

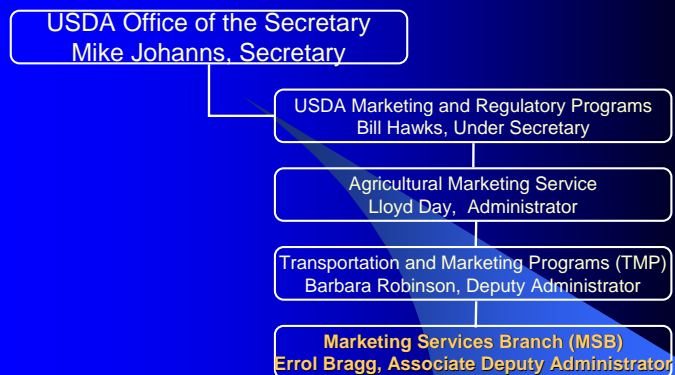
## What Can We Do For Producers? USDA's Agricultural Marketing Service

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USDA Agricultural Marketing Service (AMS)  
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## AMS Marketing Services Branch Who Are We?

- ❖ 18 employees
- ❖ 15 professional staff
  - 1 architect
  - 3 economists
  - 3 engineers
  - 1 grant administrator
  - 7 marketing specialists (2 supervisors)

## Where is AMS's Marketing Services Branch (MSB)?



## MSB Mission

- ❖ Improving U.S. food and agricultural product distribution by:
  - Identifying marketing opportunities
  - Providing analysis to help take advantage of those opportunities
  - Developing and evaluating solutions by:
    - Improving farmers markets and other direct-to-consumer marketing activities

## MSB Mission

- Researching and developing marketing channels
- Providing information and education
- Encouraging adoption of improved postharvest technology
- Designing market facilities

## MSB's Scope of Work

- ❖ Farmers Markets and Direct-to-Consumer Marketing
- ❖ Marketing Channel Research and Development
- ❖ Marketing Information and Education
- ❖ Postharvest and Marketing Technology
- ❖ Wholesale Markets and Facility Design

## Marketing Channel Research and Development Cluster



- ❖ Develops market intelligence to help agricultural producers and processors better connect with buyers in the wholesale, retail, and foodservice sectors
- ❖ Facilitates transfer of pertinent marketing information to agricultural marketing practitioners
- ❖ Enables agricultural producers and processors to respond more effectively to customers through better strategic planning

## Farmers Markets and Direct to Consumer Marketing



- ❖ Direct access to consumers at farmers markets provides an important supplemental source of farm income for many growers.
- ❖ Farmers markets allow consumers to have access to locally grown, farm-fresh produce and the opportunity to personally interact with the farmer who grows the produce.
- ❖ Many urban communities where fresh, nutritious foods are scarce gain easier access to food through farmers market operations.

## Wholesale Market Facility Design



- ❖ provides technical assistance for wholesale markets, farmers' markets, and collection markets.
- ❖ design work includes: site analysis, conceptual designs, along with cost analysis, and programmatic project descriptions.

## How Does AMS Marketing Services Achieve Its Goals?

- ❖ Provides technical assistance and support to promising demonstration projects
- ❖ Conducts baseline research on emerging marketing opportunities
- ❖ Shares lessons learned with a broad national audience through publications and training workshops

## Primary Source of AMS Project Funding

### FSMIP – Federal State Marketing Improvement Program

Title 2 of the Agricultural Marketing Act of 1946 directs AMS, as part of the FSMIP program, to “conduct, assist, and foster research, investigation and experimentation” to:

- Determine the *best methods* of processing, packing, handling, transporting, storing, distributing and marketing agricultural products

## Primary Source of AMS Project Funding

### FSMIP – Federal State Marketing Improvement Program

- Foster development of *new or expanded markets* and new and expanded uses
- Determine *costs of marketing agricultural products* in various forms and *through various channels*
- Assist in developing more *efficient marketing methods, practices, and facilities*

## Primary Source of AMS Project Funding

### FSMIP Allocations, Fiscal Year 2005:

- Total payments to States just over **\$1.3 million**
- **76 proposals** submitted
- **26 projects** funded
- Average monetary award per project was **\$53,000**
- Grants ranged from **\$21,000 to \$135,000**

## FSMIP Grant in New York State

In FY 2004, **FSMIP provided \$48,000** to the New York Department of Agriculture and Markets, in cooperation with the Glynwood Center,

To explore opportunities for local producers to supply food and feed to New York City zoos and related tourist facilities, and to address constraints and infrastructural challenges to greater use of locally produced food at these venues.

## Other AMS Funding Sources

MSB also sponsors a handful of cooperative research agreements each year (typically 5-50K) with State agencies, land-grant universities and non-profit organizations to:

- **Leverage research resources**
- **Gain access to partners with needed technical expertise**
- **Respond to pressing marketing issues**

These resources are most often allocated to **technical workshops, training and analysis with national or regional reach** on farmers markets, direct farm marketing or food distribution issues

## Other AMS Funding Sources

### Considerations for support of projects:

- Does the subject matter have **important national or regional implications?**
- Will the sponsored training/research **add significantly to the existing body of knowledge** on the subject?
- **Can large numbers of smaller and medium-sized farmers be expected to benefit directly** from the training/research?

## MSB Cooperative Research Agreements

- **New York City Wholesale Farmers Market – Phase II**  
\$60,000
- **Connecting Local Farmers with USDA Farmers Market Nutrition Program Participants - SE**  
Pennsylvania Resource Conservation And Development Council
- **Rebuilding Southern Louisiana Farmers Markets –**  
Loyola University, Economics Institute
- **Workshop on Obtaining Insurance for Farmers Markets -** North American Farmers Direct Marketing Assoc.

## Farmers Market Promotion Program

FY 2006 Appropriation **\$900,000**

- Domestic farmers markets
- Roadside stands
- CSA's
- Other direct producer-to-consumer opportunities

## Farmers Market Promotion Program

### Eligible Entities

- Agricultural Cooperative
- Local Government
- Nonprofit Corporation
- Public Benefit Corporation
- Economic Development Corporation
- Regional Farmers Market Authority

## Census of Farmers Markets 2005

## Census of Farmers Markets 2005

Dissemination of Questionnaire	Winter 2006
Reminder Notification	2nd & 4th week
Telephone Survey of Non-Respondents	6 <sup>th</sup> week
Preliminary Census Results	Summer 2006
Draft of Census Results	Spring 2007
Publication of Census Findings	Summer 2007

## Expansion of the 2005 Farmers Market Census

**Emerging trends in the area of organics** and other specially labeled products such as natural, locally grown and chemical free

Assessment of the impacts of **government nutrition programs**

WIC Farmers Market Nutrition program  
Senior Farmers Market Nutrition Program  
Electronic benefits transfer of food stamps

## Expansion of the 2005 Farmers Market Census

Utilization and frequency of **primary consumer research** at farmers markets

Use and effectiveness of various **advertisement methods**

Interaction with farmers markets and the **community**

## Expansion of the 2005 Farmers Market Census

Analysis of the relative importance of the **market's commodity mix**

Identification of **facility improvements** market managers feel would result in the greatest improvement to their market operations

Identification of **marketing assistance** market managers feel that would result in the greatest increase in vendor sales

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For more information on MSB activities,  
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