SOUTHERN RISK MANAGEMENT

EDUCATION CENTER

2012-Funded Project Final Report*



NORTH CAROLINA

Retail Market Readiness Education for North Carolina Small-Scale Farmers

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Project Introduction

Expended Amount: \$27,744

This project addressed the market development risks small-scale farmers will encounter as they work to develop new marketing relationships with restaurant, grocery and wholesale buyers. These retailers are interested in acquiring local products but find it difficult to find growers with the commercial business skills needed to supply their demand. Many farmers are unaware or unprepared to meet the institutional buyer's requirements. A commercial readiness training program was developed for North Carolina small-scale farmers interested in accessing these markets based on the pilot program developed in Kentucky. The institutional buyer's requirements were compiled from personal interviews and presented during the six workshops. Six training workshops will be offered in each NC A&T University Extension district to help 132 growers understand the standards and expectations, record keeping (financial), food safety (legal) and buying practices as well as to develop their marketing plans to meet the requirements of these retailers.

Project Participants

Twenty North Carolina farmers who are selling into the retail market channels. We developed a potential local food retailer list of over 90 companies based on their interest in buying from local smallscale farmers.

Project Area

North Carolina – statewide

Project Outcomes

The unexpected results of the project have been the new collaborations developed as part of this project. Several other groups are working to help farmers develop new markets, and as a result of this project, we are developing collaborative projects. This project has given us the tools needed to help farmers understand what is needed to sell to institutional buyers. We have made connections with several buyers interested in buying from North Carolina farmers. Several buyers have contacted us about potential farmers who have gone through the Retail Ready training.

The collaborations developed through this project will continue. We are developing educational materials and organizing workshops in partnership with Carolina Farm Stewardship Association and Feast Down East. We had thought farmers would need to have a GAP certification before selling to any institutional buyers. Several buyers are not requiring GAP certification before selling to them. This has lead to us not meeting our GAP goal for farmers. When farmers understood they did not need to complete GAP certification, many chose not to become certified during the timeline of this project.

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Usba Department of Agriculture

National Institute of Food and Agriculture

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Quotes

- "Having an array of speakers, farmers, specialty distribution, restaurants and grocery stores."
- "I am very new to farming so I found it all extremely useful. I really liked hearing from the Lowe's man and the buyers panel."
- "I felt it all was very informative!"
- "It was great probably information on how to get into these other outlets."
- "All good information I gained a great deal of knowledge from restaurant sales section."

Project Success Story

"The Retail Ready program was developed after two years of listening to farmers discuss the need to scale up to retail markets. It was a natural progression of working with farmers to improve their marketing opportunities." Bullen, along with colleagues in the Cooperative Extension Service, organized a series of workshops called "Retail Ready for Local Farm Products." The goal was to connect small- and medium-sized farmers looking to sell into larger markets, with large-scale buyers (grocery stores, restaurants, produce distributors, etc.) wanting to increase their purchasing from local farmers. The workshops featured panels of farmers and buyers and discussions about pricing for retail markets, quality assurance and packaging, insurance and risk management, and other vital issues. "We are creating a notion of 'access points,' where a farmer can plug in, access a marketing channel, and master it, and then expand or diversify into other marketing channels" if they wish, says Bullen. A 100-page manual was also developed and distributed at the workshops, with resources and tools to help farmers with everything from identifying local buyers to bidding, invoice and payment terms. More Retail Ready workshops will be offered throughout the state, in partnership with NC Growing Together.

*Sandra Martini, H. L. Goodwin and Ronald L. Rainey, Grant Coordinator and Co-Directors, respectively, of the Southern Risk Management Education Center, serve as editors of this report series. To learn more about risk management education programs and resources, visit the Southern Center web site (<u>http://srmec.uark.edu</u>) or the Extension Risk Management Education Program link (<u>www.extensionrme.org</u>).

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