

The **International Rescue Committee, Inc.** of New York, NY received \$71,162 to provide intensive training in direct marketing to refugee producers in Phoenix, AZ; increase their sales at the farmers market; develop a community-supported agriculture (CSA) program; and improve a farmers market that targets residents of low-income neighborhoods and refugee families.

[Final Report FY 10](#)



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International Rescue Committee, Inc.

Direct Marketing Training & Business Development for Refugee Farmers

Grant # 12-25-G-1182

Phoenix, Arizona

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Final Report: October 2010 – September 2012

Project Summary

The International Rescue Committee in Phoenix established a farming program targeted towards refugee farmers new to the United States in 2007. The program focused on establishing agricultural business entities through access to technical assistance, training, access to capital and outside resources, such as USDA products and services. This is the only program to provide services to immigrant beginning farmers in Arizona and numerous indicators point towards its success. Within several years, the IRC's New Roots farm program had produced several dozen part-time to full-time farmers engaged primarily in vegetable production. These producers were able to grow ample crops to sell. Production was their strong point; however one issue that became apparent was a lack of direct marketing skills and ample infrastructure to support a higher level of sales. Various barriers to marketing were present, such as lack of English language skills, quality and sizing issues, and lack of capacity.

Thus the project *Direct Marketing Training and Business Development for Refugee Farmers* was developed to overcome these barriers to enhance the viability of these

newly formed businesses. Through direct marketing training and through the development of a marketing cooperative, the project sought to build skills, increase knowledge and create infrastructure for these beginning farmers.

By the end of the project period great strides have been made. A working cooperative had been formed and is making sales; farmers have been trained on direct marketing; and businesses have increased sales as a result, increasing their viability.

Project Approach

The farmers within the New Roots program were generally good producers but barriers to sufficient market opportunities were hurting the farmers' bottom lines. Again, their lack of English skills prevented them from individually approaching almost any retail or wholesale market opportunity. Even for those with some English skills, a lack of confidence combined with deficiencies related to proper quality control and sizing restricted opportunities for expansion such as farmers markets. As newly arrived refugees, these farmers also lacked broad networks through which they could increase their marketing reach.

The project sought to accomplish two broad concepts: increase direct marketing skills through various trainings and practical applications and to create a marketing cooperative to leverage the strengths of the farmers.

The project provided on-going classroom workshops that focused increasing quality, capacity and direct sales techniques, as well as cooperative marketing. The workshops provided were: *American Business, CSA Duties, Cool Season CSA Crop Planning, Cooperative Principles, Introduction to Cooperatives, Marketing Basics, Post-Harvest, Seed Buying, Selling Spring Crops, and Summer Harvesting*. As farmers learned these topics, the program coordinator also provided training on-farm. These practical application techniques reinforced the classroom training and provided farmers hands-on training to increase their understanding. For example, the program coordinator would visit each farmer on their respective harvesting days to train on

proper washing and packaging. These conceptual/practical training opportunities increased farmers' knowledge and skills on each topic.

The next step was to provide direct marketing training. An IRC sponsored farmers market booth was set up at two different farmers markets, where several farmers at a time received training for three months (or longer if needed) at the farmers market. The program coordinator mentored the farmers on issues like booth set up, booth arrangement, produce presentation, financial matters (using the farmers market's EBT machine, food stamps and WIC coupons) and customer service. Once farmers adopted proper habits and increased their confidence, they graduated to their own booths at that market or other markets in the area.

In addition to training on marketing, infrastructure was needed to overcome some of the barriers. The cooperative marketing strategy addressed areas such as lack of capacity and even lack of English. For example, through combining products, the cooperative could serve more customers with more diverse crops. Additionally, those who spoke English became the cooperative's spokespeople, while others who lack English skills focused their efforts on growing crops. IRC was able to find a pro-bono law firm that helped with the legal aspects of the cooperative formation. Articles of incorporation, policies, procedures were all created through a participatory process that took a number of months. Finally in the fall of 2011, the cooperative was formed and began marketing a Community Supported Agriculture (CSA).

The CSA began in December of 2011 with 20 customers. Best practices learned in training such as quality control were rigorously adhered to in the CSA. IRC assistance with the CSA process and administration allowed farmer's to put into practice what they had learned. Each CSA "cycle" brought many lessons to the farmers and also to IRC staff. Each of these learning opportunities were put to work in upcoming seasons. For example, CSA crop bidding was implemented in later cycles, as the first cycle showed that many farmers were growing the same crops, creating an overabundance of certain crops. After surveying the CSA's customers, the cooperative members were able to make better decisions about what types of crops to produce. For example, the first growing season featured a variety of greens but what turned out to be more

greens than there was demand for. Through customer feedback, the cooperative members began producing a wider variety of crops to meet customer demand.

Through other funding sources, IRC was able to provide additional resources that assisted the cooperative members. For example, banners, tents, a website (www.gilafarm.com) and a cookbook were all developed to market and expand the reach of the cooperative.

Goals, Outputs, and Outcomes Achieved

The chart below outlines the grant outcomes. The program met or surpassed all proposed outcomes, with the exception of the final customer base of the CSA. Some of the highlights include the following statistics. The CSA reached 49 members and expanded to two pickup locations. The refugee cooperative’s weekly newsletter now has 136 subscribers. Thirty-five workshops were held over the grant period. Forty farmers were trained at the IRC farmers’ market booth over the grant period. Thirteen farmers started new market booths because of the program. Seventy farmers and gardeners benefited from technical assistance, workshops and in-the-field trainings from the program coordinator.

Accomplishments:

The following chart highlights the quantitative goals of the grant and the progress made in this reporting period, followed by an explanation of each category.

Goals	Target	1st Semi- Annual Period	2nd Semi- Annual Period	3rd Semi- Annual Period	4th Semi- Annual Period	Total	% Complete
Monthly Training	24 workshops	1	9	15 ¹	10	35 workshops	146% of Goal

¹ Feedback from participants indicated that smaller workshops aimed at specific cultural and language groups proved more productive than larger workshops with mixed languages. This number reflects both larger and smaller workshops

Workshops for 20 farmers							
Direct Marketing Training	36 farmers	9	14	8	9	40 farmers	111% of goal
Creation of New Market Booths	12 booths	n/a	4	4	6	14 booths	116% of Goal
Increase in Income for Participating Farmers	15% increase in income		14% ²	20% ²	25%-300% ²	Total sales increased more than 15%	Goal Met
Creation of Refugee Cooperative	1 Coop		1			1 Coop	100%
Creation of Cooperative CSA	1 CSA			1		1 CSA	100%
Recruitment of CSA customers	65 customers			19	30	49 Customers	75%

Monthly Training Workshops for 20 Farmers for 24 Months:

A total of 35 workshops were held with over 70 individual participants over the entire grant period. Larger workshops covered broad topics such as CSA organization, crop bidding and summer harvesting. Smaller workshops were organized by knowledge levels and were aimed at improving the understanding and skills needed to run a cooperative CSA program for particular members. Other workshops targeted specific farming groups and worked on post-harvest handling of the particular crops the groups were growing.

The Gila Farm Cooperative Board Meetings continue to be used as an opportunity to train participants in marketing best practices, American business ethics, responsibility, and opportunities to sell through Gila Farm Cooperative. The six clients who attend these monthly meetings are community leaders of various ethnic groups and have pledged to bring the knowledge they gained at the meetings back to the farmers in their community.

² This outcome is based on sales reported at intake versus the sales generated with those farmers participating in the IRC farmers' market booth and selling to Gila Farm Cooperative.

Intensive Farmers' Market Training for 24-36 producers:

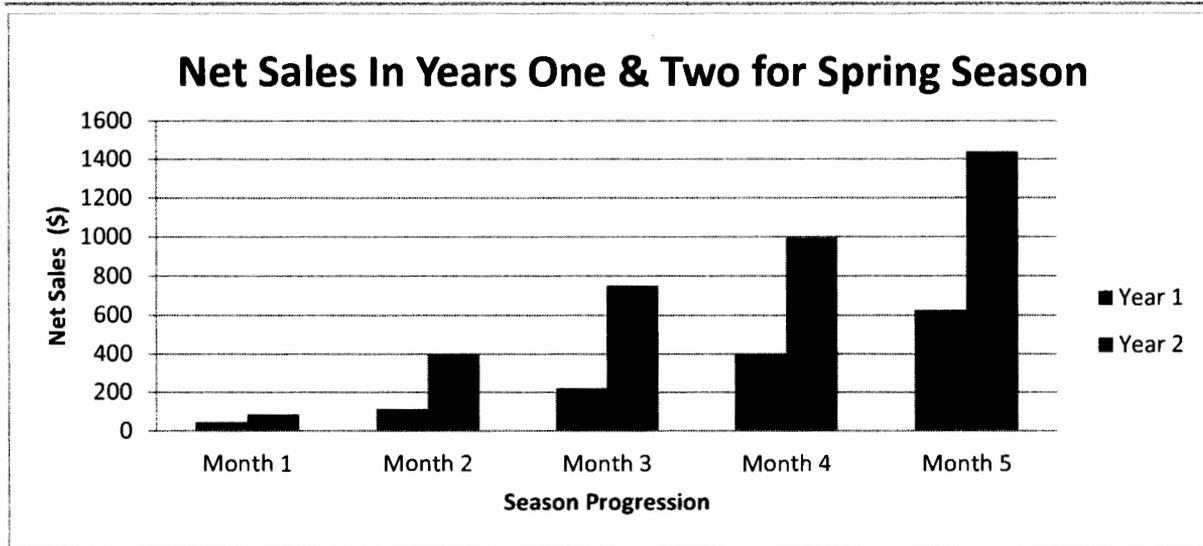
40 FMPP clients received intensive training at farmers' markets during the grant period. The IRC farmers' market booth continues to be a wonderful training tool and incubator booth for farmers new to selling at farmers' markets. The IRC mentoring booth expanded to include two new markets for a total of three weekly training booths where new farmers can learn the importance of bringing quality produce to market and gain valuable marketing and business techniques and market etiquette. Participant feedback allowed the program to adapt and focus on those issues that presented the most difficulty for clients and help identify best practices for preparing FMPP clients for having booths of their own.

12 Farmers Create Independent Farmers' Market Booths:

During the grant period, the FMPP helped create a total of 14 new booths spread out over six different markets. These new market booths are at different farmers' market throughout the city so that the FMPP clients are not in competition with each other. Promotional materials for the Gila Farm Cooperative's are displayed at the booth of each client in order to maximize exposure to the newly formed cooperative CSA.

Participating Farmers Indicate 15% Increase in Income through Project Activities:

The cooperative has been a steady source of income for FMPP clients. The program coordinator used an Access database to track all sales done by the cooperative and used Farmigo to track CSA sales and customer relations. These tracking systems record a net growth in sales by clients in the program. Although other sales made outside the cooperative CSA may have increased, only CSA and the IRC booth sales data was tracked. FMPP records show a 25% to 300% increase in their vegetable sales from various farmers in the program.



See “Additional Information” for the particularly inspiring story of one group of clients who blossomed under the trainings and opportunities offered by FMPP. A group of Burmese producers increased their monthly sales to the CSA and IRC booth from \$50-\$100 to \$600 at the peak of their season last year. In the second year, with the increased trainings and guidance offered by the program, they made \$1,500 monthly of sales at the peak of their season. A steady increase in sales throughout the season is expected, but the peak amount that FMPP clients are making increases as their time in the program increases revealing a positive relationship between time in the program and financial success.

Creation of a refugee producer cooperative:

The Gila Farm Cooperative has increased its capacity but continues to rely heavily on input from the IRC. Other funding sources have allowed the program coordinator to remain active in the cooperative. Training is currently underway to address lingering issues and allow transition of day to day operations to the cooperative members. Some of the skills needed to run the cooperative (English language, customer relations, computer literacy) are only possessed by a few members. Though the FMPP program has ended, the program coordinator is working through other sources to train those particular members to administer the databases and customer relations aspects. Other day to day operations and the CSA pick-up can now be run by the cooperative members.

Monthly skill-specific trainings were required by all cooperative members. The penalty for not attending these trainings is a smaller percentage given back to the farmer from the retail of their crops. These trainings are aimed at increasing every member's awareness of the requirements to run the cooperative and increasing their skill level in order to perform those requirements.

Creation of a cooperative-run CSA:

The refugee cooperative has completed three seasons of its CSA program. A total of 49 individual families have been CSA members. Community awareness regarding CSAs and locally sourced food is increasing in Phoenix, which will help build the cooperative's customer base. The cooperative newsletter has 136 subscribers each of whom get weekly updates from the farm, recipe ideas and harvest information. A volunteer was recruited to develop a pipeline of stories for the newsletter and the cooperative's website. Each successive season the capacity of the cooperative members increased through technical assistance and training from IRC. Cooperative members are now in a position to administer many aspects of the CSA. In addition, IRC will continue to provide trainings to help the cooperative members reach a skill level where they can run the CSA without outside assistance.

65 CSA Customers by End of Project Period:

Guidance from several other refugee cooperative CSAs indicated that starting with a small customer base would allow the cooperative to refine its CSA procedures and to ensure quality products. The CSA program started with eight customers and slowly built up to 15 in its first season. Subscribers increased with each successive season reaching a total of 49 subscribers by the end of FMPP funding.

Further expansion of the CSA is not yet feasible due to the need for more CSA crop planning and crop diversity as well as the number of new farmers selling to the CSA. New trainings and planning sessions will make a larger CSA a possibility for the next season.

Beneficiaries

Refugee producers are the primary program beneficiaries. These producers would be considered beginning farmers, socially disadvantaged farmers and small producers using USDA definitions. They generally are family farmers, with multiple household members supporting the business. Approximately 24% of participants show a female head of the business. Their ages range from young to old with those under 20 representing 29% of the cohort, while 41-50 year olds represent 31% of the cohort. They are from more than eight countries, with the majority originally from Somalia, Burma, and Bhutan. More than 75% of them have been in the United States less than five years.

The low-income community was a secondary target for the grant. All farmers have access to EBT (food stamp) customers at the markets. They are also all WIC-authorized growers, so they can take WIC and Senior Farmers Market Coupons. The farmers market a subsidized CSA share. Customers are encouraged to donate to this share through their website. Lastly, farmers are taught to donate excess crop to local food banks as a way to support Phoenix as a whole.

Lastly, many customers, through both the farmers markets and CSA, benefitted from having locally sourced organically grown produce available to them.

Lessons Learned

The IRC had not engaged in cooperative development prior to this FMPP grant. The program developed a fully functioning cooperative in less than two years despite the challenges posed by having, members new to the country and representing many different cultures and languages. With the CSA selling and additional assistance necessary for the near future available, the IRC can work with the cooperative on next steps. IRC is proposing to contract with the CSA to provide marketing assistance to enhance the cooperative sustainability while members build their capacity to run the cooperative independently.

Direct marketing depends on good production. While farmers were able to produce crops well, the CSA's schedule and quality control was an ongoing challenge. Selling at farmers markets can be more forgiving than a CSA. Some of the lessons learned are the following:

- When to harvest
- Quality control
- How to present an attractive display.

Best Practices:

- Harvest and package mentoring should continue for at least one month
- Expand sales at the mentor booth for at least 3 months where program staff:
 - Screen produce to remove low quality items from participants sales booths
 - Assist producers with setting up attractive displays
 - Encourage producers to resupply table after customer purchases
 - Show producers other farmers' displays
 - Pick out repeat customers, explain why they come back.

Additional information

The cooperative's website is www.gilafarm.com.

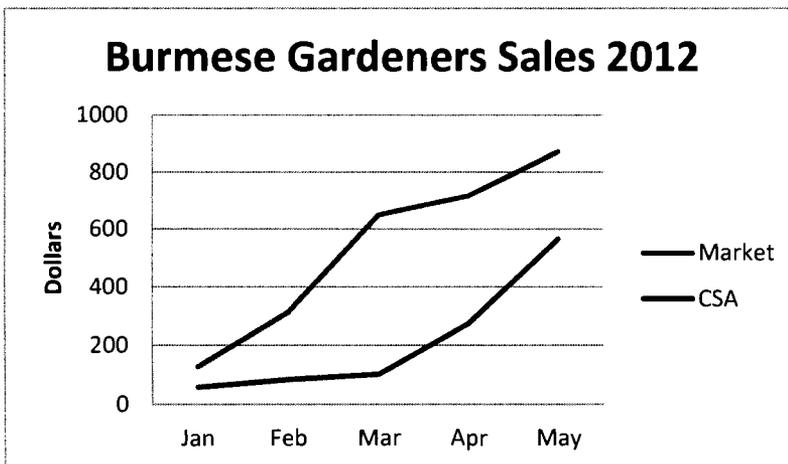
The program engaged volunteers to help expand the capacity of the program and to provide on-going support to farmers selling nights and weekends. 14 volunteers provided on-going mentoring to farmers at markets. Additionally, the project collaborated with Arizona State University's School of Social Innovation over two semesters to take on two student projects. A total of six students worked on various aspects of the program to support the farmers and the cooperative.

Almost half of the FMPP clients, comprising a majority of the cooperative members, were affected by a crop defoliant that drifted onto their crops, destroying their crop the first season that the CSA was in operation. The summer season was the first time those farmers sold to the CSA after their crop loss. These farmers have had to adjust to the new market and the quality and consistency required by the CSA program. The same law firm that worked to develop the cooperative also litigated the case for the cooperative members. Through their pro-bono

services, the members were able to receive a \$50,000 settlement from the crop spraying incident. This incident impacted potential sales from FMPP participants during that season.



The Burmese producers, mentioned earlier, had been enrolled in FMPP since May 2011. They represent a group of five families that are farming and selling together. They have attended workshops both in and out of the field and sold at the IRC training booth for 5 months. They graduated from the training booth and started selling at four new markets on their own. During their initial period of working with the program these clients were reluctant to accept guidance. However, once they began to utilize what they learned, their sales began to increase. The second summer their sales rapidly increased by the peak of their summer season. The Burmese farmers learned how to successively plant and subsequently sell to the CSA and by the end of their second season they were earning more than double what they made the previous season. See below for a graph on their second summer season and the rapid increase in net sales at both the farmers' market and to the cooperative CSA.



I give my permission, as a participant in the Farmers Market Promotion Program grant, for the US Department of Agriculture to use my name and information provided by me in reports or other promotional material created about this FMPP-funded project.

Name: Jon Vosper

Title or role within the FMPP-funded project: Primary Project Manager

Signature: Jon Vosper

February 20, 2013

A handwritten signature in black ink, appearing to read 'Jon Vosper', is written over the printed name and signature line.