

BUYING LOCALLY: BIG CHALLENGES FOR SMALL FARM DISTRIBUTION

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ABSTRACT

There are growing numbers of consumers who have an interest in buying agricultural products from sellers who are within a relatively close geographical radius. This interest has grown among certain segments of the population as the public has become more aware of food safety issues, increased food prices connected to lengthy distribution channels and community-driven focus on “going local”. Some research suggests that consumers will choose locally grown produce even when freshness is the same and prices are much higher (Brown and Miller, 2008). Initial interviews with farmers and consumers also suggest that the consumers using community supported agriculture (CSA) systems and consumers purchasing at farmers markets, while similar in terms of being socially aware, are quite different. For example, the “fair-like” atmosphere of the farmers market creates and meets the need for entertainment and thus draws a different consumer than the CSA consumer who makes a pre-growing period commitment to purchase, and picks up the produce typically in a nondescript location such as a school parking lot.

The most common sources of locally grown produce are community supported agriculture systems (CSA), farmers markets, and community gardens. These options exist in many communities. However, in locations with unfavorable growing conditions, the demand for “locally” grown produce is stronger since few consumers have success with backyard gardens. Additionally, the definition of “locally grown” is much broader since the farms supplying these markets are more distant than is the case in more agriculturally based communities. Northern Arizona, specifically the Flagstaff area is a good example of this type of environment and is used as the focus of this case study.

There are at least two community supported agriculture (CSA) systems in Flagstaff at this time. CSAs typically involve individuals (shareholders) in the community partnering with one or more farmers in the general geographic vicinity to deliver fresh produce to local consumers. This would typically result in the farmer receiving funding for seeds and other supplies prior to the growing season and providing a somewhat constant flow of produce to the local market. However, because of the extremely short growing season in northern Arizona, the farmers are significantly more distant to the market than in other States. Consequently the produce that is delivered through the CSAs in Flagstaff travels further distances than the typical CSA. Because of the perishable nature of agricultural products, this creates fairly significant challenges. For example, at the end of a day at a farmer’s market, much of the unsold produce must be discarded. The planned research investigates this unique channel of distribution and considers options for increasing efficiency and effectiveness of the CSA delivery system.

A related channel of distribution to the CSA is the Flagstaff Community Farmer’s Market (FCFM) which, unlike the CSA, is only a delivery option for “local” farmers during the summer and early fall

months. While including agricultural products from nearby growers, this option includes some imported produce. Additionally, unlike the traditional CSA which typically only delivers fresh produce, the FCFM also includes vendors of local meats, “home-canned” goods, honeys, etc. For most small farmers who distribute through both CSAs and farmer’s markets, priority is given to the CSA since consumers have pre-purchased the produce. The harvested crops that remain after distribution to the CSA are typically delivered to farmer’s markets with unsold produce either discarded or donated to food banks.

In addition to distribution challenges, small farmers face many other challenges. For example, there is growing interest by consumers in organically grown produce. However, organic certification laws strongly favor the large grower. Many small farmers practice organic and natural growing methods, but lack the resources to gain organic certification, and are consequently prohibited from stating that their produce is organic.

This paper describes exploratory research into the unique distribution systems and challenges of locally grown and locally produced agricultural products. Specifically it includes study of what “local” means in Northern Arizona and distribution challenges of small farmers and other organizations who are attempting to encourage local consumers to purchase from local businesses. The research includes interviews with the channel system participants, analysis of similarities and difference in the systems, challenges faced by the participants, an investigation into differences in the consumers engaged by these delivery systems.

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