Final Report

Grant No. 12-25-B-0862 Specialty Crops Block Grant Program South Carolina Department of Agriculture

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Introduction

The South Carolina Department of Agriculture received \$121,848.28 from the Specialty Crops Block Grant Program. The block grant was used to support South Carolina specialty crops through promotion, marketing, merchandising and education. The Department partnered with the SC Department of Commerce to provide architecturally designed produce stands, built by the SC Department of Corrections, to certified SC producers. The SC Peach Council, SC Watermelon Board and the SC Fruit, Vegetable and Specialty Crops Association cooperated with the Department in a summer and fall fresh fruit and vegetable retail and food service promotion. The merchandising program insured that promotional materials were properly placed and promotional plans were properly carried out at retail grocery stores. The Department put its message forward at several key trade shows to showcase SC products. The Department partnered with Clemson University and the producers of "Making It Grow" on SC ETV to have key monthly features on specialty crops. The Department worked with SC Farm Bureau, the SC Department of Health and Environmental Control, and the SC Department of Education to produce and distribute information to schools and other outlets on healthy eating habits and the benefits of fresh, locally grown fruits and vegetables.

Project 1 - Produce Stands

Approach

The need being addressed is that many private produce stands are not attractive and not conducive to marketing. Having available uniform, attractive produce stands would lend itself well to the marketing efforts and materials available through the certified SC grown program. The impetus for the program was to provide a high quality structure to enhance economic benefits to produce farmers and assist in economic development in rural areas.

Funds for this project were used to provide signage; promotional materials and promotional events to support the placement of at least 100 newly designed and constructed produce stands for use by producers. All growers using the stands are required to be Certified SC members. The stands need to have uniform signage that reflects the Certified SC Grown program and the SC Roadside Market program.

Outcomes and Goals Achieved

Arrangements were made with the SC Department of Corrections to build and deliver up to 100 produce stands. The stands are built as sites are chosen and approved. The Department advertised the availability of the stands with a mailing of more than 300 packets with materials describing the program and how to apply. The packets were mailed to roadside marketers, community markets, fruit and vegetable growers and to county extension offices. The program was also advertised through the Department's Market Bulletin, SC Farm Bureau's magazine, local newspapers and on the Department's website. Additional calls and interest have been generated as stands go up and more producers see them. As of this report 40 stands have been placed or are approved and in process. The Marketing Division purchased 100 two-sided, metal

roadside market signs (see below) to make available with the produce stands. Promotional materials including oval, two-sided signs, "Certified SC Grown, Sold Here" signs, logo price tags, POP materials and stickers were produced. This package of materials is initially provided with the stand. Packets of these materials were purchased to support the full contingent of 100 stands. Any additional costs for producing or locating the stands will be at the expense of the state. Follow up with participants has provided testimonials of increased sales volume though not much data have been provided to date. The Department will provide additional follow up. Reaction to the stands and to the program has been very positive. These stands are built solidly and can be secured at closing. Users have expressed great satisfaction with stands and with the potential for improving business as a result. Pictures of the stands were sent in separate emails.



3' X 4' Metal, Two-sided, Reflecting Sign

Beneficiaries and Lessons Learned

The beneficiaries are the 40 farmers who have been approved for the stands and who now have an excellent roadside market opportunity. It also benefits consumers who have a new market from which to purchase fresh, locally grown products, clearly indentified, and sold at a safe, attractive, easily accessible and inspected site. Products sold in the stands include, but are not limited to, typical seasonal fruits and vegetables grown in SC such as peaches, watermelons, cantaloupe, blueberries, blackberries, muscadine grapes, peas, beans, sweet corn, squash, cucumbers, tomatoes, greens, cabbage, and bedding plants.

The program has been successful and expectations are that it will grow as more stands become visible. The first 50 stands must go in counties that are considered least developed. As these are located and the areas expand to the entire state demand should greatly increase. The criteria for obtaining the stands can be somewhat restrictive with requirements for insurance and site location. Other lessons learned include the realization that logistics for this program were more difficult than originally contemplated. It took longer to build the stands than expected. It also took longer to deliver and set up the stands. The experience gained with the first stands has helped and the process has improved. The remaining stands should be delivered and set up by the end of 2011. Farmers also are reluctant to give specific information related to sales volume and volume increases.

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Project 2 - Summer/Fall Fresh Fruit & Vegetable Promotion

Approach

The need addressed in this project was that timely promotion of the certain fruits and vegetables would have a beneficial effect on sales and help remind consumers of the value and quality of SC grown products. The industry groups involved concluded that joint promotions would allow the dollars to go further. This project provided a summer fresh fruit promotion and a fall vegetable promotion in conjunction with the SC Peach Council, the SC Watermelon Board and the SC Fruit, Vegetable and Specialty Crops Association. These commodity groups pooled resources and provided \$30,000 in matching funds to conduct a retail and food service promotion. The overall increase in sales of local products during the period based on retail reporting, was a 12% overall increase in product sales during the summer/fall periods. While the project proposal had a goal of 15% increase, shipping data acquired confirmed at least a 12% increase. It was determined as well that the drop off occurred in the fall. The summer promotions were effective but the fall vegetable promotion was less so. SC is known more for summer products than for fall vegetables. More work is needed to enhance this part of produce mix.

Outcomes and Goals Achieved

The Marketing Division of the SCDA in conjunction with the SC Peach Council, SC Watermelon Board, and the SC Fruit, Vegetable and Specialty Crops Association worked with retail and wholesale customers to develop promotional incentives to showcase South Carolina grown produce via display contests, sidewalk sales features, advertisements in weekly circulars, and weekly foodservice sales sheets. The \$30,000 grant was matched with \$30,000 from the participating industries. The grant funds were spent as follows: \$15,000 on incentives for retailers who provided feature advertisements and special sales of any SC grown fresh produce item during the promotional period. An additional \$10,000 was used for in-store sampling of peaches and watermelons. In-store sampling was done in all 300 stores. \$5,000 was used for personalized promotional materials provided at the point of sale to help consumers identify local products. These materials would be price tags and shelf danglers that included both the store logo and the Certified SC Grown logo. Industry funds provided for in-store display contests and for additional bin wraps and signage to tie in the Certified SC Grown, "memories campaign". Items promoted were, sweet onions, strawberries, tomatoes, peaches, watermelons, cantaloupes, summer squash, cucumbers, broccoli, leafy greens, and other typical summer vegetables. Sales reports from retail and foodservice indicated significant increases in movement during promotional events. Sales increases were as high as 130% increase each week for items such as peaches. The overall increase in sales of local products during the period based on retail reporting, was a 12% overall increase in product sales during the summer/fall periods. Promotions took place in approximately 300 South Carolina retail food stores under 6 banners and through 3 major Food Service operations. In addition, promotions were carried out for one chain in West Virginia for peaches which resulted in an overall 133% increase in peach sales. Overall, promotions were well received and implemented by retail and food service partners and a positive impact was made on the sale of specialty crops. (See pictures below including in the merchandising section which also shows the types of materials used.)

Beneficiaries and Lessons Learned

The beneficiaries were South Carolina peach growers, SC watermelon growers, SC cantaloupe growers, SC tomato growers, and SC small fruit and vegetable growers who sold product to retail for promotions. Retail and Food Service also benefited via the tools provided to help promote locally grown items. Consumers also benefited by being able to visibly identify local products and by being provided fresh local fruits and vegetables during the season.

Lessons learned are that retail and food service want to continue to expand product offerings and are willing to work with producers who meet their food safety and product liability insurance requirements. Timing of promotions is best left up to individual retailers based on product availability. Some prefer to feature one or two items at the time, while others prefer to feature a wide array of items under a "SC Sidewalk Sale" format.







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Project 3 - Merchandising Project

Approach

Even though the Department may receive approval through the main office of various food chains to participate in a promotional program, local store managers often fail to properly display the certified branding and marketing materials due to busy schedules. A merchandising firm goes into food stores and not only do they work with the store manager to get materials properly place; they actually assist in putting the materials up in the proper manner. Properly displayed materials reinforce the identity of local products at the point of purchase.

Outcomes and Goals Achieved

A merchandising firm was contracted to carry out activities as outlined. Point of purchase materials were shipped directly to retail for distribution to stores. Merchandisers went to stores and properly displayed signage throughout the produce department. Over 500 stores were covered statewide under 7 major retail banners. Merchandisers reported a 98% success rate in covering stores, meaning that of the more than 500 potential stores to cover, the firm was able to get to and work 98% of those stores. Being able to get to and get into 98% is an excellent success rate. Store reports were favorable as customers noticed signage throughout the season. Signage remained up throughout the shipping season which reinforced additional direct signage of particular items during special promotional periods. This project helped remind consumers to look for the Certified brand and overall sales for the period reported a 12% overall lift in local sales. Point of purchase materials include certified SC danglers (see below), shelf talkers, price cards, certified stickers and Certified Banners.





23" X 27" Oval, Two-sided Dangler (Front and Back Shown)

Beneficiaries and Lessons Learned

Beneficiaries were local fresh product shippers who saw an increase in demand from local retailers for local items. This project in conjunction with other special promotion projects also has retail seeking an even broader array of local items to showcase. Consumers also benefited by being able to "connect the dots, so to speak" from television and radio advertisements promoting the Certified brand and then seeing the logo throughout stores in the state, and on product and as shelf talkers.

Start sooner in getting materials shipped and to the store level. It takes approximately 3 to 4 weeks to cover all the stores participating in the effort across the state. By starting in early May we can have all stores covered during the peak of the fresh season and continue to have a strong presence throughout the summer, fall, and winter months. It is also vital that the corporate office follow up at the store level with reminders that materials are being shipped and that personnel will be coming by to help properly display materials.



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Project 4 - Trade Shows

Approach

In the competitive environment that exists in the produce industry it is necessary for states to promote products grown and the availability of those products to the major buyers and to the major buying regions of the country. The Department used funds to participate in three major trade shows the Southeast Produce Council, Produce Marketing Association and the Eastern Produce Council. Solid leads were collected at the trade shows and followed up with letters, emails, phone calls and information.

Outcomes and Goals Achieved

The Department participated in the PMA Fresh Summit Expo with 6 participating firms representing the peach, watermelon, and fresh vegetable industry in South Carolina to over 17,000 participants. Also participated in the SE Produce Council Expo with a "SC Produce Row" representing 5 additional SC fresh shippers of peaches, watermelon, and vegetables to almost 2000 attendees from retail and food service companies. Hosted the Eastern Produce Council meeting with representatives from the peach, watermelon, and vegetable industries and provided a crop outlook and update of promotional opportunities to over 100 major wholesale and retail buyers from the greater New York and New Jersey region with purchasing power for distribution to some 13 million consumers in the N.E. region. Approximately 225 solid leads from produce wholesalers, food service firms, and major retailers were developed at these shows and events. Staff followed up with telephone calls, e-mail reports, and by direct mail to further develop contact opportunities for sales agents handling the sales of South Carolina fruits and vegetables to retail and wholesale accounts. These shows provide our state with a presence at major events and continue to showcase South Carolina as a major player in the produce industry due to our proximity to major markets and consistent production of quality fruits and vegetables.

Beneficiaries and Lessons Learned

Direct beneficiaries were the peach industry represented by the SC Peach Council, the watermelon industry represented by the SC Watermelon Board, and the Fruit and Vegetable Association membership represented at all trade events. In addition 7 individual companies participated as exhibitors in South Carolina Pavilions to promote their individual lines of fresh products. These events result in a variety of contacts offering potential sales opportunities for fresh shippers.

It was learned that shippers who participate directly, benefit by gaining direct face time with buyers that allows them to build relationships that are beneficial to future sales. We are seeking ways to encourage more direct shipper participation at events to maximize the contacts made and to put a face with a name and the product lines in front of major buyers. We met our goal for participation, but firmly believe that additional shippers can benefit most effectively through direct participation.

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Project 5 - "Making It Grow"

Approach

The Department had a unique opportunity to sponsor and participate in a nationally syndicated, Clemson and SC ETV program placing emphasis on locally grown fruits, vegetables and nursery products. The Department received monthly programming presence to present segments on nursery products, fruits and vegetables, consumer purchasing and preparation tips and to leverage the ability to tie in brand message to an extraordinarily popular program. Consumer awareness was increased with programs that appeared to 120,000 weekly viewers and the additional viewers that view the syndicated "Best of" reruns.

Outcomes and Goals Achieved

Participation in "Making it Grow" allowed us to reach a weekly audience of 120,000 viewers during regular broadcast. In addition, the show is syndicated and reaches viewing audiences around the nation and in 7 other countries each week. It also has a "Best of Making it Grow" program that further extends market reach. We hosted show segments monthly to feature the Certified SC Grown program and members throughout the state. In addition, the show director visited many specialty crop farms and ornamental nursery operations in the state to provide viewers with a walking tour and great insight into what is available from local producers. This relationship promotes locally grown efforts each week with promotional signage on the set, mentions by the show host, direct consumer interest clips, and with credits at the beginning and end of the show. We have met our initial goals and are developing new opportunities to take the show on the road to the New State Farmers Market, to Community Based Markets, and to visits to more specialty crop producers across the state in the coming year. See the "Making It Grow" website and streaming at http://www.scetv.org/television/productions/making_it_grow/.

Beneficiaries and Lesson Learned

The Department of Agriculture constituents benefitted by having staff appear on the show monthly to discuss the Certified SC Grown brand and opportunities for consumers to source local products. Features included harvest tips and reminders to consumers of what items were in season and where they could go to find more information on making local purchases. Over 90 Community Based Markets benefited by traffic drive via the internet to consumers allowing them to navigate to different markets and determine time and location. In addition, several individual growers were highlighted in shows featuring Community Supported Agriculture activities. Ornamental horticulture benefited with feature segments on the 6 Plant and flower Shows that SCDA hosts during the Spring and Fall.

The Department has learned that the "Making It Grow" show is an excellent medium to participate in for promotional and informational purposes. It has broad appeal and a very interactive viewership. The Department concludes that this is a worthy medium to participate in and expects to continue to grow its participation.

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Project 6 - Nutrition Education through Ag in the Classroom

Approach

The Department along with its partners understood and noted the need to provide nutrition to young people as a way to have an impact on healthy eating and high rates of obesity. The Department partnered with SC Farm Bureau, SC Department of Health and Environmental Control and the Department of Education to develop healthy eating materials for children and distribute those through schools, health departments, the state fair and other means. The booklet developed and produced provides fun activities that also provide a message about the value of healthy eating habits and the value of fresh fruits and vegetables in the diet.

Outcomes and Goals Achieved

The Department working with SC Farm Bureau, SC Department of Health and Environmental Control and the SC Department of Education developed and printed 20,338 English versions and 5,000 Spanish versions of the elementary activity book "S. C. Veggies and Fruits." The publication was distributed to schools, local health Departments, the state fair and made available on the Department's website. At the time of this report all of the initial printing had been distributed or obligated and an additional 5,000 were ordered. This means that at least 25,000 elementary aged children have received or will receive this publication. Many more will have access with the reprinting and ongoing distribution of this publication. At least one state, the State of Washington, has asked permission to adapt the publication to that state and make it available there as well. To view the activity book, go to:

http://agriculture.sc.gov/schoolgardens, click on S. C. Veggies and Fruits Activity Book.

Beneficiaries and Lessons Learned

The beneficiaries are the more than 25,000 children who will have access to the information presented in a fun way in the publication. Teachers have access to the books for educational activities and can access it in whole or one page at a time from the Department's website.

It was learned early on that the best way to get this information out to the audience designated was to include more partners. Other agencies were brought in to assist and their talents and resources used to make a bigger impact. The Ag in the Classroom staff member at SC Farm Bureau resigned before the project began and Farm Bureau did not rehire for sometime. As a result the Department took the lead and brought in other agencies as outlined above.

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