



Come & Get It!

WHAT YOU NEED TO KNOW TO SERVE FOOD ON YOUR FARM

2nd
EDITION

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Manual Table of Contents

Acknowledgements	2
License Decision Tree	4
Chapter 1. Introduction	5
About this publication	5
Business Opportunities for On-Farm Food Service	7
Types of On-Farm Food Service	7
Chapter 2. Assessment	11
Are You a Food Service Entrepreneur?	11
Farm Enterprise Factors	15
Life and Family Factors	16
Chapter 3. Marketing	17
Identify Your Target Market	17
Prioritize Customer Relations	18
Outreach and Marketing	18
Determine Logistics	22
Chapter 4. Financing	25
Explore alternative financing models	25
Recap start-up checklist and resource list	26
References	46

The following documents feature case studies and state specific laws and regulations and are available for free download at www.misa.umn.edu/Publications/ComeandGetIt/

Separate *Come & Get It!* Sections.

Case Studies

Dinner on the Farm, Stoney Acres Farm, Borner Farm Project, Campo di Bella, Dream Acres Farm, Squash Blossom Farm, Suncrest Gardens Farm, Together Farms, Moonstone Farm

Minnesota

State specific laws, rules and regulations

Wisconsin

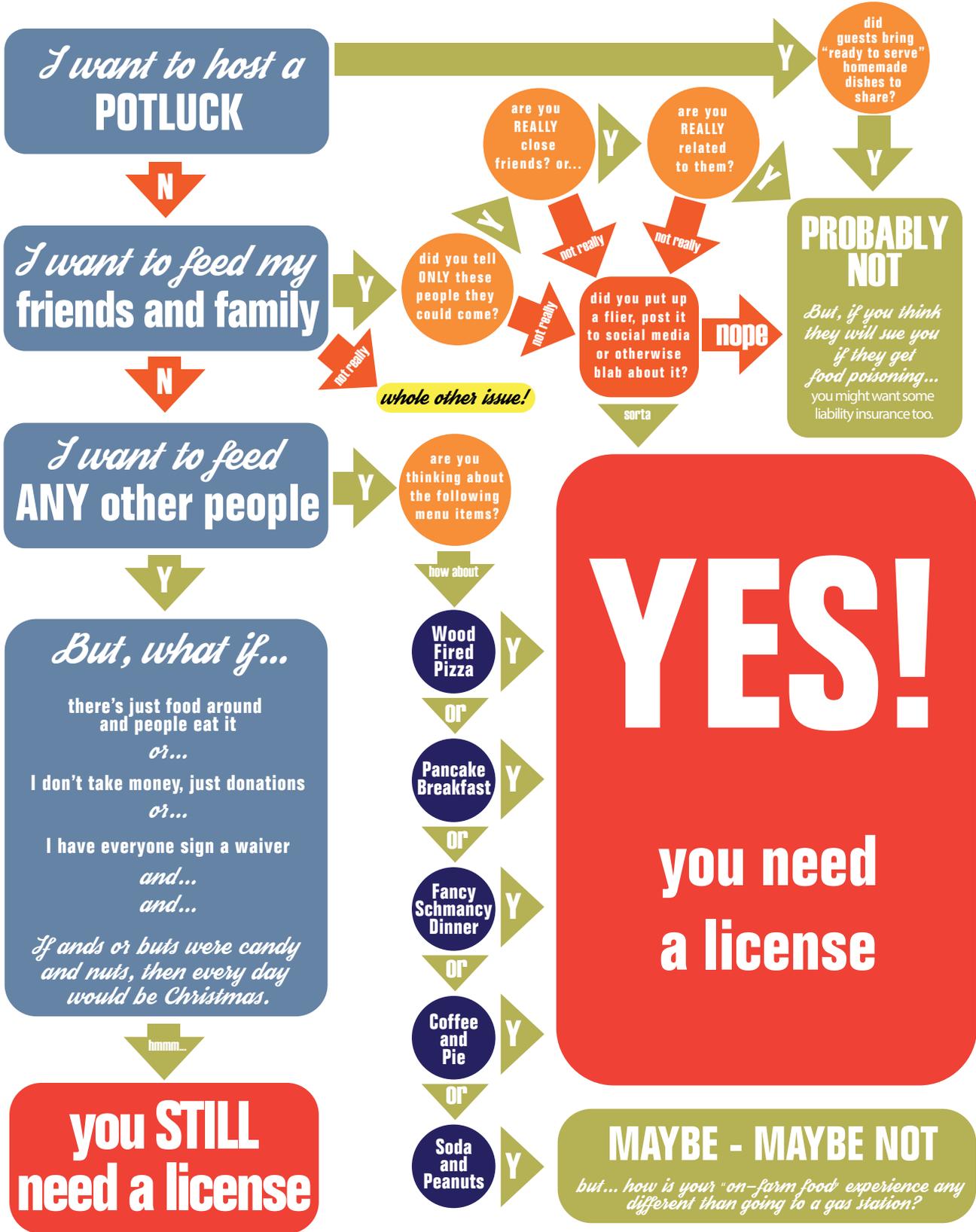
State specific laws, rules and regulations

Customer Assessment

Come and get it!

DO I NEED A LICENSE?

Before you ring the dinner bell - Let's discuss what you want to do.



Chapter 1

Introduction

Review purpose and goals
Explore market trends and opportunities
Understand commercial kitchen elements
Define categories of on-farm food service

Talk about paradise for the local food enthusiast: dining directly on a farm, savoring specialties made with that farm's fresh-raised fare, and chatting with the farmer who grew it. Nothing could be more of an entertaining and flavorful food connection for those looking for out-of-the-restaurant-box, unique and memorable dining experiences.

It's easy to see the initial appeal of such farm-to-table endeavors from the host farmers' perspectives as well. Not only would you be diversifying and increasing your income base, but you would foster the intimate opportunity to share both your farm home and bucolic setting while loyal customers taste your harvest in the freshest possible manner.

Add these two motivations together and you see a vibrant movement of various on-farm food events growing in number, from informal "pizza farms" selling wood-fired pizzas made with farm-raised ingredients to pricier white-tablecloth, multi-course dinners. These on-farm food events are still small when compared to the reach and volume of the restaurant industry in Midwest states; Minnesota, for example, has over 10,000 outlets and \$8 billion in sales: (National Restaurant Association, 2015.) Still, this on-farm food service movement is increasing to the point that national media outlets, such as USA Today, increasingly shine the spotlight on what's happening here.

But while the concept of sharing a meal around a table reaches back through centuries of history, in today's business and regulatory reality it isn't as simple as setting out an extra table and chairs and collecting

cash to get something started. Adding any form of on-farm food service to your farm business mix requires a well-thought-out and strategic planning process to bring you to long-term success. While by no means impossible, it's a process that necessitates research, asking questions, patience, and intestinal fortitude to successfully navigate the start-up waters.

About this Publication

The goal of this publication is to help provide a starter toolkit and roadmap for farmers intrigued to potentially start such a venture.

While this is one of the first resources to explore and address the complex legal and regulatory issues related to on-farm food service, remember this whole "farm to table" movement still remains a young industry. Because it is new and without a deep-rooted history and track record to draw from, it is critical for the reader to understand that it is subject to change. By attempting to launch such a venture, you will be pioneering new entrepreneurial territory as these type of ventures don't readily fit into the existing regulatory and business check-boxes. Not regular restaurants but not exactly one-hit wonder special events, on-farm food service businesses require new approaches and perspectives from all sides involved with this process, from interpreting a state's food regulations to addressing insurance and liability issues.

As on-farm food ventures grow in number and volume, and shine a spotlight on various regulatory roadblocks

and business barriers that currently exist, some states are proactively addressing this by passing “Farm to Fork” legislation that authorizes and legalizes specific categories of on-farm food service.

For example, Nevada passed such legislation in 2013 that defines a “farm-to-fork event” as something organized on a farm where prepared food is provided for immediate consumption to paying guests. These events are exempted from the state’s standard food establishment permit requirements if they register with the “health authority” and hold no more than two farm-to-fork events in any month. (: Nevada Assembly Bill No. 200, 2013.)

Since no other state has similar legislation at this time, this manual will help farmers navigate current opportunities and build on-farm food service as a farm enterprise.

What this publication will cover:

- Part-time, on-farm food service ventures, such as pizza farms and farm-to-table dinners, that can supplement and diversify an existing farm’s income base. Most on-farm food service ventures involve food that is consumed on-farm, but could also be take-out (e.g., pizza).
- Information to help farmers understand and navigate the various regulatory categories and legal issues that need to be considered during the business start-up phase.
- Basic business planning, marketing and outreach suggestions to support ultimate business success.

What this publication will not cover:

- Information on full-time, full-service, on-farm restaurant start-ups.
- The ins and outs of producing and selling value-added food products that are not consumed on-site, either retail or wholesale (e.g., a jar of pickles).
- Regulations outside the states we currently have addendums for. While much of the information and perspectives covered in these first four chapters will be applicable to anyone starting on-farm food

ventures, particularly related to business planning and marketing, please note each state operates under its own definitions and legislation. Farmers need to understand and follow the rules of their state.

Importantly, this manual is written in the spirit of collaboration and teamwork between farmers as business owners and entrepreneurs and the various agencies that administer these related regulations and codes, from state-level Departments of Health to local county zoning boards. This is not a resource to work “around” the system or find loopholes. The manual comes from the belief that the ultimate priority and mutual goal between all parties is community health: providing safe food and a healthy and safe setting in which to consume it.

Some businesses, whether they realize it or not, may simply be operating outside the law – under the radar or at least not in the way that the regulations intended. Whether through honest misinformation or not, such situations involve risk for everyone involved, from the farmer’s business to attendees to the overall momentum of the farm-to-table movement. This is precisely what this manual aims to address by providing accurate, vetted and reviewed resources in an organized manner.

Local Food - **a growing market:**

A number of measures suggest that interest in local foods continues to grow. Here are a few examples:

- The number of farmers’ markets in the U.S. has increased more than 280% over the past 15 years, with 2,863 markets in 2000 and 8,268 markets in 2014. (Source: USDA Agricultural Marketing Service, 2014.)
- According to the *2015 Culinary Forecast* (National Restaurant Association, 2015) the top food trends are: people interested in locally grown produce; locally sourced meats and seafood; sustainability as a culinary theme.
- Number of CSA farms increased from 12,549 in 2007 to 12,617 in 2012. (U.S. Census of Agriculture, 2014). Assuming 50 to 500 subscribers each (Adam, 2006), CSAs may now supply nearly 3 million households.

Business Opportunities for On-Farm Food Service

The market timing is ripe and ready for on-farm dining opportunities, fueling the growth of what's currently happening.

Two target segments driving this market growth are:

1. Local Food/Family Farm Supporters

Definition: People who buy food directly from farmers at farmers' markets, through CSAs (Community Supported Agriculture), or from natural food stores or cooperatives. These people seek out and support direct farmer connections and want to know – and feel good about – where their food is coming from.

2. Culinary Tourism

Over the last ten years, the role food plays in the travel industry has grown tremendously, Fueled by everything from shows on the Travel Channel to the swarm of tempting food photos invading social media feeds. Travelers increasingly seek out both the unique and flavorful, with dining consistently rated as one of the top three favorite tourist activities. (World Food Travel Association, 2015.)

These travel and food enthusiasts are particularly seeking authentic agricultural experiences and “insider” perspectives, something a farmer and farm direct dining experience can offer. (: Travel Industry Association of America, 2015).

From 2007 to 2012, the number of U.S. farms catering to agri-tourists went up 42 percent and the amount of money brought in through agritourism enterprises rose by 24 percent, to more than \$700 million. (: U.S. Census of Agriculture, 2014.)

Types of On-Farm Food Service

For our purposes in this manual, the term “on-farm food service” refers to a range of different ways to bring people to your farm to eat and share a food experience. How you choose to engage in and structure your venture depends on a variety of factors, including what your ultimate goal is, who your audience is, and what partnership and facility options may be available locally. On the following pages eight different on-farm food service categories are summarized. They include: private events, potlucks, partnering with a chef or restaurant, using an event management service, occasional food service options, bed & breakfasts, pizza farms, and full farm-to-table dinners

Come and Get It! Types of on-farm food service.

1. Private events

Description: A private event is one where food is offered to family and friends with no business interest in mind. No payment (or donation) is received for the food, nor is the gathering intended to market your business. An example would be hosting friends and neighbors for a harvest celebration dinner.

Pros: A license is not required to serve free food to your family and friends.

Cons: Does not generate farm income.



continued

2. Potlucks

Description: A meal where people gather voluntarily and bring a dish to share that they prepared in their individual home kitchens or purchased from a licensed food business.

Pros: Simpler way to host an on-farm food event that still markets the farm and business but does not require a license or other fees. Generates sense of community through everyone contributing and sharing food.

Cons: Doesn't generate farm income. Doesn't necessarily promote and showcase items grown on the farm.

See your state specific chapter for more definitions and details.

3. Partnering with a chef and/or restaurant

Description: Partner with a local restaurant to co-produce and market an event. Restaurant chef prepares food off-site in restaurant's commercial kitchen and delivers and serves on-farm in a catering capacity. Restaurant typically handles the reservations and payment. These situations most likely happen when a farmer and restaurant already have an existing relationship (i.e., the restaurant regularly purchases directly from the farm).

Pros: Works well when a restaurant manager is motivated and takes on coordination and marketing, tapping into their food service experience. Chef will often work directly with the farmer to plan the menu around what the farm has in season and purchase directly from the farm, resulting in extra income.

Cons: Often these partnerships can be a little unclear on who is responsible for what and how the overall budget will be managed. What is the farmer's role and expectation on compensation? It is best if these responsibilities are outlined in a contract between farm and restaurant to avoid issues.

4. Using an event management service

Description: An outside, third party company (e.g., Dinner on the Farm, Outstanding in the Field) organizes, markets and executes the on-farm event. Such companies will likely handle all licensing, insurance, payments/reservations, food ordering/prep, marketing/advertising, staffing, clean up, etc.

Pros: Minimal time commitment and financial investment needed of the farmer. Organizing entity typically buys some ingredients from the farm and may provide additional compensation to the farmer. Farm receives publicity and brand awareness through the event advertising and with attendees.

Cons: Typically does not generate much income for the farm.

See Case Studies section for profile of Dinner on the Farm.

5. Occasional food service options

Description: Holding occasional events that may fall under special regulatory categories such as: Special Event Food Stand or Seasonal Temporary Food Stand.

continued

Pros: Potentially lower-cost investment than more frequent events which will require a full commercial kitchen.

Cons: Limited in what you can prepare on-site. If a complex menu is desired, it may be possible to use an off-site commercial kitchen as the licensed location for more-complex prep work and do final assembly, cooking, and service on farm.

6. Renting off-farm space for both food preparation and service (i.e., church kitchen)

Description: Renting an existing kitchen space off-farm and using that for both food preparation and service. Examples include community center, restaurant, township hall, or church kitchen off-hours. While this option isn't on-farm food service, it can offer an alternative with some of the same benefits.

Pros: Much lower cost input than building an on-farm kitchen. Church kitchens may only ask for a donation or may even be free if you are a member. Possible opportunity to actually host the event at the restaurant or church site and not need to rent tables, dishware, etc.

Cons: Many community kitchens do not meet all regulatory standards for licensed food businesses; however, operating under a special event license is another option with fewer construction and equipment requirements. As a renter, your needs come secondary (i.e., you can get bumped if something else comes up), unless you have things detailed in a contract. If you are still serving on-farm, transport between facility and farm can be a hassle and can impact food quality and safety. Check the rules before you do this!

7. Bed & Breakfasts

Description: Overnight farmstay accommodations that include breakfast, showcasing items grown and raised on the farm.

Pros: Additional income derived from lodging element. Ability to give guests an authentic overnight farm experience.

Cons: Depending on your state's code, may be limited in what you can serve. Also, lodging requires you to understand an entirely different set of codes and regulations.

8. Pizza Farms

Description: Pizzas assembled and baked on-farm, typically in an outdoor, wood-fired oven. Most pizzas consumed on-premise, picnic-style (i.e., no restaurant service) although take-out is available.

Pros: Opportunity to showcase farm-raised and produced items on the pizzas. Casual, informal environment and general affordability of pizza make these family-friendly events. Generates income and builds customer loyalty.

Cons: Unless you take preorders or reservations, it is difficult to manage volume and traffic flow. You must have a license and an approved kitchen for pizza ingredient prep, ware-washing, etc. Facility plan review and licensing could be tricky with the outdoor cooking component. The pizza-maker should read up on their state's food code facilities requirements and be prepared to work with their health inspector to gain approval. Additionally, attendee traffic is very weather dependent.

continued

9. Full farm-to-table dinners

Description: Full dinner (typically multiple courses) served in a sit-down, table setting on the farm. Menu features farm-raised and produced fare. Events typically require pre-registration/tickets.

Pros: Ability to incorporate various farm items into a flavorful, culinary experience (and charge a premium for it).

Cons: May need to rent various items (tents, tables, dishware, etc.), which increase overall cost. Requires similar facilities and licensing as mentioned in pizza farms above.

Beyond the Plate: Using commercial kitchens for additional income

As will be noted later in this publication, some on-farm food service ventures will require an investment in a commercial kitchen. (A commercial kitchen refers to cooking areas that meet specific health code requirements so that the food prepared in them can be sold to the public.) While such a kitchen is a serious investment, it can also offer opportunities to diversify your income further by using that space for other related ventures such as:

- **Value-added products:** An item made in a commercial kitchen could be sold and used in various ways, adding to a farm's bottom-line. If you are operating a pizza farm, for example, you could can tomato sauce in your commercial kitchen during the peak of the tomato crop and use that sauce on pizzas throughout the event season, including the early spring before the tomatoes are ripe. This commercially-produced sauce could also be sold to event guests, be included in early season CSA boxes, or sold wholesale to area retailers. Do note that each of these options will likely be subject to additional regulations, which are not covered here.
- **Kitchen rentals:** There may be other budding artisan food entrepreneurs in your area looking for commercial kitchen space to rent. Given that you probably are not using your kitchen space daily, even during the peak summer season, this could be an opportunity for rental income. However, the specific licensing issues for kitchen rental are not addressed here. (Korslund, 2014) provides detailed information on this subject.
- **Culinary classes:** You could take food service up a notch by not just serving guests food on your farm, but inviting them to learn how to make it. Your kitchen space might lend itself to marketable on-farm cooking classes. See class listings at culinary stores or co-op websites for ideas that could range from cooking with kids to customized classes for bridal showers. Again, check with your state or local health department to understand what is allowed.
- **Kitchen space also provides the opportunity for local goodwill and giving back to your community.** You could make your site available to local health educators who may want to offer programs and classes on stretching food dollars and preparing healthy meals.

Most states have Extension programs that could be potential partners:

- <https://extension.umn.edu/teaching-nutrition-education/supplemental-nutrition-assistance-program-education-snap-ed>
- **Wisconsin Nutrition Education Program:** <https://fyi.uwex.edu/foodsense/>

Chapter 2

Assessment

Is On-farm Food Service Right for You?

Assess if an on-farm food business is a right fit for you
Identify what additional skills you may need
Recognize how on-farm food service fits into your business mix



Are you a Food Service Entrepreneur?

The on-farm food service business concept blends a diversity of entrepreneurial skills that can readily draw on your existing strengths while adding to your farm income mix. However, to be a successful food service entrepreneur means you need exactly that: a diversity of skills, many of which are outside of the standard skill set of successful farmers. Just because you can grow beautiful heirloom tomatoes does not mean you can successfully transform them into pizza and sell it with a smile. You may cook up a gourmet Sunday dinner for your extended family of twelve, but those culinary skills don't necessarily translate to preparing a meal for 100. The quiz on the following page will help you to assess if you are a good candidate for an on-farm food business. However, as most entrepreneurs know, you can always train in and acquire the skills you currently don't have. (See quiz on page 14 to assess your skills.)

A first step before starting to research any new business venture, especially something as complex as food service, is to make sure the rest of your farm businesses are fiscally sound. While the ultimate goal of a food service venture is to add income to your bottom line, don't look to it as a way to bail out other sinking elements of your farm fiscal business ship. Whatever your current core business – from running a vegetable CSA (community supported agriculture) to grass-fed meats – make sure that your main income source is on solid ground before investing in something new and unknown.

Quiz! Am I a strong candidate for an on-farm food business?

Any successful on-farm food service venture, from a casual pizza farm to a high-end farm-to-table dinner, obliges you as the owner to embrace and exhibit the entrepreneurial mindset. You're the one in charge of and responsible for the bottom line. Do you have what it takes? Answer the following questions to help you assess your readiness:

1. I'm comfortable making decisions.

True False

2. I can handle risk and situations where there is no simple "yes or no" answer.

True False

3. If I'm stressed out about something, I maintain composure and don't pass along that bad energy to others. The show must go on!

True False

4. After any experience, I like to reflect and think about what worked well and what might need to be improved for next time.

True False

5. I have a strong network of friends and family that I can rely on for support and help; including someone to watch my children, if needed.

True False

6. I'm comfortable with money, both knowing I have enough in reserves and spending as needed to invest in the business.

True False

7. I can accept and even embrace failure. It is important to keep trying new ideas. Some may prove more fruitful than others.

True False

8. I don't take someone's "no" as the ultimate answer and always ask lots of questions. There are often many different ways to look at something. Even if that "no" is coming from someone of authority, I'm comfortable voicing my opinion and openly and collaboratively exploring other options.

True False

9. My husband/wife/partner/significant other is directly involved in this venture with me or, if not, is supportive and helps in ways that they can.

True False

10. I thrive on being busy and realize every project has highs and lows. I manage my time and priorities well and already know from farming that an entrepreneurial lifestyle is never just nine to five.

True False

11. I readily pay attention to detail and am comfortable juggling lots of things simultaneously.

True False

12. I have a knack for dealing with different personality types, especially difficult people. I'm good at making people feel comfortable no matter what the situation, communicate boundaries effectively and don't let challenging and dominant personalities affect my mood and outlook.

True False

If you answered "true" to most of these statements, consider yourself on the entrepreneurial start-up launching pad to further exploration of your own venture. If you couldn't positively embrace these statements or if some of these thoughts made you uncomfortable, regard that as a reality check as you read forward in this manual.

While the concept of running a farm-to-table dinner may sound fun, the reality of the risk and workload involved should not be underestimated.

A good way to test your readiness for on-farm food service is to begin with one of the simpler options listed on the preceding pages, like working with an event company. These businesses run the entire event on your farm and you simply serve as the host site. One of the first such entities, Outstanding in the Field (www.outstandinginthefield.com), along with increasing numbers of new such ventures, like Dinner on the Farm (www.dinneronthefarm.com), offer these types of collaborations. See the case studies for more advice from Dinner on the Farm.

Partnering with a restaurant, caterer or food truck who would run and manage an event on your farm is another simple option. While such arrangements may

not be big income generating sources for the farm – your time commitment and overall risk is much lower. Depending on the event size and the scope of the menu, selling your farm-raised produce, meats or other items as ingredients for the meal can be an additional income source.

Another option might be to do a “trial” event. In this scenario, you would run the event yourself, but could likely qualify for a special event license. While you would need to abide by all food safety and legal expectations, you would not need a commercial kitchen or the other infrastructure required for an ongoing enterprise, although you might be limited in what you could prepare and serve. This option would let you try your hand at planning, marketing, and managing an event with much less risk than options requiring large capital expenditures.



Quiz! What skills do I have and what do I need to develop?

In addition to embracing the entrepreneurial lifestyle, there will likely be additional skills you need to learn or further develop for your business to succeed. Here are five skills vital to a successful on-farm food service business that you may have to some degree, but that may need to be taken up a notch for this new venture.

- **Food Safety Training:** Awareness of food safety issues like “temperature danger zone,” potentially hazardous foods, cross-contamination, etc.

① ② ③ ④ ⑤

Training resources: Minnesota Certified Food Manager (CFM) training (www.health.state.mn.us/divs/eh/food/cfm/)

- **Financial Management:** Understanding how to keep accurate account records of your business, from tracking expenses to managing payroll.

① ② ③ ④ ⑤

Training resources: *Fearless Farm Finances: A book written specifically for farmers by the Midwest Organic and Sustainable Education Service (MOSES) with instructions, tips and tools for setting up and managing a farm’s financial system.* <http://mosesorganic.org/fearlessfarmfinances/>

- **Culinary & Kitchen Management Skills:** Developing menus, inventory planning, table design.

① ② ③ ④ ⑤

Training resources: *Work part-time in a restaurant for behind-the-scenes, hands-on training. Attend a culinary boot camp session at an institution like The Culinary Institute of America (CIA) (enthusiasts.ciachef.edu).* These “Boot Camps” are designed around specific kitchen techniques such as specialty and hearth breads.

- **Event Management:** Understanding the flow and overall set-up of successful on-farm events.

① ② ③ ④ ⑤

For the areas below, rate your own current status of each skill with a “1” representing and a “5” designating you’re a . Suggested skill-training ideas follow for those areas you need to further develop.

Training resources: *Visit as many such operations as possible and keenly observe and ask questions. Take photos if possible. Remember any related costs and fees are business expenses during your research phase; make sure you ask for a receipt for everything.* University of Minnesota Extension in partnership with the U of MN Tourism Center offers a helpful on-line course entitled “Festival and Event Management Online.” www.extension.umn.edu/community/festival/

- **Legal Savvy & Insurance Coverage:** Knowledge about how to structure your business and ensuring that adequate coverage exists

① ② ③ ④ ⑤

Training resources: *Further detail in state specific chapters of this manual Farm Commons (www.farmcommons.org); nonprofit organization providing various simplified and accessible resources specifically designed for farmers to navigate legal issues. Schedule an appointment with your current insurance agent to review your plans and assess potentially needed policy changes.*

- **Customer Service Skills:** Feeling comfortable and confident in interacting with guests in a friendly, stress-free manner.

① ② ③ ④ ⑤

Training resources: *Work part-time in a restaurant for behind-the-scenes, hands-on training. Your state’s tourism department may offer various customer service training courses that focus on increasing skills and knowledge needed to deliver high quality experiences, while recognizing the significant role culture plays in such experiences. Host larger private on-farm parties to gain experience. (See your state’s specific chapters for a definition of private parties.)*

Farm enterprise factors:

Remember, you're pioneering new entrepreneurial territory with your on-farm food service business. As a new industry, there is no tested model on what a successful business must look like. While there are legal and regulatory requirements (more on this in your state's specific chapters), from the marketing standpoint, you can lead and direct the business how and where you want it to go. Here are some key variables to consider and think through in assessing such a business start-up:

- **Farm presentation and appeal**

Remember that while your farm operation may be a perfectly functioning agricultural enterprise, those coming as guests to an on-farm event may have a different image of what a "farm" should look like. Can you meet those expectations currently? Does your farm give off a generally neat and tidy impression? Get rid of any old equipment that isn't intended to be decorative, and make sure all storage areas and shelves appear uncluttered and clean; or minimize what these folks can see by closing barn and shed doors.

- **Peak summer timing**

It's a crazy concept at face value: adding another time-commitment-intensive business layered on top of an undoubtedly super busy summer farm season. But that's the reality of on-farm food service: customers want to come at a time when they can both enjoy the farm's scenic beauty while savoring fare made with the farm's produce at the peak of ripeness. Hence, the majority of all of this takes place at the apex of summer. Simply put: if you think you're working hard already, it's only going to increase.

However, if you're of that seasonal workload mindset where it's a constant schedule overload all summer that is then balanced with some time off and a lesser workload in the winter months, on-farm events in the summer could work for you. Do keep this in mind when planning your on-farm food service venture and prioritize down time during the winter months to re-group and re-charge for the following season.

- **Date and timing of event**

Take the summer schedule to heart when plotting exactly when you host events. You will need to balance customer demand (i.e., when folks want

to and can come) with your existing schedule (i.e., existing commitments to farmers' market and CSA deliveries). For dairy farmers, this may mean timing events around milking times. Other livestock operations may have more flexibility in scheduling options.

Because your on-farm food service venture is not open daily and year-round, you have the advantage of strategically creating an event at an off-peak time. For example, maybe you pick Tuesday nights so your weekends are open for farmers' markets and other commitments. Then the strategy would be to build a loyal customer following on that night when you're likely not competing with as many other local events. Such information needs to be clearly communicated on your website and other marketing materials as this is still new territory for potential customers: the idea that a place that serves food is only open one night a week or a handful of times a year. That said, this concept could work to your marketing advantage. It gives your venture a uniqueness factor right from the start by not always being available.

- **Timeline to launch**

As you'll quickly realize when navigating the rest of this manual, successful on-farm food businesses do not pop up quickly overnight. These ventures take time to thoroughly research and plan, particularly as you navigate the regulatory and legal issues outlined in your state specific chapter.

As a first step, given the busy summer farming season, allow yourself time during the off-peak winter months to first fully explore, research and think through this idea. The more time you can allocate to this research and planning phase, the more money you'll potentially save in the long run. For example, commercial kitchen equipment will come up for sale intermittently at auction or there may be other opportunities to buy used equipment at a significant cost savings. If you can identify early the items you need, such as a commercial floor mixer, and keep your eyes open for a decent used one, this can lead to significant savings; but will take more time.

Ideally, you will be in a position to take one to two years to research, develop and act on your business plan. The first year, focus on simply

visiting as many on-farm food events and ventures as you can. Come early, stay late, observe and ask questions. By experiencing a variety of events, you may come away with a clearer initial idea of what type of event suits you. A busy pizza farm serving over 150 pizzas on a summer night involves a different pace and atmosphere than a farm-to-table brunch for 30. Identify which settings would be the best fit for you, your farm and your lifestyle.

- **Synergy with other farm operations**
How a new on-farm food business fits into your existing farm operation is a key to successful diversification and risk management. Ideally, something like a pizza farm or farm-to-table enterprise will enhance and build on what you already are doing and not cause wheels to spin in ways that unnecessarily absorb time and money.

Life and family factors:

- **What are my off-farm commitments?**
Do you have an off-farm job and how does that factor into your schedule and time frames? Is there any flexibility in your employment schedule during peak times of the potential on-farm food venture?



- **What are my family responsibilities?**
Do you have younger children needing attention, particularly during event preparation and implementation time? Some creative CSA farms trade a CSA share for a designated number of on-farm childcare hours. Another option is two neighboring farms pool their kids and “share” a baby-sitter for a designated number of hours.
- **Family involvement, scale & staff**
Your business size and volume will be, granted, a bit of a moving target, particularly during the early start-up phase. It will be tricky to determine exactly how many people will attend and how much staff and support you will need to make those 100+ pizzas or whatever the meal plan may be. A key factor to success in these situations is to ensure you have a supportive base of family and friends to pitch in and help, as needed, in addition to farm staff you can draw on.

The friends and family side form your core support network and are integral to your ultimate business success, from helping to watch your kids to providing an objective sounding board when something doesn't go as planned.

- **Where is the bulk of my current time and commitment to this operation going?**
Is your business more seasonally focused, such as a maple syrup operation with heavy spring commitments, that then opens time for something else into the summer? If you're a vegetable CSA, when do your deliveries stop and would that potentially be an opportune time to do a farm-to-table event with a harvest theme?
- **What is my current schedule like?**
Is there space for something new? Does something need to be removed from your business mix before adding in on-farm food service? This may be a ripe time to look at a piece of your income pie that might have been languishing that could now be deleted to open up room for this new venture. Is there a certain farmers' market you've been attending since you started farming that isn't bringing in the income it used to? Perhaps you could let go of a certain labor-intensive crop to open up some time?

All of these factors should be considered carefully before moving forward with an on-farm food service venture.

Chapter 3.

Marketing

Define a target market
Identify customer loyalty building strategies
Understand marketing plan components
Review event flow logistic considerations

“Build it and they will come” may work as a marketing tactic for rural destinations in the movies, but unfortunately isn’t a viable success strategy for your on-farm food service business. However, the good news is your marketing plan doesn’t need to be expensive, complicated, boring cookie-cutter, or traditional. Given the uniqueness of on-farm dining options and the growing customer demand as well as media interest, you possess a timely opportunity to take advantage of this momentum.

Remember the cupcake craze: the first pioneers of this trend capitalized on the media frenzy and consumer curiosity as folks lined up and waited for a bakery product that one could argue isn’t even particularly unique. After the glut of specialty shops and related reality television shows, the food trend buzz moves on to whatever the next big thing may be. Take advantage of current timing and be the first in your area to offer a distinct on-farm dining experience. You can reap the benefits from being the entrepreneurial pioneer. However, realize that being a “pioneer” may have its long-term consequences as well, as the current hot farm-to-table trend may at some point diminish. The strategic question for you to consider is how to make investments wisely to best adapt and successfully weather through such potential future changes.

Identify your target market

Your “target market” refers to that core group of people who will support your business most frequently. Remember you can’t be everything to everybody, so it is important to narrow down and identify who exactly would be most likely to seek out, drive to and often pay a premium for an on-farm dining experience. Don’t think of yourself as necessarily competing with a local restaurant and needing to lure and convince customers to come to your farmstead instead. Those seeking on-farm dining experiences, your potential customers, are not looking for a quick, easy, cheap meal. You are not competing with the fast food, drive-through market. You are looking for people who are:

- Looking for unique and off-the-beaten path experiences – and are willing to drive for it
- “Foodies” – those seeking authentic flavors and artisan foods
- Supporters of sustainable and organic agriculture
- Understanding of the price/value of farm-fresh fare – and willing to pay for it.

Additionally, some of the more casual on-farm dining experiences such as pizza farms, given the informal take-out service and outdoor seating, attract the family target. Whereas at indoor restaurants it can be a challenge to control fidgety toddlers or crying babies, the pizza farm environment allows and encourages “kids to be kids,” gives them space to move, and open air acoustics to be themselves (and not embarrass parents in the process!)

But the most lucrative and loyal target market is right in front of you: your established, long-term farm customers. From CSA members to those dedicated folks you see at your farmers' market booth every week, these are the people who will most likely be both happy to pay to attend your event, and to spread the word and invite friends.

Prioritize customer relations

The "80/20 rule" in business refers to the idea that for many things in life, 80 percent of the outcomes come from 20 percent of the inputs. Interestingly, this theory stems from agrarian roots. It is sometimes known as the "Pareto principle" because Italian economist Vilfredo Pareto observed in the early 1900s that 80 percent of the land in Italy was owned by 20 percent of the population and that 20 percent of the pea pods in his garden produced 80 percent of his pea crop. The same principle applies to on-farm events: a core group will keep returning and loyally championing your business, providing that much-needed word-of-mouth marketing.

You'll quickly identify the core group of returning customers; be sure to thank them for their loyalty. For businesses like pizza farms, this can be done with a punch card similar to what you see at coffee houses where you "buy 12 get one free." Or simply spontaneously giving away something free to these loyal customers – a complimentary pizza on a birthday – goes a long way in solidifying customer loyalty.

Make sure to have your core customers' contact information on file. With the seasonal nature of on-farm food businesses, it's like an intense summer romance that fades away in winter and needs to be re-ignited. A holiday card to loyal customers with some updates of new pizza combinations or dinner offerings planned for the upcoming season treats your loyal followers as friends versus clients.

Likewise, tap into this faithful customer pool for feedback and suggestions for your business. They will readily be your "eyes and ears" during the event as your focus will undoubtedly be elsewhere. Send an e-mail survey out during the winter to get feedback on new pizza combinations and let your loyal customers "name" a pizza or come up with a theme for a farm-to-table dinner.

Look beyond your paying customers and prioritize developing and maintaining strong relationships with your neighbors. While they may not be in your target market and may not come and pay for pizzas or dinners on the farm, you could give them free tickets or host a special event just for neighbors. By feeling a part of and connected to your business, neighbors can evolve into partners and supporters.

Outreach and marketing

As mentioned at the beginning of this chapter, marketing your on-farm food service venture does not need to be an expensive, complicated process – but it still needs to be a priority and requires an on-going commitment. Here are some key components to get you started:

Word of mouth referrals

Loyal customer referrals are the most effective form of advertising, and the cheapest – but they can't be bought. These referrals must be earned.

Print advertising

Colorful postcards or printed menus (with your farm's information on them) can be great promotional pieces to hand out at your farmers' market stand, stick in your CSA boxes, or send with customers who come to your farm.

Website

Your website needs to be the ultimate information portal where potential customers can find all the details they need to show up, attend, pay and enjoy an event on your farm.

While there are a lot of opinions about what makes a great website, ease of navigation remains key. Most websites either have a navigation bar across the top or along one side, which contains words or graphics that connect you to major components, or pages, on the site.

Elements to include on your website are:

1. Succinct description of event: dates, start and end time.
2. Details on reservation or tickets, if needed
3. Detailed directions: complete address, Google map link, written instructions from the nearest major highway, or printable map as a pdf. The more directional detail, the better. Include information on parking.



4. Pricing and payment methods – cash, check or credit cards.
5. Past event photos (helpful so folks know what to visually expect).
6. Additional detail on what to bring, such as dishware for picnic-style eating, additional side dishes, drinks, or blankets to sit on.
7. Pet policy. Most venues do not allow pets, for several safety reasons:
 - a. Potential for harm to other guests, especially children, who are not familiar to the pet.
 - b. Potential for conflict with the farm’s pets and livestock.
 - c. Need to keep animals out of food prep and service areas.
8. Menu.

This information can also be organized (or repeated) via a “frequently asked question/FAQ” section linked to the main event page.

Be sure to include a slice of your personal story. This helps differentiate what you are doing and showcases how it is so distinctly different than a restaurant experience. A simple “About” page could include a photo of you in the kitchen preparing the meal along with a lively question and answer format that helps support and promote your story. Replies to the following questions are a great place to start:

- Why did you start this business?
- How did you get started making your pizza/ dinner/etc.? Any special recipes or techniques?
- What makes the experience on your farm unique?

Other things to consider including on your web page:

- **Media page**
Showcase any articles where your business is featured.
- **Photo/slide show page**
Given the scenic beauty of your farm and event, photos can be an exceptionally strong marketing tool. Post quality shots to photo-driven sites like Instagram and Pinterest.
- **List/links to other local sources** you use for ingredients you don't grow yourself (e.g., cheese, wheat, etc.)
- **Testimonial endorsements** from attendees. This can be especially important to give an authentic perspective on the event, communicating its uniqueness so potential attendees have the right expectations. For example:

"Fabulous Farm Pizza Night is a hidden gem, best for folks who like things off the beaten path (literally - wear good walking shoes as you'll be heading downhill) and rustic (don't expect tablecloths and bring your own drinks). Each pizza is made to order and the crowd can get large so bring snacks and plan on waiting at least an hour during peak times, 6-8 pm. This is "slow food" at its finest. Enjoy the beautiful setting and sunset and celebrate the freshest flavors around."

Thanks to "widgets," self-contained mini programs you just paste into sections of your website, you can keep your homepage dynamic and fresh with new content that gets posted to the widget, perhaps via a social media update.

For those who might just be starting out and don't have an existing website, the following companies offer the ability to modify easy-to-use templates and customize them for your business; there are many other options as well. If you have some computer experience, the intuitive nature of the websites make them easy to navigate, and instructional videos will guide you through the design, so there's no programming or "coding" involved. The websites do have some space and creative limitations and may come with small ads that also appear on your website. But for most first-timers, you'll be amazed by the results.

Just register for the website template you like the best and start uploading text and photos. There's plenty of free storage space.

- **wordpress.com**
This is the leading blogging interface that can be adapted easily as a business website. If you love writing about your products, ingredients or journey as a food entrepreneur, this option will be particularly attractive.
- **wix.com**
Containing numerous templates, many product oriented, this online website builder focuses on easy drag-and-drop design elements.
- **weebly.com**
A very basic, visuals-driven website design interface. Not many bells and whistles, but its simplicity will appeal to less tech-savvy people and get you quickly set up on the internet.
- **sites.google.com**
Created by the most widely used internet search engine company, Google Sites provides the ability to create a free website with various features.

Social media

Everything you do is about sharing your story, your farm and what makes your on-farm dining experience so special. Don't overlook ways to let your customers do this for you as well. To build awareness around your events, you'll need to get people to try it, love it and share what they like about it with the rest of the world. With the explosive growth of the internet - plus access to it through computers, mobile phones and tablets - social media have become an increasingly important part of an advertising campaign. And it need not cost you a penny to get started.

Thanks to the proliferation of social media, there are lots of options for sharing your story with the world, in characters, updates, photos and video. Photos and video, in particular, provide tremendous visual opportunity for telling your story via social media. You're not just selling a meal; it's the unique farm setting that will drive people to your place. The multiplier-effect cannot be overstated, but it does require a different mindset. Talking becomes typing and a printed poster becomes a "folder" of incredible photos

of your products, your home kitchen and your customers savoring what you've produced. Because there aren't enough hours in the day to do them all, carefully select the social media your customers use most.

The more your customers rave about your events to others on the internet, the better. People who love your product can, in spirit, be your "in-house" advertising agency. They can tell their friends, share links to your products on Facebook and tweet about their favorites, too.

The following is a quick overview of some of the most popular social media sites.

- **Facebook: facebook.com**
Here you can keep connected to your customers and share regular social updates, such as what's on the menu and descriptions of the pizzas you'll be serving this week. When you start your Facebook page for your venture, be sure to select and create a "business" profile, not a "personal" page. This keeps your business professional and opens up opportunities you won't have on your personal page, including the ability to schedule posts in advance, assign other people as administrators (to help you), access analytic tools and implement targeted advertising campaigns, if you choose to do so down the line.
- **Google+: plus.google.com**
This search engine giant likewise has ambitions to thrive in the social media world through Google+ for business. It provides many of the same features as Facebook.
- **Twitter: twitter.com**
If you like texting, then this online microblogging website is perfect for sharing what's happening with your business in 280 characters or less.
- **Pinterest: pinterest.com**
Think cork bulletin board with photos, embedded on an internet page. This pinboard-style website can spread images of your events through the internet if your photos are beautiful enough.
- **Instagram: instagram.com**
Like Twitter, except what you share is snapshots, not text. Instagram currently only works with mobile devices.

Just because you have 742 Facebook "friends" doesn't mean these friends see every "status update" you post. Also, make no mistake, not only are Facebook and other social media sites mining personal information about you and your online life, they're making money off you, too. (In fact, if you have your "cookies" disabled on your browser, you cannot even sign in to use the site; cookies track everything you do.) Facebook and many other social media companies have proprietary and secret algorithms they use to control how many people see your updates.

If you want to boost your reach and increase your audience on social media, you have to pay for it. This is called "pay-for-clicks." You can focus on people who "like" your page and their friends, or broaden your reach to people you target. Right on their main business page, the social media site will show you how you can increase your reach and how much it will cost you; heck, they even create a sample advertisement out of the content you just provided.

All you have to do is enter your credit card and set your parameters, including your budget, target market and duration of the campaign. Then with a click of a button your ad will reach a segment of the population so specific that it's a bit creepy, particularly to older generations who didn't grow up on social media. For younger Millennials, such targeted ads are the accepted norm. The good news, however, is you can effectively target a market at a potentially very low cost; your update will show up in their "news feed."

Press release

People interact with the media in many ways, so consider the range of places you can send press releases. Keep in mind that those who watch a lot of TV may not regularly listen to the radio. Take into account that different media sources work on different deadlines. Most magazines work ahead from three to six months (or more) when covering a story. Newspapers and local radio stations often work a week or two ahead. Don't forget about internet media. Writers such as food bloggers are often eager to cover good stories and their blogs can sometimes go viral, which means what they write gets picked up, over and over again, by other bloggers.

Listing on Free Directories

Submit your farm and related farm events to a variety of free listings. Some of these may not have a specific “on-farm food event” category but have space where you can provide descriptive text of your offering.

- **LocalHarvest**
localharvest.org
Farms with food products for sale.
- **Agrilicious**
www.agrilicious.com
For all things local food, connecting potential customers, farmers and food-related businesses.
- **Green People**
www.greenpeople.org
Create a listing for your farm.
- **Eat Well Guide**
eatwellguide.org
Go to “suggest a listing” and suggest your farm.

Joining organizations & associations

Connecting with and joining groups that work with the foodie and travel target market you want to connect with can be an economical form of outreach:

- **Green Routes**
www.greenroutes.org
A sustainable travel initiative coordinated by Renewing the Countryside that promotes and supports unique, locally owned and environmentally conscious travel destinations as a strategy for building strong rural communities.

Paid advertising

If you are going to pay for advertising, make sure you’ve exhausted your free options first. Remember the ideal scenario is for a media outlet to do a story on you or run your press release. Not only does this save you money, but also there is a legitimacy factor when something appears as an actual article or news story versus a paid advertisement.

That said, sometimes paying for an occasional ad in a local outlet, like your community newspaper, does more than just get the word out: you’re also helping support and collaborate with these, at times,

struggling small-town media venues. Some on-farm food businesses, grateful for the coverage their local newspaper has given their farm business over the years, see paid advertisement as a good investment in their local community.

Additionally, there are opportunities to buy ad space in local outlets such as school sports calendars, school yearbooks, community calendars offered by groups such as the volunteer firefighters’ association, sponsor lists on the back of baseball t-shirts, etc. These kinds of items hang out in peoples’ homes longer than a newspaper and can build more community goodwill. They reach a target market of community-involved families better than a newspaper ad can and are typically quite affordable.

Determine logistics

Putting together an on-farm food event generates a list of to-dos and things to think about. Some categories to consider in planning your venture:

Farm and food service atmosphere

What type of atmosphere and environment do you want to convey at your events? Would additional entertainment or a musical performance enhance the experience? Once you start attracting a crowd on a regular basis, there may be enough volume that a performer or musician might be willing to play for tips alone, adding ambiance, but not subtracting from your bottom line. Or a musician might create enough of an added draw, that you can afford to factor their cost into your budget.

Hours

How long will your event be? When will you start and end? Remember there’s a seasonality factor to event timing too, with nightfall earlier as you move into the fall. Will you have adequate lighting available?

Pricing

The best way to determine pricing is via the classic business model – determine your input and ingredient costs and then add in your profit margin. Remember to calculate a fair value for the ingredients you raise yourself: if you were to purchase those organic heirloom tomatoes, how much would they cost? And don’t forget to value your time. Generally,



pizzas (16-18 inches; serves 2-3) range from \$18 - \$25 depending on toppings. Farm-to-table dinner pricing varies depending on what's included and the formality involved, with up to about \$75 for more informal picnic-style gatherings and \$100 to \$200 or more for the higher-end, white tablecloth affairs featuring known chefs.

Payment systems

Cash is always an easy option. In that case, it is easiest to price your items at a number requiring little or nominal change (i.e., \$20 per pizza). Checks are also a simple payment method but fewer folks have checks with them nowadays given increasing electronic payment options. Remember to add in sales tax. (See your state-specific section for more detail on sales tax.)

Credit and debit cards, thanks to their convenience and widespread use, have become the de facto way people pay for things. The good news is today you don't need a full-blown merchant account with cumbersome contracts and expensive scanning machines to accept a credit card payment. Thanks to the proliferation of mobile devices, smartphones and computers, plus Internet or cellular connections, processing credit cards has become easier and more widespread. Most companies offering "card readers," small devices that can read a swiped credit card, also provide an option to manually key in the credit card number, but charge a higher percentage fee and fixed transaction cost for this feature. The following are some of the many credit card-processing options where you only pay a nominal fee based on a percentage of the charge, and sometimes a per-transaction fee.

- **PayPal**
PayPal.com
Among the most widely used, secure and safe ways to receive payment via credit cards or through someone's PayPal account via a computer, tablet or smartphone. PayPal offers a mobile app and card reader for payments on the go.
- **Square**
Squareup.com
Using a free Square device that plugs into your smartphone, tablet or computer, you can swipe the card and complete your checkout from just about anywhere.

- **Spark Pay**
sparkpay.com
The free card reader from Capital One Bank can process credit cards on a smartphone, tablet or computer.

Reservation and ordering system

Determine how to best manage orders to not keep hungry customers waiting. Services like Brown Paper Tickets (www.brownpapertickets.com) enable you to sell online tickets for a nominal service fee. While this system works well for more formal events and full farm-to-table meals, pizza nights tend to be more casual and most operate with customers ordering on-site. Clearly communicating on your website that, during peak times, you may wait up to an hour (or whatever your time frame may be) gives folks a heads-up on scheduling, or bringing along some snacks to make the wait bearable!

Clear signage

For both safety and smooth event logistics, clear signage is a must. You don't want everyone asking you personally where the bathroom is. Clear directional signage on where to park is helpful; ideally you have a mowed field or other room on your property for cars to park completely off the road. In fact, make it clear to attendees to not park on the side of a public roadway, because they could technically be ticketed.

Cross-promotions with other local businesses

As your business grows, there's much opportunity to cross-pollinate and cooperatively support other local businesses: a true "win-win" situation. As some of your customers may be traveling longer distances to your place and lingering into the evening, local lodging connections are helpful. Especially if you're bringing traffic in on a slower weeknight, perhaps area lodging establishments would offer a discount for attendees to your events. If you purchase ingredients from other area food artisans like cheesemakers, put out information on their products along with information on how to purchase and again, perhaps a promotional incentive or coupon. Ask your local ingredient suppliers to return the favor and have your flyers or coupons available at their place of business.

Chapter 4

Financing

Explore alternative financing models

Any way you slice it, starting an on-farm food business will require a financial investment. There are numerous opportunities, however, to expand without going into major debt. The first thing to consider is how you could launch your operation without taking on debt at all or to at least minimize the amount of the loan. Because on-farm food service business models are new, innovative, and not widely tested, keeping debt low is a good idea. This frugal approach may require more legwork and research on your part, such as keeping an eye on Craigslist.com and area restaurant equipment auctions for used equipment.

While traditional sources of borrowing capital are still viable options, you may also want consider a growing number of financial resources that have nothing to do with a commercial bank. Called “crowdfunding,” these mostly Internet-based sources of financing can provide everything from small, low-interest loans or thousands of dollars in donations. Success with these sources depends on whether you have the knack to create compelling, engaging fundraising campaigns and a customer base eager to support your dream with their open pocketbooks. The following summarizes a few of the currently popular options for financing.

- **Kiva**
kiva.org
Kiva taps the wealth of private individuals who fund small business with low-interest loans. You apply for a loan and share your story with prospective lenders who, through an online

portal, decide if your venture is worth funding. The Kiva Zip Loan program is for smaller \$5,000 to \$20,000 interest-free loans; these loans need to be paid back to Kiva within six to sixty months, depending on the loan size. Kiva also offers larger loans that carry interest.

- **Kickstarter**
kickstarter.com
The world’s largest, Internet-based, crowdfunding platform, Kickstarter supports a wide range of creative projects, including food products. Backers pledge various amounts of money in exchange for various incentives, called “backer rewards,” associated with different levels of funding support. One bakery start-up launched a \$10,000 campaign to pay for ingredients and manufacturing costs for their first major production run of three items. Kickstarter can be a good platform for businesses with good connections and great marketing savvy, but don’t underestimate the amount of time and effort it takes to pull off one of these campaigns.
- **Indiegogo**
indiegogo.com
Another Internet-based crowdfunding website that includes a food category. “Backers” receive “perks” with their financial contribution. Again, don’t underestimate the time and energy to run a successful campaign.

- **Slow Money Alliance**
slowmoney.org
A grassroots alliance of local networks that have catalyzed the movement of millions of dollars into food and farm enterprises in communities across the country and beyond. Funding supports a range of businesses, from farms to processors, in the local food space. Promising food enterprises register for an Entrepreneur Showcase, where they have the opportunity to formally pitch their business idea and funding need to potential investors.
- **Kabbage**
kabbage.com
From \$500 to \$100,000, Kabbage provides working capital online to currently operating businesses, based on the extension of a business line of credit. Interest rates vary from 1 percent to 13.5 percent.
- **Small Business Administration's Microloan Program**
sba.gov
Government-backed loans to small businesses up to \$50,000, made available through certain nonprofit, community-based organizations. Rates for the six-year term loans range from 8 to 13 percent.
- **Barnraiser**
barnraiser.us
Story—and people focused—crowd-funding site with a preference for the sustainable agriculture community. Fairly new with limited track record.
- **AgFunder**
agfunder.com
Crowdfunding platform specific to agriculture ventures. Again, fairly new with limited track record.
- **Farm Service Agency (FSA) Microloan Program (ML)**
www.fsa.usda.gov
Operated by the United States Department of Agriculture (USDA) and facilitated through your local FSA office, these loans go up to \$50K and are available to small and non-traditional niche agricultural enterprises.

The “free-money” myth

A note of caution for crowdfunding campaigns: Engaging in such an effort requires a large time commitment to create a successful campaign. From collecting engaging visuals, to writing motivational copy, to developing your tiered rewards and incentives, creating the actual campaign content takes time. Successful crowdfunding campaigns recommend investing time to tailor messages and follow-up with key potential donors, an activity that, again, takes time. As the crowdfunding movement continues to grow, a variety of consultants and specialists have popped up who can help in this process in a paid capacity. Once you go live and post your campaign, prepare yourself for solicitations by such entities.

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