APPALACHIAN GROWN™ 2017 PRODUCER SURVEY REPORT

May 2018

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INTRODUCTION

About the Appalachian Grown Program

ASAP's mission is to help local farms thrive, link farmers to markets and supporters, and build healthy communities through connections to local food. In our mission to support Southern Appalachian farms and build a local food system, ASAP developed the Appalachian Grown program in 2007 with the goal of expanding local market opportunities for farmers by providing a way for the public to easily identify products from local farms.

Appalachian Grown is a branding program for farms, farmers tailgate markets, retailers, and wholesalers that annually certifies food and agricultural products grown or raised on farms in Western North Carolina and the Southern Appalachian Mountains. This region includes 60 Appalachian counties in North Carolina, Georgia, South Carolina, Tennessee, and Virginia. Appalachian Grown means Certified Local. A trusted label helps buyers and shoppers know when they are spending their dollars to the benefit of local family farms and communities. When consumers see the Appalachian Grown logo they know they're buying fresher foods that support family farms, strengthen the local economy, preserve rural culture, and protect the region's natural beauty.

In 2017, 975 farms were Appalachian Grown certified.

The Appalachian Grown 2017 Producer Survey

Every year since the Appalachian Grown (AG) program was founded, a survey has been sent to all AG farms to assess the impact of program services and support and gather feedback to shape the program's future direction.

In January 2018, this annual online survey was sent to 852 AG certified producers - those farmers for whom we had a valid email address. The survey asked about their experiences in 2017. It opened January 26, 2018 and closed on February 19, 2018. A total of **239** out of the 852 producers completed the survey, a response rate of **28%**.

This report contains the findings from the survey.

KEY FINDINGS

Farmers and Farm Operations
Nearly ¾ of farmers farm in North Carolina - The largest number of respondents farm in Buncombe County (40 farms) followed by Madison County (28 farms).
Farmers produce food on a wide range of acres, but on average farms are small - the number of farm acres in production (including grazing and foraging lands) range from 1/10 of an acre to 1,000 acres. The average was 42.8 acres, the median was 5.
Over half of farmers are new or beginning farmers - 56% of farmers have been farming for 10 years or less.
Markets and Farm Sales
Farmers feel market opportunities are stable or increasing - 90% felt there were the same number of market outlets or more market outlets available to them in 2017 as in 2016
Farmers sold products to new markets outlets (direct and/or wholesale) in 2017 - 44% expanded into new market outlets, with an average of 1 new market outlet per farm.
Farmers' expansion into new market outlets is influenced by a number of factors - the top factor identified was increased market opportunities followed by increased production.
Farmers hope to expand into new markets in 2018 - restaurants are the market that the greatest number of farmers hope to expand into (28%), followed by farmers markets (27%), and on-farm sales (26%).
Farmers sell to both direct and wholesale markets - 37% reported selling exclusively direct and 5% reported selling exclusively wholesale; 58% sell to both outlets.
The majority of farm sales in 2017 were direct - farmers reported that, on average, 76% of their sales were direct.
Farmers sell primarily to local markets - on average, 73% of farmers' total sales occurred within 100 miles of Asheville.
Farmers market sales experienced the largest increase, followed by on-farm sales - 32% of respondents reported that their sales at farmers markets increased from 2016 to 2017. 24% of respondents reported that their on-farm sales increased.
Farmers face multiple challenges in selling to local markets - among the most frequently cited challenges are competition (with both local and non-local products), inadequate consumer demand or, conversely, inadequate supply to meet demand, and marketing.
Farmers use a range of strategies to build relationships with their customers - 80% indicated that they use social media, 77% indicated that they share their farm story.

Approximately ⅓ of farmers participated in agritourism in 2017 - the most common types of agritourism included farm tours, u-pick, lodging, field trips, and weddings.
Participation in the Appalachian Grown Program
Farmers label their products with AG branding materials - 66% of farmers report labeling some or all of their products with AG materials (with labeling, boxes, twist ties, signage, etc).
Farmers consider AG promotional materials to be important for overall sales - 75% of respondents who have used AG branded packaging materials indicated that it is "very important" or "somewhat important" to their overall sales.
Farmers report that the Local Food Guide (print) is important for increasing farm sales - 74% of respondents who have used the Local Food Guide indicated that it is "very important" or "somewhat important" to their overall sales
Farmers report that participation in the AG program impacts their farm business - among the most frequently cited reasons are consumer's familiarity with the brand, which offers credibility, and connection to a network.
Additional ASAP Support
Farmers are improving their businesses after receiving ASAP support - 87% of farmers who received marketing support and 76% of farmers who received support on managing production challenges reported gaining new knowledge and either planning to implement or implementing changes to their farm businesses.
Farmers look forward to more ASAP support - Farmers reported interest in receiving more ASAP support - topics with the most interest are record keeping tools and resources (42%), and farm branding (41%)
Labor
Farmers face many challenges related to labor on their farm - among the most frequently cited challenges are financial limitations, finding workers with specific qualities (reliable, experienced, physically able, etc), and a unique need for flexible labor (certain times of year, certain weather, for specific one-time tasks, etc).
Farmers use a mix of different labor structures - 50% reported using only family labor, 30% reported using only waged-workers, 10% reported using only non-waged workers, and 10% reported using a combination of waged and non-waged workers.

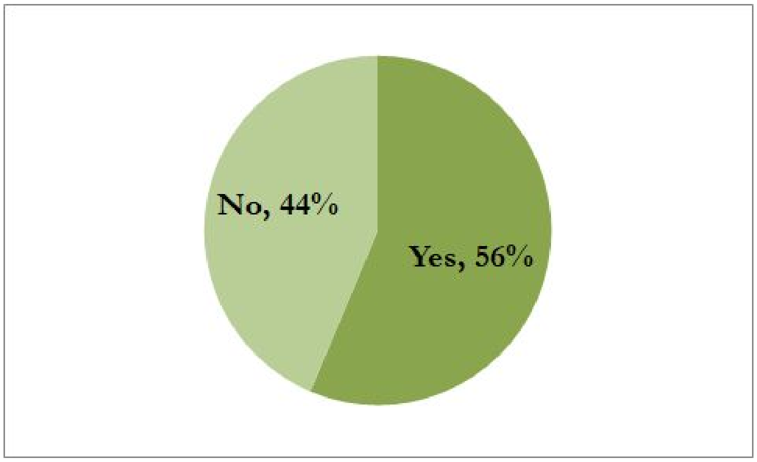
Summary of Key Findings Over the Last 4 Years

	2014	2015	2016	2017
Farmers and Farm Operations				
% of respondents who have been farming for 10 years or less	**52%** n=230	**53.5%** n=209	**46%** n=252	**56%** n=237
% of respondents who fit the USDA's definition of a limited resource farm	**40%** n=230	**38%** n=210	**34%** n=252	**35%** n=235
% of respondents currently growing or that have grown tobacco	**14%** n=249	**15%** n=187	**15%** n=253	**18%** n=239
% of respondents who are former tobacco quota holders	**16%** n=249	**18%** n=187	**17%** n=253	**19%** n=238
% of respondents growing on former tobacco land	**22%** n=249	**30%** n=186	**31%** n=252	**31%** n=239
Average # of farm acres in production (including grazing and foraging lands)	**30.5** n=222	**37.88** n=188	**38.5** n=245	**42.8** n=236
Markets and Farm Sales				
% of respondents who indicated that there are fewer market outlets available in the current year than in the previous year	**5%** n=234	**4%** n=212	**13%** n=231	**10%** n=228
Average % of respondents' sales that were sold to local markets (within approximately 100 miles of Asheville)	**81%** n=191	**77%** n=186	**81%** n=191	**73%** n=220
Average % of respondents' total products that were identified as AG	**N/A**	**47%** n=190	**40%** n=223	**42%** n=197

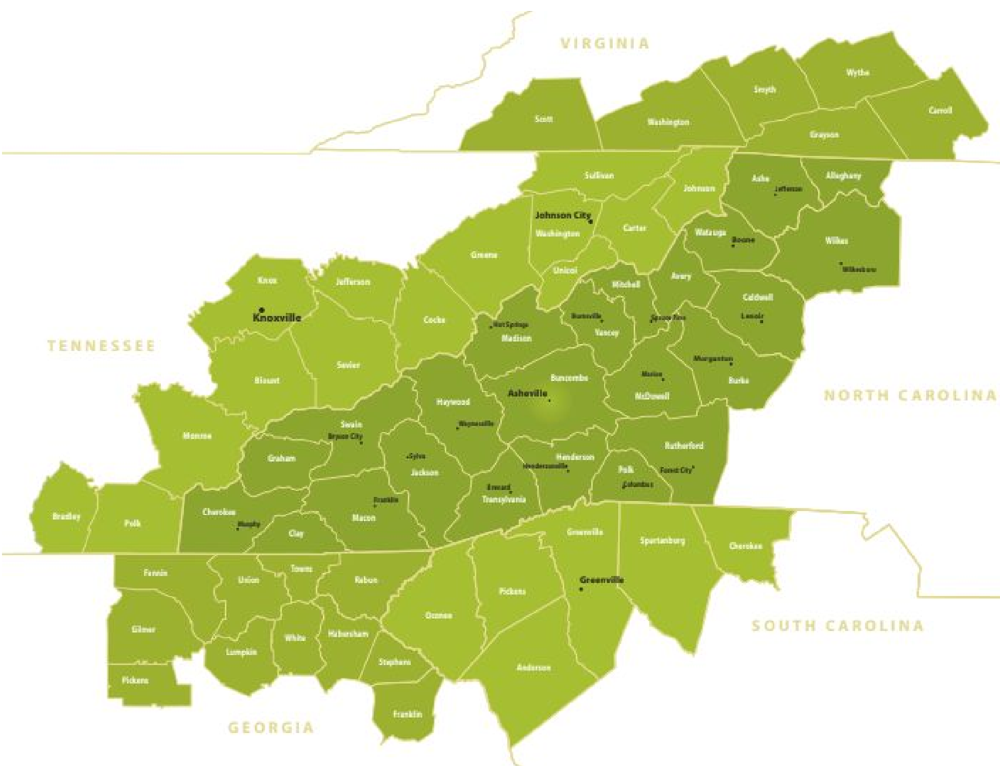
FINDINGS

Farms and Farm Operations

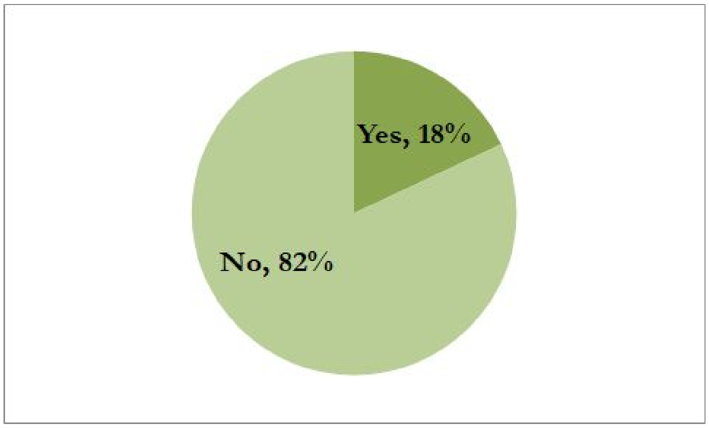
56% of farmers have been farming for 10 years or less (n=236)



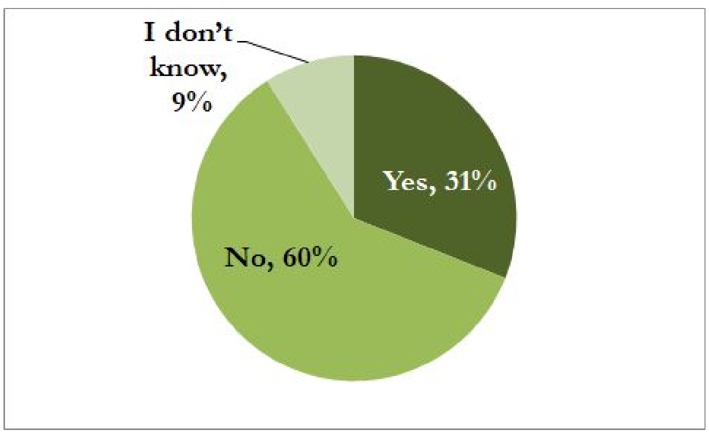
74% of farmers farm in North Carolina (n=239)



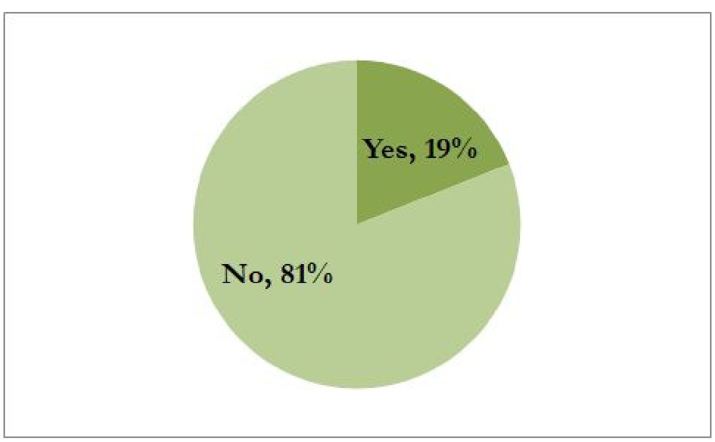
18% **of farmers are growing tobacco or grew it in the past (n=238)**



31% **of farmers are growing on former tobacco land (n=238)**

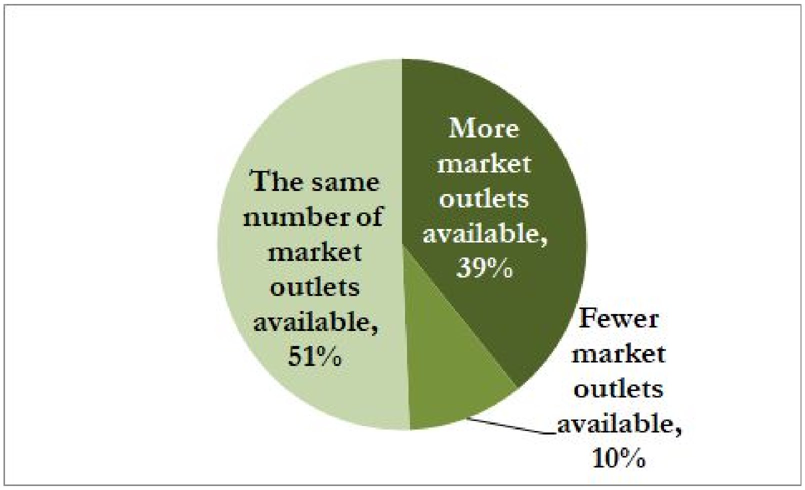


19% **of farmers are former tobacco quota holders (n=237)**



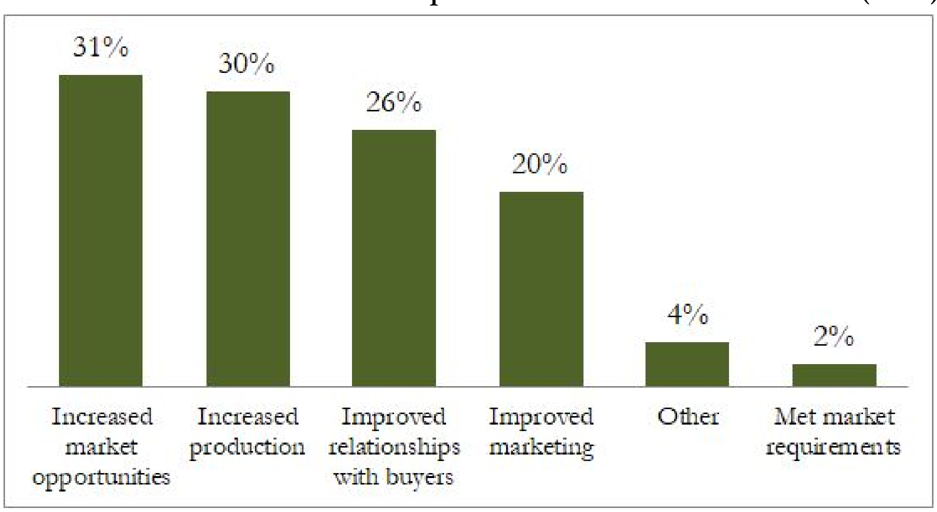
Markets and Farm Sales

39% **of farmers believe there were <u>more</u> market outlets to sell their products in 2017 than in 2016** (n=228)

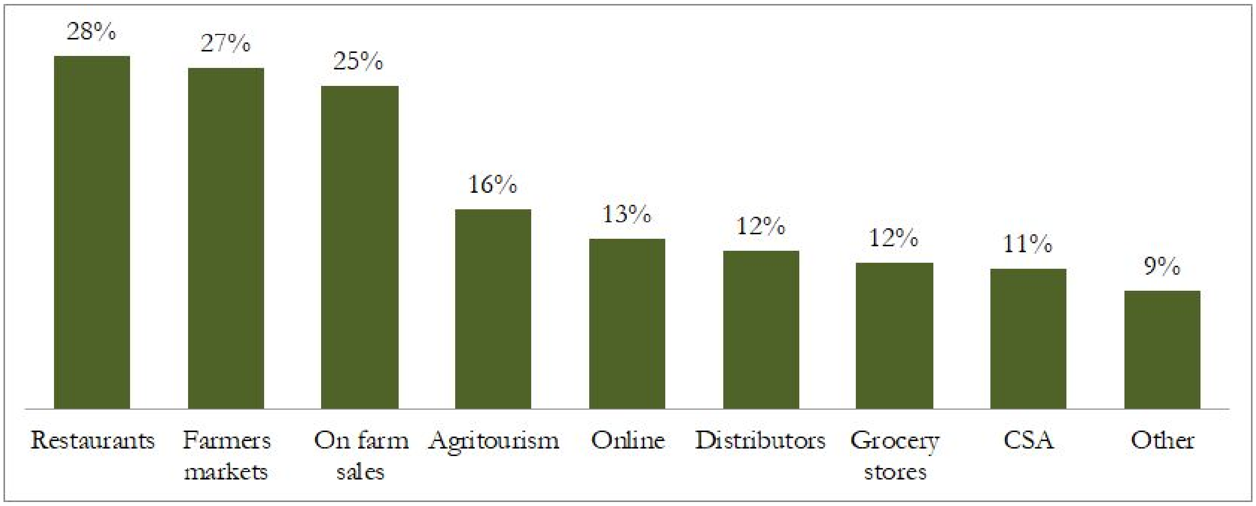


44% **of farmers expanded into new markets (direct or wholesale) in 2016** (n=229)

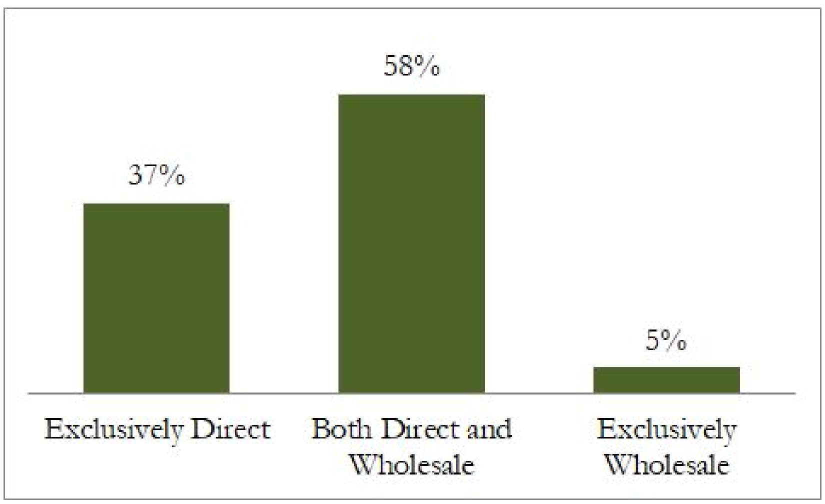
Factors that influenced farmers' expansions into new markets in 2017 (n=178)



Markets that farmers hope to expand into in 2018 (n=218)

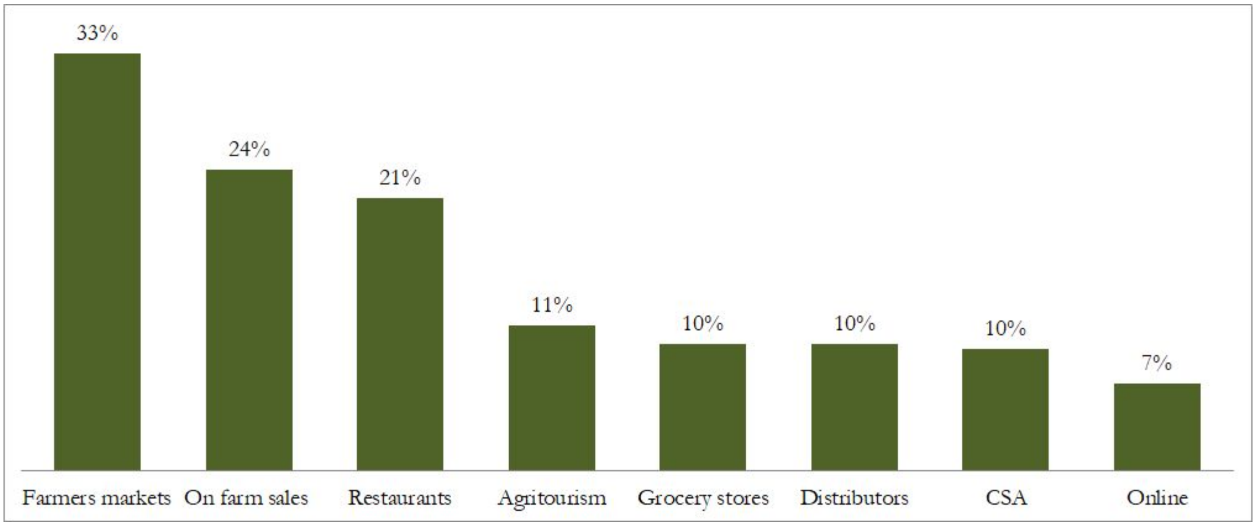


95% **of farmers sell to direct markets, 63% of farmers sell to wholesale markets** (n=221)



On average, 73% of farmers' total sales occurred within 100 miles of Asheville (n=213)

Farmers experienced an increase in sales in the following markets from 2016 to 2017 **(n=221)**

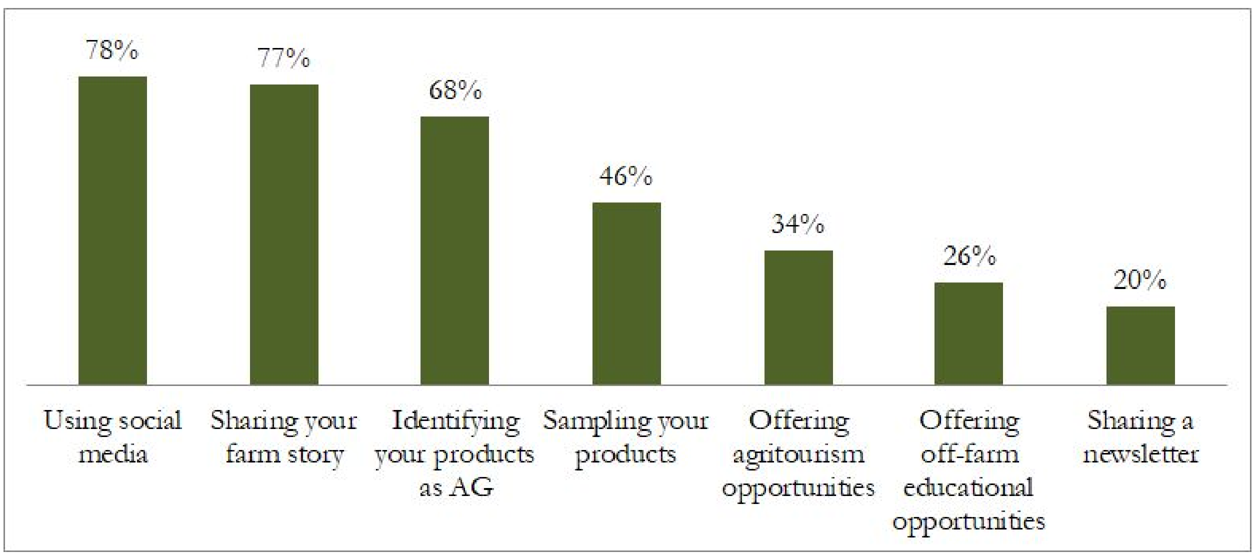


Farmers face the following challenges in selling to local markets **(n=194)**

Emergent Theme	Illustrative Quotes
Competition (n=33)	"Competition from grocery stores" "Competing with other growers"
Not enough demand (n=28)	"Not enough customers at market" "No demand for significant volume"
Marketing (n=19)	"Marketing skills. Doing the sales pitch" "Name recognition"
Supply - meeting demand (n=17)	"Producing enough for each market" "Keeping up with demand"
Challenges with selling wholesale and to restaurants (n=16)	"Takes a lot of time and coordination selling to restaurants" "Getting in front of the chef who's purchasing"
Production challenges (n=13)	"Maintaining sufficient inventory due to limited freezer space" "Access to land and infrastructure"

Time management (n=13)	"The time involved" "Time away from off-farm job"
Labor (n=12)	"All aspects of finding reliable labor" "We need more production, however, unavailability of labor keeps us from expanding"
Challenges with Farmers Markets (n=12)	"Hard to get into farmers markets" "Our market not having a grower-only regulation"
Pricing (n=11)	"Determining price for products" "People not willing to pay prices that result in a living wage for farmers and farm labor"
Other (transportation, customer education, weather/climate, regulations, etc.)	

Strategies farmers are using to build relationships with customers and improve local sales (n=219)



Participation in the Appalachian Grown Program

66% **of farmers reported identifying some or all of their products with AG labeling** (n=197)

Farmers identify the importance of AG promotional materials (n=222)

	% of farmers who ranked the promotional material as "very important" or "important"	n=
ASAP's Local Food Guide (online)	66%	216
ASAP's Local Food Guide (print)	62%	217
AG branded packaging materials	58%	209
AG farmer profiles	54%	207
AG product stickers	52%	215
AG logo on custom farm marketing	52%	208
ASAP's Wholesale Local Food Guide	33%	208

The Appalachian Grown program has had an impact on farms
Testimonials (selected)

"The AG program helps new farmers become established in the community and provides a sense of belonging which is both encouraging and motivating."

"The AG program has had a most positive impact on our farm recognition over the years. We have grown as a farm along with ASAP, from the beginning. We appreciate all that ASAP has done to support the local food movement and to educate the public and farming communities."

"Appalachian Grown has given our farm a much more professional look and feel with the branding. Members of our community uses the local food guide and website to seek out seasonal Appalachian goodness whether it be finding area farmers markets, restaurants who support local agriculture, farm stands or unique offerings directly from the farmer. This has helped make locally food more accessible."

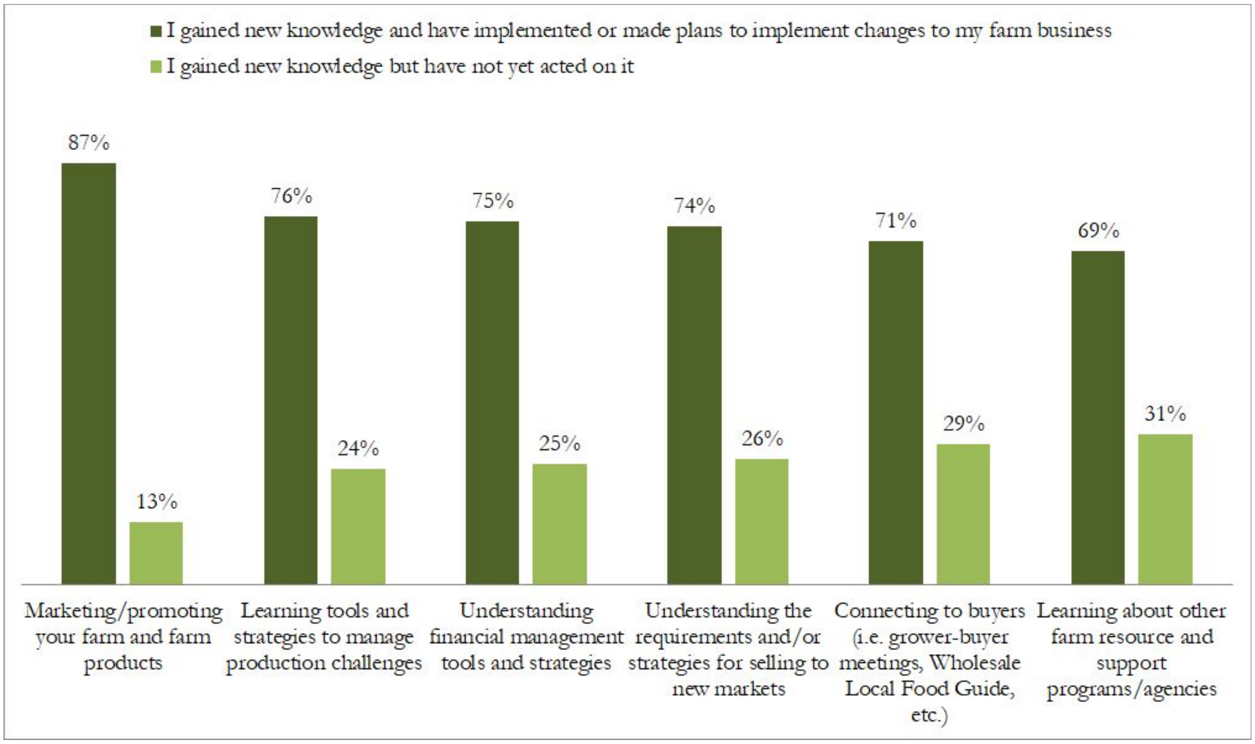
"The Appalachian Grown seal is a visual for our customers to guarantee our products are local. The seal initiates many conversations and allows us to share our story."

"ASAP has definitely made it easier for us to buy packaging materials and we like using the hashtag "appalachiangrown" for local customers to find us. It's also nice knowing that we have them as a resource for information whenever"

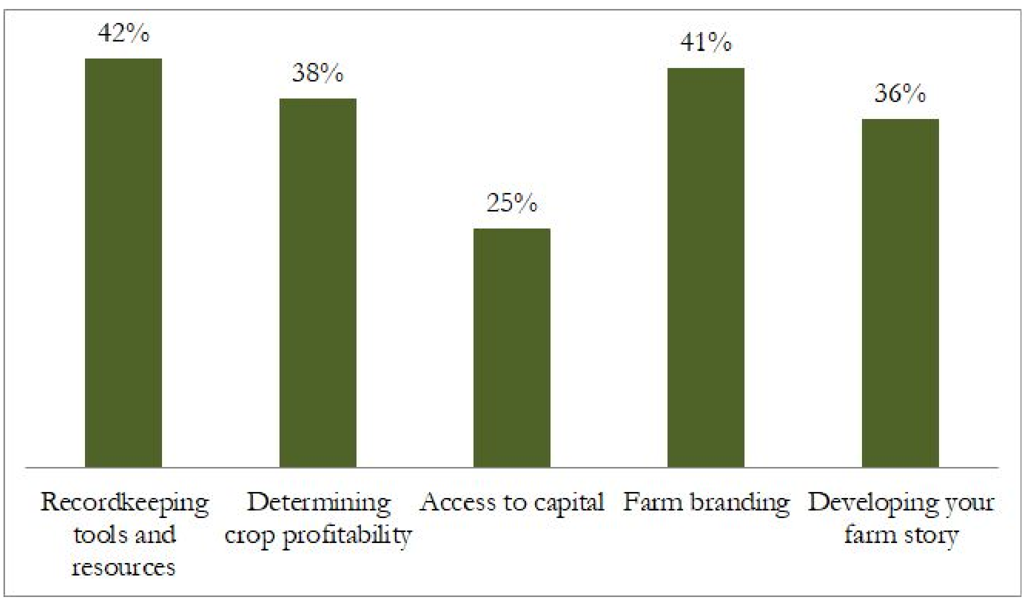
Additional ASAP Support

ASAP provides support to farmers in the form of workshops, trainings, conferences, grower-buyer meetings, and one-on-one support.

Farmers are improving their farm businesses after receiving ASAP support **(n=205)**

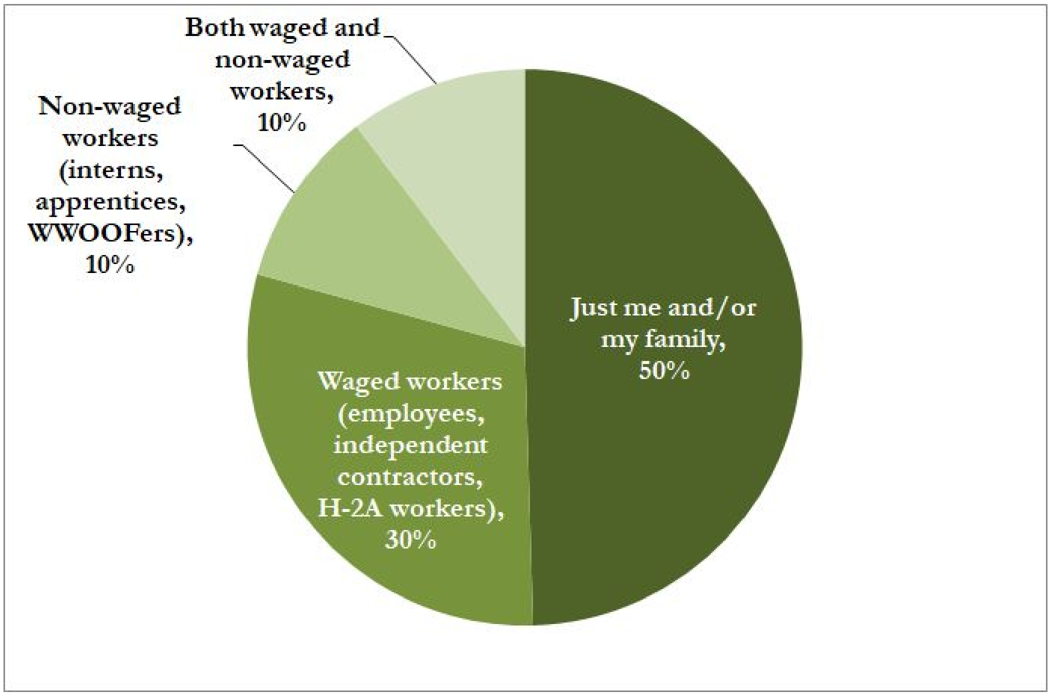


Farmers look forward to more ASAP support on the following topics **(n=97)**



Labor

50% **of farmers don't host or employ outside labor,** **10%** **use solely non-waged labor such as volunteers, interns, apprentices, and WWOOFers** **(n=210)**



Farmers face the following labor-related challenges **(n=164)**

Emergent Theme	Illustrative Quotes
Financial Limitations (n=45)	"Not enough profit to pay employees" "Desire to pay a living wage but not being able to."
Characteristics of Workers (n=42)	"Dependable help. Trustworthy help. Knowledgeable help." "Finding help that is reliable, motivated, and capable of doing the tasks we train them to do"
Need for Flexible Labor (n=25)	"Only have seasonal, part-time labor needs, making it difficult to attract skilled labor" "Inability to get part-time harvest labor for intermittent work"

Lack of Workers (n=25)	"Small labor pool" "Available workers"
Administrative Challenges (n=10)	"Payroll and tax complexity" "The time consuming nature and difficulty of keeping up with all the government bureaucracy...when I really need to be managing my farm"
Retention (n=9)	"Helping employees find off-season work so they can return the following season" "Keeping help for the whole season"
Other	"Housing management in the midst of a busy season" "Development of an appealing intern program and efficient utilization of intern and volunteer labor"