

Finding Your Niche:

A Marketing Guide for Kansas Farms

**A comprehensive source for new,
transitioning and expanding family enterprises.**



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Kansas Rural Center

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P.O. Box 133
Whiting, Kansas 66552
785-873-3431
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with support from:



KDA Specialty Crop Block Grant



USDA Risk Management Agency

Some photos generously provided by:
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Introduction to this Guide

Across the U.S., farmers and ranchers who are marketing food products direct to local and regional consumers, restaurants and institutions are part of a growing food movement. Nationwide, the number of farmers markets increased by nearly 10 percent in 2012 alone, continuing a 15-year growth trend, according to the USDA. Niche food products such as organics, heritage breed meats and heirloom produce varieties are similarly gaining in popularity.

Local and niche farm marketing here in Kansas echoes those trends. Our farmers markets now number more than 100 and are expanding into winter markets, multiple days and locations, as demand by consumers increases and new growing practices such as hoopouses help lengthen the season.

Furthermore, we know that our potential is virtually unlimited: Kansas consumers purchase more than \$760 million in fresh fruits and vegetables each year, but less than 5 percent of that amount stays here in-state with our local farms and ranches. And we know that Kansans consume only a fraction of the recommended daily intake of fresh produce! Yet already, that small amount of purchasing power represents \$32 million in economic activity that's staying in our communities with local food purchases.

This potential is not new. At the turn of the last century, Kansas farm data shows nearly 120,000 acres in specialty crop production, especially sweet potatoes and apples. Today, that much acreage of appropriate farmland would yield more than enough fresh fruits and vegetables to supply all of Kansas consumers' needs, capturing that \$760 million and perhaps leaving surplus for sale outside our state.

In meats, the potential may be even bigger. Kansans spend \$985 million yearly on meat purchases. While purchasing freezer beef from a local farm is a time-honored tradition in Kansas, new consumer awareness and demand for sustainably raised meats, such as grassfed beef and pastured poultry and pork, as well as specialty products such as buffalo and elk, are sending our nonfarm residents in search of farm-fresh eggs, milk, meat and other animals products. Indeed, livestock producers who are direct-marketing these products have reported overwhelming demand, as more groceries and distributors are also getting into the act.

What's Behind the Demand

The Kansas Rural Center has been involved in local and regional food systems nearly since its start in 1979. KRC has been a leader in developing farmers markets in our state and in forming the Kansas Food Policy Council, under Governor Kathleen Sebelius. KRC provides training in specialty crops, organics and grazing for producers. KRC currently serves as a partner on the Rural Grocery Initiative, a project of the Center for Engagement and Community Development at Kansas State University, and the Growing Growers program in northeast Kansas.

KRC sees big potential for small farms to diversify their offerings and their income streams in local and niche markets, for the better health of the farm. Local and niche markets help preserve diversity in farming, help acquaint consumers with the farm, help keep cooking skills alive, and keep dollars in our own communities. The multiplier effects -- resulting economic activity generated -- from local food have been demonstrated in some studies to be even greater than purchasing from other small businesses.

Our most recent local foods work has fostered the development of local food purchasing networks and developed tools to help producers market their goods, including this guide, the website food hub ourlocalfoodks.org, ksfarmersmarkets.org, and the Savor the Season program, which featured recipe cards and consumer information for 24 different specialty crops.

Through our local food work, we have seen several reasons for the explosion in enthusiasm for local and niche food markets:

- Consumers are concerned about food security -- making sure that we have a robust local food system in case of emergency, with the necessary farms and infrastructure supports like meat processing and supply chains.
- Consumers are concerned about food safety -- they feel that by purchasing locally, they know their farmers and can trace back to the source, in a world of increasingly complex food production and distribution.
- They understand the value of supporting local farms, and the positive effects keeping those dollars local can have on their communities.
- They appreciate and desire fresh local foods and are reviving their own memories, new traditions, and cooking skills with their families and friends.
- Consumer palates are expanding as chefs embrace international cuisines as well as interesting specialty crop varieties and practices such as nose-to-tail butchering, which seeks to eliminate waste while utilizing some of the most flavorful parts of an animal.
- Consumers are learning that contrary to conventional wisdom, local foods do not have to be more expensive and can often be more cost-effective for their family budgets.

Potential and Challenges

Local and niche marketing of products direct from your farm can provide a start-up venture for a new farmer just getting started, an expansion for an established farm that may want to bring in new family members, or a new direction for a farm looking to diversify and enter an exciting new future for farming.

Direct and niche marketing from the farm, however, is not without learning curves and challenges. That is the purpose of this publication: to help you overcome those challenges and provide you with a first-stop guide to the many quality resources available.

On behalf of the Kansas Rural Center, and our local foods staff for whom this guide was a labor of love, best wishes on your farm marketing endeavors. We hope you find this guide informative and helpful.

Primary Author: Julie Mettenburg, Kansas Rural Center

Source: USDA Census of Agriculture; Rhonda Janke, KSU

Resource: <http://www.ers.usda.gov/publications/err-economic-research-report/err97.aspx>

The Kansas Rural Center thanks the many organizations and individuals who helped make this guide possible, including our colleagues at the Kansas Department of Agriculture and Kansas State University, the many experts and contributors who helped us compile and review this information, the USDA Risk Management Agency and Specialty Crop Block Grant programs, and our many farms and ranches across this state. In addition to our staff and the contributors and collaborators listed on the tip sheets in this guide, we would like to thank Minuteman Press of Lawrence and Huddle Strategic Communications of Kansas City for their help in the design, printing and online publication of these materials.

Marketing Strategies - Retail: Selling at Farmers Markets

This document discusses the benefits and challenges of selling at farmers markets and offers strategies for success.

Introduction

In recent decades, the number of farmers markets in the United States has risen dramatically – with a national average increase of more than 23% per year between 1994 (1,755) and 2012 (7,864). In Kansas, farmers markets more than quadrupled in number between 1987 and 2012 – from 26 to 107 known operating markets. Consumer demand for the experience of buying fresh local foods, directly from farmers, is driving this growth.

Though it is a commonly used phrase, definitions of “farmers market” actually vary widely. It is not uncommon to find a sign reading “farmers market” at a roadside stand, in the produce section at a grocery store, at a flea market, or at a venue where little to no local products are sold. For the purposes of this guide, we use the following definition from the national Farmers Market Coalition: *A farmers market operates multiple times per year and is organized for the purpose of facilitating personal connections that create mutual benefits for local farmers, shoppers and communities. To fulfill that objective farmers markets define the term “local,” regularly communicate that definition to the public, and implement rules/guidelines of operation that ensure that the farmers market consists principally of farms selling directly to the public, products that the farms have produced.*

<http://farmersmarketcoalition.org/defining-devil-in-the-details>

Benefits of Selling at Farmers Markets

Receive a high price per unit

By selling directly to customers, farmers can generate retail prices and earn larger gross returns than they would by selling the same product quantity wholesale.

Flexibility in product offerings

Farmers markets can be a useful venue for farms unable to produce the volume, variety, or consistency demanded by other marketing options. For example, community supported agriculture (CSA) customers expect a somewhat stable value and level of diversity in their regular share deliveries, and wholesale clients expect delivery of exactly what they ordered, on exactly the date they ordered it for. Farmers markets, on the other hand, are ‘sell what you bring’ venues that offer adaptability to last minute changes, and may even be able to accommodate unexpected or unusual products.

Cash-in-hand

When selling to institutional markets, farmers often wait weeks to receive payment. At farmers markets, farmers are paid up front on the date of sale.

Access to a broad customer base

Each week farmers markets attract a broad range of customers, some consistently source groceries from market, while others may be visiting for the first time. By building up a loyal customer base, but also being present for newcomers, farmers benefit from the opportunity to reach out to a broad range of customers. Markets that accept alternative forms of payment, such as credit cards and vision cards, reach out even further. For more information see the document Marketing Strategies – Increasing Food Access in this guide.

Market research

Farmers can gather useful feedback through direct interaction with customers, who help keep farmers in-the-loop on what products are in or out of demand.

Education and outreach

Teaching passersby about your products helps build a market for what you sell. Sample your product and distribute recipes, then watch as customers return again and again. A customer may enter the market never having tried goat cheese or amaranth greens, and leave with a new favorite food!

Build a loyal customer base & a sense of community

Customers come to market to know their farmer. The trusting relationships you build can impact sales at market, and at any other venue where your farm name is associated with farm products. For example, generating a customer contact list at market may provide the foundation for a future CSA member base. Farmers markets can also drive wholesale markets by introducing customers to, and increasing demand for, your farm products.

Opportunity to engage with other farmers

Fellow vendors interact during market and off-season market meetings. Farms selling at market can provide an important support network for one another.

Challenges of Selling at Farmers Markets

Time expensive and labor intensive

Farmers markets tend to require a major time investment from farmers. Labor considerations include: harvest, bunching products into units, boxing products, packing products into vehicles, transporting products, display set-up, creating product signs, customer service, preserving product and display quality during market, after-market display take-down, return transport, unpacking, managing un-sold items, and possible after-market laundry or other clean-up chores. In the end, farms may find themselves exerting as much as three to four hours of labor for every hour spent selling at a farmers market booth. Additionally, time spent at market is time spent off the farm, potentially decreasing production volume.

Greater potential damage to products

From the time of harvest to the time of sale, products sold at farmers markets are at constant risk of deterioration. Storage, transport, and weather conditions can render some items unsellable – either before, during, or after market.

Weather

Rain, sleet, snow, wind, heat, cold, or any other condition besides “sunny and 75,” can negatively impact customer attendance at farmers markets, especially outdoor venues. This challenge is one that is difficult to safeguard against, but building a loyal customer base, diversifying market outlets, and creating a welcoming, somewhat weather-resistant farmers market display can help. Also, just showing up to sell on imperfect weather days can, over time, help assure customers that it is worth their effort to visit the market on those days.

Lower volume sales

The volume of products that can be sold at a given farmers market depends on a number of variables but, overall, sales volumes at market tend to be lower than the amount that can be sold through large wholesale accounts, who may require less marketing labor.

Standing out among the crowd

New vendors, in particular, may struggle with getting their booth noticed at well-established farmers markets. It takes time to build a loyal customer base.

Customer service

Selling at market requires a certain degree of communication skill. Many customers attend market because they want to know their farmer and are more drawn towards outgoing, personable vendors who also have desirable products.

Application process and market requirements

Most farmers markets have an application process and require farmers to follow certain rules to participate. Farmers must research their markets well, being sure they can comply with various rules before applying.

Regulations

In addition to market rules, there are many state and federal regulations that farmers market vendors must comply with. See the Regulations section in this guide for more information.

Strategies for Selling at Farmers Markets

Determine whether farmers markets are right for you.

- Are you a “people person?” Farmers markets depend upon building relationships with customers. If you dislike interacting with customers, farmers markets may not be right for you.
- Do you have a vehicle to deliver products to market? Depending on the products you offer, you may or may not need refrigerated delivery. Decide whether you need to provide this service before selling at a farmers market.
- Are you able to spend time away from the farm? Market days can be long, and time spent selling can be even longer if you sell at multiple farmers markets. Determine whether you, or another family member/employee, can afford to spend time away from the farm before embarking on a farmers market venture.

Investigate different markets.

Choosing the right farmers market to sell through can be a critical factor for your sales. Look through the considerations below, and refer to the document, “Plain Language Guide to Selling at a Farmers Market,” for an in-depth guide to choosing and applying to a farmers market: http://nesfp.nutrition.tufts.edu/downloads/guides/PL_FarmerMarket.pdf

- Market rules can vary by market. Ask the market manager for a copy of the market rules before choosing a site.
- Operating hours are an important consideration. Make sure the market operating days and times are compatible with your schedule.
- Fees are charged by most markets. Find out what it will cost you to sell your products.
- Liability insurance may be required before you can sell. Understand what will be required of you before deciding to sell through a market. See Regulations – Insurance and Liability in this guide.
- Market size can also be an important factor. It may be easier to stand out at smaller markets, though they might receive less traffic. At larger markets, producers can find it hard to differentiate themselves, though they may benefit from more traffic.

Know what sells at the market(s) you choose.

- Determine what is already offered at your farmers market. What is selling well? What can you offer that is not already being sold?
- Provide something different in order to stand out from the crowd. Large farmers markets can make it especially difficult to compete with so many vendors selling similar products. Find what

differentiates your products and use it to encourage sales.

- Estimate demand before bringing products to market.
- Quality is often the first thing that farmers market customers look for. Consider displaying your best quality products on market days. Second quality items can be hidden from view and advertised with signage instead.

Bring your “market rig.”

Good displays help sell products, but there are a lot of items that farmers must remember to bring in order to have a strong display. Consider making a market packing-list that gets checked off before each market, so that you do not forget anything. Some suggested items to include are listed below, or you can refer to the University of New Hampshire (UNH) Cooperative Extension document, Selling at a Farmers’ Market, for an extensive list of market day equipment: http://extension.unh.edu/resources/representation/Resource000580_Rep602.pdf

- Tent / Umbrella
- Tent weights (for Kansas winds!)
- Tables (large and small)
- Table cloth(s)
- Farm sign
- Price signs
- Markers
- Duct tape
- Scissors
- Scale
- Coolers
- Cash box with change
- Calculator
- Tax sheet (if tax is not included)
- Bags of various dimensions
- Twist ties
- Display baskets
- Basket-liner cloths
- Sampling Supplies (as needed)
- Recipe cards
- Promotional materials (brochures, business cards...)
- Copy of business license
- Other farm license copies
- Spray Bottle & water (for keeping leafy greens fresh)
- Drinking water (for you)
- Rain gear (just in case)
- Hat and sun glasses
- Flashlight
- Abundance (“Stack ‘em high and watch ‘em fly!”)

Observe and understand your customers:

What do your customers need? Answers might include:

- Food
- Convenient/fast service
- Shelter
- Easy access
- Affordable prices

What do your customers desire? Answers might include:

- Specific varieties of produce or cuts of meat
- Ready-to eat food or drink
- Positive experience
- Entertainment
- Information



What are your customers' interests? Answers might include:

Supporting local farms
Health and nutrition
Recipes
Simple living
Connections/involvement/a sense of community

What are your customers' purchasing habits? Answers might include:

Shopping with the same vendors
Buying the same products
Seeking the bulk of their groceries
Price or value hunting
Avoiding unfamiliar products
Seeking out unfamiliar products
Sampling whenever available
Sunny day shopping

Understand shopper psychology:

Humans are visually drawn to:

- Abundance
- Diverse colors, textures, shapes, and sizes
- Cleanliness and Order
- Quality and Freshness
- Clear and attractive signage
- Welcoming faces who care

Our other senses respond to:

- Pleasant scents
- Delicious tastes
- Hands-on experiences
- Warm, welcoming sounds



Be eye-catching: Create and maintain attractive displays.

Successful vendors strive to create and maintain eye-catching displays that will attract a broad range of customers throughout the market. Creating displays that appeal to the psychological factors listed above can positively impact sales. Bringing something no one else has can increase sales and exposure to customers. It is also important to remember that you are part of your display - customers respond to the image you project. We encourage you to refer to the UNH Cooperative Extension document, "Selling at a Farmers' Market," for more on the topic of market displays: http://extension.unh.edu/resources/representation/Resource000580_Rep602.pdf.

Communication is key.

- **Farm and price signs** should be easy to see. Many customers would rather get information about your product through signs than through conversation.
- **Promotional materials** for your farm and products should be offered at your display stand. Consider providing a sign-up sheet for a farm newsletter.
- **Friendly customer** service like offering a warm "hello," can help bring customers back again and again.
- **Know your products.** Many farmers market buyers are interested in how your products were produced and how to use them.

- **Share your storing and cooking tips.** Letting customers know how to prepare and serve a product can encourage sales.
- **Genuine enthusiasm** about your products can be a great marketing tool, and can help build a base of repeat customers. Stories of how you use and enjoy your products can help build customer cravings for them.
- **Offer samples** to demonstrate the high quality of your products. See the *Regulations – Samples and Cooking Demonstrations* document in this guide for more information.

Price it right

A list of pricing strategies is available in the *Marketing Strategies – Price and Payment* document in this guide.

Quality products set local producers apart:

- Learn to produce high quality products.
- Use harvest techniques that preserve quality.
- Use packaging that preserves quality.
- Bring and display only the best at market.
- Keep products in ideal conditions at market.
- Offer samples to prove superior quality.

“I believe that you need three things to make a good Farmers Market:

(1) a good venue,

(2) good vendors, and

(3) great customers.

Without those three ingredients the market will have difficulty growing.”

–Bill Kromer, J&B Truck Farm (KS)

Farm branding

See the *Marketing Tools – Branding* document in this guide for branding strategies that can be helpful for increasing market sales.

Participate in market planning

Market vendors can only be as successful as the farmers market. Helping to promote the market, and making it more pleasing and accommodating to customers, can help you sell more product. This could include helping to organize weekly musical entertainment, making sure there are clean restrooms for customers, improving handicap accessibility, or serving on your farmers market board.

Other Resources

Rules, Regulations, and Resources for Kansas Farmers Markets, Kansas Rural Center:

<http://www.kansasruralcenter.org/publications/RRRFM2010.pdf>

Farmers Markets, Kansas Department of Agriculture:

http://www.ksda.gov/kansas_agriculture/content/148

Resources for farms selling at farmers markets, as well as farmers market operators.

Kansas Farmers Markets, [kansasfarmersmarkets.org](http://www.ksfarmersmarkets.org): <http://www.ksfarmersmarkets.org/producers>

Find a farmers market, list your farmers market, and access tons of resources for Kansas farms and markets.

Food Finder, Our Local Food Kansas: <http://www.ourlocalfoodks.org/>

This is a website where you can list your farm and the markets you sell at, and includes many other useful features.

Farmers Market Database, Local Harvest: <http://www.localharvest.org/farmers-markets/>

This resource is a national online listing of farms, farmers markets, CSAs, and more.

Farmers Market Search, United States Department of Agriculture (USDA):

<http://search.ams.usda.gov/farmersmarkets/>

This is the official farmers market search page for the USDA. List your market or find other markets.

Getting Started with Farmers' Markets, the Wallace Center:

http://www.wallacecenter.org/our-work/Resource-Library/wallace-publications/handbooks/Farmer11-1_Sc.pdf

Tips for Selling at: Farmer's Markets, National Sustainable Agriculture Information Service:

<https://attra.ncat.org/attra-pub/summaries/summary.php?pub=390>

Selling Farm Products at Farmers Market, University of Kentucky College of Agriculture:

<http://www.uky.edu/Ag/CDBREC/marketing/farmmarket.pdf>

A Guide to Starting, Operating, and Selling in Farmer's Markets, University of Arizona:

http://agmarketing.extension.psu.edu/ComFarmMkt/PDFs/starting_frm_mrkt_guide.pdf

Plain Language Guide to Selling at a Farmers Market, Guidebook of the New Entry Sustainable Agriculture Project: http://nesfp.nutrition.tufts.edu/downloads/guides/PL_FarmerMarket.pdf

Direct Marketing of Agricultural Produce Through Farmers' Markets, Alcorn State University:

[http://www.alcorn.edu/uploadedFiles/Academics/Schools_and_Departments/AREAS/Research/Agricultural_Economics/Volume%209%20\(Direct%20Marketing%20of%20Agricultural%20Produce\).pdf](http://www.alcorn.edu/uploadedFiles/Academics/Schools_and_Departments/AREAS/Research/Agricultural_Economics/Volume%209%20(Direct%20Marketing%20of%20Agricultural%20Produce).pdf)

Selling at a Farmers' Market, University of New Hampshire Cooperative Extension:

http://extension.unh.edu/resources/representation/Resource000580_Rep602.pdf

Tips for your Farm Market Stand, Marketing School for Growers, Cornell University Cooperative Extension:

<http://marketingschoolforgrowers.org/06/tips.html>

Excelling in Customer Service, Marketing School for Growers, Cornell University Cooperative

Extension: <http://marketingschoolforgrowers.org/13/excell.html>

Selling at Farmer's Markets, Growing for Market:

<http://www.growingformarket.com/categories/SellingAtFarmersMarkets>

Growing for Market: www.growingformarket.com. Growing for Market is a national magazine for market farmers. Subscriptions are available in print or online. PO Box 3747, Lawrence KS 66046. 800-307-8949.

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Marketing Strategies - Retail: Community Supported Agriculture (CSA)

This document introduces the topic of selling directly to consumers through Community Supported Agriculture (CSA) (also known as “farm shares”), highlights benefits and challenges, discusses models, and offers strategies for success.

Introduction: What is CSA?

Community Supported Agriculture (CSA) is a model of farming and farm marketing that has been gaining momentum since its introduction to the United States, from Europe, in the mid-1980s. More than 12,500 U.S. farms reported marketing products through a CSA in the 2007 Census of Agriculture, and that number has continued to rise. CSAs are defined by the United States Department of Agriculture as, “a community of individuals who pledge support to a farm operation so that the farmland becomes... the community’s farm, with the growers and consumers providing mutual support and sharing the risks and benefits of food production.” Though some CSAs are firmly rooted in the tradition of shared risk, most contemporary CSA models emphasize, instead, the economic benefits to both consumer and farmer.

As an economic partnership between farmers and customers, CSA members provide the farm with up-front capital to cover anticipated costs of the farm operation and, in exchange, they receive a “share” or portion of farm products over an agreed upon period of time. CSA theory purports that the more a farm embraces whole-farm, whole-budget support, the more it can focus on quality and reduce the risk of food waste or financial loss. Farmers use a broad range of marketing and production strategies to help foster and strengthen CSA member-to-farm connections.

Models for CSAs are highly creative and come in seemingly infinite forms. Each CSA is structured to meet the needs of its participants and, therefore, CSAs are widely varied in the areas of farm design, consumer financial commitment, consumer participation, and food distribution systems. Most CSAs offer a diversity of vegetables, fruits, and herbs in season; some provide shares in grains, eggs, meat, dairy products, baked goods, and even firewood. Some CSAs operate as cooperatives or food hubs, so that members receive a broader range of goods over an extended season. CSAs can also choose to focus on serving particular community needs, such as increasing access to healthy foods in low-income communities, offering educational activities, or uniting community members through organized events.

CSA Model Examples:

- A **Group CSA** is created to accommodate established groups of eaters who meet regularly at a particular location, such as a church, cooperative buying club, daycare center, school, or place of work. The farmer simply identifies an established audience to serve, recruits members from that group, and delivers CSA shares at an established time and meeting place. This model often requires a minimum of marketing. Farmers can further lighten their work load by involving a core group of members in handling aspects of CSA administration, such as member recruitment, sign-up and communications, share assembly, share distribution, and meeting member vacation needs through share donation or other arrangements.
- A **Workshare CSA** operates with discounts or other incentives to encourage members to play a more active role in the farm or CSA, through scheduled work shifts at the farm, volunteering on a core group for administration of the CSA, or other tasks the farmer might deem helpful. Some consumers are drawn to this model because it can save them money while helping them gain a deeper understanding of, and connection to, the farm and farmer. Farmers can offer this as a one share option within a larger CSA model, or they can choose to require worksharing of all members. Workshare CSAs require management skills from farmers, who will need to design creative systems for efficiently organizing and training share members in their various duties.
- A **Subscription CSA** is focused on consumer convenience, requiring little to no work from its members who simply arrive at their set distribution time and place, grab their share, and continue with their day. Farmers may even choose to pre-bag shares for a truly grab-and-go experience. Farmers using this model, yet hoping to build a connection between farm and consumer, may choose to staff the pick-up point

themselves. This is a great time to distribute regular newsletters with stories about the farm or inform consumers of on-farm events.

- A **Market CSA** hybridizes farmers market-style sales with the CSA concept of generating up-front capital by asking members to pay in advance. Consumers who sign-up can credit their farm product purchases towards their pre-paid amount, at farmers markets or other similar settings. Customers may be given an option to “refill” their CSA share account if it is depleted mid-season. The farmer benefits from early-season capital and a guaranteed market, while consumers benefit from the ability to choose the farm products they take home each week. Because farmers lack control over which farm products members take and when, (for example, consumers may take more around the holidays and less during summer vacation) this model is often used in conjunction with other market outlets.
- A **Seasonal CSA** offers shares only during certain weeks of the year, based on the desired season(s) of sale.
- A **Year-round CSA** offers shares year round, through the use of season extension and storage crops.
- A **Full-diet CSA** strives to provide a broad range of food types in large supply, with the goal of supplying consumers with 100% of their food needs. Shares in this type of program might include vegetables, fruits, herbs, grains, legumes, nuts, seeds, oil or butter, other dairy products, meat products, eggs, canned goods, baked goods or farm-produced sweeteners such as honey, molasses, or maple syrup.
- A **Single-farm CSA** involves just one farm, which is responsible for all supply and management.
- A **Multi-farm/Cooperative CSA** involves two or more farms working together to manage and supply a group of consumers.
- A **Food Hub CSA** involves a non-farmer operating as an individual business or non-profit entity to purchase, aggregate, and distribute local food products to CSA share members. Farmers who grow on contract for food hub CSAs can spend less time marketing and focus more on production. The financial sustainability of this model depends on the owner or operator watching their price margins so they can generate enough income to adequately cover the costs of their operation. Finding the right price margin can be a delicate dance between pleasing the consumer and sustaining farmer suppliers. Food hub CSAs may have high initial start-up costs for aggregation and distribution facilities. They also face the challenge of addressing consumer desire to feel connected to their farms. For more information, see the *Marketing Strategies – Wholesale – Operating or Selling to Food Hubs* document in this guide.
- A **Member-grown CSA** uses land and equipment owned or rented by its members who are also responsible for farm work and product distribution. This planning-intensive model requires organization and clear communication.

Benefits

CSAs are designed to benefit the customer and the farmer. Some specific benefits for both are discussed below.

Benefit to Customers

- Consumers experience consistent access to high-quality, fresh, local foods.
- A feeling of connection is experienced with the farmers and land where food comes from.
- Consumers become educated on how particular foods are produced as well as the different ways to prepare them.
- More consumer dollars stay in the local economy.
- Members may seek out farms whose growing practices align with their interests.
- Food safety concerns are often alleviated when consumers know their producers well.
- Cost savings are enjoyed in times of overabundance or when a CSA offers food products below standard retail value.
- Convenience can come in many forms to members, such as through regular food deliveries accompanied by recipes.
- Food security - CSAs can give consumers a sense of control over their food supply.
- CSA members often enjoy receiving a diverse range of foods.

- CSAs introduce new foods, and many members enjoy culinary adventure and discover new favorite foods this way.

Benefit to Farmers

- Reduced risk - CSAs are seen as one of the least risky ways of farming for market.
- Gross sales per acre are considerably higher than almost all other agricultural endeavors
(*Community Supported Agriculture (CSA) in and around California's Central Valley, University of California, Davis: <http://asi.ucdavis.edu/resources/publications/Galt%20et%20al%20%202011-CSA%20Report.pdf>*).
- Up-front payment comes when it is needed most, to help cover operation costs at the start of the season.
- Market is guaranteed when a stable foundation of farm products are sold before they are ready to harvest.
- A direct link to consumers can provide a better understanding of customer needs and sense of community.
- Control over pricing – CSA operators determine the fair value for each product. More on pricing below.
- Specialized production of lesser known products will find a friend in the CSA model.
- Convenience – most marketing and accounting happens in the off-season, and CSAs can be structured to accommodate farmers' schedule and priorities – including the timing of harvest, packaging needs, and location of deliveries.
- Labor where it's needed – CSA members can help meet on-farm or administrative labor needs.

Challenges

In order to be successful, CSA operators must balance the needs of both farmer and customer. Some specific challenges facing farmers and customers are discussed below.

- **Production expertise** – Careful crop or production planning and experience with season extension or production timing are necessary with any CSA.
- **Follow through** – Farmers promise consumers consistent products through a set period of time. Failing to provide what is promised may damage a CSA's future customer base.
- **Consistency** – Farmers need to know how to stagger production so products are available across time.
- **Diversity** – CSA customers expect a broad range of products with each delivery. This includes product type (such as tomatoes versus mushrooms) and variety (such as Red Curly kale versus dark green Lacinato kale). Farmers need to know how to reliably produce a broad range of products, to keep each share bag interesting ... but not too interesting! CSA customers typically prefer a solid quantity of foods they are used to, in addition to smaller bits of unique items.
- **Quality** – Occasional second quality products may be acceptable by certain members if well explained, but CSA members typically expect consistently top quality products.
- **Quantity** – How much should you give with each delivery? CSA operators need to understand customer desires and clearly communicate what customers can expect at the start of the season. If shares are designed to feed a family of four, but one of the sharers is a single individual, that person may be overwhelmed. Seasonal variation in supply will also need to be explained to CSA members, ideally before they ever get their first delivery.
- **Organized recordkeeping** – Tracking the contents and value of each weekly bag helps farmers make sure they are living up to their value promise to consumers and not offering more value than is financially sustainable.

- **Packaging and share assembly** – CSA operators need a plan for dividing out shares. Will shares be packed in advance, or will customers bag up their own shares? What type of packaging will keep products fresh between farm and home? If customers are bagging up their own shares, how will you communicate which items they should take?
- **Delivery** – How will your CSA shares get from farm to delivery point? Bags do not stack well, boxes do. How big must vehicles be to accommodate the quantity of shares you are delivering? If there are multiple drop points, how will you organize and label the shares for ease of delivery? Delivery must be timely and accurate. Mistakes mean more labor and potentially dissatisfied customers. More pick-up points may increase delivery labor and cost.
- **Pick-up location management** – CSA operators must choose pick-up sites and times that work for both farmer and CSA members. The temperature of the pick-up site will impact product quality and food safety. Parking needs must be considered. Plan ahead whether or not to staff the pick-up site and how to otherwise distribute the shares.
- **Travel plans, yours and theirs!** What happens if a farmer or CSA member needs to leave town? The cornerstone of the CSA model is offering a consistent, regular supply of product over a set window of time. Pre-planning for farmer or CSA member travel needs is key. Read below for strategies that respond to this issue.
- **Member communication** – CSA operators establish communication with CSA sharers when they sign-up for the program, but communication does not end there. There remains a need to respond to individual customer needs, complaints, and praises, as well as to draft newsletters, share recipes and farm stories.
- **Member education** – CSAs may introduce sharers to items they have never seen or heard of. Members may require information about the benefits of and uses for different items, in order to maximize the value of their share.
- **Member turnover** – One of the most fundamental principles of CSA is that the model enables farmers to devote the majority of their time to producing food. Yet when turnover is high, demands on CSA operators can be overwhelming. CSAs can experience member turnover rates of 30-50% (*“Community Supported Agriculture (CSA) in and around California’s Central Valley”*, University of California Davis: <http://asi.ucdavis.edu/resources/publications/Galt%20et%20al%20%202011-CSA%20Report.pdf>).
- **Unforeseen circumstances** – In the original model for CSAs, members shared in the bounty and the loss of farm products, they truly shared the risk. Most CSAs in the U.S. do not function that way and, instead, CSA operators must make sure CSA members receive a quantity of farm products equivalent to what they paid for. The reality of farming is that loss happens. CSA operators will need to plan for this potential loss and adapt as needed.

Strategies

Consider all the angles. CSAs are all about planning ahead. For a thorough guide offering detailed strategies for designing CSAs, we highly recommend reading the University of Tennessee Extension’s publication, *A Farmer’s Guide to Marketing through Community Supported Agriculture (CSA)* available for free at: <https://utextension.tennessee.edu/publications/Documents/PB1797.pdf>. The guide elaborates on the following questions that every individual should consider before starting a CSA:

- What will constitute a share?
- How will substitutions or additions be handled?

- How will you package each individual share?
 - What are your pickup and/or delivery options?
 - What is your production plan to fill shares?
 - What are your labor needs for all aspects of the venture?
 - How will you price a season's share?
 - What are your payment policies and options?
 - Are there membership agreements?
 - What methods will you use to recruit members or promote the CSA?
 - What methods will you use to build relationships with CSA customers?
 - What methods will you use to evaluate the CSA?
- **Start small** Chances are good, if you ask any CSA farmer how to get started marketing through CSAs, they will suggest you start small. Running the numbers, it can be appealing to have a larger dollar amount coming in during the early season, but falling short of member expectations mid or even late-season is a real risk. Running a small “trial” CSA can garner valuable experience and allow flexibility if projected harvests fall short of your goals.
 - **Cooperate with other farms** - Multi-farm CSAs can be a good option for new or less-experienced CSA growers concerned with falling short on supply or product diversity and wanting more security. Formal or informal partnerships are possible and can come in many forms. Collaborative planning can be a challenge. The key is to be sure that roles and expectations for both parties are well defined from the beginning. For more on this topic, see the *Marketing Strategies – Cooperative Marketing* document in this guide.
 - **Create a CSA aggregation and distribution business** - For more on this option, see *Marketing Strategies – Wholesale – Operating or Selling to Food Hubs* document in this guide.
 - **U-Pick option** - CSA members may be enthusiastic about participating in farmwork, but not all farmwork is compatible with minimally trained laborers. At certain times of the year, some farms may find it worth while to involve CSA members in the harvest – especially for items that are difficult to harvest, such as strawberries or green beans.
 - **Events** - CSA operators interested in strengthening the bond between community and farm could consider inviting CSA members to on-farm events. These could include harvest festivals, summer solstice celebrations, fall cider pressing, tasting events, potlucks, workshops, or volunteer days. To offset costs, some farms open their events to the public and offer CSA members a discount on admission.
 - **Extend the season** - Utilize season-extension methods to offer a longer local production season or produce items that are easily stored for “off season” distribution.
 - **Reach out to low-income communities** - See the *Marketing Strategies – Increasing Food Access* document in this guide to learn how CSAs can participate in the USDA's Supplemental Nutrition Assistance Program (SNAP), which helps low-income families pay for CSA membership.

Legal issues

Legal considerations for CSA operators include:

- **Volunteers or employees** - Are CSA members who assist on the farm considered employees?
- **Handling & processing regulations** – KDA and USDA regulate how different farm products are handled and processed, including proper storage or refrigeration requirements that affect CSA drop-off sites. For more information, see the Regulations documents in this guide.

- **Membership agreement** – Having a written agreement between farmer and CSA member, signed by the CSA member and perhaps reviewed by an attorney, can help clearly communicate what is expected of both parties and may be useful in protecting farmers against possible legal conflict. Topics covered could include: plans for payment, vacation rules, share pick-up requirements, workshare expectations, commitment to seasonal eating, shared risk, delivery timeline, food safety and growing practices.
- **Legal business structure** - If you plan to operate your CSA as a substantial portion of your household or farm income, it may be to your advantage to investigate a business structure for your CSA outside of a sole proprietorship. This may especially be the case if you are relying on other farms or family members to produce some of your products. Partnerships, limited liability companies, and limited liability partnerships are some of the forms of business that could be considered. For more information, see the *Beginning Farmers – Legal Business Structures* document in this guide.
- **Liability** - Most CSAs carry standard liability insurance, write Henderson and Van En. “As separate coverage, liability can be very expensive; as part of a farm insurance package, the price is more reasonable. You should try to get a liability policy that includes a stated level of medical expenses paid out without a lawsuit. A book published in 1999, *The Legal Guide for Direct Farm Marketing* by Neil Hamilton, helps identify these and other legal issues for CSA farms. For more information on this topic, see the *Regulations – Insurance* document in this guide.

Advertising

In addition to the suggestions found in “*A Farmer’s Guide to Marketing through Community Supported Agriculture (CSA)*” at: <https://utextension.tennessee.edu/publications/Documents/PB1797.pdf>, here is a list of online places to consider advertising a CSA through:

National farm databases that allow search by city, state, or ZIP:

- Biodynamic Farming and Gardening Association CSA listings: <http://www.biodynamics.com/csa.html>
- Local Harvest: <http://www.localharvest.org/csa/>
- NewFarm Farm Locator: http://rodaleinstitute.org/farm_locator
- Wilson College, Robyn Van En Center CSA Farm Database: <http://www.wilson.edu/wilson/asp/content.asp?id=1567>
- The Eat Well Guide: <http://www.eatwellguide.org/>
- EcoSeek CSA Directory: <http://www.ecoseek.net/csa/sort/Kansas>

State and regional farm directories:

- Our Local Food Kansas – Kansas Department of Agriculture: <http://ourlocalfoodks.org>
- Kansas City CSA Coalition farmer listings: <http://www.kc-csac.org/join-a-csa/csa-listings-for-2011/>
- Local Food Directories, The National Sustainable Agriculture Information Service (ATTRA). http://attra.ncat.org/attra-pub/local_food/search.php

Online Management Tools

Depending on how they are structured, administrative management of CSAs can range from very simple and easy to complex and quite challenging. Below we offer a list of a few online tools designed to aid in administering larger or more complex CSAs. Other online tools may exist – this list is not comprehensive.

SeedLeaf: <http://www.seedleaf.com>

Seedleaf is a system designed to simplify the management of local food distribution through user-friendly websites, whatever your business model. They support traditional CSAs, direct to consumer sales, and local food aggregators. Services include:

- Creation of a unique, personalized website.
- Ability to sell fresh, local food online in a way that adapts to the unique marketing plans of farms.
- Ability to generate order lists, receive and track payments, and organize orders for pick-up or delivery, and
- Many other custom features to meet your unique business needs.

Member Assembler, Small Farm Central: <http://smallfarmcentral.com/member-assembler/pricing>

The Member Assembler is a CSA sign-up and member management solution that streamlines the sign-up process. A few features of the service:

- Provide new members with online sign-up at your own website (something like <http://yourfarm.csasignup.com>).
- Collect information such as share types, pick-up site address/contact data, and open response forms for any other information you need.
- Integrated credit card payment processing through Google Checkout or PayPal, or
- ... skip the credit card toll altogether to save the 2%+ that is charged on credit card transactions.
- Balance tracking on each membership.
- Multiple people (contacts) can be associated with each membership to help manage split shares.
- Customizable weekly reminder emails can be sent to members throughout the season.
- Integrated mailing list functionality enables you to send blast emails to your membership for specific pick-ups.

Farmigo: <http://farms.farmigo.com/>

There are over 400 different configuration options that can be implemented through Farmigo. The configurations range from:

- Different types of payment options and plans,
- Food subscriptions or a la carte' orders,
- Accounting and logistics reporting,
- Crediting and refunding members, and
- Emailing members and enabling your members to have their own online accounts.

CSAware, Local Harvest: <http://www.csaware.com/>

Some of this online tools features include:

- Member sign-up
- Credit card processing
- Add-ons
- Boxes on hold
- Option for customized boxes
- Wait lists
- Adjustable SKUs for items sold by the pound
- Coupons
- Customized order questions (“How did you hear about us?”)
- Vendor reports
- Various payment terms and delivery frequencies
- Sign-in sheets and box labels
- Adjustable box deadlines
- Delivery routes
- Financial reports



LocallyGrown.Net: <http://locallygrown.net/>

Designed to tailor to farmers market-style pre-sales, some farmers have adapted this tool to accommodate their CSA model. Services offered include:

- Your own web address, welcome page, FAQ page, and blog page
- Offers four different levels of membership: market managers, growers (unlimited number each with their own about page and virtual farm tour feature), market volunteers, and customers.
- Growers can list what they have for sale and products are ordered through the website.
- Flexible customer membership allows you to charge customers a membership fee, annual or lifetime, and you can charge growers a fee to sell their products, either as a variable percentage of sales, set per grower, or as a flat fee per item, just like a table fee at a booths-and-tables market.
- Accommodates wholesale sales.
- Several communication features are available.
- Grower harvest notification, based on sales.
- Label generation
- “Delivery day” reports
- Online or in-person payment processing

CSA Farm Planning Software, Fantastic Farm Planning Enterprises:

<http://landshareco.org/2011/02/csa-farm-planning-software/>

Offers a farm and garden calculator to help farmers determine:

- Potential yields for a wide range of vegetables and herbs
- The number of plants required
- Row space required for each plant type
- Planting and harvest dates for your area (by noting your last frost date)
- Successive plantings
- How many people or CSA members you can provide for
- Retail sales calculator for market gardeners & farmers

Other Resources

CSA Resources, National Agricultural Library, United States Department of Agriculture: <http://www.nal.usda.gov/afsic/pubs/csa/csa.shtml>

One-stop-shop offering an extensive list of resources covering all things CSA.

Selected Books, Reports, Articles, Research Projects, Periodicals, and Videos Focusing on the Business of CSA Farming, Alternative Farming Systems Information Center, National Agricultural Library, United States Department of Agriculture: <http://www.nal.usda.gov/afsic/pubs/csa/csafarmer.shtml>

Community Supported Agriculture Sources, Links, & Case Studies, Ag Marketing Resource Center: http://www.agmrc.org/markets__industries/food/community_supported_agriculture.cfm

Community Supported Agriculture Information, Soil Association: <http://www.soilassociation.org/communitysupportedagriculture> (Contains resources to help you get information and support to start up a CSA, develop your CSA further, or join a CSA - for farmers, community groups, and individuals.)

Community Supported Agriculture (CSA) in and around California's Central Valley: <http://asi.ucdavis.edu/resources/publications/Galt%20et%20al%20%202011-CSA%20Report.pdf>

This report explores and documents the characteristics of, and innovations in, CSA production and marketing in California's agriculturally focused Central Valley and surrounding foothills. The information contained within

this document is intended to provide farmers, customers, researchers, University of California Cooperative Extension agents, and farm advocates with a description of important characteristics of CSA — social, economic, and environmental. Topics in this report include: the recent expansion of CSAs in the country; findings about CSA farms and farmers in California's Central Valley; farm-member relationships, including the composition of the CSA box; membership numbers and retention; ways that CSA farmers and organizers seek to build relationships with their members; economic viability of CSA farms; and farmers' views of various information sources and the advice they would give to farmers wanting to start CSAs.

Local Harvest: A Multi-farm CSA Handbook, Northeast Sustainable Agriculture Research and Education: http://agmarketing.extension.psu.edu/ComFarmMkt/PDFs/local_harvest_csa.pdf

This is a guide to working cooperatively to run a CSA with other farms.

Kansas City CSA Coalition (KCCSAC): <http://www.kc-csac.org/>

The KCCSAC's mission is to increase food access and food security in the Kansas City metropolitan area by promoting Community Supported Agriculture initiatives including CSA farm operations, market and community gardens, urban and rural agricultural sites, and value-added product operations, and by addressing the rapid decline of family farms and the loss of agricultural land by linking small and medium-scale food producers to new markets in the Kansas City metropolitan area. KCCSAC has developed a toolkit to assist people who are considering developing this type of a CSA — which you can download at their website.

What is Community Supported Agriculture?, University of Florida IFAS Extension: <http://edis.ifas.ufl.edu/cd019>

This extensive article describes what CSAs were originally designed to be, and how to go about creating those types of CSA models using a “core group” of invested members.

A Farmer's Guide to Marketing Through Community Supported Agriculture (CSA), University of Tennessee Extension: <https://utextension.tennessee.edu/publications/Documents/PB1797.pdf>

This publication discusses factors to consider when determining whether a CSA is right for a particular farm operation and strategies for planning and operating a CSA, including a thorough look at the issue of pricing for profit in CSAs.

Community Supported Agriculture (CSA), University of Kentucky College of Agriculture: <http://www.uky.edu/Ag/NewCrops/marketing/csa.pdf>

Covers a wide range of topics important to planning and operating a CSA, including legal considerations.

Community Supported Agriculture, National Sustainable Agriculture Information Service: <https://attra.ncat.org/attra-pub/viewhtml.php?id=262#trends>

This publication reports on the history of Community Supported Agriculture in the U.S., discusses the various models that have emerged, recent trends in the CSA movement, and the findings of several studies of CSAs. References and resources follow the narrative.

Community Supported Agriculture of North America, University of Massachusetts Extension: <http://www.umass.edu/umext/csa/>

This resource provides information on the history and philosophy behind CSAs, as well as links to CSA resources.

Robyn Van En Center for CSA Resources, Wilson College: www.csacenter.org

Community Supported Agriculture for the Workplace: A Guide for Developing Workplace Community Supported Agriculture Distributions, Community Involved in Sustaining Agriculture (CISA): http://agmarketing.extension.psu.edu/ComFarmMkt/PDFs/guide_dev_comm_supp_2008.pdf

Alternative Farming Systems Information Center: www.nal.usda.gov/afsic/

This site, partially funded by the USDA, provides information on all types of alternative farming, including organic, sustainable agriculture and community supported agriculture.

Maximizing shareholder retention in Southern CSAs, Organic Farming Research Foundation (OFRF): http://ofrf.org/funded/reports/kane_96-25.pdf

SNAP Participation for CSAs, United States Department of Agriculture: <http://www.fns.usda.gov/snap/ebt/pdfs/CSA.pdf>

Growing for Market: www.growingformarket.com. Growing for Market is a national magazine for market farmers. Subscriptions are available in print or online, PO Box 3747, Lawrence KS 66046. 800-307-8949.

Sharing the Harvest: A Citizen's Guide to Community Supported Agriculture. Elizabeth Henderson, Robyn Van En(1999) White River Junction, VT: Chelsea Green Publishing Company.

Primary Author: Cole Cottin, *Kansas Rural Center*



Marketing Strategies - Retail: Agritourism & On-Farm Sales

This document introduces the topic of on-farm sales through agritourism and offers strategies for success.

Introduction

Agritourism is a growing form of niche marketing that, in its broadest definition, involves any agriculture-based activity that brings visitors to a farm. In the five years between 2002 and 2007, the average revenue of agritourism enterprises in Kansas, Iowa, Missouri, and Nebraska increased by almost 260%, and there is plenty of room for this under-utilized niche market to grow, according to the United States Department of Agriculture (USDA). In 2007, Kansas passed the Agritourism Promotion Act to encourage Kansas farmers to get involved in agritourism. The law limits the liability of agritourism operators and aids them in marketing. Farm stands and pick-your-own operations represent two major agritourism activities that lead to the sale of farm products, but there are many other ways to generate income through drawing customers to the farm. The list below offers a few examples.

Examples of Agritourism Activities:

- Farm stand selling only one farm's products
- Multi-farmer, on-farm markets or market stands
- U-pick fruits, nuts, or vegetables
- U-pick flowers or herbs
- Flower arranging workshops
- Canning and cooking classes
- Gardening demonstrations
- Other informational workshops
- Farm tours for the general public (free or at a cost)
- Educational school group tours
- Wildflower, native plant, or wild edibles tours
- Bird watching or other wildlife centered activities
- Hiking trails
- Camping opportunities
- Bonfire or campfire themed events
- Animal care demonstrations
- Petting zoo experiences
- Pony or horseback riding
- Fishing
- Hunting
- Agritourism trails - linking up with other agritourism ventures to market collectively
- On-farm bed and breakfasts
- Cross-marketing with a nearby bed and breakfast
- On-farm restaurant, supplied by the farm
- Catered on-farm meals (farm-style breakfast, picnic lunch, white table cloth dinners)
- Corporate picnics
- Family reunions
- On-farm potlucks
- On-farm cooking contests
- Weddings
- Birthday Parties
- Holiday themed gatherings
- On-farm Easter egg hunts
- Corn mazes
- Miniature or frisbee golf courses
- Pumpkin patch sales
- Hayrides (pulled by tractor or draft animal)
- Haunted barn attractions
- Christmas tree sales
- Sleigh rides
- Barn dances
- Harvest festivals



Benefits of On-farm Direct Marketing through Agritourism

Farm visitors are drawn to the opportunity for entertainment, recreation, and involvement in local agriculture. Agritourism activities can be educational, helping visitors gain exposure to farm life to better understand what food production entails. On-farm purchases enable customers to access fresh products from a source they trust.

Below is a chart highlighting some ways agritourism can benefit farms.

<i>Benefits</i>	<i>Farm Stand</i>	<i>U-Pick</i>	<i>Other Agritourism Activities</i>	<i>Notes</i>
Advertise for the farm	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Making brochures or other promotional materials handy at one on-farm event can help promote your other marketing activities and enterprises.
Diversity of products to sell	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Because on-farm sales eliminate the need for transporting products, it can be easier to display a broader range of items for sale at once.
Minimize packaging needs	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Since farm products will not need to travel far to reach customers, there may be a decreased need for packaging. U-pick operations, in particular, allow farmers to sell items with minimal packaging.
Minimize transportation needs	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Farm stand products usually do not travel far from their source. U-pick items are harvested by customers themselves, so farmers may experience decreased costs associated with transportation to market.
Attract visitors from afar	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	U-picks and other agritourism activities have the potential to reach a consumer base from outside the local region.
Minimize harvest labor	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	U-pick operations allow farmers to pass on the majority of harvesting labor to customers.
Market a single crop	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	With pick-your-own businesses, farmers can gain the opportunity to market one, or just a few, crops.
Flexibility in hours worked	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Farm stand operations can give farmers the ability to choose what days and times the market is open. This flexibility can allow farmers to harvest and sell at the times that work best for them and their customers.

Challenges of On-farm Direct Marketing through Agritourism

<i>Challenges</i>	<i>Farm Stand</i>	<i>U-Pick</i>	<i>Other Agritourism Activities</i>	<i>Notes</i>
Location	☑	☑	☑	Farms closer to urban centers may benefit from more substantial traffic flow than deep rural locations. The success of on-farm sales may depend on ease of consumer access to the farm.
Requires people skills	☑	☑	☑	On-farm sales generally require farmers to interact, and form personal connections with customers. If interacting with customers makes you uncomfortable, consider other family members or employees for this task, or reconsider on-farm sales.
Requires focus on production and appearance	☑	☑	☑	Many methods of on-farm sales depend upon creating an idyllic, photogenic farmstead. Farmers may want to maintain a certain aesthetic, keeping the landscape neat and clean, and farm buildings maintained and painted.
Liability & insurance needs	☑	☑	☑	Farm visits carry potential risks and liabilities for farmers, should visitors become injured on their property. Farmers should consider carrying increased liability insurance to handle this risk. See the <i>Regulations – Insurance and Liability</i> document in this guide for more on this topic.
Staffing requirements	☑	☑	☑	Farm stands require staffing, though you can choose your own hours of operation. U-pick and agritourism businesses, depending on whether or not they are seasonal, may need to be open for much of the week. This can require substantial labor input from farmers and employees.
Competing with non-profit or government funded agritourism ventures	☑	☑	☑	For-profit farms may encounter difficulty when trying to compete with non-profit agritourism venues, which are subsidized by outside funds, may source much of their labor from volunteers or paid employees, and are not required to pay taxes on land or income.
Regulations – city, county, and federal	☑	☑	☑	Regulations vary widely from location to location, but ability to comply with existing regulations can make or break the success of any agritourism venture. Many counties require multiple licenses or permits to be able to engage in any of the activities listed above. Visibility of agritourism activities may be aided or impeded by existing regulations concerning size, location, and contents of signs used.

Zoning & codes	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Depending on the city or county, farm stands may need to meet certain building codes or require zoning permits. In many places, farm stands will not require zoning if all or a majority of the products sold were produced on site.
On-farm restroom and sanitary facilities	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Because U-pick and other agritourism activities can keep visitors on the farm for hours at a time, farmers must consider providing bathrooms facilities that are convenient, clean, and include a place to change diapers. Farmers may also want to provide accessibility for customers with physical limitations or disabilities.
Reduced privacy	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Both U-pick and agritourism businesses require producers to open their farms to customers for lengthy amounts of time. Consider your comfort level with this loss of privacy.
Crop damage or loss of product	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Because customers do the bulk of the harvesting for U-pick operations, plant or product damage or loss may occur. Customers may leave product in the field, eat the product as they pick it, or otherwise damage crops or farm structures. Supervision and/or supplemental harvesting may be required.

Strategies for On-Farm Sales

Consider your farm capacity.

- Location will determine traffic flow. Are you located near a population center or a road with a lot of traffic?
- Parking space is essential. How many vehicles can your farm safely accommodate?
- People including strangers, will visit your farm regularly. Are you and your family comfortable with that?
- Farm appearances may be difficult to maintain during the busy season. Are you willing to invest labor into maintaining farm appearances?
- Liability must be considered. Can you keep your farm safe for visitors? Are you willing to consider liability insurance?
- Signage can bring people in. Are you willing to erect signs, guiding customers to your farm?

Know the rules and regulations.

- Certified scales are required for weighing products, unless you are only selling items individually, or by the flat. See the Regulations – Weights and Measures document in this guide for more information.
- Refrigeration or other cool storage may be necessary to maintain food safety and preserve product quality.
- Liability insurance must be obtained if you want to have visitors on your farm. The Kansas Department of Wildlife, Parks, and Tourism provides information on liability insurance requirements and can be found at: <https://kansasagritourism.com/Liability>. For more information see the *Regulations – Insurance and Liability* document in this guide.
- Zoning and codes vary by county. Contact your county’s planning board to learn more.
- Health codes may regulate agritourism events such as petting zoos. Regulations are set by the Animal Welfare Association, but there may be additional requirements that vary from city to city. Inquire with your city, and refer to the USDA Animal Welfare Policies for more information: http://www.aphis.usda.gov/animal_welfare/policy.php?policy=17.

- Lodging will require additional inspection and certification from the state. Refer to the Kansas Department of Agriculture’s Lodging Fact Sheet for more information: <https://kansasagritourism.com/Media/Files/proper-inspection-and-licensing-requirements>.

Make your farm easy to access.

- Signs that are clearly written, easy-to-see, and placed on or near your farm can help attract visitors. They can include your days and hours of operation, or other important information you want to share with visitors. Signs that change with the season as specific crops become available are especially effective.
- Printed advertisements such as brochures, fliers, or newspaper ads, can help make your on-farm business visible to a wide audience. For more information and ideas, see the *Marketing Tools – Products and Printed Media* document in this guide.
- Advertise on the Internet - or consider registering with the Our Local Food “FoodFinder” at <http://ourlocalfoodks.org>. For more information on “virtual marketing” see the *Marketing Tools – Virtual Media* document in this guide.
- A phone line dedicated to your on-farm sales, with an outgoing message that lists your hours and simple directions, can be helpful for customers.
- Ample on-farm parking that is safe and easy to access can encourage customers to stop by your farm.

Make customers comfortable on your farm.

- An easy-to-use sales area that includes a visible scale and pricing information can assure customers of your professionalism.
- Refreshments offered to thirsty U-pickers or farm visitors, can be thoughtful and profitable.
- Provide adequate public facilities such as safe parking, clean restrooms, and diaper changing stations. If customers will be walking around your farm, provide well-kept paths and signage.
- Accommodate disabilities by complying with the American’s with Disabilities Act (ADA). The ADA mandates, among other things, equal access to certain facilities, such as entries/exits and restrooms.

Follow regulations and attend to food safety Issues.

See the Regulations documents in this guide to learn about state and federal regulations governing the sale of various farm products.

See the *Farm Practices – Food Safety* document in this guide for information on food safety issues that may affect your farm.

Plan for profitability.

- Reflect your labor in your prices and ensure that your time is not undervalued. While offering affordable prices is important, so is accurately accounting for production costs.
- Insurance and permit costs can add up, depending on your on-farm operation.
- Pricing can be based on weight, count, or volume. Depending on your operation, selling a flat of products may be more or less profitable than selling individual products.
- Factor in the risks that accompany visitors to your farm, such as soil compaction, litter, and damage to crops. The National Sustainable Agriculture Information Service (ATTRA) estimates that these costs amount to \$1 or \$2 dollars per visitor.

Make your farm educational and entertaining.

The options are endless when it comes to agritourism, as many on-farm events can be developed to educate and entertain customers. Your farm may benefit from offering unique, new, and interesting activities.

- Utilize your individuality. Figure out what is unique about you and your farm and use it to provide an enjoyable, one-of-a-kind experience for customers.

- Authenticity is something that many “agritourists” will respond to. Try to take normal events that already occur at your farm and make them accessible to the public.
- Create an experience by evaluating the activities you can provide, and seeking out ways to supplement these activities to enrich each customer’s time at your farm.

Create attractive, strategic displays and encourage sales.

- Pile displays high. Customers are more drawn to a cornucopia of products than a sparse display.
- Clean and attractive products displayed on buckets, baskets, or other decorative means, can please customers.
- Impulse-buy items placed near the check-out area, can tempt customers and increase sales.
- Quality customer service makes a good impression. Having a knowledgeable sales person available at the stand, to answer questions and conduct transactions, can greatly benefit on-farm sales.

Make pick-your-own operations simple and fun.

- Choose the right crops. The best U-Pick crops are easily harvested and easy to recognize when ripe. Common U-pick crops include berries, apples, green beans, pumpkins, and Christmas trees.
- Rules and prices should be clearly visible to customers when they arrive on your farm.
- Offer transportation if your field is located far away from your parking lot.
- Develop a system of marking which rows or areas have been recently picked to help your customer find produce ready that is ready, and to make sure that crops are harvested as they ripen.
- Clearly mark paths so that customers do not damage crops or wander into unsafe areas.
- Have employees in the field to help customers, ensure safety, and prevent theft.
- Weed and irrigate before or after customers arrive, rather than while visitors are in your field.

Other Resources

The Official Website of Kansas Agritourism, Kansas Department of Wildlife, Parks, and Tourism: <https://kansas-agritourism.com/> (This site includes free registration for listing your agritourism activities under the Agritourism Promotion Act.)

Kansas Agritourism Resources, Kansas Center for Sustainable Agriculture and Alternative Crops: <http://www.kansasustainableag.org/Library/at.htm>

Agritourism, K-State Research and Extension: <http://www.ksre.ksu.edu/p.aspx?tabid=123>

Kansas Flint Hills Agritourism Destinations, Flint Hills Tourism Coalition: <http://kansasflinthills.travel/destinations/agri-tourism>

Pick-your-own – Kansas: <http://www.pickyourown.org/KS.htm>

This site serves as a nation-wide directory of u-pick operations. Consumers can travel throughout the U.S. and easily find farms offering U-pick options through this site.

Agritourism: A Web-Based Resource for Farmers, the University of Vermont: <http://www.uvm.edu/tourismresearch/agritourism/>

This site includes numerous tip-sheets on liability and first steps to starting an agritourism venture.

UC Small Farm Program: Agritourism, University of California Cooperative Extension: <http://sfp.ucdavis.edu/agritourism/>

Pick-Your-Own Operations and Farm Stands-Options for Your Business, University of Wisconsin Cooperative Extension: <http://www.uwex.edu/ces/agmarkets/publications/documents/A3811-14.pdf>

Tips for Selling with: Agritourism and "Pick-Your-Own," National Sustainable Agriculture Information Service: <https://attra.ncat.org/attra-pub/summaries/summary.php?pub=386>

Marketing Strategies for Farmers and Ranchers, Sustainable Agriculture Research and Education: <http://www.sare.org/publications/marketing/marketing.pdf>

This document includes a profile on Walter's Pumpkin Patch – a successful central-Kansas agritourism destination.

You-Pick Farm Resources, Mississippi State University: <http://www.naturalresources.msstate.edu/business/u-pick-farms.html>

Teaching Classes as a Marketing Strategy, Marketing School for Growers, Cornell University Cooperative Extension: <http://marketingschoolforgrowers.org/17/classes.html>

Growing for Market: www.growingformarket.com

Growing for Market is a national magazine for market farmers. Subscriptions are available in print or online. PO Box 3747, Lawrence KS 66046. 800-307-8949.

The New Agritourism, by Barbara Berst Adams and Kipp Davis:

<http://www.newagritourism.com/index.html>

This book acts as a guide for beginning agritourism and on-farm sales.

Primary Author: Chhaya Kolavalli, *Kansas Rural Center*

Expert Reviewer: Karen Pendleton, Farmer/Owner at Pendleton's Country Market (Lawrence, KS)



Marketing Strategies - Retail: Selling through Internet or Mail Order

This document discusses selling directly to customers using the Internet or mail order.

Introduction

Mail order marketing through catalogs or the Internet can be an effective means of reaching a broad customer group. “Mail order” refers to the method of selling products or services from a distance. Traditional methods of mail order include catalog, direct mail, television, radio, and newspaper. The Internet, when used as a method of mail order, or simply as a marketing tool, has the potential to reach a wide audience. Customers who utilize mail order, whether in print or electronic form, are looking for trustworthy sellers, detailed product information, and timely delivery. Local producers who strive to offer these qualities can be successful in marketing their products using mail order.

Benefits of Selling through the Internet or Mail Order

Flexibility to run your business from anywhere

Mail order transactions, since they usually occur over phone, mail, or Internet, can be conducted from home or wherever you choose. Internet business, such as email correspondence, web-networking, and website maintenance, can be handled from anywhere with an Internet connection.

Opportunity to reach a large market

Producers who market their products through established mail order catalogs have the opportunity to reach a broad range of new customers. Likewise, producers who utilize the Internet as a method of mail order have the potential to increase their visibility greatly. These methods alone, however, will not guarantee an increase in customers. Mail order and the Internet work best when used with other marketing tools.

A way to “tell your story”

Local producers who sell through the Internet and mail order have the unique opportunity to share their story with a wide audience. Your story can include your farm/business history, your goals, and your reasons for selling your product – details which can help foster personal connections with customers. Sellers can share their story on mail order paraphernalia, through mail and e-newsletters, on personal websites, and on online directories that link local producers with consumers.

Ability to reach customers year-round

Farmers can sell products year-round through the Internet or mail order. Mail order is not limited to seasonal fruits and vegetables, but can include products such as meat, dried fruit, nuts, grains, honey, dried herbs, and value added products such as jellies and preserves.

Challenges of Selling through the Internet or Mail Order

Establishing trust

Because face-to-face interaction is absent in Internet and mail order transactions, added effort is required to establish trust with customers. Purchasing products through mail order requires customers to trust sellers with their checks, credit cards, email addresses, or phone numbers. Listing your credentials, such as certifications or enrollment in State Department of Agriculture Programs, can help establish credibility. Clearly stating your privacy policy on your sales literature, and offering a no-hassle money back guarantee could help ease some customer concerns.

Patience

Mail order business, according to the Penn State Cooperative Extension, is built on repeat business, not first-time orders. Whether it is conducted through catalog or the Internet, mail order business requires patience, and effort on the part of the seller to encourage customers to order from them again. Providing quality products, first-rate service, and personal touches can help build a strong base of return customers.

Competition

Those who sell through Internet or mail order may face significant competition. On the Internet, especially, it can be difficult to establish a presence among countless other websites. By advertising your service at other marketing outlets, such as on-farm sales and farmers markets, you can help give your business visibility. Additionally, Internet sales can be cross promoted through social media. For more information refer to the document *Marketing Tools – Virtual Media*, in this guide.

Packaging to prevent spoilage

Products sold through the Internet and mail order must be able to withstand being shipped. Shipping can be more expensive or complicated with delicate products, like meat, that require temperature control. Meat and fresh produce can be shipped, however, with proper forethought and packaging (see *Other Resources* below). Value added products could be less labor intensive to pack and ship. Some sellers mail test-run packages to long distance friends in order to find the most secure and affordable packing and shipping options.

Updating sales literature

Internet and mail order marketing requires regular maintenance. Newsletters, catalogs, fliers, websites, and any other medium, through which mail order is conducted, need to be up-to-date. Sales literature that is not maintained can be frustrating to customers. Make sure that your sales literature is easy to read, lists the appropriate ordering and shipping information, and includes an up-to-date product list.

Labor and material expenses

Farmers may invest many labor hours in taking and tracking orders, packing, sending shipments, maintaining a website, or sending out catalogs or newsletters. The cost of packaging and postage may also add up.

Strategies for Selling through the Internet or Mail Order

Know your customers:

- Build your mailing list - You can build your list while selling at farmers markets, or when customers visit your farm, by having them provide their mail and/or email information on a newsletter sign-up sheet. If you decide to sell through mail order or the Internet, keep these customers updated via your newsletter.
- Consider what medium of communication will best reach your customers - Paper or web-based? Direct e-mailed contact, or indirect through public advertisements?
- Know your customers' needs - What are customers most interested in purchasing through mail or Internet?
- What quantities are they looking for?
- Consider seasonal demand - Customer shopping habits fluctuate seasonally. While fresh products may be in high demand during the summer, gift baskets, value-added products, and meats might be more popular during the winter. The USDA publication *How to: Direct-Market Farm Products on the Internet* notes that one-third of online shopping takes place during the winter holiday season.

Understand your capabilities and limitations:

- Find out what kind of Internet or mail order platform works best for you - Consider distributing your own catalog or creating a website. Alternatively, sell through an established catalog, advertise in a newspaper, or

join a local foods directory website and advertise your mail order services there. Examples of online directories are offered in the *Marketing Tools – Products and Printed Media* document in this guide.

- Consider what products you can offer - The ideal mail order product is lightweight and ships well, but almost anything can be sold through mail order with creative packing and shipping. Even if you can only offer one product, you could offer that product in a variety of sizes, prices, and packages.
- Determine which ordering/billing system best fits you and your customer - You can consider accepting orders over the phone, through email, fax, or through postal mail.
- Consider the costs - It is important to budget for all associated costs before deciding to market through the Internet or mail order.

Consider building a website:

While there is a lot of competition on the Internet, there is also a lot of opportunity for success. The web can be a useful platform for mail order, and can also be an effective means of increasing in-person sales. With a little creativity, and perhaps some hired help, you can create a professional, engaging website. Costs vary.

Create effective sales literature or an Internet profile:

- Tell your story - Personal details about your farm, your history, and your goals help create a personal connection with customers.
- Include pictures - Photos of your farm may create a personal feel, while photos of your products can encourage sales.
- Get customer testimonials - A good customer quote can help foster trust with future customers.
- Make the ordering process easy to understand - Ordering instructions should be clearly stated and easy to follow. A confusing order sheet or webpage might deter interested customers.
- Keep sales literature maintained and up-to-date - Sales literature or websites that list out of date product availability, email addresses, or business hours can be frustrating for customers.

Create lasting customer relationships:

- Selling through Internet or mail can distance you from your customer base. Offering superb customer service can help close the distance between you and your customers.
- Make shipping hassle-free - Let customers know when they can expect to receive their package. Consider shipping your products through a company that provides a package tracking service. Try to drop items off for shipment at the beginning of the week, so that perishables will not spend the weekend waiting for shipment.
- Include information on how to contact you if the package contents are damaged during delivery.
- Minimize credit card concerns - Make sure your customers' credit card transactions go through a secure server. Offer alternatives for customers who do not feel comfortable sharing their credit card information on the web or over phone or fax.
- Address privacy issues - Sharing your privacy policy can help gain customer trust.
- Create incentives to return - Consider adding small freebies in any packages you send out to encourage repeat business. Small thank you notes, gift certificates, or recipe cards tucked into packages can help make your customers happy with their purchases.
- Follow the "30-Day Rule" - The Federal Trade Commission regulates mail order and Internet services by requiring that they follow the "30-Day Rule." The rule states that mail order businesses must have reasonable basis to believe that they can ship products within the time frame that they advertise. If you make no shipment statement, then you must have reasonable basis to believe that you will be able to ship the package within thirty days of ordering.
- Do not abuse (e)newsletters - Newsletters are a great way to keep customers up-to-date with your latest news, but can become an annoyance if used inappropriately. Make newsletters concise and provide customers with a clear way of unsubscribing from future letters if they wish. Including favorite recipes or

small coupons for future purchases can help make newsletters effective.

Diversify your promotion methods:

- Encourage word of mouth - Ask customers to share newsletters and mail order information.
- Use events to promote your business and recruit newsletter sign-ups.
- Consider using social networking sites, such as Facebook or Twitter - See the *Marketing Tools - Virtual Media* document in this guide for more information.
- Register your business with websites that help consumers find local food – See the *Marketing Tools - Virtual Media* document in this guide for examples.
- Post advertisements in printed publications to promote your business.
- Register your business in directories - Registering with known regional, state, or national directories can help increase your visibility. See the Marketing Tools documents in this guide for examples.

Other Resources

How to Direct-Market Farm Products on the Internet, United States Department of Agriculture: <http://www.ams.usda.gov/AMSV1.0/getfile?dDocName=STELDEV3101222>

Tips for Selling on the Internet, National Sustainable Agriculture Information Service: <https://attra.ncat.org/attra-pub/summaries/summary.php?pub=401>

The Internet as a Marketing Tool, Oklahoma State Cooperative Extension: <http://pods.dasnr.okstate.edu/docushare/dsweb/Get/Document-2491/AGEC-566web.pdf>

Website Development for Farms, North Carolina Cooperative Extension: <http://www.ces.ncsu.edu/chatham/ag/SustAg/SSAWGwebworkshop.html>

Marketing via the Internet, University of Kentucky Cooperative Extension: <http://www.uky.edu/Ag/CDBREC/marketing/internet.pdf>

Value-added Marketing: Mail Order & Internet, Penn State Cooperative Extension: <http://extension.psu.edu/farm-business/resources/publications/MailOrderInternet.pdf>

Internet Marketing for your Agritourism Business, Farm Stay U.S.: <http://www.farmstayus.com/media/50374/basic%20guide%20to%20agritourism%20on%20the%20web.pdf>

The Handbook of Regulations for Direct Farm Marketing: "The Green Book," Washington State Department of Agriculture Small Farm & Direct Marketing Program: <http://smallfarms.wsu.edu/wsu-pdfs/056-Greenbook-web.pdf>

Mail Order Food Safety, United States Department of Agriculture: http://www.fsis.usda.gov/Fact_Sheets/Mail_Order_Food_Safety/index.asp - chart

Growing for Market: www.growingformarket.com.

Growing for Market is a national magazine for market farmers. Subscriptions are available online or in print. 800-307-8949, PO Box 3747, Lawrence KS 66046.

Shipping Highly-Perishable Products:

Coolants and Refrigerants (Dry Ice), United Parcel Service: <http://www.ups.com/content/us/en/resources/ship/materials/coolants.html>

How to Package Meat for Shipping Overnight, eHow: http://www.ehow.com/how_8115617_pack-meat-shipping-overnight.html

How much dry ice is required to ship meat via 2-day service? Can gel freezer packs be used to keep meat frozen? The weight of the meat would range from 5 to 20 pounds. Is there a preferred styrofoam container to ship with?, Kansas State University Extension: <http://www.extension.org/pages/43900/how-much-dry-ice-is-required-to-ship-meat-via-2-day-service-can-gel-freezer-packs-be-used-to-keep-mea>

Primary Author: Chhaya Kolavalli, *Kansas Rural Center*



Marketing Strategies - Wholesale: Selling to Retail Outlets

This document discusses the benefits and challenges of selling wholesale to retail outlets, such as grocery stores, and offers strategies for success.

Introduction

More and more people are interested in acquiring locally raised farm products, but still the majority of consumers feel retail outlets are the most convenient place to purchase the bulk of their groceries. Stocking retail outlets with local foods is a great solution to getting more local food in front of a larger number of customers.

Retail outlet food buyers who respond to the rising demand for locally produced goods have much to gain. Local producers have a competitive edge over distant wholesalers for providing fresher, higher quality products, because they are able to get their goods to market faster than wholesalers shipping long distances. Buyers often find they can access those local, in season products for a comparable price to non-local products shipped greater distances. Plus, many buyers appreciate the quality of service they receive from a local producer versus a distributor or wholesale company. After all, who is more knowledgeable about a product than the person who produces it?

Benefits of Selling to Retail Outlets

Move large quantities of product

Retail outlets typically move through large quantities of a broad range of products every week, and are open for long hours on most days. Customers are drawn to the convenience of the “one stop shop.”

Reliable year-round market

Growing or producing on contract for retail outlets can guarantee sales well before harvest or delivery and provide a stable, year-round, rain-or-shine market for farm products. Long-term, stable sales accounts can result from strong, professional relationships built with buyers at retail outlets.

Reduce marketing and delivery labor

Producers who find themselves exhausted from spending hours preparing for and selling at farmers markets, or sorting, packaging, and invoicing products to sell to multiple restaurants in a day, may be relieved to spend less marketing and delivery hours selling larger quantities of products to retail outlets.

Expand your farm's customer base

Successful retail outlets know the importance of marketing and, with the right information and tools provided from your farm, they can help strengthen the connection between consumers and your product and increase the visibility of your farm.

Gain flexibility

Once a relationship is established with buyers, retail stores can be willing outlets for overabundant harvests. They may also be interested in trying new, specialty items they are unable to access elsewhere – provided you can either assure there is a market for those items or offer a refund if they do not sell.

Challenges of Selling to Retail Outlets

As with all local foods marketing strategies, selling to retail outlets is not without its fair share of challenges. For starters, food retail outlets come in all different shapes and sizes and their buyers, owners, and board members can have widely varied personalities and priorities. As with restaurant chefs, buyers are busy!

Building relationships with buyers takes time, planning, and patience. Buyers who have had past negative experiences with unreliable local food producers, or are uncertain about expanding their buying beyond major wholesalers, may initially show disinterest in working with you. You will have to overcome their biases with professionalism and quality service.

Below is a list of specific challenges for farms selling to retail outlets.

Wholesale prices

Retail outlets expect to pay producers wholesale prices for their goods, which can range from 25% to 60% less than retail prices. However, the benefits listed above coupled with the financial safety-net that diversification of market outlets provides, may help compensate for this deficit in income per unit. For example, selling a larger quantity at wholesale prices to retail outlets can garner an equivalent or higher sales total than selling a smaller quantity, directly to consumers, at retail prices. See the *Marketing Strategies – Price and Payment* document in this guide for a discussion of wholesale pricing.

Customer service

As with any marketing venture, building strong relationships with buyers is essential for success. Depending on which retail outlet you approach, there may be a need to both educate buyers on the marketability of various farm products, and provide information and tools to help sell those products. How will you respond if the retail outlet experiences low sales levels on products they have purchased from you? See the Strategies section below for suggestions.

Projected harvest quantities

Predicting the quantity of product you will have available and when is an acquired skill that is especially challenging for new producers. Buyers expect farmers to look out over their crop rows or herds of animals and estimate in advance what harvest quantity will be available and when. See the Other Resources section, below, for tools to help farmers address this challenge.

Asymmetrical demand / slow-selling meat cuts

A unique challenge for livestock producers looking to directly market their products to retail outlets is figuring out how to sell every cut of meat. Certain cuts of meat sell better than others, and demand for specific cuts can vary depending on the time of year. For example, kabobs sell more rapidly in the summer while bone-in roasts sell better in the winter. Retail outlets will be interested in cuts they know they can sell, and will want to meet the seasonal demands of their customers. Livestock producers will need to plan ahead in order to produce cuts that are in demand, and will need to have a processor that is willing and able to keep up with specific processing requests.

Quality and consistency

Retail buyers greatly appreciate regular communication and frequent deliveries of consistently high quality products that offer the longest shelf-life possible. Unlike restaurants, retail outlets are rarely interested in second-quality products. Farm practices that preserve product quality, such as integrated pest management and professional harvest and post-harvest handling, and those that utilize strategies to increase product availability, including product diversification, succession planting, and season extension, are important when cultivating long-term buying relationships with retail outlets. For meat producers, quality and consistency derive from careful planning. Pasture and pen conditions, feed quality and quantity, age and weight of the animal at slaughter, and processing technique all significantly impact the final product. Learning to gauge when an animal is ready for slaughter and finding a dependable processor who is available when you need them will be critical to delivering quality products consistently.

Loss of control over farm brand

When you sell to a retail outlet, you may lose control over how your product is marketed and sold - from price to placement to quality control. For example, you may drop off your product at a large warehouse to be distributed days later to various retail outlets within a chain, during which time you will have little to no control over how your products are handled. In this situation, it could be a week or more before your “fresh” local product is placed on a sales shelf for consumers and likely days after that until it is consumed. If your product carries your farm brand but quality is not preserved, you may risk generating negative associations with your farm brand. Visiting retail outlets carrying your products can help you monitor and provide input on the way your products are handled and sold.

Product grading and packaging requirements

Because retail businesses purchase food in large quantities and re-sell it in smaller quantities to individual consumers, they have unique packaging needs for various farm products. Whereas restaurants, institutions, and caterers may allow you to drop off cases of loose radishes or leaves of kale, retail outlets generally require that growers weigh out and bunch or bag such products. Receiving a uniform, size-graded product, such as potatoes, may also be a priority for certain retail outlets. Packaging requirements for meat depend on whether the retailer wants to buy meat that is fully processed, packaged, and ready for individual sale, or buy unprocessed cuts of meat (carcasses and primals), and do the final processing and packaging in-house. Meat producers should know in advance what the retail outlet desires, in order to have a clear plan for processing and selling their products.

Regulations and other requirements

While selling directly to retail stores may save you marketing time compared to other options, you will still need to invest time in meeting each retail outlet’s packaging, labeling, legal, food safety, and other requirements. For example, although standards are the same at Kansas Department of Agriculture (KDA) and United States Department of Agriculture (USDA) inspected processing facilities, some retail outlets require meat be processed at a USDA inspected facility. Other retail outlets may require certain food safety standards be followed, such as Good Agricultural Practices (GAPs). For more information, see our *Farm Practices – Food Safety* document in this guide. Legal, government regulated requirements for farm products are discussed in the Regulations documents in this guide.

Bookkeeping and accounting

Farmers need to have organized invoicing, billing, and accounting systems to manage sales transactions with retail outlets. It is not uncommon for retail outlets to pay producers as many as 30-days after delivery. Follow-up to ensure payment may be necessary.

For more information on this topic, see *Bookkeeping and Accounting*, from the Agricultural Marketing Resource Center:

http://www.agmrc.org/business_development/operating_a_business/finance/bookkeeping-and-accounting/

Or, refer to the *Beginning Farmer Resources* document in this guide.

Strategies for Selling to Retail Outlets

Research Retail Outlets Before Approaching Them

There are several different types of retail outlets to consider selling to:

- **Local Specialty Stores** – These small, usually locally owned stores focus on selling specialized items such as natural/organic products, health promoting products, food for special dietary needs, gourmet foods, or hard-to-find culture or region specific products. Specialty stores are often accustomed to working directly with small producers and are likely to be easy to approach.

- Local Retail and Grocery Stores – These stores are independent, often locally and/or cooperatively owned, and typically smaller in size than chain grocery stores. They generally can take-on a little more product volume than specialty stores, but work heavily with large distributors and may expect a higher degree of professionalism from farmers, particularly in regards to packaging and invoicing. Within this group, natural food cooperatives are leaders in working to connect producers and consumers, but more independent grocery stores are recognizing the niche for local products and picking up this role also.
- Regional and Nationwide Chain Stores – This includes larger sized grocery stores and grocery chains that have other locations across the region or nation. Typically the bulk of their decision-making and buying power comes from staff in corporate or regional offices elsewhere. While chain stores offer the advantage of being able to sell massive quantities of product, possibly through multiple stores in the region, they may expect farmers to accept a lower price, require more paperwork and permits than the smaller stores listed above, and in some cases may require product distribution through a regional warehouse. It can feel intimidating to approach the corporate offices of these big stores, but more and more they are opening up shelf space for locally produced goods and welcoming local producers, though definitions of “local” vary widely.

Consider Your Niche

Before choosing which buyers to approach, here are some key questions to ask yourself:

- Do you want your product to be sold with your farm name or brand accompanying it, or would you be comfortable having your product lumped in with other producers’ products at a larger retail outlet?
- Are you interested in producing hard-to-find specialty items for a specific retail outlet?
- Is your product more appropriate for a quality-focused high-end store or an economy market?
- Can you produce enough to regularly supply a supermarket or should you consider a smaller store?
- Are you selling enough products to merit the time spent meeting paperwork and other requirements of a larger store, or would you prefer to sell to smaller stores with fewer requirements?
- Which stores are likely to offer you more income per labor hour? If you are growing large quantities, you may find that the time-savings from marketing and delivering to a single large outlet generates more income per labor hour. Alternatively, you may find it most economical to sell smaller quantities to several outlets if they offer a better price.
- Which retail outlets are likely to offer you long-term relationships, so that you can continue to sell there year after year? This will save you marketing time and may help build customer loyalty at the store.
- Are you interested in producing new or unique products to accommodate consumer demand at retail outlets?
- Are you willing to provide extra marketing tools to the retailer to move your product, like farm logo, photos, or other visual tools for in store promotions? Refer to the *Marketing Tools – Products and Printed Media* document in this guide for more on this topic.

Plan Your First Contact

Be prepared with questions:

- What local foods do they most want to access? Perhaps they have a big supply of potatoes but no herbs? Maybe they have several beef producers but no one selling lamb? Are they short on winter products?
- How frequently and what day and time do they prefer delivery? Are there any other rules or expectations concerning delivery – such as which door to go through and who to ask for?
- How and when do they prefer farmers contact them about product availability? Email or phone? AM or PM? Who will be the primary contact and when would they like to be reached?
- What are their packaging requirements? Some stores will not accept products delivered in recycled boxes, others require items to have specific types of labeling or be packaged in certain sizes, such as by the pound, bunch, or individual piece.
- Will you need a certain type of insurance or certification in order to sell to them?

- Does the store have any other requirements of its food suppliers?
- What materials can you provide to help sell your products? This might include photos, informational handouts, recipes, charts of seasonal availability, food safety documents, or a written farm profile.
- What about payment? How do they prefer to be billed? Are there certain payment schedules the store uses? When should you expect payment for the products purchased from you?

Arm Yourself with Information

- What products do you want to sell? Assess which products you can economically produce at top quality and in large quantity. These are likely to be your preferred items for selling to retail outlets. Next, consider what specialty items you might be interested in producing and selling for a good price. Adding smaller quantities of specialty items to your invoice can help increase the value of each transaction.
- What price range do you think your product can retail for? Research the going rate for products similar to yours at various retail settings like farmers markets and grocery stores. Sharing that information with buyers will help them assess what they will be able to sell your product for. See our *Marketing Strategies – Product Price and Placement* document for tips on how to calculate wholesale prices based on known retail value.
- During what time of the year will your products be available? For planning purposes, buyers will want to have a sense of how long they can expect delivery of each of the seasonal products you sell them. Offering them a conservative date range will save on disappointment if you cannot produce the product outside of its peak season. If your product happens to be available earlier, or remain available for a few weeks longer than projected, the buyers will likely still want to buy it.
- What quantity of each product will you have at each delivery? Having this information will help both the buyer and your own operation with financial planning. See Other Resources below for estimating average quantities per harvest of different crops or animal products.
- In what units would you prefer to sell your product? Buyers may have certain requirements for packing products in certain weight units, but your preference and input is important too. For example, if you are growing a variety of eggplant that is uniquely small and the retail outlet is accustomed to selling eggplant by the pound, you could suggest that they sell this particular product in pints instead. Meat producers will need to decide whether they want to sell meat that has been processed and individually packaged at the slaughtering facility, or whether they would like to sell whole animal parts to the retailer to process and package on-site. Different retailers will likely have different buying preferences based on their ability to process meat on-site, the difference in price between processed and unprocessed meat, and which cuts and meat products sell best at their store. If you will be selling meat that is packaged at the processing facility, you should discuss cuts, unit weights, and packaging options with both the buyer and your processor to be sure you can deliver what the retailer wants.
- What makes your product valuable and/or unique? The growing local food movement has brought with it a revival of affection for unique hybrid or heirloom varieties and specialized or heritage breeds. Are your eggs multi-colored? Are your turkeys prized for certain qualities in their meat? Do you have photos and a story of their history? Are you excited to grow Asian yard-long beans but are afraid the buyer will not know what you are talking about? Can you bring seed catalogues to generate interest? Can you offer samples? How else can you help buyers understand the value and marketability of your products?
- What is your contact information and the best time to reach you? Business cards, brochures, or handouts demonstrate professionalism and leave buyers with a reminder that you are but a phone call away.
- How can retail outlet employees learn more about your farm? Connecting retail outlet staff to your farm will encourage and assist them in selling your products. Are you open to hosting a farm visit? Do you have documents, photos, or a website to help them understand where your products come from? See the Marketing Tools documents in this guide for a more in depth discussion of this topic.
- How can others learn more about your products? Retail outlets are tasked with selling your product, but the more tools you can provide them with to do so, the more of your product they are likely to sell. Recipe suggestions, nutrition facts, or in-store sampling by the producer, for example, have all been found to increase sales.

- Bring your business license and any other certifications you might have. See our Licensing, Labeling, and Farm Practices documents in this guide for more information on what this might entail.
- Be willing to fill out farmer profiles. To help market local products, many retail outlets ask farmers to complete paperwork sharing information about their farm. Completing these packets can increase sales.

Be Prepared, Professional, and Organized

- Plan ahead. Know who you will be talking to and when, and have goals in mind before your meeting.
- Project a professional image. Conversations between farmers and retail outlet buyers are equivalent to business meetings. How you present yourself and how you communicate will leave an impression.
- Bring printed materials. This is important so the buyer will not forget you after you leave. Items might include a product availability list, photos of your products or livestock, a brochure, flier, or business card.
- Samples – tangible examples of quality products go a long way in building buyer confidence.
- Ask questions often. Allow buyers to inform you of their needs and desires, both at first meeting, and through subsequent contact. This can open doors to unforeseen marketing possibilities. For example, there may be instances when a buyer could sell a lot more of a particular product if they were able to access it – and you may actually have excess to that product or a desire to produce more of it. Do you have purslane growing as a weed in your fields, or difficulty marketing a particular meat cut through other venues? There may be an untapped market for these items. All you have to do is ask!

Build Strong Relationships with Buyers

Here are some key traits buyers appreciate in local producers:

- Reliability – contact buyers when you say you will and deliver the right items at the right times.
- Consistency – communicate regularly throughout the year, and ideally deliver products regularly.
- Clear Communication – let them know what product you will have in advance, and call about set-backs.
- Knowledgeable service – educate and inform buyers about your products and their marketability.
- Helpfulness – support buyers in their efforts to sell your product, with in store sampling, photos, etc.
- Consideration – stay informed on the buyer’s current challenges and needs, such as low sales.
- Professionalism – offer a quality product in a professional package with professional invoicing.
- Integrity – meet commitments to buyers or communicate in advance when you cannot.
- Openness and honesty – host buyers for farm visits or explain changes in product quality.
- Timeliness – respond to buyers’ needs for product updates and deliveries at certain times of the week.

Help Promote Your Product

Promotional or buyback programs can be effective tools in maintaining or increasing sales. For example, if the buyer has an overfull back-stock of ground beef from your last steer, and you want to sell another steer, you could offer to buy-back the ground beef and sell it to another outlet, or you could assist the buyer in promotions - perhaps through a special discount, assisting with creation of promotional signage, and/or staffing an in-store sampling demonstration of your ground beef’s high quality.

Provide Quality

Buyers often cite quality as the most important issue in their purchasing decisions. At retail outlets, long shelf-life is of huge importance, as it may be several days from harvest until the product is delivered, stocked, sold, and prepared for its debut on the end consumer’s plate. Shorter times between harvest and delivery put local producers at an advantage when it comes to offering quality.

- Quality Product – Practice professional harvest and post harvest handling techniques. See Other Resources below.
- Quality Packaging

- Package your product around buyers' needs and meet all legal and buyer requirements for labeling.
- Package to preserve quality.
- If you want to include a barcode on packaged products that can be used in any store, visit www.gs1us.org to register for a merchant number.
- Packaging can be pricey – discuss this with the store, maybe they can pay more for packaged products or offer packaging supplies for free to compete with bulk buyers, such as restaurants.
- Some buyers will allow you to reuse boxes they have saved from other producers, others require new boxes which is something to consider when choosing who to sell to.
- Label the delivery box with: date, farm name, product title, quantity, and certification seal, if any.
- Brand recognition on quality products helps create a consumer following. See the *Marketing Tools – Branding* document in this guide for details.
- Quality Delivery – Who will deliver your product, and by what means? Temperature controlled delivery vehicles are mandated for many animal products, and recommended for most other food products. See the Regulations documents in this guide for more information.

Some producers prefer to deliver their own product while others send staff or rely on processors to deliver. If you have your product delivered by others, it can benefit you to know how it is being done so you can be assured that your product's quality is preserved upon delivery. For instance, is the delivery staff smoking cigarettes around your product, exposing the product to wind or sun, or allowing the vehicle to exceed ideal temperature before arrival? Following up with retail outlet buyers to ensure satisfaction can help resolve any delivery issues.

Plan for Profitability

- Know your costs – From start to finish, what does it cost you to produce, process, and deliver each of your products? Can you charge a high enough price to cover these costs? Is the retail outlet willing to assist with extra processing and packaging costs?
- Keep Farm Records – This will help track cost of production and income generated from various farm enterprises. Farm records are valuable tools for determining whether it is profitable to market to wholesale accounts. See Beginning Farmer Resources document in this guide for more on this topic.
- Be sure you can go “whole hog” (literally) – Meat producers must sell every cut of meat from an animal in order to turn a profit. If you are a meat producer looking to wholesale your products, be certain you have a sales outlet for every cut of meat before making any commitments.
- Price it right – Be aware of your costs of production and create a production plan that maps out projected expenses versus projected income. Know what price range will lead to profits before meeting with buyers.
- Be strategic about your scale of production:

Produce larger quantities of fewer products - Depending on your market outlet and your farm's production capacity, offering a larger quantity of fewer products may make wholesale sales more profitable. Efficient large-scale production differs greatly in practice from small scale diversified production. It usually requires farms to produce a smaller range of products and specialize in just a few items they excel at producing. Over time and with experience, farms producing at a larger scale may be able to gradually add product diversity without sacrificing the quality of items already being produced.

Or, Consider diversifying - Depending on the market outlet and your farm's production scale, offering a larger diversity of product may extend your season and generate more income per invoice, making your wholesale sales more profitable.

Other Resources

General Resources:

Selling Directly to Restaurants and Grocery Stores, Washington State Department of Agriculture's Direct Marketing Handbook: <http://agr.wa.gov/marketing/smallfarm/DOCS/3-SellingDirectlyToRestaurantsAndGroceryStores.pdf>

New Markets for Producers: Selling to Retail Stores, College of Agricultural and Life Sciences, University of Wisconsin: <http://www.cias.wisc.edu/farm-to-fork/new-markets-for-producers-selling-to-retail-stores/>

Should You Sell Products to Grocery Stores? Local Fare, University of Wisconsin-Platteville: http://www.uwplatt.edu/cont_ed/LocalFare/pdf/SellingToGroceryStores.pdf

Direct Marketing Meat — Is It An Option for You?, Anastasia Becker, Community Food Systems and Sustainable Agriculture, University of Missouri Outreach and Extension: <http://aes.missouri.edu/swcenter/sustain/Marketing%20Meats%20-%20is%20it%20for%20you.pdf>

Want a Competitive Advantage? Sell Local Produce, Hobart: <http://www.hobartcorp.com/About-You/Grocery/Grocery-Stores/Department-Trend/Produce/Want-a-Competitive-Advantage--Sell-Local-Produce/>
This article may be useful for sharing with potential retail outlets that do not normally carry local food.

Growing for Market: www.growingformarket.com

Growing for Market is a national magazine for market farmers. Subscriptions are available in print or online. PO Box 3747, Lawrence KS 66046. 800-307-8949.

Plant Product Resources:

Vegetable Garden Planting Guide, Kansas State University: <http://www.ksre.ksu.edu/library/hort2/mf315.pdf>

Johnny's Select Seeds: http://www.johnnyseeds.com/t-growers_library.aspx (extensive information on projected crop harvest per row foot)

Post-harvest Handling Resources:

CSA Harvest and Post-Harvest Handling, Center for Agroecology and Sustainable Food Systems (CASFS - University of California, Santa Cruz): http://www.traces.org/green/Course-marketing/4.7_Harvest_Post-Harvest.pdf
Appendix 5 covers best practices during and after harvest. Appendix 1 charts the following pieces of information for several crops: relative perishability, desirable harvest quality, optimum storing conditions, and other considerations.

Postharvest Handling for Organic Crops, University of California, Davis: <http://anrcatalog.ucdavis.edu/pdf/7254.pdf>

Post-harvest Handling of Horticultural Crops, North Carolina Cooperative Extension: <http://www.ces.ncsu.edu/depts/hort/hil/post-index.html>

Post-harvest Commodity Series, Department of Biological and Agricultural Engineering at North Carolina State University: <http://www.bae.ncsu.edu/programs/extension/publicat/postharv/>

Animal Product Resources:

Guide to ATTRA's Livestock and Pasture Publications, National Sustainable Agriculture Information Service (ATTRA): <https://attra.ncat.org/attra-pub/livestock/livestock.html>

This guide provides titles, publication numbers, and brief overviews of ATTRA publications covering a huge spectrum of sustainable livestock production topics. It includes all types of livestock production - beef and dairy; cattle, sheep, goats, hogs; poultry and eggs; bison, bees, and emus. There is a virtual wealth of resources for a beginning livestock producer in this publication, including lots of production information; this is a good place for a producer to start in the search for information and resources on estimating quantities of animal products.

Beef Production

Beef Cut-Out Calculator, <http://www.beefresearch.org/CMDocs/BeefResearch/Product%20Enhancement/Beef%20Cutout%20Calculator.pdf>

Information about, and link to, an online tool developed by Colorado State University to help cattle producers calculate yields.

Beef Shelf-Life, Research Knowledge and Management: <http://www.beefresearch.org/CMDocs/BeefResearch/Beef%20Shelf-life.pdf>

Product Enhancement Research, Research Knowledge and Management: <http://www.beefresearch.org/productenhancementresearch.aspx> This website has loads of information pertinent to selling beef to retail outlets.

Sheep and Goat Meat Production

Sheep Team, Ohio State University Extension: <http://sheep.osu.edu/2008/06/20/selecting-for-the-success-traits-how-to-make-money-with-sheep/>

Getting started raising goats, Livestock Trail: <http://www.livestocktrail.illinois.edu/sheepnet/paperDisplay.cfm?ContentID=9808>

Dairy Production

Planning a New Dairy, Cowtime: http://www.cowtime.com.au/technical/Guidelines/I_CHAPTER_8_PlanningANewDairy.pdf (This is a resource for estimating daily and seasonal milk quantities.)

Dairy Facts – Dairy Cows, Midwest Dairy Association: <http://www.midwestdairy.com/0t164p176/dairy-cows/> (Contains questions and answers on milk production and milk pricing.)

Poultry Production

Growing Your Range Poultry Business: An Entrepreneur's Toolbox, National Sustainable Agriculture Information Service: <https://attra.ncat.org/attra-pub/summaries/summary.php?pub=223>

Packaging Resources:

*This list is not comprehensive. We do not guarantee the quality of products available through any of these resources, and omission of other companies offering packaging resources is not intentional.

Monte Packaging Company: <http://www.montepkg.com/>

Avis Bags: <http://www.avisbag.com/>

Alibaba: <http://www.alibaba.com/showroom/agricultural-products-packaging.html>

Midwest Packaging Material: www.preferredtape.net/
(commercial & industrial shipping materials, custom bubble wrap)

Catering Planet: www.cateringplanet.com/
(A wide selection, food packaging materials, wholesale dinnerware supplies.)

Food Packaging: www.assemblies.com/
(Specialize in high volume.)

Food Service Supplies –
ULINE: www.uline.com/Take-Out-Boxes
(Offers over 25,000 products, huge catalog, same day shipping.)

Food Packaging Materials – Paper Mart: www.papermart.com/
(Offers same day shipping.)

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Marketing Strategies - Wholesale: Selling to Restaurants

This document offers information for farmers interested in selling their products directly to restaurants.

Introduction

First-rate chefs know fresh is best, and it doesn't get much fresher than locally produced food. Typically, restaurants buy the bulk of their raw ingredients from large, corporate distributors whose products are shipped from around the world. When this is the case, local foods offer a fresh, flavorful alternative, but many chefs and kitchen managers may be concerned about the cost and ease of obtaining local foods. For local producers willing to address these concerns, restaurant sales can yield a large and reliable paycheck.

Throughout this guide, "restaurant" is defined as, "an establishment which prepares and serves food and beverages to customers in exchange for money." Restaurants vary greatly in appearance and offerings, and our definition includes anything from high-end dine-in establishments such as country clubs, to diners, food delivery operations, or establishments offering take-out services.

Selling to restaurants is truly a niche market. The quality and uniqueness of local products helps attract chefs and restaurateurs to them. What makes your farm products different and better than those that restaurants are already sourcing? Read below for information we've pulled together to help you get your foot in the door at these establishments.

Benefits of Selling to Restaurants

Year-round sales

Farmers markets are generally seasonal, but restaurants buy year-round, giving tunnel, greenhouse and hoop growers a distinct advantage in off-season months. Restaurants also buy meats, eggs, dairy (milk, butter, cheese, ice cream), dried herbs and spices, pickles, preserves, and flowers year-round. Plus, restaurants can guarantee sales well before delivery, and often well before a product is ever ready for harvest.

Labor and materials savings

Whereas selling at markets and to grocery stores requires additional handling and considerable packaging expenses, restaurants usually process products quickly, requiring only that goods be delivered fresh and in good condition, clean, and packed carefully in a box or bag - no multiple bunching or bagging, repeat labeling, or display set-up required.

Contract growing

Growing or producing for restaurants on contract is a win-win situation. Barring acts of nature, producers are guaranteed sales of specific quantities at set prices, and restaurants can count on sufficient supplies without price fluctuations.

Specialty items

Many chefs would love access to a selection of heirloom crop varieties, native and wild foods, heritage breed, pasture-raised animals, or other hard-to-find specialty items. Adding specialty items to your production system can help diversify your income sources, and you may garner premium prices for those unique products.

Free promotion

An increasing number of restaurants are discovering the sales potential of promoting their use of local foods. As customers become more food-savvy, the freshness and flavor of local foods is a major selling point on restaurant menus. By introducing customers to local farm products in menus and other forms of publicity, restaurants can indirectly help build a retail customer base for producers. For many of those restaurants, buying local goes beyond sales promotion and superior taste, it is a point of community pride.

Flexibility

Have a pile of bruised tomatoes, hail-damaged chard, or misshapen fruit? Some restaurants will purchase second-quality items (with an appropriate discount), for dishes where appearance is not a factor. Those tomatoes can be processed into sauce, chard goes into soup, and fruits are transformed into desserts and preserves. Restaurants may also be willing to purchase large parts of an overabundant harvest, particularly if the product can be effectively frozen or preserved. Before heading to the compost pile, call a restaurant.

Challenges of Selling to Restaurants

Lower price per unit

Restaurant sales yield a lower price per quantity than direct retail sales - approximately 25% to 60% less. For this reason, farmers who enjoy the effort it takes to sell directly to consumers may decide to minimize restaurant sales. However, in times when direct sales fall short, the diversification of markets can provide an important safety net for producers. See the *Marketing Strategies – Price and Payment* document in this guide for a discussion of wholesale pricing.

Consistency

Restaurants prefer a regular supply of product from farmers, rather than just spotty deliveries here and there. Expertise in post harvest handling is essential, as restaurants rely on farmers to deliver a consistently high quality product, in packaging that will keep the product's quality if it needs to be stored for a time.

Change

Restaurants generally have a low success rate and high staff turnover (including chefs), which can result in the sudden loss of restaurant accounts. Producers selling to restaurants must be prepared for the transitory nature of the business.

Delivery

Limited cooler space at restaurants can require frequent deliveries, with limited volume per delivery. Consequently, to sell a large amount of product all at once, farmers must sell and distribute to multiple restaurants, which may prove to be a labor drain that takes time away from growing.

Restaurants tend to need deliveries at particular times of day that may be challenging to meet (see more in the *Strategies for Selling to Restaurants* section, below).

For meat, dairy, and egg producers, distribution is complicated by the need for refrigeration and/or freezer space during transportation to the delivery sites, in order to comply with state and federal regulations. See the *Regulations* documents in this guide for more information.

Customer Service

Clear communication, patience, and follow-through are key to building strong sales relationships with restaurants. A farmer cannot expect a restaurant to accept them as a major supplier upon first meeting, as building trust takes some time, possibly even years.

Not all restaurant managers are aware of the value of local products and how best to market them. These cases may require some creative education and outreach on the part of the farmer.

Restaurants prefer frequent, timely communication about availability of product. This can include weekly emails or phone calls with a list of products available, preferably before the restaurant places orders with larger distributors, as well as immediate notification if it looks like a particular product will not be available as projected.

Livestock producers will need to sell every cut in order to make a profit at wholesale prices. Finding a market for less-desirable cuts can take extra time and energy.

Projected harvest quantities

Predicting what quantity of product you will have available and when is an acquired skill, and is especially challenging for new producers. Chefs expect farmers to look out over their crop rows or herds of animals and estimate in advance what harvest quantity will be available and when. See the Other Resources section below for tools to help address this challenge.

Bookkeeping & accounting

It is very important that farms have a clear and regular invoicing system and a strong accounting system. For more information on this topic, see Bookkeeping and Accounting, from the Agricultural Marketing Resource Center: http://www.agmrc.org/business_development/operating_a_business/finance/bookkeeping-and-accounting/

Regulations

In order to sell meat or poultry products to restaurants (or other wholesale outlets), livestock producers must fulfill a series of requirements including registering as a Wholesaler, obtaining label approval, and passing a United States Department of Agriculture (USDA) or State inspection. Additionally, meat must be processed at an approved processing facility. See the Regulations documents in this guide for more information.

Strategies for selling to restaurants

Chefs are as busy as farmers. The first step in establishing a good relationship with a potential restaurant client is to never call during mealtime service. Early morning and mid-afternoon are generally the best times for phone or personal contact. Before contacting a desired client, it pays to do some research. What type of establishment are they? Are they more concerned with food costs or food quality? You will likely cultivate stronger sales relationships with those restaurants focused on quality ingredients. The section below helps guide you towards these and other considerations for working with restaurants.

Know the Restaurant

- What kind of food is served?
- Is the menu fixed or subject to seasonal changes?
- What other local products do they use?
- What are their quality standards for products like yours?
- Are they interested in discounted second-quality items?
- What is their ordering cycle? (Chefs may only place food orders a couple days per week.)
- When do they want delivery?
- Who are the key contacts? (owners, chefs, managers)
- When is the best time to contact the buyer?
- Would they prefer to be contacted via phone, email, or fax?
- What is the nature of the clientele?
- What are the restaurant's signature features?

Educate Restaurant Staff

A restaurant's waitstaff wants to sell your product, and their tips and job security depend on it. Be prepared to talk in detail about your business.

- What is your contact information? (Business cards or farm flyers are great for sharing this info.)
- How frequent and how flexible is your delivery schedule?
- What is the story of your farm? You might include location, history, what you produce, your farming practices, or farm members.
- Do you have photographs of your farm to share?
- Can restaurant buyers and/or employees visit your farm?
- Do you have a documented food safety protocol?

First Contact

Be prepared with the following information for your initial sales pitch to a restaurant:

- Product appeal: What makes your products unique or better than similar products?
- Product use: Do you have recipe ideas or other thoughts on using your product that you can share?
- Samples: What samples can you offer? These are appreciated throughout the growing season and help increase sales.
- Seasonality: When are your products available? A graph showing seasonality of products is very helpful.
- Quantities: What units do you sell your product in? By the pound? The bunch? The bushel? How much can you sell and how frequently?
- Price: How much would you like to charge for your products? See the *Marketing Strategies – Price and Payment* document in this guide for suggestions.
- Product Handling: How can restaurant staff best keep your products fresh for restaurant use?

Plan Ahead

- Create a shared understanding: It is helpful for producers and buyers to have in-depth conversations about existing systems, and the needs of the restaurant, in order to create a plan for how your farm's products will fit into those systems and needs. Is a restaurant willing to accommodate seasonal shifts in product through menu changes? What are the different ways your two business models can best align?
- Produce on contract: Contract farming can help guarantee sales for farms, and a more predictable supply to restaurants. Typically, the farmer agrees to supply established quantities of specific products over an agreed upon period or season, while buyers commit to purchasing that product at a pre-determined price – so long as it meets expected quality standards. Regular communication is still needed between farmer and buyer throughout the season, to be clear whether products will be available as projected, and to resolve any unforeseen issues that may arise.

Communicate Clearly

- A positive, sincere and cooperative tone in all communications is important for any business. Remembering staff names and showing an interest in how their business is doing also go a long way in winning over valuable accounts.
- Timely communication: Be sure communications take place during a good time for both of you. This means, ideally, not taking calls mid-harvest, when you are rushed. You can also ask in advance when is best to contact buyers, avoid calling restaurants during peak meal hours, and begin each conversation with, “is now a good time?”
- Agreement: Be sure, well in advance of delivery, that both you and the buyer have a shared understanding of price, quantity, quality, payment method (on-the-spot or billed), and logistics for delivery time and location.
- Offer flexibility: You will be remembered well if you can deliver a product on short notice.
- Inform the customer of changes in product quality (such as hail or pest damage to a crop), and be sure they still want the same quantity of product, or consider adjusting the price for them. If you cannot follow through on a delivery time, it is best to let the buyer know as soon as possible, as they may have planned their menu around your product's availability.
- Follow up to be sure the buyer is satisfied with your product. This can be casual or via a formal survey.
- Package labeling is an important form of communication that benefits both the buyer and the product deliverer. Some information to consider for every box label: your farm name, the date delivered, item name and quantity, and “box 1 of ___” for each item. These types of communication help prevent confusion and, by improving farm traceability, they are essential elements of many businesses' food safety plans.

- Involve buyers in your farm planning. Restaurants may enjoy being a part of your planning process. You can involve them in your farm's decision making process by bringing seed catalogs to winter meetings and discussing specific varieties of interest. You may have never considered growing/raising some of the items they might want, and gaining a niche market on something you can easily produce could be a huge bonus for your farm.

Deliver Quality

Your highest priority in selling to restaurants is providing a quality product on a regular basis.

- Selecting quality: Grow more than you think you need so you can select the best products for accounts that demand high quality. If you end up with a large amount of second-quality items, consider offering those at a special discounted price.

- Post-harvest handling is essential to preserving quality. Links to web-based resources are available below, and, "*Knott's Handbook for Vegetable Growers*," by Donald Maynard & George Hochmuth, is also an informative reference.

- Packaging: Products need to be cleaned as well as packaged in a way that preserves their shelf life as much as possible. Check with restaurants about which type of packaging works best for them. In general, due to limited cooler space, restaurants prefer smaller packaging units instead of bulky boxes. Walk-in coolers also have large fans that can damage delicate crops – try covering such products with plastic to protect from cooler "wind." Other considerations may include sorting out lower quality items that will deteriorate faster, and affect other items in the package. Also, make sure washed products are thoroughly dried and have proper drainage at the bottom of the box.

- Quality control: Make sure any employees handling your product are well educated on quality expectations, post-harvest handling, packaging techniques, and your farm's food safety protocol.

Plan for Profitability

Restaurant sales are of no benefit to farms if they do not result in farm profits. Keeping farm records that track the costs of production and income generated can help track whether various farm enterprises are profitable when marketing to wholesale accounts. Here are some other things to keep in mind as you consider selling to restaurants:

- Price it right. Consider the costs of production (labor, equipment, processing, packaging and delivery) for each product you will produce, before agreeing to a particular price. Make sure sales cover the cost of delivery before committing.

- Be aware of supply and demand throughout the season. If a natural event limits the supply of a particular product in your region, do not be afraid to discuss raising the price to compensate.

- Collaborate with other farms. This may reduce costs by helping you afford the product packaging, labeling, and processing facilities needed to meet state and national health and safety regulations.

- Diversify. By selecting key items to produce in large quantities, and other items to fill in seasonal gaps, your operation will always have something to offer to keep up with restaurant desires for regular deliveries. Having alternative products available for substitution, when possible, may help you save a sale. The quantity of various product delivered to accounts throughout the year may vary depending on seasonality, but periods of crop bounty must compensate for periods of low supply.

- Consider cooperative marketing. Buying direct from multiple farms can be time consuming for already busy restaurants. Forming a cooperative, or working through a distributor, can help mitigate this issue, while retaining farm brand identity. Refer to the *Marketing Strategies – Cooperative Marketing* and *Marketing Strategies – Wholesale – Operating or Selling to Food Hubs* documents in this guide for more information.

Other Resources

Selling to Restaurants and Institutions, KS Farmers Markets:

<http://www.ksfarmersmarkets.org/resources/selling-to-restaurants-and-institutions?v=producers>

Direct Marketing to Restaurants, Center for Agroecology and Sustainable Food Systems (CASFS), University of California, Santa Cruz: http://63.249.122.224/wp-content/uploads/2010/05/5.5_Restaurants.pdf

Selling Local Food to Restaurants and Food Services, University of Missouri, Columbia: <http://www.foodcircles.missouri.edu/selltorestaurants.pdf>

Selling Directly to Restaurants and Grocery Stores, Washington State Department of Agriculture: <http://agr.wa.gov/marketing/smallfarm/DOCS/3-SellingDirectlyToRestaurantsAndGroceryStores.pdf>

Local Food Connections: From Farms to Restaurants, Iowa State Extension: <http://www.extension.iastate.edu/Publications/PM1853B.pdf>

Selling to Restaurants, National Sustainable Agriculture Information Service: <https://attra.ncat.org/attra-pub/viewhtml.php?id=266>

Selling Directly to Restaurants and Retailers, University of California - Davis: <http://www.sarep.ucdavis.edu/cdpp/selldirect.pdf>

Selling to Local Restaurants, Marketing School for Growers, Cornell University Cooperative Extension: <http://marketingschoolforgrowers.org/16/restaurants.html>

The ABCs of Marketing to Restaurants, Rodale Institute: <http://newfarm.rodaleinstitute.org/features/0802/restaurant.shtml>

Marketing to Restaurants, North Carolina Cooperative Extension: <http://www.ces.ncsu.edu/chatham/ag/SustAg/marketingrestaurants.html>

Wholesale Guidelines, Kansas Department of Agriculture: http://www.ksda.gov/includes/document_center/meat_poultry/Industry_Information/Wholesale_Guidelines.pdf

Growing for Market: www.growingformarket.com

Growing for Market is a national magazine for market farmers. Subscriptions are available in print or online. PO Box 3747, Lawrence KS 66046. 800-307-8949.

Projecting Harvest/Production Quantity:

Plant Products:

Vegetable Garden Planting Guide, Kansas State University: <http://www.ksre.ksu.edu/library/hort2/mf315.pdf>

Johnny's Select Seeds' Catalog: http://www.johnnyseeds.com/t-growers_library.aspx

(Johnny's has extensive information on projected crop harvest per row foot online or in their catalog.)

Post-harvest Handling Resources:

CSA Harvest and Post-Harvest Handling, Center for Agroecology and Sustainable Food Systems, University of California, Santa Cruz: http://www.traces.org/green/Course-marketing/4.7_Harvest_Post-Harvest.pdf

Appendix 5 covers best practices during and after harvest. Appendix 1 charts the following pieces of information for several crops: relative perishability, desirable harvest quality, optimum storing conditions, and other considerations.

Postharvest Handling for Organic Crops, University of California, Davis: <http://anrcatalog.ucdavis.edu/pdf/7254.pdf>

Post-harvest Handling of Horticultural Crops, North Carolina Cooperative Extension: <http://www.ces.ncsu.edu/depts/hort/hil/post-index.html>

Post-harvest Commodity Series, Department of Biological and Agricultural Engineering at North Carolina State University: <http://www.bae.ncsu.edu/programs/extension/publicat/postharv/>

Animal Products:

Guide to ATTRA's Livestock and Pasture Publications, National Sustainable Agriculture Information Service (ATTRA): <https://attra.ncat.org/attra-pub/livestock/livestock.html>

(This guide provides titles, publication numbers, and brief overviews of ATTRA publications covering a huge spectrum of sustainable livestock production topics. It includes all types of livestock production - beef and dairy; cattle, sheep, goats, hogs; poultry and eggs; bison, bees, and emus. This publication is a wealth of resources for a beginning livestock producer, including lots of production information. This would be a good place for a producer to start in the search for information and resources on estimating quantities of animal products.)

Beef Production

Beef Cut-Out Calculator. Colorado State University: <http://www.beefresearch.org/CMDocs/BeefResearch/Product%20Enhancement/Beef%20Cutout%20Calculator.pdf>

Beef Shelf-Life, Research Knowledge and Management: <http://www.beefresearch.org/CMDocs/BeefResearch/Beef%20Shelf-life.pdf>

Product Enhancement Research, Research Knowledge and Management: <http://www.beefresearch.org/productenhancementresearch.aspx> (This website has loads of information pertinent to selling beef to retail outlets.)

Sheep and Goat Meat

Sheep Team, Ohio State University Extension: <http://sheep.osu.edu/2008/06/20/selecting-for-the-success-traits-how-to-make-money-with-sheep/>

Getting started raising goats, Livestock Trail: <http://www.livestocktrail.illinois.edu/sheepnet/paperDisplay.cfm?ContentID=9808>

Dairy Products

Planning a New Dairy, Cowtime: http://www.cowtime.com.au/technical/Guidelines/I_CHAPTER_8_PlanningANewDairy.pdf

This is a resource for estimating daily and seasonal milk quantities.

Dairy Facts – Dairy Cows, Midwest Dairy Association: <http://www.midwestdairy.com/0t164p176/dairy-cows/>

This resource contains questions and answers on milk production and milk pricing.

Poultry

Growing Your Range Poultry Business: An Entrepreneur's Toolbox, National Sustainable Agriculture Information Service: <https://attra.ncat.org/attra-pub/summaries/summary.php?pub=223>

Primary Author: Cole Cottin, *Kansas Rural Center*

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Michael Beard, Executive Chef/Partner at 715 Restaurant (Lawrence, KS);

Clint Brauer, Farmer/Owner at MG Honor Farm's (Cheney, KS);

Ryan and Caroline Eddinger, Farmers at Two Sisters Farm (Lawrence, KS);

Jeff Leahy, Chef Manager at Bon Appétit Management Co. (Topeka, KS);

Tanya Tandoc, Owner at Tanya's Soup Kitchen (Wichita, KS)



Marketing Strategies - Wholesale: Selling to Caterers

This document discusses benefits, challenges, and strategies for marketing farm products to caterers.

Introduction

Even the most brilliant menu item can only be as good as the quality of its ingredients. Caterers work closely with their clients to design menus, and then work with staff to prepare and serve those menu items for various events. Like farms, catering companies are widely varied in size and personality. Where caterers source their ingredients depends on a number of factors, including the scale of their operation, event size, client budget, seasonality, and client/caterer vision and values. High end and specialty caterers may promote their businesses as focused on quality and flavor, while other caterers may emphasize inexpensive prices over culinary excellence. For those caterers looking to wow clients with top-quality foods, local farmers can be invaluable resources. After all, behind every great chef is a great farmer!

Benefits of Selling to Caterers

Flexibility

Caterers are often able to make good use of second-quality items that farms might not otherwise have a market for. They may also be a handy marketing outlet for overabundant harvests, particularly if the product can be effectively frozen or preserved.

Specialty items

Creative caterers may be excited to shape seasonal menus around items not commonly available elsewhere, such as amaranth greens, wild edibles, heritage breed meats, or duck eggs.

Free farm promotions

Local foods add value to catered meals, and you may find caterers willing and proud to site your farm name on their various menus – especially if their clients are enthusiastic about supporting local farms. These promotions effectively serve as a type of sampling, wherein a broader audience may be reached and have a positive (tasty!) association with your products. This can indirectly help build a stronger customer base for your farm.

Save on packaging and labor costs

Whereas selling retail can require additional packaging time and expenses, caterers usually prefer to receive farm goods with minimal packaging – expecting only that items arrive fresh, clean, and in a bulk box or bag.

Cash on hand

Unlike selling to other wholesale outlets, who may take up to 30 days to pay for farm products and require farms to issue billing statements, caterers tend to be able to pay on-the-spot for products purchased.

Challenges of Selling to Caterers

Lower sales prices

Caterers expect to pay wholesale prices for their bulk purchases - approximately 25% to 50% lower than retail price. However, lower prices per unit may be counter balanced by the benefits listed above, and the added resilience of diversifying your market base.

Fluctuating needs

Unless they are linked to a restaurant, caterers' menus are rarely stable or predictable enough to warrant farming on contract for them. For some events, a caterer may be able to plan months or even a full year in advance,

but much of their menu planning occurs so close to event time that it may be impossible for farmers to plan ahead. While this may pose a challenge, it also represents a positive degree of flexibility in times of overabundant harvest.

Seasonality

If a caterer does commit to purchasing a certain quantity of a product from you in advance, there is always the risk that the product will not be ready for the event date. For example, if a caterer asks a farmer to grow 100 watermelons for a summer event, but the watermelons are not ripening in time, the caterer may need to look elsewhere for supply, and leave the farmer scrambling for another market outlet. On the other hand, caterers willing to adapt event menus to accommodate seasonal supply fluctuations offer a promising degree of flexibility for local farms.

Quality demands

Unless they are specifically seeking out second quality items for processing, caterers expect top quality products from local farms. Expertise in growing and maintaining product quality through post harvest handling techniques is important for maintaining strong relationships with caterers.

Delivery

Delivery needs vary widely among caterers. Larger caterers may have ample storage space to accommodate the delivery of large amounts of product on a more flexible schedule. Independent, smaller catering companies may need items delivered in a specific timeline unique to each event. For meat, dairy, and egg producers, distribution is complicated by the need for refrigeration or freezer space during transportation to the delivery sites, in order to comply with state and federal regulations. See the Regulations documents in this guide for more information.

Customer service

Caterers rely on farmers to inform them of when different items might be available, from season to season. See the strategies listed below for ideas on how to address this challenge.

Projected harvest quantities

Predicting the quantity of product you will have available and when is an acquired skill, especially challenging for new producers. Caterers plan their menus around farmers' perceived product availability, and rely on farmer follow-through on those projected harvest quantities or prompt communication when it looks like supply will fall short of said projections. See the resources section below for tools to help address this challenge.

Regulations

In order to sell meat or poultry products wholesale to caterers, livestock producers must fulfill a series of requirements. They must register as a Wholesaler, obtain label approval, and pass a USDA or State inspection. Additionally, meat must be processed at an approved processing facility. See the Regulations documents in this guide for more information.

Strategies for Selling to Caterers

Know the caterer

- How big is their operation? How regularly do they cater events?
- What kind of food is served? Do they already source quality ingredients?
- What is the nature of the caterer's usual clientele?
- What are their business' signature features?
- Do they already buy from other local producers?
- Would it be best to meet them in person, or initiate contact via phone or email?



First contact

Be prepared with the following information for your initial sales pitch to a caterer:

- Business Cards or Farm Flyers offer tangible reminders of how to reach you.
- A brochure, photograph, or website can help share the story of your farm, what you produce, farm history, practices, farm members, and more.
- Invitations to visit your farm are appreciated by potential buyers.
- Documented food safety protocols help project an image of professionalism.
- Free product samples are fantastic tools for generating sales (and are appreciated year round).
- Recipes and ideas for using your product can help caterers with menu planning.
- Projected product availability charts help communicate seasonal variability in supply.
- Wholesale price sheets, or regular emails about product availability, can help caterers envision how your products could fit into their menu planning, and help explain the quantities you sell your products in: by the pound, the bunch, or the bushel.

Customer service

- Communicate product availability to keep caterers informed of present and future projections, even in times of crop failure. Strive to deliver as promised or communicate otherwise. If you cannot follow through, it is best to let caterers know as soon as possible, as they may have scheduled staff for processing those ingredients upon their arrival.
- Offer flexibility. You will be remembered well if you can deliver a product on short notice.
- Inform the customer of product changes. If there is a change in product quality (such as hail or pest damage to a crop), inform the caterer as soon as possible and explain why it happened. Be sure they still want the same quantity of product, and consider adjusting the price for them.
- Follow up. Gauge customer satisfaction and demonstrate that you care by contacting caterers after they have used your products to be sure they are satisfied. This can be casual or via a formal survey.
- Package labeling is an important form of communication that helps increase the caterer's efficiency and yours. Some information to consider for every box label: your farm name, the date delivered, item name and quantity, and "box 1 of ___" for each item.
- Involve buyers in your farm planning. Caterers enjoy being a part of your farm planning process through discussions of future possibilities, using seed catalogs or new product proposals. These conversations, formal or informal, can help you gain niche markets for original products that cannot be easily accessed elsewhere.

Deliver quality

- Selecting Quality. Grow more than you think you need so you can select the best products for accounts that demand high quality. If you end up with a large amount of second-quality items, consider offering those at a special discounted price.
- Post-Harvest Handling is essential to preserving quality. Links to web-based resources are available below, and, "*Knott's Handbook for Vegetable Growers*," by Donald Maynard & George Hochmuth, is also an informative reference.

- Packaging. Check with caterers about which type of packaging works best for them. Packaging that protects items from the impact of fluctuating temperatures, or refrigerator “wind” is helpful. Other considerations may include sorting out lower quality items that will deteriorate faster, affecting other items in the package. Also, make sure washed products are thoroughly dried and have proper drainage at the bottom of the box.

- Quality Control. Make sure any employees handling your product are well educated on quality expectations, post-harvest handling, packaging techniques, and your farm’s food safety protocol.

Plan for profitability

- Price it right. Consider the costs of production (labor, equipment, processing, packaging, and delivery) for each product you will produce, before agreeing to a particular price. If a natural event limits the supply of a particular product in your region, do not be afraid to discuss raising the price to compensate. See the document titled *Marketing Strategies – Price and Payment* in this guide.

- Diversify. By selecting key items to produce in large quantities, and other items to fill in seasonal gaps, your operation will always have something to offer when caterers call. Having alternative products available for substitution when possible may help you save a sale.

- Collaborate with other farms. This may reduce costs by helping you afford the product packaging, labeling, and processing facilities needed to meet state and national health and safety regulations.

- Consider cooperative marketing. Your farm may only be able to offer a limited supply of certain items. Approaching caterers with information on what a number of local farms might have available, perhaps through a farm co-op or other type of food hub, can make it easier for caterers to center entire menus around local fare. See the *Marketing Strategies – Cooperative Marketing*, and *Marketing Strategies – Wholesale – Operating or Selling to Food Hubs* documents in this guide for more on this topic.

Other Resources

Wholesale Guidelines, Kansas Department of Agriculture: http://www.ksda.gov/includes/document_center/meat_poultry/Industry_Information/Wholesale_Guidelines.pdf

Finding Your Direct Market, Emerging Agricultural Markets Team, University of Wisconsin Cooperative Extension: <http://www.uwex.edu/ces/agmarkets/publications/>

Growing for Market: <http://www.growingformarket.com>

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Post-harvest Handling Resources

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Post-harvest Commodity Series, Department of Biological and Agricultural Engineering at North Carolina State University: <http://www.bae.ncsu.edu/programs/extension/publicat/postharv/>

Animal Products:

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This guide provides titles, publication numbers, and brief overviews of ATTRA publications covering a huge spectrum of sustainable livestock production topics. It includes all types of livestock production - beef and dairy; cattle, sheep, goats, hogs; poultry and eggs; bison, bees, and emus. This publication is a wealth of resources for a beginning livestock producer, including lots of production information. This would be a good place for a producer to start in the search for information and resources on estimating quantities of animal products.

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Product Enhancement Research, Research Knowledge and Management: <http://www.beefresearch.org/productenhancementresearch.aspx>.

This website has loads of information pertinent to selling beef to retail outlets.

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Getting Started Raising Goats, Livestock Trail: <http://www.livestocktrail.illinois.edu/sheepnet/paperDisplay.cfm?ContentID=9808>

Dairy Products

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Contains questions and answers on milk production and milk pricing.

Poultry

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Primary Author: Cole Cottin, *Kansas Rural Center*



Marketing Strategies - Wholesale: Selling to Institutions

This document introduces the benefits and challenges of selling directly to institutions, such as schools, hospitals, and colleges, and offers strategies for success.

Introduction

With greater consumer acceptance and demand, many of the leading on site institutional food service management companies are interested in buying locally raised farm products. Examples of institutions include: public and private schools, hospitals, prisons, day-care centers, senior centers, community colleges, private colleges, public universities, and employee dining facilities, inside public and private offices and workplaces. By purchasing from local producers, institutions are able to serve meals made from fresh ingredients, while supporting their local economy. Often when sourcing locally, institutions can reduce spoilage by only buying what they need when they need it. Difficult to access specialty and highly perishable food products strengthen the appeal of local foods to institutional buyers. The potential exists for farmers to receive a great pay off from the extra effort of establishing connections with institutions.

What kinds of institutions can be approached?

Institutions can be divided into two key categories: those with dietary restrictions, such as those caring for children, sick, or elderly persons, and those without dietary restrictions. Hospitals fall into both categories, as they have a patient side and a public/worker side. Institutions with dietary restrictions are going to be very product specific, while those without dietary restrictions may be more flexible. Other features of various institutions are outlined below.

Schools (K-12), pre-schools, and day-care centers

These institutions usually serve lunch and/or breakfast during the weekdays from August to May. Some may also serve lunch during the summer. Whole fruits, vegetables, and animal products that need minimal preparation are favored. Many schools have salad bars, which provide an easy means of introducing your produce. Day-care centers and pre-schools are usually a smaller market, with 5-25 children each. These institutions are interested in many of the same products as K-12 schools but in smaller portions. State operated schools are typically on a fixed cost per meal, while day care centers, pre-schools, and private schools may have more flexibility with food costs.

Hospitals, nursing homes, senior centers

Unlike colleges and schools, hospitals and other health care facilities operate consistently year-round, allowing farmers to reliably sell their products during the summer months. Though hospitals have privately managed food services, they may be open to establishing a locally sourced salad bar. Smaller, self-operated nursing homes and senior centers may have more flexibility in purchasing locally produced food.

Community colleges, state universities, and private colleges

Universities and community colleges provide the opportunity for large sales volume year-round, though summer volume may decrease slightly depending on the college. Self-operated colleges and universities may have a greater capacity to source locally. State funded facilities typically operate on a fixed cost per meal, and privately funded institutions typically have more money to spend per meal.

Prisons

Prisons are a potential mid-to-large sized market. They provide three meals per day, year-round, and have functional kitchens where inmates do the bulk of the food preparation. This makes prisons a good alternative for local producers who would like to market to institutions, but cannot provide the highly processed goods that schools and hospitals often require. Prisons usually operate on a low fixed cost per meal.

Workplace Dining Facilities

Abundant in urban areas, these facilities vary widely in size, from small corporate office buildings, providing one or two meals, to several hundred individuals year-round, to major manufacturing facilities serving thousands of workers all day, every day of the year. These institutions may offer more flexible restaurant style dining with a fixed menu or a variety, and often include fast food and vending options. Many workplace dining facilities offer seasonal rotating menus with freshly prepared foods, and commonly employ skilled cooks and chefs. Many companies provide these services as a benefit to their employees and have a general flexibility for seasonal adaptation.

Benefits of Selling to Institutions

Opportunity for high volume sales

Institutional buyers generally source large volumes of food year-round. Institutions typically serve one to three meals per day, and often require large deliveries of product two to three times per week.

Reduced marketing labor

In contrast to selling small quantities of farm products direct to multiple consumers, selling large quantities of products wholesale to a few institutions can minimize time spent on marketing. This can free up time to produce larger quantities of farm products.

Dependable market

Many institutions plan out their menus months in advance, ensuring consistent demand for particular products. Selling farm products to institutions may also offer a year-round sales outlet with consistent order volumes.

Increased visibility of your farm

Farmers can encourage institutions to promote their farm and farm products. Some institutions may be willing to pair farm-promoting signage with photos and brochures, and some may already have marketing templates in place to feature your information.

Challenges of Selling to Institutions

Systematic restrictions

Most institutions obtain food from national food distributors, and some are contractually obligated to these distributors for a year or more at a time. These institutions are accustomed to the ease of communicating with only one food provider, and may be reluctant to order food from multiple local food producers because of perceived hassle. It is becoming more prevalent though, that institutional management companies require sites to purchase a percentage of their products locally.

Lower price per unit

Institutional markets allow you to sell large volumes at once, but you will receive lower prices for your product than you would by selling directly to consumers. Institutional buyers expect wholesale pricing for the large quantities that they buy. See the Marketing Strategies – Price and Payment document in this guide for a discussion of wholesale pricing.

Rules and regulations

Farmers who wish to sell to institutions are typically (but not always) required to carry liability insurance, with coverage from \$1 million to \$5 million. Farms may also be required to follow certain food safety protocol, or

maintain Good Agricultural Practices (GAPs) or other certifications. See the Regulations and Farm Practices documents in this guide for information on meeting legal or other requirements when selling wholesale.

Payment terms

Though many institutions generally do not pay upon delivery, terms can be negotiable depending on the type of institution. Payment is typically issued 30 to 90 days after receipt of the product. It is also becoming more common for institutions to ask you to accept a credit card for payment. Farmers must have organized invoicing and billing systems to accommodate this delay.

Products expected regardless of season

Many institutions do not plan menus with the seasonality of local foods in mind. Farmers compete with national food distributors, who are able to consistently deliver a broad range of foods, regardless of the changing seasons. Farmers selling to institutions should strategize for season extension, and clearly communicate the specific seasonal availability of their products well in advance, in addition to promoting the freshness of local farm products.

Unprepared to work with whole foods

Some institutions are accustomed to purchasing processed foods and do not have kitchens equipped for preparing menu items from whole food ingredients. Food service staff may be unaccustomed to working with fresh produce or different cuts of meat. Consequently, some institutional buyers may have special processing and packaging needs. To make the transition to whole foods easier, some institutions hold a training day for food service staff at a participating farm. This is an opportunity for farmers and food service staff to share knowledge and ideas about growing, harvesting, and preparing whole foods.

Strategies for Selling to Institutions

The institutional market, in most areas of the United States, has only recently become receptive to buying local food, according to the United States Department of Agriculture (USDA). Farmers who wish to sell to institutions face the challenge of creating new pathways to success.

Differences among institutions require farmers to take varied approaches in marketing their products. For example, the strategy involved in marketing to a state university, that receives its preprocessed food from a national distributor in large portions and quantities and has a strict low-cost per meal will differ greatly from the strategy involved in marketing to a community senior center that provides one meal a day and may have greater flexibility to incorporate alternative food sources. Building relationships with receptive buyers or food service directors can greatly improve farmers' chances for successfully selling to institutions.

Research institutions before approaching them

- How big is the institution?
- How many meals does the institution provide each day? How many each week?

How flexible can the institution be with their food purchases?

Find out who's in charge of menu planning and buying. Titles can vary by institution; look for Food Service Director, Food Service Manager, Director of Restaurant Operations, Food Purchasing Director, Nutrition Services Director, Executive Chef, and others.

Are the institution's food services self-operated or privately managed?

In self-operated arrangements, the institution's food service manager has independent authority over food purchases. In privately managed institutions, food services are often run by large corporations, and food service managers may be tied into contracts. Contact the institution's food service department and ask if they purchase local foods directly.

Have they worked with local farmers before?

Some institutions' food services actively seek out local farm products. Approaching these buyers may require less leg-work than approaching an institution that has never sourced locally.

What food preparation services does the institution have on site?

- Does the institution have a full, working kitchen? Does the institution employ a kitchen staff with cooking knowledge?
- How much cold storage or freezer space does the institution have on site?

Know your product

- Consider what, when, and how much you can offer. Starting small and delivering consistently is better than promising too much and having to scale back.
- Will you be able to offer farm products during fall and winter?
- Are you able to use a greenhouse, hoopouses, row covers, or other methods of season extension to prolong your growing period?
- For producers of animal products, do you have the storage and freezing capabilities to provide institutions with a consistent supply of your products?
- Can you provide items favored by underserved cultural groups that might be in demand?
- Can you offer any uncommon cuts of meat, which might be of interest to underserved cultural groups?
- Do you have a product that is not provided by national food distributors?
- Can you provide any local specialties that might interest the institution?
- Can you provide fragile items, like berries, that don't ship well and are better sourced locally?

Plan out your first contact with the institution

- Call ahead and make an appointment with the appropriate individual.
- Consider what time of year to approach institutions. During the summer, schools and colleges have smaller volume requirements and may have more time and flexibility to meet with you.
- Determine whether the institution is self-operated or privately managed. Selling your products to a self-operated institution may be easier, because they make food purchases themselves. If the institution is privately managed, they might be contractually obligated to a national food distributor and unable to make independent food purchases. However, the food purchasing manager may be able to make "off contract" food purchases for items that are unavailable through the distributor.
- Advocate for the value of local foods, and explain how local products differ from the food received from national distributors.
- Outline your farming practices and explain the value of your products.
- Provide a sample of your products for the institution to test-run with its staff and/or customers.
- Several meetings, and possibly a visit to your farm and/or processing site, may be requested before the agreement is formalized.

Build a strong relationship with institutional food buyers

Communicate effectively:

- What is the preferred mode of communication? Fax, phone, email, text?
- What is the best time of the day to contact them? Approach buyers when they're least busy.
- What is their food preparation schedule?
- What is their invoicing system like? How long after delivery should you expect to be paid?
- In the event of a damaged or blemished product, will the institution be willing to purchase it at a lower price? Explain how blemished products could be processed, perhaps into a soup or sauce, so that the defects are unnoticeable.
- Keep in contact. Talk with the food service director between deliveries to make sure that your products meet

expectations. Checking in with your customer, and making sure that your processing and packaging works for them, can go a long way in creating a good relationship. Make sure to call between prep times, or send an email instead.

Know what the buyer requires from you:

- Do they require liability insurance? How much do you need to be insured for? Insurance for most fruits and vegetables will be lower than for higher risk products, such as meat.
- What do you need to become an “approved vendor?” Institutional food services use the term “approved vendor” to refer to farmers who have met a certain set of requirements, set by the individual institution. These requirements can include proof of liability insurance, credit references, and customer references.
- Does the institution require you to have a Good Agricultural Practices (GAPs) plan? Some institutions will require farmers to follow GAPs. For more information see the document *Farm Practices – Food Safety* in this guide.
- What times/days of the week is delivery required? Many institutions have limited freezer space, and require multiple, high-volume deliveries per week.
- What packaging is preferred? Institutions may have very specific packaging requirements, designed to streamline the production process. Being flexible with your packaging will be helpful when working in the institutional market.
- What portion sizes work best for the institution? Larger institutions may request that their tossed salad come in 20 pound bags, while smaller settings may prefer 5 pound portions. Schools and daycare centers may be interested in individually packaged products for snacks.
- What level of processing is preferred? What size units would they like to buy? Do they need items to be pre-cut to certain dimensions?

Be consistent and reliable

- Let the institution know in advance if any of your products will differ in quality or quantity from what you have previously delivered or what is expected.
- Maintain consistent volume and quality as specified by the institution.
- Call ahead if your products will be ready early or late. Let the institution know as soon as possible if you cannot deliver as scheduled, as they may need to make menu changes.

Find strength in numbers

One of the main concerns institutional buyers have is that working with local food producers will be more complicated than buying from a national food distributor. Forming a cooperative, or working through a distributor, can not only ease the concerns of food service directors, but can help farmers decrease costs associated with liability insurance and processing. Refer to the documents *Marketing Strategies – Wholesale – Cooperative Marketing* and *Marketing Strategies – Wholesale – Operating or Selling to Food Hubs* in this guide for more on this subject.

Plan for Profitability

- Pricing is competitive in the institutional market. Some state institutions are obligated to accept the lowest price available for food products. Differentiate your product from what is provided by national distributors. Identify institutions that can, and will, pay more for your product because of its freshness and quality.
- Can you cover the costs of production? Consider the frequency of deliveries, increased processing and packaging demands, and liability insurance. Will your sales cover these costs? Keeping good farm records will help you answer these questions.
- Cut costs by working with a cooperative or a distributor. Working with a cooperative can offset processing, packaging, and delivery costs. Liability insurance may be easier or more affordably attained through a cooperative or a distributor.

Other Resources

Kansas Rural Center: <http://kansasruralcenter.org/category/food/farm-to-school/>

Institutional Buyers 101, Institutional Food Market Coalition:

http://danedocs.countyofdane.com/webdocs/pdf/plandev/ifm/Institutional_Buyers_101_0.pdf

Marketing to Institutional Buyers 101, Institutional Food Market Coalition:

http://danedocs.countyofdane.com/webdocs/pdf/plandev/ifm/Marketing_101.pdf

Selling to Institutions, University of Wisconsin Cooperative Extension:

<http://www.uwex.edu/ces/agmarkets/publications/documents/A3811-19.pdf>

What Producers Should Know About Selling to Local Food Service Markets, Iowa State University Extension:

<http://www.extension.iastate.edu/Publications/PM2045.pdf>

Local Food Marketing Guide, Wisconsin Department of Agriculture:

http://datcp.wi.gov/uploads/Business/pdf/MK-DM-17_LFMG_Second_Edition_Final_Book_for_website.pdf

Small Farm & Direct Marketing Handbook, Washington State Department of Agriculture: <http://agr.wa.gov/marketing/smallfarm/DOCS/056-SmallFarmAndDirectMarketingHandbook-Complete.pdf>

Expanding Local Food Systems by Marketing to Iowa Institutions, Practical Farmers of Iowa: <http://www.practicalfarmers.org/assets/files/expanding%20local%20Food%20Systems.pdf>

Linking Farms with Colleges: A Guide to Understanding Farm-to-College Programs for Farmers, Food Service, and Organizers, Community Food Security Coalition: <http://www.farmtocollege.org/Resources/LinkingFarmstoColleges.pdf>

Farm to Hospital: Supporting Local Agriculture and Improving Health Care, Community Food Security Coalition:

http://www.foodsecurity.org/uploads/F2H_Brochure-Nov08.pdf

New Markets for Your Crops, National Sustainable Agriculture Information Service: <https://attra.ncat.org/attra-pub/summaries/summary.php?pub=268y>

How Local Food Producers and Food Service Providers are Building Alliances, United States Department of Agriculture: <http://www.ams.usda.gov/AMSV1.0/getfile?dDocName=STELDEV3102250>

Tips for Selling to: Institutional Markets, NCAT Marketing Tip Sheet, National Sustainable Agriculture Information Service: <https://attra.ncat.org/attra-pub/download.php?id=399>

Bringing Local Food to Local Institutions: A Resource Guide for Farm-to-School and Farm-to-Institution Programs, National Sustainable Agriculture Information Service: <https://attra.ncat.org/attra-pub/viewhtml.php?id=261>

Project Sign Post: Direct Farm Business Regulation Outline and Farm-to-School FAQ's, Northwestern University: http://www.farmtoschool.org/files/publications_393.pdf

(This resource is an in-depth, step-by-step guide to selling to schools)

Making the Farm/School Connection, Opportunities and Barriers to Greater Use of Locally-grown Produce in Public Schools, Department of Applied Economics, University of Minnesota: <http://www.leopold.iastate.edu/sites/default/files/pubs-and-papers/2006-01-making-farm-school-connection-opportunities-and-barriers-greater-use-locally-grown-produce-public-sc.pdf>

Growing for Market: <http://www.growingformarket.com>

Growing for Market is a national magazine for market farmers. Subscriptions are available in print or online, PO Box 3747, Lawrence KS 66046. 800-307-8949

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Marketing Strategies - Wholesale: Operating or Selling to Food Hubs

This document defines “regional food hub,” discusses the benefits and challenges of operating or selling to regional food hubs, shares various food hub models, and offers strategies for success.

Introduction

As the demand for local foods rises, so does the need for efficient systems of getting farm products to interested buyers and consumers. The US Department of Agriculture (USDA) defines “regional food hub” as, “... a business or organization that actively manages the aggregation, distribution, and marketing of source-identified food products, primarily from local and regional producers, to strengthen their ability to satisfy wholesale, retail, and institutional demand.”¹

Food hubs typically move large volumes of product, facilitating connections between local producers and larger markets. Farmers who market to food hubs often spend significantly less time marketing, freeing up more labor hours to produce larger volumes of farm products. As with any wholesale market, distributors will expect to buy at wholesale prices; however, increased sales volumes help farmers compensate for decreased revenue per unit.

This document is written for individuals interested in either selling to, or starting a regional food hub. Below, we discuss some of the benefits and challenges of operating or selling to food hubs, share examples of various food hub models, and offer strategies for success, for both food producers and distributors.

Benefits

Benefits for Local Communities:

Job creation

Food hubs hire employees to assist in marketing, product aggregation, distribution, bookkeeping, and other administrative duties. A nationwide survey conducted by the USDA found that each food hub, on average, creates 12 jobs – 7 full-time and 5 part-time.¹

Increased access to fresh, healthy food

In 2011, the USDA found that 47% of food hubs surveyed were actively distributing products to nearby “food deserts,”¹ which US Health and Human Services defines as, “low-income census tracts where a substantial number or share of residents have low access to a grocery store or healthy food retail outlet.” By moving larger volumes of farm products to more market outlets, food hubs can make fresh food more accessible, and this can have a major impact on places with limited access.

Strong local economies

Viable local food distribution systems help keep food and food dollars circulating in the local economy.

Improved accountability and knowledge of product origin

Food hubs have the ability to track the source of products, and confirm production practices. This provides greater accountability for farms and food handlers, and greater assurances to customers.

Benefits for Farms:

Wider access to commercial food services and both institutional and retail markets

Small to mid-size farms, operating without the support of a food hub, may struggle to fulfill product volume and standardization requirements for certain markets. Food hubs can aggregate products from multiple farms to meet volume demands, and help reach the regulations and specifications demanded by large markets.

Market stabilization

Where other market outlets might be seasonal, food hubs, with a broadly diversified market base, can support stable, year-round demand for farm products.

Diversified market portfolio

As with other wholesale markets, food hubs typically offer a large volume, medium unit-price market outlet for farms, which can compliment other small volume, high unit-price markets, such as farmers markets.

Potential for reduced labor

Working through food hubs can allow producers to reduce labor associated with networking and marketing. Distributors can handle ordering, billing, and the sometimes lengthy process of establishing relationships with institutional and retail buyers.

Ability to sell large quantities

Food hubs connect farmers to large markets with large volume requirements. By working with food hubs, producers may be able to sell larger quantities than they would through direct marketing methods.

Assisted branding

Some food hubs choose to retain the identities of their individual producers, while others may market all individually produced products under a single label. Marketing individually can be beneficial if you are interested in branding yourself, while marketing collectively may be helpful in reducing the costs and labor involved.

Ability to sell cosmetically imperfect products

Food hubs may be able to market second quality or damaged farm products to institutions, or other food service channels, for processing, perhaps even into a value-added product on site.

Access to affordable infrastructure

Food hubs can help reduce infrastructure costs for farms. For example, rather than expect every farm to have their own individual temperature controlled storage and transport facilities, food hubs can meet this need for multiple producers.

Farmer support

Food hub managers have a vested interest in supporting the farms that supply them. Farmers benefit from enhanced transparency in business transactions, and more direct planning with buyers and food hub managers. Food hubs are more than just “aggregators,” they provide value-added services beyond aggregation and distribution. Their pro-active nature in developing suppliers, and/or reaching out to prospective customers, makes them distinct among other marketing venues.

Challenges

**See the Strategies for Success section below for creative responses to many of the challenges listed here.*

Challenges of Operating a Food Hub:

Infrastructure needs

Operator infrastructure needs include establishing an effective means of communication, storage, aggregation, and delivery. Depending on the local context, processing facilities may also be needed. Studying examples of successful food hubs, and the infrastructure they require, can be helpful in forming your own.

Expenses

Lack of investment capital can be a significant barrier to beginning food hub operations, particularly for supply chain infrastructure such as storage facilities, processing equipment, delivery vehicles and expenses, and labor costs.

Scattered locations

Working with numerous small-scale producers can pose logistical challenges. For example, communicating with producers can be time consuming. Some producers may not have Internet or stable phone connections, making communication even more complicated. When producers' locations are scattered or wide-spread, accessing products can be tricky and may require hiring a pick-up/delivery service.

Determining price point

Food hub operators have the difficult task of being the “middleman,” trying to keep both producers and buyers happy. Operators must be able to pay producers a fair price, while also selling to wholesale accounts at an affordable price, all the while making sure to cover operating expenses and generate profit. It may be difficult for food hubs to become profitable when selling small-scale farm products to wholesale markets without high markups. For this reason, many food hub participants explore direct-to-consumer sales relationships also. Food hubs may respond to this challenge by maintaining non-profit status to help source external funding, or divide up different arms of their business and expect core operators to cover costs.

Reaching out to diverse markets

Food hub operators may need to learn how to bridge several business cultures. The way that food service managers from different markets communicate and go about purchasing products can vary considerably. Consequently, operators will need to understand the differing needs of restaurants versus schools, or farmers market shoppers versus CSA members.

Insurance/liability

Liability insurance may be a requirement when selling to institutional markets. Food hub operators can require producers to carry insurance, or can provide umbrella coverage for their farmers. Additionally, some buyers may insist farmers follow Good Agricultural Practices (GAPs), and this may necessitate additional costs through training programs for farmers. See the Farm Practices – Food Safety and Regulations – Insurance and Liability documents in this guide for more information.

Seasonality

Providing products outside of peak growing season can be a challenge for food hubs, and institutional and retail buyers may demand seasonal products regardless of season.

Controlling for product quality/consistency

In order to reach large market niches, food hubs aggregate products from many small-scale producers. Controlling for product quality and consistency can be problematic when food is sourced from a multitude of producers.

Matching supply and demand

Food hub operators put significant effort into pre-season coordination between producers and buyers. Producers, buyers, and distributors may all need to coordinate to project product sales, so that supply is less likely to over or underwhelm demand.

Challenges of Selling to a Food Hub:

Rules and Regulations

Food hubs may require producers to carry liability insurance or follow certain food production protocol, such as GAPs or other certifications. See the *Regulations – Insurance and Liability and Farm Practices* documents in this guide for more on these subjects.

Processing and packaging requirements

Because food hubs source products from a multitude of small-scale producers, they may require sellers to follow standard processing and packaging requirements to simplify aggregation. Food hubs may also ask producers to adhere to specific post-harvest practices.

Need for on-farm storage

Food hubs may require farm products be kept in temperature controlled storage, post-harvest, before pick-up and/or delivery, to ensure freshness and avoid spoilage.

Transportation requirements

For food hub models in which pick-up and delivery services are not provided, producers will need to arrange for transportation of their products themselves. Depending on the distance to be travelled, food hub requirements, and the product, producers may need to invest in transportation that includes temperature controlled storage.

Strategies for Success

Strategies for Operating a Food Hub:

Business plan

- Visit existing food hubs whose model appeals to you to flesh out how you would like your own food hub model to work.
- Talk to founders and staff of existing food hubs, and glean their advice.
- Assess market supply and demand in your region.
- Form community partnerships.

Infrastructure needs

- Learn from what other food hub operators have done.
- Learn about models of incremental growth.
- Carry out an asset assessment to figure out what existing infrastructure is available; you don't need to make huge investments in infrastructure to actually get started, if the right partnerships can be formed.
- Build onto, or work within, established enterprises.
- Retool existing infrastructure to meet present needs.
- Funding options exist in the public and private sector to help meet infrastructure needs (see *USDA Regional Food Hub Resource Guide*, referenced below, for more details).

Expenses

- Utilize the resources you already have. If several growers have refrigerated trucks, it might be more cost effective to utilize those than to buy new.
- Consider sharing processing and/or aggregation facilities with other businesses.
- Starting small can be a good solution for a lack of start-up capital.

Determining price point

- Determine what markup is needed for the food hub to break even. If that markup is too high, consider rearranging your business model to make it more profitable for you, and affordable for buyers.
- Make sure your prices accurately reflect cost-of-production. Some food hubs hold cost-of-production workshops for their producers.

Scattered locations

- Aggregators should consider backhauling.
- Utilize GPS technology to find the most convenient aggregation site, and to plan efficient pick-up and delivery routes.
- Keep in mind that independent couriers generally require a full truck before they haul, making it difficult to operate in rural areas. In these cases it might be more cost effective to acquire your own delivery trucks.
- Find the best time of day and best method of contact for each producer to simplify communication.

Reaching out to diverse markets

- Distributors should try and understand the differing needs of various buyers. For example, high-end restaurants may have higher price points but accept lower volume, compared to larger volume but low price point institutions. Marketing products to both can help mitigate risk and create balance between sales volume and income generated.
- Distributors should research any certifications, safety requirements, or insurance needs of a buyer before deciding to approach them.

Insurance/liability

- High and low-tech tracing mechanisms can help trace products and increase accountability.
- Food hubs should develop and follow food safety plans. Group plans may be available.
- See our *Farm Practices – Food Safety and Regulations – Insurance and Liability* documents in this guide for more information and resources.

Seasonality

- Some food hubs source locally when possible, but source from elsewhere out of season.
- Growers can try season extension, with low tunnels, high tunnels, or greenhouses.
- Developing processing capabilities can turn fresh, local produce into value-added goods to be sold after growing season. However, it often makes more sense to find partners to carry out processing, since this is a level of specialization and liability that many food hubs don't necessarily want to take on, in addition to their other work.
- Increasing storage capabilities can extend the shelf life of some products.

Controlling for product quality/consistency

- Centralized grading and packing facilities can increase product uniformity. However, some of the more successful food hubs are avoiding on-site facility grading and packing, due to the added cost of labor and warehouse space. Instead, they transfer this responsibility to farms, coupled with training and technical assistance to ensure uniform quality.
- Unified production standards also add to consistency, perhaps also coupled with training and technical assistance to farms.
- Refrigerated pick-up/delivery, shortly after harvest, reduces the chance of spoilage.
- Pre-season planning among producers can help reduce oversupply/undersupply within the food hub.
- Distributors can provide buyers with product availability updates.
- Distributors can project sales in advance and advise producers.
- Try to prepare for poor weather or unanticipated demand. Some food hubs import product from elsewhere in these instances.

Strategies for Selling to a Food Hub:

May require insurance or documented safety standards

- While some food hubs will require producers to carry their own insurance, others will provide blanket insurance. Decide which of these types works best for you before choosing a food hub.
- Some hubs may provide GAPs and/or organic certification workshops for producers to make the process simpler.

Processing and packaging requirements

- Understand the production and post-harvest requirements of a food hub before committing.
- Some food hubs may provide processing and packaging assistance, which may be a good option if you lack these capabilities on-farm.
- Choose a food hub that offers refrigerated pick-up if you lack your own cold transportation.

May need on-farm storage

- Consider what cold-storage capabilities you have before committing to a food hub.
- Consider sharing refrigerated storage costs with another producer.

Transportation requirements

- Working with the closest possible food hub, if possible, will decrease transportation costs for both you and the distributor.
- If acquiring refrigerated transportation is not an option for you, try to work with a food hub that provides pick-up services or arranges backhauling.

Food Hub Model Types - Distributor-driven models

Model type	Organizational Structure	Advantages	Considerations	Examples
Produce Firms	Produce firms are food lines that develop independently or in conjunction with/ within conventional distribution groups. Produce firms aggregate, process, package, and distribute products to retail and/ or wholesale buyers.	<ul style="list-style-type: none">-Firms operate on a large or small scale.-Firms appeal to institutional buyers, who appreciate the familiarity of produce firms, and the benefit of fresh, local produce.-Firms coordinate orders and distribute products, giving farmers more time to farm.	<ul style="list-style-type: none">-If marketing to institutions, liability insurance and/or GAPs may be required from producers who supply the firm.-Processing/ packaging is handled by producers or the firm.-If the firm is handling pick-up/delivery, refrigerated trucks may be required.	<ul style="list-style-type: none">Aslum Farms and ProduceCherry Capital FoodsBlack River ProduceBlue Ridge Produce
Wholesale Produce Markets	Wholesale markets provide a central location for producers to aggregate their products for wholesale distribution. Drop off could occur daily, twice weekly, or whenever works best for producers and buyers.	<ul style="list-style-type: none">-Wholesale produce markets operate year round and can be attractive to wholesale and retail buyers, who appreciate one-stop shopping compared to sourcing from several farms.-Increased product volume may give small-scale producers access to large markets.	<ul style="list-style-type: none">-Producers may either be required to sell products directly to the warehouse for resale, or pay a yearly fee for using the warehouse.-Wholesale buyers may be willing to pick up orders from the warehouse themselves, if the order volume is large enough.-Some warehouses have attached community kitchens to give producers increased opportunities to create value-added products.	<ul style="list-style-type: none">Central New York Regional MarketDetroit Eastern Market

Local Food Delivery Service	Local food delivery services market to consumers, restaurants, and other retail outlets. Buyers can shop online or through a catalog, and have local food delivered straight to their door.	<ul style="list-style-type: none"> -Delivery services attract consumers who normally would not have time or ability to attend farmers markets, or pursue on-farm sales. -Purchasing local food is made simpler for restaurants and retail outlets. 	<ul style="list-style-type: none"> -Delivery routes must be arranged efficiently to reduce costs. -Delivery services may or may not need a warehouse located central to producers. -Web catalogs and orders can be convenient for customers, but print catalogs and phone orders work as well. 	<ul style="list-style-type: none"> S.P.U.D Local Organic Grocery Delivery Service Farm Fresh to You, Organic Grocery Delivery Green B.E.A.N Delivery
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Producer-driven models

Model type	Organizational Structure	Advantages	Considerations	Examples
Farmers' Cooperatives	-Cooperatives allow producers to aggregate and distribute their products while distributing infrastructure costs across group members. Refer to the <i>Marketing Strategies – Wholesale – Cooperative Marketing</i> document in this guide for more information.	<ul style="list-style-type: none"> -Processing and delivery costs are shared by members. -Liability insurance can be more affordable when split between members. 	<ul style="list-style-type: none"> -Farmers may encounter challenges associated with group decision-making. -Member commitment is essential for cooperative success. -Cooperatives may ask members to adhere to group standards or obtain certifications. 	<ul style="list-style-type: none"> Tuscarora Organic Growers Cooperative GROWN Locally
Farmers Market Baskets	-Farmers market basket programs allow consumers and wholesale buyers to pre-order goods and pick them up on market day. This program may be facilitated by producers themselves, or by a farmers market manager.	<ul style="list-style-type: none"> -These programs utilize pre-existing farmers market structure as a tool for a multitude of small-scale producers to aggregate and sell goods to wholesale markets, without a warehouse or delivery vehicle. -When marketing to consumers, market baskets provide incentives for coming to market, and may help increase sales for other producers. 	<ul style="list-style-type: none"> -Wholesale buyers may need special parking, if they are picking up large orders in refrigerated trucks. -Invoices are either paid for at the market, or are billed later. -Effective organization and product lists are needed to make customers aware of available products before market day. 	<ul style="list-style-type: none"> OHSU Market Basket Program SMMUSD Farmer's Market Salad Bar Program
Workplace Community Supported Agriculture (CSA) Programs	-Workplace CSA programs utilize businesses as a means of reaching new customers. The distributed food is typically not used in corporate kitchens, but is instead sold for home use by employees. Farmers typically bring weekly or bi-weekly deliveries of fresh products to participating businesses. See the <i>Marketing Strategies – Retail – CSA</i> document in this guide for more on this model.	<ul style="list-style-type: none"> - The workplace is utilized as a center of marketing and distribution. -Farmers may be provided with a new market outlet. -Company newsletters or fliers can be utilized as marketing tools. -Customers are provided with the convenience of picking up their CSA shares at work. 	<ul style="list-style-type: none"> -Producers will need to arrange for refrigerated delivery of their products. -Producers may need to coordinate with business owners/employees to find the best time for distribution. -CSA programs may be unaffordable for some employees. Workplaces might push for an on-site farmers market arrangement to make products accessible to all employees. -Liability insurance may be required. 	<ul style="list-style-type: none"> MassMutual Financial Group and Red Fire Farm Workplace CSA Program (profiled on page 21): Intervale Food Hub

Consumer-driven models

Model type	Organizational Structure	Advantages	Considerations	Examples
Metropolitan Buyer's Clubs	Buyer's clubs typically consist of seven or more families who share the burden of collecting money, placing a joint order, unloading the delivery truck, and dividing up the individual orders.	<ul style="list-style-type: none"> -Producers are able to sell a large quantity of produce at once. -A single drop-off location can decrease time spent on delivery. -Large order volumes can make deliveries economically feasible. -The labor involved in dividing up individual orders is offset onto consumers. 	<ul style="list-style-type: none"> -Orders may be placed on the Internet or by phone. -Having a website or a web profile on a buyer's club directory can make it easier for customers to find your service. -Producers should consider the best time to deliver. Combining a buyer's club drop-off with other deliveries or farmers markets might increase the affordability of deliveries. 	Polyface Farm Metropolitan Buyer's Club, VA
Consumer-operated Cooperatives	Consumer-operated cooperatives operate much like metropolitan buying clubs, but on a larger scale. Consumer and producer owned, these cooperatives allow consumers to handle distribution, invoicing, and administrative duties.	<ul style="list-style-type: none"> -Consumer-operated cooperatives provide a year-round market. -This model saves farmers administrative headaches, by giving consumer volunteers the invoicing, sorting, and distribution work. 	<ul style="list-style-type: none"> -Cooperatives may finance themselves by charging membership fees to producers and consumers, and by commissions charged on each transaction. -Some cooperatives choose to have retail store fronts, while others may operate through print catalogs or the Internet. -Some cooperatives provide refrigerated pick-up services, while others may require producers to make their own deliveries. 	Southeast Kansas Buying Club, Independence, KS Oklahoma Food Cooperative
Online Farmers Markets	Online farmers markets utilize the web to distribute fresh, local products to consumers, retail buyers, and wholesale buyers. Producers can list their available products, and buyers can place orders with individual sellers for pick up. The USDA only classifies online markets as food hubs if they have a business management and logistics team actively involved in processing orders, handling aggregation and distribution.	<ul style="list-style-type: none"> -Online markets give producers the opportunity to reach diverse markets. -Ordering local products is easier for buyers. -Farmers may be allowed to set their own prices. -Distribution is handled by producers themselves, minimizing delivery labor for market operators. 	<ul style="list-style-type: none"> -Some sites might require producers to have specific certifications. -Producers who cannot cover their own delivery costs may be deterred from marketing through online markets. 	Locally Grown Local Dirt



Other Resources

Food Hubs and Values Based Supply Chains, Agriculture Sustainability Institute, University of California, Davis:
<http://www.sarep.ucdavis.edu/sfs/VBSC>.

Includes:

-A Practitioner's Guide to Resources and Publications on Food Hubs and Values-Based Supply Chains -

This literature review synthesizes some of the recent reports, analyses, how-to manuals and practical case studies geared towards practitioners working to develop values-based supply chains, and similar marketing channels, supported by a generous grant from USDA Rural Development.

-A Review of Scholarly Literature on Values-Based Supply Chains – This is a review of much of the existing research and scholarship on values-based supply chains in the United States.

-Food Hubs and Values Based Supply Chains: A Toolkit for California Farmers and Ranchers – This report describes some of the values-based supply chain enterprises in California and analyzes the benefits and constraints of these new marketing opportunities for farmers and ranchers, supported by a generous grant from USDA Rural Development.

-Developing Values-Based Distribution Networks to Enhance the Prosperity of Small and Medium Sized Producers: California Case Studies - This project examines the financial factors, government regulations, industry business practices and entrepreneurial factors that influence the development of emerging distribution networks embedded in values-based supply chains.

-An Annotated Bibliography of Publications and Resources on Food Hubs and Values-Based Supply Chains - Includes academic literature, reports and publications from non-profits and research firms and articles in trade, government, and other publications, supported by a generous grant from USDA Rural Development.

Working List of Food Hubs, United States Department of Agriculture:
<http://www.ams.usda.gov/AMSv1.0/getfile?dDocName=STELPRDC5091437>

Moving Food Along the Value Chain: Innovations in Regional Food Distribution, USDA Agricultural Marketing Service: <http://www.ams.usda.gov/AMSv1.0/getfile?dDocName=stelprdc5097504>
This report profiles several food distribution models.

Food Hubs: Building Stronger Infrastructure for Small and Mid-Size Producers, United States Department of Agriculture: www.ams.usda.gov/foodhubs

Healthy Food Systems: A Toolkit for Building Value Chains (PDF), Appalachian Sustainable Development.
Building Successful Food Hubs: A Business Planning Guide (PDF), Illinois Department of Agriculture.

Distribution Models for Local Food, Center for Integrated Agricultural Systems at University of Wisconsin, Madison: <http://maps.google.com/maps/ms?ie=UTF8&hl=en&oe=UTF8&msa=0&msid=1045117208-47065487696.00045a794f015d67ddb7a&source=embed&ll=44.21371,-100.898437&spn=82.766867,117.246094&z=3> -

This is an Interactive map that pin-points and describes local food distribution models across the United States.

Scaling Up: Meeting the Demand for Local Food, UW-Madison Agricultural Innovation Center:

http://www.cias.wisc.edu/wp-content/uploads/2010/01/baldwin_web_final.pdf

This report discusses benefits of and challenges to several local distribution models.

Keys to Success for Food Hubs, Virginia Foundation for Agriculture, Innovation, and Rural Sustainability:

<http://www.ams.usda.gov/AMSV1.0/getfile?dDocName=STELPRDC5091434>.

From the report “Food Hubs: Local Food Marketing Solution?”

Food Hub Center, National Good Food Network: <http://www.ngfn.org/resources/food-hubs>.

This website offers an extensive list of resources pertaining to food hubs including current events.

Growing for Market: www.growingformarket.com. Growing for Market is a national magazine for market farmers. Subscriptions are available in print or online at www.growingformarket.com, 800-307-8949, PO Box 3747, Lawrence KS 66046.

¹ *Regional Food Hub Resource Guide*, United States Department of Agriculture, Washington, DC. April 2012. Barham, James, Debra Tropp, Kathleen Enterline, Jeff Farbman, John Fisk, and Stacia Kiraly.) - This document discusses food hub impacts on regional food systems, and the resources available to support their growth and development.

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Marketing Strategies - Wholesale: Cooperative Marketing

This document discusses the benefits and challenges of selling to customers through a cooperative marketing group and offers strategies for success.

Introduction

An agricultural cooperative, or “farmers’ co-op” is a cooperative model where farmers pool their resources in certain areas of activity. There are two main types of agricultural cooperatives:

- 1- **Agricultural Service Cooperatives** - provide services such as marketing and supplies to their farmer members.
- 2- **Agricultural Production Cooperatives** – farmer members pool together to share production resources, such as land and machinery.

The United States Department of Agriculture (USDA) offers a more detailed definition of agricultural cooperatives on page 11 of *Cooperative Statistics 2009* at: <http://www.rurdev.usda.gov/rbs/pub/coopstats2009.pdf>.

In this document, we use the word “cooperative” to refer specifically to agricultural marketing cooperatives, a type of service cooperative through which farmers work collaboratively to market their products.

Cooperative marketing groups can help farmers more efficiently access a broader range of markets, and may reduce risk for both farmer and consumer. Because cooperatives are user-owned and user-controlled by members who collectively participate in business decisions, the success of a cooperative depends largely on the involvement and interest of its members. Fortunately, as co-owners, members inherently have a shared interest in their cooperative’s success.

Benefits of Marketing Through a Cooperative

Opportunity to reach large markets

Selling farm products through a cooperative can help farmers reach larger markets more efficiently than they could by selling alone.

Higher price per unit than some wholesale markets

Often, cooperative members can receive a higher price per unit for their products than they would by selling through other types of marketing outlets. This is because per-unit costs decrease as a business grows. Refer to the Oregon State University Extension publication, *A Brief Introduction to Agricultural Cooperatives*: <http://extension.oregonstate.edu/catalog/pdf/em/em8665.pdf>.

Product is reliably available

While a single producer may not be able to offer a steady supply of product, a cooperative may have the resources to prepare for and prevent periods of shortage and/or oversupply.

Benefits of pooled resources

Farmers who pool their resources through a cooperative may be better able to afford resources and equipment needed for both marketing and production. For example, shared facilities for walk-in coolers or deep freezers and corresponding utilities could dramatically reduce farm expenses. Some cooperatives have even used their pooled resources to hire experts to assist them in new product development or advertising.

Potential to retain your farm’s identity and branding benefits

Some cooperatives choose to retain the identities of their individual producers, while others may market all individually produced products under a single label. Depending on your goals, each marketing strategy has its

benefits. Marketing individually can be beneficial if you are interested in branding yourself, while marketing collectively may help give your cooperative visibility and increased access to larger markets.

Improved bargaining power

When dealing with buyers, cooperatives may have more leverage than individual sellers. Institutions and other large buyers may be more willing to buy from cooperatives based on their perception that cooperatives can offer larger volumes of product and reduce buyer risk.

Challenges of marketing through a cooperative

Lower price per unit than direct sales to consumers

Farmers may garner a lower price per unit selling through a cooperative than they could by selling directly to customers, but the ability to move large volumes of product with greater ease can make cooperative sales more economically worthwhile.

Sacrifice of short-term benefits

Farmers who participate within a cooperative are helping to ensure the business' long-term success, but may be sacrificing some short-term benefits. For example, short-term prices per unit may, at times, may be better elsewhere than prices offered by the cooperative. Farmers who are interested in the benefits of a cooperative may have to weigh these benefits with the costs of a stable market with a lower return.

Challenges of working with a group

Working with other producers may be difficult. Both small groups with closely shared values, and large groups under the supervision of a manager and board of directors, can experience conflict and difficulty in decision making. Effective communication, and sometimes a written contract, can help ease disagreements and conflict.

Adhere to group standards

If joining an existing cooperative, look into group rules and regulations before deciding whether that cooperative model will work for you. For example, some cooperatives may require that members deliver uniform grades and standards of their products. Others may require that you adhere to Good Agricultural Practices (GAPs), or at least outline and follow a personal food safety plan. Rules like these are often designed to benefit consumers and buyers.

Lack of member commitment

Cooperative marketing can become tricky and long-term group benefits may be jeopardized if some of the group members are not as committed as others. For example, cooperatives may not be able to supply the necessary volume to their customers if some members decide to withhold their products for marketing elsewhere.

Strategies for success

Cooperative marketing can support both small and large volume producers and can take on a formal or informal structure. Every effort to establish a cooperative marketing group will be unique, but there are some steps and strategies for success when forming and joining cooperatives that can guide all groups.

Strategies for forming a cooperative:

Develop an idea, determine if there is need, and assess feasibility

Collaborative marketing efforts usually arise when an opportunity or need is identified and an idea for filling this need is conceived. Though each situation will differ, there are some questions that all farmers should ask themselves before attempting to formalize their idea into a cooperative marketing business plan.

- **Address a need** - there must be a market opportunity for your idea. Does your cooperative address a need that is currently not being satisfied?
- **Finances must be considered.** Is your idea financially feasible?
- **Investigate the market before continuing.** Can you identify potential customers? What volume would be needed to supply these customers?
- **Learn from others** that are pursuing the same, or similar, ideas. What strategies have they employed?
- **Members are a crucial component** of cooperatives. Can you identify potential members? Do they share a common goal/vision and have the potential to work well together?

Gather information

After exploring your ideas and identifying potential group members, your next step in forming a cooperative marketing group is to gather information. Gather potential group members and discuss some of the following considerations. Refer to the USDA publication *Understanding Cooperatives: How to Start a Cooperative* or the Center for Cooperatives document, *Starting an Agricultural Marketing Cooperative* for more in-depth information.

- **Steering committees** can help coordinate efforts during the planning phases of forming a marketing cooperative.
- **A member-use analysis** can help you to identify member needs, anticipate member involvement, and estimate product volume.
- **Matching supply and demand** is important. Your member-use analysis can help you determine your approximate product volume, and allow you to estimate supply and demand.
- **Staff can be helpful.** Most cooperative members are fully employed in their own farming operations and may be overwhelmed by the added collaborative duties. Managers and employees can relieve cooperative members of some day-to-day duties, but can also add to expenses.
- **The social and financial commitment** of a cooperative can be great. Consider how often your cooperative will meet, and in what ways members will be expected to participate socially and financially.

Ask for help

Depending on the size and complexity of your cooperative marketing group, you may need to contract for outside help. While getting expert opinions can be pricey, they may be helpful if you or your cooperative members lack experience in business.

- **Grants can be helpful**, but keep in mind that most agencies only distribute grants for research and education, not for operating capital. Have your steering committee identify several agencies to which you can submit proposals for funding.
- **Consultants can conduct a formal member-use analysis** and market study. While these studies can be administered by a steering committee, cooperative groups with the available capital may find these consultant services useful.
- **Attorneys can be invaluable**, regardless of the size of your cooperative. First consultations are often free, and can help you decide if having an attorney is necessary for your cooperative venture.
- **Choosing the right bank** can be crucial. Your group's steering committee should identify lenders that make loans for the kind of operation you are proposing, and find out what information and documentation they will require.

Formalize your plans

If your cooperative marketing group decides to proceed after researching its members, financial capabilities, and market opportunities, you might want to consider formalizing the group with some of the following steps. Refer to the USDA publication, *Cooperatives: What They Are and the Role of Members, Directors, Managers, and Employees* for an in-depth guide to structuring and formalizing your cooperative.

- **Professional management** can help navigate legal issues and customer relations, allowing members to share the burden of day-to-day operations.
- **A board of directors holds a key position** between members and hired management. The board of directors is usually in charge of charting the cooperative's course and advising cooperative members.
- **Incorporation requires a small fee**, but gives your business and members added security. Consult your state's incorporation statute to see what will be required to incorporate your business. You can also review the *Beginning Farmers – Legal Business Structures* document in this guide.
- **Legal documents are crucial** to a successful cooperative. Refer to the USDA publication, *Understanding Cooperatives: Legal Foundations of a Cooperative*, for an in-depth guide to drafting your cooperative's legal documents.
- **Value yourself** - Do-it-yourself businesses often fail to account for the farmer's own time contribution. Account for the time spent taking orders, record keeping, packaging, delivering, and talking to customers when considering the costs of operating the cooperative.

Encourage participation

- **Member involvement** is necessary to ensure the success of the group.
- **Ensure that members understand their role.** Some cooperatives provide members with an "owner's manual," which includes their history, mission, organization, and policies. Owner's manuals can educate members about how to participate in the cooperative, how to vote in cooperative elections, and how to fully utilize the cooperative's services.
- **Patronage refunds** may encourage member participation.
- **Up-front capital requirements** may make members feel more invested and participatory.
- **Opportunities for involvement** can encourage member participation. Provide members with opportunities to serve on advisory committees, meet with fellow members, and provide feedback to the board of directors.

Make sure it will be profitable

- **Adequate start-up capital** is necessary to form a cooperative. Evaluate your resources before continuing.
- **Potential market audience** should be considered. Is there sufficient market demand to make a cooperative profitable?
- **Producing enough volume** is important for the success of a cooperative. Do you have enough members to provide products for the markets you have chosen to sell to?
- **Prices that accurately reflect costs** of production are important. Make sure your prices are low enough to be affordable to buyers, but also ensure that your production, delivery and administrative costs are covered.

Strategies for joining and selling through cooperatives

If a cooperative marketing group already exists in your area, research and consider joining it before forming your own. It is essential to make sure that the group meets your needs and provides a good fit for your business. Consider these points before becoming involved:

- **Understand the cooperative's vision** or goal before becoming involved. Do their agricultural practices align with your own?
- **Group dynamic matters.** How large is the cooperative? Would you prefer working within a large or small group? Is there a good group dynamic that you fit into?
- **Analyze member commitment.** Are the cooperative members equally committed?

- **What are the volume requirements?** Does the cooperative have minimum/maximum volume requirements from farmers?
- **Know your benefits.** Understand the resources that are offered to members.
- **What is the organizational structure?** What is the group's decision-making process? Are there sufficient opportunities for your involvement in these decisions?
- **Financially know what is offered and required of you.** Is there an up-front requirement? Does the cooperative offer patronage refunds?
- **Product regulations and rules vary** by cooperative. Find out if you will need to adhere to Good Agricultural Practices (GAPs), packaging, and/or processing standards.
- **Analyze the marketing agreement** or contract beforehand. If any part of the agreement gives you hesitation, talk about it with a member of the cooperative or the board of directors. What are the repercussions for breaching the marketing agreement or member contract?
- **Know the history** - how long has the cooperative been operating? Have there been any past conflicts or difficulties?



Examples of Existing Farmer Cooperatives

Oklahoma Food Cooperative: <http://www.oklahomafood.coop/>

- Offers 100% Oklahoma grown or processed foods.
- Acting as the agent of producer members, the Oklahoma Food Cooperative posts and publicizes the products the producers have for sale, receives orders, provides a way for products to be delivered to other members of the cooperative, collects from the customers and forwards the payments to the producers.
- Acting as the agent for customer members, they provide an online catalog of available local food products that includes information about how and where the product was grown or processed. They receive orders, notify the appropriate producers, arrange for the food to be delivered, and receive and process payments. For some producer members, the co-op acts as an agent that facilitates farm gate sales of products. For other producer members, the co-op facilitates off-farm sales or sales of processed products.
- At no time does the cooperative ever have title to any of the products. They have no inventory. The products that go through their distribution system are owned either by the producer, or by the customer who purchases "title" to the product from the producer. If there is conflict between producers and customers, and a successful resolution cannot be found by the affected producer and customer members, the cooperative's arbitration procedure can be invoked.

Nebraska Food Cooperative: <http://www.nebraskafood.org/>

- Offers fresh, frozen, processed food and non-food products grown and/or produced in Nebraska.
- Farms retain their identity. Farm products, tomatoes for example, are marketed as coming from a particular farm. The cooperative may offer tomatoes for sale from 12 different farmers. The consumer chooses from whom they are going to purchase their tomatoes based upon quality, price and/or customer-farmer relationship. A page on the cooperative website is available for farmers to tell their farm's story and detail their production practices.
- Farms set their own prices for all of their products.
- Farms benefit from the marketing activities of the Nebraska Food Cooperative.
- Farmer members have administrative access to the website. One administrative feature allows farmers to enter the available product quantity. When the product quantity runs out, customers will no longer be able to purchase that item.
- Customers pay a 10% handling charge to cover administrative costs of the co-op.
- Product pack-up and delivery is conducted by volunteers. Delivery volunteers are compensated for gasoline costs.

High Plains Food Cooperative (HPFC): <http://www.highplainsfood.org/index.php>

- Modeled after the Oklahoma Food Cooperative and the Nebraska Food Cooperative, the HPFC is a grassroots network of High Plains and Rocky Mountain Front Range producers and consumers uniting interests in locally grown food and other locally made products.
- The High Plains Food Cooperative mission: to foster a local food community and promote a culture of stewardship by cultivating farmer-consumer relationships, promoting the enjoyment of healthful food, increasing food security through diversity, and enhancing overall rural sustainability.
- Acting as the agent of producer members, the HPFC posts and markets the products the producers have for sale, receives orders, provides delivery to other members of the cooperative, collects from the consumers, and forwards the payments to the producers.
- Acting as the agent for consumer members, they provide an online catalog of available local food products that includes information about how and where the product was grown or processed. They take orders and notify the appropriate producers, arrange for the food to be delivered, receive and process their payments. For both producer and consumer members, they provide a basic screening of products and producers based on published parameters, as well as education and training regarding the use and the advantages of local foods.
- HPFC provides a marketplace where willing buyers and sellers can meet. At no time does the cooperative ever have title to any of the products. They have no inventory. The products that go through their distribution system are owned either by the producer, or by the consumer who purchases “title” to the product from the producer. Customer complaints are directed to the producer, unless it is a situation where the cooperative itself is at fault. If a successful resolution cannot be found by the affected producer and consumer members, the cooperative’s arbitration procedure can be invoked.

Other Resources

Understanding Cooperatives: How to Start a Cooperative, United States Department of Agriculture Rural Business and Cooperative Development Service: http://www.rurdev.usda.gov/rbs/pub/CIR%2045_14.pdf

Understanding Cooperatives: Legal Foundations of a Cooperative, United States Department of Agriculture Rural Business and Cooperative Development Service: http://www.rurdev.usda.gov/rbs/pub/CIR%2045_9.pdf (includes in-depth information on taxes and cooperative legal documents)

Tips for Selling to: Aggregators/Grower Marketing Co-ops, National Sustainable Agriculture Information Service: <https://attra.ncat.org/attra-pub/download.php?id=402>

Cooperatives: their role for farm producers, University of Wisconsin Cooperative Extension: <http://www.mosesorganic.org/attachments/productioninfo/uwcoop.pdf>

Collaborative Marketing - A Roadmap and Resource Guide for Farmers, University of Minnesota Extension: <http://www.extension.umn.edu/distribution/businessmanagement/DF7539.html>

Romance vs. Reality: Hard Lessons Learned in a Grass-fed Beef Marketing Cooperative, Kansas Rural Center, <http://www.kansasruralcenter.org/publications/RomancevsReality.pdf> This is the story of a beef cooperative in the Flint Hills of Kansas.

Cooperatives: What They Are and the Role of Members, Directors, Managers, and Employees, United States Department of Agriculture Rural Business and Cooperative Development Service: <http://www.rurdev.usda.gov/rbs/pub/cir11-ppt.pdf>

Do Yourself a Favor: Join a Cooperative, United States Department of Agriculture, Rural Business and Cooperative Development Service: <http://www.rurdev.usda.gov/rbs/pub/cir54.pdf>

This is a guide to the benefits and challenges of cooperative selling.

What is a Cooperative? Why Cooperatives are Organized, USDA Rural Business and Cooperative Development Service: <http://www.rurdev.usda.gov/rbs/pub/cir50.pdf> (This resource suggests the beginning steps of organizing a cooperative.)

What are Cooperatives?, USDA Rural Business and Cooperative Development Service: <http://www.rurdev.usda.gov/rbs/pub/cir10.pdf>

This is a beginner's guide to cooperatives, with information on organizational structures and first steps.

Members Make Co-op's Work, USDA Rural Business and Cooperative Development Service: <http://www.rurdev.usda.gov/rbs/pub/cir12.pdf>

Starting an Agricultural Marketing Cooperative, the Center for Cooperatives: http://sfp.ucdavis.edu/cooperatives/reports/ag_mktg_startup.pdf

A Brief Introduction to Agricultural Cooperatives, Oregon State University Extension: <http://extension.oregonstate.edu/catalog/pdf/em/em8665.pdf>.

Growers Manual: A Template for Growers Cooperatives, Leopold Center for Sustainable Agriculture: <http://www.leopold.iastate.edu/sites/default/files/pubs-and-papers/2011-10-growers-manual-template-grower-cooperatives.pdf>

Growing for Market: www.growingformarket.com. Growing for Market is a national magazine for market farmers. Subscriptions are available in print or online, PO Box 3747, Lawrence KS 66046. 800-307-8949.

Primary Author: Chhaya Kolavalli, *Kansas Rural Center*

Marketing Strategies: Product Price & Payment

This document offers resources and strategies for establishing retail and wholesale prices and for securing and managing retail and wholesale payments for farm products.

Introduction to 'The Pricing Dilemma'

Pricing can be both an art and a science. A complex array of variables confront producers when establishing product prices, including not just market supply and demand, but also personal values and the needs and desires of the target customer base. What farmers charge for their products directly impacts their potential to meet goals and generate profit. Fortunately, setting the prices for your own products offers a fair degree of flexibility and adaptability to market or seasonal changes.

General Pricing Strategies

- **Assess your cost of production**, including the value of all associated labor, processing, and packaging.
- **Research the price of equivalent quality products** being sold by competitors like grocers & other farms.
- **Evaluate supply and demand for products** of equivalent quality and, in doing so, consider whether your pricing is positively or negatively impacting sales.
- **Consider whether you are adding value to your product**, such as packaging, processing, distributing product-related information, offering a higher quality product, selling a rare variety or difficult to obtain specialty crop or product, or offering off-season availability.
- **Keep prices consistent with your farm's marketing plan.** If you market your product as 'high-quality' or 'premium,' prices should be adjusted accordingly.
- **Keep prices consistent with the marketing venue** and expectations of your target customer base.
- **Consider starting on the higher end** of your ideal price range; it is easier for consumers to accept you lowering rather than raising your price mid-season.
- **Review prices often and make adjustments** as needed, from year-to-year or season-to-season.

Maximize gross income by setting your prices right:

If you take 10 pints of cherry tomatoes to market you can:

Sell 10 pts @ \$2 = \$20

Sell 5 pts @ \$4 = \$20

Sell 8 pts @ \$3 = \$24

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Direct Sales to Consumers - Pricing Strategies

- **Earn more per unit!**
 - Selling directly to consumers can earn farmers the full retail price for the products they sell.
 - The profitability of retail versus wholesale sales depends on both the cost of production and the income you can generate for each unit sold. "It's worth asking if growing more is actually the best way to increase your farm's economic viability," writes Chris Blanchard in Growing for Market (June 2012), "Maybe you just need to raise your prices." This may be the case if your production costs are the same no matter how much you produce. Below is a chart demonstrating this concept.

Can you make more while selling less?

<i>Quantity sold</i>	<i>Price earned per unit</i>	<i>Cost to produce each unit</i>	<i>Total net income</i>
100 bunches	\$1.00/bunch	\$0.75/bunch	\$25.00
200 bunches	\$1.00/bunch	\$0.75/bunch	\$50.00
67 bunches	\$1.50/bunch	\$0.75/bunch	\$50.00

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- **Pricing units:**

- Price labels should list unit of sale clearly, such as “\$4.00/pint.”

- Consider noting bunch weight on price signs, as bunch sizes tend to vary throughout the market.

- To help consumers make price comparisons, the Kansas Department of Agriculture (KDA) Weights and Measures Division regulates the units in which fruits and vegetables may be sold retail. For details on these regulations, you can refer to the *Regulations – Weights and Measures* document in this guide, or visit page 10 of the Kansas Rural Center’s Rules, Regulations, and Resources for Kansas Farmers Markets: http://www.ksfarmersmarkets.org/sites/default/files/images/content/84/KSFMRules_Regs_2010.pdf

- If the price per pound is high and you are concerned it may deter customers, consider pricing in smaller units, such as per ¼ pound or ounce. This is especially true for herbs or other lightweight products.

- Offering various units of the same product can increase the likelihood of sale. By advertising small “gift-size” and larger “family-size” jars of honey, or “\$4.00 big” and “\$4.50 huge” egg gradations, you can accommodate customers shopping for low prices as well as those focused on value.

- **Should you include sales tax in your price?**

- Sales tax must be part of your retail pricing equation. Many farmers feel it hastens sales transactions to include sales tax in the listed price and then deduct the tax amount from total market sales when reporting income. Others prefer to have a lower advertised price and then add tax at each transaction.

- **Incentivizing larger purchases:**

- Early or extended season (rather than main season) sales can bring in a larger price per unit, as demand will be higher and supply lower. Consider setting per customer limits to ensure you are making a large number of customers happy, as opposed to one happy person who gets it all. Conversely, main-season competition may decrease sales unless you are able to lower your price during that time. Can you be the ‘first to market’ with a product?

- If you have an overabundant harvest, rather than lowering the price (and risking lower income) consider offering customers an incentive to purchase larger amounts of product with quantity-related price breaks. For example, “Buy 10 chickens - get 1 free” or “Sweet Potatoes: \$2/lb. -- \$18/10 lbs. -- \$40/25 lbs.”

- Consumers who are drawn to buying familiar cuts of meat may be enticed to try something new with price breaks on meat bundles, or whole or half animals. These can also be pre-ordered.

Direct Sales to Consumers – Managing Income Flow

- **Cash**

- To accept cash, you will need to have change available. The amount of change you have on hand will depend on how much you expect to sell. It is common to have upwards of \$200 broken down into \$10s, \$5s, several \$1s, quarters, dimes, and nickels.

- Don’t want to deal with pennies? Rounding your price to the nearest nickel and including sales tax eliminates the need for pennies.

- Make sure to know the amount of change you started out with, so at the end of the day you can double-check how much income you actually generated through sales.

- **Checks**

- Do you accept them?

- Do you require that they be local, provide their phone number, or show proof of ID?

- Will you be able to cash or deposit a check received within a couple of weeks of sale? Customers appreciate quick processing of their checks when balancing their checkbooks.

- **Credit card and other forms of payment**

- Considering accepting credit card payments? This site offers a comparison of different terminal options: <http://www.merchantequip.com/information-center/credit-card-machines/compare-credit-card-machines/>

- This site offers a comparison of credit card merchant account options:

<http://credit-card-processing-review.toptenreviews.com/>

-An alternative to traditional credit card terminals is a credit-or-debit card reader that can be used with any smartphone or iPad. See <https://squareup.com> for details.

- **Government-subsidized payment programs**

- These programs help low-income families access food direct from farmers.
- See the *Marketing Strategies – Increasing Food Access* document in this guide.
- Supplemental Nutrition Assistance Program (SNAP)
- Kansas Senior Farmers Market Nutrition Program (KSFMP)
- Women Infants and Children Program (WIC)

- **Barter**

- Bartering occurs when farm products are traded for other farm products, property, someone else's labor or personal items.
- According to the Internal Revenue Service (IRS), bartering qualifies as a source of income for farmers and the fair market value of any property or services bartered must be documented and reported on IRS Schedule F, Profit or Loss From Farming.

- **Donations**

- Save dated receipts stating the value of donated items and contact an accountant to discuss whether your donated farm products are tax deductible.
- Even if you use the "standard deduction" on your taxes, donated products have non-fiscal value. Getting farm fresh foods into low income households benefits the community and can generate positive exposure for your farm.

- **Tracking sales**

- Records of farm sales transactions are not only required by the IRS, they provide useful decision-making tools when farm planning. It is handy to use standardized forms to track sales at farmers markets, farm stands, and CSAs, sort of like invoices, but for direct-to-consumer sales.
- Recordkeeping and accounting resources are listed below, as well as in the *Beginning Farmer Resources* document in this guide.

- **Taxes**

- Please see the *Regulations – Taxes* document in this guide for information and resources on sales and income tax regulations.

Wholesale Sales - Pricing Strategies

- Determine the going retail price for your products at the store where you plan to market them, then work backwards, subtracting a 25-60% margin depending on the store's markup. That is the wholesale price you should expect to get. The box below demonstrates this equation with an example of retail outlet pricing.

Determining Wholesale Prices

Definition of terms:

Mark-up = the amount the retailer adds to the wholesale price.

Margin = what the retailer is left with after paying the producer and selling the product.

Basic Equation for determining Wholesale prices:

100% (minus) Retail Margin = Your Margin

Retail Price (multiplied by) Your Margin = Wholesale Price

EXAMPLE: If a retailer needs to have a 40% margin on a product that retails for \$4.00, the above equations would apply as shown below:

100% (minus) 40% = 60% ← Your Margin

\$4.00 (multiplied by) 60% = \$2.40 ← Wholesale Price

- Be able to explain your prices to buyers as needed. They may accept paying higher prices if you offer good reasons, like your product sells for more elsewhere, rising customer demand, special flavor, out of season production, or a unique higher value variety or breed.
- Freshly harvested products may be worth more than products shipped long distances, due to their longer shelf-life and decreased “shrink,” which is the amount that is never sold and is thrown away.
- Offering buyers and their staff educational information about the higher value of your products, in contrast to lower quality, less fresh products, is useful for getting a fair price.
- Avoid changing prices mid-season. If circumstances necessitate increased/decreased price, contact the store in advance and explain why the price will change.
- In times of oversupply, lowering prices is not likely to result in increased sales. Instead, consider offering quantity-related price breaks to give incentive for buyers to buy more.

Wholesale Sales – Managing Income

- Always deliver products with a pre-prepared itemized invoice. Larger invoices are preferred because they are less likely to get lost. The computer program Excel has invoice templates that work well.
- Leave the buyer a copy of the invoice via carbon paper or extra copy.
- On your copy of the invoice, receive a signature from the store confirming that the delivery is correct.
- Keep all signed invoices for your records.
- Payment logistics should be worked out before delivery.
- Unless the delivery invoice goes to the buyer’s accounts payable person, you may need to mail a copy of the invoice in order to receive payment.
- When billing, make sure you include a delivery or invoice number and a payment due date.
- Develop accounting systems early on, before the season gets busy and you risk missing a payment.
- When a change is made to the invoice by the buyer, in the instance that a credit is due or the quantity is inaccurate, ask them to send you a copy of the changed invoice for your records, so at the end of the year your records will reflect what actually happened. This will make doing your taxes easier and will inform you of each buying establishment’s quality standards over the arc of a growing season.

Other Resources

Resources for Managing Income Flow:

Establishing and Using a Farm Financial Record-Keeping System, University of Tennessee Extension:
<https://utextension.tennessee.edu/publications/Documents/pb1540.pdf>

The Organic Farmer’s Business Handbook: A Complete Guide to Managing Finances, Crops, and Staff—and Making a Profit. Book by Richard Wiswall. Publisher: Chelsea Green, 2009.

General Resources:

Resources for Determining Prices: Farm Products, What to Charge: Marketing, Price, Calculating Costs, Strategy and Much More, BeginningFarmers.org: <http://www.beginningfarmers.org/farm-products-what-to-charge-marketing-price-costs/>

A General Guide to Pricing for Direct Farm Marketers and Value-added Agricultural Entrepreneurs, University of Tennessee Extension: <https://utextension.tennessee.edu/publications/Documents/PB1803.pdf>

Direct Marketing of Farm Produce and Home Goods, University of Wisconsin-Madison Extension: <http://learning-store.uwex.edu/assets/pdfs/a3602.pdf>

This guide includes a section on price considerations.

How to Handle a Price Increase with Your Customers, Marketing School for Growers, Cornell University Cooperative Extension: <http://marketingschoolforgrowers.org/08/price.html>

How Much Should I Charge for My Product?, Local Fare: http://www.uwplatt.edu/cont_ed/LocalFare/pdf/Selling-ToGroceryStores.pdf

Selling Farm Products at Farmers Market, University of Kentucky College of Agriculture: <http://www.uky.edu/Ag/CDBREC/marketing/farmmarket.pdf>

This guide offers pricing strategies for selling directly to consumers through farmers markets.

Veggie Compass: Whole Farm Profit Management Tools, University of Wisconsin-Madison: <http://www.veggiecompass.com/>

Click on the “Tools” tab for the most updated version of a spreadsheet designed to help farmers figure out their actual costs per crop and margins per marketing channel.

Price Reports, United States Department of Agriculture: <http://www.usda.gov>
Search for “price reports” to find the current wholesale prices of produce.

Custom Reports, United States Department of Agriculture: <http://www.marketnews.usda.gov/portal/fv>
Use this site to learn advertised prices of last week’s produce nationwide and by region.

Organic Price Report, Rodale Institute: <http://rodaleinstitute.org/Organic-Price-Report>
This online tool allows visitors to compare organic and conventional prices for various types of produce.

Growing for Market: www.growingformarket.com

Growing for Market is a national magazine for market farmers. Subscriptions are available in print or online, PO Box 3747, Lawrence KS 66046, 800-307-8949.

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Marketing Strategies - Increasing Food Access

This document outlines programs that help increase access to fresh foods for low-income communities and offer additional sources of income for direct marketers of food products in Kansas.

Introduction

There are several programs available that both increase access to fresh foods for low-income communities, and offer additional sources of income for marketers of food products in Kansas. Below we define and discuss the following four food access programs:

- Supplemental Nutrition Assistance Program (SNAP), aka Food Assistance Program (formerly Food Stamp Program)
- Kansas Senior Farmers Market Nutrition Program (KFSMNP)
- Women Infants and Children Program (WIC)
- Gleaning Programs, such as Society of St. Andrews (<http://endhunger.org/kansas.htm>)

SNAP, EBT, and VISION CARDS

Definitions:

The United States Department of Agriculture's (USDA) **SNAP**, formerly known as the Food Stamp Program, and currently known in Kansas as the Food Assistance program, provides food benefits, access to a healthy and nutritious diet, and education on food preparation and nutrition to qualifying low-income households.

The SNAP program provides a plastic **Electronic Benefits Transfer (EBT)** card, known in Kansas as the **Vision** card, to eligible persons to purchase food. Monthly benefits are added electronically to the EBT/Vision card, which looks and acts like a debit card. When food is purchased, the cost is electronically subtracted from the person's Vision card account.

How does SNAP connect farms to consumers?

Vision cards can be used to purchase food at any USDA Food and Nutrition Services (FNS) approved location, which can include farmers markets, farm stands, Community Supported Agriculture (CSA) pick-up points, etc. For the direct marketer, becoming an approved location may be a way to expand your income while benefiting your neighbors by providing them with fresh, local foods.



How can farms, food businesses, and markets sign-up?

To become an approved location, you must:

1. Be a registered business, including a direct marketing farmer, non-profit food buying cooperative, farmers market, or a CSA program.
2. Meet the basic FNS eligibility criteria, viewable at: <http://www.fns.usda.gov/snap/retailers/store-eligibility.htm>.
3. Apply for a SNAP license at: <http://www.fns.usda.gov/snap/>. If you do not have Internet access, call the toll-free hotline at 1-877-823-4369.

What happens after you sign-up?

1. The FNS will notify you that your location has been approved to accept Vision cards as a form of payment.
2. Obtain a single Point of Sale (POS) machine, which scans and debits the Vision cards. Because a POS machine can also be used for debit and credit cards, obtaining one expands the convenience factor for your customers and can significantly increase your overall sales. Wireless POS machines are available for

markets that are not near a phone line. These machines can operate on rechargeable batteries, and are therefore handy for markets without electrical sources.



Farmers markets only: Order \$1 wooden tokens. At Kansas farmers markets, customers who use their Vision cards receive tokens that can be used to purchase goods from all farmers market vendors who sell eligible products. Each market should have their own distinctive logo on their tokens. Markets choosing to also use their POS machine for debit and/or credit cards should also get \$5 tokens for that purpose.

3. All employees at SNAP-approved businesses, farmers market vendors, and volunteers at SNAP-approved farmers markets should be trained in what items are eligible for Vision card purchase. Eligible products include:
 - Fresh or dried fruits
 - Vegetables
 - Herbs
 - Breads and cereals
 - Jams and jellies
 - Meat
 - Eggs
 - Dairy products
 - Seeds and plants grown to produce food

More information about eligible and ineligible goods can be found here:
<http://www.fns.usda.gov/snap/retailers/eligible.htm>

More information about the SNAP program in Kansas can be found here: <http://www.dcf.ks.gov/services/ees/Pages/Food/FoodAssistance.aspx>, or contact:
Kansas Department for Children and Families; 915 SW Harrison St.; Topeka, Kansas 66612; 1-888-369-4777

For farmers markets, see:
<http://www.ksfarmersmarkets.org/resources/farmers-market-ebt-resources?v=organizers>

For CSAs, see: <http://www.fns.usda.gov/snap/ebt/pdfs/CSA.pdf>

Kansas Senior Farmers Market Nutrition Program (KSFMNP):

Definition:

The KSFMNP, administered by the Kansas Department of Health and Environment (KDHE) Bureau of Health Promotion, provides low-income seniors with coupons to exchange for eligible foods at farmers markets, roadside stands, and CSA programs. The three main goals of the KSFMNP, are:

1. To provide resources in the form of fresh, nutritious, unprepared, locally grown fruits, vegetables, herbs, and honey from farmers' markets, roadside stands, and CSA programs to low income seniors;
2. To increase the domestic consumption of agricultural commodities by expanding or aiding in the expansion of domestic farmers markets, roadside stands, and CSA programs; and,



3. To develop or aid in the development of new and additional farmers markets, roadside stands, and CSA programs.

How can farms and food businesses sign-up?

To learn whether the KSFMNP program is available in your county, and about current requirements for participation, see: <http://www.kdheks.gov/sfmnp>, or call Anthony Randles, the Bureau of Health Promotion at (785) 291-3742.

WIC:

Definition:

The “Women Infant & Children” (WIC) program, administered by KDHE, provides checks for nursing mothers and children under 5 years of age in order to supply foods appropriate to early child development. Traditionally, only retail stores that meet a series of criteria have been eligible to receive WIC checks. Following a 2012 pilot program that allowed WIC recipients to spend their fruit and vegetable checks at farmers markets in Douglas County, it may become possible in the future to expand those benefits to other areas of the state.



How do farms and food businesses sign-up?

To find out if the WIC fruit and vegetable program has become available in your area, as well as current requirements for participation, see: <http://www.kansaswic.org/>, or contact: KDHE Bureau of Health Promotion at (785) 296-8916.

Gleaning Programs:

Donating excess food products to local food banks, nonprofit organizations, or state or regional gleaning programs benefits the less fortunate members of our society, and may earn you a tax deduction. First, check with your local food banks, soup kitchens, homeless shelters, senior centers, churches, and other nonprofit organizations to see if they have a use for the products you have in excess. They should be able to provide you with a receipt for the dollar value of your donations. Then, ask your accountant if your food donations can help decrease your tax burden.



To get assistance in gleaning excess foods from your fields, see <http://www.endhunger.org/Farmers/Farmers-KS.htm>

Primary Author: Tracey Graham, *Kansas Rural Center*

Expert Reviewer:

Annarose Hart, Agribusiness Development & Farmers Market Specialist, Kansas Department of Agriculture (Topeka, KS)

Marketing Tools: Branding

This document introduces the concept of branding as a marketing tool for farms, discusses some elements and advantages of a strong brand, shares examples, and offers resources for creating successful farm brands.

Introduction

A brand is more than just a logo; it is a foundational piece of your marketing communication. A brand is a “name, term, sign, symbol, design, or a combination of them intended to identify the goods and services of one seller, or group of sellers, and to differentiate them from those of other sellers,” writes the American Marketing Association. The truth is, if your farm has a name then you already have a brand, whether you like it or not. To maximize positive results of your farm brand over time, you must work to shape and define that brand to the best of your abilities.

“You can’t entirely control a brand, you only guide and influence it,” writes University of Tennessee Extension as they explain that brands are “psychological concepts” and “sponges” for content and fleeting feelings. Sound like a powerful tool? That’s because it is.

Read below for further elaboration on what makes a brand strong, the benefits of a good brand, examples of existing farm brands, and resources for creating and using your own farm brand.

Elements of a strong brand

- Has a story
- Portrays a farm identity that reflects core attributes of your farm
- Delivers a clear message
- Fosters a positive emotional attachment with your target consumer base
- Motivates the buyer
- Inspires user loyalty
- Is associated with quality, good service, good selection, and value
- Creates a culture around your products. Where Starbucks has created a coffee culture, your brand should strive to create a food culture.

Benefits of a good farm brand

- Saves time by replacing lengthy explanations about all the good attributes of your farm and its products
- Conveys credibility to prospective buyers
- Retains current customers
- Invites new customers
- Sustains customer loyalty
- Makes your farm name a household phrase
- Increases your profits
- Creates “brand equity,” an economic asset that allows farms to earn a premium price, based solely on brand identity

Examples of farm brands in Kansas

The Family Farm

What is the story of the Two Sisters Farm brand?

“The farm is named after our two daughters who have contributed inspiration and a touch of their love to growing this superior produce,” the label on their produce explains.



What can be inferred about this farm's identity from their logo?

- Their family works together to grow and share chemical-free produce with their local community.
- The two sisters are so involved they helped design the logo!

The Ecological Farmer

What is the story of the MAD Farm brand?

“At MAD Farm we work to grow food in ways that protect our local ecosystem and promote biodiversity, with the understanding that healthy food comes from healthy soils,” reads their sign at a food co-op.



What can be inferred about this farm's identity from their logo?

- They care enough about biodiversity to include a soil-building worm and dandelion as their mascots.
- They identify with author Wendell Berry's "Mad Farmer's Revolution," in which the "mad" farmer responds to a contemporary world, where it is deemed "sane" to divorce economic well-being from ecological well-being, by tying his livelihood to the health of the land and building relationships that tie his community to the health of the land.

The Quality Foods Farm

What is the story of the Chautauqua Hills Farm brand?

“At Chautauqua Hills Farm, we continually strive to produce the very best for our customers,” they write on their website, “Chautauqua Hills Farm: home of the “nickel-size” blueberry!”



What can be inferred about this farm's identity from their logo?

- They take pride in their location in the Chautauqua Hills region.
- Top quality blueberry production is at the heart of their operation.

The Multi-generational Farm

What is the story of the Red Tractor Farm brand?

“Good food ultimately brought us to farming, and it’s central to everything we do at Red Tractor Farm,” they write on their website, citing their commitment to sustainable agricultural practices in raising diverse vegetables, meat goats, and eggs. “We are proud to farm on land that has been in the family for four generations.”

What can be inferred about this farm’s identity from their logo?

- They appreciate the historical and sentimental value of the red Farmall tractors their family has maintained over generations for use on their farm.
- The rustic-looking screen-printed aesthetic of their logo suggests that they identify with farming practices used by farmers of previous generations.



The Ethical, Diversified Heritage Breeds Farm

What is the story of Good Shepherd Poultry Ranch’s brand?

“Good Shepherd Poultry Ranch’ is not just the name of my farm — it’s also a statement of my faith, my philosophy and my approach to farming,” says the farmer. “Our 3-point Heritage Philosophy™ guides us as we maintain the genetics and values that make Good Shepherd Poultry so unique. Our 24-point Welfare Standards and Guidance ensures that these same genetics and values are maintained by everyone who works for Good Shepherd. Together, they guarantee that my father’s practice of conscientious and sustainable animal husbandry, what he called being a ‘Good Shepherd,’ will continue far into the future.”

What can be inferred about this farm’s identity from their logo?

- They focus on producing heritage poultry breeds in an ethical manner.
- The logo presentation reflects a professional, detail-oriented aesthetic.



The Happy Cows Farm

What is the story of the Bossie’s Best brand?

“I am part of a family who has farmed organically for over 125 years,” explains the farmer, “My Dad’s father talked of the prairie as being “medicine.” Grandpa was right. The prairie, along with recycling plant nutrients in our rotation of crops and through our cattle, is essential in the circle of healthy life on our farms.”

What can be inferred about this farm’s identity from their logo?

- They are a certified organic, multi-generational, pasture-based cattle grazing operation.
- They value the happiness of their animals.



Resources for Creating a Farm Brand

Branding Your Farm Products, Marketing School for Growers, Cornell University Cooperative Extension:
<http://marketingschoolforgrowers.org/04/branding.html>

This site offers a step-by-step guide to developing a farm brand.

Farm Branding, Tennessee Department of Agriculture: http://www.tn.gov/agriculture/marketing/Agritourism%20pdfs/Farm_Branding_LB.pdf

This site includes simple strategies for creating and using a successful farm brand.

How to Pitch Anything in 15 Seconds, Forbes:

<http://www.forbes.com/sites/carminegallo/2012/07/17/how-to-pitch-anything-in-15-seconds/>

“If you can’t tell me what you do in 15 seconds, I’m not buying,” writes the author of this instructional article and short video, which teaches you to build a “message map” in three steps. “A message map is the visual display of your idea on one page. It is a powerful tool that should be a part of your communication arsenal. Building a message map can help you pitch anything.”

The Brand Who Cried Wolf: Deliver Your Company’s Promise and Create a Customer for Life, a book by Scott Deming, John Wiley & Sons (2007).

By using children’s fairy tales to introduce each chapter and illustrate his point, this book acts as a guide to creating a successful, authentic brand identity and strengthening interactions with customers. The author argues that the key to effective good business and branding is to focus on cultivating and growing real, lifelong relationships to produce customer loyalty.

Primary Author: Cole Cottin, *Kansas Rural Center*

Expert Reviewer: Olivia Fletcher, Freelance Marketing Consultant at Journeyscript Consulting, (Wichita, KS)

Marketing Tools: Products & Printed Media

This document discusses the use of tangible materials to directly market farm products, including signs and hard copy literature like brochures, business cards, or recipes.

Introduction

Even though online media is changing the way businesses market themselves, tangible tools such as signage for farm or market stands, business cards, brochures, newspaper articles, and even farm products still play an important role in reaching customers. Printed media and other tangible tools, such as sampling, generate enhanced visibility of your farm or business wherever potential customers are. There are many types of tangible tools that can be used to help create this attention successfully. However, as opposed to digital media, these tools can sometimes be more costly and time consuming. This guide outlines different types of tangible marketing tools, where they can be used, the best practices for their use, and where to turn for help creating tools of your own.

Why are tangible marketing tools important?

Tangible marketing tools are a means of sharing information about your farm in a way that attracts and retains customers. Below are some reasons for the importance of tangible marketing tools. They help you:

- Identify your farm: Identify who you are as a business.
- Provide contact information: Give people a reference point and means of contacting you.
- Introduce products: Tell people what you sell and where you sell it.
- Reveal production practices: Explain things about your business that might not otherwise be apparent, such as organic practices, or the humane treatment of livestock.
- Suggest recipes: Provide examples of how to use what you produce.
- Expand your audience: help spread the word about who you are and draw in new customers.
- Encourage sampling: Try it, you'll love it! Show shoppers the quality of your products.

Where do tangible marketing tools come in handy?

- Where you sell retail: farmers markets, farm stands, CSA pick-ups, U-pick operations.
- Where you sell wholesale: retail outlets, restaurants, institutions, co-ops, food aggregators.
- Events: trade shows, meetings or education demonstrations, workshops, and community events.
- Networking places: agritourism sites, bed and breakfasts, community kitchens, schools, newspapers, magazines.
- Product packaging: containers, labels, logos.

Farm Products as Marketing Tools

Farm products can promote themselves in a number of ways:

- Display: Attractive product packaging and displays can be an effective and inexpensive way to sell products.
- Samples: Whether selling at farmers markets or capturing the attention of a chef, offering samples can be an effective marketing strategy. By allowing the consumer to taste or try a product, the quality, taste, or use is demonstrated.
- Giveaways: Giving away products for contests or donations to charitable causes can help increase farm and business exposure, while giving consumers the opportunity to test products.
- Word of Mouth: Customers who are happy with your farm products will tell their friends!
- Return Customers: Offering top quality products can create customer loyalty and increase sales.

What is printed media?

Printed media:

Brochures	Business cards	Banners	Newsletters	Maps
Signs	Fliers	Coupons	Newspapers	Magazines

Point of sale materials:

Price cards	Product signage
Product labels	Packaging

Promotional items printed with farm or business information:

Bags	Hats	Pens	Water Bottles
Clothing	Aprons	Koozies	Key Fobs

There are many other creative approaches to printed media that can be used, beyond the examples given above. Ideas today are widely shared through social networks such as Facebook, Pinterest, and other online communities. For more information regarding social networking and other virtual media tools, see the document *Marketing Tools – Virtual Media* in this guide.

What kind of printed media do you need?

Of course, it is not necessary to utilize all types of printed media options. Knowing your target audience and where you plan to promote your farm can help you determine which materials you really need to sell your products. Consider the following questions:

Who is your target audience?

Are you targeting parents, tourists, chefs? If you are targeting tourists, for example, you will want to consider signs leading and welcoming them to your farm, or a newsletter to keep them informed about upcoming events.

Which type(s) of printed media will be the most effective to achieve your advertising purposes?

If your target audience is primarily chefs and grocers, you may not need a large banner with your farm name, but would definitely need to consider business cards and attractive packaging.

What do you hope to accomplish?

If gaining the attention and business of market shoppers is your goal, what can you offer that will set you apart from other vendors? Perhaps samples of your product, recipes, or attractive farm brochures.

Where will you be displaying or distributing these materials?

If you are primarily selling at a farmers market, you might consider a number of printed materials such as signage and point of sale materials. However, if you are selling primarily online, you may only need basic items such as product packaging and business cards.

What is your budget?

- Be careful not to let your marketing budget eat up farm profits!
- Know exactly what you need to help promote your farm or business, and create a budget.
- Some printed materials, such as large professionally printed vinyl banners, can be expensive, while less expensive alternatives, such as hand-painted wooden signs might accomplish the same goal.
- Are you printing at a small enough volume where you can use your own home printer, or are you printing enough quantity that it would be more economical to use a professional printing service?

- When using a professional printer or other outside resources, request a quote before ordering.
- To justify your labor and expenses, choose priority products for sampling. This could include over-abundant products, unattractive but delicious products, unusual products, or other products you are concerned might not sell well without sampling.

What should be included on your printed media?

The type of media you use can help determine the information you include. For example, business cards can include your name, farm logo, and all forms of contact information, while your farmers market stand farm sign might include your logo but not your contact information. Consider the following types of information:

- Farm name
- Contact person(s)
- Contact information: Address (if you are a farm stand or allow people to visit your farm), phone number (cell, land line, or both), email address, and web address.
- A listing of products that will attract customers.
- Production practices such as certified organic, naturally grown, animal welfare approved, or grass-fed.
- Prices
- Farm mission
- QR codes are barcodes that can be scanned, by smartphone or other handheld device, leading the user to an online site.
- Product packaging: Some products are *required* by state and federal regulations to display the weight or quantity of the contents. See the “Regulations” documents in this guide for more information.
- Newsletters: If sending newsletters, consider including the farm name, date, farm events or activities, current product availability, products expected in the coming month(s), where to buy products, recipes incorporating available products, partnerships and supporting businesses or organizations.

Design Strategies

There are many resources online that can help provide design strategies when it comes to creating logos, banners, and other marketing materials. The following resource provides comprehensive insight to basic design:

Helpful Tips for Improving the Visual Appeal of Marketing Materials, Oklahoma State University: <http://pods.dasnr.okstate.edu/docushare/dsweb/Get/Document-965/FAPC-124web.pdf>

For a hard copy of this publication, contact the University of Oklahoma’s Food Technology department at (405) 744-6071.

Sources for Media Designers and Printers:

Media design:

- Local newspapers or magazines
- College design departments
- Local graphic design and printing companies, such as Minuteman Press of Lawrence, who designed this guide. (See inside back cover for info)
- Online printing companies, such as Vistaprint, Overnight Prints, or Uprinting
- QR Codes: if you have a website, want to direct people to a map of your farm, or other online features, you can create a QR code online and add it to your print media.

Online free QR code generators: <http://qrcode.kaywa.com/>
<http://www.qurify.com/en/>
<http://delivr.com/qr-code-generator>

Printers:

- Local printing companies, such as Minuteman Press of Lawrence, who printed this guide. (See inside back cover for more info.)
- Local newspapers or magazines
- Online companies, such as Vistaprint, Overnight Prints, Uprinting (Also try searching online for “online printing companies” to get a list of companies.)

Online printing companies:

<http://www.fedex.com/us/office/>
<http://www.vistaprint.com>
<http://www.uprinting.com/>
<http://www.overnightprints.com/>
OR search for “online printing companies”

Printers for promotional products:

- Local companies
- Online companies (also try searching online for “promotional products” to get a list of companies):
<http://www.4imprint.com/>
<http://www.inkhead.com/>

Other Resources

Books

Grassroots Marketing: Getting Noticed in a Noisy World. Horowitz, Shel. GFM Books. 2000.
www.growingformarket.com.

Marketing for Success: Creative Marketing Tools for the Agricultural Industry. Matarazzo, Robert. Doe Hollow Publishing. 1998.

Sell What You Sow: The Grower's Guide to Successful Produce Marketing. Gibson, Eric. New World Publishing. 1994.

Websites

Minuteman Press, <http://www.minutemanlawrence.com/>

Promotional Materials, Agricultural Marketing Resource Center, United States Department of Agriculture:
www.agmrc.org/business_development/operating_a_business/promotion/promotional_materials.cfm

Techniques to Improve Your Success at Farmers' Market, Iowa State University Extension:
www.extension.iastate.edu/news/2009/jan/110701.htm.

Promotion and Publicity, Direct Marketing, National Sustainable Agriculture Information Service.
<https://attra.ncat.org/attra-pub/viewhtml.php?id=263#p>

Merchandising, Pricing, and Promotion – Farmer-to-Consumer Marketing #3, Washington State University Extension: <http://ir.library.oregonstate.edu/xmlui/bitstream/handle/1957/20664/pnw203-e.pdf>

Top Online Printers, Inkd:
<http://blog.inkd.com/resources/top-online-printers-by-pagerank>

Primary Author: Natalie Fullerton, *Kansas Rural Center*

Expert Reviewer: Olivia Fletcher, Freelance Marketing Consultant at Journeyscript Consulting (Wichita, KS)

Marketing Tools: Virtual Media

This document introduces online, digital, and broadcast marketing tools including websites, e-mail, social media, other digital tools, and radio, and discusses the use of these tools for directly marketing farm products.

Introduction

Virtual media is greatly changing the way farmers get information to people and attract the attention of customers. This type of media is especially important because it is a major mode of communication in contemporary society. However, with all of the information and tools offered there's no doubt the virtual world can be overwhelming, especially for new users. From the Internet to broadcast media, this document explains what virtual marketing tools are and discusses how they can be used to attract and maintain customers.

In this document, the phrase "virtual media" refers to any Internet, electronic, or broadcast tools that can be utilized to share information.

What are virtual marketing tools?

Online media is any type of media that utilizes the World Wide Web. The chart below outlines some online tools, their purpose, and examples. This is by no means a comprehensive list but provides a snapshot of some of the most commonly used tools.

Tool	Description	Examples
Website	Platform for one or many topics	.com, .org, .edu, .gov
Blog	Online publishing tool; platform for topics of interest	Blogger, Word Press, Wikipedia
Social Network	Sites that connect you with others	Facebook, Twitter, LinkedIn
Mapping	Provides location information	Foursquare, Google Maps
E-Mail	Messaging & file sharing	G-Mail, Yahoo! Mail, Hotmail, AOL
Search Engines	Information sourcing	Google, Yahoo!, Bing
Instant Messaging	Shares messages and video in real time	Skype, Facebook Chat, MSN Messenger, Google Talk
Photo & Video Sharing	Allows content to be uploaded and shared with others	Photos: Flickr, Photobucket, Instagram Video: YouTube, Facebook

In this publication, **digital media** refers to any other type of media that utilizes computerized technology. Examples include video, photos, word processing, and presentation generators such as PowerPoint. Digital media can aid in adding content to online resources.

Devices that are useful in creating and using online and digital media include computers, mobile phones, digital notebooks, video cameras, cameras, and e-readers. Today, in the United States, it is not uncommon for people to have at least one of these devices with them at any given time, thus widening the possibilities of communication.

Broadcast media refers to radio, television, or other audio/visual means of projecting information to a large mass of people.

Why is virtual media important?

Virtual media is a means of getting important information about your farm and yourself to the consumer quickly, and in a way that attracts and retains them as customers. Websites and social media are especially important in marketing presence today. The following are examples of how virtual media can enhance farm and business visibility.

- Virtual media provides a platform for your business that you can use to:
 - Identify your farm.
 - Give people a sense of connection and a means to contact you.
 - Tell your farm's story. Draw new customers and stay in touch with existing ones.
 - Tell people what you sell and where you sell it. Take orders for the products that you offer, even when the customer is unable to visit physical sales locations.
 - Explain things about your farm that might not otherwise be apparent. You may want to let people know of your organic practices, humane treatment of livestock, sustainability measures, specialty crops, or new products available.
 - Give examples of how to use what you produce with recipes or cooking and preparation techniques.

What type of media is best for you?

Digital gadgets such as laptops, smart phones, e-readers, or notebooks make it easy to access information almost anywhere. However, not everyone embraces every type of gadget. Knowing who your target customers are can help determine the types of media that will be most effective in reaching them. Ask yourself the following questions, and consider asking customers directly, or through a survey:

- Which tools will reach your current and future customer base?
- What is the consumer demand? What type of products are they interested in?
- What is your message? What do you want people to know about your farm or business?

Getting Started

Websites

There are two basic ways websites can be utilized for direct marketing: individual websites or website directories.

Individual websites are those with your own domain name* and ability to change the way information is presented. Examples include www.morningharvestfarm.com or www.sundanceemu.com. These sites can function in different ways depending on marketing needs and capabilities by selling products, sharing information or both:

Selling products: The site's sole purpose is to market and sell products online. Products can be ordered directly from customers.

Sharing information: The site's sole purpose is to share information about the farm or business. No sales are taken online, however a platform is promoted.

There is generally a small cost for "webhosting," which is a type of Internet service that allows people to make their website accessible via the World Wide Web. This can be anywhere from \$3.50 and up per month. This website provides information about some of the top webhosting sites: <http://www.webhostingsearch.com/>

* "Domain name" refers to the name which is identified as being between "www." and ".suffix." In the web address, www.anyfarm.com, "anyfarm" is the domain name.

Website directories are sites that allow your site to be listed in a format that is searchable, and can be owned by a business, organization, or an individual. Often the host site will have, in addition to a directory listing, other resources that direct a diverse range of people to the website. These are often free for farms to utilize and great for those just getting started. See *Other Resources* below for examples of website directories.

Blogs

A blog can be a great way to test out an online presence before investing in your own website. Some blogs are limited in what you can format or offer, while others are more flexible in design and may require help from a web developer to set-up. They provide a great way to share information, photos, or videos. Most services for creating your own blog space are free. See *Other Resources* below for some examples of free blog spaces for beginners.

Social Networks

Over the last few years, social networks have taken the Internet by storm. Today there are hundreds of different social networking sites that offer easy ways to meet, reconnect, share, express, and market to a large audience. Social networks offer a number of different forums ranging from news or music to professional résumé sharing. A few popular social networks include Facebook, Twitter, Youtube, and Pinterest. See *Other Resources* below for links to popular social networking sites.

Social networks allow you to easily share and update diverse types of information online, and this information can even be updated from smart phones and other handheld devices. Share your:

- Basic contact information
- Mission
- Descriptions of farm/business
- Photos & videos
- Short blogs
- Location
- News



E-Mail

E-mail has become one of the most efficient ways to communicate and share files. It allows you to send and receive messages and information quickly. Many people use email even if they do not utilize other forms of virtual media, social networking, or technology. Because of this, email can be one of the most effective online marketing tools. Below are a few ways to utilize e-mail for direct marketing.

- Notify people of new blog or website postings.
- Share photos, stories, news or events.
- Share product availability and price lists.
- E-Newsletters: Ask customers for their email addresses. Offer a sign-up sheet at farmers market stands, activities, or other events. Ask people on social media to send you their email addresses. Avoid sending e-mail newsletters to customers who have not asked to receive them, or you may be flagged for spam. Create a newsletter in a word processor and send it to your customers and supporters, or search for an inexpensive or free email marketing site, such as MailChimp. Include content like news & updates, activities, products available, where products can be found, new products, pricing, photos, recipes, and other tips.

When sending emails to large contact lists, it is best to use the blind carbon copy (BCC) feature, which keeps email addresses hidden when messages are sent, so they are not disclosed to everyone on the list. If you have a very large customer base, you may consider using email marketing software. Such software allows you to organize email addresses into lists, create attractive, professional emails, integrate social media, and create links to documents, photos and much more. Online email marketing tools can start at \$10 per month, depending on your audience size and how often you send mail. See *Other Resources* below for a list of email marketing companies.

Photo & video sharing

Along with information, digital photo and video sharing is easier than ever. Once uploaded to a computer or other digital device, photos and video can be uploaded to websites and social media. Smart phones and other handheld devices also allow us to take photos and instantly upload them to blogs, Facebook, and more. Some sites online are designated specifically for sharing photos or video. See *Other Resources* below for examples of photo and video sharing websites.

Broadcast: radio & TV

Aside from paid ads, attention can be gained from local radio and news stations by sending or calling in information regarding unique farm events, special activities, and anything else that people would be interested in knowing about. See *Other Resources* below for more on broadcast media.

Other Online Marketing Ideas

Online group coupons

Group couponing sites have recently sprung up as a popular marketing tool for businesses. These sites allow businesses to offer a deal such as 50% off a product or service in their area. Once posted on the coupon site, consumers purchase the deal. For example, the deal might be, “Get \$20 worth of product for \$10.” The consumer purchases the coupon and then may redeem it within a certain period of time.

This marketing method can be attractive because it guarantees sales, advertises your business to a broader customer base, and provides consumers with a product or service at reduced costs. There are concerns, however, about the long-term viability or sustainability of such approaches. Using group coupons may attract bargain-hunting customers unwilling to pay full price for items when they are not heavily discounted.

See *Other Resources* below for a list of online group coupon sites.

QR Codes

QR codes are two-dimensional bar codes used to direct users of smart phones, or other handheld devices with online capability, to an online site where information is shared. This may be a website, map, or other online location. With proper applications installed, QR codes can be scanned using smart phones and other handheld devices.

QR Codes can be made for free using an online QR code generator. The generator will create a unique code using the information you provide. The code can be downloaded and saved as a file on a computer and used like a photo for printed materials such as brochures and banners or used online. See *Other Resources* below for a list of QR code generators and information.

Design tips

There are many resources online that can help provide design tips when it comes to creating online content. This resource, *Helpful Tips for Improving the Visual Appeal of Marketing Materials*, provides comprehensive insight to basic design: <http://pods.dasnr.okstate.edu/docushare/dsweb/Get/Document-965/FAPC-124web.pdf>. For a hard copy of this publication, contact the University of Oklahoma’s Food Technology department at 405-744-6071.

Other Resources

Direct Marketing on the Internet

Tips for Selling on the Internet, National Sustainable Agriculture Information Service:
<https://attra.ncat.org/attra-pub/summaries/summary.php?pub=401>

How to Direct Market Farm Products on the Internet, United States Department of Agriculture:
<http://www.ams.usda.gov/AMSv1.0/getfile?dDocName=STELDEV3101222>

Putting Your Business Online, University of Minnesota Extension:
<http://www.extension.umn.edu/retail/components/business-online.html>

Marketing and Promotion Resources: Leveraging Existing Programs and Resources, Western Center for Risk Management Education:
<http://ag.arizona.edu/arec/wemc/nichemarkets/06marketingandpromotionresources.pdf>

Reaching Your Audience

Choosing a Social Media Platform, University of California:
<http://anrcs.ucdavis.edu/?blogpost=2522&blogasset=12339&&i=1>

Directory Websites

www.ourlocalfoodks.org – Kansas-specific online “FoodFinder” search engine
www.localharvest.com – Nationwide searchable database of farms, markets, CSAs, and more
www.eatwild.com – Grassfed animal farmers across the nation who sell meat, eggs, dairy products, and other “wild edibles” list their operations here. The site includes a special search option for farms that sell through mail order.

Blogs

Starting a blog on Wordpress.com: <http://en.support.wordpress.com/get-started/>
Getting started on Blogger.com: http://www.blogger.com/tour_start.g

Photo & Video blogs
Photo: flickr, photobucket, picasa.
Video: Youtube, dailymotion.

Social Media

Social Media 101, Farmers Market Federation of New York:
<http://www.nyfarmersmarket.com/PDF2011/SocialMediaFactSheet.pdf>

Facebook

To learn more about Facebook and how to get started visit: <https://www.facebook.com/help/basics>

Twitter

To learn more about Twitter and how to use it visit: <http://support.twitter.com/groups/31-twitter-basics/topics/104-welcome-to-twitter-support/articles/215585-twitter-101-how-should-i-get-started-using-twitter#>

Pinterest

Pinterest is an online information sharing site. To learn more about getting started visit pinterest.com/about/help/

E-Mail Marketing

www.constantcontact.com

www.mailchimp.com/ (Offers free service if sending to less than 2,000 subscribers.)

www.icontact.com/

www.verticalresponse.com

Broadcast Media

Marketing and Promotion Resources: Leveraging Existing Programs and Resources, Western Center for Risk Management Education:

<http://ag.arizona.edu/arec/wemc/nichemarkets/06marketingandpromotionresources.pdf>

Dealing with the Media, University of Arizona College of Agriculture:

<http://ag.arizona.edu/arec/pubs/rmg/7%20policyissues/62%20dealingwithmedia93.pdf>

Group Coupons

www.groupon.com

www.livingsocial.com

www.wichitaperks.com

www.fetchtoto.com

QR Codes

7 things you should know about QR Codes, Educause Learning Initiative:

<http://net.educause.edu/ir/library/pdf/ELI7046.pdf>

The following sites can be used to create QR codes at no cost:

<http://qrcode.kaywa.com/>

<http://www.qurify.com/en/>

<http://delivr.com/qr-code-generator>

Primary Author: Natalie Fullerton, *Kansas Rural Center*

Expert Reviewer: Olivia Fletcher, Freelance Marketing Consultant at Journeyscript Consulting (Wichita, KS)

Beginning Farmers - Resources

This document points to a broad range of topics for beginning farmers to consider and shares links to sources of further information.

Introduction

The list of considerations for persons wishing to start or grow an existing farm is not short. Farms can be as varied in design as the personalities of those who run them, and crafting a successful farm business involves both art and science. So where do you begin?

Fortunately, the list of resources to support beginning farmers is not short either. *Finding Your Niche: A Marketing Guide for Kansas Farms* is a great starting point for envisioning the potential that your farm has to increase and respond to local demand. Below you will also find an extensive, though by no means complete, list of topics and resources for your consideration. While the aim of this document is to assist beginning farmers, many of the resources below could also be of value to long-time, experienced farmers looking to expand their operations or improve production practices.

Envisioning your farm

Before you build a house, you need a plan. Before you create a plan, you need a vision. What do you imagine your ideal farming operation will look like after years of building infrastructure and establishing systems? What are your personal and professional short-term and long-term goals, and how do they fit into your farm vision?

Taking the time to engage in “whole farm planning” can increase the viability of your farm, and your personal happiness in managing it. Whole farm planning is a dynamic process of evaluating and making decisions that take into consideration all of the different components of your (potential) farm operation. Whole farm plans are not fixed and are strengthened by their adaptability to the changing conditions of your life and operation. The process begins with goal setting and assessing needed resources, creating a plan that considers your whole farm, monitoring and assessing your progress toward your original goals, and modifying your goals when needed.

Refer to *Whole Farm Planning Resources* at the end of this document for further reading.

Determining where to farm

Where you choose to farm has both professional and personal implications. The type of farming you choose to engage in will influence the type and size of land you are looking for. It is, of course, important to consider soil type, topography, water features, average rainfall, and any other aspect of the land that might impact production, to be sure that your prospective farm site will suit your production needs. Distance to processors (if needed) and viable markets for your products are also important considerations.

An often overlooked but important consideration in the search for your farm is where you want to live! “The success of your farming operation will be jeopardized if you don’t like where you are,” writes Lynn Miller in his book, *Starting Your Farm*. Distance to community and other features needed to sustain your own happiness ought not be overlooked.



*Refer to *Resources for Determining Where to Farm* at the end of this document for further reading.

Starting a farm business: define it, legalize it

The Kansas Business Center offers extensive resources for developing, planning, and licensing businesses at: <http://www.kansas.gov/businesscenter/starting/>. If you operate a business that requires payment of Kansas tax, you must register with the Kansas Department of Revenue. You should register at least four weeks prior to your start date. Unless you establish your business as a sole proprietorship or a general partnership, you must register with the Kansas Secretary of State. Corporations must file Articles of Incorporation, LLCs must file Articles of Organization, and Limited Partnerships must file Certificates of Limited Partnership.

Refer to the document *Beginning Farmers – Legal Business Structures* in this guide for more details on legal business types and requirements for starting a farm business.

Financing your farm

Your financial investment in land and infrastructure will vary depending on the scale of your operation. If you do not have enough cash savings for start-up, loans can help get you farming sooner and are often available at competitive rates for farmers. Grants may help also. In either case, several different entities exist to support you in your search for farm funding.

Refer to *Resources for Financing Your Farm* at the end of this document for further reading.

Managing farm finances & records

In order to help manage and evaluate all aspects of the farm business in a way that enables you to learn from and strengthen your operation from season-to-season, it is important to actively engage planning processes and implement effective recordkeeping systems for tracking personal, production, and financial information. Your recordkeeping systems must be simple enough to implement with ease throughout the production season, detailed enough to collect necessary data, and neither hugely time-exhaustive nor burdensome or they likely won't be maintained!

Refer to *Resources for Managing Farm Finances and Records* at the end of this document for more information.

Sourcing farm equipment and inputs

The number of businesses selling equipment and inputs for farms is hugely diverse and ever growing. It is beyond the scope of this guide to offer a comprehensive list. We encourage you to be in communication with other farmers in your region, to learn who they prefer to source farm equipment and inputs from. You may also refer to *Resources for Purchasing Farm Equipment and Inputs* at the end of this document for a list of several (but by no means all) farm supply sources.

Meeting farm labor needs

Now that you have your farm vision all mapped out, you've determined how to finance your farm, you've set up a farm financial management system, and you have identified necessary equipment and inputs for meeting your farm needs, how will you maintain an adequate workforce throughout your farm's production cycle, and from year to year? There is considerable variation in the ways individual farmers choose to manage labor and how their workforces are comprised. Your unique farm context and personal values will shape how you respond to this challenge. Things to consider include:

-Who will be the core staff of your farm? Will you run your farm on your own, with a partner, with a cooperative group of invested members, or with a set of year round or seasonal workers? You can expect that time spent managing volunteers or employees, administratively and otherwise, will mostly be time not spent engaged in hands-on farm tasks. Would you prefer to play more of a managerial role with several employees, or would you rather spend more of your labor hours involved in farm production?

-When will you need extra farm labor? Many farms find they need to hire seasonal help during certain times of the year. Others try to shape their farm operation to accommodate year-round employees, which may contribute

to decreased employee turnover. Depending on farm needs and personal desires, you may choose to hire fewer full-time workers, or to spread the work out over a greater number of part-time helpers. Some farmers intentionally keep their businesses at a small size so they do not need to rely excessively on hired, non-family workers.

-Does your local community offer access to a reliable labor supply? Can local residents fill your labor needs, or will you need to turn instead to non-local labor sources? Asking other area farmers may help you answer this question.

-If you hire employees, what will their main tasks be? When pondering this question, consider what your favorite farm tasks are and whether you want to keep them as your tasks, share them with farmworkers, or are willing to hand them off entirely. If you hire employees only to do the tasks you find less desirable, will they stick around? How can you balance worker needs and desires with your own? If you prefer to go to market, your workforce could be production focused or vice versa. Training help can be labor intensive, and you will need to evaluate which tasks will require more or less training and whether you have the time and desire to invest in building worker skillsets.

-How will you handle liability issues? Safety planning, workers' compensation, and liability insurance are all important considerations when employing outside help. See our Regulations – Insurance & Liability document in this guide for more on this topic.

-How will you compensate hired help? There are legal and personal considerations involved here. The laws that pertain to compensating immediate family for helping on the farm are generally more flexible than for non-family workers. You will need to research local, state, and federal requirements and then make decisions based on your own personal context and values. Accountants, lawyers, extension agents, IRS documents, and other farmers can all contribute to your understanding of what might work on your farm. Whatever you decide, it is important to do the math and be confident that your operation remains profitable.

-“Slow to hire, quick to fire” is a solid bit of advice that transcends business sectors. Careful, critical selection of farm help and prompt response to any issues can save you time and stress in the long run.

Refer to *Resources for Meeting Farm Labor Needs* at the end of this document for further reading.

Marketing your farm products

The viability of your farm depends on your ability to turn a profit. Where and how will you sell your products? John Ikerd, Professor Emeritus of Agricultural & Applied Economics at University of Missouri, responds: “Niche marketing may well be the key to sustainable farming.” Niche marketing, which entails responding to the unique preferences and needs of a specific customer base, can help farmers retain a significantly higher percent of the food dollar than they would at conventional marketing outlets. However, sustaining higher incomes by serving niche markets requires more from farmers – more quality management and more skilled labor. There is much to learn to accomplish this. For a thorough exploration of various niche marketing opportunities for farms, refer to the *Marketing Strategies* documents in this guide.

Educational resources for farm production

Efficient production of quality farm products is a foundation for success in any marketing plan. There are extensive resources available to help guide farmers of all kinds through various production processes. To get you started, we have compiled a series of resources you might find useful in *APPENDIX A: Educational Resources for Farm Production* and *APPENDIX B: Aquaculture/Aquaponics Resources*. These lists are by no means exhaustive. Innovation in farming and the volume and diversity of related resources is ever growing. We encourage you to document your own farm beginnings, conduct your own on-farm research, and share your own best practices with others as they develop.

Whole Farm Planning Resources

Kansas State University's Department of Horticulture provides an excellent guide that walks you through the process of whole farm planning at: <http://www.ksre.ksu.edu/library/hort2/mf2403.pdf>

River Friendly Farm Environmental Assessment Tool is a whole farm planning tool and self- environmental assessment developed by the Kansas Rural Center and Kansas State University. The notebook helps farmers not only assess the environmental strengths and weaknesses on their farms, but helps inventory resources, and identify farm and family goals, problems or potential problems, and develop action plans. A copy of the planning tool can be downloaded here <http://www.kansasruralcenter.org/CWFP.htm>

Building a Sustainable Business: A Guide to Developing a Business Plan for Farms and Rural Businesses is a FREE book designed to “transform farm-grown inspiration into profitable enterprises.” You can download or order it at: <http://www.sare.org/Learning-Center/Books/Building-a-Sustainable-Business>

Virginia Technical College has an online whole farm planning curriculum with an extensive list of planning resources at: http://www.vabeginningfarmer.aee.vt.edu/planning/planning_curriculum.html

Northeast Beginning Farmers Project offers a list of courses designed to assist in farm planning at: <http://nebeginningfarmers.org/online-courses/all-courses/>

New England Small Farm Institute shares several resources for goal setting and decision making models at: http://www.smallfarm.org/main/for_new_farmers/resources_by_topic/goals_and_decisions/

Missouri Alternatives Center (MAC) Link List cites several farm management and decision making resources:

- An Illustrated Guide to Growing Safe Produce on Your Farm (Appropriate Technology Transfer for Rural Areas – ATTRA/National Center for Appropriate Technology – NCAT)
- Factors to Consider in Identifying New or Alternative Enterprises (Alabama A&M University)
- Whole Farm Planning: Combining Family, Profit, and Environment (University of Minnesota)
- Whole-Farm Planning for Economic and Environmental Sustainability (Kansas State University)
- Whole Farm, Profit Objective Pricing (Kansas State University)
- Introduction to Risk Management (Risk Management Agency, United States Department of Agriculture)
- Farm Family Decision-Making (Oklahoma State University)
- Goal Setting for Farm and Ranch Families (Oklahoma State University)
- Directions for Using the Farm Planning Tool (FPT) (University of Kentucky)
- A Primer for Selecting New Enterprises for Your Farm (University of Kentucky)
- Starting or Diversifying an Agricultural Business (Penn State University)
- Farm and Ranch Strategic Planning (Visioning and Goal Setting) (Kansas State University)
- Risk in Agriculture (Alabama A&M University)
- Building a Sustainable Business: A Guide to Developing a Business Plan for Farms and Rural Businesses (Sustainable Agriculture Research and Education)
- Making Family Decisions in Farming and Ranching (North Dakota State University)
- Using Enterprise Budgets To Make Decisions About Your Farm (Washington State University)

**Getting Started with Rare Breeds*, American Livestock Breeds Conservancy:
<http://albcusa.org/EducationalResources/gettingstarted.html#started>

**Farm Templates and Plans* (An In-depth planning resource for animal farmers), Animal Welfare Approved:
<http://www.animalwelfareapproved.org/farmers/documents/>.

Resources for Determining Where to Farm

-Should you farm on urban or rural land?

List of Urban Farming Resources, Beginning Farmers: <http://www.beginningfarmers.org/urban-farming/>

-Should you lease or own land?

Finding Land to Farm: Six Ways to Secure Farmland, ATTRA/NCAT: <http://start2farm.gov/resources/finding-land-farm-six-ways-secure-farmland>. This resource discusses cash lease, crop share, long-term lease, lease with option to buy, fee title purchase with seller financing, and fee title purchase with agricultural conservation easement.

-What are current land purchase and land lease prices in Kansas?

Kansas Land Prices and Cash Rental Rates, Kansas State University: <http://www.ksre.ksu.edu/library/agec2/mf1100.pdf>

Download for free or order from: Production Services, Kansas State University; 24 Umberger Hall; Manhattan, KS, 66506-3402; (785) 532-5830.

-How will you find land to farm?

Finding Land to Farm, Beginning Farmers: <http://www.beginningfarmers.org/finding-land-to-farm/>

This resource provides information about LandLink programs, finding land for sale, tips for finding land, resources for drawing up contracts, and more.

Check with other local farmers, local agriculture extension agents, and local farmlink programs for more ideas.

Resources for Financing Your Farm

Loans and Grants for Agriculture in Rural Kansas, Kansas Department of Agriculture (KDA): http://www.ksda.gov/kansas_agriculture/content/237.

Kansas Department of Agriculture keeps a list of resource agencies to assist farmers in accessing loan or grant funds.

USDA Farm Service Agency (FSA): <http://www.fsa.usda.gov/FSA/>

FSA offers land acquisition loans, operating loans, and beginning farmer loans. They provide low-interest loans for established, socially disadvantaged, and beginning farmers who cannot obtain credit from other sources. For information on support and resource availability in your area, use the link above to connect with an FSA office near you or contact: Kansas FSA State Office; 3600 Anderson Ave; Manhattan, KS 66503-2511; (785) 539-3531; KS-fsa-webmaster@one.usda.gov

Beginning Farmer Loan Program, Kansas Development Finance Authority (KDFA): <http://www.kdfa.org/BeginningFarmer>

KDFA offers a tax-exempt bond program, authorized by the federal tax code, to assist farmers who have not previously had, or who do not currently have, substantial ownership interest in farmland for financing their agricultural business start-up or to keep them in farming. For more information, contact: Kansas Development Finance Authority; 555 S. Kansas Ave., Suite 202; Topeka, KS 66603; (785) 357-4445.

Farm Credit System: <http://www.farmcreditnetwork.com/>

The Farm Credit System is a nationwide network of borrower-owned lending institutions and specialized service organizations. Farm Credit's mission is to provide sound and dependable credit to American farmers, ranchers, producers or harvesters of aquatic products, cooperatives, and limited types of farm-related businesses. Farm Credit makes capital available to qualified individuals and businesses at competitive rates. Members of the

Farm Credit System are required to serve the needs of beginning farmers and have a program in place to furnish sound credit to beginning farmers. You can find a local lending institution through the website above, or by contacting: Farm Credit Funding Corporation; 10 Exchange Place, Suite 1401; Jersey City, NJ 07302; (201) 200-8000

Kansas Agricultural Production Loan Deposit Program, Kansas State Treasurer's Office:

http://www.kansasstatetreasurer.com/prodweb/financial_services/ag-loan.php.

This program provides the ability for Kansas banks and Farm Credit Associations to make loans of up to \$250,000 to farmers with a debt-to-asset ratio of 40% or greater. These loans can be authorized for a length of up to 8 years.

USDA Rural Development: http://www.rurdev.usda.gov/KS_Home.html

Rural Development promotes economic development by supporting loans to businesses through banks, credit unions, and community-managed lending pools. Offers technical assistance and information to help agricultural producers and cooperatives get started and improve the effectiveness of their operations. For more information, contact: USDA Rural Development Kansas Office; 1303 SW First American Place Suite 100; Topeka, KS 66604; (785) 271-2700.

Business and Community Development Assistance, Kansas Department of Commerce:

<http://www.kansascommerce.com/index.aspx?nid=99>

Kansas Department of Commerce offers a variety of services to spur rural community development. For more information, contact: Assistance Manager; 1000 S.W. Jackson St., Suite 100; Topeka, KS 66612-1354; (785) 296-7198; scadoret@kansascommerce.com

Farming Programs, Kansas Rural Development Council (KSRDC):

<http://www.ksrdc.org/farmhelp.htm>

This site provides a spreadsheet that compares the various financial assistance programs available for farming.

Sustainable Agriculture Research & Education (SARE): <http://www.sare.org/>

The SARE program is a USDA competitive grants program supporting agriculture that is profitable, environmentally sound, and good for communities. SARE is organized into regional chapters. Kansas falls within the North Central region.

National SARE address: 1122 Patapsco Building; University of Maryland; College Park, MD 20742-6715; (614) 306-6422; outreach@sare.org

North Central SARE Main Office Address: 120 BAE University of Minnesota; 1390 Eckles Avenue; St. Paul, MN 55108; (612) 626-3113; ncrsare@umn.edu

Small Business Association (SBA): <http://www.sba.gov/>

SBA offers information on small business loans, grants, bonds and other financial assistance. While SBA does not make loans directly, you can find a local lender who can help you with your loan application. The Kansas SBA is located at: 271 West Third Street North Suite 2500; Wichita, KS 67202; 316-269-6566; <http://www.sba.gov/about-offices-content/2/3117>

Socially Disadvantaged, Limited Resource, Beginning, and Small Farmers, National Resources

Conservation Service (NRCS): http://www.ks.nrcs.usda.gov/programs/slb_farmer/

NRCS is an agency of the USDA that offers help to individuals, groups, towns, and other units of government to protect, develop, and wisely use soil, water and other natural resources. Their mission is to provide leadership and administer programs to help people conserve, improve, and sustain natural resources and the environment. Special programs are available for beginning, limited resource, and socially disadvantaged farmers. To access

NRCS support, use the link above to locate contact information for your regional NRCS office. If you do not have Internet access, you may call or write:

USDA, NRCS, Office of the Chief; 1400 Independence Ave., SW Room 5105-A; Washington, DC 20250; (202) 720-7246.

Value-Added Agricultural Producer Grants (VAPG):

http://www.rurdev.usda.gov/BCP_VAPG.html

Established by the Agriculture Risk Protection Act of 2000, the VAPG program provides funding for value-added activities to independent producers including cooperatives, as well as agricultural producer groups such as commodity groups and majority-controlled producer-based groups. Contact the Kansas Rural Development Office to obtain additional information and assistance: USDA Rural Development Office, Kansas; 1303 SW First American Place, Suite 100; Topeka, KS 66604; (785) 271-2700; online contact form: http://www.rurdev.usda.gov/KS_Home_State_Office.html

National Institute of Food and Agriculture (NIFA): <http://www.csrees.usda.gov/>

NIFA has many funding opportunities including the Assistive Technology Program for Farmers with Disabilities - National AgrAbility Project, which provides funds to increase the likelihood that farmers, ranchers, farm workers or farm family members with disabilities and their farms experience success. United States Department of Agriculture, National Institute of Food and Agriculture; 1400 Independence Avenue SW., Stop 2201; Washington, DC 20250-2201; 202-720-4423.

Grant Resources, Small Business Administration (SBA):

<http://www.sba.gov/category/navigation-structure/loans-grants>

SBA is the largest source of long-term small business financing in the nation. They help provide technical services for small businesses as well as leads for grant opportunities. These grants generally support non-profit organizations, intermediary lending institutions, and state and local governments.

US Small Business Administration, 409 3rd St, SW; Washington DC 20416; (800) 827-5722; answerdesk@sba.gov

Farm Finances, Midwest Organic and Sustainable Education Service (MOSES):

<http://www.mosesorganic.org/farmfinances.html>

This publication includes the following topics:

- Balance Sheet, Income Statement and Statement of Cash Flows Templates
- Benchmarks of Yields and Prices
- Books
- Budgeting Templates
- Business Planning
- Enterprise Budgeting Tools
- Financial Management Resources (General)
- Goal Setting
- Government Programs
- Labor and Employment Information
- Loans and Funders
- Marketing
- New Farmer Resources
- Risk Assessment
- Software
- Taxes

Funding Resources (Loans and Grants), Beginning Farmers: <http://www.beginningfarmers.org/funding-resources/>

This webpage contains information about finding financial support, in the form of loans and grants, to help start and sustain your farm business.

Financing Your Farm: Guidance for Beginning Farmers, ATTRA:

<https://attra.ncat.org/attra-pub/summaries/summary.php?pub=381>

This document lays out a broad range of financing options available for beginning farmers starting a farm and illuminates the step-by-step process of applying for a loan.

Building Sustainable Farms, Ranches and Communities, ATTRA: <http://attra.ncat.org/guide/>

This publication is a very helpful resource guide to figuring out which federal grant and loan programs can help finance various innovative agricultural enterprises.

Small Farm Funding Resources, USDA: http://www.nal.usda.gov/ric/ricpubs/small_farm_funding.htm

You can use this site to find tools to develop a business plan, write a grant proposal and locate funding.

Transition to Organic Fund, Organic Valley Family of Farms: <http://www.farmers.coop/>

Organic Valley Family of Farms' Transition to Organic Fund is a financial assistance program for dairy farmers who are making the transition to organic. Organic Valley's Transition to Organic Fund will offset the costs of transitioning for dairy farmers who become members of the Organic Valley cooperative. For further information about the Transition to Organic Fund, farmers are encouraged to call the Producer Hotline at Organic Valley at (888) 809-9297.

A Business Plan is Important When Working with a Lender, University of Arizona College of Agriculture:

<http://cals.arizona.edu/arec/pubs/dmkt/ABusinessPlan.pdf>

You don't have to borrow money to expand a business and make your dreams come true, but borrowing money can make those dreams come true sooner than if you wait to save all the necessary cash. This resource explains the process of working with a bank lender to help with small business development.

The Farmers Guide to Agricultural Credit

<http://www.coopext.colostate.edu/boulder/ag/pdf/Farmer%27s%20Guide.pdf>

What do Lenders Really Need to Grant Small Business Loans? Arkansas Small Business Development Center:

<http://asbdc.ualr.edu/bizfacts/509.asp>

This is an article that provides information about how to best work with bank lenders.

Resources for Managing Farm Records & Finances

Establishing and Using a Farm Financial Record-keeping System, K-State Research and Extension:

<http://www.extension.org/pages/11140/establishing-and-using-a-farm-financial-record-keeping-system>

This comprehensive article discusses why record keeping is important, uses of record keeping, strategies for keeping records, and provides examples of record-keeping forms.

Farm Record Keeping With the Kansas Farm Account Book, K-State University: <http://www.oznet.ksu.edu/library/agec2/mf408.pdf>

Download this for free or order from: Production Services, Kansas State University; 24 Umberger Hall; Manhattan, KS, 66506-3402; (785) 532-5830.

Farm Management Tools for the Small Acreage Producer, University of Idaho:

<http://nwdirect.wsu.edu/tools/FarmManagementToolsrev4RLH.pdf>

This highly informative document includes a discussion of key considerations for managing farm records and provides links to several useful resources.

Fact Sheet – Recordkeeping and Tracking Your Costs: “Start Simple!”, Rodale Institute:

http://newfarm.rodaleinstitute.org/depts/NFfield_trials/factsheets/pricing/index3.shtml

The goal of this fact sheet is to help farmers create and/or improve their records and organization systems, to help make cost calculations and business planning more manageable and effective. In the left margin, you will find several other resources related to farm recordkeeping.

Record Keeping Book for Agribusiness Entrepreneurs, Farmers, and Landowners, Small Farms Research Center,

Alabama A&M University: <http://www2.aamu.edu/saes/sfrc/FactSheets/BusMgmt-RecordKeepingBook.pdf>

Includes two record keeping books, one for expenditures and the other for sales. They both start with daily record keeping pages for twelve months. Next are monthly records where daily totals are transferred at the end of each month, followed by the record of annual totals and others.

Quicken for Farm and Ranch Financial Records, Oklahoma State University Extension: <http://agecon.okstate.edu/quicken/>

Quicken is a very popular finance software program and is available through many retailers and office supply stores. Many farmers use this software as their farm record-keeping program. The university extension services in several states maintain detailed web sites to help farmers and ranchers adapt Quicken to their needs.

The QuickBooks Farm Accounting Cookbook, Flagship Technologies/Mark Wilsdorf:

<http://www.goflagship.com/products/cbkhome.htm>

The QuickBooks Farm Accounting Cookbook™ is a 370-page how-to guide and reference for anyone who uses the QuickBooks software in agriculture: farmers, ranchers, accountants, tax preparers, extension personnel, and teachers and students of vocational agriculture.

Quickbooks vs. Quicken, Flagship Technologies/Mark Wilsdorf: <http://www.goflagship.com/articles/ckgen1.htm>

This article compares the two computerized recordkeeping systems.

Farm Analysis Solution Tools (FAST), University of Illinois: <http://www.farmdoc.illinois.edu/fasttools/index.asp>

FAST (Farm Analysis Solution Tools) are a suite of Microsoft Excel spreadsheets designed to assist those in agriculture make better decisions via user-friendly computer programs. FAST aids users in performing financial analysis, assessing investment decisions, and evaluating the impacts of various management decisions.

Resources for Purchasing Farm Equipment and Inputs*

SEED

Seeds from Italy (distribution based out of Kansas!): <http://growitalian.com/>

Seeds from Italy; Address: PO Box 3908; Lawrence, KS 66046; 785-748-0959; seeds@growitalian.com

Native Plant and Seed Sources, Kansas Native Plant Society: http://www.kansasnativeplantsociety.org/plant_seed_sources.php

Prairie Seed Farms: <http://www.prairieseedfarms.com/>

Offers seed mixes for CRP, wildlife food plots, prairie grass, wildflower, hay, pasture, forage, and landscaping.

List of Independent Seed Companies, Small Farms Conservancy: <http://smallfarmsconservancy.org/2011/05/seed-sources/>

Selected Source Guide to Herb and Specialty Crop Seeds and Plants, Purdue University: <http://www.hort.purdue.edu/newcrop/med-aro/seedsources.html>

Seed Suppliers and Seed Catalogs: Where to Buy Seeds for Your Homestead, Garden or Farm, About.com: <http://smallfarm.about.com/od/cropsandvegetables/tp/Seed-Suppliers-And-Seed-Catalogs-For-Small-Farming.htm>

Sources of Heirloom Vegetable Seeds, WilliamRubel.com: <http://www.williamrubel.com/online-vegetable-seed-catalogs/>

Seed Sources for Commercial Vegetable Production, University of Nebraska: <http://digitalcommons.unl.edu/extensionhist/822/>

Potato Suppliers, The Potato Association of America: <http://potatoassociation.org/>

Organic Grain, Forage, and Cover Crop Seed Suppliers, North Carolina State University: <http://www.organicgrains.ncsu.edu/cropproduction/seedsuppliers.htm>

Directory of Organic Seed Suppliers, ATTRA: https://attra.ncat.org/attra-pub/organic_seed/

List of Organic Seed Suppliers, OMRI: <http://www.omri.org/seeds/>

LIVESTOCK

Breed Selection, American Livestock Breeds Conservancy: <http://albc-usa.org/>

Chock-full of information about heritage livestock breeds, including: cattle, goats, sheep, pigs, rabbits, chickens, ducks, geese, and turkeys.

Locating Heritage Breeds, Heritage Foods USA: <http://www.heritagefoodsusa.com/farmers/>

This is a long list of farms and farmers raising heritage breeds of pigs, hogs, chickens, ducks, lambs, goats, cows, rabbits, and more.

EQUIPMENT

Rogue Hoe (Missouri-made garden hoes!): <http://roguehoe.com/>
4360 Bado Rd; Cabool, MO 65689; (417) 962-5091; sales@roguehoe.com

Four Seasons Tools: <http://fourseasonstools.com/>

This Kansas City area company offers farm development consultation, season-extending movable greenhouses, and uniquely designed farm implements: 615 Grandview Road; Kansas City, MO 64137; (816) 444-7330; info@smallfarmtools.com

Fafard: <http://www.fafard.com/AboutUs.aspx>

Fafard is a soil company with regional distributors: "Our mixes are superior and the most consistent on the market."

P.O. Box 790; 770 Silver Street; Agawam, MA 01001-0790; (800) 732-8667; sales@fafard.com

Organic Farming Supplies, The Organic Pages: <http://www.theorganicpages.com/topo/commercialactivity.html?ca=farmingsupplies>

Sustainable Production: Grower Resource List, Growing Small Farms: <http://chatham.ces.ncsu.edu/growingsmallfarms/soilfertility.html>

Orscheln Farm & Home: <http://www.orschelnfarmhome.com/>
1800 Overcenter Drive; Moberly, MO 65270; (800) 577-2580

Hummert International: <http://www.hummert.com/>
Hummert is a Horticultural Supercenter with multiple locations. 1415 N.W. Moundview Drive; Topeka, Kansas 66618;
(800) 798-2799

Gemplers: <http://www.gemplers.com/>
This is a source for outdoor work supplies. P.O. Box 44993; Madison, WI 53744-4993; (800) 382-8473

FarmTek: <http://www.farmtek.com/farm/supplies/home>
This is a source for livestock and storage buildings and a wide range of agricultural products. 1440 Field of Dreams Way (Off Highway 20W); Dyersville, Iowa; 52040; (800) 327-6835

Growers Supply: <http://www.growerssupply.com/farm/supplies/home>
Growers supply is a source for greenhouses, high tunnels, gardening and nursery supplies and is a division of FarmTek. 1440 Field of Dreams Way (Off Highway 20W); Dyersville, Iowa 52040; (800) 476-9715

Earth Tools: <http://earthtoolsbcs.com/>
Earth tools supplies walk behind tractors and implements. 1525 Kays Branch Road; Owenton, KY 40359;
(502) 484-3988

Dewitt: <http://dewittcompany.com/>
This site offers landscaping products & plant fabrics. (800) 888-9669; info@dewittcompany.com

Premier1 Supplies: <http://www.premier1supplies.com/>
Premier1 offers broad range of farm supplies. 2031 300th Street; Washington, Iowa 52353; (800) 282-6631

Tractor Supply Company: <http://www.tractorsupply.com/>
200 Powell Place; Brentwood, TN 37027; (877) 718-6750; customerservice@tractorsupply.com

I&J Manufacturing: <http://www.farmingwithhorses.com/>
This site offers horse drawn farm equipment for draft horse farming. 5302 Amish Road; Gap, PA 17527; (717) 442-9451

Pioneer Farm Equipment: <http://pioneerfarmequipment.com/>
This is a source for Amish horse drawn farm equipment and accessories. (330) 737-7960; amishpioneer@aim.com

C&W Farm Supply <http://candwfarmsupply.com/index.htm>
This Kansas business offers farm equipment, supplies, parts, and farm equipment services. 518 Main Street; Courtland, KS 66939; (785) 374-4521; cwfarmsupply@hotmail.com

List of small farm tillage and no-till equipment suppliers: <http://www.hobbyfarms.com/farm-equipment-and-tools/small-farm-tillage-no-till-equipment.aspx>

MEAT PROCESSORS

Lists of Kansas Custom and Inspected Meat Processing Plants: http://www.ksda.gov/kansas_agriculture/content/145/cid/1386

**Kansas Rural Center is not responsible for the quality of seed, plants, livestock, equipment, or inputs from the sources listed above. This list of resources is not comprehensive and should only be used as a starting point. Omission of any company or list of companies that provide items in these categories was not intentional. We hope this will help in your search for quality farm equipment and inputs.*

Resources for Meeting Farm Labor Needs

Farmer's Tax Guide, Internal Revenue Service (IRS): <http://www.irs.gov/>

Search for "Farmer's Tax Guide" to get the most up to date IRS requirements for labor management.

Labor Laws, United States Department of Agriculture (USDA): <http://www.usda.gov/oce/labor/laws.htm>

This site includes discussions and links to several documents and articles pertaining to farm labor laws.

Growing Growers: <http://www.growinggrowers.com/>

Growing Growers was established to address the need for more farmers and for more effective farmers. They maintain the goal of providing educational opportunities to help new growers get started and established ones get better at what they do. Apprenticeship connections are a key part of their work. 35230 W 135th Street; Olathe, KS 66061; (816) 805-0362

Growing Lawrence: <http://growinglawrence.org/>

Growing Lawrence is a Lawrence, Kansas based group whose purpose is to provide coordination and cooperation among producers in the Lawrence area; advise Kansas State University Research and Extension personnel or other agencies of projects and programs necessary to serve producers and solve problems relating to horticultural production; encourage consumer awareness and provide marketing information for horticulturists; and provide producers with educational opportunities throughout the year. Don't live near Lawrence? You can start one of these groups in your area! Contact: Lawrence Area Horticulture Producers' Association c/o K-State Research and Extension - Douglas County; 2110 Harper St; Lawrence KS 66046; 785-843-7058

Apprenticeship Network, Rural Heritage: <http://www.ruralheritage.com/apprenticeship/index.htm>

The Good Farming Apprenticeship Network is designed to link future farmers with experienced handlers of working draft horses, mules, and oxen to ensure that valuable farming and logging practices are passed down through the generations. Participants offer a broad range of learn-by-working experience.

World Wide Opportunities on Organic Farms (WWOOF): <http://www.wwooof.org/>

WWOOF is a worldwide network of organizations that help link volunteers with farmers in the US and other countries. In return for volunteer help, WWOOF host farms and organizations offer food, accommodation, and opportunities to learn.

Local Newspapers and Zines, Farming Magazines, and Craigslist.org are resources for posting classified ads.

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Beginning Farmers - Legal Business Structure Options

This document summarizes the legal business structures that a farmer or food producer might use.

Introduction

When starting a business, one of the most important decisions to make is the type of legal structure for your company. This decision impacts how much you will pay in taxes, how much paperwork your business is required to do, the personal liability you face, and your ability to raise money. The business form you select is not carved in stone, as changes may occur that make it appropriate to change the way your business is structured, but planning ahead can save you a great deal of pain and loss in the future.

One structure is not necessarily better than any other. Each business owner must assess his or her own needs. For each of the business structure options below, we provide a brief description of the business type and the advantages and disadvantages in terms of six key considerations. This information will help guide you in selecting a business form for a new business or changing the form of an existing business. A more detailed guide to choosing a business structure is available online at: <http://www.kansaruralcenter.org/publications/OOSelectingABusinessStructure.pdf>

We recommend seeking advice from fellow farmers, attorneys, accountants, and other business experts, when considering which legal business structure is right for you and your farm.

Key Considerations in Choosing a Business Structure:

- Liability obligation of the individual owners
- Income tax obligation of the business and its individual owners
- Legal filing formalities
- Financing and liquidity of equity investments
- Management flexibility
- Life of the Business

Types of Business Structures:

Proprietorships and Partnerships

Legal Name	Description	Features	Other Notes
Sole Proprietorship (SP)	This is a business owned and controlled by a single person.	-Single income taxation. -Experience ease and lack of expense in filing. -Flexible management. -Unlimited liability. -Financing, or capitalization, is often difficult.	-Although SPs may have employees, the business is viewed legally as an extension of the owner. All responsibility, profit, and loss belong to the owner. -A SP is terminated when the owner dies or decides to terminate the business. -A SP usually can be changed into a partnership, a Limited Proprietorship (LP) or a corporation, sometimes without incurring tax obligations. Professional advice should be sought if making those changes.
General Partnership (GP)	A for-profit business co-owned and operated by two or more people.	-Taxation. -Relatively low accounting costs. -Ease and low cost of formation -Greater ease of financing than an SP. -Full liability for any partner's actions falls on all partners. - Profits from business operations must be reported on the income tax returns of co-owners, even if they were not distributed.	-Co-owners contribute property, money, or services to the business for their common benefit, and share profits from the business in prearranged proportions. -A partnership agreement drafted by an attorney and signed by all partners is recommended, but not required. -Changes in a partnership group causes a technical dissolution, but not necessarily a liquidation of the business. Instability

		- Adding more partners decreases managerial control per partner.	and lack of business continuity may be a drawback of the partnership form. In the event of a dispute among partners, the partnership could be terminated and cease to exist. The business may also be terminated with the death of a partner or if a partner should decide to leave the partnership.
Limited Partnership (LP)	An association of two or more owners with at least one general partner with full liability and at least one limited-liability partner.	<p><i>For limited partners:</i></p> <ul style="list-style-type: none"> -Risk is limited to the amount they invest. -This partner does not share in management. <p><i>For general partners:</i></p> <ul style="list-style-type: none"> -Decision-making and financing for a LP is generally easier than for a SP or GP. -Partner takes full liability for all business debts or obligation. <p><i>For all:</i></p> <ul style="list-style-type: none"> - Filing formalities are more stringent than a GP. 	<ul style="list-style-type: none"> -All co-owners contribute property, money, or services to operate the business, and share the profits in proportion to their ownership share. -As with a GP, the death or dissolution of a partner, general or limited, may cause the technical dissolution of the partnership. However, LPs are easily converted to other tax free business entities.
Limited Liability Partnerships (LLP)	Similar to LPs in terms of business selection, except there are no restrictions on active participation in management by limited liability partners.		<ul style="list-style-type: none"> -Personal exposure of partners in regards to obligations of other partners in the firm is limited. -No protection from the partners' own acts and omissions or against other partnership obligations such as leases, loans, or trade accounts payable.
Joint Ventureship (JV)	A partnership formed for a specific project or transaction.		-Governed in accordance with the laws of a partnership.

Corporations

What is a corporation?

By law, a corporation is a legal entity or “person” in itself. It may be viewed as an “artificial individual,” created to conduct business by acquiring assets, hiring employees, paying taxes, and facing pertinent legal issues including litigation. A corporation may own property, enter into contracts and borrow money.

General features of a corporation:

-Options: Advantages and disadvantages in terms of taxes and liability vary with the type of corporation.

-Legal issues: Corporations have the most legal formalities of all business structure alternatives.

-Articles: Kansas law requires all corporations to file articles of incorporation with the Secretary of State at the time of their formation. We suggest keeping these articles as simple as possible, because amendments to the articles will incur additional charges.

-Bylaws: Bylaws, which supplement articles of incorporation, are more easily amended or changed, and should be used to address the day-to-day concerns of managing the corporation.

-Reporting: Domestic for-profit corporations must file annual reports and pay annual franchise fees.

-Financing: The large number of available sources of financing is a major advantage of the corporate business structure. The use of securities, either debt (loans, bonds) or equity (stocks, shares), is the most widely used source of corporate funding.

-Structure & roles: The corporate structure is one of the best ways to manage a large business that has many owners or shareholders.

-Stockholders who possess voting stock elect the board of directors.

-Directors have the responsibility of setting goals, general policies and directions for the corporation. The board of directors is commonly authorized to declare dividends, formulate policy and authorize contracts involving the corporation.

-Officers and employees are responsible for performing the day-to-day operations of the corporation, and carrying out the initiatives set forth by the board of directors.

-Easily transferred: Continuity of life and free transferability of interest make the corporate business form one of the most widely used. The death or insolvency of a shareholder does not end the life of the corporation. Shares of stock can also be sold or given to new owners without affecting the operations of the corporation.

-Limitations: Kansas prohibits corporate ownership of agricultural land. As provided by KSA 17-5904, a corporate entity may not “own, acquire or otherwise obtain or lease any agricultural land” in Kansas unless it is a family farm corporation, authorized farm corporation, limited liability agricultural company, family farm limited liability agricultural company, limited agricultural partnership, family trust, authorized trust or testamentary trust. Each of these has restrictions on who can form them and definitions are available at KSA 17-5903.

Legal Name	Description	Features	Other Notes
C-Corporation (CC)	May be either publicly held or closely held. The closely held CC form is common to farming corporations and small businesses that wish to keep ownership and control confined to a select group of people.	-Personal shareholder liability from business activities is limited. -Double taxation on dividends can be one of the biggest disadvantages of a CC since CCs pay corporate tax at the business level, and shareholders pay income tax on dividends at their individual income tax rate.	-Tax advantages or disadvantages of a corporation for each individual owner depend on the individual’s income level as well as other factors. -Professional tax consultants can provide specific information about tax regulations for these types of CCs.

<p>S-Corporation (SC) Is also known as a tax option corporation or small business corporation.</p>	<p>Similar to a CC that has met certain requirements set by the Internal Revenue Service (IRS) and has made an election allowing the corporation to be taxed as a partnership. It may be thought of as a hybrid of a partnership and a CC.</p>	<p>-Combines some of the most appealing advantages of a partnership, the pass-through tax advantage, with the advantages of limited liability a CC. -SCs can be financed in much the same way as a CC by selling shares of stock in the company or issuing debt securities. -CCs have more complicated filing formalities.</p>	<p>-Filing formalities for an SC are similar to CC, except that an election of a SC must also be made. -For a corporation to elect to be taxed as an SC, all shareholders must consent. -Like CCs, articles of incorporation and bylaws must be filed with the appropriate state offices. -For SCs, the number of shareholders is limited to 35. -SCs are managed the same as CCs. Differences between SCs and CCs are in the way the business and its owners are taxed. Instead of paying federal income taxes at the corporate level, income is passed through to shareholders and taxed at their marginal rates. There are other tax advantages to the SC form. Consult a tax expert for details.</p>
<p>Limited Liability Company (LLC)</p>	<p>LLCs may conduct or promote any lawful business or purpose that a partnership or individual may conduct or promote; and can own property, borrow money, loan money, enter into contracts, and elect or appoint managers and agents of the LLC.</p>	<p>-LLCs have the pass-through tax advantages of a partnership. -LLCs have the limited liability of a corporation. - Limited liability is the main advantage an LLC has over a partnership when financing a business. -Flexible management structures: management may also be vested in an outside person hired solely for the purpose of managing the business. - LLCs are more easily financed than partnerships or proprietorships. - Financing for LLCs is not as easy as financing a publicly traded corporation. -Business continuity is an advantage of LLCs.</p>	<p>-The process of forming an LLC can be complicated. Although the IRS has ruled on the Kansas LLC Act, an attorney or tax advisor should be consulted early in the business formation process. Kansas state law requires that any business forming as an LLC must file articles of organization, an operating agreement, and annual reports with the Secretary of State, and pay an annual franchise fee. -The same favorable tax status of partnerships exists as long as it has no more than two of the following corporate characteristics: (1) Limited liability (almost always the case with LLCs) (2) Continuity of life (3) Free transferability of interests (which is not allowed for Kansas LLCs) (4) Centralized management Thus, Kansas LLCs are free to choose whether they want to establish mechanisms for continuity of life or centralized management. -Investors are more likely to participate in the financing of a business if their liability is limited to the amount they have invested. -By law, the management of the LLC is vested in its members, with each member having one vote, unless otherwise provided in the articles of organization or the operating agreement. Members are free to set a management structure that appoints the responsibility to one or more members who will be considered manager(s). -Kansas law requires a majority vote of the members to transfer ownership. This allows the business to continue to function with the death of a member or if members should decide to sell their interests. - An LLC should, but is not required to have an operating agreement, but it does not need to be filed anywhere.</p>

Limited Liability Agricultural Company (LLAC)	Kansas law permits the creation of LLACs for the purpose of owning or leasing agricultural land, including for the purpose of operating swine or dairy production facilities in counties in which voters either have failed to adopt or have rejected corporate swine or dairy production facilities.	LLAC membership is limited to 10 all-natural persons (noncorporations), family farm corporations or family farm limited liability agriculture companies, or persons acting in a fiduciary capacity for a natural person or nonprofit corporation or GPs formed under Kansas laws. LLACs are required to have at least one member residing on the farm or be actively engaged in the labor or management of the farming operation.	-2012 HB 2502 on swine and dairy facilities does not affect the information in this document.
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Cooperatives

What is a cooperative?

A cooperative is owned by members that contribute equity toward the business and share in the profits generated. A cooperative is a corporation and is therefore viewed legally as an entity in itself, separate from its members. Cooperatives are organized to conduct business-at-cost and net income or savings, similar to profits, are distributed to members in the form of patronage refunds. There are many different types of cooperative, or “co-op,” but this document focuses on those related to agriculture. For more information on cooperative models, visit the *Marketing Strategies: Cooperative Marketing* document in this guide.

Features of agricultural cooperatives:

Agricultural Cooperative Activities: In Kansas, an agricultural cooperative has the power to:

- Function as a general farm organization
 - Engage in any activity in connection with agricultural education, research, legislation, and economic and social conditions
 - Engage in any activity in connection with the marketing, selling, harvesting, threshing, milling, preserving, drying, processing, canning, packing, storing, handling or utilizing any agricultural products produced or delivered to it by its members
 - Engage in the manufacturing or marketing of the byproducts of any of the agricultural products of its members
 - Levy and collect dues from its members
- **Member Owned:** Cooperatives are user-owned and user-controlled. A cooperative is viewed as a separate entity formed for the mutual benefit of its patron-member-owners. Patrons of a co-op are its customers, most of whom are also voting members.
 - **Legal Issues:** Cooperatives follow the same legal formalities involved with organizing any corporation.
 - **Liability:** Co-ops have the advantage of limited liability for members.
 - **Taxation:** Co-ops are unlike any other business form when it comes to tax issues.
 - *Pass-through taxation* may be possible.

- *Different tax options*: Cooperatives may be taxed like C corporations, or they may enjoy pass-through taxation like GPs, SCs, and LLCs, if they abide by certain regulations.
- *Patronage refunds* – Co-ops are taxed based on whether or not distributed patronage refunds are qualified (taxes are paid by the patron) or nonqualified (taxes are paid by the co-op at the ordinary corporate rate). There is no double taxation of patronage refunds and the patron pays the tax on the income distributed as patronage refunds.
- *Section 521* - Additional tax benefits apply for Section 521 (agricultural) cooperatives; requirements for Section 521 should be explored when establishing a cooperative.

- **Financing:**

- *Member financed* - Cooperatives are financed by the members who use their services.
- *Traditional financing* - In the traditional system, there is a usually very little initial investment for new members.
- *New generation financing*- Initial investments in “new generation” or limited membership cooperatives are usually significant amounts of money. Unlike traditional cooperatives, stock in new generation cooperatives has a variable market rate dependent upon the performance of the cooperative. The stock in new generation cooperatives can be traded among members, usually subject to the approval of the board of directors.

- **Structure & Roles:** Typically the cooperative’s bylaws will set forth the process for electing board members.

- *Members* - Elect a board of no less than five directors to manage the affairs of the association. The members of a cooperative possess ultimate control over the actions of their association.
- *Directors* - Elect the officers. Since most cooperative board members are usually farmers, and are usually busy with their own work, management personnel are usually hired to conduct the day-to-day business of the cooperative.
- *General Manager* - The major responsibility of directing operations fall within the responsibilities of the general manager, who also has total responsibility of organizing and staffing daily operations.
- *Easily transferred*: The life of a cooperative is continual, and death or insolvency of a member does not end the life of the business.

Resources for establishing a business structure for your farm

Filing requirements and fee structures for each business type can be found at: www.accesskansas.org. All business structures must file with the state, except for sole proprietorships and general partnerships. If you go to the *Businesses* tab, it will give you a list of options. If you click on *Kansas Business Center*, and log in there (registration required) it will take you to a page where you can file your articles of incorporation or organization. There is a list of entity types and the filing fee for each type.

Determining Your Business Legal Structure is an online training course available at: <http://ksbdc.kansas.gov/Pages/default.aspx>

Your local Kansas Small Business Development Center (KSBDC) office, Main Street or Pride organization, or other business advocacy group may be able to recommend attorneys or tax consultants who are well versed in the special needs of farmer and niche market enterprises where you live, work, and farm.

General Resources

Selecting a Business Structure: An Informational Guide to Forming Businesses, Kansas State University Extension: <http://www.kansasruralcenter.org/publications/OOOSelectingABusinessStructure.pdf>

Business Filing Types, Kansas Business Center: <https://www.accesskansas.org/kbc/busTypes.html>

Business Structures, Internal Revenue Service: <http://www.irs.gov/Businesses/Small-Businesses-&-Self-Employed/Business-Structures>

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Farm Practices - Food Safety

This document provides resources for finding and understanding basic animal and plant-based food safety measures.

Introduction

With the many state and federal regulations surrounding our food system, it is no wonder the United States has one of the safest food supplies in the world. Even so, we are still affected by foodborne illness outbreaks. Paying close attention to details, as simple as hand washing, can save people from getting sick or even dying. This guide provides resources for establishing a farm food safety plan – a set of basic guidelines for assuring safe food* products come from your farm.

* “Food safety” in this document will refer to growing, raising and handling food products on the farm for safe consumer consumption.

Farm Food Safety Plans

Having a farm food safety plan is a smart business practice for farms of all sizes. Farm food safety plans are written strategies that document management practices and record keeping, from field to post-harvest handling, that mitigate the risk of food contamination. Many sales outlets require farms to have written food safety plans, or maintain a particular food safety certification. Concerned consumers may also be comforted to know that your farm has a food safety plan, and many farmers bring a copy of their food safety plan to the farmers market and willingly share their plan with their customer base.

Below are tools and examples that can help you develop a farm food safety plan.

On-Farm Food Safety Project, Family Farmed: <https://onfarmfoodsafety.org/>

Jim Slama; President, FamilyFarmed.org; 7115 W North Avenue #504; Oak Park, IL 60302; (708) 763-9920
JimSlama@FamilyFarmed.org

Food Safety Plan Template, Wisconsin Department of Agriculture: <http://datcp.wi.gov/OnFarmFoodSafety/FoodSafetyPlans/index.aspx>

Rock Springs Farm Food Safety Plan, Flying Rutabaga Works: <http://www.flyingrutabagaworks.com/sources/>

Food Safety Modernization Act

The United States Food and Drug Administration (FDA) Food Safety Modernization Act (FSMA) focuses on contamination prevention efforts aimed at ensuring the U.S. food supply is safe. Serious penalties may exist for food businesses that do not follow the guidelines set forth in this law. Anyone handling food for sale should become familiar with this law and which components of it affect them. You can do so by visiting the *Food Safety* section of the FDA website <http://www.fda.gov/Food/FoodSafety/default.htm>, or contacting the FDA directly at: Food and Drug Administration; 10903 New Hampshire Ave; Silver Spring, MD 20993-0002; 1-888-INFO-FDA (1-888-463-6332)

Plant Product Food Safety Considerations: GAPs and GHPs

There are a lot of legally mandated standards to ensure food safety for animal products but, at the time of writing, the U.S. government simply encourages food safety recommendations for specialty crop producers. The primary considerations for plant-based food safety have to do with eliminating contamination from feces or other foreign matter, and keeping any contaminants from growing or spreading among crops at any time between production and sales.

The United States Department of Agriculture Agricultural Marketing Service (USDA AMS), along with many private companies, offers farms audit verification programs for Good Agricultural Practices (GAPs) and Good Handling Practices (GHPs). GAPs refer to the overall management on-farm while GHPs specifically target packing facilities, storage, and distribution. This 3rd party audit, or inspection, certifies farm food

safety management from field to post harvest handling. A farm may choose to become GAP/GHP certified by conducting a USDA or other private company audit. An auditor will visit your farm to inspect your farm safety plan and its implementation. Some food businesses require farms be GAP and GHP certified before purchasing from them. Although GAP and GHP certifications are not currently required by the government, a farm food safety plan utilizing GAPs and GHPs is encouraged to increase consumer safety.

Cornell University has been a trailblazer in on-farm fruit and vegetable food safety education and provides many valuable resources. Below are a few basic concepts found in a GAP/GHP audit:

- Wash hands before and after handling produce.
- Minimize exposure to animals.
- Minimize exposure to un-composted manure.
- Test and use only potable water for hand and produce washing.
- Use only clean and sanitized harvesting and post-harvest handling equipment.
- Maintain good personal hygiene.

For a copy of the GAP's growers guide visit www.gaps.cornell.edu or call 607-254-5383/ 315-787-2625.

For a copy of the GAP/GHP audit checklist visit <http://www.ams.usda.gov/AMSV1.0/GAPGHPAuditVerificationProgram> or call 800-560-7956.

Other GAP/GHP Resources

Kansas Rural Center: <http://kansasruralcenter.org/category/food/farm-to-school/>

Kansas Department of Education: http://www.kn-eat.org/F2S/F2S_Menus/F2S_Home.htm

On-Farm Food Safety: A Guide to Good Agriculture Practices, Iowa State University: <http://www.extension.iastate.edu/Publications/PM1974a.pdf>

Grading Certification and Verification, USDA: <http://www.ams.usda.gov/AMSV1.0/GAPGHPAuditVerificationProgram>

USDA Fruit and Vegetable Programs; Fresh Products Branch; 800-560-7956

Elizabeth A. Bihn, Ph.D.; GAPs Program Coordinator; Cornell University; Department of Food Science; (315) 787-2625

Animal Product Food Safety Considerations

Animal products are closely regulated by state and federal food safety law. Licensing and inspections mandated by these laws help maintain safe consumer products. To learn more about whether your operation requires a license or inspection please refer to the following sections in this guide: *Regulations – Licensing – Animal Products; Regulations – Labeling – Animal Products; Regulations – Handling – Animal Products; and Regulations – Inspections – Animal Products*. The information shared below includes tips on managing and handling animals before they are processed or leave your farm or facility.

Quality animal products result from good management and animal handling practices. Consult with a local veterinarian or extension agent for best management practices.

For a comprehensive list of resources on animal husbandry practices and food safety considerations, including specific references for all types of livestock raised for human consumption, see *Animal Health and Nutrition*, National Sustainable Agriculture Information Service (ATTRA): <https://attra.ncat.org/attra-pub/livestock/livestock.html#health>.

Other Animal Husbandry Resources

Farm Animals, Animal Welfare Institute: <http://awionline.org/content/farm-animals-test>

Housing and Space Guidelines for Livestock, University of New Hampshire Cooperative Extension: http://extension.unh.edu/resources/files/Resource000471_Rep493.pdf

Best Management Practices for Pathogen Control in Manure Management Systems, University of Minnesota Extension: <http://www.extension.umn.edu/distribution/livestocksystems/DI8544.html>

Eggs

Egg safety is closely regulated by state and federal law. These regulations are primarily determined by flock size. More details concerning regulations for eggs can be found in the documents titled *Regulations – Animal Products* in this guide. There are many sources of information that cover management practices for egg safety, which can be found in the resources section below.

Egg Safety Resources

FDA Egg Safety Rule, Egg Safety Center: <http://www.eggsafety.org/producers/food-safety-regulations>

Tips for Egg Safety From Farm to Table, Growing Small Farms: <http://chatham.ces.ncsu.edu/growingsmallfarms/eggsafetytips.html>

Proper Handling of Eggs from Hen to Consumption, Virginia Cooperative Extension: http://pubs.ext.vt.edu/2902/2902-1091/2902-1091_pdf.pdf

*Resource Guide for Owners of Small Poultry Flocks**, K-State Research & Extension: <http://www.ksre.ksu.edu/library/lvstk2/mf2310.pdf>

*Factors Affecting Egg Quality**, K-State Research & Extension: <http://www.ksre.ksu.edu/library/lvstk2/ep127.pdf>

*Management of the Small Flock of Chickens**, K-State Research & Extension: <http://www.ksre.ksu.edu/library/lvstk2/mf2390.pdf>

*Production of Eggs and Home-Raised, Home-Butchered Broilers and Turkeys**, K-State Research & Extension: <http://www.ksre.ksu.edu/library/fntr2/foodasyst/2poultry.pdf>

For more information on **processing and handling requirements for “graded” eggs, or when and how to obtain an egg license**, see: http://www.ksda.gov/includes/document_center/records_center/Records_Center/Lasthandler_eggfactsheet.pdf.

To see **Kansas Egg Law** in full, go to: http://www.ksda.gov/includes/statute_regulations/mainportal/EGGLAW_full_page.pdf.

*To purchase or obtain a paper copy of the above K-State Research & Extension publications call (785) 532-5830 or visit your local extension office.

Meat & Poultry

Meat and poultry intended for sale in Kansas must be slaughtered and processed in a Kansas or USDA inspected facility. **Exemptions:** Poultry producers who slaughter fewer than 1000 birds per calendar year, and rabbit producers who slaughter fewer than 250 rabbits per calendar year, are allowed to slaughter and process the birds/rabbits on their own premises and are exempt from Kansas licensing requirements.

Refer to the *Regulations – Animal Products* documents in this guide for food safety regulations regarding meat and poultry.

Meat & Poultry Safety Resources

Meat and Poultry Inspection Program, Kansas Department of Agriculture (KDA): http://www.ksda.gov/meat_poultry/

Kansas Department of Agriculture; Meat and Poultry Inspection Program; Julie Ehler, Program Manager; 785-296-3511

Ask FSIS, USDA Food Safety & Inspection Service: <http://askfsis.custhelp.com/app/answers/list> (This is a web-based application designed to answer technical and policy based questions.)

Kansas State University Animal Science, Liz Boyle, 785-532-1247, lboyle@k-state.edu

Dairy

Refer to the documents titled *Regulations – Animal Products* in this guide for food safety regulations regarding milk and dairy products.

Dairy Inspection Program, KDA: <http://www.ksda.gov/dairy/>

Kansas Department of Agriculture Dairy Program; (785) 296-3786

Other Resources

Division of Food Safety and Lodging; Kansas Department of Agriculture: http://www.ksda.gov/food_safety/
109 S.W. 9th Street, 3rd Floor; Topeka, KS 66612; (785) 296-5600 / (785) 296-7430 or fax (785) 296-6522

Prepared Food Safety

Focus on Food Safety, Kansas Department of Agriculture:

http://www.ksda.gov/includes/document_center/food_safety/Food_Safety/Focus_Food_Safety_Materials.pdf

Food Safety for Consumers

K-State Extension Food Safety, K-State Research and Extension: <http://www.ksre.ksu.edu/FoodSafety/p.aspx?tabid=1>

Food Safety.gov: <http://www.foodsafety.gov/> (Contains federal food safety information.)

Food Safety, Sustainable Table: <http://www.sustainabletable.org/issues/foodsafety/>

Food Safety Begins on the Farm: A Grower Self Assessment of Food Safety Risks, Cornell University: <http://ecommons.cornell.edu/handle/1813/2209>

National Good Agricultural Practices Program, Cornell University: www.GAPs.cornell.edu
(315) 787-2625; eab38@cornell.edu

General Food Safety Regulations

Food Regulations for Small Market Food Producers, Leopold Center:

<http://www.leopold.iastate.edu/sites/default/files/pubs-and-papers/2009-08-frequently-asked-questions-food-regulations-small-market-food-producers.pdf>

For a hard copy of this publication call (515)294-1854.

Farm Food Safety Plan Tools

FamilyFarmed.org On-Farm Food Safety Project, National Good Food Network:

<http://www.ngfn.org/resources/food-safety/familyfarmed.org-on-farm-food-safety-project>

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Farm Practices - Certifications

This document discusses third-party certification of on-farm production practices.

Introduction

Obtaining certification can be a great addition to a farmer's marketing efforts, adding value to farm products and attracting the attention of a particular niche market. The process for certifying farm products varies with each product and type of certification. This document outlines the pros and cons of certification, and offers a sample of commonly used certifications to demonstrate their use by farms that wish to appeal to niche markets. It should be said, however, that no certification promises immediate success, especially to the beginning farmer. The adoption of any such standard should be considered only after a farmer has some experience with quality production, as certification of any sort is an addition to this quality, rather than a substitute for it.

What does it mean to become "certified?"

Some farms choose to become certified to commit to a specific production or management practice. There are many different types of certification, each of which has its own set of requirements that must be met in order to achieve and maintain certification status. Most certifying programs require that a credited third party inspection of the farm operation, sometimes called an "audit," be carried out prior to certification, to verify that specific criteria are being sufficiently met. Depending on the certification, additional inspections may be made to assure certifying standards are maintained.

Once certification is approved, farms may brand and market products with a certified label. Often the certifying organization will provide logos and language that may be used to label your certified farm products.

Benefits of becoming certified

Premium price

Farms may look to add ways to increase their profits without drastic increases to production costs. Becoming certified for a farm practice assures the public that the practice has been carried out with extra effort on the farm's part. This extra step in assuring this practice creates an incentive for the farm to place a premium price on that product.

Demand

Consumers are becoming increasingly aware of their food, where it comes from and how it is raised. Those with certain values or health concerns have the ability to choose the products that accord to the checklist of requirements for a particular certification. Becoming certified organic, for example, allows consumers who have health or environmental concerns over the use of chemicals, to purchase a product that is free of the factors that cause their concern.

Food safety

Although the recognition and practice of local food purchasing is increasingly gaining importance, separation between the farm and plate is still very wide. With outbreaks of food-borne illnesses caused by bacteria and a number of other factors, food safety is a concern for many consumers. Certified products comfort the consumer in knowing a product has passed requirements that may reduce the likelihood of contamination.

Resources

Farms certified for implementing a specific practice can be counted, thus providing insight into demand trends. This allows quantitative data to be collected which can lead to an increase in public and private resources available to those producers.

Challenges of becoming certified

Cost

Most certifications require a fee to become certified and these fees vary depending on the type of certification. There may also be an increased cost of production to fulfill the requirements of each certification. This added cost deducts from profit, unless a niche market willing to pay more for the certified goods is secured. It is best to know exactly what is required to achieve and maintain certification and to assess the fees associated with the certifying organization.

USDA offers annual cost-share assistance through state departments of agriculture to assist with organic certification. We encourage you to contact the Kansas Department of Agriculture (785- 296-3556 or ksag@kda.ks.gov) to see if they are currently offering support through the Organic Certification Cost-share Program.

Labor

The steps and procedures to become compliant with a certification program can lead to a greater amount of labor that may be necessary to preparing and maintaining the certification.

Finding the right niche market

Because of the extra effort needed for becoming certified, and the costs associated, it's important to identify and maintain the right market for the product.

Paperwork

Proper records, documentation, and inspections must be maintained. The level of paperwork varies with every certification type, and some can be quite extensive.

Types of Certifications

There are several types of certifications farms can aspire to depending on what they produce. Certifications can include production and management practices of plant products, animals, or both. Below, we provide an overview of some of the most common, nationally recognized certification types.

Organic Certification

One of the most well-known types of certifications is “Certified Organic.” This type of certification is one of the largest and most recognized. Because of this, there are many resources that guide farms in the process of becoming certified and maintaining those practices to a high standard. There are also many different certifying organizations and, in general, the more recognizable certifying entities are the more expensive to subscribe to. This document provides a brief overview and, listed in the *Other Resources* section of this document, you will find many credible sources for more information.

What is organic?

Organic is a term used to describe the labeling of a plant or animal based product that has upheld cultural, biological and mechanical methods. These methods often include conservation, use of non-synthetic fertilizers, pesticides, and herbicides, preservation and utilization of ecological factors, use of non-genetically modified (GM) products, and restriction of antibiotics and growth hormones to name a few. Organic production is used to increase bio-diversity, improve natural soil health, reduce pollution and overuse of non-renewable resources, and maintain overall healthy animal and environmental ecology.

The National Organic Program, run by the United States Department of Agriculture (USDA), is in charge of the legal definition of “organic” in the United States and also oversees organic certification.

According to USDA's *Labeling Organic Products*, "if you make a product and want to claim that it or its ingredients are organic, your final product probably needs to be certified. If you are not certified you must not make any organic claim on the principal display panel or use the USDA organic seal anywhere on the package. You may only, on the information panel, identify the certified organic ingredients as organic and the percentage of organic ingredients."

Some operations are exempt from certification, including organic farmers who sell \$5,000 or less. See <http://www.ams.usda.gov/AMSV1.0/NOPFAQsHowCertified>.

National Organic Program standards

Organic regulations are established for crop, livestock, and processing operations. According to federal regulation § 205.105, "allowed and prohibited substances, methods, and ingredients in organic production and handling" include the following, "to be sold or labeled as '100 percent organic,' 'organic,' or 'made with organic (specified ingredients or food group(s)),'" the product must be produced and handled without the use of:

- (a) Synthetic substances and ingredients, except as provided in §205.601 or §205.603;
- (b) Nonsynthetic substances prohibited in §205.602 or §205.604;
- (c) Nonagricultural substances used in or on processed products, except as otherwise provided in §205.605;
- (d) Nonorganic agricultural substances used in or on processed products, except as otherwise provided in §205.606;
- (e) Excluded methods, except for vaccines, provided that the vaccines are approved in accordance with §205.600(a);
- (f) Ionizing radiation, as described in Food and Drug Administration regulation, 21 CFR 179.26; and
- (g) Sewage sludge.

The above are just a few aspects of organic certification. For more complete information on National Organic Program standards, visit: <http://www.ams.usda.gov/AMSV1.0/nop>.

Becoming Certified Organic

To become Certified Organic, you must comply with the federal regulations standards outlined above, in the resources provided and enforced by the USDA. Once these standards are maintained by a farm or processor, a third-party agency will visit and inspect or audit the farm to verify that such standards are being fulfilled. Inspections are made annually to insure farms and processors maintain compliance with organic standards. Farms or processors have the option of selecting from USDA accredited certification agencies to carry out the inspections.

Once a certifying agency has been selected, an application is requested and submitted along with an organic system plan. This plan is written documentation that illustrates the practices and inputs used by the farm to maintain compliance of organic regulations. Once submitted and reviewed, a certifying inspector will visit the operation to conduct an audit and interview. The certification agency will review the audit and interviews conducted and determine if the operation is compliant. If approved, a certificate of organic certification is offered to the farm or processing operation. Visit the *Other Resources* section below for links to more information.

Organic Certification cost-share programs may be available through KDA at: http://www.ksda.gov/kansas_agriculture/content/153

Maintaining Organic Practices & Certification

Once a farm or processor becomes certified, the standards must be maintained to remain that way, as circumstances change over time, and the certification is affected by this change as well as by other influencing parties. For instance, certified organic farms are required to maintain annual paperwork and meet annual inspection requirements. For farms raising and marketing livestock, the product can only be labeled “organic” if it has been processed at certified organic facilities, and these facilities must also be up to date on their paperwork and inspections. Because of factors like these and other changes from year to year, organic certification demands continuous maintenance.

Many operations that become Certified Organic are not only looking for a way to increase the value of the goods being produced, but feel a duty to uphold the values set by organic practices. With the growing number of organic producers, importance has been placed on conducting research and producing resources for further understanding of organic agriculture. Many resources provide techniques and research for organic methods. Visit the Other Resources section below for a list of resources that provide specific information about maintaining and introducing new organic methods to an operation.

Certified Naturally Grown

Produce, livestock, and apiary farms can become “Certified Naturally Grown” (CNG). This type of certification maintains natural methods that minimize artificial inputs and maintain ecological integrity. CNG is the national program commonly used by farms to certify as a natural grown operation. According to their website, CNG is a private, non-profit organization that is not affiliated with the National Organic Program. It creates its own standards, regulations, and certifying agents.

What does it mean to be “naturally grown?”

When farms certify as “naturally grown” they are adhering to many of the same principles and practices as organic standards. According to the Certified Naturally Grown Organization, the USDA’s National Organic Program standards are used to develop the criteria used to certify an operation as “naturally grown.” While adhering to the strict certifying system, “Certified Naturally Grown” has traditionally meant less paper work and costs to producers maintaining organic standards.

<http://www.naturallygrown.org>

Animal Welfare Approved

What is Animal Welfare Approved?

According to their website, Animal Welfare Approved (AWA) is a non-profit organization that has recognized the need for a marketing label that identifies the well-being of animals raised for consumption. The organization advocates for the welfare of animals and reduced suffering and pain inflicted in farming methods. This organization has a strict set of standards and third party audits that verify that animals must be able to behave naturally and be in a state of physical and psychological well-being. AWA is the only free third party animal welfare certification program.

Much like the reasons for organic certification, Animal Welfare Approved products appeal to consumers who are interested and passionate about where their food comes from and how it is raised. Animals that may become Animal Welfare Approved include: beef and dairy cattle, bison, sheep, goats, pigs, rabbits, and poultry – chickens, turkeys, ducks, and geese. www.animalwelfareapproved.org

Examples of Other Certifications

American Grass-Fed

Farms raising and producing animal products that have consumed only their mother's milk and fresh grass or hay from birth to harvest may qualify to become certified. www.americangrassfed.org

Certified Humane

According to the Certified Humane Raised and Handled website, the organization standards regulate that animals have ample space, shelter and gentle handling to limit stress. They have ample fresh water and a healthy diet of quality feed, without added antibiotics or hormones. Cages, crates and tie stalls are not allowed, and animals must be free to do what comes naturally. www.certifiedhumane.org

Food Alliance Certified

Standards include those that maintain sustainable practices, environmental and food integrity, reduced use of chemicals, safe and fair working conditions, and humane human and animal treatment. www.foodalliance.org

Bee friendly farming

Recognizes farms, ranches, businesses, schools, local governments, nonprofits, gardeners, or beekeepers that support bees directly or indirectly. www.pfspbees.org/beefriendly.htm

Other Resources

General Certification

Adding Value to Agriculture: Branding and Certifications, University of Nevada Cooperative Extension: <http://www.unce.unr.edu/publications/files/ag/2005/fs0530.pdf>

For a copy of this publication call 775-785-7070 or contact: Kansas Center for Sustainable Agriculture & Alternative Crops; 144 Seaton Hall; Kansas State University; Manhattan, KS 66506; (785) 532-2976; <http://kcsaac.engg.ksu.edu/>

Organic Certification

National Organic Program, United States Department of Agriculture: <http://www.ams.usda.gov/AMSV1.0/nop>

Becoming a Certified Organic Producer, Kansas Department of Agriculture: http://www.ksda.gov/kansas_agriculture/content/153/cid/1150

This resource contains a list of certifying agencies. Call (785) 296-3230 or (785) 296-4172 for information or contact Midwest Organic and Sustainable Education Services; PO Box 339, Spring Valley, WI 54767; (715) 778-5775; www.mosesorganic.org

Kansas Organic Producers Association, Ed Reznicek, General Manager; (785) 939-2032; <http://www.kansasruralcenter.org/kop.htm>

Kansas Rural Center, EQIP Organic Initiative Program <http://www.kansasruralcenter.org/eqip.html>

This page on KRC's website includes information on how to apply for the EQIP Organic Initiative which offers transition assistance; the page also offers several resources and links for organic certification assistance and information, and a list of commonly used Organic Certifying Entities active in Kansas.

Resources for understanding what organic is:

National Organic Program: What is Organic?, United States Department of Agriculture: <http://www.ams.usda.gov/AMSv1.0/ams.fetchTemplateData.do?template=TemplateC&navID=NationalOrganicProgram&leftNav=NationalOrganicProgram&page=NOPConsumers&description=Consumers&acct=nopgeninfo>

What is Organic Production?, United States Department of Agriculture:
<http://www.nal.usda.gov/afsic/pubs/ofp/ofp.shtml>

What is organic agriculture?, Midwest Organic and Sustainable Education Services: <http://www.mosesorganic.org/attachments/productioninfo/fswhatis.html>

Why Organic?, United States Department of Agriculture:
<http://www.ams.usda.gov/AMSv1.0/getfile?dDocName=STELPRDC5074519&acct=nopgeninfo>

Resources for understanding organic standards:

Organic Regulation 205.105, National Archives and Records Administration:
<http://ecfr.gpoaccess.gov/cgi/t/text/text-idx?c=ecfr&sid=3806f976eed1643121d0e30f2d677c0f&rgn=div8&view=text&node=7:3.1.1.9.32.2.354.6&idno=7>

Organic Production and Handling Standards, United States Department of Agriculture:
<http://www.ams.usda.gov/AMSv1.0/getfile?dDocName=STELDEV3004445&acct=nopgeninfo>

Organic Standards, United States Department of Agriculture: <http://www.ams.usda.gov/AMSv1.0/ams.fetchTemplateData.do?template=TemplateN&navID=OrganicStandardslinkNOPStateOrganicPrograms&rightNav1=OrganicStandardslinkNOPStateOrganicPrograms&topNav=&leftNav=NationalOrganicProgram&page=NOPOrganicStandards&resultType=&acct=nopgeninfo>

Federal Regulation Codes, National Archives and Records Administration:
http://ecfr.gpoaccess.gov/cgi/t/text/textidx?c=ecfr&sid=3f34f4c22f9aa8e6d9864cc2683cea02&tpl=/ecfrbrowse/Title07/7cfr205_main_02.tpl

An Introduction to Organic Certification Requirements, Kansas State Research and Extension:
<http://www.extension.org/pages/18735/an-introduction-to-organic-certification-requirements>

Resources for becoming certified organic:

Organic Certification Guidebook, Midwest Organic and Sustainable Education Services: <http://www.mosesorganic.org/certificationguide.html>
PO Box 339, Spring Valley, WI 54767; (715) 778-5775

List of Accredited Certifying Agents: <http://www.ams.usda.gov/AMSv1.0/getfile?dDocName=STELPRDC5074486>

Organic Farming, National Sustainable Agriculture Information Service: <https://attra.ncat.org/organic.html>
P.O. Box 3838; Butte, MT 59702

Organic System Plan Template, National Sustainable Agriculture Information Service:
<https://attra.ncat.org/attra-pub/summaries/summary.php?pub=359>

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Jill Elmers, Farmer/Owner at Moon on the Meadow Farm (Lawrence, KS);

Bart Hall, retired Organic Certifier and current Farmer/Owner at Prairie Star Farm (De Soto, KS);

Joyce Williams, Farmer/Owner at M&J Ranch (McClouth, KS)



Regulations - Handling, Processing, and Sales of Animal Products in Kansas

This document outlines state and federal regulations that apply to processing, handling, and sales of eggs, meat, poultry, dairy products, fish, and honey in Kansas.

Introduction:

Understanding regulations for processing, handling, and sales of food products is essential for successful Kansas Farms. Below we cover these topics as they apply to the following animal food products:

- Eggs
- Meat and Poultry
- Dairy Products
- Fish and Other Aquaculture Products
- Honey and Other Hive Products

Defining Key Terms:

When it comes to food and farming, different words take on different meanings depending on the commodity being referred to and the context in which the term is being used. In order to avoid confusion, we have outlined what we mean when we use these terms below:

“PROCESSING”

-EGGS: When referring to eggs, the word “processing” will mean the steps taken to prepare the eggs for sale, such as washing, sorting, and grading, if applicable.

-MEAT, POULTRY, & FISH: When referring to meat, poultry, and fish, “processing” will mean slaughtering, dressing, cutting, and preparing the meat for sale.

-DAIRY PRODUCTS: For milk and other dairy products, “processing” will mean the steps taken to prepare raw milk for sale, such as pasteurization or transformation into other dairy products.

-HIVE PRODUCTS: When referring to honey, “processing” will mean heating, pasteurizing, or adding ingredients to raw honey.

“HANDLING”

For all the products discussed in this document, “handling” will refer to packaging and transporting the products.

“MEAT”

The word “meat” in this document refers to meat from “livestock,” as defined in the Kansas Meat and Poultry Inspection Act, and meat from rabbits. According to the Kansas Meat and Poultry Inspection Act, the term livestock refers to “... cattle, buffalo, sheep, swine, goats, domesticated deer, all raptures that are not indigenous to [Kansas], including but not limited to ostriches, emus, rheas or horses, mules or other equines. These regulations do not apply to buffalo or domesticated deer killed for recreation or sport.” (*Meat and Poultry Inspection Act, 2010, K.S.A. 65-6a18*)

“SEAFOOD”

In this document “seafood” refers to fish and other aquatic species, marine or freshwater, that are harvested for human consumption. This includes farm-raised fish and other aquaculture products.

EGGS

State and Federal Regulations for Processing, Handling, and Sales of Eggs in Kansas

Regulations for processing, handling, and sales of eggs in Kansas vary based on the size of a producer's flock and the location of sales, and can be a bit confusing to sort out. To make the regulations easier to understand, we have broken them down by flock size and sales venue. However, before we get into the specifics, **we should mention one regulation that applies to all eggs/egg producers:** According to the Kansas Department of Agriculture (KDA) *Egg Fact Sheet*, **regardless of flock size or sales venue: All eggs must be maintained at a temperature of 45°F or below.**

Regulations Based on Flock Size -

A producer with 50 or fewer hens who is not selling to a retail outlet can choose to sell “ungraded” or “graded” eggs. “Graded egg” means an egg which is classified in accordance with the standards established by the Kansas Department of Agriculture, taking into consideration the size or weight, quality factors, interior and exterior, including condition of white and yolk, the size and condition of the air cell and cleanliness and soundness of shell. Ungraded eggs may only be sold to consumers, and not to any businesses for resale.

- If the producer chooses to sell “**ungraded**” eggs, she/he:
 - Does not need a license, and
 - Is not subject to further processing and handling regulations under Kansas Egg Law.
- If the producer chooses to sell “**graded**” eggs, she/he:
 - Must obtain a Kansas Egg License from KDA, and
 - Follow all inspection, processing, handling, and labeling requirements mandated by Kansas Egg Law: http://www.ksda.gov/includes/statute_regulations/mainportal/EGGLAW_full_page.pdf.

A producer with 51 to 249 hens who is not selling to a retail business can choose to sell “ungraded” or “graded” eggs.

- If the producer chooses to sell “**ungraded**” eggs, she/he **does not** need a license to sell eggs but must meet the following requirements:
 - **Regulations for Processing and Handling “Ungraded” Eggs from 51 to 249 hens:**
 - Eggs must be washed and cleaned.
 - Eggs must be prepackaged and labeled as “ungraded” with the name and address of the producer.
 - Cartons must not be reused unless all brand markings and other identification are obliterated and the carton is free of foreign material.
 - Sales must be to consumers only.

NOTE: Kansas does not grade eggs other than chicken eggs, such as goose or duck eggs. These eggs must be sold as “ungraded,” and the producer must adhere to the processing and handling regulations outlined above. For more information on “ungraded” eggs, see: http://www.ksda.gov/includes/document_center/records_center/Food_Safety/egg_factsheet_farmersmarkets2006.pdf.

- If a producer with **51 to 249 hens** chooses to sell “**graded**” eggs, she/he must:
 - Obtain a Kansas Egg License from KDA, and
 - Follow all inspection, processing, handling, and labeling requirements mandated by Kansas Egg Law: http://www.ksda.gov/includes/statute_regulations/mainportal/EGGLAW_full_page.pdf.

A producer with 250 hens or more:

- **Can only sell “graded” eggs, regardless of the sales outlet,** and
- Must obtain a Kansas Egg License from KDA, and
- Must follow all inspection, processing, handling, and labeling requirements mandated by Kansas Egg Law: http://www.ksda.gov/includes/statute_regulations/mainportal/EGGLAW_full_page.pdf.

Regulations Based on Sales Venue –

In order to sell eggs at a **retail outlet**, a producer must:

- Sell “**graded**” eggs only, **regardless of flock size**, and
- Obtain a Kansas Egg License from KDA, and
- Follow all inspection, processing, handling, and labeling requirements mandated by Kansas Egg Law: http://www.ksda.gov/includes/statute_regulations/mainportal/EGGLAW_full_page.pdf.

In order to sell eggs at a **Kansas farmers market**:

- A producer with **50 or fewer hens** can sell “**ungraded**” eggs without obtaining a license, but must adhere to the following requirements:
 - Eggs must be stored at or below 45°F in a cooler or other temperature-controlled device with a properly calibrated thermometer.
 - Eggs must be packaged in cartons free of foreign materials.
 - Cartons must be labeled with the producer’s name and address, and the identity of the eggs, if other than chicken.
- A producer with **51 to 249 hens** can sell “**ungraded**” eggs without obtaining a license, but **must follow the conditions listed directly above** and must also:
 - Wash and clean the eggs.
 - Include a statement that the eggs are “ungraded” on the label along with the quantity of eggs, the producer’s name and address, and the identity of the eggs, if other than chicken.
- **Regardless of flock size**, a producer who sells “**graded**” eggs at a Kansas Farmers Market must:
 - Obtain a Kansas Egg License from KDA.
 - Follow all inspection, processing, handling, and labeling requirements mandated by Kansas Egg Law: http://www.ksda.gov/includes/statute_regulations/mainportal/EGGLAW_full_page.pdf.

For more information on **processing and handling requirements for “graded” eggs** or when and how to obtain an egg license, see: http://www.ksda.gov/includes/document_center/records_center/Records_Center/Lasthandler_eggfactsheet.pdf.

MEAT & POULTRY

State and Federal Regulations for Processing, Handling, and Sales of Meat and Poultry in Kansas

The type of facility a meat or poultry producer takes his/her animals to for slaughter determines which state and/or federal regulations apply, and where and to whom the producer can sell the meat.

Slaughtering/Processing Facilities for Meat and Poultry

KDA or USDA Licensed Facility -

A producer can take animals he/she has raised to a KDA or USDA licensed facility for slaughtering, processing, packaging, and labeling, and then sell the finished product wholesale or to a retail outlet. The producer might choose to sell meat directly to consumers from the farm, at a local farmers market, or through a Community Supported Agriculture (CSA) subscription plan. They might also choose to sell to a food business or institution such as a grocery store, restaurant, retirement home, or school. For more information on sales venues and strategies for direct marketing products to the different venues, see our many *Marketing Strategies* documents in this guide.

In order to sell meat and poultry products that have been slaughtered and processed at a KDA or USDA licensed facility, a producer **must register with the KDA’s Meat and Poultry Inspection Program as a**

Wholesaler/Meat Distributor. For more information on registering, see: http://www.ksda.gov/meat_poultry/content/155.

On-Farm Licensed Processing Plant -

A producer may choose to slaughter and/or process, package, and label their own meat and poultry, and sell the final products through any of the sales outlets mentioned above. This route **requires the producer to register as a Licensed Processing Plant with KDA.** For more information on registering as a licensed processing plant, see: http://www.ksda.gov/meat_poultry/content/155.

Custom-Exempt Slaughter Facilities -

A producer can also sell **live animals** to consumers, who are then responsible for having the animals slaughtered and processed. Typically, this is done through a “custom-exempt” slaughterhouse. According to the KDA, “Custom-exempt slaughtering and processing facilities provide a service to livestock owners by producing a product for owners’ use.” In other words, meat and poultry that is slaughtered and processed at a custom-exempt facility is intended **exclusively for consumption by the owner of the livestock**, and his/her family and friends. **Meat from custom-exempt facilities cannot be sold and must be marked “not for sale.”**

On-Farm Exemption -

There are two cases when a producer is exempt from the licensing requirements for the slaughter and sale of their meat or poultry:

Poultry Exemption: A producer who slaughters fewer than 1000 poultry units in a calendar year can slaughter and process birds on his/her own premises and sell the meat directly to the end consumer (household only, not commercial) without obtaining a license. Poultry sold in this manner must be labeled “not inspected.”

* Poultry units:

1 chicken or other bird = 1 poultry unit

1 turkey or goose = 4 poultry units

Rabbit Exemption: A producer who slaughters fewer than 250 rabbits in a calendar year can slaughter and process rabbits on his/her own premises and sell the meat directly to the end consumer (household only, not commercial) without obtaining a license. The meat must be labeled “not inspected.”

Sales Regulations for Meat and Poultry

- Meat and poultry slaughtered and processed at licensed facilities (including the producer’s premises if the producer is licensed by KDA as a processing facility) can be sold wholesale or retail, directly to the consumer or to a commercial outlet. A producer might choose to sell meat directly to the consumer from the farm, at a farmers market, through a CSA subscription service, or online; or, to a grocery store, restaurant, school, or other retail business or institution.
- **Meat and poultry slaughtered and processed at KDA inspected facilities can only be sold in the state of Kansas.**
- **In order to sell across state lines, meat and poultry must be slaughtered and processed at USDA inspected facilities.** (Meat and poultry slaughtered and processed at USDA inspected facilities can also be sold in Kansas.)
- Meat and poultry that is **slaughtered and processed at a custom-exempt facility cannot be sold.**

Handling Regulations – Meat and Poultry

*Regardless of where an animal is slaughtered or processed, or where or to whom the meat is sold, **KDA mandates the following handling regulations for meat and poultry:**

- All products must be stored, transported, and handled to prevent adulteration.

- Meat/meat products must be handled, transported, and stored in sanitary environments, and a proper rodent or insect control program must be maintained.
 - Proper temperatures must be maintained in freezers or coolers during all stages of handling, transportation, and storage:
 - Frozen meat must be kept solidly frozen at a temperature of 0oF or below.
 - Fresh meat must be kept at temperatures not to exceed 36oF.
- *Note: These handling regulations apply even to poultry and rabbit producers who are exempt as explained previously.

***For transportation of meat/meat products to Kansas Farmers Markets,** producers must have a cooler or freezer with a properly calibrated thermometer.

For further information on handling requirements for meat and poultry, see *Wholesale Guidelines*, KDA: www.ksda.gov/includes//document_center/meat_poultry/Industry_Information/Wholesale_Guidelines.pdf.

To see in its entirety, the *Meat and Poultry Inspection Act, 2010, K.S.A. 65-6a25*: http://www.ksda.gov/includes/statute_regulations/mainportal/MEAT_and_POULTRY.pdf.

DAIRY PRODUCTS

State and Federal Regulations for Processing, Handling, and Sales of Dairy Products in Kansas

In order to sell milk, cheese, or other dairy products in Kansas, a producer must be registered with the Kansas Department of Agriculture Dairy Inspection Program as a **licensed KDA Dairy Processing Plant**, and must be designated Grade A Pasteurized in accordance with the US Food and Drug Administration's (FDA) *Pasteurized Milk Ordinance*.

Because milk and dairy products have a significant potential for causing sickness in humans if proper processing and handling techniques are not adhered to, processing and handling regulations are specific and detailed, and frequent on-site inspections and product testing are required. For more information on inspections and testing, see our *Regulations – Inspections – Animal Products* document in this guide.

Processing and handling regulations for licensed Dairy Processing Plants for milk and other dairy products can be found in *The Kansas Dairy Law, 2011*: http://www.ksda.gov/includes/statute_regulations/mainportal/DAIRY.pdf.

Raw Milk Exemption:

On-farm retail sales of raw milk or raw milk products is allowed and exempt from requirements that pertain to Dairy Processing Plants and Grade A Pasteurization designation, as long as:

- Sales are made directly to the consumer from the farm.
- The producer does not promote milk or milk product sales in any manner except a sign erected on the premises of the dairy farm. The sign must state, in letters of a uniform size, that the milk or milk products are raw.
- Containers in which unpasteurized milk is sold or offered for sale must be clearly labeled as “ungraded raw milk.” (*The Kansas Dairy Law, 2011, 65-773*)

Producers who intend to sell raw milk must adhere to “4-7-4 Handling Requirements” (below) from *The Kansas Dairy Law, 2011*: http://www.ksda.gov/includes/statute_regulations/mainportal/DAIRY.pdf.

4-7-4. Handling requirements:

- (a) Cooling: All milk shall be cooled to 45oF or less within one hour after milking and shall be maintained at these temperatures until delivery to the consumer.
- (b) Containers: All containers shall be stored in a sanitary place and manner and protected from possible contamination. All bottles, cans, and other multiuse containers shall be thoroughly washed and sanitized before each usage.

Storage and Transportation Requirements - Milk and Dairy Products:

According to the Kansas Rural Center's, *Rules, Regulation and Resources for Kansas Farmers Markets*, Publication MG10C.2, <http://www.kansasruralcenter.org/publications/RRRFM2010.pdf>:

- Milk, cheese and other non-frozen dairy products must be maintained at or below a temperature of 45°F at all times.
- To ensure quality, milk and other non-frozen dairy products should be maintained at or below a temperature of 40°F.
- Frozen dairy products must be solidly frozen and maintained at a temperature of 0° F or below at all times.
- Dairy products must be transported in coolers, refrigerated vehicles or freezers equipped with properly calibrated thermometers.

For more information on Kansas dairy processing, handling, and sales requirements, see: <http://www.ksda.gov/dairy/content/119>. Or contact: Kansas Department of Agriculture; Dairy Inspection Program; 785-296-3511; <http://www.ksda.gov/dairy/>.

To learn more about licensing and Grade A Pasteurized designation, see our *Regulations – Licensing Requirements – Animal Products* document in this guide.

FISH & OTHER AQUACULTURE PRODUCTS

State and Federal Regulations for Processing, Handling, and Sales of Farm-Raised Fish and Other Aquaculture Products in Kansas

“Aquaculture operations must meet rigorous food safety and environmental standards and are closely regulated on all levels. Seafood farmers follow the same food safety guidelines as land farmers and any other producer of seafood. These guidelines include harvesting from approved waters, feed regulations, handling and processing under sanitary conditions, and maintaining records.” *FishWatch US Seafood Facts*. National Oceanic and Atmospheric Administration (NOAA): http://www.fishwatch.gov/farmed_seafood/in_the_us.htm.

Kansas fish-farmers, are confronted with regulation by a whole host of state and federal agencies, including:

- Kansas Department of Agriculture
- United States Environmental Protection Agency
- Food and Drug Administration
- United States Fish and Wildlife Service
- Kansas Department of Wildlife, Parks and Tourism
- Kansas Water Office

Technically, these agencies are charged with regulating all aspects of aquaculture from its environmental impacts, such as water use, discharge, and prohibited species, to its more product-oriented aspects, such as harvesting, processing, packaging, labeling, and sales. A producer interested in starting an aquaculture operation can learn more about aquaculture and the associated regulations at the *Aquaculture in Kansas* website: <http://www.kansasaquaculture.org/>, or from the aquaculture and aquaponics resources in the Other Resources section of this document.

According to Charlie Lee, KSU Extension Wildlife Specialist, despite the long list of regulatory agencies, small-scale aquaculture is largely unregulated in Kansas, and a number of producers sell farm-raised fish directly to consumers, either from the farm or at a Kansas Farmers Market.

According to *Starting a Seasonal Open-Air Market in Kansas: A Market Organizer's Field Guide*, the following regulations apply for **selling fish at Kansas Farmers Markets**:

- Only **frozen fish from an inspected source** can be sold.
- Fish must be **properly labeled** per KDA labeling requirements.
- Fish must **remain completely** frozen.

- Fish must be in **approved packaging**.
- **Sales of fresh fish is prohibited.**

For more information, see: <http://www.ksre.ksu.edu/library/hort2/s140.pdf>.

According to the Meat and Seafood Manager of the Community Mercantile in Lawrence, Kansas, **in order to sell fish to a retail outlet, a producer would need to have the fish slaughtered and processed at an inspected facility**. The KDA Division of Food Safety and Lodging oversees inspection of fish processing in Kansas. To learn more about regulations impacting direct marketers of aquaculture products, contact: KDA Division of Food Safety and Lodging; 109 S.W. 9th Street, 3rd Floor; Topeka, KS 66612; 785-296-5600; http://www.ksda.gov/food_safety/

All packages sold in Kansas, including farm-raised fish or other aquaculture products, are required to be labeled with the contents, net weight, and contact information of the producer. For more information about labels, see our *Regulations – Labeling – Animal Products* document in this guide.

For general questions concerning aquaculture in Kansas, contact: Charlie Lee; Extension Wildlife Specialist; Kansas State University; Manhattan, KS 66506; 785-532-5734; <http://www.kansasaquaculture.org/CONTACTS.htm>.

HONEY & OTHER HIVE PRODUCTS

State and Federal Regulations for Processing, Handling, and Sales of Honey and Hive Products in Kansas

- **A honey producer who plans to sell raw honey directly to the consumer** does not need a license and is not regulated by the state. This includes producers who intend to sell honey at a Kansas Farmers Market. http://www.ksda.gov/includes/statute_regulations/mainportal/KS_Food_Code05.pdf (page 9).
- **In order to sell honey that has been heated, pasteurized, or has added ingredients**, a honey producer must obtain a food processing license from KDA, pay the associated fees, follow the associated processing and handling regulations, and pass an inspection.
- **In order to sell honey or hive products (whether raw or processed) to a retail outlet**, such as grocery store, restaurant, institution, or any other commercial outlet, **a honey producer must obtain a food processing license** from KDA, pay the associated fees, follow the associated processing and handling regulations, and pass an inspection.

For more information on food processing licenses and the associated fees, see: http://www.ksda.gov/food_safety/content/326/cid/1558. Or contact: Kansas Department of Agriculture 785-296-7430.

For a KDA Food Processing license application, go to: http://www.ksda.gov/includes/document_center/records_center/Food_Safety/Food_Processing-Storage_App.pdf.

All honey produced and sold in Kansas should bear a **label** with the word “honey” on it, along with the “net weight” (in pounds/ounces and metric weight), and the contact information of the honey producer. For more information on honey labeling, see: <http://www.honey.com/nhb/industry/labeling-information/>, or the *Regulations – Labeling – Animal Products* document in this guide.

Other Resources

Eggs

US Standards, Grades and Weight for Shell Eggs - adoption by ref. (K.A.R. 4-11-1, 2000): http://www.ksda.gov/includes/statute_regulations/mainportal/AMS_EggSt.pdf

United States Standards, Grades, and Weight Classes for Shell Eggs, AMS 56, United States Department of Agriculture: http://www.ksda.gov/includes/statute_regulations/mainportal/AMS_EggSt.pdf

Egg Grading, Colorado Department of Agriculture: <http://www.colorado.gov/cs/Satellite/Agriculture-Main/CDAG/1178305849847>

Egg Fact Sheet, Kansas Department of Agriculture: http://www.ksda.gov/includes/document_center/records_center/Food_Safety/egg_factsheet_farmersmarkets2006.pdf

Meat and Poultry

Registration forms for KDA Meat Wholesaler/Distributor license, Kansas Department of Agriculture: http://www.ksda.gov/meat_poultry/content/155

Frequently Asked Questions, Meat and Poultry Inspection Program, Kansas Department of Agriculture: www.ksda.gov/meat_poultry/faq/

Kansas Meat and Poultry Inspection Act, Kansas Statutes Annotated, Kansas Department of Agriculture: http://www.ksda.gov/includes/statute_regulations/mainportal/MEAT_and_POULTRY.pdf

Milk or Other Dairy Products

Dairy in Kansas, (a website with links to many Kansas dairy resources). www.dairyinkansas.com/regulations

Fish and Aquaculture

What is Aquaculture? National Oceanic and Atmospheric Administration, FishWatch, Farmed Seafood (excellent explanation of aquaculture and aquaponics): http://www.fishwatch.gov/farmed_seafood/what_is_aquaculture.htm

Kansas Center for Sustainable Agriculture and Alternative Crops (a webpage with links to resources, including aquaculture and aquaponics), Kansas State University Research and Extension: <http://www.kansasustainableag.org/Library/A.htm>

Making Wise Choices When Direct Marketing Your Aquaculture Products, Aquaculture Extension, Illinois - Indiana Sea Grant Program: http://www.aces.edu/dept/fisheries/education/ras/publications/bus_mark/marketingAS-464.pdf

Niche Marketing Your Aquaculture Products, Iowa State Extension Service: <http://www.extension.iastate.edu/fisheries/publications/TB107.pdf>

Department of Commerce and NOAA Aquaculture Policies, National Oceanic and Atmospheric Administration: http://www.nmfs.noaa.gov/aquaculture/policy/2011_policies_homepage.html

Honey and Hive Products

Beekeeping/Apiculture, The National Sustainable Agriculture Information Service (ATTRA): <https://attra.ncat.org/attra-pub/summaries/summary.php?pub=76>

Selling Animal Products at Kansas Farmers Markets

Rules, Regulations and Resources for Kansas Farmers Markets, Kansas Rural Center. <http://www.kansasruralcenter.org/publications/RRRFM2010.pdf>

Kansas Slaughtering/Processing Facilities

Inspected Slaughter and Processing Plants (in Kansas), KDA:http://www.ksda.gov/includes/document_center/meat_poultry/Consumer_Information/inspected.pdf

Custom slaughter and processing plants (in Kansas), Kansas Department of Agriculture: http://www.ksda.gov/includes/document_center/meat_poultry/Consumer_Information/custom.pdf

Paradise Locker Meats, Trimble, Missouri (This processor is devoted to ethical and humane animal treatment.): <http://www.paradisemeats.com/>. <http://www.heritagefoodsusa.com/farmers/#9>

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Regulations - Licensing Requirements for Animal Products in Kansas

This document outlines licensing requirements for direct marketers of eggs, meat, poultry, dairy products, fish, and honey in Kansas.

Introduction

Kansas farms must meet state licensing requirements in order to direct market certain animal products. Below we cover these topics as they apply to the following:

- Eggs
- Meat and Poultry
- Dairy Products
- Fish and Other Aquaculture Products
- Honey and Other Hive Products

Licensing Requirements for Direct Marketing Eggs in Kansas

Licensing requirements for direct sales of eggs vary depending on the number of hens the producer has and where the producer intends to sell the eggs.

*If a producer has **50 or fewer hens and is not selling to a retail business**, the producer can choose to sell “ungraded” or “graded” eggs. “Graded egg” means an egg which is classified in accordance with the standards established by the Kansas Department of Agriculture, taking into consideration the size or weight, quality factors, interior and exterior, including condition of white and yolk, the size and condition of the air cell and cleanliness and soundness of shell. Ungraded eggs may only be sold to consumers, and not to any businesses for resale.

- If the producer chooses to sell “**ungraded**” eggs, he/she **does not need a license** to sell eggs, and is **not** subject to Kansas Egg Law.
- If the producer chooses to sell “**graded**” eggs, she/he **must obtain a Kansas Egg License** from the Kansas Department of Agriculture (KDA).

*If a producer has from **51 to 249 hens and is not selling to a retail business**, the producer can choose to sell “ungraded” or “graded” eggs.

- If the producer chooses to sell “**ungraded**” eggs, she/he **does not need a license** to sell eggs, and **is** subject to Kansas Egg Law.
- If the producer chooses to sell “**graded**” eggs, he/she **must obtain a Kansas Egg License** from KDA.

*A producer who has **250 hens or more can only sell “graded” eggs, regardless of the sales outlet, and must obtain a Kansas Egg License** from KDA.

*A producer who **is selling eggs at or to a retail outlet can only sell “graded” eggs, regardless of flock size, and must obtain a Kansas Egg License** from KDA.

*When selling eggs at **Kansas farmers markets –**

- A producer who has **fewer than 250 hens** can sell “**ungraded**” eggs at a Kansas farmers market **without obtaining a license**.
- If a producer with **fewer than 250 hens** chooses to sell “**graded**” eggs at a Kansas farmers market, she/he **must obtain a Kansas Egg License** from KDA.
- A producer who has **250 or more hens can only sell “graded” eggs, and must obtain a Kansas Egg License** from KDA.

For more information on when and how to obtain an egg license, see the *Egg Fact Sheet*:
http://www.ksda.gov/includes/document_center/records_center/Records_Center/Lasthandler_eggfactsheet.pdf.

To obtain an Egg License and apply for inspection, see *Application for Egg License*, KDA: http://www.ksda.gov/includes/document_center/records_center/Food_Safety/eggapp.pdf.

To order *Egg Inspection Fee Stamps*, from KDA see:
http://www.ksda.gov/includes/document_center/records_center/Records_Center/EGGSTAMP.pdf.

Licensing Requirements for Direct Marketing Meat* and Poultry in Kansas

* The word “meat” in this section refers to meat from “livestock,” as defined in the Kansas Meat and Poultry Inspection Act, and meat from rabbits. According to the Kansas Meat and Poultry Inspection Act, the term livestock refers to “... cattle, buffaloes, sheep, swine, goats, domesticated deer, all raites that are not indigenous to [Kansas], including but not limited to ostriches, emus, rheas or horses, mules or other equines. These regulations do not apply to buffalo or domesticated deer killed for recreation or sport.” (*Meat and Poultry Inspection Act, 2010, K.S.A. 65-6a18*)

***A producer who intends to sell meat from animals (she/he has raised) that have been slaughtered, processed, and labeled at a KDA or USDA inspected plant must register as a Meat Wholesaler** with the KDA Meat and Poultry Inspection Program, **and obtain the appropriate license.**

***In order to sell meat from animals (he/she has raised) that have been slaughtered and/or processed on the producer’s own premises, a producer must register as a Processing Facility** with the KDA Meat and Poultry Inspection Program, **and obtain the appropriate license.** As part of the licensing process, a representative from the KDA Meat and Poultry Inspection Program will visit the farm to assess the facility intended for use, and evaluate the types of product the farmer intends to produce.

For more information on licensing requirements, or to register and obtain a license, see *Meat and Poultry Inspection Registration*, KDA: http://www.ksda.gov/meat_poultry/content/155. Or Contact:

KDA Meat and Poultry Inspection Program: http://www.ksda.gov/meat_poultry/contact/.
109 SW 9th Street; Topeka, KS 66612; 785-296-3511

***Poultry Exemption:** A producer who slaughters **fewer than 1000 poultry units in a calendar year** can slaughter and process birds on his or her own premises and sell the meat directly to the end consumer (household only, not commercial) without obtaining a license. Poultry sold in this manner must be labeled “not inspected.”

Poultry units:

1 chicken or other bird = 1 poultry unit

1 turkey or goose = 4 poultry units

***Rabbit Exemption:** A producer who slaughters **fewer than 250 rabbits in a calendar year** can slaughter and process rabbits on his/her own premises and sell the meat directly to the end consumer (household only, not commercial) without obtaining a license. The meat must be labeled “not inspected.”

Licensing Requirements for Direct Marketing Dairy Products in Kansas

In order to sell milk, cheese, or other dairy products in Kansas, a producer must register with the Kansas Department of Agriculture Dairy Inspection Program as a **licensed KDA Dairy Processing Plant**, and must be **designated Grade A Pasteurized** in accordance with the US Food and Drug Administration's *Pasteurized Milk Ordinance*.

For information on registering as a licensed Dairy Processing Plant, contact:

Kansas Department of Agriculture
Dairy Inspection Program
785-296-3511
<http://www.ksda.gov/dairy/>.

To learn more about Grade A Pasteurized designation, see KDA's Dairy Inspection Program *Grade A Producer Information Packet*: <http://www.ksda.gov/dairy/content/119>.

Raw Dairy Products Exemption: On-farm retail sales of raw milk or milk products is exempt from the above requirements and **the producer does not need a license**, so long as sales are directly to the consumer from the farm, and the producer does not promote milk or milk product sales in any manner except a sign erected on the premises of the dairy farm. The sign must state, in letters of a uniform size, that the milk or milk products are raw. Containers in which unpasteurized milk is sold or offered for sale must be clearly labeled as "ungraded raw milk." (*The Kansas Dairy Law, 2011, K.S.A. 65-773*)

Licensing Requirements for Direct Marketing Farm-Raised Fish and Other Aquaculture Products in Kansas

According to the National Sustainable Agriculture Information Service (ATTRA) publication, *Aquaculture Enterprises: Considerations and Strategies*, <https://attra.ncat.org/attra-pub/summaries/summary.php?pub=257>, it is important to obtain all state and federal permits and/or licenses that pertain to your aquaculture operation. "The permit type will vary depending on the species grown, culture techniques, local zoning ordinances, public or private water use and discharge regulation, land designated wetland ... and marketing strategy."

The publication recommends contacting all state and federal agencies that are involved with the environment, natural resources or agriculture. In Kansas, this includes the Kansas Department of Agriculture; Kansas Department of Wildlife, Parks, and Tourism; US Fish and Wildlife Service; Kansas Water Office; United States Environmental Protection Agency; and the US Food and Drug Administration.

A producer who is thinking of starting an aquaculture operation or who is intending to sell farm-raised fish or other aquaculture products will need to find out which licenses and permits are required for their specific situation.

The KDA Division of Food Safety and Lodging is responsible for licensing and regulating fish processing in Kansas and would be a good first contact:

KDA Division of Food Safety and Lodging
109 SW 9th St., 3rd Floor
Topeka KS 66612
785-296-5600.

http://www.ksda.gov/food_safety/

The Kansas Extension Wildlife Specialist is also a good resource for aquaculture questions: <http://www.kansasaquaculture.org/CONTACTS.htm>, or call 785-532-5734.

Licensing Requirements for Direct Marketing Honey in Kansas

A honey producer does not need a license in order to sell honey directly to the consumer (household only, not commercial) in Kansas. This includes selling honey at a Kansas farmers market.

If a honey producer wishes to sell his or her honey to a retail outlet, or any other business or institution, he/she **must obtain a food-processing license** from the KDA, pay the associated fees, and pass an inspection. For more information, see: http://www.ksda.gov/food_safety/content/326/cid/1558.

Other Resources

Egg License Requirements

Egg Fact Sheet, Kansas Department of Agriculture: http://www.ksda.gov/includes/document_center/records_center/Food_Safety/egg_factsheet_farmersmarkets2006.pdf

Kansas Egg Law, Kansas Department of Agriculture: http://www.ksda.gov/includes/statute_regulations/mainportal/EGGLAW_full_page.pdf

Meat and Poultry Licensing Requirements

Meat and Poultry Inspection Registration (Registration forms for KDA Meat Wholesaler/Distributor license), Kansas Department of Agriculture: http://www.ksda.gov/meat_poultry/content/155

Frequently Asked Questions, Meat and Poultry Inspection Program, Kansas Department of Agriculture: www.ksda.gov/meat_poultry/faq/

Kansas Meat and Poultry Inspection Act, Kansas Statutes Annotated, Kansas Department of Agriculture: http://www.ksda.gov/includes/statute_regulations/mainportal/MEAT_and_POULTRY.pdf

Licensing Requirements for Producers of Milk or Other Dairy Products

The Kansas Dairy Law, 2011, Kansas Department of Agriculture: http://www.ksda.gov/includes/statute_regulations/mainportal/DAIRY.pdf.

Dairy in Kansas, (website with links to many Kansas dairy resources). www.dairyinkansas.com/regulations

Aquaculture/Aquaponics Licensing Requirements

What is Aquaculture? National Oceanic and Atmospheric Administration, FishWatch, Farmed Seafood (excellent explanation of aquaculture and aquaponics): http://www.fishwatch.gov/farmed_seafood/what_is_aquaculture.htm

Department of Commerce and NOAA Aquaculture Policies, National Oceanic and Atmospheric Administration: http://www.nmfs.noaa.gov/aquaculture/policy/2011_policies_homepage.html

Starting a Seasonal Open-Air Market in Kansas: A Market Organizer's Field Guide, Kansas State University Agricultural Experiment Station and Cooperative Extension Service: <http://www.ksre.ksu.edu/library/hort2/s140.pdf>

Aquaculture Is ..., Kansas Aquaculture Association: <http://www.kansasaquaculture.org/>; <http://www.kansasaquaculture.org/CONTACTS.htm>

Niche Marketing Your Aquaculture Products, Iowa State Extension Service: <http://www.extension.iastate.edu/fisheries/publications/TB107.pdf>

Aquaponics — Integration of Hydroponics with Aquaculture, National Sustainable Agriculture Information Service: <https://attra.ncat.org/attra-pub/summaries/summary.php?pub=56>

This resource is available for \$2.95 as a downloadable PDF.

Making Wise Choices When Direct Marketing Your Aquaculture Products, Aquaculture Extension, Illinois - Indiana Sea Grant Program: http://www.aces.edu/dept/fisheries/education/ras/publications/bus_mark/marketingAS-464.pdf

Licensing Requirements for Selling Animal Products at Kansas Farmers Markets

Rules, Regulations and Resources for Kansas Farmers Markets, Kansas Rural Center: <http://www.kansasruralcenter.org/publications/RRRFM2010.pdf>

Starting a Seasonal Open-Air Market in Kansas: A Market Organizer's Field Guide, Kansas State University Agricultural Experiment Station and Cooperative Extension Service: <http://www.ksre.ksu.edu/library/hort2/s140.pdf>

Primary Author: Joanna Voigt, *Kansas Rural Center*



Regulations - Inspections for Animal Products in Kansas

This document outlines inspection requirements for eggs, meat and poultry, dairy products, fish and other aquaculture products, and honey and hive products.

Introduction

Farms must meet inspection requirements in order to sell animal food products in Kansas. Inspections sound scary but let's think for a moment about a food system without them. These regulations help you and your customers stay safe, healthy, and ready to do business with more Kansas farms. Below we discuss inspection regulations for the following farm products:

- Eggs
- Meat and Poultry
- Dairy Products
- Fish and Other Aquaculture Products
- Honey and Other Hive Products

Kansas Inspection Requirements for Egg Producers

Inspection requirements for egg producers vary depending on the number of hens the producer has and where the producer intends to sell the eggs.

***If the producer has 249 or fewer hens, and is not selling to a retail business**, the producer can choose to sell “ungraded” or “graded” eggs. “Graded egg” means an egg which is classified in accordance with the standards established by the Kansas Department of Agriculture, taking into consideration the size or weight, quality factors, interior and exterior, including condition of white and yolk, the size and condition of the air cell and cleanliness and soundness of shell. Ungraded eggs may only be sold to consumers, and not to any businesses for resale.

- If the producer chooses to sell “**ungraded**” eggs, no inspection is required.
- If the producer chooses to sell “**graded**” eggs, or **is selling at a retail outlet** (in which case eggs must be “graded”), she/he must pass inspection and pay inspection fees or purchase inspection stamps, which include the “grade” of egg as determined through inspection.

***If the producer has 250 hens or more**, the producer must pass inspection and pay inspection fees or purchase inspection stamps, which include the “grade” of the eggs, as determined through inspection.

To apply for inspection: http://www.ksda.gov/includes/document_center/records_center/Food_Safety/eggapp.pdf

To order Egg Inspection Fee Stamps:

http://www.ksda.gov/includes/document_center/records_center/Records_Center/EGGSTAMP.pdf

For information on egg “grades”, see: http://www.ksda.gov/includes/statute_regulations/mainportal/AMS_EggSt.pdf.

Or contact: Kansas Department of Agriculture; Food Safety and Lodging Program; 785-296-5600.
http://www.ksda.gov/food_safety/content/326

Kansas Inspection Requirements for Meat* and Poultry Producers

* The word “meat” in this document includes “livestock,” as defined in the Kansas Meat and Poultry Inspection Act, and rabbit meat. According to the Kansas Meat and Poultry Inspection Act, the term livestock refers to “... cattle, buffaloes, sheep, swine, goats, domesticated deer, all ratites that are not indigenous to [Kansas], including but not limited to ostriches, emus, rheas or horses, mules or other equines. These regulations do not apply to buffalo or domesticated deer killed for recreation or sport.” (*Meat and Poultry Inspection Act, 2010, K.S.A. 65-6a18*)

- Meat and poultry **produced in Kansas and intended for sale in Kansas** must be slaughtered and processed at either a Kansas Department of Agriculture (KDA) or United States Department of Agriculture (USDA) inspected facility. Meat and poultry produced in Kansas and intended for sale **across state lines** must be slaughtered and processed at a USDA inspected facility.
- Small-scale poultry and rabbit producers may be exempt from having to use an inspected facility for slaughter. For more information on inspection exemptions, see the document titled Regulations – Handling, Processing, and Sales of Animal Products in Kansas, in this guide.
- According to the KDA Meat and Poultry Inspection Program, meat is the most highly regulated sector of the food industry. The following is information concerning KDA inspection process for meat and poultry processing plants:

“Meat and poultry products are an integral part of the food chain. Because these products can be associated with food borne illnesses, making sure products produced in Kansas are safe is an important public health safeguard.

Inspected Slaughter and Processing Plants are registered and inspected on a continual basis to produce products for commercial sale. Our inspection staff performs a visual inspection of the live animal prior to slaughter and an evaluation of the animal carcass for any signs of disease. Our inspection staff verify that all rooms, compartments, and equipment in the plant are clean, sanitary, and properly maintained before daily operations begin. Products are sampled on a regular basis to monitor product compliance with national standards of identity and composition. Any contamination may lead to the condemnation of affected product. A finished meat or poultry product must be labeled using a label approved by our program. Products produced under continuous inspection by our program show the Kansas inspection legend (below) indicating the product has been inspected, is wholesome, free from adulteration, and



prepared from healthy animals under sanitary conditions. Our compliance officers review stores, restaurants, wholesalers, and warehouses to assure all products offered for sale are from approved sources, properly labeled, wholesome and unadulterated.”

- **A producer whose animals are slaughtered, processed, packaged and labeled at a KDA or USDA inspected facility may be subject to an annual inspection of the premises where the animals are raised.**
- **Producers who slaughter or process their own animals** must be registered with KDA as a processing plant and must have the appropriate license(s). **Licensed processors are subject to inspection as outlined on the Kansas Department of Agriculture website:** http://www.ksda.gov/meat_poultry/content/52/cid/1896.
- **Custom-exempt slaughtering facilities** must comply with state requirements for construction, product adulteration, labeling, and record keeping, but **are inspected on an annual basis for construction and sanitation requirements, only.** For more information, contact: KDA Meat and Poultry Inspection Program; 109 SW 9th Street; Topeka, KS 66612; 785-296-3511; http://www.ksda.gov/meat_poultry/contact/

Kansas Inspection Requirements for Dairy Producers

- In order to sell milk, cheese, or other dairy products in Kansas, a producer must be a licensed Dairy Processing Plant and must be designated Grade A Pasteurized.
- In Kansas, **Dairy Processing Plants are inspected about six times a year** and samples of milk and all other dairy products produced at the plant are tested in the KDA Dairy Lab once a month. Pasteurization equipment is tested four times a year.
- KDA Dairy Inspectors can help prospective dairy farmers understand the requirements involved in becoming a licensed Dairy Processing Plant and the inspection process. For more information, contact: KDA Dairy Inspection Program; 109 SW 9th Street; Topeka, KS 66612; 785-296-3511; <http://www.ksda.gov/dairy/>

To learn more about inspection requirements for milk and other dairy products, see KDA's Dairy Inspection Program *Grade A Producer Information Packet*: <http://www.ksda.gov/dairy/content/119>.

Exemption for Raw Dairy Products -

- **Farms that sell only raw milk or raw milk products directly to the consumer from the farm** are exempt from the above requirements and are **not routinely inspected** by the Kansas Department of Agriculture Dairy Inspection Program.
- **Un-permitted raw milk farms are occasionally inspected**, particularly if KDA receives complaints or a raw milk illness is reported to KDA and traced to a particular dairy farm. "State statutes give the KDA dairy program the ability to inspect anywhere milk is produced, processed, transported or sold but when it comes to on-farm raw milk sales, the statute does not mandate routine inspections," according to the Program Manager of the KDA Dairy Inspection Program.
- Dairy producers who sell raw milk are subject to various other requirements. For more information, see the document titled *Regulations – Processing, Handling, and Sales of Animal Products in Kansas* in this guide.

Kansas Inspection Requirements for Producers of Farm-Raised Fish

A report published in 1991 by the Kansas Aquaculture Task Force cited the need for an aquaculture inspection program in the state of Kansas, positing that such a program would be an integral part of the strategy to develop the aquaculture industry in the state. It was felt that a reliable inspection program would help promote consumer confidence in aquaculture products, thereby increasing sales and expanding the industry. For the full report, see: <http://www.kansasaquaculture.org/documents/ksaquaculturestrategydevelopment.pdf>.

While a stand-alone aquaculture inspection program did not materialize, aquaculture is considered agriculture by the state of Kansas and is regulated by the Kansas Department of Agriculture. **Currently, the KDA Division of Food Safety and Lodging is responsible for regulating the processing of farm-raised fish intended for intrastate sales.** For more information, contact: KDA Division of Food Safety and Lodging; 109 S.W. 9th Street, 3rd Floor; Topeka, KS 66612; (785) 296-5600

- **Sales of farm-raised fish across state lines are subject to regulation by the US Food and Drug Administration (FDA), in addition to KDA regulations.** For information on the FDA seafood inspection, see: http://www.fishwatch.gov/buying_seafood/inspecting_seafood.htm.

- **Catfish produced in Kansas but destined for interstate sales are amenable to the federal meat inspection act, and are regulated by the USDA Food Safety Inspection Service (FSIS).** For information on this, see: http://www.fsis.usda.gov/About_FSIS/OCIP/index.asp.

Kansas Inspection Requirements for Honey Producers

- In order to sell honey to a retail outlet in Kansas, a honey producer must have a food processing license and pass inspection by the KDA Division of Food Safety and Lodging. For information on applying for a food

processing license, see: http://www.ksda.gov/food_safety/content/326/cid/1558.

- **Honey producers who intend to sell their honey directly to the consumer only do not need a license and are not inspected.** This includes honey producers who sell honey at Kansas Farmers Markets.

Other Resources

Eggs

Egg Fact Sheet, Kansas Department of Agriculture: http://www.ksda.gov/includes/document_center/records_center/Food_Safety/egg_factsheet_farmersmarkets2006.pdf

Kansas Egg Law, Kansas Department of Agriculture: http://www.ksda.gov/includes/statute_regulations/mainportal/EGGLAW_full_page.pdf

Meat and Poultry

Frequently Asked Questions, Meat and Poultry Inspection Program, Kansas Department of Agriculture: www.ksda.gov/meat_poultry/faq/

Kansas Meat and Poultry Inspection Act, Kansas Statutes Annotated, Kansas Department of Agriculture: http://www.ksda.gov/includes/statute_regulations/mainportal/MEAT_and_POULTRY.pdf

Dairy Products

Dairy in Kansas: www.dairyinkansas.com/regulations

This website has links to many Kansas dairy resources

Local Foods Marketing

Kansas Department of Agriculture, Annarose Hart, annarose.hart@kda.ks.gov, 785-296-0362

Primary Author: Joanna Voigt, *Kansas Rural Center*

Regulations - Labeling of Animal Products in Kansas

This document explains label requirements and label claims that pertain to Kansas direct market farmers of eggs, meat, poultry, dairy products, fish, and honey.

Introduction

According to Kansas Weights and Measures Law, every food in package form must be labeled. The term “package” means any commodity put up or packaged in any manner in advance of sale in units suitable for either wholesale or retail sale. K.S.A. 83-201(h)

Since most, if not all, animal products are sold in some kind of packaging, the labeling requirement spelled out in the Weights and Measures Law is relevant to direct market farmers who sell animal products. The requirements for what must be included on a label can seem quite complicated at first glance. In order to make the labeling process less confusing, we have outlined the requirements for Kansas producers of eggs, meat, poultry, dairy products, fish, and honey below, and included links to further details. Producers must comply with both state and federal regulations and the requirements vary depending on the product, production scale, and point of sale or end consumer. Sometimes a producer will want to include additional information on their label, such as a statement about how the animal was raised, or a how a particular farming practice was utilized. These statements are referred to as label claims and are also regulated by state and federal agencies.

The requirements listed below fulfill both Kansas Department of Agriculture (KDA), and United States Department of Agriculture (USDA) labeling requirements for the following:

- Eggs,
- Meat and poultry,
- Dairy products,
- Fish and other aquaculture products, and
- Honey and other hive products.

Labeling Requirements

Labeling Requirements for Eggs -

Labeling requirements for eggs vary depending on the number of hens the producer has and where the producer intends to sell the eggs.

*For a producer who has **50 or fewer hens** and is **not selling to a retail business**–

- Eggs can be sold “ungraded” and the producer is not subject to Kansas Egg Law labeling requirements.
- If the producer chooses to sell “graded” eggs, she/he must follow **KDA Label Requirements for “Graded” Eggs** as outlined below.

*For a producer who has **51 to 249 hens** and is **not selling to a retail business**–

- Eggs can be sold “ungraded”, but egg carton labels must include:
- The statement “ungraded,”
- The name and address of the producer, and
- The identity of the eggs if other than chicken (eg. goose/duck).
- If the producer chooses to sell “graded” eggs, she/he must follow **KDA Label Requirements for “Graded” Eggs** outlined below.

*For a producer who has **250 hens or more** or **is selling to a retail outlet**:

- **Eggs must be “graded,” and**
- The egg carton must be labeled according to **KDA Label Requirements for “Graded” Eggs** outlined below.

KDA Label Requirements for “Graded” Eggs -

The label must include, in English:

- The size and quality* of the eggs – in boldface type letters not less than 3/8” in height;
- The identity of the eggs, if other than chicken;
- The name and address of either the packer or the retailer (if eggs have been repackaged at the retail facility);
- The date of packing (month and year) and the expiration date, preceded by “exp” or “sell by;” and
- Safe handling instructions that must include, “Keep refrigerated at or below 45 degrees Fahrenheit,” on the outside of the carton, **and** “To prevent illness from bacteria: keep eggs refrigerated, cook eggs until yolks are firm, and cook foods containing eggs thoroughly,” must be printed on either the outside or the inside of the carton.

* Kansas has adopted **USDA standards for “graded” eggs**. For a breakdown of grading parameters, see: *US Standards, Grades and Weight for Shell Eggs* - adoption by ref. (K.A.R. 4-11-14, 2000).
http://www.ksda.gov/includes/statute_regulations/mainportal/AMS_EggSt.pdf

Labeling requirements for eggs sold at Kansas farmers markets are generally the same as the requirements previously outlined according to flock size and whether the eggs are being sold “ungraded” or “graded.” One exception is that a producer with **50 or fewer hens who is selling “ungraded” eggs at a Kansas farmers market** must label the carton with:

- The name and address of the individual or business selling the eggs, and
- The identity of the eggs, if other than chicken.

For more information on selling eggs at Kansas Farmers Markets, see: <http://www.kansasruralcenter.org/publications/RRRFM2010.pdf>.

Labeling Requirements for Meat* and Poultry-

* The word “meat” in this document refers to meat from rabbits or “livestock,” defined in the Kansas Meat and Poultry Inspection Act as, “... cattle, buffaloes, sheep, swine, goats, domesticated deer, all creatures of the ratite family that are not indigenous to [Kansas], including but not limited to ostriches, emus and rheas or horses, mules or other equines. Livestock shall not include buffalo or domesticated deer slaughtered for sport or recreational purpose.” (*Meat and Poultry Inspection Act, 2010, K.S.A. 65-6a18*)

To sell meat in Kansas, a producer must be a licensed KDA Meat Wholesaler/Distributor and all meat must be slaughtered and processed in a KDA or USDA inspected facility (slaughtering plant), and **bear a label that states “Kansas inspected and passed” if slaughtered at a KDA inspected facility, or “USDA inspected and passed” if slaughtered at a USDA inspected facility**. Meat products can either be labeled with the slaughter/processing plant’s information, or the producer can work with the plant to create a new label with the producer’s name, logo, and other information. To use a customized label, a sketch or printer’s proof of the proposed label should be sent to KDA Meat and Poultry Inspection Office for review. A label will be approved for use if it complies with KDA label requirements. Label approval can take several weeks.

Meat labels must include the following information, in addition to the KDA or USDA inspection legend:

1. Product name
2. Name and address of manufacturer or distributor
3. Net weight
4. Ingredients statement, if more than one ingredient

5. Safe handling instructions, if the product is not ready to eat
6. Special handling instructions, if appropriate, such as “keep refrigerated” or “keep frozen”
7. Nutrition labeling, if required (see Nutrition Labels section below)

Labels that bear the Kansas inspection legend must be approved by the Kansas Department of Agriculture Meat and Poultry Inspection Program. See contact information in the *Resources* section of this document: www.ksda.gov.

Labels that bear the USDA inspection legend must be approved by the USDA/FSIS. For additional information on USDA label approval, see *Suggested label submission guidelines*, USDA/FSIS: http://www.fsis.usda.gov/Regulations_&_Policies/Label_Submission_Checklist/index.asp#Handling.

For guidance on USDA label approval see *Labeling Procedures*: http://www.fsis.usda.gov/Regulations_&_Policies/Labeling_Procedures/index.asp.

Poultry Exemption: A producer who slaughters fewer than 1000 poultry units in a calendar year can slaughter and process the birds on their premises and sell the products directly to the end-consumer (household, not commercial) from the premises. **Poultry meat or products sold in this manner must be labeled “not inspected.”**

Poultry units:

- 1 chicken or other bird = 1 poultry unit
- 1 turkey or goose = 4 poultry units

Rabbit Exemption: A producer who slaughters fewer than 250 rabbits in a calendar year can slaughter and process the rabbits on their own premises and sell the meat directly to the end consumer (household, not commercial). **Rabbit meat sold in this manner must be labeled “not inspected.”**

Custom-exempt: Meat that has been slaughtered and processed at a **custom-exempt facility must be marked “Not for Sale,”** in letters at least 3/8 inch in height, at the time of preparation. For more information on custom-exempt processing, see the document titled *Licensing – Animal Products* in this guide.

Other Requirements for Meat Labels – Kansas requires that meats from horses, mules, or other equines, and rabbits be “... plainly and conspicuously marked or labeled or otherwise identified ... to show the kinds of animals from which they were derived.” (Meat and Poultry Inspection Act, 2010, K.S.A. 65-6a29).

Meat Grades – There is often confusion about the difference between inspected meat and graded meat. All meat that is sold in Kansas is required to have passed inspection, which means it has been found “wholesome.” Grading assesses the relative quality of wholesome meat and is done only at the request and expense of the producer. **Meat labels are not required to include a grade.** Although grading is voluntary, it is still subject to federal standards. For more information on USDA meat and poultry grades, go to: http://www.fsis.usda.gov/Factsheets/Inspection_&_Grading/index.asp#3, or <http://www.ams.usda.gov/AMSV1.0/Grading>.

Nutrition Labels for Meat and Poultry – As of March 1, 2012, **nutrition labels are required** on major cuts of single-ingredient, raw meat and poultry products, and all ground or chopped meat and poultry products (unless an exemption applies). For a thorough explanation of the new rules, go to: http://www.fsis.usda.gov/PPT/Nutrition_Labeling_Overview.ppt.

Labeling Requirements for Dairy Products –

In order to sell milk, cheese, or other dairy products in Kansas, producers must be licensed as a KDA Dairy Processing Plant through KDA's Dairy Inspection Program, and designated Grade A Pasteurized in accordance with the US Food and Drug Administration (FDA) Pasteurized Milk Ordinance.

All milk, cheese, or other dairy products sold in Kansas must be labeled with a **KDA Dairy Inspection Program approved label**. The label must include:

- The identity of the milk plant where pasteurized,
- The words “keep refrigerated after opening,”
- The common name of the hooved mammal preceding the word “milk,” if the milk is of an animal other than cow, and
- The words “Grade A.”

For more information on dairy labels and dairy label approval:

KDA Dairy Inspection Program; 109 SW 9th St.; Topeka, KS 66612; 785-296-3511; www.ksda.gov/dairy/.

Raw dairy products exemption: On-farm retail sales of raw milk or milk products is allowed and exempt from the above labeling requirements, so long as the sale is directly to the consumer from the farm, and the producer does not promote milk/milk product sales in any manner except a sign erected on the premises of the dairy farm. The sign must state, in letters of a uniform size, that the milk/milk products are raw. **Containers in which unpasteurized milk is sold or offered for sale must be clearly labeled as “ungraded raw milk.”** (The Kansas Dairy Law, 2011, K.S.A. 65-773)

For condensed or dried milk, or recombined or reconstituted milk or milk products, there may be further labeling requirements. Refer to the following link for further information: www.ksda.gov/includes/document_center/dairy/Milk_Producers/Grade_A_Pasteurized_Milk_Ordinance.pdf.

Labeling Requirements for Farm-Raised Fish and other Aquaculture Products-

Farm-raised fish and other aquaculture products must be labeled according to KDA standards. According to Kansas Statute 83-213, “... any package kept for the purpose of sale or offered or exposed for sale shall bear on the outside of the package a definite, plain and conspicuous declaration of:

1. The identity of the commodity in the package, unless the same can easily be identified through the wrapper or container;
2. The quantity of contents in terms of weight, measure or count; and
3. The name and place of business of the manufacturer, packer or distributor, in the case of any package kept, offered or exposed for sale, or sold in any place other than on the premises where packed.

In addition, the Kansas secretary of agriculture may adopt rules and regulations that establish reasonable variations or tolerances, prescribe the size of printing on the labeling required, and prescribe exemptions of small packages. http://kansasstatutes.lesterama.org/Chapter_83/Article_2/83-213.html.

Additionally, according to Kansas Statute 65-6a53, “No catfish which is produced outside of the United States shall be sold or offered for sale at retail in the state of Kansas, for consumption off of the premises upon which sold or offered for sale, unless clearly labeled in letters not less than one-fourth (1/4) inch in height as having been imported.” http://www.kslegislature.org/li/b2011_12/statute/065_000_0000_chapter/065_006a_0000_article/065_006a_0053_section/065_006a_0053_k/.

Labeling Requirements for Honey and Hive Products:

Honey labels must include the following information:

- The word “honey,” and the name of the plant or blossom from which the honey is derived may be included if it is the primary floral source;
- The net weight, excluding packaging;
- Ingredients, if ingredients other than honey are added; and
- The name and address of the producer.

Honey producers who qualify for a small-business exemption (sell fewer than 100,000 units and employ fewer than 100 people) are not required to include a nutrition label on their honey or hive products. For more information on nutrition labels and small-business exemptions, see: <http://www.fda.gov/Food/LabelingNutrition/FoodLabelingGuidanceRegulatoryInformation/SmallBusinessNutritionLabelingExemption/default.htm>.

The USDA has set standards for grading honey. However, it is not mandatory in Kansas to grade honey in order to sell it. For information on USDA honey grades, see: <http://www.honey.com/images/downloads/exhoney.pdf>.

Label Claims

In addition to the USDA/KDA approved labels that are required on a product, a producer may want to include additional information about their product or farming practices, such as how they raise their animals or how their product is processed or produced. Such statements, when appearing on labels, are referred to as label claims. Commonly approved label claims include: “certified organic by (certifying agency),” “free-range,” “raised without added hormones,” “raised without antibiotics,” “grass-fed,” “grain-fed,” “corn-fed,” and “not fed animal by-products.”

All label claims must meet USDA Food Safety Inspection Service (FSIS) standards and must be evaluated and approved prior to use. The approval process includes submitting documentation that verifies the label claim.

For more information on label claims and the approval process, see: http://www.fsis.usda.gov/regulations/claims_guidance/index.asp.

Special note on label claims for dairy products - Label claims on dairy products have received a lot of attention in recent years due to growing concern over the possible impacts of growth hormones in milk and milk products.

Regulations went into effect January 1, 2010, prohibiting the use of label claims stating that milk or milk products are free of something already prohibited by the FDA, such as antibiotics or pesticides. The new regulations also prohibit the use of the statements: “no hormones,” “hormone free,” “rbST free,” “rbHG free,” and “BST free.”

Producers who claim their products to be “from cows not supplemented with rbST” must verify the claim and have an affidavit that supports the claim. Additionally, the label must include the statement, “the FDA has determined that no significant difference has been shown between milk derived from rbST-supplemented and non-rbST supplemented cows.”

For more information on dairy label regulations, see: http://www.ksda.gov/includes/document_center/dairy/Industry_Information/DairyLabelFactSheet.pdf

To explore all kinds of different label claims, and evaluate claims for use on your product, see: <http://www.greenerchoices.org/eco-labels/>

In order to use the **organic** label claim, producers must be certified organic. Organic certification requires adherence to federal organic standards, which are verified annually by a USDA-authorized organization or agency. **For more information on organic certification**, visit the USDA's National Organic Program website: <http://www.ams.usda.gov/AMSv1.0/getfile?dDocName=STELDEV3004346&acct=nopgeninfo> Or, refer to the *Farm Practices – Certifications* document in this guide.

For information on “grass-fed,” “pasture-raised,” and “free-range” label claims, go to: <http://www.humaneitarian.org/where-do-i-buy-humanelyraised-meat/grocery-stores/whos-behind-the-labels/>

Label claims for Kansas-produced meat and poultry and dairy are evaluated by: KDA Meat and Poultry Inspection Program;
109 SW 9th Street; Topeka, KS 66612; 785-296-3511; www.ksda.gov.

Other Resources

Kansas Department of Agriculture local foods marketing: Annarose Hart, annarose.hart@kda.ks.gov, 785-296-0362

Egg Label Requirements

Egg Fact Sheet, Kansas Department of Agriculture: http://www.ksda.gov/includes/document_center/records_center/Food_Safety/egg_factsheet_farmersmarkets2006.pdf

Kansas Egg Law, Kansas Department of Agriculture: http://www.ksda.gov/includes/statute_regulations/mainportal/EGGLAW_full_page.pdf

Meat and Poultry Label Requirements

An example of a completed application for label approval. California State University – Chico: <http://www.csuchico.edu/grassfedbeef/regulations/labelapplication1.pdf>

A Guide To Federal Food Labeling Requirements for Meat and Poultry Products, The Labeling and Consumer Protection Staff, United States Department of Agriculture, Food Safety and Inspection Service: http://www.fsis.usda.gov/PDF/Labeling_Requirements_Guide.pdf

USDA Labeling Policy Handbook. United States Department of Agriculture: http://www.fsis.usda.gov/oppde/larc/policies/labeling_policy_book_082005.pdf

Kansas Meat and Poultry Inspection Act, Kansas Statutes Annotated, Kansas Department of Agriculture: http://www.ksda.gov/includes/statute_regulations/mainportal/MEAT_and_POULTRY.pdf

Overview of Meat and Poultry Inspection Program, Kansas Department of Agriculture: www.ksda.gov/meat_poultry/

Frequently Asked Questions, Meat and Poultry Inspection Program, Kansas Department of Agriculture: www.ksda.gov/meat_poultry/faq/.

Food Labeling Guide, US Food and Drug Administration: <http://www.fda.gov/Food/GuidanceComplianceRegulatoryInformation/GuidanceDocuments/FoodLabelingNutrition/FoodLabelingGuide/ucm064866.htm>.

Dairy Products Label Requirements

Dairy in Kansas: www.dairyinkansas.com/regulations.

Nutrition Labels

Nutrition Labeling, US Food and Drug Administration: <http://www.fda.gov/Food/GuidanceComplianceRegulatoryInformation/GuidanceDocuments/FoodLabelingNutrition/FoodLabelingGuide/ucm064904.htm>

“Organic” Label

National Organic Program, USDA Agricultural Marketing Service: <http://www.ams.usda.gov/AMSv1.0/nop>

Labeling Requirements at Kansas Farmers Markets

Rules, Regulations and Resources for Kansas Farmers Markets, Kansas Rural Center: <http://www.kansasruralcenter.org/publications/RRRFM2010.pdf>

Honey Labels

United States Standards for Grades of Extracted Honey, USDA: <http://www.honey.com/images/downloads/exhoney.pdf>

Primary Author: Joanna Voigt, *Kansas Rural Center*



Regulations - Handling and Processing Plant Products in Kansas

This document outlines regulations for handling and processing plant based food products in Kansas.

Introduction:

Whole, uncut, fresh fruits and vegetables are not subject to any regulations in Kansas, but foods that are “handled” or “processed” do need to follow a set of legal guidelines. According to the Kansas Department of Agriculture (KDA), “food handling” refers to anything you do to any kind of food. This includes all forms of food processing as well as serving, transportation and storage. “**Food processing**” refers to anything that alters food from one form to another. This includes washing, packaging, cutting, cooking, canning, dehydrating, freezing, roasting, juicing, etc.

Kansas Regulations for Handling and Processing Plant Products

At the time of writing, documented Good Agricultural Practices (GAP) certification is not required by law in the state of Kansas, but such standards may be required by certain buyers, especially institutions and many retailers. At any rate, it is in the best interest of the farmer to ensure that products are handled properly, from the time of planting through the time of sale, to ensure high quality, long shelf life and safety for the end user. For more information on the issue of food safety, see the *Farm Practices – Food Safety* document in this guide.

Non-processed plant products

KDA regulations permit the sale of non-processed plant products, provided that any pesticide use complies with label directions. Normal food handling involved in harvesting (digging, cutting, picking); field cleaning (brushing or washing to remove exterior soil and/or damaged leaves or other plant material); and preparing for sale (bunching, bagging, packing in baskets) are permitted without a food handler’s or processor’s license.

Processed plant products

Processing plant products, as defined in the introduction to this document, must be done in an approved manner, and requires a processor’s license. This includes any method of cutting, cooking, canning, or preparing the food in such a way that it becomes “ready to eat.” For more information on licensing, refer to *Regulations: Licensing Requirements for Selling Plant Products in Kansas*, in this guide.

The Kansas Food Code has this to say about plant products:

- **3-302.11 (C):** Whole, uncut, raw fruits and vegetables, and nuts in the shell, that require peeling or hulling before consumption, are not required to be wrapped in packages, covered containers, or wrapping to prevent cross contamination with other foods. ALL other foods are required to be protected from such contamination.
- **3-302.15:** Raw fruits and vegetables must be thoroughly washed before being processed in any manner. In addition to clean water, certain specified chemicals are allowed for washing and peeling produce, as outlined in *Chemicals used in washing or to assist in the peeling of fruits and vegetables*, Food and Drug Administration (FDA) document 21 CFR 173.315: <http://www.gpo.gov/fdsys/pkg/CFR-2012-title21-vol3/pdf/CFR-2012-title21-vol3-sec173-315.pdf>.
- **3-303.12:** Whole, raw fruits or vegetables; cut, raw vegetables such as celery, carrot sticks or cut potatoes; and tofu may be immersed in ice or water. Other foods may not.
- **3-306.11:** Food on display must be protected from contamination via packaging; counter, service line, or salad bar food guards, or “other effective means,” except for nuts in the shell and whole, raw fruits and vegetables that are to be washed, hulled or peeled by the CONSUMER before consumption.

Other Resources

Kansas Food Code, Kansas Department of Agriculture Division of Food Safety: http://www.ksda.gov/includes/statute_regulations/mainportal/KS_Food_Code05.pdf

FDA Food Code, US Food and Drug Administration: <http://www.fda.gov/Food/FoodSafety/RetailFoodProtection/FoodCode>

For up-to-date information on GAPs certification: <http://www.ams.usda.gov>

Primary Author: Tracey Graham, *Kansas Rural Center*

Regulations - Licensing Requirements for Plant Products in Kansas

This document outlines licensing requirements for marketing produce, plants, and other plant based food products in Kansas.

When is a license required? Where do I obtain a license?

Non-processed Produce

In Kansas, licensing is not required to sell non-processed produce (fruits and vegetables), cut flowers, seeds, or sets.

Processed Produce

Processing of produce requires a food processor's license:

- Food Processing includes: Manufacturing, preparing, packaging, labeling, cooking, canning, extracting, extruding, fermenting, distilling, pickling, freezing, baking, drying, smoking, grinding, cutting, mixing, coating, stuffing, packing, bottling, packaging, or any treatment or preservation process.
- For a Food Processing License, you must fill out the Food Processing or Storage Application, available on the Kansas Department of Agriculture (KDA) website: http://www.ksda.gov/food_safety/.

Food Safety Certification

- Many cities and local jurisdictions today require or recommend food safety certification for people in food establishments whose duties involve storing, preparing, displaying, and serving food.
- Check with your local health department to see if there are specific requirements in your area.

Live Plants

Sale of live plants does require a live plant dealer license:

- The Live Plant Dealer Application is online at: http://www.ksda.gov/plant_protection/content/348/cid/573
- If a live plant dealer does not import into or export from Kansas live plants, and collects less than \$10,000 annually in gross receipts from live plant sales, such live plant dealer may be exempt from the licensing requirements, and should check the exemption box on the license application.
- Shipping plants out of state requires inspection and certification. See the link below for the fees that apply to that process.

For more information about food processing see Food Safety and Lodging, Kansas Department of Agriculture: http://www.ksda.gov/food_safety/

Contact information for local health departments can be found at: <http://www.kdheks.gov>.

More information governing the sale of live plants, and pest protection see the *Plant Pest and Agriculture Commodity Certification Act*, KDA: http://www.ksda.gov/includes/statute_regulations/mainportal/PlantPestAct.pdf, or contact:

Kansas Department of Agriculture; Plant Protection and Weed Control Program; 109 SW 9th Ave; Topeka, KS 66612; (785) 862-2180; http://www.ksda.gov/plant_protection/content/348/cid/573

Primary Author: Tracey Graham, *Kansas Rural Center*

Regulations - Inspections of Plant Products in Kansas

This document explains inspection requirements that pertain to marketing plant based food products in Kansas.

Introduction

Currently in the state of Kansas, minimal inspection requirements are needed for specialty crops to be sold within the state. Inspections are necessary once some products are processed, or shipped out of state, to mitigate the spread of harmful pests or diseases. For processed food and beverages, inspections become necessary to assure products meet safety guidelines set by state and federal standards. Farms that choose to become certified for a particular practice may also be inspected to verify those practices meet the guidelines set by the certifying program. This guide briefly explains when an inspection is required and provides the information needed to fulfill an inspection.

When is an inspection required? Who can I contact to learn more about the inspection process?

According to the Kansas Department of Agriculture (KDA), you may be subject to an inspection if you:

- Are an orchard or nursery
- Sell or deliver live plants
- Grow or process fruits or vegetables
- Produce and bottle wine, beer, or cider
- Sell at farmers markets
- Are certified organic or other practice
- Operate a commercial kitchen

If you have questions regarding whether your operation is subject to inspections, contact the KDA, Food Safety and Lodging Division at 785-296-5600, or Plant Protection and Weed Control at 785-862-2180.

Plant Products

Inspections for plant products may be required if they are shipped out of the state or country. Importing states or counties may have requirements that can be met through visual or microscopic inspections by KDA, and requirements will vary depending on the importing entity and commodity. It is best to contact the KDA, Plant Protection & Weed Control department to determine if an inspection is needed. Contact the department at 785-862-2180.

Shipping Plant Products, KDA (export request forms): http://www.ksda.gov/plant_protection/content/352/cid/641

Live Plant Dealers

Any live plants, nursery stock, or other live plants that are shipped out of state must be inspected. The purpose of an inspection is to assure plants are not infected with dangerous plant diseases, insects, or other damaging plant pests that could potentially spread. Unannounced inspections of live plant dealers may be conducted to ensure compliance.

Shipping Plants to Other States, KDA (application for live plant inspection): http://www.ksda.gov/plant_protection/content/348/cid/565

For information contact: Kansas Department of Agriculture, Plant Protection & Weed Control; 785-862-2180.

Processing & Commercial Kitchens

Food processing facilities and commercial kitchens are subject to inspections, at least once a year, to ensure food safety codes are followed. Inspections may also be conducted if complaints are filed.

Many County and community Health or food protection departments are contracted by KDA to inspect food

facilities. To contact one near you visit http://www.kdheks.gov/olrh/LHD_CntyMap.htm for a directory of public health departments in your area, or call 785-296-1086.

Starting a Food Business, KDA Food Safety & Lodging Division: http://www.ksda.gov/food_safety/content/326/cid/1523

Daily Self-Inspection Check List. KDA Food Safety & Lodging Division: http://www.ksda.gov/includes/document_center/food_safety/Food_Safety/42DailySelfInspectionChecklist.pdf

Or, for more information and guidance in starting a food processing facility or commercial kitchen and necessary inspections contact:

Kansas Department of Health & Environment; www.kdheks.gov; 785-296-1500

Wine, Beer, & Cider Bottling

All farms that bottle wine, beer, or cider for sale are inspected by the KDA Food Safety and Lodging Division to ensure the facility is sanitary, and equipment and controls are working properly.

Farm Winery Licensing. KDA Food Safety & Lodging Division: http://www.ksda.gov/includes/document_center/kansas_agriculture/Publications/FarmWineryLicensing.pdf

Or contact: Kansas Department of Agriculture; Food Safety & Lodging; 785-296-5600

Certifications

Certifications are voluntary for farms. They typically provide a label indicating third party verification of farm practices.

Organic Certification Inspections

All farms that wish to label products as “certified organic,” must fulfill the requirements set by the National Organic Program and are subject to inspection by a certifier that has been approved by the United States Department of Agriculture (USDA). Once approved, organic certification is maintained with a follow up inspection every year to confirm organic standards are still in place. Inspections are generally conducted during the growing season or peak production period.

Becoming a Certified Organic Producer, Kansas Department of Agriculture (for a list of USDA approved certifiers in Kansas): http://www.ksda.gov/kansas_agriculture/content/153/cid/1150

Or contact: Kansas Organic Producers Association; <http://www.kansasruralcenter.org/kop.htm>; (785) 939-2032

Or contact the Kansas Rural Center, <http://www.kansasruralcenter.org>; 785-873-3431. KRC also has information on organic certification on its website.

Other Certifications

Much like the Organic Program, most certification programs require farms be inspected to verify the relative farm practice. For information about other certification programs and the inspections they require, refer to the document *Farm Practices – Certifications* in this guide.

Primary Author: Natalie Fullerton, *Kansas Rural Center*

Regulations - Labeling of Plant Products in Kansas

This document explains label requirements and label claims that pertain to marketing plant based food products in Kansas.

Introduction

The state and federal government have different labeling requirements for different types of plant food products. In general, labeling requirements for unprocessed plant food products are quite minimal, compared to processed foods or animal products. However, there are still some instances when even raw plant products require a label. This document, focuses on plant food products in general, and helps explain when a label is required, what information is needed, and also discusses policies governing label claims.

Label Requirements

Unprocessed Plant Food Products

Labeling of unprocessed, plant food products, such as fresh* herbs, nuts, grains, mushrooms, fruits, and vegetables, is voluntary, but there are regulations governing label claims, such as citing specific health benefits or using the word “organic.” See the *Label Claims* section at the bottom of this document for more information. *Regulatory meaning of “fresh”: “the food is in its raw state and has not been frozen or subjected to any form of thermal processing or any other form of preservation.” *Legal and Business Guide for Specialty Crop Producers*, National Ag Law Center http://www.nationalaglawcenter.org/assets/articles/center_specialty.pdf - page 62.

Live Potted Plants

Examples of live potted plants can include herbs, fruits, vegetables, trees, shrubs, grasses, perennial bedding plants, and annual bedding plants. According to the Kansas Department of Agriculture (KDA), for any live plant dealer (anyone growing, selling, or planting live plants), three pieces of information must be accessible on a tag, label, itemized bill of lading, receipt or other document, identifying the information below:

1. Declaration of identity: A description of the product, typically the product name; common, scientific, or both. (Example: *Ocimum basilicum*, Sweet Basil. If the product is a basket with many different plants and example description might be “mixed annuals.”)
2. Declaration of origin: Where did the plants come from? For example, if the live plants were purchased from a wholesaler, a receipt, providing the origin of the plants, needs to be within access.
3. Declaration of responsibility: Who is the consigner or shipper? A name and address of farm or business must be accessible to buyers.

There is flexibility with how the information above is presented. Information can be offered in the form of hang tags, stake tags, stickers on the pot, signs posted near the plants, or records accessible on site.

Processed Foods

All processed foods for sale must contain a label on the product’s packaging. Foods that have been processed may include those that have been cut, canned, cooked, frozen, dehydrated, or milled. There are five requirements for all food types no matter where they are sold. These are:

- Statement of product identity
- Ingredient list
- Business/Farm name and address
- Net quantity
- Nutrition facts*

*Most low-volume, small farms and businesses qualify for an exemption from including nutrition facts on the product label. A summary of these exemptions is found in the section titled *Nutrition labels for plant products* below.

Nutrition Labels for Plant Products

Nutrition labeling for raw, unprocessed fruits and vegetables is voluntary. Printable nutrition Facts for some fruits and vegetables can be found in *Nutrition Information for Raw Fruits and Vegetables and Fish*, US Food and Drug Administration (FDA): <http://www.fda.gov/Food/LabelingNutrition/FoodLabelingGuidanceRegulatoryInformation/InformationforRestaurantsRetailEstablishments/ucm063367.htm>

Processed foods may require nutrition labels. The following, provided by the FDA, are exemptions from including a nutrition fact label on processed products. A link for this information can be found at <http://www.fda.gov/Food/LabelingNutrition/default.htm>, or call 1-888-463-6332.

- Less than an average of 100 full-time equivalent employees and fewer than 100,000 units of that product are sold in the United States in a 12-month period. To qualify for this exemption, a notice must be filed with the FDA every year.
- For retailers with annual gross sales of not more than \$500,000, or with annual gross sales of foods or dietary supplements to consumers of not more than \$50,000. For these exemptions, a notice **does not** need to be filed with the FDA.
- If a person is not an importer, and has fewer than 10 full-time equivalent employees, that person does not have to file a notice for any food product with annual sales of fewer than 10,000 total units.
- No nutrition or health claim can be made on product packaging to qualify for these exemptions.
- To file an exemption notice, see *Small Business Nutrition Labeling Exemption*, FDA: <http://www.fda.gov/Food/LabelingNutrition/FoodLabelingGuidanceRegulatoryInformation/SmallBusinessNutritionLabelingExemption/default.htm>

For farms and businesses that do not meet the exemptions above, nutrition labels must be included on the product packaging. To have product labels reviewed or nutritional information generated contact:

K-State Research and Extension Kansas Value Added Food Lab

(785) 532-1668; kvaf@ksu.edu; <http://www.ksre.ksu.edu/kvaf/p.aspx?tabid=32>

Label Claims

In addition to the FDA/KDA approved labels that are required on a product, a producer may want to include additional information about their product or farming practices, such as how their product is processed or produced. Such statements, when appearing on labels, are referred to as “**label claims**.” Commonly approved label claims seen on plant and animal products include: certified organic, certified naturally grown, free-range, or grass-fed to name a few.

All label claims must meet United States Department of Agriculture (USDA) Food Safety Inspection Service (FSIS) standards, and must be evaluated and approved prior to use. The approval process includes submitting documentation that verifies the label claim. For more information on label claims, see the *Other Resources* section below.

Organic Claims

In order to use the “**organic**” label claim, producers must be certified organic. Organic certification requires adherence to federal organic standards, which are verified annually by a USDA-authorized organization or agency. Exempt from this standard are operations whose gross sales in organic products are less than \$5,000 a year. For more information on organic certification, visit the USDA’s National Organic Program website: <http://www.ams.usda.gov/AMSV1.0/nop>.

Nutrition & Health Claims

Nutrition and health claims help consumers understand beneficial nutrient or health characteristics of a product. Only FDA authorized claims should be used on product labeling. An example of such a claim is, “Low fat diets rich in fiber-containing grain products, fruits, and vegetables may reduce the risk of some types of cancer, a disease associated with many factors.” This claim might accompany foods such as whole grain products, fruits and vegetables. A list of these claims and the foods that can accompany them can be found in *What's On a Food Label*, K-State Research and Extension: <http://www.ksre.ksu.edu/library/fntr2/L883.pdf>

Other Resources

Food Labeling

Kansas Value Added Foods Lab, K-State Research and Extension: <http://www.ksre.ksu.edu/kvaf/p.aspx?tabid=32> or contact (785) 532-1668, kvaf@ksu.edu.

Code of Federal Regulations Title 21, US Food and Drug Administration:
<http://www.accessdata.fda.gov/scripts/cdrh/cfdocs/cfcfr/CFRSearch.cfm?CFRPart=101>

Protecting Your Farm or Ranch: A Guide for Direct Farm Marketing in Idaho, Ruralroots.org:
<http://www.ruralroots.org/Resources/directmarketing/handbook/41066-%20Rural%20Roots%20Booklet%20Chapter%205.pdf>

Fresh Fruit Labeling Manual, Northwest Horticultural Council:
<http://www.nwhort.org/PDFs/FreshFruitLabelingManual.pdf>
(509) 453-3193, www.nwhort.org, general@nwhort.org.

Nutrition Labels

Nutrition Labeling, US Food and Drug Administration: <http://www.fda.gov/Food/GuidanceComplianceRegulatoryInformation/GuidanceDocuments/FoodLabelingNutrition/FoodLabelingGuide/ucm064904.htm>

Nutrition Information for Raw Fruits and Vegetables and Fish, US Food and Drug Administration:
<http://www.fda.gov/Food/LabelingNutrition/FoodLabelingGuidanceRegulatoryInformation/InformationforRestaurantsRetailEstablishments/ucm063367.htm>

Exemptions/Special Labeling Provisions (21 CFR 101.9(j)), Food and Drug Administration:
<http://www.fda.gov/Food/GuidanceComplianceRegulatoryInformation/GuidanceDocuments/FoodLabelingNutrition/FoodLabelingGuide/ucm064904.htm#exempt>

Label Claims

Claims Guidance. United States Department of Agriculture Food Safety and Inspection Service.
http://www.fsis.usda.gov/regulations/claims_guidance/index.asp (402) 344-5000

Eco-Labels, (search engine for evaluating food labels), Consumers Union, non-profit publisher of Consumer Reports:
<http://www.greenerchoices.org/eco-labels/>

Organic Claims

National Organic Program, United States Department of Agriculture: <http://www.ams.usda.gov/AMSV1.0/nop>

Organic Labeling & Marketing, United States Department of Agriculture: <http://www.ams.usda.gov/AMSV1.0/getfile?dDocName=STELDEV3004446>

Nutrition & Health Claims

Enforcement Policy Statement on Food Advertising, Federal Trade Commission:
<http://www.ftc.gov/bcp/policystmt/ad-food.shtm>

Labeling Requirements at Kansas Farmers Markets

Rules, Regulations and Resources for Kansas Farmers Markets, Kansas Rural Center: <http://www.kansasruralcenter.org/publications/RRRFM2010.pdf>

Contact: 785-873-3431 or ksrc@rainbowtel.net

Agricultural Law

Food Labeling, The National Agricultural Law Center: <http://www.nationalaglawcenter.org/readingrooms/foodlabeling/>

Local Food, The National Agricultural Law Center:
<http://www.nationalaglawcenter.org/readingrooms/localfood/>

Legal & Business Guide for Specialty Crop Producers, The National Agricultural Law Center:
http://www.nationalaglawcenter.org/assets/articles/center_specialty.pdf

The National Agricultural Law Center, University of Arkansas, School of Law, Division of Agriculture;
NatAgLaw@uark.edu; (479) 575-7646

Live Plant Sales

Plant Pest and Agriculture Commodity Certification Act, Kansas Department of Agriculture:
http://www.ksda.gov/includes/statute_regulations/mainportal/PlantPestAct.pdf or contact: Plant Protection and Weed Control; Jeff Vogel, Program Manager; jeff.vogel@kda.ks.gov; (785) 862-2180

Primary Author: Natalie Fullerton, *Kansas Rural Center*

Insurance & Liability

This document shares valuable information about insurance and liability issues for Kansas farmers.

Introduction

Insurance and liability issues are critical for any direct marketing farm to consider. Direct marketing, by definition, puts the producer in direct contact with the customer. This arrangement has many positive implications for the farmer/producer, including increased profits, more control over how and where products are sold, and personal relationships with customers that help create loyalty. While these positives generally outweigh the negatives, it is wise for a producer to consider potential pitfalls at the outset of a direct marketing venture, in order to diminish impacts should they arise.

“Farmers increase their risk and exposure to lawsuits by marketing their products directly to consumers,” writes the University of Wisconsin, Cooperative Extension Emerging Agricultural Markets Team. “The public has become increasingly conscious of legal actions, and when faced with a problem, more people are willing to pursue remedies through the legal system.” While this may sound daunting, it is useful information to know so that appropriate steps can be taken to safeguard against such an occurrence. Adequate insurance and liability protection can help reduce potential economic risks associated with farming and direct marketing.

What different types of insurance are there? Which will work best for my farm?

The type(s) of insurance and liability protection, and the amount of coverage a producer needs, are dependent upon the activities the producer engages in, and the extent of public involvement in those activities. In order to determine the type and amount of coverage you need, you should thoroughly analyze, with a qualified insurance agent and possibly an attorney, all farming activities and associated potential risks. The more thorough you are in this effort, the less likely you are to incur a loss as the result of an accident or other situation that arises.

Types of Insurance Coverage

Property insurance – Property insurance provides coverage for buildings, equipment, vehicles, inventory, etc., that sustain damage or are destroyed or lost due to natural or human causes (storms, wind, theft, vandalism, etc.). If farm sales are less than \$5000/year, it may be possible to add coverage to an existing homeowner’s policy. This option will cover damages to property associated with the farming operation, but should be thoroughly evaluated to ensure that you are getting the protection you need. For larger operations, a commercial business policy may be required.

Liability insurance – Liability insurance provides coverage against claims of injury or property loss caused by “negligence.” Although careful planning can eliminate a great many situations that pose risk to consumers, liability insurance is always necessary because no one can control or anticipate every eventuality. For example, it is difficult to prevent someone from slipping on wet grass or tripping over a tree root. For beekeepers/honey producers, there is always the risk that someone will get stung by a bee and have an allergic reaction, whether at your farm, by a bee from your own beehives, or at the farmers market, by a bee attracted to the scent of your honey. For this reason, honey producers must seriously consider getting quality liability insurance coverage. Producers can also be held liable for injury or damage that occurs at a location other than the farm, such as a booth at a farmers market, or from sickness or injury resulting from consumption of the producer’s product. ***It is important to note that even if an injured person does not hold you responsible for their injury, their health insurance company will automatically file a claim against you if the person seeks medical treatment.**

Employee Insurance/Workers' Compensation – If your direct farming operation includes employees, you will need coverage that extends to them. One way to accomplish this is through a combination of coverage from your farm liability policy and a workers' compensation policy. For more information on Kansas workers' compensation laws, see: <http://www.dol.ks.gov/WorkComp/Default.aspx>

Health Insurance – Whether it is required by law or not, health insurance can be of great value to farmers. There are many potential risks associated with farming, and an accident can put an enormous strain on those farmers who are uninsured.

Crop Insurance/Risk Management – The USDA Risk Management Agency is in charge of providing protection against losses related to weather or other unexpected causes. This program is quite complicated, but, as a starting point for learning more about it, see: <http://www.rma.usda.gov/>.

Finding the Right Policy for Your Direct Market Operation

There are a number of routes that can be taken to obtain the insurance coverage needed for a direct market farming enterprise. Many farmers will choose an insurance “package” that includes property, liability and employee insurance all in one policy, but the farmer can also choose to obtain the policies individually.

It is very important to find an insurance agent that you trust, and to make sure that you carefully read and fully understand your entire policy, so that you are certain of being covered as completely as possible. An independent insurance agent, as opposed to a captive (single company) agent, may be better able to research all of the available companies to find the coverage you need, at the best price.

For a comprehensive guide to insurance and other issues involving small businesses in Kansas, see: <http://www.sba.gov/content/insurance-resources>.

***The best way to find a reliable insurance agent may be to ask around about the experiences of other producers with their insurance agents and policy coverage. Talking to people who have had to use their coverage might yield the most valuable information about policies and agents.**

Risk Management

An important first step in the process of making sure you are adequately insured is to identify and eliminate as much risk as possible, before obtaining a policy. This can include such things as determining not to use ladders for picking apples or cherries, or becoming certified to perform CPR if you run a u-pick operation, or have customers to the farm for any reason. It also includes things like maintaining livestock fences and latches vigilantly to avoid loose animals that could cause traffic accidents, or cause harm to farm visitors or others.

Another step that might be necessary, or desirable, is to separate your personal and business assets. This can be done by incorporating your business or becoming a limited liability company. This step can be beneficial to the producer, in the long run, by streamlining management of your business and reducing liability. Additionally, it can make obtaining the proper insurance coverage for your farm operation easier and possibly less expensive. See the *Beginning Farmers – Legal Business Structures* document in this guide for more information.

Other Resources

Risk, Liability, and Insurance for Direct Marketers, Emerging Agricultural Markets Team, University of Wisconsin Cooperative Extension: <http://www.uwex.edu/ces/agmarkets/publications/documents/A3811-7.pdf>

This is an excellent fact sheet on insurance and liability.

Protecting Your Farm or Ranch: A Guide for Direct Farm Marketing in Idaho, Rural Roots: <http://www.ruralroots.org/Resources/directmarketing/handbook/41066%20Rural%20Roots%20Booklet%20Chapter%202.pdf>

This resource offers great information about points to ponder prior to obtaining an insurance policy, and contains important questions to ask an insurance agent.

The Legal Guide for Direct Market Farming, by Neil D. Hamilton: Available for purchase through www.growingformarket.com/store

Demystifying Farmers Market Risk and Being a Smart Insurance Shopper, Farmers Market Coalition: <http://www.farmersmarketcoalition.org/resources/home/article/10-insurance-liability-and-licensing/466-demystifying-farmers-market-risk-and-being-a-smart-insurance-shopper> The Farmers Market Coalition partnered with USDA's Risk Management Agency to create this power point presentation that introduces producers and market managers to the basics of researching and purchasing an adequate insurance policy.

Producer Liability: Understanding and Communicating Vendors' Risks and Insurance Needs, Farmers Market Coalition: <http://www.farmersmarketcoalition.org/resources/home/article/10-insurance-liability-and-licensing/476-insurance-webinar-2-producer-liability--understanding-and-communicating-vendors-risks-and-insurance-needs>

This webinar is targeted for Farmers Market vendors, but is applicable to other food producers as well.

Primary Author: Joanna Voigt, *Kansas Rural Center*

Samples & Cooking Demonstrations in Kansas

This document shares information about regulations for product samples and cooking demonstrations in Kansas.

Introduction:

Mmmm. Everyone likes free samples and providing samples of your products can be a low cost, high yield promotional tool for your farm. For purposes of food safety, a series of regulations govern how farmers can use this marketing tool.

What constitutes a sample? Why would I do a cooking demonstration?

A sample is generally defined as a food product promotion, where only a small portion of a particular food is offered, free of charge, in order to demonstrate its characteristics. Whole meals, individual hot dishes, and whole sandwiches are not considered samples.

For purposes of direct marketing animal products, a cooking demonstration or onsite preparation can be a great way to make good impressions on potential customers, and to showcase a method of preparing a particular product, which might be new to the customer.

Are they worth the effort? What are the benefits of samples and cooking demonstrations?

Ask any producer who has experience with direct marketing and they will likely tell you that giving people the chance to try their products is one of the most important factors in generating a customer base.

“Giving out samples is a time-honored method to get people to try something new. While it may seem that you are giving away your profits, you will be repaid many times over as you gain new customers and get valuable feedback,” says Anastasia Becker, in *Direct Marketing of Meat – Is it an Option for You?* University of Missouri Community Food Systems and Sustainable Agriculture Program: <http://agebb.missouri.edu/mac/agopp/arc/agopp051.txt>

Offering samples of your products or hosting a cooking demonstration that features your products, at a grocery store or coop, your local farmers market, or a special event like a fair or carnival, can be a great way to introduce people to your products, and to get the word out about how terrific they are.

What do I need to do to be able to offer samples of my product, or put on a cooking demonstration?

Different venues have different rules for sampling products. In addition to the legal considerations outlined below, we encourage you to inquire with the market or other venue managers about their own sampling regulations.

In Kansas, anyone who “**stores, prepares, packages, serves, vends or otherwise provides food for human consumption**” is considered a **food establishment**, and must comply with Kansas Food Code.

A food establishment that operates no more than 14 consecutive days in conjunction with one event or occasion is defined as a **temporary food establishment** by the Kansas Department of Agriculture (KDA) Division of Food Safety and Lodging.

A temporary food establishment that operates fewer than seven days in a calendar year does not require a license or application, but must comply with the provisions of the Kansas Food Code.

A temporary food establishment that operates seven or more days in a calendar year must obtain a license from the KDA Food Safety and Lodging Program. There is a one-time \$200 application fee, and an annual \$200 license fee.

For more information about food establishments and licensing requirements, go to: http://www.ksda.gov/food_safety/.

State Regulations for Samples and Cooking Demonstrations

Kansas regulates samples and cooking demonstrations according to the Kansas Food Code. For an overview of provisions that pertain to samples and demonstrations, see *Temporary Food Establishments Food Safety Fact Sheet*, KDA: http://www.ksda.gov/includes/document_center/food_safety/Food_Safety/51TemporaryFoodEstablishments.pdf.

The fact sheet includes information on:

- Licensing requirements for temporary food establishments, when applicable
- Food source requirements
- Equipment regulations
- Dishwashing and handwashing facility specifications
- Location and construction requirements
- Restricted operations

There are special regulations governing the use of “potentially hazardous” foods (as defined in the Kansas Food Code: www.ksda.gov/food_safety/content/326/cid/1518) **in samples and cooking demonstrations.**

“Potentially hazardous food” means: a FOOD that requires time/temperature control for safety, to limit pathogenic microorganism growth or toxin formation.

“Potentially hazardous food” includes: an animal FOOD that is raw or heat-treated; a plant FOOD that is heat-treated or consists of raw seed sprouts, cut melons, raw cut tomatoes, or garlic-in-oil mixtures that are not modified in a way that results in mixtures that do not support pathogenic microorganism growth or toxin formation.

“Potentially hazardous food” does not include:

- (a) An air-cooled hard-boiled EGG with shell intact, or an EGG with shell intact that is not hard-boiled, but has been pasteurized to destroy all viable **salmonellae**;
- (b) A FOOD in an unopened HERMETICALLY SEALED CONTAINER that is commercially processed to achieve and maintain commercial sterility under conditions of non-refrigerated storage and distribution;
- (c) A FOOD with an aw* value of 0.85 or less;
- (d) A FOOD with a pH level** of 4.6 or below when measured at 24°C (75°F); or
- (e) A FOOD that does not support the growth or toxin formation of pathogenic microorganisms in accordance with one of the Subparagraphs (3) (a) - (3) (d) of this definition, even though the FOOD may contain a pathogenic microorganism or chemical or physical contaminant at a level sufficient to cause illness or injury.

* aw = Water activity is a measure of how efficiently the water present can take part in a chemical (physical) reaction. The approximate water activities of some common foods are: 1-0.95 Fresh fruit, meat, milk; 0.95-9 Cheese; 0.85-0.8 Salted meats; 0.8-0.75 Jam; 0.75-0.65 Nuts; 0.65-0.60 Honey; 0.5 Pasta; 0.3 Cookies; 0.2 Dried vegetables, crackers.

** pH level is a measure of the acidity (pH<7) or alkalinity (pH>7) of a substance. Most fruits are considered high acid (pH<4.6) foods, while most vegetables, meats, and dairy products are low acid (pH>4.6).

According to the KDA *Temporary Food Establishment Food Safety Fact Sheet*:

- Only one raw, potentially hazardous food that requires onsite preparation or cooking can be prepared or served.
- Potentially hazardous foods must not be mixed.
- Separate coolers, utensils and baking units must be used for each separate potentially hazardous food.

For a comprehensive outline of **regulations pertaining to offering samples at Kansas farmers markets**, see:
<http://www.kansasruralcenter.org/publications/RRRFM2010.pdf>.

For information about **cooking demonstrations at Kansas farmers markets**, see:
<http://www.kansasruralcenter.org/publications/ChefDemo.pdf>.

Other Resources

Food Safety Fact Sheet, Portable Outdoor Cookers (grills), KDA:
http://www.ksda.gov/includes/document_center/food_safety/Food_Safety/39PortableOutdoorCookers.pdf

Primary Author: Joanna Voigt, *Kansas Rural Center*

Taxes on Farm Products in Kansas

This document answers a few questions that Kansas direct market farmers may have about taxes.

Introduction

Right now you may only think of your taxes once a year, and no one really wants to talk about more taxes, right? Don't worry, sales taxes are paid by your customers and can even be built into your prices. Use the resources in this document and good record keeping, and this money will simply travel through your business on its way to the Kansas Department of Revenue (KDOR).

Do I need to collect sales tax?

According to the KDOR:

“If you sell goods, admissions, or provide taxable services you must be registered with KDOR to collect sales tax from your customers on behalf of the state and, where applicable, the city and/or county. This requirement applies whether your business is a sole proprietorship, partnership, corporation, or any other organizational type, including nonprofit, religious, governmental or educational group.

There is no minimum amount of sales required before you must register. If you are making retail sales or providing taxable services in Kansas, you must register and collect the tax.”

For more easy-to-understand information on sales tax, see the *Kansas Sales Tax and Compensating Tax Use guidebook*: www.ksrevenue.org/pdf/pub1510.pdf.

How do I register to collect sales tax?

According to KDOR:

“To apply for a tax number or to register for Kansas Retailers' Sales Tax, visit the Business Tax section of our web site (ksrevenue.org). You will be linked to the Kansas Business Center to complete the application, receive your account number, and print your registration certificate. For complete instructions about the application process, obtain *Pub. KS-1216, Kansas Business Tax Application Booklet*, from our web site.

If you prefer, you may apply in person; it provides same-day registration service. An owner, partner, or a principal officer (president, vice-president, or secretary-treasurer) may bring the completed application to our assistance center. We will process your application, assign a registration number, and issue a Certificate of Registration if you have no outstanding tax liability.

Another option is to mail or fax your completed business tax application to our office 3-4 weeks prior to making retail sales. This will ensure that your tax account number and registration certificate are issued before your first tax payment is due.”

For more information on registration, see *Kansas Sales Tax and Compensating Tax Use*: www.ksrevenue.org/pdf/pub1510.pdf.

How much sales tax do I need to collect?

Kansas imposes a set state-wide sales tax. Additionally, Kansas counties and cities have the option of imposing local sales tax and setting their own rates and as a result, local tax rates vary. **The tax rate a producer should collect is the rate at the point of sales, which is the sum of the local (city and county) tax rates added to the state tax rate.**

For information on the current Kansas sales tax rate, and for more information about sales tax in general, go to: <http://www.ksrevenue.org/bustaxtypesales.html>.

How do I collect taxes from my customers?

According to KDOR:

“There are two acceptable ways to collect sales tax from your customer. The sales tax must either be: separately stated as a line item on an invoice, or included in the price of the item.”

For examples and more information, including **advice on how to keep records**, see **page 12** of the *Kansas Sales Tax and Compensating Tax Use guidebook*: www.ksrevenue.org/pdf/pub1510.pdf.

When and how do I file the sales tax I collect?

Your filing frequency is determined by the volume of your business, and may change over time if your business volume changes. The first year of business, you will file based on the estimated amount of tax liability on your business tax application.

To determine your filing frequency and dates, see the comprehensive filing frequency/date chart on **page 19** of the *Kansas Sales Tax and Compensating Tax Use guidebook*: www.ksrevenue.org/pdf/pub1510.pdf.

Since July 1, 2010, it has been a requirement that businesses submit their retail sales taxes electronically using either **WebTax** or **TeleFile**.

For a detailed outline and instructions for filing and paying taxes electronically, see **page 20** of the *Kansas Sales Tax and Compensating Tax Use guidebook*: www.ksrevenue.org/pdf/pub1510.pdf.

Are there any circumstances when I do not need to collect sales tax?

Exemption Certificates:

Certain entities, such as schools and some non-profit organizations, are exempt from paying sales tax. These entities must present their exemption certificate at the point of sales in order to claim the exemption.

Exemptions that pertain to livestock producers:

Sales of agricultural animals (cattle, chickens, hogs, ostriches, sheep, etc.) that will be used in the production of food for human consumption; or in the production of animal, dairy, or poultry products; or for the production of offspring for any of the prior uses, are exempt from Kansas sales tax.

Animals that are not used for agricultural purposes (pets, show horses, etc.) are taxable.

Other Resources

Kansas Sales Tax and Compensating Tax Use, Kansas Department of Revenue:

<http://www.ksrevenue.org/pdf/pub1510.pdf>

Rules Regulations and Resources for Kansas Farmers Markets, Kansas Rural Center: <http://www.kansasruralcenter.org/publications/RRRFM2010.pdf> (For information on collecting sales tax at Kansas farmers markets.)

Starting a Business, Kansas Business Center: www.kansas.gov/businesscenter/starting/

Kansas Business Center offers more information on Kansas tax ID numbers, exemption certificates, and FEINs.

Maintaining a Business, Kansas Business Center: www.kansas.gov/businesscenter/maintaining/#manageTax

This resource offers information on business taxes, including which taxes apply, how to file sales tax returns and Kansas business tax resources.

Primary Author: Joanna Voigt, *Kansas Rural Center*

Weights & Measures for Farm Products in Kansas

This document shares information farmers ought to know about Kansas Weights and Measures.

What is “Weights and Measures?”

“Weights and measures is one of the oldest government functions. It is specifically mentioned in the Articles of Confederation and the United States Constitution. The global and United States economies depend on uniform standards of mass, volume and length. Thus, the Kansas Department of Agriculture’s Weights and Measures program serves a very important role in consumer protection and in facilitating trade ... all consumer goods are subject, in one way or another, to the weights and measures law.” – Kansas Department of Agriculture (KDA)

The National Institute of Standards and Technology (NIST) *Handbook 130* outlines the manner in which commodities are to be sold in the United States. Included in the Handbook is a mandate that each state have a division of Weights and Measures that is tasked with regulating the accuracy and proper use of all commercial weighing and measuring devices in the state. The handbook specifies that the division should prevent “unfair or deceptive dealing by weight or measure in any commodity or service,” and that state Weights and Measures programs must make their standards available to everyone who is affected by them. Weights and Measures departments are encouraged to promote uniformity between their standards and the standards of other state and federal agencies, and to adopt new standards “as necessary in order to assure equity among buyers and sellers.”

Handbook 130, NIST: <http://www.nist.gov/pml/wmd/pubs/upload/section-IIIa-12-h130-final.pdf>.

In Kansas, Weights and Measures is under the jurisdiction of KDA, whose Weights and Measures program licenses service companies and their technicians to install, certify and repair commercial weighing and measuring devices. The state of **Kansas requires that every commercial weighing or measuring device, excluding gas pumps, be tested by a licensed service company each year.** This helps promote accuracy and uniformity in weighing and measuring devices, and ensures that consumers have reliable information from which to make price comparisons and informed decisions about the products they purchase.

How does Kansas Weights and Measures law impact direct market producers?

The Kansas Department of Agriculture Weights and Measures program regulates the method by which fruits and vegetables may be sold.

KDA lists four methods of determining the quantity of crops offered at a set price:

- Weight: the weight of crop assessed using a certified scale, e.g. \$2 per lb. of tomatoes
- Count: number of items included in a group, e.g. 1 cantaloupe, 1 dozen ears of corn
- Bunch: group of items bound together, e.g. \$1 per bunch of green onions
- Dry Measure: volume measured by container with standard capacity, e.g. pint of blackberries

For details and further examples of these four methods, and a comprehensive list of fruits and vegetables with the method by which they may be sold, see *Rules, Regulations, and Resources for Kansas Farmers Markets*, Kansas Rural Center: <http://www.kansasruralcenter.org/publications/RRRFM2010.pdf>

According to KDA’s Weights and Measures program website, all packages of all products must include the net weight of the product inside so that consumers can make price and quantity comparisons.

Meat and poultry products must bear labels that include the net weight of the product. Slaughtering and processing facilities use certified scales that are tested annually by licensed technicians. Additionally, inspectors who conduct small-scale inspections verify the contents and weight of packages to ensure that consumers are getting what they paid for, in the amount that they paid for.

All labels on **dairy products** must include a net weight, and dairies and milk haulers must use certified scales that are tested annually by licensed technicians.

Honey labels must include the net weight of the honey or honey product (creamed honey, honey comb, etc.). Honey producers must use certified scales that are tested annually by licensed technicians.

Where can I acquire commercial weighing and measuring devices for my farm?

- A number of companies sell scales that are eligible for certification. The Kansas Department of Agriculture Weights and Measures Program has a list of such companies on their website. For KDA's listing of local scale companies, see: http://www.ksda.gov/weights_measures/content/214/cid/1395
- Not all scales are eligible to be certified, so you should check with KDA or a licensed service technician, especially before making the investment in a new scale.

Who can I contact for certification or other assistance with my weighing/measuring device?

Kansas Department of Agriculture; Weights and Measures Program: http://www.ksda.gov/weights_measures/
Forbes Field, Building 282; PO Box 19282; Topeka, KS 66619-0282; (785) 862-2415 Fax (785) 862-2460
Tim Tyson, Program Manager; Tim.Tyson@kda.ks.gov

For the KDA list of certified technicians, see:

http://www.ksda.gov/includes/document_center/weights_measures/Documents/Scale_List.pdf

Other Resources

Rules, Regulations, and Resources for Kansas Farmers Markets, Kansas Rural Center: <http://www.kansasruralcenter.org/publications/RRRFM2010.pdf>

Weights and Measures, KDA:

http://www.ksda.gov/includes/statute_regulations/mainportal/Weights_and_Measures.pdf

Primary Author: Joanna Voigt, *Kansas Rural Center*

APPENDIX A: Educational Resources for Farm Production

This document provides a list of resources for those interested in expanding their knowledge of various farming techniques.

Introduction

It takes a lot of knowledge to farm well and the learning process is life-long. Below we offer a number of resources for building farmer-to-farmer connections, gaining hands-on learning experience, participating in agriculture-related educational events and conferences, and seeking printed or online publications to further farming knowledge.

Farm Networking Resources

Kansas Farmers Union & Kansas Beginning Farmers' Coalition: <http://www.kansasfarmersunion.org/>

Founded in 1907 as a chapter of the National Farmers Union, the Kansas Farmers Union (KFU) is a membership-based organization that works to protect and enhance the economic interests and quality of life for family farmers and ranchers. In late 2012, KFU founded the Kansas Beginning Farmers' Coalition (KBFC) to help represent, mobilize, and engage beginning farmers to ensure their success. You may connect with KBFC or KFU via the website above, Facebook, Twitter, or by contacting: PO Box 1064; McPherson, KS 67460; (620) 241-6630; kfum@nfuic.kscoxmail.com

Our Local Food Kansas: <http://ourlocalfoodks.org>

A network of Kansas farms, farmers markets, food businesses, and consumers committed to increasing the diversity, production and sales of fresh, local foods in Kansas.

Growing Lawrence: <http://growinglawrence.org/>

Growing Lawrence is a Lawrence, Kansas based group whose purpose is to provide coordination and cooperation among producers in the Lawrence area; advise Kansas State University Research and Extension personnel or other agencies of projects and programs necessary to serve producers and solve problems relating to horticultural production; encourage consumer awareness and provide marketing information for horticulturists; and provide producers educational opportunities throughout the year. Don't live near Lawrence? You can start one of these groups in your area! Lawrence Area Horticulture Producers' Association c/o K-State Research and Extension - Douglas County; 2110 Harper St; Lawrence KS 66046; (785) 843-7058

National Young Farmers' Coalition (NYFC): <http://www.youngfarmers.org/>

NYFC works for young farmers by strengthening their social networks, helping them hone their skills through the facilitation of peer-to-peer learning, and fighting for the policies that will keep them farming for a lifetime. PO BOX 292; Tivoli, New York 12583

Greenhorns: <http://www.thegreenhorns.net/>

The mission of Greenhorns is to recruit, promote, and support the new generation of young farmers. They provide online resources and social networking opportunities.

The Women's Agricultural Network (WAgN): <http://www.uvm.edu/wagn/>

Through a series of educational, technical assistance, and networking opportunities, WAgN works to increase the number of women owning and operating profitable farms and ag-related businesses, as well as their profile in leadership positions throughout the agricultural sectors of business, government and community. 617 Comstock Road, Suite 5; Berlin, VT 05602; (802) 223-2389

Farmer Resource Network, Farm Aid: <http://start2farm.gov/resources/farmer-resource-network-farm-aid>

The Farmer Resource Network connects you to more than 500 organizations developing innovative approaches to producing, processing and marketing food from family farms. 1-800-FARMAID; FarmHelp@FarmAid.org

Heritage Foods USA: <http://www.heritagefoodsusa.com/farmers/>

This is the sales and marketing arm of Slow Food USA, a non-profit organization dedicated to “celebrating regional cuisines and products.” The site offers a long list of farms and farmers raising heritage breed pigs, hogs, chickens, ducks, lambs, goats, cows, rabbits, and more. BOX 198 402 Graham Ave; Brooklyn, NY 11211; (718) 389-0985

Grassfed Exchange: <http://www.grassfedexchange.com/>

This is a group of producers and buyers of grassfed genetics whose goal is to provide education and exchange about successful grassfed livestock breeds. Call or contact (402) 322-1608; joey@grassfedexchange.com

List of Heritage Breed Associations and Clubs, American Livestock Breeds Conservancy (ALBC): <http://albc-usa.org/links.html>.

According to the ALBC website, “Breed associations, registries, and clubs are an essential part of breed conservation, and they can be a great source for learning more about the breeds, their histories, and where to locate breeding stock. Use this list of contacts to reach out to groups affiliated with the breed(s) that strike(s) your interest.”

Resources for Hands-on Learning

Kansas Rural Center: <http://kansasruralcenter.org/>

The Kansas Rural Center has worked since 1979 to promote a sustainable, environmentally friendly farming and food system. It offers educational workshops, on-farm demonstrations and tours, and conferences on a wide range of agriculture related topics, plus works for public policies to enhance and protect family farms. The KRC website also contains publications useful for farmers (including this guide!) and links to other sustainable agriculture organizations. Regular publications include Rural Papers, the bi-monthly newsletter, and Policy Watch, an e-newsletter on state legislative and federal agricultural and environmental issues. KRC, P.O. Box 133, 304 Pratt Street; Whiting, KS 66552; (785) 873-3431; ksrc@rainbowtel.net.

Growing Growers: <http://www.growinggrowers.com/>

Growing Growers was established to address the need for more farmers and for more effective farmers. They maintain the goal of providing educational opportunities to help new growers get started and established ones get better at what they do. Apprenticeship connections are a key part of their work. 35230 W 135th Street; Olathe, KS 66061; (816) 805-0362

Apprenticeship Network, Rural Heritage: <http://www.ruralheritage.com/apprenticeship/index.htm>

The Good Farming Apprenticeship Network is designed to link future farmers with experienced handlers of working draft horses, mules, and oxen to ensure that valuable farming and logging practices are passed down through the generations. Participants offer a broad range of learn-by-working experience.

Sustainable Farming Internships and Apprenticeships, Appropriate Technology Transfer for Rural Areas (ATTRA): <https://attra.ncat.org/attra-pub/internships/>

ATTRA maintains a registry of sustainable farming internships and apprenticeships, plus it provides information on a wide range of crops, livestock, farming practices, production technologies, and many other resources.

Educational and Training Opportunities in Sustainable Agriculture, United States Department of Agriculture (USDA): <http://www.nal.usda.gov/afsic/pubs/edtr/EDTR2009.shtml>

This resource lists college and non-governmental organizations offering both classroom and practical education and training.

World Wide Opportunities on Organic Farms (WWOOF): <http://www.woof.org/>

WWOOF is a worldwide network of organizations that help link volunteers with farmers in the US and other countries. In return for volunteer help, WWOOF host farms and organizations offer food, accommodation, and opportunities to learn.

Regional and Online Farmer Training Opportunities, National Young Farmer Coalition:

<http://www.youngfarmers.org/practical/training-and-helpful-organizations/>

NYFC offers a list of educational groups by state and region.

Farm Conferences and Other Events

Description	Location	Time of Year	Website	Other Contact Info
EcoFarm	Asilomar, California	January	http://ecofarmconference.org/	Ecological Farming Association 2901 Park Avenue, Suite D-2 Soquel, CA 95073 (831) 763-2111 info@eco-farm.org
Great Plains Growers Conference	St. Joseph, Missouri	January	http://greatplainsgrowers.org/	Mary Beth Alpers alpersm@missouri.edu , (816) 279-1691
Practical Farmers of Iowa (PFI)	Iowa	January	http://practicalfarmers.org/	Practical Farmers of Iowa 600 Fifth St, Suite 100 Ames, Iowa 50010 (515) 232-5661, fax (515) 232-5649
SSAWG	Tennessee/Varies	January	http://www.ssawg.org/	Southern Sustainable Agriculture Working Group P.O. Box 1552, Fayetteville, AR 72702 (479) 251-8310
Healthy Farms Conference	Nebraska	February	http://www.nebsusag.org/conference.shtml	William Powers NSAS Executive Director 414 County Road 15 Ceresco, Nebraska. 68017 (402) 525-7794; healthyfarms@gmail.com Jill Wubben, Bookkeeper & Membership PO Box 736 Hartington, NE 68739 402.254.2289 jwubben@nebsusag.org
MOSES Organic Farming Conference	La Crosse, Wisconsin	February	http://www.mosesorganic.org/index.html	Midwest Organic and Sustainable Education Service (MOSES) PO Box 339, Spring Valley, WI 54767 715-778-5775, fax 715-778-5773

PASA Farming for the Future Conference	Pennsylvania	February	http://www.pasafarming.org/events/conference	Pennsylvania Association for Sustainable Agriculture P.O. Box 419 Millheim, PA 16854 (814) 349-9856, fax (814) 349-9840 info@pasafarming.org
Small Farms Conference	Oregon	February	http://smallfarms.oregonstate.edu/sfc	Small Farms, Oregon State University, Corvallis, OR 97331
Women Managing the Farm Conference	Kansas	February	http://www.womenmanagingthefarm.info/Home.aspx	A204 Edwards Hall Manhattan, KS 66506 1-866-FARMKSU (327-6578) 785-532-2668 wmf@ksu.edu
Heart of the Farm – Women in Agriculture	Wisconsin	May	http://www.uwex.edu/ces/heartofthefarm/conferences/index.cfm	Sandy Stuttgen Taylor County UWEX, (715) 748.3327 or Joy Kirkpatrick, (608) 263-3485
NOFA Summer Conference	Massachusetts	August	http://nofasummerconference.org/	Northeast Organic Farming Alliance P.O. Box 164 • Stevenson, CT 06491 (203) 888 5146
Farm & Food Leadership Conference	Texas	September	http://farmandranchfreedom.org/	Farm and Ranch Freedom Association P.O. Box 809 • Cameron, TX 76520 (254) 697 2661
Grassfed Exchange Conference	Norfolk, Nebraska	September	http://www.grassfedexchange.com/	Grassfed Exchange joey@grassfedexchange.com (402) 322-1688
Growing Power Urban and Small Farm Conference	Milwaukee, Wisconsin	September	http://www.growingpowerfarmconference.org/	Growing Power Milwaukee National Headquarters & Urban Farm 5500 W. Silver Spring Drive Milwaukee, Wisconsin 53218 (414) 527.1546 fax (414) 527.1908 staff@growingpower.org
NIFA National Small Farm Conferences	Varies	September / October	http://www.nifa.usda.gov/nea/ag_systems/in_focus/smallfarms_if_conferences.html	National Institute of Food and Agriculture 1400 Independence Avenue SW., Stop 2201 Washington, DC 20250-2201 (202) 720-4423
American Livestock Breeds Conservancy Conference	Cary, North Carolina	November	http://albc-usa.org/	American Livestock Breeds Conservancy PO Box 477, Pittsboro, NC 27312 (919) 542-5704
National Small Farm Trade Show and Conference	Columbia Missouri	November	http://www.smallfarmtoday.com/trade-show.html	Small Farm Today 3903 W. Ridge Trail Clark, MO 65243-9525 (573) 687-3525

Midwest Value Added Agriculture Conference	La Crosse, Wisconsin	December	http://www.rivercountryrcd.org/valad.html	Midwest Organic and Sustainable Education Service (MOSES) PO Box 339, Spring Valley, WI 54767 (715) 778-5775, fax (715) 778-5773
Events Calendar – MOSES	Northern Midwest	Varies	http://www.mosesorganic.org/events.html	Midwest Organic and Sustainable Education Service (MOSES) PO Box 339, Spring Valley, WI 54767 (715) 778-5775, fax (715) 778-5773
Events Calendar – SARE	Varies	Varies	http://www.sare.org/Events	Sustainable Agriculture Research and Education (SARE)
Events Calendar – ATTRA			https://attra.ncat.org/calendar/	Appropriate Technology Transfer for Rural Areas (ATTRA)
The Farmer's Marketer (Conference List)	Michigan-area	Varies	http://thefarmersmarketer.com/turn_turn_turn_farm_confere.html	
Rural Heritage Events Page: "The Web's most extensive Draft Horse, Mule, and Oxen Calendar of Events"	Varies	Varies	http://www.ruralheritage.com/calendar/index.htm	PO Box 2067, Cedar Rapids, IA 52406-2067 (319) 362-3027, fax: (319) 362-3046 info@ruralheritage.com
Kansas Sustainable Agriculture Conference	Kansas	Varies	http://www.kansasruralcenter.org	Kansas Rural Center 785-873-3431 ksrc@rainbowtel.net

Printed Publications for Learning

BOOKS & Other Publications

Publications Library, Kansas State University Agricultural Experiment Station and Cooperative Extension Service: <http://www.ksre.ksu.edu/library/>

K-State Extension's extensive publications can be accessed through online orders at the website above, or by contacting: KSRE Bookstore and Mail Center; Kansas State University; 16 Umberger Hall; Manhattan, KS 66506-3400; (785) 532-5830; orderpub@k-state.edu

Free Books on Agriculture, Appropedia: http://www.appropedia.org/Free_Books_on_Agriculture

Learning Center: Books, Sustainable Agriculture Research Education (SARE): <http://www.sare.org/Learning-Center/Books>

Agriculture Book Lists, Good Reads /Listopia: <http://www.goodreads.com/list/tag/agriculture>

Growing for Market Bookstore, *Growing for Market*: <http://www.growingformarket.com/store?p=all>

You can also order books from Growing for Market by calling (800) 307-8949. Questions may be mailed to: GFM; PO Box 3747; Lawrence, KS 66046

Books on Agriculture, *Acres USA*: <http://www.acresusa.com/books/books.asp>

You may also order books from Acres USA by calling (800) 355-5313.

Gardening and Agriculture Books, Chelsea Green Publishing: http://www.chelseagreen.com/category/gardening_agriculture/

You may also order books from Chelsea Green Publishing by calling (800) 639-4099.

Check with other farmers, local extension offices, bookstores, and libraries for further reading suggestions. Many of the magazine companies below also recommend and sell agricultural books through their websites.

MAGAZINES

Rural Papers: <http://www.kansaruralcenter.org/rural-papers/>

KRC's regular newsletter, call 785-873-3431, P.O. Box 133, Whiting, KS 66552

Growing for Market (Kansas-based!): <http://www.growingformarket.com/>

Growing for Market is America's most respected publication about growing and direct marketing vegetables, fruits, herbs, cut flowers, plants, and other farm products. Growing for Market covers farmers markets, Community Supported Agriculture, the local food movement, organic growing, cut flowers, and much more. You can subscribe online or call 1-800-307-8949. Subscription checks or questions may also be mailed to: GFM; PO Box 3747; Lawrence, KS 66046.

Mother Earth News (Kansas-based!): <http://www.motherearthnews.com/>

Mother Earth News is a sustainable-lifestyle magazine that provides wide-ranging, expert and editorial coverage of organic foods, country living, green transportation, renewable energy, natural health and green building. You can subscribe online or call (800) 234-3368.

Acres USA: <http://www.acresusa.com/>

Acres USA is North America's oldest, largest magazine covering commercial-scale organic and sustainable farming. You can subscribe online or call (800) 355-5313.

Small Farmers Journal: <http://smallfarmersjournal.com/>

This beautiful, large format agrarian quarterly is packed with information and is a folksy and feisty publication proud to act as a platform for engaging far-flung ideas about anything pertinent to the small family farm experience. Livestock, crops, barns, farming systems, equipment, recipes, kids pages, marketing, poetry, stories, political updates, you name it. You can subscribe online, or call (800) 876-2893. You can also write: Small Farmer's Journal; PO Box 1627; Sisters, OR 97759.

Small Farm Today Magazine: <http://www.smallfarmtoday.com/>

This original how-to magazine of alternative and traditional crops and livestock, direct marketing, and rural living was founded by a small farmer in central Missouri in 1984, and is dedicated to the preservation and promotion of small farming, rural living, sustainability, community, and agripreneurship. It is published on a farm, by a farmer, for farmers. You can order the magazine online with a credit card, or call (800) 633-2535. You can also mail a check/money order with Name, Mailing Address, and Phone Number to: Small Farm Today 3903 W Ridge Trail Rd, Clark, MO 65243.

Backyard Poultry Magazine: <http://www.backyardpoultrymag.com/>

This is a bi-monthly publication with Feature Articles, as well as information on breed selection, housing, management, health and nutrition, rare and historic breeds, news and views, and a lot more on small scale poultry production. You can subscribe online or call 1 (800) 551-5691. To subscribe by postal mail, send your full name, complete mailing address, including zip/postal code, telephone #, email address (optional), and personal/company/bank check or money order to: Backyard Poultry; 145 Industrial Drive, Medford, WI 54451.

The Progressive Farmer: <http://www.dtnprogressivefarmer.com/>

This magazine for conventional farmers is full of informational articles. The DTN/Progressive Farmer website also has lots of information about everything farming, though some content requires a subscription. You can subscribe to the printed publication online or by calling 1 (800) 292-2340.

American Small Farm & Country Life: <http://www.smallfarm.com/>

This nationally circulated publication caters exclusively to the interests and needs of the small farmer. Its editorial focus pertains to farming practices, ideas and technology suitable to family farms. You can subscribe online or write to *American Small Farm & Country Life*, Subscriber Services Department, Post Office Box 8, Hartshorn, MO 65479-0008.

The Packer: <http://www.thepacker.com/>

“Covering the Fresh Produce Industry Since 1983.” This website and publication is the fresh fruit and vegetable industry’s leading source for news, information, and analysis. This publication must be ordered online.

The Grower: <http://www.thegrower.com/>

“Your Source for Profitable Production Practices” This publication is related to The Packer and also includes news links. This Publication must be ordered online.

Other magazine links: <http://www.beginningfarmers.org/farming-magazines/>

ONLINE LEARNING

Kansas Rural Center, kansasruralcenter.org. A wealth of information and resources.

Horticulture Information Center, Kansas State University: <http://www.hfr.ksu.edu/p.aspx?tabid=583>

Links to a great deal of publications on topics like plants recommended for Kansas, common pests of Kansas, ‘How To’ Videos, and regular horticulture newsletters.

Learning Center, SARE, NIFA, USDA:

<http://www.sare.org/Learning-Center>

SARE’s Learning Center is a treasure trove of sustainable agriculture information that is searchable by type of resource and topic.

Educational Resources, North Central SARE: <http://www.northcentralsare.org/Educational-Resources/>

This large list of resources, by type or by topic, including Animal Production, Crop Production, Community Development, Economic/Marketing, Education & Training, Energy Conservation & Renewable Energy, Integrated Systems, Natural Resources/Environment, Pest management, Quality of Life, Soil Management, Specialty Crops, and Value Added Products.

Farm and Garden Resources, Center for Agroecology and Sustainable Food Systems (CASFS), University of California - Santa Cruz: <http://www.growafarmer.org/farm-garden-resources/>

Valuable, extensive list of resources including:

- Teaching Resources (also very useful for learners to read)
- For the Gardener “Tip Sheets”
- News and Notes from the UCSC Farm & Garden (a regular publication)
- Innovative Business Models document
- CASFS Research Bibliography & Briefs
- Other agricultural publications

- Other websites with beginning farmer resources
- Other agricultural training programs
- Scholarships, grants, and other means of financial support
- Web-based videos, webinars, and online courses

The Farmer's Library: <http://www.thefarmerslibrary.com/>

The Farmer's Library is a project to gather technical information relevant to farming and to make that information easily accessible. The creator's intention is to publish brief, practical guides to different aspects of the farm operation. The first of these guides, entitled *Small Farm Equipment*, was released in 2012. The website's resources tab offers a visual glossary of common mechanical terms for farms, sample equipment service logs, informational links, a list of equipment vendors, and reference charts and tables.

Cornell Gardening Resources: Vegetables, Cornell University:
<http://www.gardening.cornell.edu/vegetables/index.html>

This site describes more than 5,000 vegetable varieties and includes seed sources. Growers rate and review which varieties perform best for them.

Crop Rotation on Organic Farms: A Planning Manual, Natural Resource, Agriculture, and Engineering Service (NRAES)
<http://www.sare.org/publications/croprotonation/croprotonation.pdf>

The purpose of this informative book is to help growers and farm advisors understand the management of crop rotations; avoid crop rotation problems; and use crop rotation to build better soil, control pests, and develop profitable farms that support satisfied families.

Educational Resources, American Livestock Breeds Conservancy:
<http://albc-usa.org/EducationalResources/downloads.html>

With its mission to support the conservation of rare breeds of livestock and poultry, this site offers extensive resources on topics such as animal assessment for improving productivity, breeding, dairy processing, protocols, biosecurity planning, and financial resources.

Farm Animals, Animal Welfare Institute (AWI): <http://awionline.org/content/farm-animals-test>

Contains information on humanely breeding, raising, transporting, and slaughtering livestock. For each aspect of industrial animal production, AWI offers alternative methods that are both humane and economical.

Production Resources, Beginning Farmers: <http://www.beginningfarmers.org/production-resources/>

This list of resources for learning about crop and livestock production throughout the U.S. is for farmers and gardeners of all experience levels.

Beginning Farmer, ATTRA: https://attra.ncat.org/attra-pub/local_food/startup.html

As the premier farmer source for sustainable agriculture information, ATTRA offers important resources for beginning farmers and ranchers and people who work with them. This link has a large number of resources on farm production.

Practical Farmers of Iowa (PFI): <http://practicalfarmers.org/>

PFI works to advance profitable, ecologically sound, and community-enhancing approaches to agriculture through farmer-led investigation and information sharing. Their website includes several free online resources covering a broad range of production categories, as well as an archive of past conference materials and presentations.

Organic Growing Guide, Heirloom Organics Online: <http://www.heirloom-organics.com/guide/organicgrowingguides.html>

“The most extensive, searchable growing guide on the internet. Provides access to every kind of organic growing guide you need. Guides to growing **vegetables, fruits, grains, legumes, kitchen/culinary herbs and medicinal herbs**. Includes sections on **organic fertilizer techniques** and **natural pest control**.”

Organic Fertilizer and Cover Crop Calculator, Small Farms, Oregon State University: <http://smallfarms.oregonstate.edu/calculator>

Voices of Experience and “How to” Production Farm Videos, Northeast Beginning Farmers Project: <http://nebeginningfarmers.org/videos/>

This is a Video library of farmers describing their farm businesses and production methods.

YouTube: <https://www.youtube.com/>

YouTube is a video-sharing website through which users can upload, view, and share videos. The YouTube search engine allows visitors to search through a large library of videos, many of which are agriculture related. You can search by topic or by source, such as Ag Extension offices, Weed ‘em and Reap, or eOrganics.

Alternative Farming Systems Information Center (AFSIC) specializes in identifying resources about sustainable food systems and practices in support of USDA’s effort to ensure a sustainable future for agriculture and farmers worldwide. AFSIC offers arguably the most thorough online collection of resources for farmers. Most all of the resources we point to below can be found within this site: <http://afsic.nal.usda.gov/>

Topics include:

- Alternative Crops and Plants
- Alternative Marketing and Business Practices
- Aquaculture and Soilless Farming
- Ecological Pest Management
- Education and Research
- Farm Energy Options
- Farms and Community
- Grazing Systems and Alternative Livestock Breeds
- Organic Production
- Soil and Water Management
- Sustainability in Agriculture

Start2Farm: <http://www.start2farm.gov/>

Start2Farm is a one-stop reference for anyone looking for programs and resources needed to start farming and to be successful in their first years. Start2Farm includes programs and resources from federal and state agencies, educational institutions and non-governmental organizations including grassroots organizations.

There are four types of services identified at Start2Farm:

1. **Training** – includes programs and resources that teach any aspect of being a successful farmer or rancher.
2. **Financing** – includes loan programs, development accounts, grants and other programs to help farmers and ranchers finance their enterprise. Please note: There are generally not any grants to start a farm or ranch and no new direct funding programs associated with the Beginning Farmer and Rancher Development Program that the Start2Farm clearinghouse is a part of. Start2Farm is not a lender.
3. **Technical Assistance** – includes identified programs in your location to assist with topics such as business planning, land transfer, licensing and regulations, alternative energy technologies, and farming techniques, among others.
4. **Networking** – this includes information on programs and organizations that provide farmers and ranchers with opportunities to exchange ideas and find farmer-to-farmer support.

Beginning Farmers: <http://www.beginningfarmers.org/>

Topics include:

- Funding (Loans/Grants)
- Finding Farmland
- Jobs and Internships
- Starting A Farm
- Farm Business Planning
- Farm Incorporation
- Risk Management
- Farm Succession Planning
- Beginning Farmer Training Programs
- Military Veteran Training
- Production Resources
- IPM
- Pasturing & Grass Fed
- Managing Drought
- Start Raising Chickens
- Goat Farming
- Mushroom Production
- Urban Farming
- Permaculture Resources
- Composting
- Organic Seed Sources
- Marketing Resources
- Farm and Market Directories
- New Farmer Websites
- Free Web Publications
- Farming Magazines
- Farmer Discussion Forums

Resources for Beginning Farmers, Sustainable Connections:

<http://sustainableconnections.org/foodfarming/FTBO/resources-for-farmers>

Topics include:

- Community
- Farmer Training
- Business Planning
- Marketing
- Licensing
- Financing
- Land
- Agricultural Policy
- General Resource Guides

Beginning Farmers, Small Farms, Oregon State University: <http://smallfarms.oregonstate.edu/beginning-farmers>

This is a resource list that includes links to websites with categories such as Selecting an Enterprise for Small Farm Production, Sustainable Agriculture, and more.

Missouri Beginning Farmers, University of Missouri Extension: <http://beginningfarmers.missouri.edu/>

Offers webinars and workshops aimed at beginning farmers, as well as classes and a list of useful online resources.

Topics Include:

- Webinars
- Workshops
- Farm options
- Programs and financial assistance
- Livestock
- Soils and natural resources
- Cropping systems
- Farm equipment
- Financial management
- Marketing
- Newsletter
- Direct marketing regulations
- Labor regulations
- Legal issues

New Farm, Rodale Institute: http://www.rodaleinstitute.org/new_farm

New Farm has inspired and informed farmers worldwide for more than 30 years – first in print and now online. Featured in this section are farmer-to-farmer resources, articles and personal stories that explain how to make organic farming profitable and build supportive communities.

Webinar Recordings, New Farmer Project, University of Vermont: http://www.uvm.edu/newfarmer/?Page=webinars/webinar_recordings.php&SM=webinars/sub-menu.html

This resource Includes free webinars within the following topic categories: Business & Financial Management, Crop Production Topics, Farm Safety, Food Safety, Land Access, Livestock Production Topics, Marketing, and Regulations.

So You Want to Start a Farm? Resources for the Beginning Farmer, MOSES:

<http://www.mosesorganic.org/attachments/productioninfo/fsbeginningfarmer.html>

Resources for Beginning Farmers: Building a Sustainable Future, Developed jointly by the Minnesota Institute for Sustainable Agriculture and the Land Stewardship Project, in cooperation with the Energy and Sustainable Agriculture Program of the Minnesota Department of Agriculture:
http://conservancy.umn.edu/bitstream/51859/1/Resources_for_Beginning_Farmers.pdf

Beginning Farmer and Rancher Opportunities, Center for Rural Affairs:

http://www.cfra.org/resources/beginning_farmer

Center for Rural Affairs offers topics including Linking Programs and Landlink; Financing for New Farmers and Linking Landowners; and Successful Strategies for Beginners.

Growing New Farmers Project (GNF), New England Small Farm Institute: http://www.smallfarm.org/main/special_projects/growing_new_farmers/

The GNF Project provides a comprehensive website of resources for beginning farmers as well as service providers who work with beginning farmers. The website includes online program materials, research reports, and tools created by GNF Project partners.

Exploring the Small Farm Dream Course and Workbook, New England Small Farm Institute:

http://www.smallfarm.org/main/for_service_providers/exploring_the_small_farm_dream/

This program is designed to help people start small-scale commercial farming (farming as a business).

The Northeast Beginning Farmer Project (NEBF): <http://nebeginningfarmers.org/farmers/>

The NEBF Project is housed at the Cornell Small Farms Program and funded by the USDA's Beginning Farmers and Ranchers Development Program. The site offers online courses taught by experienced Extension educators. On their "new farmer hub" you'll find:

1. *Worksheets* – Access the planning worksheets that are embedded throughout the tutorials.
2. *Getting Started* – Begin here with goal-setting and suggestions for planning.
3. *Assessing and Evaluating Land* – Learn how to find or assess the quality of land for farming.
4. *Planning and Funding Your Farm Business* – Start writing a farm plan and assess funding options.
5. *Choosing What to Produce* – Consult enterprise budgets, crop ideas, and worksheets.
6. *Selling What You Produce* – Choose the right markets for your products.
7. *Stewardship Resources* – Cultivate ecologically sound practices.
8. *Achieving or Improving Profitability* – Learn skills to improve your bottom line.
9. *Understanding Taxes and Regulations* – Learn about the benefits and responsibilities of farming.

Next Generation, Rodale Institute: http://www.rodaleinstitute.org/next_generation

This is a section of the Rodale website that features news and resources for beginning farmers and ranchers.

Beginning Farmer and Rancher Development Program (BFRDP), USDA:

<http://www.nifa.usda.gov/funding/bfrdp/bfrdp.html>

A federal program to address the needs of the changing agriculture generation, Section 7410 of the Food, Conservation, and Energy Act of 2008 (Pub .L. No. 110-234) amended Section 7405 of the Farm Security and Rural Investment Act of 2002 and made available in FY 2009, \$17.2 million to fund a Beginning Farmer and Rancher Development Program. According to these legislations, a beginning farm is considered to be one that is operated by one or more operators who have 10 years or less of experience operating a farm or ranch.

New Entry Sustainable Farming Project, Tufts University: <http://nesfp.nutrition.tufts.edu/>

New Entry Sustainable Farming Project began in 1998 and is one of the first initiatives nationwide to assist immigrants and refugees to develop commercial farming opportunities.

ATTRA *Beginning Farmer Series*, National Sustainable Agriculture Information Service, National Center for Appropriate Technology (NCAT): https://attra.ncat.org/attra-pub/local_food/startup.html

On this web site you can learn about running a farm, transitioning to organic, business management, and marketing, from the premier farmer source for sustainable agriculture information, ATTRA.

New England Small Farm Institute (NESFI): <http://www.smallfarm.org/>

NESFI's collection of small farm information, learning tools, and program services is meant to provide a systematic approach to small farm development.

Beginning Farmers: General Resources: Cornell Small Farms Program, Cornell University:
<http://smallfarms.cornell.edu/resources/beginning-farmer/>

Branding Your Farm Products: Marketing School for Growers, Cornell University Cooperative Extension:
<http://marketingschoolforgrowers.org/04/branding.html>

Kansas Rural Center (KRC): <http://www.kansasruralcenter.org/>

KRC is a non-profit organization that promotes the long-term health of the land and its people through research, education, and advocacy, offering a range of educational workshops on various farming topics. KRC also cultivates grassroots support for public policies that encourage family farming and stewardship of soil and water. KRC is committed to economically viable, environmentally sound, and socially sustainable rural culture.

Cultivate Kansas City: <http://www.cultivatekc.org/>

Cultivate Kansas City believes that urban agriculture is fundamental to building an alternative food system for Kansas City. Through growing good food, growing new urban farms, and growing stronger communities, they aim to build a healthier, more economically and environmentally sustainable community. They have programs that help new and experienced farmers to start, run, and improve their farm businesses. Their Juniper Gardens Farm Business Development Program supports refugees and limited resource people and in Northeast Kansas City in starting independent farm businesses.

Resources, Leopold Center, Iowa State: <http://www.leopold.iastate.edu/resources>

The Leopold Center is a research and education center on the campus of Iowa State University created to identify and reduce negative environmental and social impacts of farming and develop new ways to farm profitably while conserving natural resources. The Center's work is focused in four initiatives - ecology, marketing and food systems, policy, and cross-cutting (water, energy, soil and alternative farming systems). At their website, you will find links to:

Cool Tools offers numerous tools and programs designed to help farmers and encourage use of sustainable practices.

Pubs & Papers links to more than 150 publications, reports or papers related to Leopold Center funded projects.

Useful Links introduces some of the major partners and players in sustainable agriculture in Iowa, other efforts throughout the state, and other sustainable agriculture resources and programs.

Primary Author: Cole Cottin, *Kansas Rural Center*

Expert Reviewers: Tom Buller, Farmer/Owner at Buller Family Farms (Lawrence, KS)

Rhonda Janke, Associate Professor and Extension Specialist in Sustainable Cropping Systems at Kansas State University Department of Horticulture, Forestry, and Recreation Resources; Farmer/Owner at Pairidaeza Farm (Manhattan, KS)

Appendix: Aquaculture/Aquaponics Resources

This document lists resources for farmers interested in aquaculture or aquaponics.

Introduction

At the time of writing, there are very few Kansans engaged in aquaculture as a means of food production, and it is difficult to locate processors who process fish. However, seafood is sold all over the state, so market potential for aquaponic products most certainly exists. For anyone interested in raising and processing fish, we offer the resources below and recommend contacting the Kansas Department of Agriculture (KDA) Food Safety division for further information and guidance:

KDA Food Safety and Lodging
109 S.W. 9th Street, 3rd Floor
Topeka, KS 66612
(785) 296-5600 / (785) 296-7430

Aquaculture/Aquaponics Resources

Kansas Aquaculture Association: <http://www.kansasaquaculture.org/>; <http://www.kansasaquaculture.org/CONTACTS.htm>

Kansas Center for Sustainable Agriculture and Alternative Crops / Kansas State University Research and Extension: <http://www.kansassustainableag.org/Library/A.htm>

This webpage hosts links to many farmer resources, including those on aquaculture and aquaponics

Channel Catfish Produced in Kansas Ponds for Profit and Pleasure, Otto W. Tiemeier and Charles W. Deyoe, Kansas Agricultural Experiment Station: <http://www.ksre.ksu.edu/library/wldlf2/sb635.pdf>

What is Aquaculture? National Oceanic and Atmospheric Administration, FishWatch: http://www.fishwatch.gov/farmed_seafood/what_is_aquaculture.htm

This resource provides information about farmed seafood with a thorough explanation of aquaculture/aquaponics.

Niche Marketing Your Aquaculture Products, Iowa State Extension Service: <http://www.extension.iastate.edu/fisheries/publications/TB107.pdf>

Integrated Systems of Agriculture and Aquaculture (AQUAPONICS), University of Arizona Extension: <http://ag.arizona.edu/azaqua/extension/Classroom/Aquaponics.htm>

Aquaponics — Integration of Hydroponics with Aquaculture, National Sustainable Agriculture Information Service (ATTRA): <https://attra.ncat.org/attra-pub/summaries/summary.php?pub=56>

This publication is downloadable for free online or can be ordered printed for \$2.95.

Making Wise Choices When Direct Marketing Your Aquaculture Products, Aquaculture Extension, Illinois, Indiana Sea Grant Program: http://www.aces.edu/dept/fisheries/education/ras/publications/bus_mark/marketingAS-464.pdf

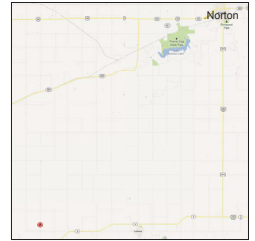
Department of Commerce and NOAA Aquaculture Policies, National Oceanic and Atmospheric Administration http://www.nmfs.noaa.gov/aquaculture/policy/2011_policies_homepage.html

Starting a Seasonal Open-Air Market in Kansas: A Market Organizer's Field Guide, Kansas State University Agricultural Experiment Station and Cooperative Extension Service: <http://www.ksre.ksu.edu/library/hort2/s140.pdf>

This resource includes information about regulations of the sale of aquaculture/aquaponics products at Kansas farmers markets.

Primary Author: Joanna Voigt, *Kansas Rural Center*

Kansas Farm Profiles



Pure Prairie Organic Farm

Owner: Jim Rowh

1170 Norton Road, Clayton, Kansas 67629

(785) 871-1946

<http://www.kcfoodcircle.org/growermembers/pure-prairie-organic-farm/>

[facebook.com/pureprairieorganic](https://www.facebook.com/pureprairieorganic)

Jim Rowh is a pioneer in the organic food movement in Kansas. After certifying Pure Prairie Farm as organic with OCIA in 1992, Rowh worked as a certification committee member and chairman for Pacific Rim and Central American countries for OCIA from 1995 to 2003. In 1990, primarily as an outlet for his own produce, he opened Pure Prairie Natural Foods, an organic grocery with a bakery and a 35-seat restaurant. Rowh sold the store in 2011 and now focuses solely on farming.

Pure Prairie Organic Farm has 30 acres of tillable land, divided into three nine-acre parcels. One parcel is planted in white wheat, one in vegetable crops - primarily melons and winter squash - and one in cover crops, such as soy and mung beans, and winter peas. Organic practices require crops to be rotated annually, to build the soil. Rowh sends some of his wheat to a mill in North Carolina and sells the rest through Kansas Organic Producers, a marketing/bargaining cooperative for about 60 organic grain and livestock farmers located primarily in Kansas. He wholesales his produce to a variety of outlets, including Whole Foods stores and Tree of Life, a nationwide natural foods distributor.

Products Sold

- Hard white winter wheat
- Melons: Cantaloupe, watermelon
- Winter squash: Butternut, acorn and spaghetti squash
- Tomatoes: 300-500 plants per year
- Snap peas

Sales Outlets

- Retail - None
- Wholesale - Whole Foods (Kansas City metro), and independent grocers in Salina, Topeka and Lawrence. Rowh sells his wheat through Kansas Organic Producers.
- CSA - Rowh supplies the Rolling Prairie CSA in Lawrence with produce on an occasional basis.
- Institutions - Local schools buy Pure Prairie's tomatoes.
- Distribution - Common freight carriers, when available. Rowh makes additional deliveries himself, using a flatbed trailer.

Marketing Challenges

- Sourcing accounts - "Getting your foot in the door with large-volume accounts like Whole Foods takes time and effort. They need reliable quantities at high quality standards. But it's getting easier now - a lot more places want local foods."
- Insurance - "The liability insurance I have to carry for volume sales is expensive. That's often prohibitive for smaller local growers."
- Product appearance - "Groceries want uniformly shaped, unblemished produce. I have to baby my crops all the way to the store. But when stores have high quality standards, they're willing to pay a better price."

Tools, Tangible

- Organic Certification

“Natural’ has no real definition; certified organic has a specifically defined meaning. Certification costs are expensive - about \$800 per year - but it allows me to put a higher price on product.”

- Kansas Organic Producers

“You send them a sample of wheat and tell them how many bushels you have. They have a list of buyers and they set up the sales. They arrange the trucking and handle all the paperwork for five percent off the top. It’s a real good thing for grain farmers.”

<http://www.kansasruralcenter.org/kop.htm>

- Signage and displays

“I don’t have any particular signage requirements needs. I did use stickers in the past but it took too much time. Usually, the produce managers promote my farm with in-store signs and displays.”

Tools, Intangible

- Internet

“I have a listing on the Kansas City Food Circle site. Referrals from that account for five to ten percent of my business. I get calls from the Squash Blossom co-op pretty regularly.”

- Word-of-mouth

“I’ve been around the organic scene a long time. People know the Pure Prairie name and the quality of my product.”

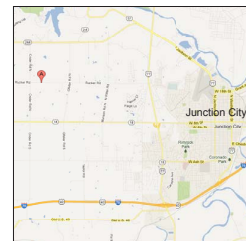
Rowh is a bulk farmer, growing a short list of produce in large quantities. Volume growing is difficult enough, and with the extra attention to appearance that accounts like Whole Foods require, it gets even trickier. “It’s not a good way to start out,” says Rowh. “Beginning farmers should get their feet wet at farmers markets or with a few restaurant accounts. Learn how to gauge production and quality as accurately as you can before you commit to high-volume accounts.”

Primary Author: Tom King, *Kansas Rural Centers*

Kansas Farm Profiles

Hildebrand Farms Dairy

Owners: David and Kathy Hildebrand, Alan and Mary Hildebrand
5210 Rucker Road, Junction City, Kansas 66441
(785) 238-8029
hildebrandfarmsdairy.com



Family operation Hildebrand Farms Dairy milks 150 cows near Junction City and took a major step into direct and niche marketing by establishing its processing plant in 2008. The farm encompasses nearly 2,000 acres around the Junction City and Chapman areas, which includes acreage dedicated to producing alfalfa, corn and soybeans for feed. Cows are milked twice daily, yielding over 1,000 gallons per day. Owner Kathy Hildebrand shares the following information and tips for those interested in direct-marketing their farm products.

Products Sold

- Milk: Whole, 2 percent, skim. Pasteurized and homogenized with no added hormones or antibiotics.
- Creamline milk: pasteurized, but not homogenized (cream on top).
- Flavored milk: chocolate, strawberry, root beer. Eggnog sold during holiday season.
- Cream, sold in quart bottles
- Beef, Holstein, processed by GTB Custom Meat Locker. On-farm sales only.
- Soft-serve vanilla ice cream. On-farm sales only.
- Salted and unsalted sweet cream butter sold in select retail locations in addition to the farm store.

Sales Outlets

- Retail: On-farm store sells all products. Certain products - beef, cheese, ice cream - are only available at the farm.
- Wholesale: Over 75 accounts, including independent grocers and chains such as Dillon's (39 stores), Ray's Apple Mart (5 stores), Hy-Vee, Natural Grocers, and Price Chopper.
- Sales to institutions: None. "There are significant costs involved in purchasing the smaller jars and bottles required by institutions."
- 100 percent of their milk is processed through the plant. They are currently bottling 79 percent with the excess being separated for the cream.
- Distribution: Self; three refrigerated trucks. Deliveries range east to Lawrence, west to Salina, south to Wichita/Emporia and north to Marysville.

Marketing Challenges

- Reaching a broad audience across several Kansas markets with a limited advertising budget. The Hildebrands are third generation dairy farmers, who started with four Holstein milk cows. The farm received a permit to sell milk in 1930, which the family sold, in glass bottles, door-to-door in Junction City.

Tools, Tangible

- Local radio and TV advertising "When it comes to branding your farm, choose your identity carefully and then stick with it. We do local radio and TV spots and decided long ago to come up with a catchy jingle to associate with our products. Everybody in the community knows our song now - people in supermarkets sing our jingle to our delivery drivers."
- Glass bottles

The Hildebrand family has been in the dairy business for more than 80 years, and have been selling their milk in glass bottles since 2008. "Glass bottles keep milk fresher and colder, and there's the 'green'



aspect to consider.” Nostalgia also plays a part - glass bottles remind people of simpler times.”



- Agritourism

The farm’s tour season runs from March to October, offering five 45-minute tours per week. “We tour about 1,000 people per year, and most of them stop at our store on the way out.”

- Events

The farm hosts a regular calendar of events during the March-October season: scavenger hunts, make-your-own-ice cream parties, and play days for kids. Their annual Spring Fling and Fall Festival events draw over 1,000 people each.

Tools, Intangible

- Internet

Website, Facebook. “We get quite a bit of useful input from our website and Facebook.”

<http://www.hildebrandfarmsdairy.com/>

<http://www.facebook.com/pages/Hildebrand-Farms-Dairy/104591306240160?ref=nf>

- Word-of-mouth

“Since we are a long-established family farm, most of the community knows us and buys our milk. When we first started wholesaling on a large scale, there was a lot of cold-calling and pavement-pounding. But now, a lot of the stores call us first, usually due to customer requests.”

Hildebrand offers a few tips for beginners to direct- and niche-marketing of farm products. First, she says, find a good bank who understands what you want to do. And then plan carefully: “Gauging the market is a fine line. Be sure to realistically assess what you can do versus what your customers need.”



Primary Author: Tom King, *Kansas Rural Center*

Kansas Farm Profiles

Shepherd's Valley Farm

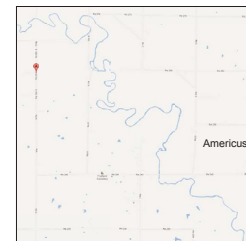
Owners: John and Ramona Crisp

2408 South 100 Road,

Americus, KS 66835

(620)787-2380

www.localharvest.org/sheperds-valley-M11802



John and Ramona Crisp operate a 90-acre diversified farm in Morris County, located in the Flint Hills northwest of Emporia. Recently expanded from an initial 10 acres, Shepherd's Valley is a sustainable CSA farm, supplying over 40 types of fruits and vegetables, along with grass-fed lamb, pastured poultry, eggs, herbs, honey, and other specialty products including soaps, salves, and wool to a growing number of shareholders and customers. Approximately 3 acres are planted to garden fruits and vegetables, and 20 acres are in pasture. With the acquisition of new adjacent property, an additional 25 acres will soon be utilized for vegetable production. The remainder of the acreage is alfalfa, grains, woodlands, and pasture.

John Crisp, a sixth-generation farmer with over 40 years of farming experience, utilizes organic growing practices, though the farm is not certified. Hoophouses extend the growing season to nine months per year and the majority of the farm's produce is sold through CSA subscriptions. Livestock are grass-fed, from pastured poultry to grass-fed lamb. Crisp, who was interviewed for this article, has recently branched into aquaculture, with a goal to raise over 2,000 tilapia fish annually along with gourmet mushrooms and salad greens. He will be using a synergistic model utilizing high tunnels and aquaponics.

The farm currently employs two to three full-time workers, depending on the season. Volunteers, apprentices, interns, and students also bring their enthusiasm to the farm team. The Crisps have helped ten area families become organic producers in the last three years. The Crisps help market these growers' products through their CSA and local farmers markets.

John is a founding member and current president of the Emporia Area Local Food Network, an organization promoting the production, preservation, and marketing of local food in the region. He also teaches sustainable farming and local food production at the Flint Hills Technical College in Emporia as part of a Sustainable Studies degree program. He has been active in helping start up community gardens as well as area farmers markets, and is in demand as a speaker and consultant.

Products Sold

- Vegetables: Over 40 types from arugula to zucchini, including nearly 100 varieties of heirloom tomatoes.
- Fruits: Apples, pears, berries, and melons.
- Meats: Grass-fed lamb, chicken, and turkey. The Crisps are currently adding tilapia fish to their line of meats.
- Eggs
- Grains, nuts and seeds: popcorn, peanuts, sunflower seeds, pecans, and walnuts.
- Herbs: Culinary and medicinal; fresh and dried. Crisp plans to grow ginger in the high tunnel.
- Bee products: Honey, beeswax, and bee pollen.
- Processed foods: Breads, jams, jellies, and preserves.
- Specialty items: Wool, sheepskins, soaps, salves, and luffa sponges.

Sales Outlets

- Retail - On-farm sales of all products. The farm has a list of over 300 regular customers in addition to shareholders. They also sell at the weekly farmers market held in Council Grove on Tuesday evenings throughout the summer.
- Wholesale - Four area restaurants buy Shepherd's Valley farm produce.
- Institutions - Shepherd's Valley sells fruit, vegetables, meat, eggs, and microgreens to the Culinary Arts program at Flint Hills Technical College in Emporia.
- CSA subscriptions - Shepherd's Valley has three growing seasons -- spring, summer and fall -- and sells approximately 50 shares per season - produced on the original 10-acre farm site. The on-going development of recently acquired acreage will more than double the shares offered. Spring season full shares are \$100 for an eight-week season providing mostly salad greens. Summer (17-week season) full shares sell for \$425, half shares are \$225. Fall is another eight-week season, with full shares at \$125, half-shares for \$75. Shepherd's Valley offers one of the longest CSA seasons available to consumers in the Midwest.
- Distribution: Self. The farm delivers weekly during the growing season to pick-up locations in Emporia, Council Grove, and Topeka. On-farm pick-ups are twice a week on Tuesdays and Saturdays. Shareholders take turns coming to the farm, picking up all CSA shares in their specific area and returning them to a designated drop-off site for distribution.

Marketing Challenges

- Production logistics - "The quality and reliability of our product is our brand. We want to offer a wide variety of wholesome foods to our many loyal customers. Doing so requires a lot of food production knowledge and accurate record-keeping."
- Remote location - "We're a long way out here. Not many drop-ins from passers-by. It made logistical sense to target our audience via the Internet."

Tools, Tangible

- Farm

The farm itself has become a marketing tool, primarily for the diversity of food it produces and the manner in which it is raised. Visitors come to the farm to learn how a wide variety of local foods are produced and to also enjoy the family recreation area Crisp has created along the creek. Hundreds of people visit the farm on special farm tours each year to learn about organic gardening and sustainable food production methods.

- Working Shares

"People who choose to be a part of the Shepherd's Valley's team work with us on the farm, and receive the fruit of their labors directly. This system works well for everyone. A lot of people come to the farm just to learn more about how to garden. They learn by doing, and thus help to produce their own food. And they always tell their friends about what they learn and how much fun they are having here."

- Customer list

"We've invested serious efforts into building long-term relationships," says Crisp. We are on a first-name basis with all of our customers and count them as friends. When we do have surpluses beyond what our shareholders can use, we have a list of people we contact via e-mail – including farmers market customers, home canners, processors, and chefs who are eager to purchase whatever we offer."

-Food Buying Clubs

Shepherd's Valley works with several regional food buying clubs, supplying fresh produce, grass-fed meats, and pastured eggs to a clientele that is already well educated about the health benefits of organically grown foods, and are looking for local sources that are farm fresh direct.

-Community Education Courses

John teaches a number of community education courses related to local food production, such as seed saving, wild edibles treks, solar cooking, and more through the local Community Connections arm of Flint Hills Technical College in Emporia. These classes have spawned interest in Shepherd's Valley and a direct consequence has been an increase in inquiries and customers.

- Internet

"Many of our customers first discovered Shepherd's Valley via the internet while searching for local and organic foods in their area. I highly recommend the Local Harvest website (www.localharvest.org) -- we get calls from all over the country through our farm's listing on this site."

Tools, Intangible

- Word-of-mouth

"Word about Shepherd's Valley spread first from the community. We've been here for a long time. We always want to be an asset to our community. We have a "zero-dollar" annual advertising budget and depend heavily upon word-of-mouth recommendations from our many customers -- it's the best way we grow."

- News Articles

A number of newspaper and on-line publications have interviewed the Crisps and toured Shepherd's Valley farm, bringing many articles of interest and photos to the public. Television interviews and documentaries have also brought in new customers.

For start-ups, Crisp advises against jumping right into CSA farming. "Gain a following of customers first through farmers markets or other direct marketing venues. Gauging predictable yields against all the variables of farming is something you learn by doing, and shortfalls are plenty at the start. There is a real learning curve in producing wholesome foods reliably, and the CSA is not a model for the novice gardener. Expanding into a CSA model is a natural progression, but it's not the place for most gardeners to begin. The CSA model has worked very well for us, and as we bring more growers on board and establish a reputation of premium quality wholesome foods, the demand for our products outstrips our ability to supply it – a great problem to have."

Primary Author: Tom King, *Kansas Rural Center*



Kansas Farm Profiles

Bauman's Cedar Valley Farms

Owners: John and Yvonne Bauman
24161 NW Kentucky Road
Garnett, KS 66032
785-448-2239

The Baumans bought 180-acre Cedar Valley Farms in 2003. They raise pastured poultry and eggs employing organic practices, along with 100% grass-fed beef, and operate the only USDA-approved and certified poultry processor in Kansas. Due to faith practices, the Bauman family uses telephones but not the Internet. In the crowded online marketing world, they are unique - the Baumans deal primarily face-to-face. Rosanna Bauman, the farm's operations manager, explains how the Baumans market their farm without conventional technology.

Products Sold

Pasture-raised eggs, chicken, turkey, ducks, and beef. On-farm sales of organic fertilizers and feed supplements.

- Approximate quantities sold in 2011:
20,000 dozen eggs
3,000 broiler chickens
700 turkeys
200 ducks
5 beef cows

Services Offered

- USDA Poultry Processing, servicing over 300 area producers. The plant operates three days per week, processing up to 1800 chickens weekly. A USDA inspector is on-site each processing day.

- On-farm feed and supplement sales

"Products we like we usually end up selling on our farm. It's a good way to make local connections and get a cost break on purchasing."

Sales Outlets

- Retail: On-farm sales of poultry and eggs, feed and fertilizer.
- Wholesale: The farm wholesales to six accounts, primarily to high-volume groceries and a few independent restaurants.
- Distribution: Self; refrigerated trucks.

Marketing: Challenges: No website or email contact.

"We do direct marketing without the Internet. That's unusual today but it's a model that works for us. That's why we generally do only high-volume wholesale to a small number of accounts."

Tools, Tangible

- Packaging

"Consumer awareness of food production is changing--it's not a fad anymore. Our products are pasture-raised using organic practices and that's good advertising nowadays. We prominently feature our practices on our packaging." Examples include "Pasture-raised eggs"; "The difference is in the yolk!"; "Eggs like Grandma used to raise."



- Egg Slips

In 2003, when the Baumans purchased their farm from another family, they were looking for a way to establish their family's identity without making sudden changes that might alienate regular customers. Rosanna, then age 14, came up with the Egg Slips - little strips of paper with two or three sentences about their chickens and life on the farm - inserted into every carton of eggs. The slips were an immediate hit with customers and the farm became known for the slips, almost like fortune cookies. "Tell your farm's story," says Rosanna. "Customers really appreciate a personal connection."

Tools, Intangible

- Build a good reputation

"Word-of-mouth is the best advertising, as long as it's positive. Build a reputation based on personal relationships. Farmers markets, farm sales and contributing to a CSA are good ways to learn the business and establish your name. That way, you know your customers and can apologize if you have to," Rosanna says.

- Put a face on your farm and your product

"How you market depends on who you are and what you want your farm to be. I know what works for me, so I tailor my marketing to what I can do. We promote that we are a family farm. It puts a face on the product and it shows that we are accountable for our quality."

- If you deliver, do it yourself

"Our accounts appreciate being able to talk to us directly. Our weekly, in-person deliveries yield a lot of valuable information, like sales trends and customer comments. Visiting your accounts is the best way to put a face on your product."

Rosanna Bauman provides a basic framework for marketing.

"For producers, there are five workable direct marketing business examples: farmers markets, large and small wholesale accounts (Whole Foods versus independent restaurants), on-farm sales and CSAs," she says. "For start-ups, don't go into wholesale right away. It's too hard to project that kind of volume without some high-production experience."

Primary Author: Tom King, *Kansas Rural Center*





Kansas Farm Profiles

Chautauqua Hills Farm
Owners: Lance and Elizabeth Chastain
Sedan, Kansas 67361
(620) 249-3369
chautauquahillsfarm.com

Lance and Elizabeth Chastain started their farm in Southeast Kansas in 2008. What began as a hobby and has now turned into much more! Chautauqua Hills Farm is known as “Home of the nickel-size blueberries.” Harvest season runs from mid-April to mid-July.

Products Sold

- Blueberries - Four varieties totaling 1,800 bushes, 5, 6 & 7 years old. Mature bushes can yield up to 10 pounds of fruit per plant each season, depending on weather.
- Blackberries - 300 plants of two varieties
- Asparagus - 500 plants, two varieties
- Garlic - 2500 plants, two varieties

Sales Outlets

- Retail - U-Pick farm sales; Order and Pick Up sales, serving 500-1000 customers per year, depending on harvest; Farmers Markets: Wichita Old Town and Andover
- Wholesale: Blueberries, blackberries, and asparagus to local Wichita retail stores and restaurants.
- Sales to institutions: None
- Distribution: Agent. “We have one agent that sells our products to stores, restaurants and a CSA. Whenever possible, we like to have our products sold in Chautauqua Hills Farm branded packaging.”



Marketing Challenges

“We don’t have any marketing challenges - we can sell up to 3 times as much as we grow!” says Lance.

Tools, Tangible

- Packaging: Distinctive logo (cluster of bright blueberries on white ground), displayed on all packages.

- Internet

Website, Facebook, Twitter and local food sites. “Customers find us online although many more are now contacting us as result of trying our berries or referral from a friend.”

<http://chautauquahillsfarm.com/>

Error! Hyperlink reference not valid.

- Agritourism: Chautauqua Hills is a registered Kansas Agritourism site.

<https://kansasagritourism.com/>

- Reservations for Pick Your Own: “Our unique reservation system gives each customer a high degree of assurance we’ll have enough berries to accommodate their needs. This is important since customers drive up to 3 hours one way to visit the farm for Pick Your own. Reservations also help us to better prepare with staffing and supplies, and allows us to inform customers what the weather looks like and what to bring.”



Tools, Intangible

- Word-of-mouth

“In the past three years, we’ve seen dramatically increased repeat customer business and customers telling their friends about us.”

- Unique way of access

“We have customers that come from up to 3 hours away. It’s very important for them to know the trip will be worth it. We encourage customers to bring their lunch and make a day of it. We also provide itineraries for places to eat and sites to see in the nearby areas. We spend time with our customers while they’re picking and many enjoy learning about how we grow. That adds a special value and quality to the produce they take home.”



Primary Author: Tom King, *Kansas Rural Center*



Kansas Farm Profiles

Lazy S Farms

Owners: Larry and Madonna Sorell

616 North 100th Road

Glasco, KS 67445

(785) 568-2777

<http://www.lazysfarms-glasco.com/>

Lazy S Farms breeds and raises several varieties of heritage livestock in north central Kansas, selling primarily to high end restaurants and food businesses through Heritage Foods USA. “Heritage” is defined as a breed of animal unchanged by genetic modification. Heritage meats are antibiotic, hormone, and cage-free.

Lazy S owners Larry and Madonna Sorell started as conventional hog farmers, growing a few heritage pigs for their own interests, primarily an endangered breed known as the Red Wattle. But in 1990, an early Heritage Foods turkey grower asked the Sorells to grow him some turkeys to help meet rising consumer demand. Now, the Sorells grow as many as 3,000 heritage turkeys per year, and Heritage Foods markets Lazy S Farms’ Red Wattle pork to restaurants and food businesses all over the country.

Products Raised and Sold

- Red Wattle pigs: A breed imported to the U.S. in the 1700s, and now on the endangered list of the Animal Livestock Breeds Conservancy (ALBC). The Sorells sell approximately 1,000 Red Wattles per year.
- Standard Bronze turkeys: An American breed going back at least 200 years. Lazy S Farms usually produces 1,500 to 2,000 turkeys per year. Madonna notes that feed costs for heritage turkeys can be expensive, due to a special mix requirement.
- Katahdin sheep: A breed developed in America and introduced in 1985, the Katahdin is a “hair” sheep, a meat sheep that doesn’t need shearing. The Sorells raise 30 Katahdins, sold primarily at the Salina farmers market and occasionally to a few groceries and restaurants.
- Jacob sheep: Raised for wool and sheepskins. Madonna Sorell spins her own wool, and sells to other spinners and weavers.
- Scottish Highland cattle: Listed as a recovering breed by the ALBC. The Sorells maintain a small herd, primarily for their own use and private sales.
- Large Black hogs - A British breed placed on the Rare Breed Survival Trust Critical Endangered list in 1973. The Sorells have several sows, reserved for personal use and occasional private sales.
- Heritage Meat products - Lazy S Farms sells several 100% Red Wattle pork products by mail: bratwurst, hot dogs, summer sausage, breakfast links, pork roasts and ground pork. Heritage meats can be ordered by phone or online, and are shipped by FedEx. Sheepskins are also available.

Sales Outlets

- Retail - Lamb, and sometimes beef and pork, sold at the Salina farmers market. Mail order (via phone or Internet), of Red Wattle pork products. The Sorells also make private sales of lamb, beef and pork on the farm.
- Wholesale - Lazy S delivers turkeys and Red Wattle pigs go to Heritage Foods in Trimble, Missouri, which handles the processing, marketing and distribution. Lazy S Farms also sells Katahdin lamb to Prairieland natural grocery in Salina, and supplied Local Burger in Lawrence.
- Distribution - Heritage Foods distributes turkeys and Red Wattle pigs to buyers. All other distribution to customers is fulfilled by Larry Sorell.

Marketing Challenges

- Production logistics - Supplying such a specialty market is not without its challenges. Although demand is strong and heritage breeds command a significantly higher price, Larry and Madonna report there are many production challenges. Death loss due to farrowing, sickness, predators, weather is a challenge. Also, Heritage Foods' production standards leave no room for error. "They brought five groups of chefs from all over the country to the farm last year, and their first priority was that all the animals were raised outside, unconfined. Then they wanted to know about feed," says Madonna. "The special feed mix is very expensive."

In addition, the business is demanding Larry and Madonna Sorell have been livestock farmers for over 40 years. As they get older, and the consumer demand for heritage meats increases, new production systems will be needed. Larry Sorell looks to the new generation of farmers for his solution. He now has a group of young farmers in Kansas and Nebraska growing Red Wattles, helping them get started, teaching them, and then buying back their pigs. "Larry even picks the pigs up when they're ready. It's a co-operative system," Madonna says.

Tools, Tangible

- Heritage Foods USA brand and promotion

Slow Food's Ark of Taste program catalogs over 200 unique foods in danger of extinction. For high-end food business and restaurants with exacting quality standards, Heritage Foods is a resource for many Ark foods.

Through Heritage Foods, Lazy S Farms' turkey and Red Wattle pork are served in some of the finest restaurants in the world.

"Heritage Foods does a lot of promotion for us," says Madonna Sorell. "They feature us in their brochures, postcards, and press releases. Through them, we've had articles about the farm in Time magazine, the New York Times, and the Kansas City Star. Demand for product always picks up after those articles, even at the farmers market."

- Internet

<http://www.lazysfarms-glasco.com/>

<http://www.heritagefoodsusa.com/>

- Website

Online catalog of Heritage Meat products, primarily sausages. The site also describes breeds raised, growing methods, and information about heritage livestock.

- Animal Passports

"All of our meat can be traced directly back to the farm. How they were grown, what they were fed ... Our customers know exactly how their food was produced." Note: Animal passports are also vital to tracking sources of food-borne illnesses.

- Market Signage and Packaging

The Lazy S Farms logo is used on booth signage and package labels. The logo can be seen on their website.

- Agritourism

The Sorells also operate the Rustic Remembrances B&B on their property, once popular with pheasant hunters.

"Business dropped off after 9/11. We see only 30 to 50 people a year now. It's not a money-maker anymore."

The Sorells also host school tours at the farm several times a year and private tours by appointment.

Tools, Intangible

- Rising popularity of heritage breeds

"Because heritage animals are rare and expensive to produce, they sell for a higher price than conventional meats. At first, that limited the customer base to upscale food businesses. But people are more concerned about food quality now. The fact that we specialize in heritage breeds is starting to give us a mainstream advantage."

- Word-of-mouth

"Most of the restaurants that use our pork list the farm's name on the menu. We get a lot of calls because of that."

Primary Author: Tom King, *Kansas Rural Center*

Kansas Farm Profiles

Rolling Prairie Farmers Alliance

<http://rollingprairie.net/>

Contact: Bob Lominska, Hoyland Farm (785) 842-5697

Seven member farms in four counties in Northeast Kansas.

The Rolling Prairie Farmers Alliance participating farms include:

- Buller Farm, Douglas County
- Conway's Produce, Leavenworth County
- East Stone House Creek Farm, Jefferson County
- Hoyland Farm, Jefferson County (Headquarters)
- Maier's Farm, Franklin County
- Sandheron Farm, Jefferson County
- Wakarusa Valley Farm, Douglas County.



Rolling Prairie is believed to be the oldest vegetable cooperative in the Midwest, formed in 1994 to provide a vegetable subscription service to Lawrence and Kansas City. “Our mission was, and still is, to be fair to the farmer, fair to the customer, and maintain high standards of quality,” says Bob Lominska of Hoyland Farm, one of the founders. The original members almost all held organic certification, though many Rolling Prairie farmers have allowed their certifications to lapse due to costs, paperwork and rules changes. Alliance members still predominantly use recognized organic farming practices and often go beyond certification requirements.

“The farmers in the alliance operate as a cooperative, which serves as a kind of insurance policy for the subscribers,” says Lominska. “If one farm gets frosted, hailed out, flooded, dried up, or attacked by grasshoppers, chances are others can take up the slack.”

Products Sold

- Vegetables - Virtually any vegetable that can be farmed in Kansas, and well over 200 varieties of various vegetables.
- Fruit - Apples, pears, strawberries, peaches and blackberries, plus some unusual fruits such as aronia berries, autumn olives, and gumi berries.
- Mushrooms.
- Some meats, tofu, and eggs.

Sales Outlets

- Retail - Rolling Prairie sells around 250 Community Supported Agriculture (CSA) subscriptions per year, for a season typically running April to November. Full-share subscriptions cost \$17 per week, \$14 for economy bag shares. All subscriptions require an \$85 deposit. Subscriptions are delivered weekly to four pick-up points: Community Mercantile and Lawrence Memorial Hospital in Lawrence, Johnson County Community College and the Roeland Park Community Center near Kansas City.
- Wholesale - Rolling Prairie does not sell wholesale or to institutions.
- Distribution - deliveries are handled by Rolling Prairie farmers.

Marketing Challenges

- Matching supply with demand: Estimating the production for the season and matching that with the number of subscribers, to ensure enough product while selling as much as possible. “That’s the thing I worry about the most,” says Lominska, who notes that the CSA has never run short on supply. The CSA has opted to use a conservative approach to taking on new subscribers, to ensure sufficient supply.

Tools, Tangible

- Website: <http://rollingprairie.net>, with basic detail information including pricing, contents of typical content of produce bags, and more.

- Brochure

“We have a brochure outlining our service and pricing on display in many businesses in Lawrence,” Bob says.

- Weekly online newsletter

“In the Bag” section lists expected harvests for each week.

“Word-of-mouth drove the business in the early days. Now we have a lot of interactions online. Posting our projected harvests on our website lets people plan their meals for the week.”

- Internet Listings

Facebook page and Local Harvest listing. “We get several inquiries a week from Local Harvest,” says Lominska.

<http://www.facebook.com/pages/Rolling-Prairie-Farmers-Alliance/367223526316>

<http://www.localharvest.org/csa/M12620>

- Rolling Prairie Cookbook

An early Rolling Prairie subscriber and nutritionist, Nancy O’Connor, wrote a newsletter column weekly and after several years realized she should put together a full cookbook. Every new customer gets a copy, other CSA’s use it, and members of the public purchase it. http://www2.ljworld.com/news/2008/aug/07/exotic_prairie_cookbook_celebrates_10_years_using/

- Site coordinators

Each pick-up point is staffed by a Site Coordinator who can explain the subscription service, where the food was grown and what growing practices were used. They also keep track of enrollments, billing and other details for their site.

- Press exposure

The Lawrence Journal-World has been very supportive of local food and often run articles and blogs about local food, both on-line and in the paper,” says Lominska. “The best ad is getting an article in the paper.”

<http://www2.ljworld.com/weblogs/hennings-blog/2012/jun/26/bye-bye-bounty-week-9-new-twists-on-old/>

Tools: Intangible

- Word of mouth

“Personal references are really important -- happy customers referring their friends,” says Lominska.

- Direct exposure at the Merc pick-up site

“People walk by and see these beautiful vegetables. The cooperative arrangement we have at the Merc is probably our most vibrant site; we have a long history of cooperating and helping each other.”

- Reputation and History

“Rolling Prairie helped launch the local food movement. Our 20th year anniversary is coming up, and we are currently benefitting from the interest in it.”

The CSA welcomes new customers. “We occasionally draw products from other local farmers to add variety,” Lominska says. “While this produce isn’t always certified organic, we do our best to make sure it is grown by conscientious local farmers.”

Primary Author: Tom King, *Kansas Rural Center*

