

Growing the Regional Environmental Council's Food Justice Program
Business Plans and Recommendations for Income Generation

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Abstract

The Regional Environmental Council (REC), located in Worcester, Massachusetts, is a grassroots non-profit organization dedicated to building healthy, sustainable and just communities. The REC relies heavily on grant funding to meet the needs of the communities it serves and would like to generate more market-based income to help sustain the organization. This project analyzed certain existing operations of the REC's Food Justice Program and presented business plans that fit with the REC's mission while increasing generation of market-based income.

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Introduction

Founded in 1971, the Regional Environmental Council (REC) is a grassroots non-profit organization located in Worcester, Massachusetts that is dedicated to building healthy, sustainable and just communities. For the past 40 years the REC has provided much needed services to the Worcester community by organizing action to fight environmental justice issues, providing opportunities to at-risk youth and advocating for policies to solve environmental issues. Currently the REC relies heavily on grants as well as a small amount of funding from private donors and the government which means that the organization's impact is limited by the funding it receives each year. Sustainable funding sources are needed to ensure that the REC is able to continue to improve the Worcester community. In order to greater guarantee its organizational sustainability, the REC would like to generate more of its own income through its programs.

The work of the REC is divided between three programs, the Environmental Health & Justice Program, the Food Justice Program and the Advocacy & Education Program. Of these programs, the Food Justice Program offers great potential for developing income generation. The Food Justice Program is made up of three specific projects, the YouthGROW project, the REC Farmers Markets and the UGROW project. Table 1 gives an overview of each of these projects.

Table 1. Description of projects within the REC's Food Justice Program

YouthGROW Project	<ul style="list-style-type: none">• Stands for "Youth Growing and Raising Organics in Worcester"• Employs local teenagers in sustainable urban agriculture• Provided more than 10,000 lbs. of organic produce since 2003
REC Farmers Markets	<ul style="list-style-type: none">• Two weekly summer markets bring locally grown and produced food to underprivileged areas of Worcester: Main South and Great Brook Valley• Offer double value on all EBT/SNAP/Foodstamp purchases
UGROW Project	<ul style="list-style-type: none">• Stands for "Urban Garden Resources of Worcester"• Improves food security of residents• Created and supports 40+ urban community gardens

The REC is a mission-based organization whose main concern is to serve the community of Worcester and the staff at the REC is focused on fulfilling this mission, not necessarily on income generation. Ideally, each of these projects would be able to generate enough income to sustain its own operations. Right now, only a small amount of income is generated within each project. Reliance on grants and government funding however, puts the organization in a precarious situation. Though they can provide helpful capital for beginning programs, grants are not a reliable source of long-term funding. Foundations that provide grants often will give money to support programs initially, but want to see the programs become self-sufficient. Because so much of their funding comes from grants and other sources that are not necessarily sustainable, the work of the REC could be severely limited if funding were lost. Therefore, there exists a need to generate more income within each of the projects in order to decrease the dependence on outside funding and increase sustainability of the organization.

Table 2. Estimated budgets for REC's Food Justice Program 2010-2011

	YouthGROW	REC Farmers Markets	UGROW
Staffing costs	\$21,400	\$11,516	\$580
Cost of supplies	\$16,500	\$16,105	\$13,465
Income	(\$500)	(\$8,000)	(\$2,000)
<i>Total cost to REC</i>	\$37,400	\$19,621	\$11,465

Estimated costs for each of the programs areas are seen above in Table 2. As you can see, the total income generated within the Food Justice Program is only estimated to be \$10,500 while total costs are estimated at \$79,566. Current income sources include vendor fees from the farmers markets, sales of seedlings at the annual plant sale, and sales of YouthGROW produce at the REC Farmers Markets.

At the onset of this project, the REC staff had several ideas for ways in which they could expand and improve their current projects to better generate income. Discussion meetings were held with the staff of the Food Justice Program to better understand their ideas. Ideas included changing the times of the markets to attract a larger audience, utilizing better marketing methods for their events and producing a value-added product from produce grown on the REC farms. Though staff members had a number of ideas, they were unsure of how successful these ventures might be, which ideas were the best to explore further, and in some cases, what the needed steps for accomplishing these ideas would be.

The goal of this project was to explore potential methods of income generation identified by the staff, as well as ideas identified through research, and present a set of feasible recommendations for the organization. The goal was to present clear and concise options for expansion and improvement, along with business plans for each suggestion, including when possible, budget information, market analysis, logistical recommendations, and reference information to help the REC staff accomplish the needed steps.

After initial discussions with REC staff members, a number of methods were used to generate recommendations and business plans. A previous student team did preliminary work on this project by researching a number of organizations similar to the REC. This team looked for best-practices of similar organizations that might be useful to the REC and generated a comprehensive list of recommendations. The next step was to analyze these recommendations and investigate them further to determine if they would be successful for the organization. After the previous student team presented their recommendations, there were three areas of the Food Justice Program that were of most interest and priority to the REC staff. These three areas, which became the focus areas for the rest of the project, were the YouthGROW project, the REC Farmers Markets and the annual plant sale.

I held meetings with the main staff members of the Food Justice Program to discuss the three focus areas and gain further insight into the projects, including current operations and costs, problems that had arisen, and ideas for improvement. From here, I conducted research into the feasibility of the different ideas that were generated. This research included further contact with similar organizations,

market research, as well as informal conversations with experienced individuals in a number of areas related to the recommended ideas.

I evaluated potential methods of improvement and expansion based on coherence with the REC’s mission and the constraints of the organization. The mission of the Food Justice Program is to improve access to healthy foods within environmental justice neighborhoods of Worcester, and all changes must allow the organization to continue to focus on this mission. I evaluated methods to be sure that they were feasible given the resources of the REC and the Worcester community. This report will outline recommendations for improvements within the three identified focus areas and offer options for expansion within these areas. A sample of the methods discussed are highlighted in Table 3. Research into specific ideas for the program also led to the formation of a few overall improvements the REC can make to increase the program’s financial stability. These are discussed at the end of the report and include corporate sponsorship and marketing techniques.

Table 3. Methods of improving and expanding income generation within the Food Justice Program.

1. YouthGROW	2. REC Farmers Markets	3. Annual Plant Sale
<ul style="list-style-type: none"> Produce value-added product from produce grown on youth farms 	<ul style="list-style-type: none"> Develop marketing plan Start a wintertime market 	<ul style="list-style-type: none"> Increase profit margin Build into event

Area 1: YouthGROW Project

Mission and overview of current project

The YouthGROW project is a summer employment and leadership program that engages low-income, at-risk teenagers of Worcester in urban agriculture. Youth interns in the program are paid for eight weeks during the summer for their work on two urban farm campuses in the Main South and Bell Hill neighborhoods of Worcester. The program consists of learning organic farming practices but also incorporates empowerment and leadership activities. Youth sell the produce they grow at a booth at the REC Farmers Markets.

Current budget

The YouthGROW project currently requires about \$39,000 to operate each year. The estimated expenses for the project can be seen in Table 4. This budget only includes the cost of the project and does not include all staff involved with the project. The Food Justice Program director and Farm Manager positions are also associated costs with this project.

Table 4. Estimated 2010-2011 budget for YouthGROW project

	Item	Cost	Description/notes
Staffing	4 Youth Mentors	\$12,000	230 hrs (25 hrs/week for 7 weeks, 10 hrs/week for 5.5 weeks prep) at \$13/hr

	2 Assistant Farm Managers	\$4,700	\$2/hr for 25 hrs/week for 7 weeks, \$10/hr for 10 hrs/week for 20 weeks
	Assistant Youth Coordinators	\$4,700	\$2/hr for 25 hrs/week for 7 weeks, \$10/hr for 10 hrs/week for 20 weeks
	Youth Leaders	\$7,680	6 positions: 25 hrs/week for 8 weeks at \$9/hr (\$8/hr covered by WCAC) = \$1,200; 10 hrs/week for 12 weeks, at \$9/hr = \$6,480
	<i>Staffing subtotal</i>		<i>\$21,400</i>
Supplies	Land prep materials	\$2,000	Raised beds, pathways (soil, wood, etc.)
	Signs/outreach materials	\$500	Sign on site, recruitment mailings, flyers
	Tents	\$500	2 pop-out tents (\$250 each)
	Benches	\$200	Supplies to build 10 benches
	Tools	\$500	Shovels, rakes, hoes, tomato stakes, wheelbarrow
	Transportation	\$4,000	12 passenger van rental for 10 field trips (\$350 each and in city transportation)
	Food	\$2,500	Breakfast, snacks and additional lunch (regular lunch provided by Project Bread Summer Feeding Program)
	Educational materials	\$3,000	Team project materials for 6 projects(\$200 each), \$800 for general summer and \$1000 year round
	YouthGROW T-shirts	\$1,000	
	Block Party	\$750	
	Conference Fees	\$500	
	Retreats	\$1,800	Monthly retreats for 9 months (\$200 each)
		<i>Supplies subtotal</i>	
	Total costs		\$38,650

The largest costs for the project are staffing, transportation and supplies. The numbers presented in this budget already reflect grant funding in some areas so actual costs could be higher if this funding was lost. There is potential to reduce some of these costs through corporate sponsorship, which is discussed further in Area 4: Overall Program Sustainability. Most of the costs of the YouthGROW project will be required each year, so there are limited ways to reduce the expenses required for the program. This project does not offset any of its own cost through its own income generation.

Option for expansion: Producing a value-added product

The idea of a YouthGROW cooperative business project, in which youth interns could produce a value-added product from produce grown on the farms, has been explored at the REC for the past few years. If appropriately developed, a youth-produced value-added product could add to the YouthGROW program and generate additional income for the program. The venture will need to start at a small scale, but if grown youth could produce greater quantities of a hot sauce or similar item to sell at farmers markets and local stores.

Estimated costs and profits

Preliminary research shows that the costs required for producing and bottling a hot sauce are feasible to make a profit. Estimated expenses are shown in Table 5.

Table 5. Estimated budget for hot-sauce venture

	Item	Cost	Description/notes
Ingredients	Vinegar (2400 oz.)	\$45.41	Target: \$2.39/128 oz. (Market Pantry) = \$45.41 BJ's Wholesale: \$3.19/ 160 oz. (Heinz) = \$47.85
	Peppers	-	Grown on farm
	Onions	-	Grown on farm
	Garlic	-	Grown on farm
	<i>Ingredients subtotal</i>		<i>\$45.41</i>
Supplies	Labels	\$75.00	Waterproof label sheets, 2" x 5" front and back 75 sheets at \$0.75/sheet= \$56.25
	300 bottles	\$225.00	Approximately \$0.75/bottle
	Promotional materials	\$25.00	
	<i>Supplies subtotal</i>		<i>\$325.00</i>
Kitchen Space	Kitchen use	\$250.00	Estimated cost
	<i>Kitchen subtotal</i>		<i>\$250.00</i>
Staffing	YouthGROW stipends	\$1000.00	
	Supervision	-	Staff supervision is covered through Mass Promise Fellow position
<i>Staffing subtotal</i>		<i>\$1,000.00</i>	
Total costs		\$1,620.41	
Projected sales		\$2,100.00 (300 bottles at \$7/bottle)	
Projected profits		\$479.59	

The YouthGROW farms currently grow an excess of peppers and onions. Because peppers, onions and garlic can continue to be grown at no additional cost, the only ingredient required to purchase for the hot sauce is vinegar, which is the main ingredient for hot sauce. Costs for labeling, bottles and promotional materials are estimated at \$325.00 for 300 bottles.

Exact costs for kitchen space needed for production are uncertain. Costs will likely vary based on how long processing will take and partnerships that can be formed with the production facility. It is recommended that the REC utilize a community kitchen space for the first two years of this venture. Information on the Franklin County Community Development Corporation's Food Processing Center can be found in Appendix A: Western Massachusetts Food Processing Center Information.

Costs for staffing this project are also variable. Overhead staffing including the Food Justice Program director and Farm Manager are not included here, but are also required for managing the project. Direct supervision is currently provided through the YouthGROW Project Fellow position which is funded by the Massachusetts Promise Fellowship. This position can be renewed up to three years but if lost, staffing would have to be covered by an existing member of the Food Justice Program staff, or an additional staff member would have to be brought on, which would add to the costs of the project.

Market analysis

Research shows that a market exists for a value-added product produced by youth in the YouthGROW project. Evidence for success of the product is demonstrated by:

- **Locally produced.** There is a strong desire among consumers for locally produced items.
- **Comparable price.** The price point of \$7 per 8 oz. bottle was used to estimate the costs for this venture. This is comparable with other specialty hot sauces currently available on the market.
- **Supports a cause.** Consumers are generally willing to pay extra for items that support a cause.
- **Good recipe.** Trial batches of hot sauce have been well received in taste tests.
- **Local stores supportive.** Local stores are willing to potentially stock such an item. Names of vendors who are interested in stocking a YouthGROW produced hot-sauce, and contact information for other potential local vendors are listed in Appendix B: Potential Vendors for YouthGROW Produced Value-Added Products.

Benefits

Production of a value-added product provides a number of benefits to the REC as an organization and the YouthGROW project. Benefits include:

- **Increased visibility.** Selling an REC hot sauce in stores will lead to more people seeing the bottles, and more people who are familiar with the REC name.
- **Opportunity to recruit.** Stores expressed a desire to display supplemental information along with the product in their stores. This is a great opportunity to give information about the REC, the YouthGROW project as well as recruit volunteers and direct people to the REC website.
- **Free advertising.** Stores willing to stock an REC product are also willing to display advertising for upcoming REC events.

Producing a value-added product as part of the YouthGROW project also benefits the youth participants and fits well with the mission of the YouthGROW project. Not only would the project be fun, but youth interns will have the opportunity to learn about food processing, health and safety regulations, professional business communication and experience the process of bringing their ideas to action.

Production logistics

A licensed commercial kitchen is required for production of hot-sauce as the processing methods required for bottling are not permitted in residential kitchens. Because health and safety regulations must be met, it is recommended that the REC start by utilizing a community kitchen, rather than set up their own commercial kitchen. The best option is the Franklin County Community Development Corporation's Food Processing Center in Greenfield, MA. Along with a kitchen that contains all the needed equipment, the center offers support and expertise in food processing, testing requirements and legal regulations. More information on the center can be found in Appendix A: Western Massachusetts Food Processing Center Information.

Because annual production of a hot-sauce would be under \$500,000, the REC would be exempt from some labeling and testing requirements, but there are still a number of steps required to make sure the

REC is in compliance with all Massachusetts and Federal regulations. Details for these requirements including production facility regulations and labeling regulations can be found in Appendix C: Legal Requirements for Specialty Foods Production in Massachusetts.

Considerations

Production of a value-added product within the YouthGROW project has the potential to be very beneficial to the REC as an organization. The REC should utilize a community kitchen for at least the first two years of production in order to ensure that REC staff and youth are properly trained in the correct procedures and safety measures necessary for production. After this point it makes sense to use a commercial kitchen closer to the Worcester area for production. More notes and helpful advice regarding specialty food production can be found in Appendix D: Specialty Food Production Notes.

Area 2: REC Farmers Markets

Overview of current program

The REC currently manages two summertime farmers markets in Worcester that run weekly from June to October. Both markets are very new. The Main South market began with a pilot run for four Saturdays in 2008 and for a full season for the first time in 2009. The Great Brook Valley market operated for the first time in 2010. The REC runs these markets to improve access to healthy and locally grown food items in neighborhoods where access is limited. Both markets offer double value on all purchases made with EBT, SNAP, or Foodstamps in order to draw people to the market. Both markets are designed to target the neighborhoods they are located in and do not draw people from a much wider area. The markets feature local farmers and vendors as well as local restaurants, activities for kids and different performers each week.

Current budget

The current budget for the REC Farmers Markets can be found in Table 6 below. It currently costs about \$28,000 to operate the two weekly markets during the summer. The REC only brings in about \$8,000 through vendor fees and produce sales at the YouthGROW booths. Vendors pay \$25 per week for a space at the market or \$300 for the entire season.

Table 6. Estimated 2010-2011 budget for REC Farmers Markets

	Item	Cost	Description/notes
Staffing/Personnel	YouthGROW stipends	\$4,640	
	Assistant Farm Manager	\$2,900	
	Artist Honorariums	\$1,600	
	Art Intern	\$1,320	
	Translator	\$1,056	
	<i>Staffing subtotal</i>		
Supplies/Permitting	Special event supplies	\$500	
	City of Worcester Permit	\$200	

	PA System	\$300	
	Tables	-	
	Chairs	-	
	Tents	\$3,500	2 large party tents 20 by 40 and 8 ft
	Signs	\$1,000	
	Additional supplies	\$700	
	<i>Supplies subtotal</i>		<i>\$6,200</i>
Outreach and Publicity	Outreach materials	\$1,305	
	Signs on public buses	\$2,000	
	Advertisements	\$2,000	
	EBT Outreach	\$300	
	EBT Match	\$2,800	
	EBT Fees	\$200	
	<i>Outreach and publicity subtotal</i>		<i>\$8,605</i>
Travel	Coordinator mileage & parking	\$300	
	<i>Travel subtotal</i>		<i>\$300</i>
Professional Development & Training	Professional development and training	\$500	
	Conference fees	\$500	
	<i>Professional development subtotal</i>		<i>\$1,000</i>
	Total costs		\$27,621
Estimated income	Vendor fees	\$4,000	
	YouthGROW booth sales	\$4,000	
	Total estimated income		\$8,000

Again, this budget does not incorporate the overhead staffing costs of the Food Justice Program Director or Farmers Market Coordinator positions. Some of the costs of running the markets can be reduced by utilizing volunteers to reduce staffing costs and by utilizing corporate sponsorship methods to cover the costs of tents, signage and advertisements. These methods are discussed further in Area 4: Overall Program Sustainability. The most obvious way to increase income generation through the markets is to bring in more vendors. Income generated through vendor fees could be almost doubled by bringing in six additional vendors to each market.

Recommendation for improvement: Comprehensive marketing plan

Vendor fees provide the only income from the farmers markets themselves. An obvious way to increase income is to attract a greater number of vendors. Conversations with the Farmers Market Coordinator indicated that potential vendors often ask for a marketing plan when they are considering joining an REC market. The REC does advertise the two markets, but developing a comprehensive marketing plan for the season, and providing this plan to potential vendors might help to attract more vendors. A description of what a marketing plan should include can be found in Appendix E: Creating a Marketing Plan for the Farmers Markets.

Option for expansion: Wintertime market

Starting a wintertime market is one way in which the REC could expand the farmers market into a year-round project. Wintertime markets have become increasingly popular in the past few years. Wintertime markets are smaller than traditional summer markets, can be held indoors or outdoors and generally include vendors selling root vegetables, greens, locally produced meat and dairy products, honeys and syrups and some local specialty foods.

Market analysis

Research shows that there is a strong market for a wintertime market in the Worcester area. This is demonstrated by the following:

- **Successful nearby markets.** Winter markets in other areas of Massachusetts and New England are successful. For more details about the nearby markets and advice from the market managers of wintertime markets in Wayland and Coventry please see Appendix F: Notes from Successful Wintertime Markets.
- **Consumers are curious.** The idea of wintertime markets is new and customers are curious to find out what they are like. New markets in the area have drawn customers from a wider area who come visit the markets to see what they are like.
- **No competition.** As seen in Figure 1, there are no markets within a 25 mile radius of Worcester. Not only does this mean that the REC would not be competing with any nearby markets for customers, but it also means that the vendors within this radius are not likely to be currently participating in a wintertime market and therefore there is a wider pool of potential vendors.
- **Vendors are interested.** Growers and producers are travelling from areas of New Hampshire and Vermont to attend Boston area wintertime markets because there are none closer to these areas.

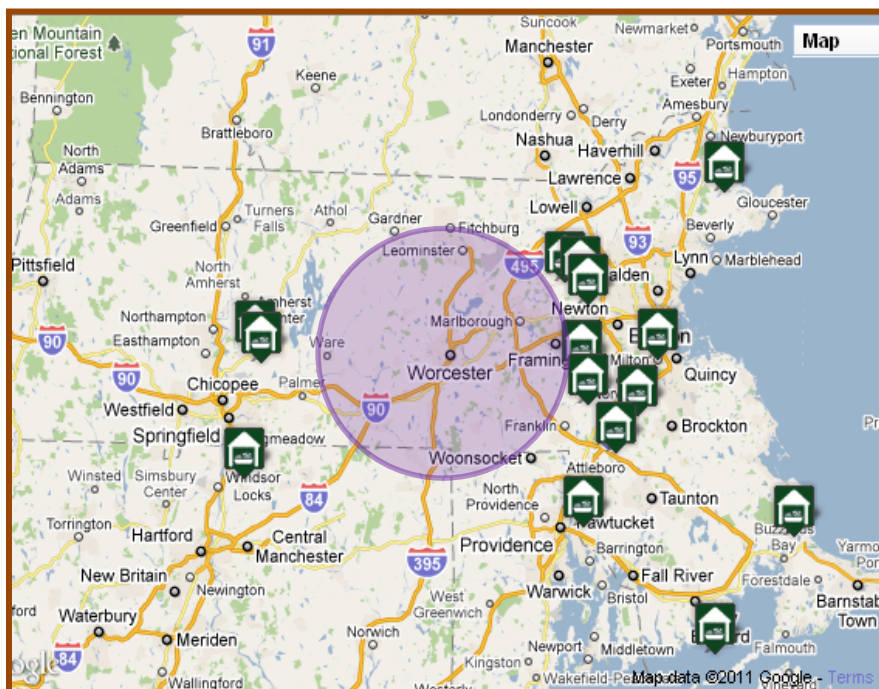


Figure 1. Map showing the location of current wintertime markets in Massachusetts. There are currently no markets within a 25 mile radius of Worcester. Map generated using the MassGrown Map, available at <http://www.mass.gov/agr/massgrown/map.htm>

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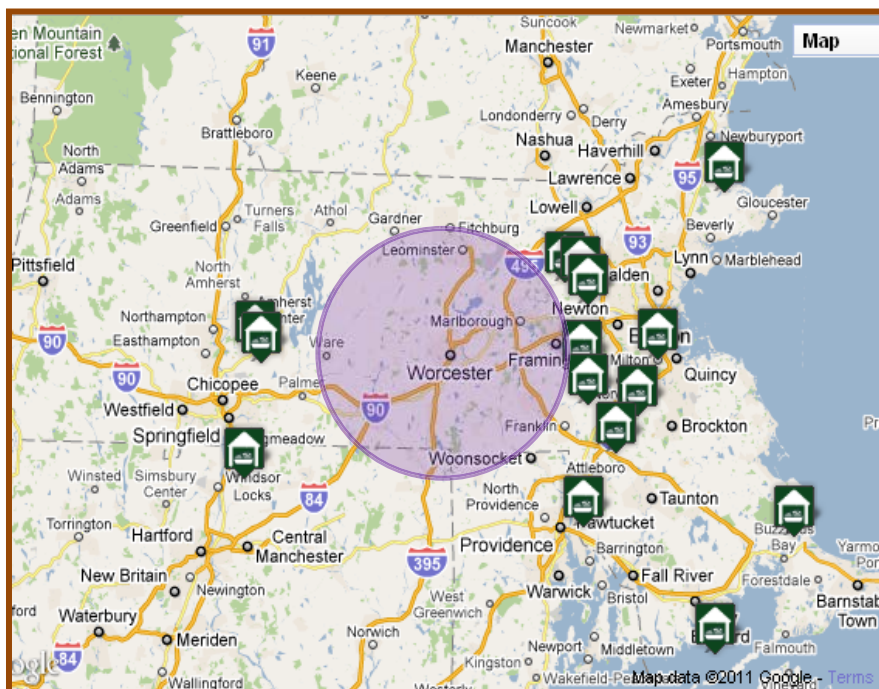


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Benefits

Starting a wintertime market would benefit the REC in the following ways:

- **Expand reach of REC.** A wintertime market in Worcester could allow the REC to open up their market to a wider demographic of people while still continuing to reach their mission. There are many summer markets in Worcester so the audience drawn to the REC summer markets is primarily limited to people living in the direct vicinity of the markets. A wintertime market, if located in an at-risk neighborhood, will likely also draw in customers from a greater area because it would be the first, and only in the region.
- **Increase summer market.** When managers of summer markets have added wintertime markets, they have found an increase in customers and vendor interest in their summer markets. If the REC were to add a wintertime market they would draw in new customers and new vendors who might also be interested in the summer markets.

Logistics

- **Vendors.** All of the managers of successful wintertime markets in the area stressed that the first step in starting a market is to ensure there are enough vendors interested. A market cannot be considered a farmers market without fresh produce, so finding growers who will have produce available during the winter months is the first priority. Experienced managers said that when they first contacted vendors, some were very eager to join the market that season, some preferred to have the winter months as a break and some said they were interested but would need a season to prepare.
- **Location.** Market location must be carefully considered to ensure success of the market. Things to keep in mind when considering potential locations are space for parking, ease of snow removal, space for vendor unloading, access to tables and available space for entertainment. The location does not need to be fancy; wintertime markets are successful in school cafeterias and community centers.
- **Staffing.** Because wintertime markets are held in enclosed indoor locations, there is less set-up time and likely less reliance on staff. Wintertime markets also run during the school year, when it might be easier to find a dedicated group of volunteers from a local college who would be willing to help with the market each week, which could also decrease the need for staffing.
- **Marketing.** Online marketing is very beneficial for other wintertime markets and has drawn in curious customers from a greater area than traditional marketing techniques. The REC will need to consider how to best reach its target population as well as the greater Worcester community through development of a marketing plan. Planning special events can also draw people back to the market. The Wayland Winter Market holds several “Event Days” through the season, which consistently draw crowds of people. Each event day is themed, and five or six guest vendors related to the theme are invited to the market for the day.

Considerations

It is important to consider how a wintertime market will fit within the mission of the REC. Most current wintertime markets do not cater to the at-risk neighborhoods that the REC is serving so the difference must be considered in order to make such an event a success. It is clear that wintertime markets do

appeal to the high-end market, so location, atmosphere and choice of vendors are all important considerations in order to ensure that a wintertime market still appeals to the populations the REC is trying to reach.

The REC has a limited opportunity to be the first wintertime market in the region. The number of wintertime markets in the U.S. grew by 17% in the past year, so it is likely that a market will emerge in the region soon (Jones- Ellerd, 2010). The REC must act soon on this opportunity to avoid any competition with other winter markets and have the greatest opportunity to attract vendors.

Area 3: Annual Plant Sale

Program goals

The REC holds an annual plant sale each spring as a fundraiser for the Food Justice Program. The event typically raises about \$2,000 through sales of seedlings. Previous research identified the Southside Community Land Trust as an organization utilizing successful practices which the REC could use to grow their plant sale fundraiser. The Southside Community Land Trust holds a similar plant sale which they have grown from an event which raised \$5,000 a decade ago, to an event that now raises more than \$50,000 (Walker et al., 2010).

Current budget

The REC currently sells around 2,500 plants at the plant sale event and makes an average profit of 85 cents on each, generating a profit of about \$2,000.

Recommendation for improvement: Increase profit margin

One simple method to increase income generation from the event is to increase the profit margin on the plants sold at the event. In 2010, seedlings were priced at either \$1.00 or \$1.25 per seedling. The event is held as a fundraiser, and caters to a wide range of people. A slight increase in the profit margin of the plants sold could increase income generation without any additional costs.

Option for expansion: Build into an event

According to John Stanley, marketing expert, consumers in today's market are not interested in simply *buying*; they are interested in *doing*. The plant sale currently exists as a venue primarily for gardeners who are interested in purchasing seedlings, but it could be built into an event that could also cater to a crowd of people who are looking to do something by offering activities and entertainment.

The REC Farmers Markets already use entertainment and activities to draw people into the markets each week and keep visitors entertained. Similar tactics could be used to build the annual plant sale event. Ideas for expanding the plant sale include:

- Invite a collection of local food vendors to the event
- Invite people to give gardening instruction and demonstrations (similar to the Spring Garden Festival)

- Provide recipes that use ingredients that can be grown from seedlings that are sold
- Partner with other garden suppliers to offer a greater variety of items for sale
- Offer games and activities for children
- Provide entertainment

Area 4: Overall Program Sustainability

The following methods can help reduce costs and increase sustainability within the Food Justice Program. These methods are all applicable to multiple projects within the Food Justice Program and may be helpful in other areas of the organization as well.

Corporate sponsorship

Corporate sponsorship could reduce current expenses of the YouthGROW project and REC Farmers Markets. The REC does an annual ask of local businesses to support their Earth Day clean-ups. This ask is very successful in funding the program and a similar ask could be beneficial for funding projects within the Food Justice Program. Instead of only asking for donations, the REC could also ask for specific items for each of the projects. Possible ask items for the YouthGROW project and farmers markets can be seen in Table 7 below.

Table 7. Possible ask items for corporate sponsorship

YouthGROW Project	REC Farmers Markets
<ul style="list-style-type: none"> • Sponsorship of team project (\$200) • Transportation for field trip (\$350) • Tools for farms • Food for participants 	<ul style="list-style-type: none"> • Special event day sponsor • Tents for market • Signage and advertising • Prizes for market events

Corporate sponsors could be recognized in a number of ways for their donations. Sponsors of the farmers market could be recognized on tents, signage, advertisements or shirts worn by market staff. YouthGROW sponsors could be recognized in program flyers or on t-shirts. The REC should carefully consider what type of sponsors to ask depending on the project in order to not deter from the project mission.

Helpful marketing techniques

Conversations with market managers in the area, as well as presentations on marketing techniques heard at the 2011 Harvest New England Agricultural Marketing Conference and Trade Show led to the collection of several marketing techniques. These techniques and helpful tips might be helpful for the REC to use in developing marketing materials for the farmers markets, in marketing a YouthGROW value-added product or in other areas of the organization. Tips are organized into the categories of social media and improving organizational image and building relationships.

Social media

Social media is an essential tool that allows organizations to do a large portion of their marketing at no-cost. Analiese Park, author of the Fairfield Green Food Guide, offered the following advice on use of social media at her presentation “Social Media: An Essential Tool for Marketing Your Business” at the 2011 Harvest New England Agricultural Marketing Conference.

- **Link all pages of social media portfolio.** All pages of an organization’s social media portfolio (Facebook, Twitter, blog, YouTube, newsletters, etc.) should be easily linked together so viewers can seamlessly navigate among them. For example, newsletters can link to Facebook event pages and blog entries can be posted on Facebook and Twitter.
- **Take ownership of posting on other sites.** Many websites will post information about markets or events. Take advantage of these sites but make sure they are continually updated. The person in charge of posting should keep track of which sites they post listings on and regularly check back to address comments, make changes and updates.
- **Utilize Facebook.** More than half the U.S. population is now on Facebook and the number of users continues to grow. Information is shared rapidly through users, increasing exposure to the organization. Facebook is also successful in building brand loyalty and enabling word of mouth marketing. Word of mouth marketing is said to impact 20% to 50% of all purchases, and studies have found that users are 60% more likely to recommend a product or company to a friend after becoming a fan on Facebook.
- **Develop a social media policy.** In order to use social media sites successfully, it is important to have a plan in place that outlines posting procedures and protocol so that all employees are aware of the guidelines.

Improving organizational image and building relationships

John Stanley, marketing expert, offered his expertise in several marketing areas at the 2011 Harvest New England Agricultural Marketing Conference. One of the messages he stressed tremendously was the need to build relationships with customers. Following is some of the information Stanley presented and how the REC might be able to utilize these techniques.

- **Build relationships.** One of the first steps in getting someone to make a purchase or support an idea is to build trust and credibility. The first person a customer meets is their image of the organization so building this relationship is very important. Stanley stressed that name badges for staff members and volunteers is a great way to build credibility, which might be a helpful suggestion for the REC Farmers Markets.
- **Offer extra value.** Typically 20% of customers bring in 80% of the sales. It is important to provide extra value to loyal customers. This might be a good strategy for the REC Farmers Markets. Aside from offering special programs to REC members, promotions could be also offered to frequent visitors to the markets.
- **Positive image.** The experience a customer has is just as important for generating revenue as the sale itself. The social interactions and memorable experiences are what lead people to recommend an event or product to their friends and to come back again. Not only is it important to stress friendly interactions with customers and visitors, but it is also important to

create a positive visual image. Making improvements to the roadside view of the REC Farmers Markets by using signs to create a clear and welcoming entrance to the market and using clean and professional communication through all displays could help create a more positive visual image at the markets.

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Appendices

Appendix A: Western Massachusetts Food Processing Center Information

Contact Information:

Franklin County Community Development Corporation
413-774-7204
324 Wells Street
Greenfield, MA 01301
<http://www.fccdc.org/fpcabout.html>

Larry Diluzio, Food Production Manager
larryd@fccdc.org

What is the Western Massachusetts Food Processing Center and what do they offer?

The Western Mass Food Processing Center exists to help entrepreneurs in the commercial food business. They will guide first time food producers through the entire process from initial product ideas to final production and provide support in the following areas:

- Business planning
- Recipe development
- Product testing
- Preparing for license inspection
- Production assistance
- Marketing support
- Fully equipped commercial kitchen available
- Distribution resources

Appendix B: Potential Vendors for YouthGROW Produced Value-Added Products

The following table lists the contacts made with potential vendors for value-added products produced by the YouthGROW program. All of these vendors are located in the Worcester area. These vendors were asked in phone conversations the following general questions in order to determine if it would be worthwhile for the REC to pursue them as potential vendors.

- Do you currently sell any locally produced items in your store?
- If someone was interested in selling a product in your store, how would they go about doing so?
- Would you require a certain amount of the product right away?
- Would you be willing to stock a hot-sauce or salsa product made by a local youth program?

The vendors who are most likely to be interested in selling products produced by the YouthGROW program are starred, and relevant comments by the contact person are listed below as well.

Potential Vendor	About the Vendor	Contact Information	Notes
Artichoke Food Co-op	The Artichoke Food Co-op is a cooperatively owned and run natural foods market that carries items from a number of local farms and producers.	508-752-3533 800 Main St Worcester, MA 01610	<ul style="list-style-type: none"> • The Artichoke Food Co-op was not contacted in regards to this venture, but the co-op has worked closely with the REC and YouthGROW project in the past so they would be a likely market for selling a YouthGROW product
*Coopers' Hilltop Dairy Farm	Coopers' Hilltop Dairy Farm is a family owned farm that has served the communities surrounding Worcester for more than 90 years. Their farm store in Rochdale sells dairy products from the farm as well as baked goods, poultry products and other items from other local producers (Coopers' Hilltop Dairy).	Marjorie Cooper 508-892-3720 515 Henshaw St. Rochdale, MA	<ul style="list-style-type: none"> • If interested in becoming a vendor, would have to call and set up an appointment • Generally open to the idea, willing to try a new product in the store to see how it does • Don't tend to stock a lot of jarred or canned items besides ice cream toppings because they sell ice cream • Like the idea of a product with a story, would want something written up to accompany the product on the shelves telling the purpose/story • Audience at the farm store generally good for local items
*Living Earth	Living Earth is a small local grocery store in Worcester that is committed to providing fresh, natural, organic and	508-753-1896 232 Chandler St. Worcester, MA 01609	<ul style="list-style-type: none"> • Would be willing to try a sample of product and see how sales go • Contact store manager, Frank Phelan who is head buyer for the store

	whole foods, and nutritional products.		
Pleasant View Nursery	Pleasant View Nursery is a small, family-owned landscaping business. Their garden center in Paxton also has a gift shop with a variety of items.	508-752-5967 242 Pleasant Street Paxton, MA 01609	<ul style="list-style-type: none"> • Unable to contact because they are currently closed for the season
Roots Natural Foods	Roots Natural Foods is a small local grocery store in Leominster that is dedicated to providing fresh, natural, and organic foods.	978-534-7636 100 Crawford St. Leominster, MA 01453	<ul style="list-style-type: none"> • Did not contact in regards to this project but is similar to Living Earth and might be another potential market to explore
Shaw's	Shaw's Supermarkets is a chain of large grocery stores across New England, but the company is headquartered in West Bridgewater, MA.	508-755-5808 14 West Boylston St. Worcester, MA 01605 508-755-5808 68 Stafford St. Worcester, MA 01603	<ul style="list-style-type: none"> • Shaw's does some business with local farmers, might be open to working with a local producer • Part of the SUPERVALU chain of grocery stores • A contract would have to be approved by several levels of local and regional management, might be hard for a small producer
Trader Joe's	Trader Joe's is a specialty grocery store chain that stocks basic groceries but also a number of interesting and unconventional products.	508-755-9560 77 Boston Turnpike Shrewsbury, MA	<ul style="list-style-type: none"> • Do not currently sell any products specific to the Worcester store • New vendors would be referred to website • Website has a simple 'Want to Become a New Vendor' form

Other potential venues for selling a YouthGROW value-added product could include booths at other local festivals and markets or partnering with local restaurants that might be willing to use and/or sell a product.

Appendix C: Legal Requirements for Specialty Foods Production in Massachusetts

All of this information was obtained from The Massachusetts Food Processors Resource Manual and the Massachusetts Department of Health regulation 105 CMR. This is not a complete list of all regulations regarding food production, but includes regulations that would apply to a small-scale production of hot sauce or similar type product by the REC YouthGROW program. These regulations are correct as of March 2011, but are subject to change at any time so should be checked for updates.

Food Safety Regulations: Food production must comply with both State and Federal regulations regarding food safety. Regulations are based on whether or not a food is considered hazardous or potentially hazardous, which is determined by the pH or water activity of the final product. A food is considered a nonpotentially hazardous food (nonPHF) if it has a pH of 4.6 or below or a water activity level of 0.85 or below. Nonhazardous foods can be produced in an inspected residential or commercial kitchen. Labs and many food processing centers will conduct pH testing for a small cost. *If the hot sauce recipe used by the YouthGROW program has a pH of above 4.6 or a water activity level above 0.85 then the hot sauce will be considered a potentially hazardous food (PHF), and the REC will not be able to do production in an inspected residential or commercial kitchen.*

Certain processes require additional State and/or Federal control. NonPHF's that are manufactured using these processes are not permitted in residential kitchens and these include acidification, thermal processing in hermetically sealed containers, hot fill and vacuum packing (MDAR, 2011b). *If the REC plans to bottle the hot sauce using the hot fill method, they will need to use a commercial kitchen.* These regulations come from Section 590.028 Residential Kitchen Operations for Retail Sale, of Massachusetts regulation 105 CMR 590.000 Minimum Sanitation Standards for Food Establishments Article X.

Food Labeling Regulations: Labeling of specialty foods must meet Massachusetts labeling regulations as well as FDA labeling regulations.

Massachusetts Labeling Regulations: Complete State of Massachusetts labeling regulations are found in 105 CMR 520.000. Labels must include the following:

- Product name
- Common name (if not clear from product name)
- Ingredients (listed in descending order of predominance by weight)
- Total net weight
- Keep refrigerated or frozen (if necessary)
- Recommended storage conditions
- Open date
- Name/address of manufacturer, packer or distributor

Certain items are required to be placed on certain parts of the label. This information can be found in regulations 520.101: Food in Package Form; Principal Display Panel, 520.102: Food Labeling; Information Panel, and 520.105: Food Labeling; Name and Place of Business of Manufacturer, Packer, or Distributor.

Additional regulations apply to a number of other types of information that might be placed on labels. *If considering adding any of the following types of information to the hot sauce labels, the REC should consult the full text of the regulations.*

- Package Size Savings (i.e. economy value) 520.032
- “Cents-off” or savings representation 520:035
- Labeling as “Natural” or “Organic” 520.116

FDA Labeling Regulations: FDA requirements emerged from the Nutritional Labeling and Education Act Amendment in 1994 which requires all processed foods to show nutritional content and designates specific areas of labels for this information. There are exemptions from FDA labeling requirements for small businesses. Small producers are exempt if their total sales are under \$500,000, there are fewer than 100 fulltime equivalent employees and production of fewer than 100,000 units. *The REC would be considered exempt from FDA labeling requirements but would need to file an exemption form with the FDA each year.* The exemption form can now be filed online (FDA, 2007).

The Food Allergen Labeling and Consumer Protection Act of 2004 mandates that foods containing food allergens must be specifically labeled. The major food allergens that must be labeled are foods containing these ingredients or an ingredient within these food groups: milk, egg, crustacean, shellfish, tree nuts, wheat, peanuts and/or soybeans. *Since the YouthGROW hot sauce recipe does not contain any of these ingredients, this regulation will likely not be of concern.*

Appendix D: Specialty Food Production Notes

The following is information collected during research that may be helpful to the YouthGROW program when considering decisions to be made regarding production of a specialty food item.

Pricing your item: When pricing your specialty food item, it is important not to focus on what others are charging for their product, but to make sure all of your costs are covered, including costs of goods and costs of marketing. It is also important to anticipate future costs into pricing your product; you don't want to have to increase your price if your costs are going to become higher in the near future. For example, if you decide to increase production, will you be able to grow enough of all your ingredients or will you have to purchase some? You also cannot spend more money than you have built into your price. For example, if you only allotted 10% of your budget for marketing, you cannot spend more than this. (Chris Crocker, "Understanding Food Trends + Pricing for Profitable Value-Added Products," Presentation given March 3, 2011 at the 2011 Harvest New England Agricultural Marketing Conference in Sturbridge, MA).

Getting your product to sell: Look at your product from an outsider. Who is your customer? What will make it appeal to them? Think about where the product will be sold and how to make it stand out in that market. Make sure your customer will be able to find you; include contact information on or with the product. If selling in supermarkets, then yes, color is important, product must stand out, but if selling in markets then customer interaction is most important. Communicating your story is important, customers love stories! If there isn't room on your label, consider using hang tags which are easy for customers to take off and keep. (Sandra Wolfe, "Getting Your Product to Sell Itself," Presentation given March 2, 2011 at the 2011 Harvest New England Agricultural Marketing Conference in Sturbridge, MA).

Appendix E: Creating a Marketing Plan for the Farmers Markets

The REC Farmers Markets will likely be able to attract more vendors if they have a clear marketing plan in place. Not only will a plan help the REC better plan its marketing activities for each season, but many vendors are very interested in seeing a comprehensive marketing plan before they commit to a market. The fact that the REC does not currently have a marketing plan may be causing vendors to seek other markets. A condensed form of this plan can be sent to potential vendors.

The New Mexico Farmers' Marketing Association recommends that a marketing plan consist of the following components:

1. Market Overview and Goals
2. Marketing Budget
3. Media Plan

1. Market Overview and Goals

The first section of the marketing plan should give potential vendors an idea of what the markets are like. This should include information on current vendors, demographics of current customers and information about what the market is like. This section may include:

- Map of market
- Market times
- Equipment provided to vendors (tables, electricity, etc.)
- Vendor fee information
- Samples of posters/flyers
- Staff/volunteer availability at markets
- Photos of market
- Press releases from previous event

It would also be beneficial for the REC to set specific goals for improving the markets. These can also be mentioned in a marketing plan that is provided to potential vendors because it shows that the organization is working to improve the markets and taking steps to do so. Goals might be to increase the vendor mix to include a certain type of vendor or improve the visual appeal of the market. The plan should then list the specific steps the REC will be taking to meet these goals (NMFMA, n.d.).

2. Marketing Budget

A marketing plan should also include a budget for marketing activities. It is important that the REC plan out where this money will be spent during the season in order to make the best use of it.

3. Media Calendar

Some markets also find it helpful to include a calendar within their marketing plan. The calendar should include special events and when corresponding advertisements will be distributed and can help plan ahead for press releases and deadlines for preparing materials.

Appendix F: Notes from Successful Wintertime Markets

Observations made during visits to nearby wintertime markets as well as interviews with market managers may be helpful if the REC decides to start a wintertime market. Information about the Wayland Winter Farmers' Market and the Coventry WinterFresh Farmers' Market is included here.

Wayland Winter Farmers' Market

Market Manager: Peg Mallett, interviewed February 1, 2011

Location/ Time: Russell's Garden Center, Wayland, MA: Saturdays 10-2pm, January 8th to March 12th

The Wayland market was started last year so has only been operating for two years. The idea to start the market came about very quickly and as soon as vendors with fresh produce year-round were found, the rest of the market was planned. The market is held in a greenhouse where many vendors are placed among plants, creating the feeling of being outdoors. Local restaurants and vendors serve lunch, and there are tables for eating dispersed among the plants. Vendor fees are \$20 per week or \$175 for the season. Russell's Garden Center provides space and the garden center staff help with the market. The market was originally held 10am-1pm but ending at 1pm seemed to be too early, extending to 2pm in the second year drew a larger group of people and a certain crowd of people that come primarily for lunch.

The Wayland market does not bring in entertainment or artists but does hold 'Event Days,' which each have a theme. Guest vendors and demonstrations are scheduled for these days. Days such as Wool Day and Wine Day were successful in drawing previous visitors back to the market and attracting a new crowd of people.

The Wayland market manager, Peg Mallett, also manages a summer market. She has found that the winter market draws customers from a much wider area as many people are curious to check out a new market in the winter and there is not as much competition with nearby markets. Set-up is also much easier as there are no tents to worry about. Many vendors store tables and supplies at the garden center during the week. The summer market has grown since the winter market started and Peg has seen an increase in interested vendors each year.

The Wayland market is advertised in some ads that Russell's places in the Boston Globe and Edible Boston, but most advertising is done on the internet. Peg does lots of advertising through Facebook and creates events for the special days at the market. Timing on advertising is critical so it is not too last minute but people still remember.

Coventry WinterFresh Farmers' Market

Market Manager: Winter Caplanson, presenter at the 2011 Harvest New England Agricultural Marketing Conference

Location/Time: Coventry High School, Sundays 11-2pm

The Coventry market hosts more than 30 vendors, all of whom are producers. The winter market draws about 500 people per week compared to the Coventry summer market which draws around 4,000 people each week. The market is usually busy the first half-hour but attendance varies each week.

Vendors include 5-6 growers, dairy, meat and local specialty foods. The market has not done much for bringing entertainment as there is not space, but they have done a few small events including a food swap and movie screening.

Organizers have found that the winter market encourages relationships between vendors. When vendors are set-up in the same room without tents, they barter and socialize much more; many vendors really enjoy the winter market for this reason.

Before deciding to start a winter market, the organizers did a poll of their newsletter readers, asking them if they would support a winter market. Organizers were able to use this response when talking to potential vendors. Organizers have found that use of social media is very successful for marketing, especially their blog.

Appendix G: Resources for Contacting New Vendors

The following resources might be helpful for the REC in location potential new vendors for the farmers markets or for bringing to other events such as the annual plant sale.

Name	Description	Address
MassGrown Map	The MassGrown map is a database provided by the Massachusetts Department of Agriculture that lists all of the farmers, producers, markets and growers within the state. Listings can be searched by specific type and radius from a certain location.	http://www.mass.gov/agr/massgrown/map.htm
FarmFresh	FarmFresh is a New England website created to strengthen local food systems. Entering the Worcester location will bring up a list of nearby markets, CSA's and farm stands. Under the "Search Farms by Food" menu, selecting "Farms A-Z" will bring up a list of farms in the surrounding area and contact information for the growers.	http://www.farmfresh.org