

Growing Local Markets: The Keynote Address to NOFA-NY's Annual Education Conference and Annual Membership Meeting, 1998.

By Russell Libby, Executive Director of Maine Organic Farmers And Gardeners Association

Like many of you I grew up around the edge of the homesteading movement. I have to confess, though, that I didn't even know it was happening. We were handpicking blueberries and selling them from a card table and door to door in the 1960's to earn money for school clothes, while forty miles away the Nearings were drawing hundreds and then thousands to their door. By the time I reached high school, Marjorie Spock, who successfully sued Long Island authorities for spraying her biodynamic garden with DDT in the 1950's, was living next door to a classmate, and Will Brinton of Woods End Lab in Mount Vernon, now my neighbor, was doing his first compost experiments in the same neighborhood. Meanwhile, I was raking lowbush blueberries.

It wasn't until college that I was exposed to this whole world of natural foods and homesteading, which, I have to confess, reminds me a whole lot of most of rural Maine in the 1960's minus the sugar. There, however, it was out of necessity more than choice.

My first exposure to these new farmers marketing organic foods was at the first Common Ground Country Fair, in 1977. There I finally met the Nearings, and thousands of people involved in building an alternative agricultural system in Maine. So, in a way, what I'm going to talk about today is a progress report on what's been happening over the past 20 years in Maine, and how it parallels what's going on in the rest of the country. . . .

Lately, I've been seeing, like you, more and more about the growing organic 'industry'. "The organic industry grew by 30% last year", etc. The 'initial public offerings' of natural food chains, and food processors and traders, the trend to producing 'nutraceuticals' instead of healthy foods, and the push towards product uniformity are way outside the world I live in. In general, I have trouble thinking even a greatly reformed industrial food system has a lot of room for, or interest in, Three Sisters Farm. Perhaps this perception of organic as an industry has been epitomized by the recent actions of the Rodale Institute to trademark the phrase "Healthy Soil, Health Food, Healthy People". Maybe they did it to protect it from someone else's trademark attempt, but it's hard to see a reason. . . .

I was attracted by organic since I first found out about it over 20 years ago. We all know that putting poison on our food isn't the way to solve our problems. However, I've been more focused on ways to build economic links between farmers and the local community than on production systems, and that's what I'd like to focus on for the rest of my talk. Here's how I've thought about it. I'm going to use my town, Mount Vernon, Maine, as an example.

I think the first step is opening our eyes to the possibilities that already exist. I started on our town's comprehensive planning committee. Other folks wondered why we should bother with agriculture since we were down to our last 2 dairy farms. By the time I'd

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gone up and down all the side roads, I'd found 28 farms. Is that a dying sector, or a lively one? Are the fields going back to woods, or coming out into usable land again?

In our small town of 1400 year-round residents, we now have: 1 dairy farm, and 1 about to enter (a true start-up); 2 farms with pigs, 2 with sheep, 2 with goats, 5 with beef animals; many farms and households selling eggs and vegetables, then 1, now 4; a commercial greenhouse operation; an apple orchard; a cranberry bog; people teaching horseback riding, doing value-added fiber products, and harvesting and selling wild mushrooms. We've had 5 new farms in our town certified as organic in the past 5 years.

Next, we have to start looking at the economic flows within our community, and the economic drains. I started thinking about what it would mean if we could get local families spending \$10 per week on local food. Over the easy six months of the year, May through October, in Mount Vernon that would add up to \$102,000. That's a lot of money. I took that idea out to Maine as a whole - it represents \$150 million in sales. We're now capturing about \$20 million of that market. To reach that level, we'd have to grow 6 times, in sales, and acres, and maybe farmers, too.

In New York, with 17 times the population (about 19 million), \$10 week represents \$2,350,000; and that's only a start. Maine spends \$50 million a week on food; \$45 million a week goes down the Turnpike en route somewhere else. In New York, it's \$850 million a week on food!

Well, we're not set up to catch even the \$100,000 market in Mount Vernon - yet! I think we've done four things in Mount Vernon, and more in Maine as a whole, that have put us on the path to reaching the target:

1. Build awareness of options and alternatives;
2. Build connections between farmers (trading time, equipment use; group orders of seeds and farm supplies; purchase from one another);
3. Started a small Farmers' Market;
4. Taken first steps towards group marketing, with some loads of produce going to Bates College.

Most of the early organic sales in Maine, and until recently a majority, were direct from farmer to consumer, so we'll start there.

- **Natural Foods Stores:** Maine had exactly 2 in the mid-70's; about 40 today. Increasingly, produce, including local produce, is featured. We have several small-town markets doing between \$100,000 and \$250,000 in produce business.
- **Farmers' Markets:** Portland has had a market operating nearly continuously since Colonial times, down to a few vendors in the early 70's, now 30-40 vendors. Since 1979, we've gone from 17 markets to 50 this year. (Remember, Maine has only 1.25 million people, compared to New York's 18 million -- 750 markets in New York would be comparable).
- **Restaurants:** The white tablecloth market has picked up on organics. We have a group of 22 restaurants in Hancock County promoting the fact that they're buying local foods. My favorite, though, is the A-1 Diner, in Gardiner, a traditional trolley car setup, where the entrees cost \$7.95 or less and they use a lot of local and organic foods.

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- **Farmstands:** Most farms are willing to sell out the door. Due to lower population densities in Maine, farmstands aren't as important as they are in some parts of the country.
- **Coops:** We now have four formal organic farmers' cooperatives operating in Maine. One deals only with wholesale shipments of organic blueberries. Another, CROPP, represents some of the Maine dairy farmers. Two are produce-oriented. One, the Aroostook Organic Farmers' Cooperative, is bringing a group of more conventional farmers into the system, producing potatoes and other storage crops. They ship to stores in Maine, and southern New England. They've also been trying the "local" angle in selling to local retailers, including supermarkets. The other, Hancock organic Growers, consists of seven farmers who operate a farmstand together and wholesale to local retailers and restaurants within the town of Blue Hill. They have over 20 restaurant accounts within that one town that they service together; outside Blue Hill, they compete.
- **CSAs:** CSAs are not easy to do in rural regions, but lots of folks are doing little, 3-5 household CSAs, as one way to provide a base of activity for the farm.
- **Dairy:** The organic dairy movement hit Maine this past year. We converted 23 farms, which represents nearly 5% of Maine's dairy farmers! Some have had trouble, but many will do well since they're primarily grass-based farms.
- **Common Ground Country Fair:** How many of you have been? The Fair presents a tremendous opportunity for people to try different approaches to marketing: farmers' market; ag booths; wholesale to vendors; educational outreach; exhibition hall. Our local seed companies are well represented as well.

We haven't made big inroads into the supermarkets and large natural food chains in Maine; partly it's a question of volume, and it's also a question of loyalty. The supermarkets are not there to build markets for individual vendors, or for local brands of any kind.

What are the next steps? MOFGA is working on three pieces of the puzzle.

First, we think we have to increase the role for independent retailers. In Maine there are hundreds of natural food stores, rural retailers, and restaurants that are looking to build connections with local farmers. These retailers need to think of themselves as a cohesive whole - as the businesses making local, organic food available to the general public. It's our job to help build that common identity.

Second, to meet these growing markets, we have to expand our supply networks. For example, one of our most successful farmers' markets took on a large group of new growers a couple years ago, despite the short-term price impact, because they knew they needed to attract new customers to make the market successful for the long term. We need to build supplies large enough to provide these markets with food on a consistent basis - long seasons, adequate volumes. Meeting the needs of these markets may involve more formal cooperatives, and more informal cooperation. The supplies may be aggregated physically, or in the abstract. We're beginning to work on a FAX network to allow farmers and buyers to connect more easily. We also need to provide the information that allows farmers to be profitable, which we try to do with a market bulletin that includes results of a regular price survey and information on available markets and products in short supply.

Finally, we need to extend the season for local foods - long season suppliers are preferred by many buyers, even if the mix of products changes over the course of the year.

I think we can start with a Japanese concept as a first step: "*seikatsu*", which means "food with a face". If the consumer has an image of the farmer who grew the food, we're well on our way to success. But, we don't want the face to be that of a corporate logo or representative. Recently, Proctor and Gamble has been using Maine as a test market for Olestra, their soybean-based fat substitute. Their ads have shown a farmer talking about how proud he is to be growing soybeans for Olestra. That confuses the issue in two ways - farmers are credible in the public's eye, and the product is definitely not farmer friendly.

I think we have to go beyond food with a face, and start talking about: Food with a face, and a place, and a taste.

By the way, this phrase isn't trademarked.

Without these qualifiers, the place can be anywhere, and the taste will be uniform. One of my favorite chefs in Maine, Sam Hayward, bemoans the lack of distinctive taste in most foods. When I brought him some ingredients for a benefit dinner, he was overjoyed to actually be able to distinguish the difference from the stuff he can usually get from his wholesalers.

This past summer, I stopped at Great Uncle Arthur's on my way to visit farms up North. He sent me to the garden, trying to give away some food as I went. There I found a tree full of Yellow Transparent apples, kept clean of pests by the old Rodale trap of vinegar, molasses and water. The next night, heading south, I visited my uncle Bob's farm, and he asked whether Arthur had given me any pickles. It turns out that Bob has all of Arthur's recipes, and he went down to the cellar and brought me up a gallon jar. Somewhere along the line, Arthur lost the name of the man who gave him the recipe, so the name for this type of pickle became "Wytopitlock Man Salt Pickles" after the town where this guy lived (one of my grandfathers was born there). For me, these have become "Uncle Arthur's Wytopitlock Man Salt Pickles", and it meets all of the criteria: there's a face, a distinctive place, and a different taste.

If we can get enough of a face on our food, link it to a place, and have a real taste, the markets we want most - our friends and neighbors - will be there.

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Organic Farms, Folks, and Foods Vol. 16 No. 3, May/June 1998.

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