



Direct Marketing in Canada

Farm marketers - a unique business model

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SUSTAINABLE DEVELOPMENT CHARACTERISTICS

In the context of a population that is concentrated in urban areas, direct marketing by organic farms is fundamental to sustainable development due to its role in providing access to healthy, local food sources. Sustainable development, as defined by Dale (2001) is the process of reconciling three imperatives:

- (1) the ecological imperatives to live within global biophysical carrying capacity and maintain biodiversity;
- (2) the social imperative to ensure the development of democratic systems of governance in order to effectively propagate and sustain the values by which people wish to live; and
- (3) the economic imperative to ensure that basic needs are met worldwide. Equitable access to these resources—ecological, social and economic is fundamental to its implementation.

One test for organic agriculture is to assess whether it grapples with the three imperatives, social, ecological and economic. The International Federation of Organic Agricultural Movements (IFOAM, 2005) maintains that four principles are at the root of organic agriculture.

4 principles of organic agriculture

1. The Principles of Ecology: Organic Agriculture should be based on living ecological systems and cycles, work with them, emulate them and help sustain them.
2. The Principle of Fairness: Organic Agriculture should build on relationships that ensure fairness with regard to the common environment and life opportunities.
3. The Principle of Health: Organic Agriculture should sustain and enhance the health of soil, plant, animal, human and planet as one and indivisible.
4. The Principle of Care: Organic Agriculture should be managed in a precautionary and responsible manner to protect the health and well-being of current and future generations and the environment.

Direct farm marketers are a unique business model, in that they are on the front line of implementing sustainable community development. They gain satisfaction in providing their customers with fresh farm products and in many cases an experience with the local landscape and reconnection with the land. Customers who buy farm direct also appreciate the quality and freshness of seasonal produce and in the majority of cases, the associated health benefits. They appreciate learning about where their food comes from and how it is produced. And through their patronage, customers are helping to support and maintain sustainable community development.

This case study considers different direct marketing strategies employed by thirteen different farms from across Canada. Direct marketing strategies considered include cooperative marketing, market stands, agri-tourism, farmer's markets, community supported agriculture, restaurant sales, and e-commerce. These case studies are evaluated qualitatively through the lens of sustainable development.

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Table 1: Comparison of Sustainable Development and Organic Agriculture Principles

<p style="text-align: center;">Three Sustainable Development Imperatives <i>Dale (2001)</i></p>	<p style="text-align: center;">IFOAM Principles (2005)</p>
<p>» the ecological imperatives to live within global biophysical carrying capacity and maintain biodiversity;</p>	<p><i>Principle 1:</i> help sustain living ecological systems</p> <p><i>Principle 3:</i> sustain and enhance the health of soil, plant, animal human and planet</p> <p><i>Principle 4:</i> protect the health and well-being of the environment.</p>
<p>» the social imperative to ensure the development of democratic systems of governance in order to effectively propagate and sustain the values by which people wish to live; and</p>	<p><i>Principle 2:</i> build on relationships that ensure fairness with regard to the common environment and life opportunities.</p>
<p>» the economic imperative to ensure that the basic needs are met worldwide.</p>	<p><i>Principle 4:</i> protect the health and well-being of the environment.</p>

Table 1 compares aspects of the IFOAM principles against the three sustainable development imperatives. In terms of the ecological imperative, IFOAM is clearly committed to maintaining ecological integrity. A subtle difference arises in the social imperative; Dale describes the imperative very much in the democratic sense “propagate and sustain the values by which people wish to live”, whereas IFOAM determines that the key value, at least in the context of organic agriculture, is fairness. And finally, for the economic imperative, IFOAM has a broader idea of ‘well-being’ whereas Dale confines the scope to the more definable ‘basic needs’. In any case, Table 1 illustrates that there is a close parallel between a contemporary definition of sustainable development and the principles of organic agriculture.

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» **Market Forces:** Ironically, the success of direct marketing has been in response to the globalization of the agricultural commodities. Over the last 20 years, the agricultural production in Canada has been transitioning, in terms of averages, from small family farms to larger consolidated operations. Between 1981 and 2001, for example, the total number of farms in Canada declined by 22 percent (Statistics Canada, 2004), while the average size increased from 207 to 273 hectares, partly due to increased capital investment levels (Rural and Small Town Canada 2003). While this scale is prevalent in input-based agriculture, organic farms are counter to this trend and tend to be smaller in size; more than 50 percent of organic farms are operating on an annual budget of less than \$50,000

(Agriculture and Agri-Food Canada, 2004). In order to survive, small scale farms have been forced to bypass distributors and sell direct to the customer, thus maximizing the return on the product. Additionally, the organic market has allowed them to garner an additional premium on their products.

» **Environmental and health concerns:** Increasing public concern and debate around environmental and health issues (Makatouni, 2002) such as genetically-modified organisms, the use of pesticides and chemical fertilizers have driven consumers to search for food producers whom they can get to trust and to know- to grow organic crops.

» **Diversity and Innovation:** The case studies illustrate the wide range of strategies that farmers have both developed and employed to directly market their products. This diversity of approaches has allowed local farmers to adapt to their circumstances, while differentiating themselves from supermarkets by for example, providing relevant recipes (Community-support agriculture), emphasising the health benefits, having on-farm parties and selling from farm stands.

» **Location:** At the same time as the average farm size has been increasing, Canada's population has experienced a rural-urban shift. In the 25 years between 1971 and 1996, the number of urban dwellers increased by 37 percent (Statistics Canada, 2001). The demand for organically produced food is concentrated in urban areas – of the 3.3 million people who regularly or occasionally buy organic food, over half come from Edmonton, Vancouver and Calgary (Cooney, 2003). During that same time period Canada's towns and cities expanded to include an additional twelve thousand square kilometers, or more than twice the area of Prince Edward Island (Statistics Canada, 2001).

Traditional agricultural lands which were located on the periphery of urban areas have become urbanized, a key example being the Fraser Valley outside of Vancouver, where 3,600 hectares of land have been removed from the Agricultural Land Reserve (Chouinard, 2005) and property values have correspondingly been driven upward (CMHC, 2006). Large-scale input-based agriculture with its requirement of large areas of land thus becomes economically precarious near urban areas, but small scale, high value production is still feasible.

» **Social resiliency:** Perhaps one of the most important factors that has resulted in the success of direct-marketing is the dedication of the farmers. In almost all the cases described below, the farmers are committed to sustainable land practices and to providing food that is healthy both for the ecosystem and for people; the commitment extends far beyond the economic returns.

WHAT WORKED?

To assess the extent to which direct marketing meets the principles of sustainable development, five key characteristics in the social, ecological and economic imperatives were selected. These characteristics were chosen on the basis that they are practical manifestations of the particular imperative but are also applicable to the context of agriculture.

Ecological dimensions

» *Organic production:* this has health benefits both to the consumer and maintenance of the ecosystem in terms of decreased impacts due ecological farming practices (Soil Association, 2002 and 2000)

» *Locally-produced:* The food is grown within one hundred miles of its consumption, thus resulting in significantly less greenhouse gas emissions due to reduced transportation economic and ecological costs.

Social dimensions

» *Involvement of youth:* The average age of farmers in Canada, according the Agriculture Census (Statistics Canada, 2001) was fifty. This means there is a social imperative to involve young people in agriculture in order to ensure the transfer of intergenerational knowledge. Farms have a range of methodologies for involving young people including internships and the Willing Workers On Organic (WWOOF) Farms program.

» *Ecological literacy:* The direct-marketing strategy connects the consumers to the land and the people who grow the crops. This connection can happen through direct involvement in the farms by customers as is the case in community shared agricultural programs, or through open houses or volunteer work days.

Economic dimensions

» *Employment:* The direct-marketing strategy provides at least one farming FTE in the community; a source of livelihood from farming helps to ensure a diverse economic system. A study by the Soil Association (2006) found that organic farming in UK provides 37 percent more employment than conventional farming.

Table 2

*includes some organic production

		Organic production	Locally produced	Ecological literacy	Youth Involvement	Employment
1	Speerville Milling Cooperative, Speerville, NB					
2	Mariposa Farm, Cawston, BC					
3	Galey's Brothers Farm, Saanich, BC					
4	Salt Spring Island Apple Festival, Salt Spring Island, BC	*				
5	St Jacob's Farmers Market- St Jacobs, ON	*				
6	Halifax Farmer's Market- Halifax, NS	*				
7	Campanipol Farm – Saint Genevieve de Batiscan, QC					
8	SunRoot Community Supported Agriculture- East Hants, NS					
9	Island Chefs Collaborative- Vancouver Island					
10	ALM Farm- Sooke, BC					
11	Summerhill Pyramid Winery- Kelowna, BC					
12	Food Share Toronto's Good Food Box- Toronto, ON	*				

In Table 2, each case study was assessed in a qualitative fashion against the six characteristics to determine the extent to which the direct marketing activities span the three imperatives and, therefore, contribute to sustainable community development. Grey highlighting indicates the particular project satisfies the characteristics; white indicates it does not, and dark grey indicates a lack of information.

Table 2 (page 3) illustrates that; in general, direct-farm programs do address aspects of all three imperatives of sustainable development integratively. The two case studies that stray from the idea of direct marketing are the Islands Chefs Collaborative and the Food Share Toronto's Good Food Box. In the case of the Islands Chefs Collaborative, there is no connection between the farmer and the consumer, social limitation of the program. This is also the case with the Good Food Box program. In general, given the assumptions of this approach, one can conclude that direct marketing is a practical demonstration of the principles of sustainable development.

What didn't work?

Historically in Canada, organic farming has been defined by standards set by non-profit organizations. These organizations are democratically controlled incorporated bodies and the organic inspectors they employ are typically either professionals or peers. The process of certification is as follows: a farm submits an application and repeated visits by the inspectors determine the acceptability of the farm. However, this process changed radically on December, 2006 when the federal government announced a national organic standard, governed by the following principles (Government of Canada, 2006):

1.	Protect the environment, minimize soil degradation and erosion, decrease pollution, optimize biological productivity, and promote a sound state of health.
2.	Maintain long-term soil fertility by optimizing conditions for biological activity within the soil.
3.	Maintain biological diversity within the system.
4.	Recycle materials and resources to the greatest extent possible within the enterprise.
5.	Provide attentive care that promotes the health and meets the behavioural needs of livestock.

The Government of Canada's principles reflect a contracting or narrowing of IFOAM's definition so that according to the Government of Canada, organic farming is solely an ecological endeavour (all of the seven principles address the ecological imperative). While in theory, the new standard will be successful in maintaining the ecological integrity of modern farming practices, it does not represent the comprehensive approach to sustainable development represented by the direct marketing approach.

Research Methodology

The case studies were predominantly developed through web-research, informal interviews with farmers and the authors' knowledge of the endeavours. Many excellent examples of direct-marketing were missed, but those included here were chosen to reflect a diversity of strategies that farms (and others) have employed, including cooperative marketing, market stands, agri-tourism, farmer's markets, community supported agriculture, restaurant sales, and e-commerce.

» *Cooperative marketing* addresses the scale issue faced by many small-scale farmers and entrepreneurs. While sustainable farming practices involve diversified cropping, it can still be difficult to deliver the variety of produce that consumers have become accustomed to. By partnering with other small farms, a greater variety of produce can be provided throughout the season – attracting more interest from consumers.

Partnering co-operatively has many advantages for farmers, but perhaps most attractive is that the sales return to the farmers rather than a 'middle man.' The greater scale that cooperatives bring allows farmers to spend less time actually marketing their goods by either trading off on the duties or by hiring staff to do so, in addition to bringing a greater diversity of products to consumers.

Cooperative marketing also provides insurance to the farmer: if a crop or generation of crop fails, the farmer can look to other farmers to fill the order.

» *Market stands* are a method used by farmers to directly access the market from their farm gate or in close proximity to their farm. While some market stands are directly associated with a particular farm or farms, others purchase produce from surrounding farms for resale, thus taking advantage of the perception that market stands deliver the freshest produce. Market stands are most frequently found on roads with a great deal of traffic. They are open more frequently than the weekly farmers markets, and can either operate throughout the year or seasonally.

» *Agri-tourism* is a mechanism that a small number of farms are using to derive income and to promote their products. In British Columbia, the 'Agri-Tourism Initiative' has a fund managed by the British Columbia Agri-Tourism Alliance (BC Agritourism web page, 2006) with several activity areas:

- *development of strategic partnerships for the agri-tourism industry;*
- *development of an agri-tourism code of standards for agri-tourism products and services;*
- *production of a provincial product development and marketing strategy; and*
- *establishment of agri-tourism training programs for farmers/operators and a strategy for the implementation of those programs.*

» *Farmer's markets* are a time-tested approach to direct farm marketing; farmers gather in a central location to sell to the general public. Many small-scale farmers include farmer's markets in their portfolio of marketing techniques and there are many values inherent in these markets. Not only do farmers avoid

the cost of 'middle-men,' but farmer's markets can also play a role in reviving interest in local seasonal food, with significant environmental benefits.

A study by Food Share in Toronto (Bentley et al, 2003) compared greenhouse gas emissions associated with seven food items from a farmers market and from a local grocery store. While locally produced food items in the sample set traveled an average of 101 km, equivalent imported items moved an average of 5364 km. The resulting greenhouse gas emissions from the farmer's market totaled 118 grams versus 11,886 grams from the grocery store (ibid). Farmer's markets remain a significant economic force in Canada; a study in Ontario put the economic contribution of farmer's markets to the rural economy at \$1.9 billion annually and estimated the workforce involved in preparing and selling the products at more than 27,000 people (Cummings et al, 1999).

» *Community Supported Agriculture* (CSA) originated in Japan 30 years ago where it is called teikei, which translates to "putting the farmer's face on food." The first CSA in the US started in 1985. When the US Department of Agriculture (USDA) first began compiling statistics in 1994, there were 1,755 CSAs in the US and by 2002 there were 3,137 (USDA, 2003). CSA represents a lifestyle change for consumers accustomed to eating what they want, when they want (Abbott and Myhre, 2000); with a CSA, the consumer receives a basket of vegetables, on a weekly, biweekly or monthly basis, for a fixed fee. The contents of the baskets vary according to the season and the available crops. This loss of freedom for consumers, combined with the rise of CSA membership, suggests that consumers are willing to support sustainable food systems.

Typically, a CSA is more than an economic relationship; the idea is that the farmer and customer come to know and depend upon each other, on one hand for food, and on the other for money and - in some cases - labour. Consumers become both stakeholders and shareholders for a given farm season by taking on part of the risk associated with farming; this is often done by providing capital at the beginning of the season. CSAs are to be distinguished from popular 'Good Food Boxes' in that they are essentially buyers' groups and not direct farm marketing.

» *Restaurant sales* can provide a considerable source of revenue for small farms. In addition to paying premium prices, restaurant sales have the added benefit of reducing the labour cost of attending daily markets. Restaurant clients do expect premium products, and can also require higher delivery costs, as the farmer must deliver to various sites rather than to one market stall. From the lens of sustainability, it asks the farmer to balance both the cost and the climate impact of gas consumption with the financial benefits of these sales.

» *E-commerce* is a new opportunity for direct marketing. The advantage is that farmers can sell their goods to a larger population without the cost of a traditional storefront; with e-commerce, the main start-up cost is website development. Although e-commerce may increase the economic sustainability of farms, it does rely on the shipment of goods across long distances. Typically, small farmers will market farm products that are processed and have a shelf life that will withstand shipment. Thus, it is not surprising that the wine industry has a prominent place in e-commerce. Many vineyards and wineries that do not produce in sufficient quantities to sell to the government controlled liquor vendors are left with few options, farm stands, restaurant sales, and e-commerce being the most common.

» *Non-profits* can help farmers direct their products to consumers. One of the hurdles faced by many small-scale farmers is simply the amount of time required to stand at a market stand when workers could be out in the field. Another issue is that some small-scale farmers are unable to maintain a broad diversity of products throughout the season. As witnessed through the previous case studies, there are many non-farmer organizations and boards that support and enable direct marketing efforts: Equiterre, LifeCycles, the Island Chefs Collaborative and Toronto FoodShare, to name a few.

Detailed Background Case Description

1. Speerville Milling Cooperative, Speerville, NB

Speerville Mill was organized as a cooperative in the 1970s but milling started in 1982. The formation of the cooperative was a response to the fact that less than one percent of the Maritime's available cereal and flour products are actually grown and processed in the region. The vision of the miller, Stu Fleischaker, was to create a bioregional production and consumption system of grains in the Maritime Provinces, and he succeeded in both encouraging farmers to become organic and in building a market. The Mill originally sold basic flours and cereals and now offers an extensive catalogue of more than 130 items, including stone ground flours, wheat bran, pancake mixes, pastas, sprouts, butters, beans, lentils, flax, and sesame, sunflower and pumpkin seeds.

Speerville products are now distributed in the major grocery chains in the Maritime Provinces, including Co-op Atlantic and Atlantic Superstore. However, the Mill refuses to sell outside of the Maritimes due to its commitment to local food. Because of proximity to the market, no additives are used to preserve the grains, thus ensuring the healthiest possible product. All of the products that Speerville produces are certified organic, free of genetically modified organisms and the flours are ground with stones. The cooperative includes five farms on Prince Edward Island, two farms in New Brunswick and two farms in Nova Scotia.

Speerville has also been supporting the production of heritage wheat; this work resulted in the first commercial fields of Acadia milling wheat and Red Fife wheat since the 1950s.

2. Mariposa Organic Farm, Cawston, BC

Established in 1962, Mariposa Organic Farm is one of B.C.'s few "second generation" organic farms. It is a small family farm focused on delivering quality produce for an extended season, by employing the use of greenhouses and floating row covers. Produce is sold through direct and indirect methods. Indirectly, their produce is available at retailers such as Thrifty Foods (BC), Caper's (BC), and Community Natural Foods (Calgary, AB), through the distributor ProOrganics in Vancouver. The farm also sells directly through its market stand (Mariposa web page, 2006).

Bob McFayden purchased the 250 acre farm beside the Similkameen River in 1962 with the intention of starting a vineyard and winery. Thirty-five acres of classic French varieties and French hybrids were planted, and thrived. Unfortunately, Bob was unable to market his grapes due to the regulatory climate at the time – he could not obtain a winery license, and the two wineries in BC were not paying the cost of production for grapes.

Lee McFayden joined Bob in 1970, when Bob was looking for a new direction for the business. Winter flooding in the subsequent year resulted in the loss of several acres of land, an old barn and the rock and concrete irrigation pump foundation. This was the final straw for the vineyard and they began an organic market garden.

"Time had turned the nightmare into another dream: to sustain our family by producing organically grown foods, and to protect the 200 acres as an ecological

2. Mariposa Organic Farm, cont'd.

reserve, a living ecosystem," recounts Lee in a recent newsletter article (ProOrganics newsletter, 2005). "This decision was emotional and practical. We loved the land, valued its beauty, diversity and fragility. We did not need to exploit all that was arable for our sustenance. Organic methods would impact only the land we used, and the ecosystem would quickly recover if farming ceased. We examined our perspectives. Was bigger better? Perhaps - but not for us. Our love for this place made us restart, on a smaller scale. We bought milk cows, pigs, and chickens, supplying the local market with dairy products, eggs and meat. We found that ten acres, sustainably cultivated, would sustain us (ibid)."

The McFayden's have been careful stewards of this dry shrub-grassland. Widely spaced bunchgrasses interspersed with drought-tolerant sagebrush and rabbit bush provide critical snake habitat and important Brewer's sparrow nesting areas. The farm has been acknowledged by the Land Conservancy of B.C.'s 'Conservation Partners Program' (The Land Conservancy, 2005) for its contribution to preserving the Okanagan grassland.

The McFayden case study attests to the important role that marketing plays in successful farm operations and the role that regulatory bodies can play in mounting barriers. By employing a diversity of indirect and direct marketing strategies, they have been able to sustain themselves, their community, and a large section of vital habitat.

3. Galey Brother's Farms, Saanich, BC

Located near downtown Victoria, the Galey Brothers' Farm is a third generation family farm that grows over 50 varieties of vegetables and berries (Galey Farms web page, 2006). The Galeys own a large diversified working farm with over 300 acres of land in production. At such a scale, they have been able to sell some produce wholesale to a local food retailer, Thrifty Foods.

The farm is not organic because it employs integrated pest management techniques. The Galeys have, however, been involved in some local conservation efforts, and the farm is part of The Land Conservancy of B.C.'s 'Conservation Partner Program' (The Land Conservancy, 2005). The local district worked with the farm to relocate and restore 700m of Upper Blenkinsop Creek, the major tributary to Swan Lake, an urban lake surrounded by a nature sanctuary in the middle of the Municipality of Saanich.

The Galey Farm's Maze 'n' Market is a local agri-tourism initiative that takes up two percent of their total farmland. It was included as one of *Tourism Victoria's Official 2007 Vacation Guide; Top Ten Picks for Family Fun* (Tourism Victoria, 2006). To increase direct marketing sales and attract local consumers to their farm, the Galeys offer a six acre corn maze, complete with a model pyramid, sphinx, and alien-landing site. The farm also has a ghost town, miniature railway, petting farm, and a market for their own produce.

The economic viability of this approach is not clear. The train alone would have cost \$380,000US new, and though they purchased a used model, Rob Galey does not expect to cover the cost anytime soon, even with steep admission costs (Dove, 2006). Galey argues if

3. Galey Grother's, cont'd.

agri-tourism is what it takes to make a farm financially viable, then that's what they will do, noting that they are one of the last surviving farms in an area full of housing developments (ibid). There is also some social and political concerns about the park. At least one Councilor has questioned the rationale of a theme park on farmland: "Farmland needs to be farmed. [...] If it becomes the majority of their revenue then [that would be against regulations and] I would have a concern," local Councilor Judy Brownoff was recently quoted as saying in a local newspaper (ibid).

4. Salt Spring Island Apple Festival, Salt spring Island, BC

The Salt Spring Island Apple Festival is the agri-tourism initiative of Harry and Debbie Burton who own Apple Luscious Organic Orchard. Their young orchard on Salt Spring Island, B.C. is situated on five acres of land that was logged in 1980, and planted with apple trees in 1986. The orchard consists of approximately 300 trees in three acres. The Burtons grow over 150 apple varieties, and some plums, pears, cherries and Asian pears (Apple Luscious web page, 2006).

The orchard is considered to be 'wild' in that so-called weed species, including grass and blackberries, are encouraged around the apple trees. This strategy promotes biodiversity by providing habitat for bird, reptile and insect populations. Organic techniques are employed, and a variety of locally available fertilizers are used, including seaweed, manures, oyster shells and hay mulch. The orchard is also able to forego irrigation due to the use of a hardy rootstock (M111) (ibid).

The Burtons market their fruit and trees using a range of methods: customer's can

4. Salt Spring Island, cont'd.

purchase fruit at the orchard, at the Salt Spring Market on Saturdays, or have fruit delivered to their home on Saltspring or in Victoria. As a larger marketing effort, the Burtons promoted the development of the Salt Spring Island Apple Festival to highlight the unique role of the island in apple production throughout the region.

Salt Spring Island grows over 350 varieties of apples organically. It has an apple history dating back to 1860 – one of the first apple production areas in British Columbia. The Apple Festival in 2005 demonstrated an impressive 264 apple varieties and was capped with a talk by Johnny Appleseed and Captain Apple (a new Salt Spring Superhero). The fifteen small farms that support the festival offer tours to the public during the festival. Proceeds from the event go to the development of a juicing facility on Salt Spring, and to other local charitable causes (Salt Spring Island Apple Festival website, 2006).

5.
St. Jacobs Farmer's Market
St. Jacob's, ON

The St. Jacobs Farmer's Market provides fresh produce from across Ontario and from local farms. The Market operates throughout the year on Thursdays and Saturdays. In the summer, the market is open an additional two days a week, on Tuesdays and Sundays. Six hundred vendors offer produce, meats, cheese, baking, crafts, home decor, furniture, clothes, and tools. The cost of a stall varies between \$30 and \$100 per week, depending on the space and the season (St. Jacobs Country Market web page, 2006).

Maple syrup and summer sausage are marketed as local delicacies by Mennonite farmers who live in the area. The Mennonites' continued use of the horse-and-buggy as mode of transport is also a marketed feature of the market. In this way, the market becomes more than merely a place to shop, but a social event where one can see live performances by buskers, chat with neighbours and peruse the wares. As a result, farmers have the opportunity to market their product to a wider cross section of society. That said, other than anecdotal evidence, there is no evidence that the social nature of the market results in increased sales (ibid).

To ensure that the markets are appreciated for the local foods they sell, Foodlink Waterloo Region and Canadian Organic Growers (Perth-Waterloo-Wellington) host an annual event each September called, "Taste Local! Taste Fresh!" The event is a showcase of local food and brings the best produce together with the best culinary talent in the region. Tickets to the event are \$55, and some of the proceeds go towards Foodlink's work in preserving family farms in the Waterloo Region (Foodlink web page, 2006).

6.
Halifax Farmer's Market,
Halifax, NS

Halifax Farmer's Market is the oldest farmer's market in North America, with a history that dates back to 1750, the year after the founding of Halifax. In the past 200 years, the market has moved from location to location and after nearly folding in the late 1970s, the market was reborn at the Keith's Brewery Complex on Lower Water Street. With a stable year-round location, many new vendors were attracted to the market and in 1993 the vendors formed a cooperative, becoming financially independent from the municipality for the first time in its history. The revitalized market negotiated a ten year lease, including a \$150,000 remodeling effort and a 4,000 square foot expansion of the building (Kilcup, Ed., 1998).

Farmer's markets in Nova Scotia have 450 member businesses and do \$62 million worth of business each year. The customer base consists of 11-12,000 people in the summer, a number that falls by 50 percent in the winter season (Halifax Farmers Market web page, 2006).

7.
Campanipol Farm,
Saint Geneviève de Batiscan, QC

There are many CSAs in the Montréal area. Equiterre is a non-profit community organisation that promotes ecological and socially just initiatives. It also is the coordinator of a network of over 80 organic farms, with a total of 332 CSA delivery points in Quebec. Every year, a list of CSAs and their crops is made available to the public. Equiterre estimates that these CSA programs cost 10 percent to 50 percent less for their organic produce than the supermarket.

7. *Campanipol Farm, cont'd.*

At the same time, participants are supporting small, local, sustainable family farms that contribute to the local economy and reduce the emissions associated with long-distance transport of food purchased at supermarkets (Equiterre web page, 2006).

When composing its list of participating farms, Equiterre sends its staff into the field (literally) to create a small report. The following case study takes information (translated from French) from a field report by Isabelle Joncas, written in September 2003 (ibid). Robert St-Arnaud and Danielle Lefebvre purchased the 44 hectare farm in 1983 and began growing organic vegetables on 10 acres. They have three greenhouses that are used for tomatoes and cucumber production. Small row clothes are used for melons and cantaloupes. To maintain nitrogen levels and control weeds, green manures are incorporated as part of the farm's three-year crop rotation. After each crop, local organic oats are sown, and turned under in spring. Wood chips are also used as a weed-controlling mulch. From mid-May to mid-September, the farm employs 10 people. The farm uses mechanical tools as well: four tractors, and delivery trucks.

The farm markets its products through a farm stand and a box program with deliveries to Montréal that began in 1992. In 2003, the CSA supplied 415 weekly boxes that ran from mid-June until the end of November. The boxes are delivered to 12 locations in Montréal, Quebec and Trois-Rivieres. The box program also offer additional products such as cheese, jams and chicken that can be ordered separately. Some of these are value-added products created on the farm in a kitchen that is primarily used to create jams and preserves.

8.
SunRoot Community Supported
Agriculture,
East Hants, NS

SunRoot is a cooperatively owned farm on 140 acres in the East Hants County of Nova Scotia, approximately a one-hour drive from Halifax (SunRoot web page, 2006). The SunRoot CSA program charges members a fee at the beginning of the growing season that meets the financial needs of the farming operation. In return, members receive a weekly box of vegetables. A share entitles a member to:

- » a box of fresh, seasonal organic veggies, delivered to your area every week;
- » farm visits and celebrations;
- » a SunRoot produce guide with tasty recipes, cooking and storage tips (for new members); and
- » direct participation in food production at the farm.

Shares range in cost from \$300 to \$500, depending on the volume of produce required. Boxes are delivered to a drop-off point in Halifax each week, from mid-June until mid-October. SunRoot also offers a herbal share for \$200, which includes flower essences, tea mixes, salves and tinctures.

SunRoot works with the Nova Scotia Department of Community Services to provide CSA shares for individuals and families on welfare. This program has been operating for six years and includes a component of organizing workshops and community development projects determined by the participants in the program. In the past, workshops for this program have included advocacy for people on social assistance, herbal medicine making, self-esteem, and cooking with vegetables.

9.
Camille's (Restaurant Supported
Agriculture),
Victoria, BC

David Mincey has been chef and owner of Camille's - a small restaurant in downtown Victoria - for 18 years. David also serves as the President of the Island Chef's Collaborative (ICC). Through the ICC, he helps to promote the development of close ties between small-scale organic growers and the chef-members.

Mincey decided to offer a select group of farmers a salary to farm for Camille's. Similar to the Community Supported Agriculture (CSA) model, Mincey's Restaurant Supported Agriculture (RSA) seeks to even out the ebb and flow of annual farm receipts. While many restaurants have close ties to particular farms, and some work on contract production, this may be one of the first times a restaurant included farmers as staff.

Mincey plans to begin with a few farms that have a long history selling to Camille's. Salaries would be based on an average of yearly receipts that are averaged out across the year. This would compensate for the relatively poor cash flow small farms must deal with during the winter and also in the spring when costs are at the highest.

While Mincey has not completely formalized a RSA relationship with a farm yet, he has several potential partners that he has been working with for years. As with all new ideas, there is some skepticism about how the system will benefit both parties. The RSA model will not appeal to every farm, but offers a good option to small farms struggling to establish a stable cash flow. This certainly changes the notion of direct farm marketing but would serve the similar intention of acquiring greater returns for small farms and eliminating 'middle-men.' For the restaurant, it offers a stronger connection to the supply of local organic food. If Mincey's model is a success, it could become another option in the many marketing strategies employed by successful small farms.

10.
Island Chef's Collaborative
(ICC), Vancouver Island, BC

The ICC began in 2000 as a small group of chefs on Vancouver Island hoping to help local farmers (ICC web page, 2006). Today, it has over a dozen member chefs that are guided by the vision of a sustainable local food and agricultural system. ICC projects include a tool lending library, a program providing vacant land to farmers and contributing to the legal defense fund for the Water Buffalo at Fairburn Farm and Feast of Fields.

Sean Brennan, Chef at Brasserie L'Ecole writes in an interview, "Working with local suppliers is all about going out and creating a relationship with the farmer. It's a reciprocal thing. Our menu is dictated by the local farms and we don't buy a lot of outside produce. We look to Vancouver Island for almost everything" (ibid).

Each spring, the ICC brings together local farmers and chefs in hopes of fostering new relationships. At this networking event, new and seasoned farmers meet with chefs to determine what they will grow that season, creating a direct link between restaurant menus and what's grown in local fields. The ICC has also gone as far as providing grants to aid in small infrastructure projects, such as fencing and irrigation, on local farms.

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Detailed Background Case Description - cont'd.

10. *Island Chef's Collaborative, cont'd.*

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11. **ALM Farm Sooke, BC**

Mary Alice Johnson runs the certified organic ALM Farm on a 10 acre plot that was originally homesteaded in 1910. The farm has 4 cultivated acres where she farms a variety of fruits and vegetables as well as chickens. Mary Alice has worked to maintain many aspects of sustainability on her farm.

Mary Alice has been farming full time for over fourteen years. She teaches organic agriculture and takes several apprentices through the "Stewards Of

11. *ALM Farm, cont'd.*

Irreplaceable Land" (SOIL) program (SOIL web page, 2006). Apprentices are provided with accommodation on the farm, where they learn the practice of growing and marketing produce. This exchange provides Mary with affordable labour and offers new farmers an inexpensive, hands-on learning experience, thus creating a pool of new farmers.

The farm is also helping to create an ecological foundation for sustainable local agriculture through Mary's small organic seed company, called Full Circle Seeds. While organic farms attempt to address the long-term sustainability of the local food supply, there continues to be a limited supply of bulk organic seed in the marketplace. Initiatives like Full Circle Seeds help to address this problem.

To sustain the farm financially, Mary Alice has created a diversified operation that sells at a local farmer's market, through a CSA, and to local restaurants. In an article with Harrowsmith magazine, Mary Alice explained that she relies on two steady restaurant clients for half of her sales "But if it weren't for Sooke Harbour House [...] I probably couldn't make a go of it. [...] Fully 25 percent of my annual crop is sold directly to Sooke Harbour House" (ibid). Another quarter of the ALM harvest goes to the local lodge Point No Point.

Both Sooke Harbour House and Point No Point are upscale accommodations that offer fine westcoast dining. With half of all her produce going to two restaurants, ALM farm demonstrates the value of this direct marketing opportunity but begs the question of affordability. While it does rely on high-priced restaurants to pay a premium price for produce, ALM farm is able to market more affordably through its CSA to local residents.

12. **Summerhill Pyramid Winery, Kelowna, BC**

Summerhill pyramid winery is Canada's largest certified organic vineyard with over 100 employees working during the summer months. Forty-five acres are planted with grape varieties including Riesling, Chardonnay, Pinot Noir, Gewurztraminer, Ehrenfelser and Pinot Meunier. The Okanagan Valley is a semi-arid desert that receives only 28 centimeters of rainfall per year. The low water requirement of grapes makes them a good crop choice.

The commitment to growing certified organic grapes distinguishes Summerhill in the marketplace. They use no herbicides, pesticides, or chemical fertilizers in the soil. Glacier rock dust is the only amendment used, it is added to provide trace minerals. The owner switched to organic because he didn't want his young boys exposed to chemical sprays, nor did he want toxins to leach from the vineyard into the lake below. The owner went to the extent of removing all the existing polluted vines and replacing them with superior varieties (Summerhill Pyramid Winery, 2006).

Summerhill has managed to become the most visited winery in the country, with between 2,000 and 3,000 visitors each day during high season. In 2004, the owner was awarded the Canadian Agricultural Marketing Association's (CAMA) Agri-Marketer of the year.

Summerhill's sales through the on-site store and website reach \$800,000 a month. Their wines have been featured at the United Nations Day on Oct. 25, 2004, at the G-8 Summit in Kananaskis and at the Oscars. The website has also a spin-off porthole -Summerhill Asia - for customers from the Pacific Rim.

Detailed Background Case Description - cont'd.

13. Food Share Toronto's Good Food Box, Toronto, ON

Toronto FoodShare's Good Food Box (GFB) program distributes 4,000 boxes of fresh produce a month through 180 volunteer-run neighbourhood drop-offs. Customers pay between \$12 and \$32 for their box, depending on their selection of quantity and type of vegetables. GFB is like a large ethical buying club, the difference being it is run by a non-profit organization that seeks to address urban hunger.

The project began in 1994 with the aim of delivering locally-grown, healthy, fresh food to people with food access barriers. Originally, the food was purchased at the Ontario Food Terminal (the outlet for most imported and local produce coming into Ontario), but due to its growth, it is now able to purchase directly from local farmers. Of the \$700,000 in purchases of fresh fruit and vegetables each year, about 60 percent is local (Scharf, unknown). The distribution system is staff-driven, and volunteer-run. Staff time and capital costs are partly subsidized by FoodShare's fundraising activities, including foundation and government grants, and private donations. The payments made by customers for the GFBs cover the cost of the food itself, delivery of the boxes, and a newsletter (CAMA, 2004).

Boxes are packed by volunteers twice a month, and delivered to neighborhoods with requests for ten or more boxes. Volunteers collect money in advance of delivery to coincide with the income cycles of social assistance. The same volunteers order the food and make sure that customers receive their boxes (ibid).

With sixty percent of the \$700,000 in purchases going to local farmers, FoodShare is able to provide several farms with an income of \$30,000 to \$40,000 per year, accounting for roughly half of their total farm income. FoodShare

13. Food Share, cont'd.

is also able to support farmers by purchasing smaller quantities of niche products (Scharf, unknown).

FoodShare goes beyond merely providing food boxes. The program continues to promote local, seasonal and sustainably produced food through its newsletter, educational events, and farm visits. Perhaps the most clear measure of the program's success and the need for these local marketing programs is the fact that there are now between 20 and 30 programs across Canada modeled on FoodShare's GFB (CAMA, 2004).

CONCLUSIONS

Direct marketing is a keystone for sustainable development in increasingly highly urbanized society for a number of reasons. It has associated benefits for human health (Soil Association, 2002). It allows local production of high volumes of food, thus minimizing food miles and associated greenhouse gas emissions. It provides meaningful employment for more farmers, due to the higher per-item financial returns, resulting in a higher ratio of livelihoods to calories of food produced (Soil Association, 2006). It ensures that consumers have a direct connection, with varying degrees of involvement, to the producers, the land and the food. The quality of the food is higher and the food is healthier, due to lack of transportation and because it is grown organically.

Ecologically, the health of the ecosystem is maintained and even improved (Ibid, 2000). As is demonstrated in the case studies, farmers engaged in direct marketing have been innovative,

are on the front line of implementing sustainable community development, and yet, are still operating with minimal incomes. A further reconciliation must occur.

Strategic Questions

1. How much higher are the economic returns for direct-marketing as opposed to conventional agricultural models?
2. What is the total volume of food produced in Canada through direct-marketing strategies?
3. What policy or fiscal measures and at what level of government should promote direct-marketing?
4. Is there an optimal scale of operations for organic producers and other agricultural models?
5. How can direct marketing be factored into integrated community planning and plans?

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