



Introduction to Direct Farm Marketing in Idaho
Diane Green



Selling into different markets

Diane & Thom at Farmers Market



Certified Organic since 1992

- Farmers Market
- Restaurants, chefs, caterers
- CSA
- On-farm stand
- Direct to consumer
- Agritourism
 - Field days, Farm tours, On-farm events
- On-line sales
- Value added
- Natural foods store



Farmers Markets

- Direct sales to the consumer encourages “marketing relationships” between buyer and seller, which boosts opportunities for repeat sales and connecting with new customers.
- In addition, farmers have more control over their product and can maintain quality until it reaches the customer.
- Why would a customer choose you?
- What do your customers want?
- Who is your competition?



Name recognition is important.

Selling Produce to Restaurants



We started selling to restaurants in 1990....

- It has to be the type of restaurant that has an owner and chef that care about supporting local growers.
- Identify the finer dining establishments that employ real chefs; this means 'home made' is not from a can or box.
- A quality restaurant is willing to invest in quality produce.



Selling Produce to Restaurants



- It is up to you to educate the chef of all the reasons why your product is worth the extra expense.
- We are competing with the food service suppliers who deal with large amounts of product grown on corporate farms shipping from 1,500 miles away. This means the shelf life is short, and the flavor is fading.

Book: Selling Produce to Restaurants



Community Supported Agriculture CSA's

- CSA is a marketing system in which customers buy “shares” in a farm’s harvest. They pay a sum at the beginning of the season, providing the farm with up-front capital. In return, each customer receives a weekly allotment of produce.





On-Farm Stand

- Zoning requirements are the jurisdiction of the local government.
- Farm visits imply risks and potential liability to farm owners, should accidents occur that result in injuries to visitors.



Agritourism

- **Agritourism** refers to the act of visiting a working farm or any agricultural, horticultural or agribusiness operation for the purpose of enjoyment, education, or active involvement in the activities of the farm or operation.



Selling into different markets

Seed production

- Regulations are different for selling within the state than they are for selling outside of Idaho.
- Idaho has quarantines associated with a number of products like seeds, cuttings, plants and more.



Certifications and Eco-Labels

- Certified organic
- Real Organic Project
- Certified Naturally Grown
- FairTrade
- Biodynamic Demeter certification
- Eco-labels
- Kosher



Selling into different markets

- Selling head lettuce at the farmers market, direct to consumer may have different requirements than selling to a grocery store or school lunch program.
- Do you know what you need to know before taking the next steps?





Take a closer look at Risk Management and the Regulatory Environment

- Production and marketing are just a part of the risks that we face as farmers.
- We need to be aware of the areas of risk associated with marketing, production, employment, insurance, and consider legal issues as well.
- Finding information about rules and regulations can often be challenging and intimidating which often leads to doing nothing about the things that really need to be dealt with.

The Risks of Farming

- Farmers make decisions every day that affect farming operations. Many of the factors that affect the decisions we make cannot be predicted with complete accuracy; this is risk.
- We need to understand risk and have risk management skills to better understand problems and have risk management skills to better anticipate problems and reduce consequences.





General Observations about Direct Marketing and The Law

- First, as a general rule, the more your operation begins to look like something other than a traditional farm – for example a recreational venture with a corn maze – the more likely you may be to encounter an increasing number of state and local laws and regulations.
- Second, the result of this rule is that the less you look like a traditional farm the less likely you are to be protected by many of the special legal rules which have been created to protect farming, such as exemptions from zoning rules or specific labor laws.



General Observations about Direct Marketing and The Law

- Third, the more you look like a traditional farm, the less likely you are to be regulated in the first place and to the extent regulations may apply, there may be special exceptions which apply to your farm.
- Fourth, the more you begin to resemble a large-scale or full-service retail foodstore, such as being open year-around, handling a range of processed foods, carrying many non-food items, or carrying more items produced by others that are raised on your own farm, the less likely you are to be treated as a farm or roadside market.
- Fifth, bringing people on to your property – such as workers, tourists, customers, and “u-pickers” - will introduce many legal issues which might not be present when just your family is involved. While the risks or potential liabilities in most of these situations are manageable – such as through insurance and training – there are potential legal challenges and costs you will face when dealing with the public.
- One way to avoid possible legal problems is to ask for advice from people who should know the answers to our questions.



Six Phone Calls to Make before you Begin Direct or Semi-Direct Marketing



1. Local land use planning authorities
2. Your insurance agent
3. State food inspection and licensing officials
4. State labor commissioner
5. State department of agriculture's marketing and diversification office
6. Your attorney