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**ATTRA staffers
Julia Sampson &
Janet Bachmann
show a sample tray
of local farm
produce featured
in the "All Ozark
Meal" series.**



In this issue, we're going to market

Historically, farmers have been at the mercy of the market and all its uncertainties. Whatever the price was for cattle or corn at the sale barn or silo, that was what the farmer got. And, truth be told, farmers have traditionally had a lot more enthusiasm for production than for sales and marketing. But if the sustainable agriculture movement has shown us

**Macro & micro
marketing views**

anything beyond the field and pasture, it is that diligent and creative marketing is crucial to the survival of small, diversified farms in America.

This issue of *ATTRAnews* looks at business and marketing considerations for sustainable farmers.

Articles by Holly Born, an agricultural economist at ATTRA, and Julia Sampson, one of our specialists who works to create and promote local food systems, offer, respectively, macro and micro views on marketing. Holly's perspective on competitive advantage has broad implications for sustainable agriculture everywhere, while Julia highlights the particular marketing efforts behind her successful (and delectable) "All Ozark Meal" project.

Also in this issue, "Our Readers Ask . . ." features information on where to find business plans for farms and farm-based enterprises, and Nancy Matheson, one of our Montana-based agriculture specialists, profiles the success of the Mission Mountain Market cooperative.

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'All Ozark Meal' features local farm fare

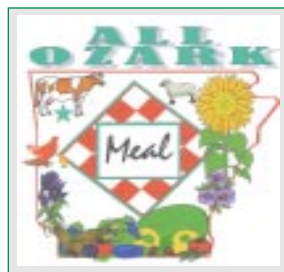
By Julia Sampson
NCAT Agriculture Specialist

All we wanted to do was what folks all over the country are doing: bring more benefits to sustainable farmers by promoting local food to local people. And things got off well. Beginning with a Southern SARE Community Innovations Program grant to finance a series of meals that would feature local products and be served at a variety of venues in Fayetteville, Arkansas, community support and cash contributions snowballed. We had grand plans and high hopes for this marketing effort to connect local farmers with more local consumers. And it did teach us a lot about how to do that.

We faxed press releases to 35 news organizations and sold out our first meal, served at the Ozark Natural Foods Co-op. But not one newspaper or radio station ran our announcement. *Lesson learned: know media deadlines and get your information out in time to meet them.*

For our second event — three cooking demonstrations and a

sampling of foods prepared by local chefs — we did a better job of getting the word out on time. By now, we were using handbills and e-mail in addition to newspapers, radio, and television. The mayor's wife did a celebrity turn with one of her favorite dishes. People crowded the Town Center Plaza during the 30th Anniversary celebration of the Fayetteville



Farmers' Market to get a taste. But in talking with reporters, we learned that they didn't always know what section of the paper we belonged in — Business&Farm? Lifestyles? Food? *Lesson learned: identify and get to know the reporters and their "beats," to make sure news releases get into the right hands.*

Our third All Ozark Meal was served at Bordino's — a small, upscale restaurant with a discriminating clientele — followed by a meal and open house at Doeling Dairy (where former NCAT agriculture specialist Donna Doel makes artisanal goat cheeses), and then a lunch buffet prepared at St. Paul's Episcopal Church. By now, our promotional efforts were running smoothly,

(See Ozark Meals on page 3)

Farmers, what's your competitive advantage?

Aim for high quality, become innovative, diversify, cut costs & find niche markets

By Holly Born

NCAT Agriculture Specialist

A competitive advantage is anything that keeps others from successfully competing with you. It may come from being able to sell at the lowest price, having a monopoly, or being among the first to produce or market something in a new way. Most farmers are not in a position to cut prices or establish a monopoly. But farmers can change their production and marketing systems, and increasing numbers of them are producing new crops and new products and experimenting with alternative marketing methods. Success in the short run requires producing a high-quality product or service, working to increase sales and cut costs, diversifying to



reduce risk, and finding niche markets where the added value of your product can be realized in higher prices.

A competitive advantage is almost always short-lived. The nature of the market is such that only the innovators,

Born: "A competitive advantage is almost always short-lived. That's just the nature of the market."

the first ones to take the risks, are going to profit. As others learn how to produce that new crop or enter that new market, competition will drive prices down and profits will disappear. A sustainable competitive advantage requires successful differentiation of your product with attributes that consumers in your targeted market segment will value. Producers can capitalize on the added advantage that comes from whatever it is about their operation that cannot be

copied, or can be copied only with great difficulty or expense. There is a large and growing segment of consumers that values all that is associated with sustainable production—attributes such as taste, environmental stewardship, social responsibility, and connection to the land and to the past—and are willing to pay for those qualities. Location and history are two attributes that cannot be duplicated and can successfully set a farm apart from the rest. Many consumers value their connection to the land and area where they live, and they manifest that connection by "buying local."

As my colleague Julia Sampson shows in her article in this issue about the All Ozark Meal project, getting consumers to buy local farm products is often just a matter of letting people know they're there.

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Our readers ask....

"Where can I get information about creating a business plan for my farm?"
-- C.B.
Maryland

ATTRA: "One of the best resources available on farm business development and planning is from Iowa State University's Center for Industrial Research and Service (CIRAS),

especially the business planning section of the *CIRAS Adding Value to Beef Production Manual*. They have several other business manuals that you may find useful. The Web site address is included with the CIRAS resource below.

Another good source of information that provides links to many other Web sites is the New Farm Options Web page at the University of Wisconsin Extension Service. The complete Web address is also listed below.

Other publications

The Sustainable Agriculture Network (SAN) has recently published *Building a Sustainable Business: A Guide to Developing a Business Plan for Farms and Rural Businesses*. This 280-page book is richly detailed and looks at such considerations as organic farming, on-farm processing, direct marketing, agri-tourism, and alternative crops. It is \$14, plus shipping and handling (see the resource section below).

Additional useful information on value-added agribusiness is in *Starting a Value-Added Agribusiness: A Legal Perspective*, published by the Illinois Institute for Rural Affairs.

Given the broad topic area, there are many other resources available when working with agricultural operations, too many to list here. The information below should provide a good base of information when getting started in any agricultural enterprises. If you have more specific questions, please give us a call at 1-800-346-9140.

Biz plan resources:

Anders, Verlyn K. *How to Write a Business Plan*. Center for Industrial Research and Service. Iowa State University, Ames, Iowa. p. 73-138.
<http://www.ciras.iastate.edu/BeefManual/sec2.html>

Anon. *Your Plan: A Step-By-Step, Start to Finish Business Plan Guidebook*. Small Business Advancement National Center. University of Central Arkansas, Conway, AR 72035.
<http://www.sbaer.uca.edu/Resource/yp13.pdf>

CIRAS - Center for Industrial Research & Service
2272 Howe Hall, Suite 2620
Ames, IA 50011-2272
Phone: (515) 294-3420 - 8am-5pm, Central Time
E-mail: info@ciras.iastate.edu

Web site for Beef Business Manual from CIRAS
<http://www.ciras.iastate.edu/BeefManual/intro.html>

Hanson, Mark. J. 2000. *Starting A Value-Added Agribusiness: The Legal Perspective*. Illinois Institute for Rural Affairs. Western Illinois University, Macomb, IL.
http://www.iira.org/pubsnew?strQueryType=PDF&pubName=IVARDC_Other_5.pdf&pubID=5

Small Business Advancement National Center
University of Central Arkansas
College of Business Administration
UCA Box 5018
201 Donaghey Avenue
Conway, AR 72035-0001
Phone: (501) 450-5300
FAX: (501) 450-5360
<http://www.sbaer.uca.edu/Resource/index.html#plan>

Sustainable Agriculture Publications
210 Hills Building
University of Vermont
Burlington, VT 05405-0082
Phone: (802) 656-0484
E-mail: sanpubs@uvm.edu

University of Wisconsin Extension
New Farm Options Web site : <http://www.uwex.edu/ces/agmarkets/starting.html>
This site provides information on various farm business matters. The on starting a value-added farm food business has many helpful resources on business planning that should be helpful.

Cooperative development center brings farmers new markets

By Nancy Matheson
NCAT Agriculture Specialist

Mission Mountain Market had modest beginnings. Twelve years ago a few farmers and ranchers from Montana's Mission Valley got together to explore the possibility of developing cooperative markets for their wide array of farm products. They quickly ran up against the lack of infrastructure needed to effectively tap into markets for fresh, local food.

Eight years later, in 1999, Jan Tusick, a farmer from Polson, Montana, and a leader of that first cooperative marketing effort, and Billie Lee, executive director of the Lake County Community Development Corporation in Ronan, Montana, put together a proposal—and a partnership to support it—to create a cooperative development center in western Montana. Its purpose: to provide the know-how and infrastructure needed by farmers working cooperatively to market their products.

Funded by USDA RBS

The USDA's Rural Business Cooperative Service funded the proposal, other sources of support and money followed, and today Mission Mountain Market (MMM) is a leader in value-added agricultural cooperative business and market development. MMM boasts a skilled staff, an extensive business resource library, a USDA-inspected and FDA-approved food processing plant and warehouse, even a refrigerated truck for distribution.

"Montana Natural Beef," a collaboration of six Angus producers, was one of the first cooperative businesses incubated by MMM. Montana Natural Beef now markets fresh, wet-aged, premium cuts of beef to a national clientele of quality-conscious customers, while lower-end cuts go to local retailers who have discovered the market for local beef. According to Will Tusick, who serves on the staff of the company, "Without Mission Mountain Market, we wouldn't be a business."

The Western Montana Growers Cooperative is one of the more recent ventures incubated at Mission Mountain

Market. It consists of 10 growers who are cooperatively marketing and delivering their vegetables, fruit, chicken, and eggs to local restaurants and institutions. Next year they plan to offer an array of quick-frozen vegetables for their institutional customers. To make that possible,

Mission Mountain Market has installed a machine that can quick-freeze individually packaged produce.

Mission Mountain Market is evolving with its clients' needs. Over time it has added a food dehydrator, cooking and baking machines, meat cutting and cryovac meat packaging facilities, a smokehouse, the quick-freezing machine, juicers, a flash-pasteurizer, cooling tanks, a bottling line, walk-in and drive-in coolers and freezers, a gluten-free milling plant, warehouse space, and most recently, organic certification service.

MMM works for its client businesses in several ways. It provides business technical assistance; it incubates businesses in its facility; it serves as a custom processor for client businesses, and outside businesses can simply rent processing and packaging machines or kitchen facilities on a per hour basis. In the case of apple cider, Mission Mountain Market buys apples from area producers and makes and markets fresh cider under its own label. MMM also sells clients' products in a small storefront at the entrance to the plant and through its Web site, www.mtmountainmarket.org.

MMM Association

MMM also initiated the Mission Mountain Market Association. The association offers a way for MMM's clients to buy supplies in bulk, share trade show booths, get bar codes in common, and serve as a support group for information-sharing and networking.

Because of Mission Mountain Market's expertise and facilities, western Montana's farmers, ranchers, and rural communities have a brighter future. MMM could well serve as an inspiration and a model for others striving to keep more of the consumer's food dollar on the farm and in their local communities.

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Matheson: "Mission Mountain Market boasts a skilled staff, an extensive business resource library, a USDA-inspected and FDA-approved food processing plant and warehouse, even a refrigerated truck for distribution."

Ozark meals

and the turn out was terrific at all three meals. *Lesson learned: venues with different price points will connect with a broader variety of customers.*

Ozark Natural Foods hosted a second buffet, and Ozark Brewing Company — a popular micro-brewery and restaurant — featured its beers at the meal held there. These, too, benefited by our growing knowledge of when and how to advertise and how to attract broader interest through a variety of venues.

Through luck, pluck, and a lot of sustained effort, the All Ozark Meals enjoyed solid success. Here's what we found important in making that happen:

*Learn to work with the media. Know about deadlines, and

become familiar with reporters interested in what you're doing. *Use posters, handbills, fliers, and e-mail as inexpensive ways to keep people reminded of your events.

*Get as many facets of the community involved as possible — farmers, city government, Cooperative Extension, churches, civic organizations, businesses.

*Use a variety of venues to draw diners from a wide spectrum of the community, from *haute cuisine* foodies to the after-church lunch crowd.

Best of all, we learned that several of our local producers started getting calls from restaurants and may have to put more land in production next year.

(continued from Page 1)



Appropriate Technology Transfer for Rural Areas
P. O. Box 3657 • Fayetteville, AR 72702
1-800-346-9140 www.attra.ncat.org
1-800-411-3222 (Spanish only)

A project of the National Center for Appropriate Technology

New and Updated ATTRA Publications

To obtain these publications, call 1-800-346-9140 or visit our website: www.attra.ncat.org

NEW

◆ Conservation Easements ◆

Conservation easements are used to prevent development of farm land or to preserve scenic, historic, or environmental values. This publication looks at many of the financial and legal issues involved and lists several organizations that can provide more detailed information on conservation easements. 12 pages.



◆ Organic Alfalfa Production ◆

Demands for organic dairy feed are on the rise due to passage of the National Organic Program's (NOP) organic standards in 2001. Cows producing organic milk must be fed organic hay. This publication discusses basic cultural requirements, insect pest management, diseases of alfalfa that include root and crown diseases and foliar diseases, nematodes, vertebrate pests, weed controls, and economics and marketing. References and resources are included. 16 pages.



◆ Organic Livestock Documentation Forms ◆

This package contains ready-to-copy forms for documenting practices, inputs, and activities that demonstrate compliance with the National Organic Program rules. Suitable for all standard organic livestock production systems, including pasture-based operations. 37 pages.



◆ Organic Orchard, Vineyard, & Berry Crop Documentation Forms ◆

This package contains ready-to-copy forms for documenting practices, inputs, and activities that demonstrate compliance with the National Organic Program rules. This selection has been assembled to meet the specific needs of organic fruit producers.



◆ The (Montana) Irrigator's Pocket Guide ◆

Written with Montana specifically in mind, this guide is equally useful for irrigators throughout the northern plains. It covers both water management and equipment maintenance.



UPDATED

◆ Constructed Wetlands ◆

◆ Amaranth Production ◆

ATTRAnews

Teresa Maurer,
ATTRA Project Manager
Paul Williams, ATTRAnews Editor
November-December 2003

ATTRAnews is the bi-monthly newsletter of Appropriate Technology Transfer for Rural Areas, the national sustainable agriculture information center. The newsletter is distributed free throughout the United States to farmers, ranchers, Cooperative Extension agents, educators, and others interested in sustainable agriculture. ATTRA is funded through the USDA Rural Business-Cooperative Service and is a project of the National Center for Appropriate Technology (NCAT), a private, non-profit organization that since 1976 has championed sustainable technologies and community development that protect natural resources and assist people, especially the economically disadvantaged, to become self-reliant.



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