Summer 2014

Happy Birthday Extension! UGA Extension is 100 years old. That’s a long time and many things have changed since 1914 when Extension was started, but we are still committed to provide you with the unbiased, science based information that you need to be healthier, more productive, financially independent and environmentally responsible. So celebrate with us.

Check out our celebration website and share your stories - http://100years.extension.uga.edu/content/extension100.html. Thank your local agent and wish them happy birthday. And thank you for all your support over the years!

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Upcoming Events

May 29: Team Agriculture Georgia Spring Workshop
June 28-29: Georgia Mountains Farm Tour
July 10: Organic Twilight Tour
July 17: Intro to Small-Scale Recirculating Aquaculture Systems
September 4: Pond Mgmt for Recreation and Food Fish Production

Find more information on these events at www.SustainAgGa.org

Also find basic principles of sustainable agriculture, Extension bulletins, research publications as well as archived copies of this newsletter at the above website.
Grower’s Corner

Marketing Series: Communication

Small farm owners have to wear many different hats: grower, mechanic, accountant, advertiser and salesperson. Most farmers became farmers to farm, not to specialize in marketing and sales, but this is one of the most important skills farmers need. This is the first article in a series that will help you feel more confident if you want to start selling to restaurants or if you want to hone your skills. This first article includes tips to help you develop a relationship and sell to a potential buyer at a restaurant, local school, or store.

Prepare - Preparation is key to sounding professional when contacting a potential buyer. Prep by reviewing the list of all the leads you will be contacting by researching their company and understanding how your product(s) can fit their needs. You also should think about new or different products that you may be uniquely able to provide them with. Almost every farmer will have tomatoes and squash in summer, so think creatively. If it’s a Spanish restaurant, maybe they would be interested in buying Padron peppers. Remember, this is a give and take so you should be open to hearing product ideas from the customer and thinking how you can help their restaurant or store. This shows that you have actively taken an interest in their business and care about their needs and requirements.

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Make and take notes - Be sure to have bullet points of items that you do not want to forget to bring up during this “natural” conversation, and as each point is covered, check them off. Also, by taking notes during your call you will not get absorbed in the conversation, go off track and realize after hanging up that you forgot to mention some key point about your product offering.

Use “so, if...”- When closing your conversation, use the “so, if” concept which helps you to refer to any negative points or reservations prospective buyers may have raised during the call. For example, if a concern about price is raised, by saying “’So, if’ we can negotiate costs to suit your budget, would you be willing to proceed?” Or, if they’re unsure about your product, offer to bring in a sample for the chef to try. This helps you address any objections and can lead to a second meeting or closing the sale.

Ask for the close - If you are trying to set up a meeting, say “would you be available on Monday or Wednesday next week for us to meet” or, if closing the sale, say “what would need to happen for you to place an order today?” If you do not ask your buyer for the sale it is hard to get to the next step.

Redirect - If further objections are raised, redirect to “so, if” concept and try to close again.

If no is the answer... - Ask when you should follow up with them. For example, say “Can I call you in a month/next quarter/after the new year to see if your needs have changed?” Then make sure you follow up when they told you to!

Always... - Thank them for their time verbally, and sometimes, even follow up with a hand written note. If they are a buyer you would like to have, a hand written note thanking them for taking your call and adding your business card may be just what you need to get their future attention.
I hope these tips help you contact potential buyers and make a sale!

Laura Katz, MBA, is a business consultant with the University of Georgia Small Business Development Center specializing in Marketing and Business Development. For more information about resources for small business owners, visit us at: www.GeorgiaSBDC.org.

Laura Katz  
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Photo: MissionCommunityMarket.com

What is an Heirloom Variety?

Heirloom varieties, especially heirloom vegetables have become very popular recently. But what is an heirloom variety? The answer is not as simple as it might first appear! For vegetables that are grown from seed, varieties are generally described as open pollinated (OP), F1 hybrid or heirloom. In order to understand what an heirloom is, we first we need to ask ourselves – what is a variety? In scientific terms, a “botanical variety” is a taxonomic rank below the species level, however in popular speech, vegetable cultivars are often erroneously referred to as varieties. A cultivar is a group of individual plants that has been selected for specific characteristics and is distinct, uniform and stable for these characteristics when propagated appropriately [1]. This means that when we buy seed of a specific cultivar, we have an expectation of the traits the plants should have, and that one cultivar should be distinguishable from another.

Open pollinated (OP) - Before World War II, the most common type of cultivar was open pollinated (OP). Individual plants within OP cultivars are allowed to self-pollinate or cross pollinate according to their natural pollination method, which is dependent on the crop. However, precautions have to be taken to prevent cross pollination between different cultivars, especially for naturally out-crossing crops like corn, cucurbits (squash, pumpkin, watermelon, etc) and Brassicas (cabbage, cauliflower, broccoli, etc). These precautions usually include isolation by distance or mechanical means (mesh cages) to prevent cross pollination among cultivars by insects or the wind. Seed saved from OP cultivars should be true-to-type, meaning that the progeny will have the same characteristics as the parent plants. It should be noted however, that when OP cultivars are protected by Plant Variety Protection (PVP), growers cannot legally sell, trade or give away seed from such protected cultivars. PVP protection lasts 20 years and during this time protected cultivars can be used for breeding new cultivars, but the new cultivars must be distinct from the original, protected one.

F1 hybrid - F1 hybrid cultivars are the 1st generation progeny of a cross between two different inbred lines. These inbred lines are produced from plants that have been selected for several generations until they are highly uniform and will breed true-to-type. For highly self-pollinating crops, like modern tomatoes, inbreeding will naturally occur when plants are allowed to open pollinate. F1 hybrids are used because they display hybrid vigor, that means that these cultivars are generally more vigorous and have higher yield. Plants within an F1 hybrid cultivar are also very uniform and modern F1 hybrids have been bred for high pest and disease resistance. Seed saved from F1 hybrids do not breed true-to-type and will not have the same characteristics as the parents. For this reason F1 hybrid cultivars are usually not protected by PVP. The appropriate way to propagate F1 hybrid cultivars is to re-cross the two inbred parents, meaning that growers have to buy seed from a supplier each season.

Genetically Modified Organisms (GMOs) - F1 hybrid cultivars are sometimes confused with Genetically Modified Organisms (GMOs). GMOs are developed through a laboratory technique (recombinant DNA technology) that makes it possible to bring together DNA from different sources into a single individual, and thus transfer a specific trait(s) from one organism to another. This technology can be used in the development of any type of cultivar, including clonal, OP and F1 hybrid cultivars. All GMOs have to be approved by the US Department
Heirloom tomatoes

Heirloom - There is no official definition for what qualifies as an heirloom cultivar and many views exist. There is general agreement that heirlooms must be OP and allow seed saving, but there are also two bones of contention; (1) how old does the material have to be and (2) should cultivars bred by professional breeders be included?

There is a lot of contention about the cut-off date that should be used for heirlooms. Most commonly 1945 or 1951 (before the widespread use of F1 hybrids) are used, but in some cases only cultivars older than 100 years are considered heirlooms. Whatever the cutoff year is, the next question is whether cultivars bred by professional plant breeders during this time should be considered heirlooms? The majority of seed sellers generally include cultivars bred by professional breeders as heirlooms, provided they were bred before the cut-off date.

Some people feel strongly that heirlooms should exclude materials bred by professional breeders, and this narrow definition is similar to the scientific definition of a landrace; ‘a landrace is a dynamic population(s) of a cultivated plant that has historical origin, distinct identity and lacks formal crop improvement, as well as often being genetically diverse, locally adapted and associated with traditional farming systems.” [2]

Since there is no official agreement about what an heirloom is, growers will have to decide for themselves what they consider heirlooms and then research the history of specific heirlooms to ensure that their expectations are met.


Ensuring Farmers’ Markets are Producer-Grown

Farmers’ markets for most are synonymous with supporting the local economy and buying products from the people who grew them. However, for many farmers markets that stipulate their vendors can only sell what they grow, this has been a struggle to enforce and verify. A recent article from the March 2014 Fruit Growers News featured an article titled, “How to prevent fraud at farmers’ markets.” This nationwide problem threatens the authenticity and integrity of markets even when it only may be a few growers at your market. It can include farmers who “top-off” their stands with produce they don’t grow to the extreme where growers are buying wholesale and reselling as their own.

Farmers’ market managers have a variety of strategies for ensuring that all producers are growing what they claim, and many view this as a stipulation for selling at their specific market. Many require farmers to submit a crop plan, farm map and allow an on-farm inspection each year before the beginning of the market to verify what they plan to sell.

Inspection - Inspecting a farm is a great opportunity for the market manager to look for any potential problems the farmer may have in the coming year that will affect sales and safety. Do they estimate they will be able to sell x pounds of tomatoes, but
there’s no way their acreage will allow that? Is there a food safety issue like irrigating their spinach with water from a pond that has ducks in it? Depending on the size of your market and the distance you’re pulling farmers from, there are a variety of ways to inspect farms. Some states, like California have a system where farmers must be a “Certified Producer.” This proves that the producer has supplied a farm map with what will be grown each season, an estimate of quantity for each product, leases for the land, and a list of the counties they plan to sell and that an inspector from their county agriculture commission came and verified all this information at their farm. These inspectors also come visit the vendor’s stall periodically at the market to verify it at the point of sale. However, since the farmer obtains the certificate in the county where they grow, but can then sell to any market in California, the market manager still has to be vigilant and also checking the crop plan and what they are selling. For an example of these certificates and how they work, please visit, http://www.sonoma-county.org/agcomm/cert_farmers_mkts.htm.

Dealing with accusations - Because farmers markets are based in ideas of community and trust, when an accusation is made, be it from a customer or fellow grower, the farmer’s market manager must deal with it in a fair and equitable way. A farmer market in Michigan came up with one way to make sure that grower accusations are legitimate accusations and not just gossip. If a grower wants to challenge the authenticity of another grower’s product, they have to pay a $100 challenge fee to “put [their] money where [their] mouth is.” If the market manager visits the farm and can prove the grower is selling product not grown by them, then the accusing farmer gets their money back and the offending farmer will pay $100 to the market. However, if the grower is in fact selling what they are growing, then the market keeps the challenge fee. On strike three of a farmer selling items not grown on their farm, they are kicked out of the market.

A farmer’s market manager will need to decide what strategies will work best for their market. You first need to make sure all the growers are aware of what is expected, be it 100% grow-what-you-sell or 50%. If you only have 10 growers and they are all within your area, self-policing and having some simple crop documentation will probably do the trick. However, if there are 50 farmers from a 100 mile radius or more, you may want to look at partnering with county extension to help verify crop plans.

For more information, check out the Farmers Market Coalition at http://farmersmarketcoalition.org/producer-only/.

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Photo: Grow NYC, Greenmarket
http://www.grownyc.org/greenmarket/farmers

A map from Greenmarket in New York City uses their farm data also as an educational and marketing tool

In other situations, like at the Greenmarket in New York City, farmers include a letter of recommendation from their county extension agent, crop plan, farm map and any needed licenses (candling, cottage foods, etc.). The market manager then inspects the farms and compares the volume of sales each farmer does to the crop plan. For farms that are farther away, the managers have even looked at satellite images to verify acreage and planting.
**Extension**

**Stop! Don’t Build That Food Hub!**

So you want to build a food hub, right? Food hubs, which the USDA Agricultural Marketing Services defines as,

*A regional food hub is 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.*

Basically, they are a way to aggregate small and mid-scale farmer's products and potentially freeze, chop and can so they can be sold to schools, grocery stores and other wholesale markets while keeping their farmer or source identification. More information on food hubs, specifically in Georgia, can be found at SustainAgGA.org/GSAC.

Across Georgia, many economic developers, non-profits, entrepreneurs and local governments want a food hub for their community. This sentiment is not unique in Georgia. It was widely expressed at the National Good Food Network Food Hub Collaboration Conference this past March in Raleigh, North Carolina. This national conference brought together food hub managers, technical providers, researchers and government officials to help all of these different stakeholders run and assist more efficient, sustainable hubs.

While each session was valuable, the information from the one I want to share, was titled, "Stop! Don’t Build That Food Hub!” Ominous, right? This panel came from different areas of the US and ranged from food hub managers to a consultant to a researcher, but all of them had four similar recommendations when giving guidance for others who are deciding whether to build a food hub.

**Find out what’s really needed in your community**  
- Many groups have good intentions and decide to do their due diligence with a feasibility study through a third part group. One stumbling block is that many groups have already decided that a food hub is the way to go and are doing what one panelist referred to as a “justification study, not a feasibility study.” Make sure you are really looking at what the farmers and the market are ready for and in need of in your area. Don't go into this saying, we need a food hub so let's go out and prove it. Many times there just isn’t the money to do a proper feasibility study, but you can still do your own market research and internal feasibility study. Food hubs are not always the answer, maybe a group CSA, community kitchen or collaborating with an existing hub is a better way to go. Talk to the farmers and buyers in your area to understand what the real needs are.

**Know your mission** - Identify and clarify your mission and goals. This goes for both non-profits and for-profits. Just because you see a need or grant funding doesn’t mean you should let your mission start to creep. If your mission is in line with a food hub, know that you will have to balance your mission with the bottom line of running this business. If you have an all-encompassing mission, say addressing food access in an underserved community as well as helping underserved farmers get more money for their certified organic or sustainable produce, you are going to have a very hard time helping both of those groups. You cannot be everything to all people.

**Proper management** - One of the quickest ways for hubs (or any business) to fail is having inexperienced or a high turnover of management. Food distributors have a very small margin of profit, most are only 1%, with 5% profits in best case scenarios, so having a manager or management team that can balance business expertise with the organizational mission is key. This is critical for both non-profits and for-profit businesses. These are the people who build relationships and grow the farmer and market base, who make sure the customers are getting quality product and who ensure all components are running smoothly.

**Business Structure** - Determining the type of business structure for the hub will influence financing, taxes and types of services it provides. The most common structures for hubs that I have seen are
for-profit (LLC), non-profit, cooperative and hybrids. Some of these hybrids include a nonprofit organization that acts as an umbrella for their for-profit food hub. This structure may seem odd, but this session echoed what I heard from other sessions and in my own conversations with non-profit food hub managers: running a food hub as a non-profit often requires substantial subsidization of the hub from other programs they manage. There had been a previous assumption that hubs could act as profit centers for non-profits, bringing in additional funding to finance their other missions. However, when these types of businesses only have a 1-5% profit margin and many non-profits add educational missions on top of this which require extra staff and resources, the economic sustainability after the grants stop is extremely shaky.

This point needs to be seriously considered by non-profits and those deciding how to structure their hub. Current managers continuously stressed that regardless of business structure, the hub cannot be continuously reliant on grants and that the manager must run the hub as a business.

This article is not to say your group should not build a food hub, but to critically examine whether this is truly the best option for your community’s needs. This session and the conference overall aimed to assist existing hubs and potential hubs to be resilient actors in the food system. The only way these new value-chains can work is if they are economically sustainable. A full listing of recordings from each of the sessions, including this one, “Stop! Don’t Build That Hub!,” are listed at http://www.ngfn.org/resources/food-hubs/2014-conference.

If you have questions or would like additional resources please reach out to either myself (katemd@uga.edu) or Julia Gaskin at jgaskin@uga.edu.

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Mark your calendars for the evening of July 10th, 2014!

The Annual Organic Twilight Tour will take place on UGA’s Durham Horticulture Farm.

Come out to see new research on a variety of organic fruits and vegetables and talk with the researchers.

For more info, go to SustainAgGA.org/News

The rain date is July 17, from 6:00 pm - 8:00 pm. Please check the SustainAgGA.org homepage under “Latest News” for weather updates.