing Strategies: An Educational Video on Innovative Marketing. University of Vermont Extension, Burlington, 1999.

*This video presents eight Northeast vegetable farmers who describe their successful use of a variety of innovative marketing strategies. 48 minutes. Available from [www.smallfarm.org/bookstore/](http://www.smallfarm.org/bookstore/).*