

# BUY LOCAL, BUY WISCONSIN



The development of the “Buy Local” food economy is one of the most rapidly growing, economically, socially and culturally important opportunities in agriculture today. Supporting the growth of locally grown and processed food positively impacts farmers, communities, consumer nutrition, the environment and Wisconsin’s economy. To strengthen the State’s food economy and secure our position as one of the country’s top producers of high quality food products, Wisconsin must fund a comprehensive program to support the growth of local food system development.

## GROWING MARKETS CLOSE TO HOME

- RETAIN \$2 BILLION IN WISCONSIN COMMUNITIES
- RE-CIRCULATE UPWARDS OF \$3.8 BILLION IN LOCAL ECONOMIES
- GROW SMALL & MID-SIZED FARMS
- DEVELOP NEW MARKETS FOR WISCONSIN PRODUCTS & SERVICES

**PROGRAM PROPOSAL**

**JULY 2006**

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## **Executive Summary**

### **Buy Local, Buy Wisconsin**

With a groundswell of producer and grassroots support and the increasing consumer demand for locally produced food, now is the time for growing Wisconsin's local food economy. The development of the "Buy Local" food economy is one of the most rapidly growing, economically, socially and culturally important opportunities in agriculture today. Supporting the growth of locally grown and processed food positively impacts farmers, communities, consumer nutrition, the environment and Wisconsin's economy. To strengthen Wisconsin's food economy and secure our position as one of the country's top producers of diverse, high quality food products, Wisconsin must establish a comprehensive program to support the growth of locally grown foods.

### **The Buy Local, Buy Wisconsin "10% by 2010 Goal"**

By shifting 10% of consumer food spending to locally produced products, consumers will contribute nearly \$2 billion to local communities and annually re-circulate dollars upwards of \$3.8 billion by 2010. See Appendix E for more detail.

Retaining food expenditures in the state adds economic power to communities through the local multiplier effect, an economic principle that shows dollars spent and invested locally generate more wealth in communities than dollars spent outside a community.<sup>1</sup> The typical community begins to see a positive economic effect when a dollar circulates in a local economy 2-3 times before leaving the community.<sup>2</sup> Keeping food dollars in Wisconsin communities helps support local businesses, improve farm income and create jobs.



### **Resource Request**

To achieve the 10% by 2010 Goal, this program requires an annual budget of \$550,000. Funds will support two Economic Development Consultants poised to coach local food producers on marketing, business planning, fund sourcing, production and distribution. In addition, a competitive grant program will provide the much needed financial support to local community based organizations to help propel the growth of the local food system.

### **Program Proposal**

The Buy Local, Buy Wisconsin program integrates two components:

- I. Food & Culture Tourism Trails
- II. Regional Food System Development

## ***Introduction***

In December 2005, DATCP convened a gathering to explore creating a broad-based program to encourage consumers and businesses to buy Wisconsin; to better promote and market Wisconsin foods; and to create and instill a brand-like loyalty among Wisconsin consumers. Since December 2005, broad-based working groups developed and participated in building components for a statewide program. From January through May, 2006, more than eighty individuals representing producers, state, local, regional, federal and private sector organizations contributed to the development of this program. This included more than twenty working sessions, online discussion forums, research and strategy sharing, a survey, meetings and presentations. This initiative has received wide support from Wisconsin food producers, manufacturers, retailers and local organizations. See Appendix A for a list of participants.

Through the Buy Local, Buy Wisconsin planning effort, participants identified the following hurdles impeding the sale and distribution of locally grown food:

- A limited number of processing facilities that provide smaller run or batch processing.
- The small number of USDA approved meat processing facilities, coupled with onerous producer time and financial constraints to reach them.
- Significant barriers to accessing institutional and state buying systems.
- A need for more consolidated information and education for obtaining marketing, processing, distribution, and general agricultural business start up information.
- A lack of producer marketing expertise; and uncertainty about how to reach food buyers and “buy local” consumers.
- Challenges connecting food buyers with producers to source local food.
- Limited centralized information that connects Wisconsin travelers with agriculturally related travel destinations and direct sales of Wisconsin foods.
- Inability of individual producers to conquer regional or statewide hurdles with limited time and financial resources.
- Lack of connection between food and consumers.

The Buy Local, Buy Wisconsin (BLBW) program will serve as the umbrella program in a way that captures the efficiencies of coordination while allowing for the creation of broad action. DATCP will provide market development services intended to increase the sale of locally produced products and services. The BLBW program provides market and business development functions that are needed to fully maximize existing programs such as SavorWisconsin.com and Something Special from Wisconsin™. SavorWisconsin.com connects the producer with the consumer, retailers and restaurants. Something Special from Wisconsin™ is an identifier that ensures the consumer that they are purchasing a Wisconsin product.

Together, these two components will:

- Strengthen communities
- Develop new markets for Wisconsin products and tourism
- Spur growth of Wisconsin small and mid-sized farms
- Enhance local efforts and state policy

## Program Details

The objectives of this program are: 1) To develop, expand and enhance marketing, distribution and processing networks between consumers, food producers, distributors, retailers and public institutions, 2) Increase consumer awareness and access to diverse high quality local foods and 3) Strengthen and use grassroots efforts across Wisconsin to self direct the best fit approach to build local food markets.

The program objective will be achieved through an integrated program structure that includes two components:

- I. Food & Culture Tourism Trails
- II. Regional Food System Development

Program functions will be carried out through the Buy Local, Buy Wisconsin staff housed at the DATCP. Program structure is illustrated below.



### **I. Food & Culture Tourism Trails Component**

This component will create a total of eight trails throughout Wisconsin to promote a region's unique food, culture and products. The trails will bridge food and culture to craft a new tourism experience for travelers--a personal invitation and guide to meet producers and experience communities who grow and highlight local food products. The traveler will be able to experience it, taste it, and purchase it. This connection will not only generate immediate tourism dollars within a community but will also impact purchasing decisions by establishing a relationship between the consumer and the producer, ultimately steering future food expenditures toward locally grown and produced foods.

The Wisconsin Food & Culture Tourism Trails component is designed to create new markets for Wisconsin's agricultural products through identifying, adding value, promoting, and connecting locally-grown foods with other regional cultural features throughout the state, to provide complete tourism experiences for travelers to and in Wisconsin. Working group participants designed this

(DRAFT – For Review Only)

component of the Buy Local, Buy Wisconsin plan to capitalize on the historical and future connections between agricultural and rural life.

In addition to the working groups, in March, 2006, DATCP, Wisconsin Rural Partners, Inc. (Wisconsin's federally-recognized state rural development council), and the Wisconsin Agricultural Tourism Association conducted a survey at the Wisconsin Governor's Conference on Tourism to assess interest and potential participation in this program. Respondents included tourism business operators; Federal, State, local government and Native American tribal officials; convention and visitor bureaus, chambers of commerce and other associations; media, and college students. Respondents represented every region of the state.

All survey participants said they would like the region in which they live to participate in a food and culture-based tourism program. When asked what foods they would feature within their region, responses included sweet corn, apples, honey, cheese, butter, cranberries, wild rice, chocolates, pizza, coffee, wine, strawberries, lamb, sausage, buffalo, game meats, brats, fish, blueberries, cherries, pasties, maple syrup, beer and soda, potatoes, fruits and vegetables. It is evident from the variety of responses that there are many markets to develop for local foods. When asked what marketing strategies and tactics might be used in their regions, respondents presented a variety of creative ideas, including farmers' markets, food shows and cooking demonstrations, food-based festivals, tours, powwows, visitor passports and discount programs, and internet-based promotions.

This program component will create a statewide framework of development, branding and quality control for regional groups who apply to participate in the program. The Food & Cultural Trails component will work in collaboration with the WI Department of Transportation's scenic byways program and the Department of Tourism's Agri-tourism initiatives. The DATCP role will establish and oversee minimum requirements and quality standards for each region's trail. Applications will require trails to include several elements: fresh markets and dining establishments that feature locally-produced foods; recreation and leisure opportunities; art, history and cultural assets and natural attractions; lodging and accommodations. Applications will be evaluated based on the number of local and Wisconsin products included in the trail; the plan for providing business education and technical assistance for trail participants; and for integration with other DATCP programs, i.e. Savor Wisconsin and Something Special from Wisconsin™. Applicants will be required to collect evaluative data and have a quality control plan to ensure a consistent brand image.

This component will include:

1. A grant program which designates regional trails for food and culture tourism development. Two trails will be designated in Year 1; three additional trails in Year 2; and three additional trails in Year 3, for a total of eight trails. Each selected trail will receive up to \$50,000 over a three-year period for coordinating the trail and providing services to participating producers and other businesses in the trail. Regions will be self-determined by the coordinating entity/applicant. The coordinating entity may be a non-profit organization, local government or other regional organization that has the expertise to coordinate and deliver training and technical assistance.
2. Branding and image opportunities for regional trails and trail participants. A statewide brand for the program that can be adapted regionally to designate a specific trail area. Examples of branding and image programs that Wisconsin currently uses are shown at right. The brand image will also be adaptable for use by participant sites along the trails. Applicants for regional trail designation will be encouraged to include producers who use the



Something Special from Wisconsin™ identity program, and those who are featured on the SavorWisconsin.com web site.

3. Technical assistance and program coordination. A DATCP Economic Development Consultant (EDC) will manage overall program implementation and provide technical marketing and business advice to trail coordinators and participants. The EDC will develop a toolbox that will include cooperative marketing and promotion education, as well as proven models and strategies such as business networks and word-of-mouth marketing programs. The toolbox will be used as a means for business development, consumer education, and for quality control of the brand image. Tool examples include training programs for business planning and practices, product development, labeling, health and safety, customer service, site management, trail market development, public relations and the economic impacts of buying local. In addition, the EDC will build organizational capacity within regions in order to promote sustainability of the trails beyond the grant period.

## **II. Regional Food System Development Component**

The needs, challenges and opportunities for building a regional food system are as varied as the consumer communities they serve. This component will identify and address the variety of hurdles facing regional food system development, such as supply and distribution problems, access to markets, lack of state policy, geographic distance from major markets, institutional purchasing impediments, value-adding capacity, or limited business skills.

This will be accomplished through the creation of online tools and networks, a competitive grant program and program coordination that will support and inspire agricultural innovation. These tools will help food producers meet the challenges they face, including access to markets, geographic distance from major markets, institutional purchasing impediments, value-adding capacity, or limited business skills.

Developing stronger Regional Food System will increase market opportunities for Wisconsin producers. This requires a systemic approach to strengthen relationships between players in the network, and help identify and remove impediments to accessing new markets. Program results will be shared with broader audiences to provide guidance on shaping state and local food policy.

This component will include:

1. A competitive grant program. Grants will be provided to help fund innovations and/or extendable models related to the development of marketing, processing and distribution networks. A competitive grant program will provide the much needed financial support to local communities to help propel the growth of the local food system. Successful models can be implemented across the state. Organizations, producers and individuals addressing the following issues will be encouraged to apply.\*
  - Creation or expansion of retail locations that promote and sell Wisconsin food products
  - Creation or expansion of food distribution and processing facilities/networks that support Wisconsin producers
  - Development or expansion of consolidated/cooperative efforts that help meet the demand of larger retailers and/or institutions
  - Educate producers on the requirements and approach necessary for selling to retailers and institutions
  - Consolidated multi-producer or multi-group effort working to develop or strengthen connections between producers and retailers, institutions and/or consumers.

*\* This list is not comprehensive and is subject to change based on a more thorough assessment of local food system market needs. Funding priority will be placed on applicants whose initiatives have the greatest impact on Wisconsin's local food economy.*

2. Technical assistance and program coordination. A second DATCP Economic Development Consultant will work with grassroots efforts to identify and reduce hurdles in regional food system development; provide business coaching for marketing, business planning, fund sourcing, production and distribution; develop web-based resources to aid producers with the start-up and growth of Wisconsin food businesses; identify and connect key food assets throughout the state; and disseminate grant funds that support business innovation and improve regional food system marketing.
3. Food business information resources. Information on best practices will strengthen the economic viability of agricultural enterprises and small-scale food processors throughout Wisconsin, and develop profitable, sustainable businesses. Content will include business development resources; lists of processors and community kitchens; business planning tools; information on licensing and permits; financing; marketing; and food safety. DATCP will team with network partners to locate and create relevant food business resources and utilize the existing SavorWisconsin.com infrastructure to launch information.
4. Policy development and implementation. The Secretary of Agriculture, Trade and Consumer Protection shall appoint an advisory council of producers, processors, industry organizations, consumers, and other institutions to help advise DATCP on strategies and program directions to enhance regional and local foods sales and the capacities needed in Wisconsin to be a national local foods leader.

## ***Benchmarks and Evaluation***

As part of the Buy Local, Buy Wisconsin program, DATCP will prepare an annual evaluation report. The report will assess the program's effectiveness, including:

1. The progress of the 10% by 2010 pledge and its economic impact in Wisconsin as compared to baseline data established for the program.
2. Capacity of the components to develop and deliver the services outlined in the program. This will be measured by program activity, use and impact of services as measured through the increase in use of existing programs and user surveys on value of new programs.
3. Economic impact of the direct grant investments in the regions. For the regions, elements that will be evaluated include number and variety of participants in each trail; increases in direct sales for those participants; type, variety and quality of education and technical assistance provided; creation or growth of local networks; attrition of trail participants; increase in tourism volume; customer satisfaction measures, and others.

The UW-Extension Center for Community Economic Development has agreed to develop specific indicators, benchmarks, and data collection strategies that will be used to evaluate the program.

The Department of Tourism will also contribute by adding measures to its annual tourism survey that evaluates the impact of marketing and promotion.

# Need

## Strengthen Communities

We can directly impact Wisconsin's communities by retaining and circulating food expenditure dollars within a community.

The accelerated globalization of the economy has opened and enlarged markets for food, furthering the competitive disadvantage faced by small farmers. According to the Crossroads Resource Center in Minneapolis,<sup>5</sup> food now travels an average of 1,500 miles from producer to consumer. Transporting food increases the need for preservatives, diminishes nutritional value and taste, and increases energy costs.<sup>6</sup>

The challenge to be competitive in a global market has changed the way agricultural economists look at the markets for small and mid-sized farms. Necessity and consumer demand have caused farmers to look for markets closer to home. A 2003 study completed by the Crossroads Resource Center revealed that relying on traditional supply chains for getting food products to market creates a negative balance in a regional economy - that is, the input costs to produce food are greater than the revenue the regions generate from agricultural sales. Yet, at the same time, the region's consumers are spending almost as much on food purchases outside of their region.

In 2005 and 2006, the Crossroads Resource Center performed regional economic analyses in six regions of Iowa, Minnesota, California, Florida and Alabama, and found that, no matter the specific crop or variety of crops produced in a region, all regions had a food sales deficit. At right is a snapshot of an economic analysis of a 12-county region in Minnesota as an example. The author of the analyses, Ken Meter, indicates that direct selling from farmers to consumers within the respective regions is necessary to retain agricultural wealth in the regions.<sup>7</sup>

In a 12-county region in West Central Minnesota, where 173,000 residents hold \$3.1 billion in annual purchasing power, farmers lose \$150 million each year producing food commodities, and also spend \$600 million buying outside inputs. At the same time, of the \$354 million the region's consumers spend on buying food, \$250 million is spent outside the region. This is a total loss of \$1 billion of potential wealth each year. This loss amounts to 70% of the value of all food commodities raised in the region.

Source: "Finding Food in Farm Country," economic analysis, November, 2005, Crossroads Resource Center, www.crcworks.org

## Reverse Mid-size Farm Decline

Wisconsin's mid-sized farms struggle to compete in today's highly consolidated, global food system. From 1997 to 2002, the number of Wisconsin farms ranging in size from 50 to 999 acres decreased by 21 percent. As part of a national research project on "agriculture-of-the middle," researchers from the University of Wisconsin-Madison and Iowa State University found: "...the mid-sized farms are the most vulnerable in today's polarized markets, since they are too small to compete in the highly consolidated commodity markets and too large and commoditized to sell in the direct markets."<sup>3</sup>

Wisconsin's Ag in the Middle is Shrinking	
Farm Size	Change in # of farms from 1997-2002
Less than \$9,999	+ 15%
\$10,000 to \$99,999	(20%)
\$100,000 to \$499,999	(18%)
\$500,000 or more	+ 16%

Source: USDA National Agricultural Statistics Service (NASS) 1997, 2002

Although the number of small farms is increasing, their production has not replaced the volume lost from the decline of mid-sized farms. The trend, however, does present an opportunity for new, local markets. Mid-sized farms can benefit most from the growing consumer demand for local, value-added products. The UW/Iowa research project also found "...unprecedented opportunities to develop a food and farming system that can enable the agriculture of the middle to thrive...mid-sized operations will be able to provide greater quantities of some of these products and both small and mid-sized farms can be linked into marketing networks that can efficiently supply substantial quantities of these unique products."<sup>4</sup>

***Provide State-level Coordination***

A Buy Local, Buy Wisconsin working group was convened because of the need for coordination, policy and advocacy at the State level for producers, institutions and communities wanting to increase selling and buying opportunities for products grown and produced locally. These interested parties have partnered with DATCP to support and connect the resources, strategies and state policies that will increase local sales of Wisconsin products.

## Opportunity

### **Consumer Trends**

Per capita expenditures on fruits and vegetables are expected to have the highest increases among all types of foods through 2020, according to “The Expanding U.S. Market for Fresh Produce,” a February, 2004 paper published by the Midwest Agribusiness Trade Research & Information Center at Iowa State University.<sup>8</sup> Although imports have grown 11% in the last decade to meet this growth, the paper says, most consumers will prefer locally-grown foods because they are more and more concerned about nutrition, safety, variety and convenience. “In a growing portion of the market,” the paper says, “consumers will be willing to spend more money on higher-quality produce. As a result, growing niche markets for non commodity products are expected to provide greater opportunities for both foreign and domestic producers to increase the farm value of fresh produce.”

This market opportunity not only addresses the consumer trend but advances the goals of the State’s “Healthiest Wisconsin 2010” effort. The plan’s eleven health priorities include adequate and appropriate nutrition and overweight, obesity, and lack of physical activity. As recognized in the plan, addressing these priorities requires intensive collaborative action.

Small and mid-sized farms offer the unique opportunity to build new local markets by connecting their products directly to the consumer. With the University of Wisconsin-Extension, and hundreds of local development organizations, a strong community economic development infrastructure exists in Wisconsin that offers the perfect opportunity to grow new markets by building local partnerships. The Buy Local, Buy Wisconsin program will connect Wisconsin’s food producers with this infrastructure and other appropriate businesses and attractions, to build regional experiences centered on food and other products.

### **Buy Local Consumers Seek Connection with Producers**

According to USDA-AMS, Wisconsin consumer food purchases are predicted to increase 28.66% from 2003 to 2008 (see Appendix B). Consumers are becoming more knowledgeable and selective about the food they eat, often seeking a personal connection to food. New experiences centered around food are being pursued every day. This can benefit Wisconsin’s diverse agricultural producers. According to the market research firm *The Hartman Group*, “Consumers want to buy into products and brands that foster and support the lifestyle-oriented communities they value. Buying local gives them the direct link to extend and expand into their own community, empowering them and giving them the sense of belonging. They want to feel as if they know producers on an intimate level.”<sup>9</sup> The Buy Local, Buy Wisconsin program will establish and strengthen the connection between producers and consumers.

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*“Buy Local, Buy Wisconsin serves the triple bottom line by enhancing Wisconsin’s economic, social and environmental systems.”*  
- Gerald R. Campbell

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### **Regional Food Systems Improve Local Economies & Enhance Tourism**

Buying local reduces energy costs and environmental emissions, and increases the local economic impact of food dollars.<sup>10</sup> According to Gerald R. Campbell, University of Wisconsin-Madison Professor of Agricultural Economics, “Buy Local, Buy Wisconsin serves the triple bottom line by enhancing Wisconsin’s economic, social and environmental systems.” Regional food systems are closely tied to other facets of community economic development.

In addition, developing vibrant regional food systems can create opportunities for tourism in rural areas. A recent study by the USDA’s Economic Research Service found that, “Rural tourism and recreational development leads to higher employment growth rates and a higher percentage of working-age residents who are employed. Earnings and income levels are also positively affected.”<sup>11</sup> Agricultural marketing, through the Buy Local, Buy Wisconsin plan, will help grow the state’s \$12 billion tourism industry.

## **Conclusion**

The 10% by 2010 Goal will strengthen Wisconsin's agriculture and local communities by annually contributing over \$1.9 billion in food dollars to local economies. The design and components of this program represent the best thinking and experience of individuals from across the state who logged hundreds of hours in research, working group meetings, and online forums for information sharing. The Buy Local, Buy Wisconsin program will grow new markets by presenting an integrated approach to economic development. The methodology and resource investment can expect to receive widespread support from individuals and organizations throughout the state.

# Budget

To successfully implement the Buy Local, Buy Wisconsin program, an annual budget of \$550,000 is necessary. Program costs include the hiring of staff to manage the program, supplies and services to implement the grant application processes, grant funds, and funds for marketing and evaluation services, education programs, and information technology.

## Sample Program Budget

	Year 1	Year 2	Year 3	Year 4	Year 5
1. Personnel	\$144,150	\$147,033	\$149,973	\$152,973	\$156,033
2. Supplies and Services, travel, training	\$30,000	\$40,000	\$60,000	\$40,000	\$30,000
3. Marketing	\$30,000	\$30,000	\$25,000	\$22,000	\$20,000
4. Evaluation	\$10,000	\$15,000	\$20,000	\$20,000	\$20,000
5. Education Programs	\$30,850	\$62,967	\$40,027	\$60,027	\$18,967
6. Information Technology	\$125,000	\$75,000	\$75,000	\$75,000	\$125,000
7. Grants	\$180,000	\$180,000	\$180,000	\$180,000	\$180,000
<b>TOTAL</b>	<b>\$550,000</b>	<b>\$550,000</b>	<b>\$550,000</b>	<b>\$550,000</b>	<b>\$550,000</b>
WI Tourism Support - Marketing (see budget note #3)	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000

## Budget Notes

1. Personnel includes salary and benefits for 2 FTE DATCP economic development consultants who will manage program development and coordination, training, education and technical assistance and information technology. Positions have a starting salary of \$50,000 with 44.15% fringe benefit rate, and are indexed by 2% per year cost of living increase.
2. Supplies, services, travel and training includes office equipment and supplies, travel and training for 2 FTE positions.
3. Marketing funds will be used to develop and produce branding and image materials. Funds will also be used for marketing and promotion campaigns that will be developed in collaboration with the Department of Tourism and implemented by both agencies. Tourism’s commitment to the program will be at a baseline of at least \$20,000 worth of marketing and public relations in-kind support. This support could include marketing consultation, web promotion, public and media relations, graphics and advertising agency service, fulfillment, publications, advertising and special promotions.

4. Evaluation funds will be used to track and report performance indicators for all elements of the program. DATCP will sign a memorandum of understanding with the University of Wisconsin - Extension Center for Community Economic Development to provide data tracking and evaluation analysis on the programs.
5. Education programs include workshops, training programs, conferences, and other educational mechanisms to help producers, suppliers, regional coordinating organizations and consumers to build capacity to fulfill the Buy Local, Buy Wisconsin program goals. Dollar amounts are indexed according to the number of trails that will be in operation and their maturity in the program.
6. Information Technology includes hardware and software expenses, time and expertise for developing online databases and websites. Year 1 and Year 5 allocations are higher to cover research and development in the first year, and systems enhancements in the fifth year. To facilitate the development of statewide local food networks, online electronic resources are critical to program success.
7. Grants include three-year commitments for each successful region to participate in the Food & Culture Tourism Trails. The three-year commitment is for \$20,000 in Year 1, \$20,000 in Year 2, and \$10,000 in Year 3 for a total of \$50,000 per trail. Two trails will be designated in Year 1, three additional trails in Year 2, and three additional trails in Year 3, for a total of eight trails. Grants also include a general pool of funds that will be distributed competitively as mini-grants to fund innovative models for regional food system development.

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## ***Partners and Roles***

DATCP will provide the primary role for the Buy Local, Buy Wisconsin program, which is to coordinate development and implementation of the components and ensure quality control. This will be accomplished through 2 FTE positions that will develop program operations and materials, conduct the application and award process, and provide network coordination, training and technical assistance.

DATCP will provide funds to the Wisconsin Department of Tourism for marketing and promotion of the Food & Culture Tourism Trails. Tourism staff and staff from the advertising agency that designs the State tourism campaigns have participated in the design and development of this program from the beginning, providing valuable expertise and counsel in proper program strategies. The Department of Tourism also collects annual data related to tourism expenditures in the state, which will contribute to the evaluation mechanisms for the Food & Culture Tourism Trails.

Also through a memorandum of understanding, the University of Wisconsin - Extension Center for Community Economic Development (CCED) will provide data tracking and reporting for program evaluation. CCED has assisted in development of this program by identifying benchmarks and indicator sets for the data that will be tracked.

Other partners will be engaged to provide education and training programs that will be identified by, and specific to each region. Each designated Food & Culture Tourism Trail region will receive a start-up training package provided by CCED and other partners such as the Agriculture Innovation Center. In addition to the start-up package, the program will also offer specialized training programs to each trail on a cost-sharing basis. Specialized training will be provided by partners that have specific expertise, such as Resource Conservation & Development Councils, technical colleges, local development corporations, or other trail systems.

Partners who have contributed to the development of this proposal are listed in Appendix A.

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## Endnotes

1. Keynes, John Maynard, *The General Theory of Employment, Interest, and Money*, 1936. Reprinted in *Keynes, Collected Writings, Vol. 7*. Viewed at the Concise Encyclopedia of Economics, [www.econlib.org](http://www.econlib.org).
2. Review of local economic analyses and impact studies posted by the New Economics Foundation at [www.pluggingtheleaks.org](http://www.pluggingtheleaks.org) and [www.newrules.org](http://www.newrules.org).
3. Kirschenmann, F., Stevenson, S., Buttel, F. Lyson, T. and Duffy, M., *Why Worry About the Agriculture of the Middle?* White Paper for the Agriculture of the Middle Project. Date n/a. This national initiative seeks to renew what is being called the "agriculture-of-the-middle." This term refers to a disappearing sector of mid-scale farms/ranches and related agrifood enterprises that are unable to successfully market bulk commodities or sell food directly to consumers. [www.agofthemiddle.org](http://www.agofthemiddle.org)
4. Ibid.
5. The Crossroads Resource Center is a Minneapolis-based non-profit organization that provides research and consulting to build capacity and respond to issues of urban and rural poverty, ethnic diversity, food security, sustainability and other concerns identified by communities. Center president Kenneth A. Meter has been on the faculty of the University of Minnesota, Metropolitan State University, and a lecturer on economics at Harvard University. The Center has developed a statistical process for identifying the leakage of food dollars from a region and has applied the analysis in several regions. Studies are posted at [www.crcworks.org](http://www.crcworks.org)
6. [www.foodroutes.org](http://www.foodroutes.org), "The Best Tasting Food Ripens Close to Home," fact sheet.
7. Crossroads Resource Center, see endnote #5.
8. Clemens, Roxanne, *The Expanding U.S. Market for Fresh Produce*, Center for Agricultural and Rural Development (CARD), Iowa State University, February 2004.
9. "Is 'buying local' the real deal?" Hartman Group. [Hartman-group.com](http://Hartman-group.com)
10. [www.sustainabletable.org/issues/energy/](http://www.sustainabletable.org/issues/energy/) and [www.sustainabletable.org/issues/buylocal/](http://www.sustainabletable.org/issues/buylocal/) : "17% of all fossil fuel used in the U.S. is consumed by the food production system... Large amounts of fossil fuel are required to power heavy farming machinery, to process foods, to refrigerate foods during transportation, to produce packaging materials, and to manufacture and transport chemical inputs such as fertilizers and pesticides." and "In the US, the average meal travels 1,500 miles before it reaches your plate. As a result, food is less fresh, contains fewer nutrients, and requires costly, resource-intensive transportation and packaging. Buying local is a key component of sustainability."
11. Reeder, R.J. and Brown, D.M., *Recreation, Tourism, and Rural Well-Being*, U.S. Department of Agriculture, Economic Research Service, August 2005.

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## **Appendix A - Buy Local, Buy Wisconsin Participants**

Agricultural Innovation Center: Greg Lawless, Greg Wise

Algoma Farm Market Kitchen: Mary Pat Carlson

Blue Planet Partners: Jim Bower

Boelter & Lincoln: Diane Charno

Cranberry Discovery Center: Lorry Erickson

Crystal Infusion LLC: Mark Olson

Dairy Business Innovation Center: Laurie Greenberg

Dane County Supervisor: Kyle Richmond

Galena LLC: Mary Hasheider

Heart of Wisconsin Business & Economic Alliance: Connie Loden

Homegrown Wisconsin: Susan Rubinstein

Innovative Leadership Australia: David Beurle

justlocalfood.com: Aaron Ellringer

LakeFront Brewery: Russ Klisch

Meudt Show Lambs : Jenny Meudt

Michael Fields Agricultural Institute :Ron Doetch, Jeanne Merrill

Oconomowoc Lake Club: Jack Kaestner

Resource Conservation & Development Councils:

    Pri-Ru-Ta RC&D: Chris Borden

    River Country RC&D: Pam Herdrich

    SW Badger RC&D: Steve Bertjens

    Town & Country RC&D: Diane Georgetta

    Lori Horbas, RC&D, freelance writer

REAP Food Group: Miriam Grunes

Roundy's Supermarket, Inc.: Karen Francheschi

Shooting Star Farm: Rink Davee

SE WI Food & Farm Network: Deb Deacon

Spooner's Farmers Market: Connie Van Sluys

Trails Media Group: Scott Klug

Travel Green Wisconsin: Kerrie Cunningham

University of Northern Iowa: Kamyar Enshayan

USDA Natural Resources Conservation Service: Don Baloun

UW Center for Cooperatives: Anne Reynolds

UW Extension:

    Gary Green, Center for Community Economic  
    Development; Jane Hansen; Mark Kopecky, Price County;  
    Andrew Dane, Barron County; Rose Skora, Kenosha

Vandewalle & Associates: Brian Ellison

WestCAP: Tom Quinn

Williamson Street Grocery Co-op: Lynn Olson

WI Agricultural Tourism Assn: Anna Maenner

WI Arts Board: Rick March

WI Assn of Convention & Visitor Bureaus: Julia Hertel

WI Counties Association: Dave Dumke

WI Dept. of Agriculture: Trade & Consumer Protection:

    Amy Bruner, Lois Federman, Will Hughes, Lora Klenke,  
    Kathy Schmitt, Lisa Stout

WI Dept. of Health & Family Services: Judy Allen, Amy Meinen

WI Dept. of Natural Resources: Susan Foote-Martin

WI Dept. of Tourism: Sarah Klavas

WI Farm Bureau: Tom Thieding

WI Grocers Association: Cheryl Lytle, Brandon Scholz

WI Home Grown Lunch Program: Doug Wubben

WI Home Harvest: Jay Salinas

WI Milk Marketing Board

WI Potato & Vegetable Growers Association: Angela Hemauer

WI Restaurant Association: Susan Quamm

WI Rural Partners, Inc.: Kelly Haverkamp

WI State Fair: Mary Beth Carr

Individuals:

    Terese Allen, Madison ; Susan Beitlich; Dale Secher; Stacy  
    Simpson; Ann Woods, Consultant

## Appendix B - Statistical Profile of Wisconsin

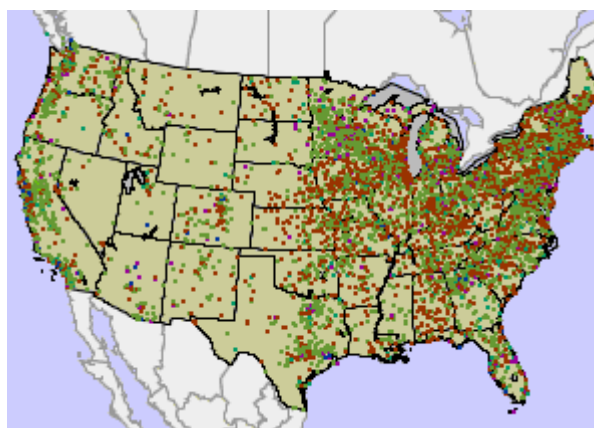
Agriculture Sector Profile	Wisconsin	United States
Farm-Related Employment (2000)	606,118 jobs (18.1% of total Wi employment)	25,834,574 jobs (15.6% of total U.S. employment)
Number of Farms (2002)	77,131	2,128,982
Average Farm Size (2002)	204 acres	441 acres
Value of Final Agricultural Sector Output (2002)	\$5.6 billion	\$200.6 billion
Rank among all States in market value of agricultural products sold (2002)	#10	
Value of Agricultural Products Sold Directly to Consumers (2002)	\$29.0 million	\$812.2 million
Farmers Markets (2004)	168	3,617

Source: USDA Agricultural Marketing Service and Claritas Inc. © 2004.

### Top 5 Agricultural Commodities (2002)

Commodity	Value of receipts (thousand \$)	Percent of U.S. value
Dairy products	2,662,650	13.0
Cattle and calves	656,389	1.7
Corn	565,059	3.2
Soybeans	212,891	4.0
Potatoes	199,535	6.6

Wisconsin has 80 CSAs. A CSA, (for Community Supported Agriculture) is a way for the food buying public to create a relationship with a farm and to receive a weekly basket of produce. By making a financial commitment to a farm, people become "members" (or "shareholders," or "subscribers") of the CSA. A CSA season typically runs from late spring through early fall. The number of CSAs in the United States was estimated at 50 in 1990, and has since grown to over 1000. Source: [locaharvest.org](http://locaharvest.org).



At right: Location of organizations involved in community-supported agriculture, including farmers' markets. Source: [foodroutes.org](http://foodroutes.org)

**Appendix B, continued - Statistical Profile of Wisconsin**

<b>WISCONSIN FOOD EXPENDITURES</b>	<b>2003 Estimated</b>	<b>2008 Projected</b>	<b>% Change</b>
<b>TOTAL EXPENDITURES</b>	\$86,878,369,000	\$111,781,282,000	28.66%
<b>FOOD AT HOME TOTAL</b>	\$10,087,288,400	\$11,629,915,600	15.29%
<b>FOOD AWAY FROM HOME TOTAL</b>	\$9,179,689,700	\$11,645,833,100	26.87%
<b>FOOD AS % OF TOTAL EXPENDITURES</b>	22.18%	20.82%	-----
<b>FOOD AT HOME</b>			
<b>MEATS (ALL TYPES)</b>	\$1,861,204,800	\$2,157,324,000	15.91%
<b>FISH &amp; SEAFOOD PRODUCTS</b>	\$184,691,300	\$215,317,500	16.58%
<b>FRUITS &amp; VEGETABLES</b>	\$1,066,740,400	\$1,216,042,700	14.00%
<b>DAIRY PRODUCTS</b>	\$1,105,855,300	\$1,270,049,600	14.85%
<b>BAKERY PRODUCTS</b>	\$1,112,871,600	\$1,245,260,500	11.90%
<b>CEREALS &amp; PRODUCTS</b>	\$553,862,100	\$648,158,300	17.03%
<b>PREPARED FOODS</b>	\$1,714,278,900	\$2,002,118,700	16.79%
<b>JUICES</b>	\$251,516,400	\$287,576,200	14.34%
<b>FOOD AWAY FROM HOME</b>			
<b>BREAKFAST &amp; BRUNCH</b>	\$629,276,300	\$879,038,400	39.69%
<b>LUNCH</b>	\$2,242,482,400	\$2,827,271,600	26.08%
<b>DINNER</b>	\$3,308,193,800	\$4,285,919,300	29.55%

Source: USDA Agricultural Marketing Service and Claritas Inc. © 2004.

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## **Appendix C - Sample List of Local Wisconsin Initiatives**

**A Kingdom So Delicious** (Door County, WI) A Kingdom So Delicious is a Door County Chamber of Commerce program that features local food, art and culture, presented through a map and passport itinerary promotion.

**Midwest Organic and Sustainable Education Service, Inc. (MOSES)** (Spring Valley, WI) MOSES is a 501(c)(3) non-profit education-outreach organization, located on an organic farm, working to promote sustainable organic agriculture. MOSES assists farmers, extension agents, organizations and others requesting information. They organize events and provide resources and referrals to help people learn more about the growing opportunities in organic agriculture.

**Madison Area CSA Coalition** (Madison, WI) The Madison Area Community Supported Agriculture Coalition is a non-profit educational organization working for a just and locally based food system by promoting CSA Farms serving south and southwest Wisconsin. The annual CSA Open House and farm list help fresh food enthusiasts in this region find a CSA farm they like. Their recently updated Food Book, 'From Asparagus to Zucchini: A Guide to Farm-Fresh, Seasonal Produce,' is an indispensable tool for all fresh produce lovers.

**Family Farm Defenders** (Madison, WI) Family Farm Defenders is committed to building a farmer-controlled and consumer-oriented food system. They developed their own cheese label: Family Farmer Cheese. Milk for their cheese comes from small dairy farms in south-central Wisconsin that use no artificial hormones. Cedar Grove Cheese Co. makes their cheese and pays farmers "the cost-of-production plus profit price."

**Crossroads Kitchen** (Menomonie, WI) Crossroads Kitchen is a shared-use commercial kitchen located in downtown Menomonie, WI. Crossroads provides local farmers and food businesses with access to space, food processing and packaging equipment and cold and frozen storage. The Kitchen is rented on a per hour or weekly basis. Crossroads Kitchen leases space in its building to the Menomonie Market Food Cooperative, and manages the Menomonie Farmers Market on Wednesdays and Saturdays during the growing season.

**Just Local Food Cooperative** (Eau Claire, WI) Just Local Food is a worker-owned cooperative with a delivery service and warehouse store featuring fresh, local organic milk, in-season vegetables and fruits, eggs, cheese, butter, fish, chocolates, coffee, honey, maple syrup, water, pizzas, frozen fruits & veggies, and frozen meats (beef, pork, chicken, turkey, bison & lamb). These local foods are available in their retail store or can be delivered weekly.

**Rainbow Farmers Cooperative** (Milwaukee, WI) The Rainbow Farmers Cooperative is dedicated to the viability of small family farms, connecting consumers and producers through a sustainable community controlled distribution system. This partnership provides much needed fresh, safe, and healthy food choices for families in urban communities. By securing markets for specialty crops and other farm products, the RFC strives to keep these farms operating and to secure a healthy food stream for consumers.

**Slow Food Wisconsin** (Madison and Milwaukee, WI) Brings together people interested in experiencing, celebrating and preserving our food traditions. They support artisan producers committed to sustaining the land and who develop products of excellent taste—Wisconsin farmers, cheesemakers, sausagemakers, winemakers and brewers. They offer taste education programs for school children and community members.

**Wisconsin Homegrown Lunch Program** (Farm to School) (Madison, WI) Pioneering farm to school efforts exist as part of the Wisconsin Homegrown Lunch (WHL), a community-based initiative working with the Madison Metropolitan School District Food Service to enhance the existing meal programs by introducing fresh, nutritious, locally produced foods to students.

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## **Appendix D - Other States' Strategies**

Many states are exploring strategies that develop and promote regional food systems to benefit their agricultural economy. Examples include:

**Michigan:** An executive directive from the Michigan governor reformed state procurement policy to increase purchases from Michigan farmers and businesses. The result was an 85% increase in Michigan purchases by state agencies in the first year of the program.

**California:** Proposed legislation to establish the California Fresh Start Pilot Program that encourages public K-12 schools to promote the consumption of nutritious fruits and vegetables. The law also states that priority should be given to California producers when purchasing produce.

**Washington:** Created a direct marketing assistance program for small farms. The program helps farms comply with direct marketing regulations; assists in developing infrastructure and informational resources to increase direct marketing opportunities; promotes localized food production systems; increases access to information for farmers pursuing direct sales to consumers; and assists in developing and submitting proposals for grant programs.

**New York:** The New York Regional Agriculture Development Act of 2005 established a \$250,000 regional direct marketing program, regional agriculture centers, and a value added grant program. The act established a patriotic history promotion program, a fishing promotion program, a cycling promotion program and an agri-tourism grant program.

A \$1 million agri-tourism initiative has been funded by the New York legislature, allowing food and farm related businesses a chance to attract tourists and generate income. The program is geared for businesses such as produce stands, farmer's markets, cider mills, maple sugar processors, cheese makers and wineries. The program provides up to \$50,000 in matching funds to conduct ag-related tourism projects across the state.

**Pennsylvania:** Introduced legislation to establish the Healthy Farms and Healthy Schools program. This program would train teachers and other educational staff on nutrition and agriculture education. A list of Pennsylvania farmers who have agreed to supply food products from Pennsylvania farms would also be established. Grants would be awarded to individual schools to procure local produce and implement the educational aspects of this program.

**Vermont:** Proposed a bill to establish a mini-grant program to help schools obtain resources to increase their use of local foods and to educate school children about nutrition and farming. This program also aims to help farmers find local markets for their products and to fund a project that will help Vermont farmers to process their products.

Vermont launched the Buy Local, 10% Difference campaign in an effort to shift 10% of consumer food dollars from imported foods to foods produced in Vermont. This program is linked to the state's "Vermont Seal" branded program and the online Vermont producer listings.

## Appendix E – 10% by 2010 Goal

Data on the total amount of locally grown food purchased by Wisconsin consumers, businesses and institutions has not been captured to date. Through the Buy Local, Buy Wisconsin program benchmarks will be established for measurable tracking against the 10/10 Goal. The following information was used to establish our goals and analysis.

1.

Total Annual WI Food Expenditures <sup>1</sup>	\$19.2 Billion
10% Opportunity	\$1.9 Billion

1. USDA and Claritas Inc. © 2004

2. New Economics Foundation-London, [www.pluggingtheleaks.org](http://www.pluggingtheleaks.org)

2. Vermont is using a similar model – Buy Local, 10% Difference. Vermont established the 10% \$100 million dollar goal to encourage consumers to support their state and local communities by eating locally produced foods.

“When the economy slumps and money gets tight, people put off purchases for new items like furniture, cars, electronics and vacations. No matter how tough things get however, people still have to eat. Vermont citizens spend approximately 13.5% of their annual income on food. The median family income in Vermont (all households) is about \$40,856 which translates into about \$5,515 spent annually on food. With 240,000 households in Vermont, it translates into about \$1.3 billion spent on food by Vermonters each year. If Vermonters were to shift just 10% of their food purchases to buying locally grown food products that could potentially add an additional \$130 million to Vermont's economy.”

Source: <http://www.vermontagriculture.com/buyvermont3.htm>

3. Currently less than 1% of all Wisconsin agricultural products are sold directly to consumers.

Value of Agricultural Products Sold Direct to Consumers	\$29.0 million
Total Annual WI Food Expenditures	\$19.2 billion
% of sold directly to consumers	0.15%

It is assumed that the total number of dollars spent on Wisconsin local purchases will be larger than the 0.15% above due to the following:

- This does not include restaurant and institutional purchases.
- The number of direct selling producers and the Farmers' Markets are increasing steadily.

Source: USDA Agricultural Marketing Service and Claritas Inc. 2004; Data from 2002.

4. “...locally grown food makes up less than 1 percent of the \$900-billion (US) food industry.”

Source: [Newsday.com](http://www.newsday.com). “Local Farms Delivering Freshness”, Becky Aikman.