Final Report for *Agritourism Training for Agriculture Professionals*

Primary Investigator: Kent Wolfe, Marketing Specialist with the Center for Agribusiness and Economic Development at the University of Georgia. Role: Project Director.

Cooperator: S. Gary Bullen, Extension Specialist in Farm Management at North Carolina State University. Role: Curriculum Coordinator.

General Information: ***Agritourism Training for Agriculture Professionals***

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Funding Amount: **$82,961.80**

Summary The rise in the popularity of agritourism has brought a need for information specific to this industry. As a result, producers are looking to agricultural professionals for help in developing agritourism on their farms. This project provided training to over 100 professionals in Georgia, Tennessee, North and South Carolina. The project included workshops in North Carolina, Georgia, and South Carolina. In addition, educational materials were created. In addition, an agritourism association was created in Georgia, an agritourism faculty position was created at Tennessee Tech University, and zoning regulations have been formulated in Georgia. All of the materials are available online at NCState and UGA.

Objectives/Performance Targets:

The objectives for the agritourism training program are:
1. After participating in the agritourism training workshop, extension agents and other agricultural professionals will have the background to identify issues that are significant to agritourism. The agents and farmers will use the manual to evaluate the economic feasibility of potential agritourism operations. The manual will allow the agents and farmers to work through the various regulatory, legal, marketing and financial issues facing agritourism operations and enable them to more effectively evaluate the business opportunity.

2. One hundred extension agents will learn how evaluate the feasibility of a new agritourism enterprise, identify legal and regulatory issues, and develop a marketing strategy in two-day agritourism workshops in Georgia and North Carolina. Tennessee and South Carolina extension agents will be invited to attend.

3. Fifty extension agents who cannot attend the workshop will complete the agritourism training via a web based and CD-ROM training.

4. The one hundred training participants will utilize the training and resources in their county. Twenty-five extension agents will organize agritourism programs as a result of the training.

5. Twenty farm families will explore agritourism as an opportunity to diversify their operations by using the resources developed from training.

6. As a result of this training, Georgia and North Carolina will conduct an agritourism workshop. In addition agents will work with 10 farmers from each state.

D. Evaluation

Evaluation will be conducted on several levels.

1. County agent/farmer advisory group will be formed to evaluate the training materials as the material is being developed. Recommendations will be incorporated as the materials are created.

2. The effectiveness of the agritourism training will be evaluated at the conclusion of the workshop.

3. Within a year of the training, follow-up phone evaluations will be conducted, the evaluation will asked for recommendations for future programs, changes in the education program made as result of the program, number of agritourism programs conducted in county and the number of individuals assisted. Comments and the evaluations will be posted on the direct marketing web site.

Accomplishments/Milestones

What work has been accomplished to date and what work is left to do?

1. Workshop in Asheville, North Carolina.
2. 2- new workshops were developed and held in North Carolina.
3. 3- New workshops were developed and held in Georgia, 2 in Dillard and one in Oakhurt, Georgia.
4. Workshop in Clemson, South Carolina.
5. Symposium in Savannah Georgia.

Agritourism Manual
Agritourism – topic Specific worksheets
Food regulations in GA
All materials are available online at NCState and UGA.

Impact and Contributions/Outcomes

How has (will) this research, demonstration, training or other activities benefited (benefit) producers/consumers in the Southern Region? This section should change from future tense in the first report to past tense in later reports.

1. The project was responsible for training over 100 agricultural professionals in four southern states. The first workshop/conference was held in Asheville, North Carolina on April 27-29, 2009. The workshop had a total registration of 86 people. The grant paid for these peoples travel and related expenses. See appendix A for a copy of the save the date flier and agenda. From this workshop, County agents in Georgia, North Carolina and South Carolina decided to have workshops in their respective states to pass along information to other agricultural professionals and producers.

   A. Georgia

   As a result of the 2009 workshop in Asheville, Bob Waldorf and Billy Skaggs, County Extension agents, decided to hold an agritourism conference in Georgia. There was a conference held in Dillard Georgia in November 2009. These workshops hosted 85 and 94 participants respectively. Thus a total of 179 producers were exposed to agritourism marketing, management, financial and regulatory information. The SARE funds were used to pay speaker travel to each of these events and also for agricultural professionals to attend. These people received the SARE manual prepared for this grant project. See Appendix A

   The Center for Agribusiness and Economic Development held a small workshop with agritourism professionals in Georgia, North Carolina, South Carolina and Tennessee. This meeting focused on sharing ideas that worked in promoting and developing agritourism in each of the respective states. It also functioned as a networking opportunity for agricultural professionals in the four states. As a result, there has been some cross sharing of ideas and even presentations in the various states. Appendix A.

   Georgia – The County agents from Georgia that participated in the Asheville Conference organized a second conference in Dillard Georgia in November, 2010. This meeting attracted over 86 participants. A major outcome of this conference was the formation of the Georgia Agritourism Association. The exposure has resulted in the Georgia Department of Agriculture hiring a full-time agritourism coordinator, the first ever in Georgia. Appendix A.

   In addition, county agents that attended the Asheville, North Carolina Workshop and the one in Oakhurt, Georgia have developed an agritourism ordinance in two Georgia counties. See Appendix A.

B. North Carolina

As a result of the Asheville, North Carolina workshop, agents in the state become more involved in agritourism. North Carolina agents in Western North Carolina developed two different agritourism workshops as a direct result of the Asheville Conference. These workshops were held in 2010. One of the workshops focused was held on January 28th, 2010 in Waynesville. The workshop had 32 participants from all over the state. The program focused on Minimizing on Farm Risk and Liability, Rules and regulations for Food and Activities for Agritourism Businesses. The second workshop was held in Lillington on March 10, 2010. This training focused on marketing, to include internet and social media. These two workshops had a total of 68 participants from all over North Carolina. See Appendix B.

C. Tennessee

As a result of the Asheville, North Carolina workshop, Dr. Michael Best (a speaker) became active in agritourism. Dr. Best is an agribusiness professor at Tennessee Tech University. Dr. Best starting talking with his Unit's Director and invited her to the workshop for agritourism state professionals in Savannah, Georgia in the spring of 2010. As a result of that workshop, Tennessee Tech decided to create a position and curriculum featuring agritourism. They are interviewing potential faculty member in July, 2011. See Appendix C.

D. South Carolina

Dr. David Lame with Clemson University organized a workshop in Columbia South Carolina as a result of attending the Asheville, North Carolina workshop. The workshop in Columbia was held January 5-6th, 2010 and had a total of 28 agricultural professionals participate. It was a one day workshop. See Appendix D.

2. Evaluations

Asheville, Evaluations –

Overall, the Asheville evaluations were very positive. The content appears to be appreciated by the participants and the vast majority of the participants learned something new during the workshop.

Post Workshop Evaluation Summary.

The participants of the original workshop in Asheville, North Carolina were called one year after the workshop and asked a series of questions regarding agritourism development in their areas. The majority of the participants indicated the workshop provided them a better understanding of agritourism, and 77% have used the materials in their planning and programming. An additional 70% have assisted clientele with agritourism related questions. One third have used the workshop materials to develop a presentation and 47% have developed a class or

workshop as a result attending. Seventy percent of respondents indicated that they have helped explore the possibility of starting an agritourism operation. See Appendix E.

Following Workshop evaluations (North Carolina, South Carolina, and Georgia) were not available as the agents did not share them with us.

Appendix A

Appendix B

Appendix C

Appendix D

Appendix E

Appendix A

The Business Side of Agritourism Workshop

April 27

Optional Agritourism Tours

5:00-6:00p **Registration / Check-in**

6:00-until **Opening- Meet & Greet**
Gary Bullen

April 28

8:00-9:00 **Registration / Check-in**

9:00-10:30 **Evaluate an Agritourism Enterprise**
Speaker

10:30-11:00 BREAK

11:00-12:30 **Market Evaluating**
Speaker

12:30-1:30 LUNCH

1:30-3:00 **Financial Analysis**
Speaker

3:00-3:30 BREAK

3:30-5:00 **Insurance / Risk Management**
Speaker

5:00-unitl Dinner at Taylor Ranch

April 29

8:30-9:00 **Check-in**

9:00-10:30 **Website**
Speaker

10:30-11:00 BREAK

11:00-12:30 **Why & How to Collaborate**
Speaker

12:30-until LUNCH / CLOSING / EVALUATION

Afternoon Session?

Southern Region SARE Sustainable Agriculture Research & Education Program

2009 Agritourism Workshop Series
"Expanding the Business Side of Agritourism thru Regionalism"
November 5-6, 2009

The Dillard House Conference Center

Wednesday - November 4th, 2009

5:30 to 9:00 Exhibitor Set up – Conference Center Lobby

Thursday Morning - November 5th, 2009

7:30 to 8:00 Exhibitor Set up – Conference Center Lobby

8:00 to 8:30 Registration – Conference Center Lobby

8:30 to 8:45 Welcome
Katheryn Granberg, Rabun County Board of Commissioners &
Bruce Green, Director, Tourism Product Development Georgia Department of Economic Development

Moderator: Bob Waldorf, UGA Cooperative Extension

8:45 to 9:15 Georgia Agritourism Overview
Kent Wolfe, UGA Center for Agribusiness and Economic Development

An overview of Agritourism in Georgia, what others are doing and the economic impact of agritourism on GA.

9: 15 to 11:45 Building an Effective, Affordable Website
Kent Wolfe, UGA Center for Agribusiness and Economic Development

The website development class will use Microsoft office live to develop a website and secure their URL. Participants will develop their website during the class. They need to bring electronic pictures and text files if they would like to add them to their site during the class.

When the participants leave, they will have a functioning website, complete with URL and a web presence.

11:45 to 1:00 Working Lunch "Social Media Marketing"
Scott Cagle, Safe and Sound Solutions
Location: Conference Center Straiton Room

Discussion on website optimization techniques; will focus on what needs to be done to ensure that your website will rank high when people search Google.

Thursday Afternoon – November 5th, 2009

1:00 to 2:00 How to Register on MarketMaker and Georgia Made Georgia Grown Products Direct Marketing Websites
Kent Wolfe, UGA Center for Agribusiness and Economic Development and Leslie Breland, Georgia Department of Economic Development

This presentation will show participants how to register their businesses/farms on the two websites – MarketMaker and Georgia Made Georgia Grown. Participants will be able to register on both sites during the session.

2 to 2:15 pm Break – Conference Center Lobby
Sponsored by Hillside Orchard Farms

2:15 pm to 6 pm Optional Farm/Agritourism Tours – van tours of local farms and agritourism venues –

Tour #1
- *Tiger Mountain Vineyards*
- *Stack Farms at Tiger Mountain Orchards*
- *Packing House at Tiger Mountain Orchards*
- *Hillside Orchard Farms*
- *Goats on the Roof*

Tour #2
- *Sylvan Falls Mill*
- *Persimmon Creek Vineyards*

Hillside Orchard Farms
Goats on the Roof

4:30 pm – 6 pm	TDAG Legislative Update - *Join members of the Northeast Georgia Mountains Travel Association for an afternoon session with Joy Walstrum, Executive Director of the Tourism Development Alliance of Georgia (TDAG). Joy will provide a legislative update and solicit feedback from our Northeast Georgia Mountains travel region on TDAG's 2010 public policy platform.*
6:30 pm	Reception and Wine Tasting, sponsored by the Winegrowers Association of Georgia - *Georgia may be the Peach state, but the clusters in our vineyards are producing award-winning wines and gaining national recognition, fueling the emergence of North Georgia as a prominent wine region. Taste our award-winning Georgia wines, compliments of the Winegrowers Association of Georgia.*
7:00 pm	Legislative Dinner and Entertainment *Members of the Northeast Georgia Mountains Travel Association and delegates to the Georgia 2009 Agritourism Conference join for dinner with our Georgia legislators, and the Tourism Development Alliance of Georgia (TDAG).*
8:00 – until	After Dinner Georgia Wine Tasting Party

Day 2

Friday Morning - November 6th, 2009

8:00 to 8:15	Welcome *DVD of Governor Sonny Purdue's message on Agritourism given earlier this year at the annual Governor's Ag Day* *Moderator – Billy Skaggs, UGA Cooperative Extension*
8:15 to 9:45	Financial Analysis - The Business Side of Agritourism – presented by an agritourism business owner and an agritourism subject matter expert *Drew Echols, Jaemor Farms &* *Gary Bullen, North Carolina State University* *Discussion on the essentials for financially analyzing your agritourism project.* *Mr. Echols has served as farm manager at his family's farm & roadside market for six years. His responsibilities include day-to-day farm operation; management of agritourism activities including corn maze, field trips, and tours; and long-range business planning. Mr. Echols is recognized as a community leader, has served as a director of the Greater Hall Chamber of Commerce, and currently serves as the Vice-President of Hall County Farm Bureau.*
9:45 to 10:00	Break – Conference Center Lobby
10:00 to 11:30	Examining Market Potential, Pricing and Marketing "The Value of Clustering & Co-marketing" *Ron Simmons, SBDC &* *Robert Mitcham, Hillside OrchardFarms* *The SBDC will discuss how to turn your farm into another stream of revenue. Find out what it takes to add another stream of revenue to your farm. Managing the*

customer experience can be rewarding and challenging – but done well, cost effective. Attend this workshop taught by experienced UGA Small Business Development Center staff. Topics include: managing the customer experience, agritourism uniqueness, customer expectations from restrooms to food and drink to traffic flow and feedback, outside tourism versus locals, leveraging partnerships, and what is your unique proposition.

Up to 80% of Hillside's business is private labeling and Robert will discuss Hillside's value added program and the benefits of clustering and co-marketing to the program. He will also discuss Hillside's newest endeavor, to co-op with local beekeepers to establish a "Honey House" at the farm.

11:30 to 12:15 Agritourism Promotional Signage – Georgia Department of Agriculture
Julie Akins, GA Dept of Agriculture

A presentation of what assistance the Dept of Agriculture can provide

Friday Afternoon - November 6th, 2009

12:15 to 1:30 Networking Lunch - "Benefits of Collaborative Marketing"
Linda Johnson - Georgia Mountains Food Ways Alliance
Location: Conference Center Straiton Room

Mrs. Johnson describes her experiences with the development and promotion of the local food culture and small businesses from field to table

1:30 to 2:15 Agritourism Trends
Bruce Green, Director of Tourism Product Development, GA Dept. of Economic Development

This session will focus on recent trends in tourism product development and statewide marketing strategies.

2:15 to 2:45	Insurance/risk management/safety *Leanna W. Sherman, Commercial Underwriting Manager, Georgia Farm Bureau* *Discussion will be about the risk and liability associated with Agritourism*
2:45 to 3:00	Break – Conference Center Lobby *Sponsored by the Dillard House Stables*
3:00 to 3:45	Regulations and Zoning *Martha Reimann, Community Development Coordinator, Dept. Community Affairs* *This session will cover a brief overview of zoning and land use while exploring the opportunities of conversation easements for environmental protection and economic development purposes.*
3:45 to 4:30	Regional Resource Session – *an opportunity to network and collaborate with entities that have resources to help expand regional agritourism efforts*
4:30 pm	Closing and Evaluations

2009 Agritourism Workshop Series
"Expanding the Business Side of Agritourism thru Regionalism"

AGENDA

Day 1 – December 2, 2009

8:00am - 8:30am	Registration
8:30am - 8:45am	Welcome *Lon Marlowe, Oakhurst Farm*
8:45am - 9:15am	Georgia Agritourism Overview *Kent Wolfe, UGA Center for Agribusiness and Economic Development* *An overview of Agri-tourism in Georgia, what others are doing and the economic impact of Agri-tourism on GA.*
9:15 – 9:30	Break
9:30am -11:45am	Building an Effective, Affordable Website *Kent Wolfe, UGA Center for Agribusiness and Economic Development* *The website development class will use Microsoft office live to develop a website and secure their URL. Participants will develop their website during the class. They need to bring electronic pictures and text files if they would like to add them to their site during the class. When the participants leave, they will have a functioning website, complete with URL and a web presence.*
11:45 – 1:00	Working Lunch "Social Media Marketing" *Scott Cagle, Safe and Sound Solutions* *Discussion on website optimization techniques; will focus on what needs to be done to ensure that your website will rank high when people search Google*

1:00 – 1:15	Break
1:15 – 2:30 pm	How to Register on MarketMaker and Georgia Made Georgia Grown Products Direct Marketing Websites *Kent Wolfe, UGA Center for Agribusiness and Economic Development* *This presentation will show participants how to register their businesses/farms on the two websites – MarketMaker and Georgia Made Georgia Grown. Participants will be able to register on both sites during the session.*
2:30 – 5:30pm	Optional Farm/Agritourism Tours – van tours *Tour four different Agritourism operations that have diversified their lands over the years to welcome the public. The tour will include Meadowgate Farms, Big Red Oak Hunting Plantation, the Cotton Pickin' Fair and QC Arena.* OR Educational Sessions – Agri-Tourism Opportunities Farmer's Markets; Family Reunions & Theme Parties; Farm Tours, Blueberries; Grass-fed Beef; Sheep, Goats & Pastured Poultry; Organic Vegetables
5:30 – 5:45pm	Evaluation
6:00 – 7:00 pm	Reception – Wine & Cheese Social
7:00 – Until	Legislative Dinner

Day 2 – December 3, 2009

8am to 9am	Breakfast *Sponsored by Chick-Fil-A*
9:00 - 9:15	Welcome
9:15 - 10:15	The Business Side of Agritourism *Jeff Manley – Rock Ranch*
10:15 – 10:30	Break
10:30 – 12:00	Marketing: The Value of Clustering & Co-marketing *David Dyer & Fay Tripp*
12:00 – 1:00	Lunch Speaker –Resources Available for Signage *David Millen – GDOT &* *Julie Akins– Dept. of Agriculture*

1:00 pm to 2:30pm Concurrent Sessions

1:00pm to 1:30pm	Evaluating Market Potential *Tammy Segura SBDC*
1:30pm to 2:00pm	Insurance/Risk Management *LeAnna Sherman, GA Farm Bureau* *Discussion will be about the risk and liability associated with Agri-tourism.*
2:00pm to 2:30pm	Financial Analysis -- Enterprise Budgets *Mike Best – Tennessee Technical University*

2:30pm to 2:45pm Break

2:45pm to 4:15pm Concurrent Sessions (continue)

2:45pm to 3:15pm Regulations and Zoning
Martha Reimann, Community Development Coordinator, Georgia Department of Community Affairs

This session will cover a brief overview of zoning and land use while exploring the opportunities of conversation easements for environmental protection and economic development purposes.

3:15pm to 3:45pm Safety
Dr. Jim Woods, DVM

3:45pm to 4:15pm Financing – Loans & Grants
Bill Snapps

4:15 pm Closing/Evaluations

4:30 pm Adjourn for Home

Agritourism Professional Agritourism Symposium Agenda
April 22-23, 2010, Savannah, GA

1. The workshop will be organized as a "round table organized by states. Each state will have time to speak and elicit a discussion of issues involving the following::

    a. What are you currently working on in regards to agritourism?

    b. What initiatives are you planning for?

    c. What issues/roadblocks/successes have you had? (Lessons learned)

    This will include regulation, zoning, liability, legal, marketing, financial and other topics that directly or indirectly impact agritourism.

The purpose of the state-by-state discussions or "information sharing" would then lead to a broader/regional discussion of pulling it all together, and where do we go from here to advance agritourism in our states and region. Ideas for discussion in this section might be:

d. What are the common issues in our collective region (TN, NC, SC, GA)?

e. What can we "borrow" from other states (learned from #1 above) to apply in our state/region? How do we facilitate this?

f. What are the issues/topics/trends we can work on collectively to move agritourism forward in our collective region?

g. Where do we go from here? How do we proceed?

Thursday (April 22)

9:00 – Pre Conference Grant Opportunity Discussion- Seeking funding to move agritourism forward

1:00 -- Welcome and introduction (Kent Wolfe and Gary Bullen)

1:15 – 2:00 -- Georgia Initiatives (Kent Wolfe, Georgia Farm Bureau, David Dyer, Maggie Potter)

2:15—3:00 – Tennessee Initiatives (Scott Cagle, Mike Best, Pamela Bartholomew)

3:15 – 4:00 – North Carolina Initiatives (Gary Bullen, Stacy Tomas, Samantha Rich)

4:15 – 5:00 – South Carolina Initiatives (David Lamie)

5:00 – Agritourism visit We will visit a local agritourism operation in the area. This is tentatively arranged. More details will follow.

7:30 Dinner on your own.

Friday (April 23)

Breakfast on your own

8:30-9:30 – USDA Funding Sources (Craig Scroggs and Al Burns)

9:30- 11:15 – Identification of collective issues, resources, themes, trends, etc. Plans for future collaborations/partnerships/projects. (Questions from #2 above)

11:15 – 12:30 – Wrap up and next steps: Where do we go from here?

1:30- Depart

Please Contact Carla Wood to register. There is no registration fee.
Carla's Contact Information:
email: carlam@uga.edu
Phone: ***706-583-0347***

Hotel Information: Please make your own reservations. We have a block of rooms.

Hampton Inn
East Bay St., Savannah, GA 31401
912.629.4188 | Fx: 912.231.9940
Please reference the agritourism symposium when you register.

Search

Georgia Agritourism Association

Non-Profit Organization

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Georgia Agritourism Association via **Shook's Family Farm**

Shook's Family Farm (Powered by Cube
theonline-yardsale.com

16 hours ago · Like · Comment · Share

Georgia Agritourism Association

The Great Pumpkin Cookoff
Location: Calhoun Produce, Inc.
Time: 11:00AM Saturday, October 22nd

July 23 at 2:32pm · Like · Comment · Share

2 people like this.

Calhoun Produce Time correction: 2 pm
16 hours ago · Like

Write a comment...

Georgia Agritourism Association

Spout Springs Library Farmers Market Peaches are
this week along with beans, squash, potatoes, tomatoes,
breads, cakes, plants and check out the home craft stanc
jewellry, monogramed and crocheted items.....see you al
4-7pm

July 20 at 4:36pm · Like · Comment · Share

Georgia Agritourism Association

Georgia National Fair October 7-17, 2010 | Perry, Georgia

Christopher Brandon
Heidi Wolfe
Jac Wolfe
Kim Jackson
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www.georgianationalfair.com

July 19 at 11:59am · Like · Comment · Share

Georgia Agritourism Association

LoganBerry Heritage Farm It's like this.....we plante
Heirloom Tomato Plants at LoganBerry this year and they
beginning to ripen now. Early for us. We have LOTS of To
and will for two months. You can always call me for mid-
you need some before Saturday's Market. By the pound, t
ten pounds and 25 pounds.....They are incredibly delic
Rose

July 19 at 11:48am · Like · Comment · Share

Georgia Agritourism Association via **Sweet Grass Dairy**

**Education and Wine/Cheese Clubs - Sw
Dairy : : Fine Handcrafted Cheeses**
www.sweetgrassdairy.com

Award-winning fresh, semi-ripened, and natu
and cow cheeses. Gift boxes and Wine/Chees
Available!

July 19 at 11:23am · Like · Comment · Share

Jonathan Tescher
Tax and Accounting Workshop for Farmers

**Georgia Organics - About Us > Tax & A
Farmers**
www.georgiaorganics.org

Donnie Singleton, CPA and Adjunct Professor
and Tax, will cover tax issues related to self-e
Schedule F, interns and part-time help. Mr. Sir
his own accounting practice for the last ten y
Masters of Business Administration and is a r
Am

July 18 at 11:04pm · Like · Comment · Share

Georgia Agritourism Association

Wall Photos
The Statesboro Market2Go has PEAC
Georgia Produce!

By: The Main Street Statesboro Farm

July 19 at 11:22am · Like · Comment · Share

Fulkharka Tourism

Agritourism in Nepal

Agritourism in Nepal is about traditional rice farmin
from June / July and lasts till October. Rice is main staple food of
Nepal. Researches show that the rice productivity of Nepal is
lower compared to leading rice producing countries. It is o...

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July 11 at 1:52am · Like · Comment · Share

Georgia Agritourism Association via **Georgia Department Agriculture**

Which farmers market is your favorite? More with John Kessler
blogs.ajc.com

I adore browsing each of our local farmers m
unique with its own character and personality
vendors). I love that we have markets on

July 18 at 4:15pm · Like · Comment · Share

Calhoun Produce

Fresh shelled pink eye peas, cream peas and zipper peas availabl
Stop by and get a strawberry lemonade slush or peach slush on t
summer days!

July 20 at 5:16pm · Like · Comment

Georgia Agritourism Association via **Georgia Department Agriculture**

Congratulations to Boutier Winery and Vineyards in Danielsville!

Georgia winery's Bordeaux wins bronz international contest || OnlineAthens.
www.onlineathens.com

From fruit wines, to dry reds and crisp whites
Danielsville-based Boutier Winery and Vineya
amateurs and connoisseurs covered.

July 18 at 4:02pm · Like · Comment · Share

Blacks Creek Farm likes this.

Write a comment...

Georgia Agritourism Association

Cagle's Family Farm Hey Y'all! Fall is approaching us c
are beginning to look for our seasonal help for the MAIZE
Tours! If you are interested or know anyone that is, pleas
pick up an application! The office is open Monday-Friday
4:00PM. For more information call 770-345-5591. Hope t
soon!

July 18 at 3:51pm · Like · Comment · Share

Becky Hunt Griffin likes this.

Write a comment...

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Jan Wolfe
Kim Jackson
Lisa Calvert Bryant
Melanie Hagan Howard
Pamela Ollie-Wallis
Patrick Dull

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Georgia Agritourism Association

Sweet Acre Farms Come by the Lawrenceville Farmers
tomorrow morning 8:00 AM till noon for squash, zucchini,
peppers, tomatoes, WATERMELON, caramel apples, relis
peach jam!

July 15 at 4:16pm · Like · Comment · Share

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Harris County Agricultural Tourism Zoning Ordinance Provisions

Introduction

The intent is to highlight the importance of agricultural tourism businesses to the communities in which they reside, and to help create an atmosphere in which they can thrive. Agricultural tourism operations are very diverse in nature and each township, village or city has its own unique identity. The goal is to develop some uniformity in zoning while keeping local control of zoning issues intact and preserving the local flavor and agricultural heritage of rural areas in Harris County.

Agricultural tourism can easily be incorporated into zoning ordinances by adding some or all of the following recommended language within an existing zoning code. These provisions are meant to be guidelines for zoning officials to pick and choose as needed. In general, definitions related to agricultural tourism would be added to the general definitions sections of the zoning code. Uses permitted by right would be added to the use by right section. Special uses can be added to the special use or conditional use section. Parking regulations and sign regulations associated with agricultural tourism operations may be placed in the parking requirements and signage requirements section of the zoning code.

Intent, Goals and Purpose

The intent of these zoning provisions are:

- To promote and maintain local farming. The activities that are described have become necessary for the sustainability of farms.

The goals of these provisions are:

- To maintain and promote agriculture and its related activities, such as agricultural tourism.
- To preserve open space and farmland
- To maintain both an agricultural heritage and a rural character.
- To increase community benefits by having fresh, local produce for sale and working classrooms for school children's and urban residents' education
- To increase positive growing businesses that contributes to the general economic conditions of the county and the surrounding area.

The purposes of these provisions are:

- To provide standard definitions related to agricultural tourism operations.
- To provide a list of permitted activities under an agricultural tourism operation.
- To provide a list of activities that needs a special permit to guide and regulate agricultural tourism businesses on agriculturally zoned land.
- To provide for a clear understanding of the expectations for agricultural tourism businesses for operators, local residents, other businesses and local officials.

Definitions

(a) "***Agricultural Tourism***", "*Agricultural Tourism* ", "*Ag-tourism*", and/or "Agri-tourism" means the practice of visiting an agribusiness, horticultural, or agricultural operation, including, but not limited to, a farm, orchard, winery, a companion animal or livestock show, for the purpose of purchase, recreation, education, or active involvement in the operation, other than as a contractor or

employee of the operation. More specifically, the farm must be actively producing agricultural products for purchase and sale. It may include any farm marketing or agricultural tourism endeavor such as farm markets, farm direct marketing, farm stays/camping, farm visits, roadside markets or stands, U-Pick operations, bird watching, horseback trail rides, community supported agriculture, rural tourism, farm museums, corn mazes, pumpkin patches, pumpkin cannon, pig races, fee fishing, boating, camping, petting farms, on-farm retail meat shops, Christmas tree farms, festivals for home grown/homemade products that promote agricultural awareness/education, multi-farmers' markets, on-farm nurseries, on-farm gift shops, on-farm flowers, herbs and spices stores.

(b) "*Value-added agricultural product,*" means the enhancement or improvement of the overall value of an agricultural commodity or of an animal or plant product to a higher value. The enhancement or improvement includes, but is not limited to marketing, agricultural processing, transforming, or packaging, education presentation, activities and tours.

(c) "*Agricultural products*" includes, but is not limited to, crops (corn, wheat, hay, soybeans, etc); fruit (apples, peaches, grapes, cherries, berries, etc.); cider; vegetables (sweet corn, pumpkins, beans, tomatoes, potatoes, etc.); floriculture; herbs; forestry; husbandry; livestock and livestock products (cattle, sheep, hogs, horses, poultry, ostriches, emus, farmed deer, farmed buffalo, milk, eggs, and fur, etc.); aquaculture products (fish, fish products, water plants and shellfish); horticultural specialties (nursery stock, ornamental shrubs, flowers and Christmas trees).

(d) "*Agriculturally related products*" means items sold at a farm market to attract customers and promote the sale of agricultural products. Such items include, but are not limited to all agricultural and horticultural products, animal feed, baked goods, ice cream and ice cream based desserts and

beverages, jams, honey, gift items, food stuffs, clothing and other items promoting the farm and agriculture in Harris County and value-added agricultural products and production on site.

(e) "*Non-agriculturally related products*" means those items not connected to farming or the farm operation, such as novelty t-shirts or other clothing, crafts and knick-knacks imported from other states or countries, etc.

(f) "*Agriculturally related uses*" means those activities that predominantly use agricultural products, buildings or equipment, such as pony rides, corn mazes, pumpkin rolling, barn dances, sleigh/hay rides, and educational events, such as farming and food preserving classes, etc.

(g) "*Non-agriculturally related uses*" means activities that are part of an agri-tourism operation's total offerings but not tied to farming or the farm's buildings, equipment, fields, etc. Such non-agriculturally related uses include amusement rides, concerts, etc., and are subject to special use permit.

(h) "*Farm Market/On-farm market/roadside stand*" " means the sale of agricultural products or value-added agricultural products, directly to the consumer from a site on the working farm.

(i) "*Seasonal*" means a recurrent period characterized by certain occurrences, festivities, or crops; *harvest, when crops are ready;* not all year round.

(j) "*Seasonal sign*" means a sign erected for a limited period of time during the year when retailing activities for a particular farm product is available to the public.

Uses Permitted By Right

1. General and specialized farming of agricultural products and agricultural activities, including the raising or growing of crops, livestock, poultry, bees and other farm animals, products and foodstuffs. Any building or structure may be located thereon and used for the day-to-day operation of such activities, for the storage or preservation of said crops or animals, products and collection, distribution, or processing, and for the incidental sale of crops, products and foodstuffs raised or grown on said parcel or in said building or structure.
2. Storage, retail or wholesale marketing, or processing of agricultural products into a value-added agricultural product is a permitted use in a farming operation if at least 50 percent of the stored, processed, or merchandised products are produced by the farm operator for at least 3 of the immediately preceding 5 years.
3. Direct marketing of produce in a farm market, on-farm market or roadside stand if 30% or more of the products offered for sale are produced on the farm where the market is located.
4. Seasonal U-pick fruits and vegetables operations.
5. Seasonal outdoors mazes of agricultural origin such as straw bales or corn.
6. Food sales/processing, processing any fruits/produce.
7. Uses 3 through 6 listed above may include any or all of the following agriculturally related uses and some non-agriculturally related uses so long as the general agricultural character of the farm is maintained and the income from these activities represents less than 50 percent of the gross receipts from the farm.
   a. Value-added agricultural products or activities such as education tours or processing facilities, etc.
   b. Bakeries selling baked goods containing produce grown primarily on site (e.g., minimum 50 percent).
   c. Playgrounds or equipment typical of a school

playground, such as slides, swings, etc. (not including motorized vehicles or rides).

d. Petting farms, animal display, and pony rides.
e. Wagon, sleigh and hayrides.
f. Nature trails.
g. Open air or covered picnic area with restrooms.
h. Educational classes, lectures, seminars.
i. Historical agricultural exhibits.
j. Kitchen facilities, processing/cooking items for sale.
k. Gift shops for the sale of agricultural products and agriculturally related products.
l. Gifts shops for the sale of non-agriculturally related products such as antiques or crafts, limited to 25 percent of gross sales.

Uses Permitted By Special Use Permit

1. Bed and Breakfast.
2. Direct marketing of produce in a farm market, on-farm market or roadside stand if less than 30% of the products offered for sale are produced on the farm where the market is located.
3. Restaurant operations related to the agricultural use on the site.
4. Non-agriculturally related uses listed as permitted uses in the zone but which include any of the following additional uses may require a special use permit.
    a. Small-scale entertainment (e.g., music concert, car show, art fair).
    b. Family oriented animated barns (e.g., fun houses, haunted houses, or similar) and small mechanical rides.
    c. Organized meeting space for use by weddings, birthday parties, family reunions and corporate picnics.
    d. Designated, permanent parking for more than 20 vehicles.

Parking

Agricultural Tourism and Seasonal Agricultural Uses

1. For agricultural tourism and seasonal agriculturally related uses one space for each "X" square feet of retail area and one space for every "X" square feet of outdoor related activities such as agricultural mazes, petting farms, outdoor play equipment.
2. For uses permitted by right, parking facilities may be located on a grass or gravel area for seasonal uses such as road side stands, u-pick operations and agricultural mazes. All parking areas shall be defined by either gravel, cut lawn, sand or other visible marking.
3. For uses permitted by special use permit parking may be either gravel or paved as determined by the Harris County Commission, based on applicant estimates for seasonal parking and the intensity of the use. Overflow parking areas may be required by the Harris County Commission to accommodate seasonal peak demand.
4. All parking areas shall be located in such a manner to avoid traffic hazards associated with entering and exiting the public roadway.
5. Unpaved parking areas shall not be located in required side and rear parking setback areas. Paved parking areas must meet all design, landscape screening and setback requirements set forth in this zoning ordinance.

Signs

Agricultural Tourism and Seasonal Agricultural Uses

Subject to state regulations, seasonal signs may be erected for a limited period of time during the year when retailing activities for a particular farm product is available to the public.

Rural and Agritourism Development Standards

June 27

2011

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STEERING COMMITTEE MEMBERS

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Rural and Agritourism Development Standards and Procedures

I. Agritourism

Purpose. The purpose of this ordinance is to allow Agritourism uses in Troup County while maintaining the rural character and preserving farmland of the area and protecting the health, safety and welfare of the citizens. Agritourism presents a unique opportunity to combine aspects of tourism and agriculture to provide a number of financial, educational and social benefits to tourists, producers and communities. Agritourism gives producers an opportunity to generate additional income and an avenue for direct marketing to consumers. It enhances the tourism industry by increasing the volume of visitors to an area and the length of their stray. Agritourism also provides communities with the potential to increase their local tax bases and new employment opportunities. In addition, agritourism provides educational opportunities to the public, helps preserve agricultural lands and allows the development of businesses that cannot later be outsourced to other countries.

Allowing agritourism uses in the Agricultural and Agricultural/Residential Districts of Troup County provides:

- Enhancement of the economic viability of the farm and provides on-site employment opportunities;
- Generates additional income and/or off season income for the farmer;
- Interaction and education of local citizens and visitors about the importance of farming in Troup County;
- Increased awareness of local agricultural products; and
- Develops a new consumer market

II **Definitions.** For the purposes of this ordinance, certain terms and words are hereby defined. Words used in the present tense include the future, the singular number includes the plural and the plural the singular, the word may is permissive and the word shall is mandatory. Words and phrases not defined in this section, but defined in other sections of the ordinance, shall be given the meaning set forth in that section. All other words and phrases shall be given the meaning as defined in section 1-4, chapter 1, the Code of Troup County, Georgia.

Agritourism – is defined as the activities conducted on a working farm and offered to the public or to invited groups for the purpose of recreation, education and/or active involvement in the farm operation. These activities link agricultural production and/or processing with tourism in order to attract visitors onto a farm, ranch, or other agricultural business for the purposes of entertaining and/or

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educating the visitors and generating supplemental income for the farm or ranch owner. Agritourism activities are linked directly to the primary agricultural use of the property and any recreation, education or active involvement in the farm operation is secondary and shall constitute only a percentage of the total working farm.

Agribusiness - the businesses collectively associated with the production, processing, and distribution of agricultural products.

Christmas Tree Farm/cut your own – a working farm that grows various types of trees used in celebrating Christmas where sales are made directly to the public and where the customers cut their own trees.

Dinner on the Farm – A working farm (usually organic farm products) where meals are prepared for members of the general public from products of the working farm.

Educational Demonstrations – Demonstrations that teach the ability to create a product where raw materials are grown from a working farm

Facility - Small Scale – Agritourism facility or use that poses minimal or small impact to surrounding farms and or residential properties

Facility - Large Scale - Agritourism facility or use that may pose an adverse impact to surrounding farms and or residential properties through noise, light, traffic or

Farmer's Market - A farmers market (a.k.a. greenmarket) is a place where a group (more than five) of farmers sells their products directly to consumers. Ultra-fresh produce, pastured meat and eggs, artisan cheeses, hand-harvested honey, and other fresh, small-batch foodstuffs are the hallmark (and benchmark) of the best farmers markets. They serve not just as a place for farmers to get the best price and consumers to get the best products, but as venues for producers and consumers of food to come together, forge relationships, and exchange information. Farmers markets are subject to all state health regulations and any other requirements from the state regarding the sale of food and produce.

Farm Retail Sales – A working farm where products produced on the farm are sold directly to the public.

Farm Tours – Tours where members of the public are shown working farm operations and teaches the attendees about farm processes.

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Farm, working – any operation that sells at least one thousand dollars of agricultural commodities or that would have sold that amount of produce under normal circumstances. Working farms are also defined as those that have a valid farm number from the Farm Service Agency.

Roadside Markets – A structure where five or less farmers on working farms get together and sell produce or other farm products directly to the general public. Roadside markets are different than roadside stands in that roadside markets are a group of farmers rather than just the owner of the property where the structure is located

Roadside Stands – a structure built on a working farm where the owner sells -- fresh produce or other farm products directly to the general public. Roadside stands differ from farm markets in that farm markets may utilize products from another farm to sell at the roadside structure.

Rural Character- refers to the patterns of land use and development established by a county in its comprehensive plan:

In which open space, the natural landscape, and vegetation predominate over the built environment;

That fosters traditional rural lifestyles, rural-based economies, and opportunities to both live and work in rural areas;

That provides visual landscapes that are traditionally found in rural areas and communities;

That is compatible with the use of the land by wildlife and for fish and wildlife habitat;

That reduces the inappropriate conversion of undeveloped land into sprawling residential or commercial development;

That generally do not require the extension of urban governmental services; and

That is consistent with the protection of natural surface water flows and ground water and surface water recharge and discharge areas.

Rural Tourism – Tourism enterprises that do not necessarily occur on a farm or ranch or at an agricultural plant and rural tourism does not generate supplemental income for an agricultural enterprise but provides an additional income for the property owner.

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Special Events, Private – A use or facility where events may have an impact to surrounding farms and residential property owners but has a definite number of attendees and does not pose an adverse impact to rural character. Private special events usually are of short duration (part of one day).

Special Events, Public – A use or facility where events may have attendance that could cause excessive traffic or overburden public safety personnel. Special events that are open to the public may pose an adverse impact to rural character and therefore must adhere to the Special Events Ordinance of Troup County. These types of uses or facilities while not used every day will be open for longer periods of time than private special events. Examples include concerts, conferences, meetings, fund raisers, etc.

Special Use Permit – A permit that allows a large scale use or facility to operate in unincorporated Troup County. This permit is issued by the Building, Zoning and Planning Department once approved by the Board of Commissioners.

Troup County Board of Zoning Appeals/Planning Board – Appointed members that make certain decisions as prescribed in the Troup County Zoning Ordinance.

Troup County Board of Commissioners – Elected officials of Troup County, Georgia.

U-Pick Operations – a working farm where the general public is invited to come and pick its own fresh fruits or vegetables.

Urban Services – Public water and or public sewer. Other services may be defined as services that are normal and usual in a municipality or urban center. These services could include but are not limited to cable, high-speed internet, cellphone service, major highways, proximity to shopping, mass transit and schools.

Winery- A working farm where grapes are grown and wine is produced for commercial sales in other venues.

III Procedures. Agritourism uses and facilities are be separated into three categories. Those categories are: 1) minimum 2) small scale; 3) large scale. Either category of Agritourism uses may be approved administratively by the County Planner and/or Zoning Administrator and County Engineer upon finding that the facility or use meets the following conditions and any other standards in this section and other sections as may be referenced in this section. All agritourism uses or facilities shall be in compliance with all state regulations as required for a particular use. Tax certificates shall be applied for, when necessary, prior to submission of a business license.

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Business License. All agritourism operations are required to have a business license. The application for a business license is filled out and submitted to the Building Inspection and Zoning Department with the required fee as posted in the Building and Zoning Department. Business license applications will be reviewed by the County Planner, Zoning Administrator and County Engineer (if necessary) to determine whether the proposed use or facility is minimal, small or large scale activity.

Exemptions to Business License Requirement. The requirement for a business license is for agritourism enterprises. Normal and usual farming activities are not required to obtain a business license. These activities include but are not limited to:

- ✓ Selling produce grown on same farm (roadside stand, farmer's market, etc.)
- ✓ Cattle farming
- ✓ Hay sold from farm where hay was grown
- ✓ Raising livestock associated with farming

Conservation Use. Any property that wishes to start an agritourism business and has property in Conservation Use should check with the Troup County Property Appraisal Office prior to obtaining a business license. The Property Appraisal Office can let a property owner know if the proposed business will cause a violation of the conservation use tax break. If the Property Appraisal Office is unable to determine if the proposed use is a violation then the property owner should get a determination from the Troup County Board of Assessors.

Standards for Administrative Approval of Agritourism uses or facilities:

The facility or use is approved subject to maintaining a working farm as defined in Section II of this document.

The use is compatible with existing agricultural uses in the area and does not adversely impact neighboring agricultural operations or unduly disrupt the rural character of the area.

The use or facility does not require the extension of urban services (sewer and/or water service).

No motorized off road vehicles shall be used for recreational purposes, but may be used as a part of normal farming functions.

IV. Requirements for Agritourism Uses or Facilities. All agritourism uses or facilities are required to submit the following with the application of a business license:

Site Plan Requirements. All site plans are required to be drawn to scale. An aerial photograph with requirements drawn in may be used if that is the best way for applicant to show the requirements of the site plan. The following are required to be included on the site plan.

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North Arrow
Placement on property for all structures, including existing structures and residential dwellings.
Placement on parcel of all parking spaces to adequately serve the agritourism use or facility.
Placement and type of planting for any and all landscaping planned for the site.
Distance from property line to all structures and parking areas including handicapped accessible parking space or spaces.
Show the nearest county or state highway.
Show setbacks from any proposed structures and the property line of the parcel where the proposed use or facility will be located.

Floor Plan. The floor plan should show all rooms in the facility, to scale. The floor plan should include:

The size of each room
Location of handicapped accessible rest rooms
Location of handicapped access to building
Layout of all rooms in the facility
Location of any kitchen facilities in the structure

Narrative Requirements. This required narrative should answer the following questions in detail:

What is the proposed use for the property?
How is the property zoned now?
What is the zoning of adjacent property owners?
What is the nearest county or state highway?
Explain in detail why you want to have this agritourism use or facility and how does it promote education of the public on farming or increase economic development in Troup County?
How many acres of land do you propose to use in this agritourism use or facility.
How will this use of facility protect and preserve rural character of Troup County?
Do you need a tax certificate to engage in this business?
What steps do you plan to take to ensure that you do not adversely impact neighboring farms or residents?

If this narrative is being written for a Rural Tourism use please answer the following in addition to the questions listed in Narrative Requirements:

How is this use or facility going to promote farming and or tourism?
What is the economic value to the community of this use or facility?
How does this use or facility fit in a rural setting?

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Minimum Impact Agritourism Uses or Facilities. These are uses or facilities that pose minimal impact to surrounding properties and farms. They may be administratively approved with the approval of the County Planner and Zoning Administrator that the proposed use of facility meets the intent of this ordinance and poses no threat to health, safety or general welfare of the general public. Uses or Facilities that may be approved administratively under this definition include but is not limited to:

Pick your own
On-Farm sales
Roadside Stand
Agricultural crafts/gifts sales from primary residence only
Fee Fishing/Hunting
Wildlife viewing and photography
Horseback riding for a fee
Wagon Rides
School Tours
Garden/Nursery Tours
Farm Technical Demonstrations and sales (canning, weaving, soap-making, etc.)
Hunting/working dogs trials/training

Other uses of facilities may be approved administratively by the County Planner and Zoning Administrator that meet the intent of this section and where it is determined that there will be minimal impact to surrounding properties and farms.

Small Scale Use or Facilities are uses or facilities that: Do not adversely impact surrounding farm uses but may involve an accessory building for storage or demonstration purposes. The application will be reviewed by the Troup County Planner, the Zoning Administrator and the Troup County Engineer based on the required site plan, floor plan of any proposed new or existing structures and a detailed narrative describing all activities planned for the parcel and any structures that will be built. The application for a business license may be approved administratively if the proposed use meets the following:

a. The proposed use or facility meets all setbacks and buffering requirements
b. The proposed use or facility is approved by the County Planner, Zoning Administrator and County Engineer as meeting all requirements as set forth in the zoning ordinance for that parcel and will not significantly increase traffic in the surrounding area.

Other proposed uses or facilities that are defined as small scale but are outside the scope of a and b above or require a variance of any kind will be required to get approval from the Board of Zoning Appeals/Planning Commission prior to issuance of a business license.

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Permitted Small Scale Facilities or Uses. Small scale uses are allowed in the Agricultural/Residential and Agricultural zoning districts. Agritourism uses in the Agricultural/ Residential or Agricultural zoning districts require a minimum of two acres and setbacks for that district as described in Article 25 of the Troup County Zoning Ordinance for Agricultural/Residential districts. Permitted small scale facilities or uses include but are not limited to:

Bed and Breakfast Home	(must meet the requirements in the zoning ordinance for bed and breakfast home)

Clay Bird Shoot
School Tours
Garden and Nursery Tours
Historical Farm Museum or exhibit
Roadside Market

Other similar facilities or uses may be considered for approval as determined by the zoning administrator.

Large Scale Facilities or Uses. These are facilities or uses that may impact the surrounding farms or property owners. These uses must be approved by the Board of Commissioners. Large scale facilities or uses may increase traffic, require health department approval for bathrooms, ADA requirements and food service or require public safety presence for traffic control.

Large Scale facilities or Uses include but are not limited to:

Farm vacations
School Tours that are more than one day
Winery Tastings or Tours
Historical Exhibit
Farm Technical Tours
Rodeos/Horseshows

Other similar facilities or uses may be considered as determined by the zoning administrator.

V. Rural Tourism. Rural tourism is considered to be any of the agritourism facilities or uses, but is not secondary to an agricultural use. Rural Tourism is most often considered a special events venue, but may include other uses as well. Rural tourism uses may be approved by the Board of Zoning Appeals/Planning Commission or Board of Commissioners depending on the standards for the use. These uses are allowed on rural properties that no longer function as a working farm but may have tourism or income value. Rural Tourism Facilities and Uses shall have the following standards:

- Must have a business license

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- Must submit all requirements of agritourism facilities or uses (site plan, floor plan, narrative).

- Any rural tourism use or facility that intends to stay open to the public (concerts, festivals, fairs, conferences, etc.) on a year round basis requires a special use permit as outlined in the Troup County Zoning Ordinance and must be approved by the Troup County Board of Commissioners.

- Any rural tourism use or facility that meets the requirements of a small or large scale agritourism facility or use but does not have a primary agritourism use may be approved by the Board of Zoning Appeals/Planning Commission provided:

  a. The facility or use conforms to a standard agricultural use (syrup making demonstrations, soap making, weaving demonstrations., historical exhibit, etc.)
  b. The facility or use does not diminish the rural character of the surrounding area or adversely impact neighboring farms or properties.

- Any rural tourism venue that intends to be open for special occasions not open to the public such as family reunions, birthday parties, family reunions, etc. may be permitted as long as it meets the requirements of the Special Events Permit Ordinance as adopted by Troup County.

- Rural Tourism uses will be reviewed by the County Planner, Zoning Administrator and County Engineer to determine the impact of the rural tourism and direct the applicant to which path for approval the owner must follow.

- Under no circumstances will a rural tourism use be approved where the applicant is leasing the property from an absentee owner.

Rural Tourism Uses or Facilities may be determined to be small or large scale. Small scale uses or facilities may be approved by the Board of Zoning Appeals/Planning Commission. Large scale uses or facilities may be approved by the Board of Commissioners upon determination from the County Planner and Zoning Administrator.

VI Variances. Variances may be applied for as necessary under the provisions for variances as stated in Article 16, Section 16.5, of 6/27/2011the Troup County Zoning Ordinance.

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Agritourism, Your Way

A How-To Guide for Successful Agritourism Enterprises

Prepared for The University of Georgia's Center for Agribusiness and Economic Development and North Carolina State Cooperative Extension Service's Business Side of Agritourism Program Series. The Primary Investigators on this project were Kent Wolfe, Center for Agribusiness and Economic Development and Gary Bullen, North Carolina State University Cooperative Extension Service.

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What is Agritourism?

Poor agricultural commodity prices coupled with rising input cost are slowly, but substantially eroding small farm incomes. Forces such as globalization, industrialization and development encroachment are also threatening small farms. As a result, farmers are acquiring second jobs or leaving their farms altogether in order to sustain their household incomes.

In many regions across the globe, farmers are recognizing the need and desire to diversify their farm products and supplement their agricultural incomes. Agricultural tourism increases the potential for higher margin, on farm sales of value-adding products and services, further diversifying the product line of the farm operation.

Agritourism is defined by the American Farm Bureau Federation (2004) as:
"Agritourism refers to an enterprise at a working farm, ranch or agricultural plant conducted for the enjoyment of visitors that generates income for the owner. Agricultural tourism refers to the act of visiting a working farm or any horticultural or agricultural operation for the purpose of enjoyment, education or active involvement in the activities of the farm or operation that also adds to the economic viability of the site."

Although other definitions exist, most definitions of agritourism have a common theme that combines elements of the tourism industry with elements of the agriculture industry. This common theme involves bringing members of the public to farms. The ultimate goal of an agritourism enterprise is often to increase farm income by providing education and/or recreation to consumers.

There are three agritourism basics: Have something for visitors to see, something for them to do, and something for them to buy. How well these components are related will determine how successful the enterprise will be.

Research has shown that a unique product is essential to the success of an agritourism business. For example, customers are not just interested in the produce available; they are interested in the total package. That is, they are looking for the product combined with the overall farm experience. The overall farm experience includes special services provided (not all of which have to be free) plus the friendly, local atmosphere created. The goal should be to create a unique experience the visitor.

Imagination is the only limitation as to what can be incorporated into an agritourism enterprise. Some examples of activities include:

Farm tours	Farm museums
Story telling	Bed and Breakfast
Festivals/Special events	Horseback riding
Wineries and vineyards	Pick your own operations
Fee hunting	Nature trails
Farm vacations	Birdwatching
Camping	Tree farms
Country stores	Gardens/Greenhouses/Nurseries
Roadside stands	Fish Farms
Picnic/Playground areas	Dairies
Orchard tours	Corn mazes
Hayrides	Dude ranches
Fee fishing	Animal farms
Pumpkin patches	Cattle ranches

With so many options, it might be hard to decide what to do. Most successful agritourism ventures started with one idea, perfected it and then moved on to the next idea. Take time and listen to the customers, then incorporate their needs and wants into your enterprise.

"Not everything that can be counted counts and not everything that counts can be counted." - Albert Einstein

Agritourism Today

Today, agritourism continues to be an opportunity to increase income for some farmers and agribusinesses around the nation. Some producer organizations, state and federal government agencies, university Extension programs, state tourism offices, professional consultants and the media are recognizing agritourism as an industry and devoting resources to address it.

The United States Department of Agriculture (USDA) estimates that more than 62 million people over the age of 16 visited farms during a one-year period in 2000-01. This does not count the numerous children and youth under 16 years of age who visited farms during the same time period. One estimate suggests approximately 20 million children under the age of 16 visited farms during the year, bringing the total to 82 million visitors.

USDA Forest Service, Interagency National Survey Consortium. *National Survey on Recreation and the Environment (NRSE).* 2000-2003. Visit www.srs.fs.fed.us/trends for more information

Maetzold, Jim. National Alternative Enterprise and Agritourism Leader, USDA/NRCS. Personal Correspondence. March 9 2005

Why do people travel?

Understanding why people travel can help assess the opportunities for various agricultural enterprises.

One of the major reasons people travel is to build or strengthen relationships. The number one reason for vacation is to "be together as a family." Families find they have little time to be alone together-they want to get away from the stress of home and work. They look forward to travel as an opportunity to rekindle relationships. Many seek social interactions on trips, a time for making new friends.

Another reason people travel is to gain better health and well-being. The vast majority of adults say that a vacation is vital to their family's physical and mental well-being. Most travelers want to refresh and renew themselves by actively participating in outdoor activities.

To rest and relax is a third reason people vacation. Getting away from work, worry and effort enables vacationers to refresh and renew.

A fourth reason to travel is to have an adventure. Many travelers look to vacations for exciting experiences that stir emotions. Adventure, whether dangerous or romantic, provides the heightened sensation that consumers seek.

For Knowledege. Learning and discovery are strong motivators for today's better educated travelers. People travel to learn or practice a language, study a culture, explore gourmet foods or wine, investigate spirituality, discover something new about themselves, and numerous other

learning pursuits. They want to see, touch or feel something unfamiliar. "Bragging rights" or good stories to tell back home are powerful motivators.

Another reason people travel is to mark a special occasion. Some travelers take vacations to celebrate milestones in their lives- a new relationship, a marriage, a birthday or a professional achievement. Vacations to mark special occasions are usually taken with loved ones and provide memories that last a lifetime.

Lastly, people travel to reminisce. Many people travel to relive fond memories, to rekindle those memories that they remember from another time in their lives.

But why do visitors choose agritourism sites?
People visit farms for a number of reasons. Some of the reasons may surprise you. The 2000-2001 National Survey on Recreation and the Environment outlines the following information of why people visit farms.

1. Enjoy rural scenery
2. Learn where food comes from
3. Visit family or friends
4. Watch/participate in farm activities
5. Purchase agricultural products
6. Pick fruit or produce
7. To hunt or fish
8. Spend a night

Farm-based recreation provides an important niche market for farmers, but limited information is available on the topic. Access to two USDA databases, the 2004 Agricultural Resource Management Survery (ARMS) and the 2000 National Survey on Recreation and the Environment, provide some deeper understanding of farm-based enterprises.

ARMS (2004) indicates that 52,000 farms nationally received income from recreation, representing 2.5 percent of all farms. These farms earned approximately $955 million in income from recreation activities. Significant variation exists in terms of where on-farm recreation takes place, with the South accounting for more than half of all farms receiving recreational income, followed by the Midwest, which accounts for about a quarter of such farms. A greater proportion of recreational farm operations are also located in completely rural nonmetropolitan counties and in counties more dependent on recreation in general.

Why Agritourism?

"Diversification into...such opportunities as agricultural or educational tours, u-pick operations, farm stores, pumpkin patches, agricultural festivals, and farm stands is not a substitute for a pro-family farm agenda...[However,] one of my fears is that if farmers and ranchers are too tardy in their response to this emerging opportunity, theme park operators will develop simulated farms and operate them as agritourism attractions."
--Desmond Jolly, Director Small Farm Program, University of California-Davis

For the farmer:

- An opportunity to diversify income
- Increase revenue without increasing acreage
- Compared to traditional commodity markets, agritourism offers a new way of marketing products and services, allowing farmers to put a price on time and value
- An opportunity to build new business with resources that already exist
- Provides a way to include future generations on the farm or ranch and keep the land in the family
- A way to supplement retirement
- Offer a way to educate the public on how their food is grown
- Demonstrate and showcase how producers protect and care for the land and natural resources
- An opportunity to educate people about both historic and modern methods of farming and the risks involved in everyday agriculture

For the traveler:

- Unique and authentic experiences
- To get away from everyday stress
- Most individuals are three to five generations removed from the family farm. They no longer have a parent, grandparent or relative to visit on the farm anymore
- To participate and see how their food is grown
- To experience the culture and heritage

Is it For Me?

Agritourism activities are only limited by your imagination. If you are considering agritourism, you will need to look at your surroundings and resources in a very creative and different way than you have in the past.

Agritourism enterprises offer opportunities to diversify the farm business. Such activities offer additional income opportunities and may provide safe alternatives for family labor as well as opportunities to promote the critical yet diminishing industry of agriculture. However, activities may result in extra responsibilities, require additional labor, interfere with ongoing farm activities, lead to a deterioration in privacy and increase the farm's exposure to risk and liability.

Starting an agritourism operation requires consideration of a number of factors. Keep some of the following in mind as you decide to pursue:

- *Chose something you love to do.* It's hard work to start a new business under the best of circumstances. If you are doing it just for the money, it's unlikely that the energy, creativity and satisfaction necessary for success will be adequate.What are your talents, skills and interests? Are you or others in your family good at particular crafts such as woodworking, quilting or others that could be taught or demonstrated?
- *Get the whole family involved.* Agritourism takes additional energy and skills. When several family members are involved, each person can contribute his or her unique talents and specialize for efficiency.
- *Follow demand-driven product.* Produce what your customers want. Get to know your customers. Keep adjusting your products according to their tastes and preferences. Conduct research at the library or on the Internet. Talk to friends, neighbors, other producers, people in the tourism industry, extension service, RC&D Council, foundations and other entrepreneurs who run agritourism enterprises.
- *Create a high quality product.*Quality is the single most important element that will differentiate your product from mass-produced alternatives. Make your product or service unique. Remember people are looking for a connection with their rural roots. They want to experience the satisfactions of your farm life. Provide them with some fun, education, peace and relaxation.
- *Keep informed and educated about the industry.* It is important to keep informed about your customers, your competition, the laws concerning your business and other producers. Attend conferences and meetings. Join organizations such as your local chamber of commerce and Rotary that serve local businesses as well as your new customers.
- *Start small and grow naturally.* Invest your ingenuity first, labor second and money third. If you start small, the effort you invest and the income you generate are more likely to be matched. Let the market tell you when and how to grow.

- *Form partnerships.* Make plans to work with those in your neighborhood, community and region. Look for ways you can work with other businesses and local attractions to make all of you more successful.

Since everyone is not suited for carrying out agritourism activities on their farms, first determine whether or not it is an appropriate option for you. To do this consider the following:

Does my family like meeting all types of people?
Do I like to entertain strangers?
Do I mind giving up some of my privacy at home?
Can I always be cheerful and helpful around my guests?
Are my farm and facilities neat and clean?
Am I successful at managing and organizing my home and farm expenses?

Before embarking on an agritourism venture, weigh the advantages and disadvantages to hosting visitors on your farm. Consider the following and add any additional that may apply.

Possible advantages

- Diversify and bolster income sources
- Share challenges and satisfactions of your lifestyle with others
- Develop interpersonal and communication skills
- Agritourism activities may take place on a small scale
- Visitors represent a high-value, low-volume market
- Relatively inexpensive

Possible Disadvantages

- May require additional money and time
- Planning can be tedious and frustrating
- May impact some family members negatively
- Additional risks involved in allowing visitors on property
- Additional facilities may require additional time and money
  Adding products and services is a long-term process

Adapted from Holly Born's "Keys to Success in Value Added Agriculture"

Keys to Success

The Southern Sustainable Agriculture Working Group and The National Center for Appropriate Technology interviewed successful farmers to determine what they learned in marketing directly to consumers. A few general practices emerged that could be considered as "Keys to Success."

- *Choose something you like (love) to do.*
  Most people start value-added activities to make more money. Your sincere enthusiasm and belief in your product are part of what make you unique. Without doing something you love to do, it is difficult to find the energy and motivation to stick with it.
- *Provide quality.*
  Offer a high-quality product or service. High quality with some unique trait is an avenue that many direct marketers pursue to differentiate their product. Quality is made up of many dimensions (fresher, better tasting, healthier, more consistent, or cleaner product; thoughtful presentation or packaging/labeling, etc.). It may be tempting to use substandard inputs or service, but most direct marketers today fi nd that a great experience or quality product is more important for attracting consumers than a low price. The consumer knows value and if you're shooting for low quality and price, direct marketers can seldom compete with large wholesale and retail outlets.
- *Start small and grow naturally.*
  Starting small usually means investing less money and borrowing less. Starting small also means mistakes are less costly; remember, it is easier to manage a small operation.
- *Keep good records (production, financial, regulatory).*
  Trying to manage without good information is like trying to find an address without a map. Good information and records are necessary for knowing whether or not you are meeting your goals and for understanding reasons why your goals are or are not being met.
- *Provide what the consumer/customer wants.*
  There are two approaches to agricultural marketing: "push" and "pull." The push approach implies producing a product and then pushing it onto consumers for the going market price—the traditional way of marketing many commodity crops. The pull strategy, however, is increasingly becoming the norm in today's environment. Under this approach, specific products and desired product attributes are targeted using consumer preferences so that the seller is not entirely a price taker at the market place.
- *Maintain a loyal (preferably local) customer base.*
  An important way to capitalize on your uniqueness is through relationship marketing. You are unique and no one can do exactly what you can do. These personal relationships and the trust they engender over time are effective marketing strategies. Local customers are generally the easiest to develop into a solid, loyal customer base.

- *Provide more than just a product.*
  Most successful value-added businesses provide more than just a product or service. They provide an experience that can be in the form of pleasant social interactions, a chance to experience the rural way of life, education, services, tours, etc.

- *Involve others.*
  Get the whole family, partners, and/or community involved. Take advantage of different skills and talents.
- *Keep informed.*
  You must keep informed on every aspect concerning your business, consumer wants, competition, finances, etc.
- *Plan for the future.*
  Fail to plan and you plan to fail. It's true. Planning is essential to success. In planning be realistic in terms of goals, pricing, costs, time commitments, etc. Be flexible and realize that the best-laid plans can go wrong and that things change.
- *Evaluate continually.*
  Things are always changing. You need to constantly monitor and evaluate what is going on in your business. It is impossible to know if you are reaching your goals without taking the time to evaluate.
- *Persevere.*
  You need a good deal of perseverance just to figure out how to produce the products, much less how to market them. Identifying your niche and building a customer base takes time.
- *Secure adequate capitalization.*
  A direct-marketing or agritourism business is likely to operate at a loss for at least the first year or more of operation. Make sure you have adequate liquid financial reserves to meet setup costs and cash flow requirements. Many businesses fail because they did not secure enough capital to see their venture through to a positive cash flow.

Planning is important and the key to success for all types of business ventures, including direct marketing and agritourism. Before starting, be prepared. While much of the market risk of adverse price swings is removed with a direct-marketing enterprise, risks associated with production (quality and yield), events being rained out, greater labor skill requirements, and liability risks require that careful risk assessments are made before disaster strikes. Dr. Neil Hamilton's book of *The Legal Guide for Direct Farm Marketing* (Drake University Agricultural Law Center and USDA Sustainable Agriculture Research and Education [SARE]. 235 pp. June 1999) is a good resource for assessing the legal risks of a direct farm marketing or agritourism enterprise (www.statefoodpolicy.org/legal_guide.htm). Most ventures will fail without proper research and planning. Assess your management skills and personal qualities as well as your family needs and lifestyle preferences. With proper planning, you will position yourself to be successful.

Now What?

Now the decision has been made. Starting any new enterprise can be risky. Before investing time, money and energy in an unconventional business, consider the following:

1. Personal assessment
2. Business goals and objectives
3. Internal resource assessment
4. Business plan

Personal Assessment
Where does tourism fit into my farm plan?

Tourism can be:
A supplementary enterprise. As a supplementary enterprise, agritourism could be a minor activity that would support the other products on the farm. For instance, if the primary enterprise is livestock production, you may decide to invite school groups to your farm several days a month to learn about your animals and your occupation. Occasionally hosting guests on your farm would make agritourism a supplementary enterprise to your primary enterprise as long as the agritourism activities were a minor part of your farm product mix.

A complementary enterprise. As a complementary enterprise, agritourism activities would share equal footing with other enterprises in your farm product mix. For example, you may have an apple production enterprise on your farm. If you were to sell half of your apples to a wholesaler and the remainder to "pick-your-own" guests on your farm, then the two enterprises (the wholesale market and the direct market) would be complementary enterprises.

The primary enterprise. As the primary enterprise, agritourism would be the dominant activity on your farm. For instance, you may decide to open a winery on your farm and invite guests to spend the day or the weekend tasting wine. As part of the wine tasting package, you may include overnight lodging in a cottage on your property. You may produce grapes for the wine on your farm to supplement your wine tasting activities. However, because agritourism is the main part of your farm product mix, it becomes your primary enterprise.

It is important for you, as a farmer, to realize that agritourism has the potential to become whatever you want it to be on your farm. Whether you use agritourism as a supplementary, complementary, or primary enterprise, you must be ready to think creatively and plan effectively in order for your new enterprise to be successful.

Something to Think About:
Tips for Getting Started and Staying on Track
Recommended for a 1- to 2-year period:

1. *Assess your resources*
   • Look at notes you have made in this workbook. Use them to make a more in-depth assessment of the resources available to you and your family
2. *Get informed*
   • Attend Conferences, field days, workshops, trade shows and schools
   • Purchase books, videos, newsletters, magazines and other publications
   • Go to the library and do some research. Use the internet to get the most up-to-date information. If you don't have an internet connection at home, one should be available to you at the library
   • Look through the resources listed in the NRCS publication "Alternative Enterprises and Agritourism: Farming for Profit and Sustainability Resource Manual," available at your area Resource Conservation and Development office, or visit the web site www.nrcs.usda.gov/technical/RESS/altenterprise
3. *Find out what other entrepreneurs are doing*
   • Talk to neighbors, friends and strangers about their business
   • Visit businesses in your surrounding area and in neighboring counties or states and see what they are doing and how they are running their businesses.
4. *Consult potential customers*
   • Ask your relatives, friends and neighbors about the products or services you are thinking of providing through your new enterprise. Are they interested?
5. *Research the market to identify products and services needed or wanted.*
6. *Network*
   • Join organizations or groups involved in enterprises similar to the one in which you are interested.
   • Join the local Chamber of Commerce, Rotary and/or other business and planning organizations or committees
   • See if other local entrepreneurs would like to join you in your business venture or start their own agritourism or alternative enterprise.
7. *Get help*
   • Vist resource people in your county, region or state. Cooperative Extension Service agents and staff, RC&D coordinators, Department of Agriculture staff, state tourism directors and staff, small business development center staff and other specialists should all be willing to answer your questions and help you get started.
8. *Develop a business and marketing plan*
   • Various books, worksheets and programs are designed to help you develop a successful business and marketing plan. These resources are available through the internet or your local library, community college, small business administration, economic development organizations, Cooperative Extension office or RC&D office
9. *Create a financial plan*
   • Decide how you will finance your business
   • Find out about financial assistance (grants and loans) available to you
10. *Start small, learn from your experience and expand the business*

Personal Evaluation Exercise

For each of the following 25 statements, circle the letter corresponding to the response that describes you best. Circle *A* if you *agree* with the statement, *SA* if you *somewhat agree* with the statement, *SD* if you *somewhat disagree* with the statement and *D* if you *disagree* with the statement.

Statement	*Agree*	*Somewhat Agree*	*Somewhat Disagree*	*Disagree*
1. I am a self-starter.	A	SA	SD	D
2. I relate well with others.	A	SA	SD	D
3. I enjoy being around and responsible for a large number of people, including children.	A	SA	SD	D
4. I look forward to meeting people and opening my farm up to the public.	A	SA	SD	D
5. I am an effective leader.	A	SA	SD	D
6. I am responsible and enjoy being responsible.	A	SA	SD	D
7. I have effective organizational skills and abilities.	A	SA	SD	D
8. I have a strong work ethic.	A	SA	SD	D
9. I am comfortable making important decisions.	A	SA	SD	D
10. I am honest even if the truth is not what people want to hear.	A	SA	SD	D
11. If I make up my mind to do something, I do not let anything stop me.	A	SA	SD	D
12. I am in good health, have plenty of energy and rarely get sick.	A	SA	SD	D
13. I am patient.	A	SA	SD	D
14. My family is 100 percent committed to starting and operating an agritourism venture.	A	SA	SD	D
15. I am courteous and understanding.	A	SA	SD	D
16. I have a strong desire to succeed.	A	SA	SD	D
17. I have experience in managing and operating a business.	A	SA	SD	D
18. I am an effective communicator.	A	SA	SD	D
19. I enjoy learning new things.	A	SA	SD	D
20. I am competitive in nature.	A	SA	SD	D
21. I am effective at setting and meeting deadlines to accomplish tasks.	A	SA	SD	D
22. I adapt well to change.	A	SA	SD	D
23. I am willing to risk losing an investment.	A	SA	SD	D
24. I will be able to survive financially if a new enterprise does not generate a profit for a few years.	A	SA	SD	D
25. I am prepared to invest substantial time in planning and operating a new enterprise.	A	SA	SD	D

Once you have circled answers to all of these statements, follow the directions below to score your responses.

1. Count the number of times you circled each response (A, SA, SD, D) and write the number in the table below under Number of Responses.
2. Multiply the Number of Responses times the given Points per Response and write the product in the table under Points.
3. Add the points for each of the four categories of responses and write the sum in the table next to Total Score.

	Number of Responses	Points per Response	Points
Agree (A)		x 4 =	
Somewhat Agree (SA)		x 3 =	
Somewhat Disagree (SD)		x 2 =	
Disagree (D)		x 1 =	
Total Score			

4. Compare your total score to the ranges below.

90-100 Your personality and skills are similar to individuals who have succeeded as entrepreneurs.

75-89 You have some characteristics similar to individuals who have succeeded as entrepreneurs. You should consider whether others involved in the operation are strong in areas challenging to you.

0-74 You do not have characteristics similar to individuals who have succeeded as entrepreneurs, and you should reconsider your entrepreneurial project.

After evaluating your personal characteristics, how do you feel about your overall potential to operate and manage an agritourism venture? Circle the corresponding number below on a scale of 1 (very pessimistic) to 10 (very optimistic).

1 2 3 4 5 6 7 8 9 10

Very Pessimistic Neutral Very Optimistic

Goal Identifcation[2]

If you don't know where you are going, how will you know when you get there? This is the essence of goal setting, and it has a direct relationship to evaluating a new agritourism venture. Starting and operating a successful enterprise is often only a means to a much larger end. Therefore, identifying your ultimate ambition is critical to properly assessing the true merit of the agritourism enterprise idea.

Identifying your goals focuses your attention and provides a basis for making decisions. Setting and achieving goals keeps an enterprise going in the right direction. Without goals, an idea's ultimate feasibility cannot be evaluated.

You should develop goals, but not just once. Goals, personal and business, change over time. Therefore, goals should be developed early in the life of a business and then evaluated and adjusted to address changing times and changing desires.

Your agritourism enterprise goals should meet the S.M.A.R.T. criteria. That is, each goal should be Speci.c, Measurable, Attainable, Rewarding and Timed in order to be e.ective. Use the following exercise to assist in the identifcation and development of the goals for your agritourism enterprise idea. Make sure that each of your goals is S.M.A.R.T.

[2]Adapted from Holland, Rob. *Evaluating the Potential of Value-Added Agricultural Ideas: A Series of Worksheets to Assess Feasibility. Preliminary Worksheet #2.* Center for Profitable Agriculture publication. ADC Info #16. October 1998.

Goal Identification Exercise

1. What are your ultimate lifetime goals?

2. What are your goals for the next three to five years?

3. What are your goals for the coming year?

4. How might an agritourism enterprise fit into these goals?

5. If you were to develop an agritourism enterprise, would it be profit driven or is profit not a main consideration?

❑ Profit Driven Not Profit Driven

If not profit driven, what factors would drive your enterprise?

After identifying and analyzing your goals, how do you feel about the overall potential of your agritourism enterprise idea? Circle the corresponding number below on a scale of 1 (very pessimistic) to 10 (very optimistic).

1 2 3 4 5 6 7 8 9 10

Very Pessimistic Neutral Very Optimistic

Land and Property Evaluation

As with all businesses and tourism activities, the natural environment and the experience or product offered are at the heart of success. Therefore, it is extremely important to analyze all property assets and characteristics to maximize the potential for success. The following exercise will assist in the analysis of your land and property resources and help you develop an agritourism enterprise that is unique and marketable. Remember, something you believe is ordinary may be unique and interesting to others.

Land and Property Evaluation Exercise

Fill in the table below with the location, number of acres and current use(s) of available land. Consider all activities for which the property is currently being used. This would include the raising of livestock, growing of crops, living/residential space and recreational activities. Be very specific and list all activities that currently take place on the property throughout the year.

Land Location	Number of Acres	Current Use(s)

List any unique or interesting characteristics of your land and property. Consider the topography of the farm; vantage points; special crops grown; wildlife; springs, ponds and creeks; caves; structures; wooded areas; plant life; and other unique characteristics. You may want to ask friends, neighbors or others what they think are the unique or interesting characteristics of your land and property.

List any potentially hazardous characteristics of your land and property. Some of the characteristics listed above may also be listed here. Consider old wells or mines; streams and ponds; barbed wire fences; cliffs or drop-offs; fuel or chemical storage; areas where farm equipment is parked; potentially dangerous plants, wildlife or livestock; and other characteristics.

Another approach to identifying special features of your land and property is to create a map of the farm that specifies unique or interesting characteristics as well as potential hazards. It is also important to think about areas of the farm or business that you do not want accessible to individuals. The map will be particularly useful when you begin to plan parking locations, activity locations, trails and other activities that involve land resources. Use the grid on the next page to map your farm and agritourism enterprise.

After identifying your land and property assets and characteristics, answer the following questions.

Do you have an adequate amount of property available for use in an agritourism operation, including room for activities/ attractions and parking?

❑ Yes ❑ No ❑ Do Not Know

Do you have some unique land or property resources that will be strengths of your agritourism operation?

❑ Yes ❑ No ❑ Do Not Know

Does your land or property have particular characteristics that may be liabilities to an agritourism enterprise?

❑ Yes ❑ No ❑ Do Not Know

After assessment, how do you feel about the overall potential of an agritourism venture? Circle the corresponding number below on a scale of 1 (very pessimistic) to 10 (very optimistic).

1 2 3 4 5 6 7 8 9 10

Very Pessimistic Neutral Very Optimistic

Farm Map

Be sure to return to the previous page to complete the Land and Property Evaluation Exercise.

Time and Labor Resource Evaluation

Time is one major limitation for agritourism entrepreneurs. When considering an agritourism venture, it is important to analyze the amount of time available for preparation for and accommodation of visitors in addition to existing farm activities. The following exercise will assist you in evaluating your time and labor resources.

Time and Labor Resource Evaluation Exercise[3]

Fill in the following table by listing your current farm operations or tasks and placing an X under the columns corresponding with months when the operation requires labor. Include time spent in all aspects of the task including planning and preparation, actual implementation, and follow-up activities. Then, following the same process, add proposed agritourism activities and their labor requirements.

Task Schedule												
Tasks	January	February	March	April	May	June	July	August	September	October	November	December
Current Tasks												
Proposed Agritourism Tasks												

[3]Adapted from Woods, Tim and Steve Isaacs. *A Primer for Selecting New Enterprises for Your Farm.* AEES No 2003-13. University of Kentucky. August 2000.

Considering the information from the task schedule, do you have the necessary time and labor resources to manage and operate your existing farm enterprises, take care of personal obligations and conduct agritourism activities effectively?

❑ Yes ❑ No ❑ Do Not Know

Are family members and hired employees committed to taking on the additional time, effort and responsibility for an agritourism operation?

❑ Yes ❑ No ❑ Do Not Know

After evaluating time and labor resources, how do you feel about your overall potential to operate and manage an agritourism venture? Circle the corresponding number below on a scale of 1 (very pessimistic) to 10 (very optimistic).

1 2 3 4 5 6 7 8 9 10

Very Pessimistic Neutral Very Optimistic

Preliminary Market Analysis

Considering the potential market(s) for an agritourism enterprise is vital in determining the potential for success of such an enterprise. The following exercises will assist you in assessing some very basic market considerations.

Preliminary Market Analysis Exercise

Describe the type of people you envision visiting your agritourism enterprise. For example, are they school groups, families with children, gardeners, interstate travelers, bus tour groups or others? Many potential agritourism target audiences are listed in Chapter 1.

Describe the types of people, if any, that you would rather not target with your enterprise. For example, you might decide not to target school groups because you become nervous around groups of children.

What are the people you envision visiting your operation looking for? For example, are they looking for entertainment, relaxation, education, a genuine farm experience, a hands-on experience or a place to hold an event?

What other enterprises already exist that would compete with you for this audience's business? Consider other agritourism enterprises, tourism attractions and entertainment venues in your area.

After considering some basic market information, how do you feel about your potential agritourism venture? Circle the corresponding number below on a scale of 1 (very pessimistic) to 10 (very optimistic).

1 2 3 4 5 6 7 8 9 10

Very Pessimistic Neutral Very Optimistic

Agritourism Activity Options

Agritourism attractions and services are limited only by one's imagination and include everything from apple picking to wine tasting. While analyzing your resources, it is beneficial to brainstorm and list all possible attractions or activities for your operation. The following attraction-brainstorming exercise will help you explore activity options.

Attraction Brainstorming Exercise

A list of some possible agritourism activities and operations follows. Read through the list and mark activities that best fit the strengths of your resources.

- ❑ Bed and breakfast
- ❑ Bicycle trails and rentals
- ❑ Bird watching
- ❑ Boating, canoeing, kayaking, tubing or rafting
- ❑ Camping
- ❑ Catering services
- ❑ Cave tours
- ❑ Children's camps
- ❑ Classes, clinics or demonstrations (farming, ranch skills, cooking, planting, harvesting, fishing, hunting, wildlife viewing)
- ❑ Community supported agriculture (CSA)
- ❑ Corn cannon
- ❑ Corn maze (educational, haunted)
- ❑ Cut your own Christmas trees
- ❑ Dairy shares
- ❑ Display gardens (flowers, greenery, herbs)
- ❑ Educational or technical tours
- ❑ Event hosting (birthday parties, family reunions, corporate retreats, receptions, weddings)
- ❑ Farm or ranch work experience
- ❑ Farm stays
- ❑ Fee fishing
- ❑ Fee hunting (dove, duck, goose, pheasant, turkey, deer, small game)
- ❑ Festivals (seasonal, harvest, food, holiday)
- ❑ Game preserve or guided hunts
- ❑ Goat walk
- ❑ Go-carting
- ❑ Guided crop tours
- ❑ Guiding and outfitting
- ❑ Habitat improvement projects
- ❑ Hay bale maze
- ❑ Hay rides
- ❑ Hiking Trails
- ❑ Historical museums and displays
- ❑ Haunted barn or house
- ❑ Horseback trail riding
- ❑ Hunting dog training and competitions
- ❑ Laser tag
- ❑ Living history events
- ❑ Mountain biking
- ❑ Off-road vehicle driving areas
- ❑ On-farm retailing
- ❑ Pack trips
- ❑ Paint ball
- ❑ Petting zoo
- ❑ Photography/painting
- ❑ Picnic area
- ❑ Playground
- ❑ Pony rides
- ❑ Pumpkin painting
- ❑ Refreshment sales
- ❑ Rent a cow or tree
- ❑ Roadside markets
- ❑ Rock climbing or rappelling
- ❑ Rodeos
- ❑ School tours or activities
- ❑ Self-guided driving tours
- ❑ Shooting range (firearm or moving-target skeet)
- ❑ Sorghum maze
- ❑ Swimming area
- ❑ Pick-your-own operations
- ❑ Wagon trains
- ❑ Wilderness experiences
- ❑ Wildlife viewing
- ❑ Winery tour or wine tasting
- ❑ Working farm stays

What other types of activities or services could be considered for your operation? Remember to consider your unique personality and skills, land and property characteristics, and defined goals. Are there activities other than those listed on the previous page that you might offer at your agritourism operation? List them here.

After evaluating your agritourism activity options, how do you feel about your potential agritourism venture. Circle the corresponding number below on a scale of 1 (very pessimistic to 10 (very optimistic).

1 2 3 4 5 6 7 8 9 10

Very Pessimistic Neutral Very Optimistic

Financial Situation Evaluation

Adequate financial resources for start-up and operations are critical to the potential success of any business. Often, starting a new enterprise is not an effective way to save an operation already experiencing financial difficulty. The following exercise will help you evaluate your financial situation.

Financial Evaluation Exercise

In the following table, list any liabilities and debts you currently owe and calculate your total debt.

Description of Liability/Debt	**Amount of Liability/Debt**
	$
	$
	$
	$
	$
	$
	$
Total Debt	$

How much capital do you have available for start-up and operating expenses?

$_____

Do you have a source for additional, affordable capital if needed?

❑ Yes ❑ No

After evaluating your financial situation, how do you feel about your potential agritourism venture? Circle the corresponding number below on a scale of 1 (very pessimistic) to 10 (very optimistic).

1 2 3 4 5 6 7 8 9 10

Very Pessimistic Neutral Very Optimistic

Summary Analysis

By completing the previous exercises, you have considered several important factors to help you determine whether agritourism is an enterprise you would like to investigate further. This final exercise will help you to summarize what you learned.

Summary Analysis Exercise

The factors examined in the previous exercises are listed in the following table. Indicate whether the information learned about yourself and your resources for each of these factors is a positive (pro) or negative (con) in your decision to pursue agritourism as an enterprise. Summarize your reasoning in the appropriate space. Some factors may be both positive and negative in different ways.

	Positive	Negative
Entrepreneurial experience and skills		
Goals		
Land and property resources		
Time and labor resources		
Preliminary market analysis		
Agritourism activity options		
Financial situation and resources		

Consider all the information learned through the evaluation exercises included in this chapter. Do you feel agritourism is right for you?

❑ Yes ❑ No

If yes, this analysis is only the beginning of evaluating your potential and planning for an agritourism enterprise. More in-depth analysis of your potential through business planning, market planning, risk assessment and management, and consideration of government regulations is needed.

Additional Activity

Visit several agritourism operations as a customer and observe the enterprise in action. Talk with the owners and employees to get a feel for how the business works and how you would feel about being responsible for a similar operation.

Additional Resource

Taking the First Step: Farm and Ranch Alternative Enterprise and Agritourism Resource Evaluation Guide is a document published by the Southern Maryland Resource Conservation and Development Board with similar evaluation exercises. The document focuses more heavily on evaluating your natural resources. The guide is available online at http://nrcs.usda.gov/technical/RESS/altenterprise or by calling (202) 720-2307.

Source: SCORE, Ft. Worth, TX, April, 1997

Financial Analysis

Estimating a Business Opportunity's Economic Viability

Evaluating an agritourism business opportunity can be an overwhelming task. There are many things to consider but the most important is to determine whether the business can generate a level of sale sufficient to generate a profit. If the business is not able to generate a sales revenue that is equal to or exceed expenses, it is most like not an economically viable business proposition.

Before spending time and resources on developing a feasibility study and/or business plan, you should prepare a break-even analysis which will provide an estimate of the sales required to cover total costs. If the break-even analysis reveals that estimated sales revenue significantly exceed the estimated cost of doing business, it is worthwhile investing more time and resources to conduct a comprehensive feasibility study.

This check-list will introduce you to break-even analysis and provide an example presenting the basic tools required to perform an agritourism business opportunity evaluation. However, it is important to remember the more detailed the information that is collected regarding the business proposition, the better the analysis and resulting conclusions regarding the project's economic viability.

Estimating Start-up Costs

Estimating start-up costs is a critical part of evaluating an agritourism business. These costs will include one-time costs like purchasing land or constructing a building while other expenses will be ongoing like payroll, insurance, facility lease, and utilities. It is important to make a list of these start-up or one time expenses and then assign a corresponding dollar figure to each. Startup costs should then be evaluated to determine if they are essential or optional. Only the essential costs should be included in the startup budget.

The essential costs need to be classified as either fixed (overhead) costs and variable (related to business sales) costs. Fixed expenses will include figures like the monthly rent, utilities, and administrative and insurance costs. Variable expenses will include inventory, shipping and packaging costs, sales commissions, and other costs associated with the direct sale of a product or service.

When starting a new business, it is important to estimate the costs of operating the business for the first several months it is in existence. The following is an example of the types of costs that need to be considered.

Start-up Budget Sample (Source: SCORE, Fort Worth, TX, 4/97)

		Dollar Cost
1.	Real Estate, furniture, fixtures, machinery, equipment: (Record either purchase price if paid in full with cash or cash down payment if purchased on contract)	
	a) Equipment	$ _____
	b) Fixtures and fittings	$ _____
	c) Transportation & installation costs	$ _____
	d) Specialized computer software	$ _____
	e) Security system	$ _____
2.	Starting Inventory (1 to 3 months)	$ _____
3.	Decorating, refurbishing, & remodeling costs	$ _____
4.	Deposits Required:	
	a) Utilities	$ _____
	b) Rent	$ _____
	c) Insurance	$ _____
	d) Other (identify)	$ _____
5.	Fees Required:	
	a) Legal, accounting, others	$ _____
	b) Licenses, permits, etc.	$ _____
	c) Bank/checking account	
	d) Other (identify)	$ _____
6.	Initial Advertising & Marketing Costs (ie., flyers, sales letters and calls, signs, brochures, etc.)	$ _____
7.	Accounts Receivable (_____ days of sales)	$ _____
8.	Salaries for employees and owner until business opens or positive cash flow is positive	$ _____
9.	Other miscellaneous expenses:	
	a) Trade shows	$ _____
	b) Office supplies	$ _____
	c) Travel expenses	$ _____
	d) Signs	$ _____
	e) Cleaning service	$ _____
	f) Profession Association fees	$ _____
	g) Other supplies, etc.	$ _____

10. Payments on other fixed obligations $ _____

Total Start-Up Costs *$* _____

Start-up Cost Budget Example

The following are examples of start-up costs associated with an agritourism operation.

Expense		*Cost*
Barn, fence, farm renovations	$	4,000
Parking	$	2,000
Long term signage 10 @ $150 each	$	1,500
Wagon Adjustments $200*2 wagons	$	400
Playground development	$	1,200
Picnic tables $80*7 tables	$	560
Develop walking trails	$	600
Labor	$	2,000
Total Start-up Costs	*$*	*12,260*

These start-up costs will be used later in developing the break-even analysis.

Preparing a Break-Even Analysis

A break-even analysis can be used to calculate the number of tours that need to be sold to break even or the price per tours needed for the business to break even. A break-even analysis allows you to run "what if" scenarios. For example, if an additional wagon or site is added to the business, how many extra tours will have to be sold to cover these costs. If you have a variable rate loan, what will the impact of interest rate changes impact the level of sales needed to cover these changes in costs.

The formula for preparing a break-even analysis is as follows:

Break-Even in Tours = Fixed Cost / (Tour Price - Average Variable Cost)

Break-Even Price = (Fixed Costs/Estimated Tours/Sales)+ Average Variable Costs

Preparing a break-even analysis requires a basic understanding of simple financial analysis terms.
To prepare a break- even analysis four variables are needed.

Variable costs
Fixed costs
Price
Estimated sales

A brief explanation of each of these terms is provided to ensure a basic understanding of the financial terms utilized in preparing a break-even analysis. Remember, the start-up costs outlined earlier need to be included in your break-even analysis.

Variable costs - These are costs that are correlated or change with a businesses level of production and/or sales. An example of variable costs would be the fuel needed to run a tractor for a corn maze hay ride. As the number of visitors increase so does the number of hay rides and fuel needed to run the tractor. The purchase of additional fuel would be considered a variable cost. The following provides a list of potential variable costs.

- Wages (how many and what are you paying employees)
- Raw material costs (inputs)
- Utilities (electricity, natural gas, water, sewer)
- Cost of maintaining inventory (giveaways, etc)

The following are variable cost estimates for a pumpkin patch facility that provides hay rides. Remember, a number of these variables costs were included in the start-up cost budget.

Variable Costs		*Cost*
Electricity	$	1,200
Labor	$	1,800
Hay for wagons	$	40
Tractor fuel	$	75
Maintenance	$	300
Total Variable Costs	*$*	*3,415*

Fixed Cost- These are costs that a business incurs regardless of its level of production or sales. Fixed costs *do not* fluctuate with sales volume and are sometimes referred to as overhead costs. An example of a fixed cost would be the monthly mortgage payment on farmland. Regardless if the business is providing tours, the business has to pay for the facility. The following are examples of fixed costs.

- Mortgage/rent
- Interest on debt
- Insurance
- Plant and equipment expenses
- Business licenses
- Salary of administrative personnel
- Utilities
- Taxes
- Supplies
- Sales and Marketing

The following are the fixed costs associated with a pumpkin patch.

Fixed Costs		
Loan payment	$	4,757
Portable restrooms/handwashing rooms	$	600
Liability Insurance	$	2,000
Marketing	$	1,750
Business License	$	50
Total Fixed Costs	*$*	*9,157*

Total Variable Costs- The sum of the variable costs for the specified level of production or output. For example, a pumpkin patch is capable of hosting up to 380 rides per season. However, a farm is currently only hosting 250 tours a season. The total variable cost is the sum of all the variable costs to host 250 tours.

Variable Costs		*Cost*
Electricity	$	1,200
Labor	$	1,800
Hay for wagons	$	40
Tractor fuel	$	75
Maintenance	$	300
Total Variable Costs	*$*	*3,415*

Average Variable Costs- These costs are the variable costs per tour or of total variable costs divided number of tours for a specific period of time. Using the total variable expenses from above, it is possible to determine the average variable costs for the pumpkin patch hosting 250 tours a season. This is done by dividing the total variable costs by the number of tours being hosted.

Average Variable Cost = $3,415/250
Average Variable Cost = $ 13.66

Revenue Estimation
In addition to having detailed cost information, it is important to estimate potential sales in both units and revenue. However, to gain a clear picture of the viability of a business it is essential to have both cost and sales information. Therefore, it is important to estimate sales potential and drive a price estimate.

Estimated Sales- refers to estimated sales during a specific period of time. A company's estimated sales are derived from estimating market potential and anticipated market share. It is advisable to estimate sales using two or three different market share figures to provide an estimated sales range.

Price- It is important to estimate how much a business will charge for each tour and/or services. One method of determining price is to spy on the competition and collect their products pricing information.

Calculating a Break-Even Figure
Given both the cost and marketing information provided above, it is possible to calculate a break-even for a proposed pumpkin patch tour. It is important to calculate a break-even unit and price to effectively evaluate the business opportunity. This calculation will rely on information presented earlier in this document. For example, the average variable cost figure of $was derived in the variable cost section.

Break-Even Unit Calculation
The first calculation is focused on calculating the number of tours that need to be sold to break-even.

> ***Break-Even in Units*** *= Fixed Cost / (Unit Price - Average Variable Cost)*
> ***Break-Even in Units*** *=9,157/($15.00-$13.66)*
> ***Break-Even in Units*** = 12,271 - number of tours to be sold to break-even.

The calculation reveals that 12,271 tours need to be sold at a selling price of $15.00 per tour for the operation to break-even. Sales exceeding this level will allow the business to start generating a profit.

Break-Even Price Calculation
The second calculation is focused on calculating the price per-tour that needs to be achieved for the operation to break-even.

> ***Break-Even Price*** = (Fixed Costs/Estimated Sales(Units)+ Average Variable Costs
> ***Break-Even Price*** = *($9,157/*(250+13.66))
> ***Break-Even Price*** = $34.75 per tour is the break-even price

The calculation reveals that each tour being sold needs to sell for $34.75 per tour for the operation to break-even.

Adapted from University of Arizona's Market Analysis and Pricing

Pricing

Do consumers not buy their preferred produce because its too expensive or is it other reasons like insufficient quality? Does a consumer not buy their favorite item of sweet corn because of poor quality or the price is too high? The Packer's 1994 Fresh Trends survey asked consumers this question. The percentage of respondents that didn't purchase their preferred fruits were for the following reasons: 59% too expensive; 8% disliked appearance; 7% underripe; 5% shelf life too short; and 3% inconsistent quality. Vegetables showed a similar pattern with: 51% too expensive; 14% disliked appearance; 8% inconsistent quality; 4% shelf life too short; and 1% underripe. Thus, price appears to be a main reason why mainstream consumers sometimes don't buy their preferred commodities. How should one price? Although their is no black and white answer, this section discusses issues related to pricing.

Sizing up the Competition

Sizing up the competition starts at assessing the supply and demand for the specific products you are selling. If you had a bed and breakfast with a view of the Grand Canyon, your product would be unique from other bed and breakfasts near the rim. Just like beach front property is different from property a few blocks away from the beach. Product uniqueness allows you to be more of a price setter rather than just a price taker. How unique is your product compared to competing products? If you are selling seedless watermelons at the farmers' market next to four other vendors selling seedless watermelons, your price will need to be right at the going rate. Even if you try to get a price that is just 1% to 2% more, virtually all consumers will opt for the cheaper melons. But if you are selling a melon that is more exotic and unique, many consumers will pay a 50% to 100% premium over what regular watermelons are selling for.

Freshness is a unique characteristic for products that are very perishable like sweet corn, blackberries, raspberries, and strawberries. But products like carrots, potatoes, and apples that store well, need to be priced competitively with supermarket prices. If you're selling storable products you might possibly use exotic varieties, distinguish your growing methods, or provide rural recreation opportunities for developing product uniqueness. Defining a unique market niche is critical for having any ability to set price rather than being a pure price taker.

When Domino's pizza recently gave up the motto of "delivery within 30 minutes or your pizza is free," many franchise owners were disappointed. Franchise owners recognized the litigation scrutiny and pressure that prompted Dominos to give up the guarantee, but many also voiced that this guarantee was important because it set Dominos apart from the competition. The guarantee of delivery within 30 minutes or your pizza was free made Dominos pizza unique from other pizza delivery services. What makes your product(s) unique?

Pricing for Maximum Profit

Pricing for maximum profit requires that you can assess consumer demand and variable costs of production for your product. Costs of production are commonly broken down into fixed and variable costs of production. Fixed or ownership costs are defined as those costs that don't change with an increase or decrease in output — they are fixed once these resources are committed to production. Land payments, property taxes, capital allocations, and your own management skills are generally referred to as fixed costs. Costs that vary with production like labor, fertilizer, gas, fuel, and water usually refer to variable costs of production. But once fertilizer has been applied, the cost becomes sunk or fixed in that you can't go out and retrieve 300 lbs. of nitrogen that you applied yesterday. Conversely, if you haven't yet invested any capital or resources into a direct farm marketing or tourism operation, all costs are variable. No resources have been committed to the production process.

Ideally, one would like to receive a price that covers all fixed, variable, and opportunity costs of production. It is important to include any opportunity costs or foregone alternatives. For example, if you could earn $75/acre for renting your land to a neighbor, this is a foregone opportunity. Your land cost would be the greater of your actual costs or the $75/acre foregone in land rental fees. Owner wages are often foregone opportunities that need to be accounted for as well. If you add up all fixed, variable, and foregone costs of production and divide by an estimated yield you will obtain your break-even price. Since yields will vary from one year to the next, calculate a break-even price using a five year average yield and then 25 above and below the five year average.

Maximum profit for the "short-run" is where the additional revenue from selling one more unit (marginal revenue) barely exceeds or meets the additional cost of selling another unit (marginal cost). In economic jargon this is referred to as marginal pricing. The additional revenue received needs to exceed the added costs from making a sale. Figuring out the additional revenue received or marginal revenue requires that you can assess consumer demand - which is related to your competition, on the cost side, if you have hauled perishable sweet corn to the farmers' market and the market is to close down in 5 minutes, your marginal cost is close to zero. Almost all costs are sunk (i.e., growing and trucking costs) and the perishable nature of the product implies that you have little opportunity for selling at the next farmers' market. At this point, any moneys that you receive from a sale will help cover some of your sunk costs. Some money is better than throwing the corn away. But all costs are variable or must be covered in the long haul so you don't like to get into a situation where you're "forced" to take rock-bottom prices.

Trial and error is often involved with feeling out consumer demand and adjusting prices appropriately. If you are forced to take a rock-bottom price at the end of a day at the farmers' market, your price was probably too high earlier in the day. Lots of lookers, low sales per customer, and complaints are other signs that your price is too high. But if your product is moving so that you run out of product before you run out of buyers, your price is too low. Even if you are covering all your costs of production and realizing a good return you should raise your price. An exception might be when your buyer has agreed to pay a price below the market when prices are high but above the market when prices are low. But this type of

an agreement needs the trust and commitment of a long-lasting relationship. If you are working on this kind of a relationship, your break-even price is appropriate provided that you have included a reasonable return for your wages, management, and capital.

Some consumers are willing to pay more than others so how does one differentiate between consumers? Retailers have used various tools to maximize their profits through the years by "price discriminating" among consumers. Coupons are a form of price discrimination. Consumers that are looking for the lowest possible price have a demand curve that is relatively elastic. This means that the consumers are very price sensitive. Supermarkets offer coupons in order to maximize their profits, not because they like to save the consumer money. They recognize marginal pricing concepts. Coupons are a vehicle for allowing them to price lower for the price sensitive shopper but maintain a higher price for consumers that are less price sensitive (i.e., more inelastic demand) and don't want to be bothered with coupons.

Terrific Tuesdays or Wednesdays (i.e., discount days) are another vehicle for price discrimination. Video stores commonly have one day a week where they rent videos at half price. These stores do this because they know sales revenues will increase for these price shoppers (i.e., elastic price demand) even though prices are cut in half. Seniors are generally price shoppers so businesses offer discounts to Seniors as a form of price discrimination. Volume discounts reflect a form of price discrimination and/or a different per unit cost of making the sale. If you plan to purchase a large volume you will be a more price sensitive shopper. Again, these discounts are offered in order to maximize profits rather than "give a good deal to the consumer." Discounts are most appropriate for the direct marketer at the peak of harvest when ample produce is available.

Pricing Strategies and Tips

Does $9,999 differ from $10,000? Even though the percentage price difference is essentially zero, retailers commonly price with 9's to convey a cheaper price image in the consumers mind. If you want to have a product position of being the low price vendor or offer a discount to attract the bargain hunter, price in 9's. If your regular price is $15.00 a bag, offering a price of $12.99 would be an appropriate use of 9's. A $3 discount is flashed in consumers minds before they think a $2 discount. Multiple pricing is also a form of price discrimination and pricing 3 for $.99 or $.40/each would be an appropriate use of 9's to attract the bargain hunter. Nine pricing doesn't generally fit if you are trying to promote a product image of high quality and solid value.

When dealing primarily with cash sales, prices that are in $.25 increments have an obvious advantage of reducing time at the cash register. If a tax must be added, price items so that they will come out to a $.25 increment. Selling by weight for some items helps consumers compare with supermarket prices, but this also requires more time at the checkout line. Most direct marketers don't have computerized scales that provide calculations to the ounce in a fraction of a second. Scales also need to be monitored for their accuracy and are subject to the

scrutiny of inspectors. If your prices are obviously lower than supermarket prices, unit pricing may be to your advantage. When your prices are near supermarket prices and you're competing with the same supermarket varieties, sales by weight are generally most appropriate.

With many singles, couples, and small families today a "variety pack" of assorted fruits and vegetables is probably more appropriate to offer as a special than a volume discount. Variety packs get consumers to try new items that they might not otherwise try and reduce the risk of getting too much of one item. A meal with corn, sweet potatoes, and a salad with fresh lettuce, green pepper, celery, carrots and tomatoes is more appealing for most individuals than corn, corn, corn, and more corn. That is, a couple might not be able to consume two dozen ears of corn before their sweetness and freshness is lost.

Loss leader pricing refers to advertising one item at a price below cost, with the intent of getting customers "in-the-door." After customers have made the decision to stop and buy the loss leader item, the objective is to sell enough items at full-price to cover any losses occurred on the loss leader. Loss leaders are most effective for a common good that everyone is purchasing. Turkeys at Thanksgiving are a classic example of a loss leader. Almost everybody serves turkey and all the other goodies that go in and with the turkey cost way more than the turkey, making it a good loss leader item. Pumpkins sold during Halloween are sometimes used as a loss leader item by direct marketers of produce.

Method of Payment

Why are retailers all across the US willing to give credit card companies up to 5 of the purchase price of an item to make a credit card sale. Why do retailers not just request cash? First, retailers know that the average consumer will buy more if they take plastic rather than require cash or check. A consumer may plan to spend $50 when they visit your outlet and take $50 in cash. But if after arrival they realize that your produce is a better value than they anticipated, they are constrained to spending $50 or less if you only take cash. You are at risk for not receiving any payment if you accept checks. Credit card companies are a vehicle for insuring payment to the retailer and getting consumers to buy more. Keeping cash out of the cash register also reduces the risk of losing all your sales for the day to a dishonest or disgruntled employee, or armed robbery. The fixed costs of getting connected and set up for credit card purchases may outweigh the perceived benefits for small and isolated outlets. But if your business is growing and you want consumers to walk out buying $75 worth of produce rather than $20, credit card purchases are a must. Most consumers are so accustomed to the convenience of purchasing items with credit cards that they don't carry significant amounts of cash.

If you are operating a delivery service, an account is generally set up for each client and you send them a bill on regular intervals, commonly every two weeks. Offer a slight discount for early payment from your "regular price" in order to encourage prompt payments. Some farmers' markets and roadside stands are set up to take food stamps as a form of payment to promote afford ability. Food stamps are probably not worth investigating for produce outlets that are isolated and providing a "rural experience" or up-scale in price. But if your outlet is

catering to low income consumers with a product image that includes low price, food stamps may be worth pursuing.

Regardless of the method of payment you choose to adopt, records need to be kept. Records that can track how much was received for fresh corn and day old corn on the same day are needed to make keen pricing and ultimately next years planting decisions. Personal observation help, but it is definitely not enough when it comes to going to the bank. User friendly computer programs can be used to enter the sale code and quantity purchased, and within seconds a detailed sales receipt is printed out for your customer. With the price of computers getting more affordable every year, computerized records and receipts are a wise business tool for even small produce outlets. Tracking individual consumer purchases from year to year can be the best key for discovering what items need to be discontinued or emphasized more.

Adapted from Agri-Tourism Workbook, Agribusiness Council of Oregon

Financial Resources

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL BUSINESS-COOPERATIVE SERVICE

Business and Industry (B&I) Loan Guarantees

The RBS program provides a loan guarantee to a bank, savings and loan, or other approved lender to finance private businesses located in rural areas of 50,000 population or less. Business loan guarantee purposes include, among others items, construction, acquisition, working capital, equipment purchase, start up costs and expansion costs. Applicants for these loans may be any legal entity, including individuals, public and private organizations and federally recognized Indian tribal groups.

Program Goal

To encourage the commercial financing of rural business, thereby:

- Creating and saving rural jobs.
- Improving the economic and environmental climate of rural communities.

- *The B&I Program is lender-driven. RBS guarantees the loan rather than lending directly. A commercial lender requests the B&I guarantee and, if approved, it makes (and services) the loan.*

Type of Assistance

Federal guarantees (typically of 80 percent or less) for lenders on their rural business loans:

80 percent (maximum) guarantee on loans of up to $5 million.
70 percent (maximum) guarantee on loans of $5-10 million.
60 percent (maximum) guarantee on loans of $1 0-25 million.

- *Limited/Special Circumstances -90 percent (maximum) guarantee on loans of up to $2 million.*

Lender Benefits

The guaranteed portion of the loan is protected against loss by a Federal guarantee. The guaranteed portion of the loan can be sold on the secondary market. The guaranteed portion of the loan does not count against lending limits. B&I guarantees help lenders satisfy Community Reinvestment Act (CRA) requirements.

Size of Loans

No minimum, but typically beginning at SBA maximum ($750,000)
Maximum loan is $25 million

Interest Rate, Term, Payment Structure, and Fees

Rate: Lender's customary commercial interest rate -negotiated by lender & business.
Fixed or variable (but not more often than quarterly) tied to a published base rate.
Term: Working Capital -7 years maximum.
Equipment -15 years maximum.
Real Estate -30 years maximum.
Structure: Balloons are not permitted. Reduced payments may be scheduled in the first 3 years.
Fees: Lender's reasonable and customary fees *-negotiated by lender & business.*

Authorized Loan Purposes
Business asset acquisition, construction, repair, modernization, and development. Real estate, buildings, equipment, inventory, supplies, & working capital (NO lines of credit). Loan fees & costs, packaging fees, professional services, and feasibility study costs. Debt refinancing in certain cases.

Loan Limitations
Construction projects -Construction loan funds should not be advanced until RBS has approved the project.
Commercial lease projects -Need not be owner-occupied, but must have enough committed tenants to evidence positive cash flow.
Ineligible businesses include:
Production agriculture (except when linked to agricultural processing & marketing businesses).
(Note: Nursery, forestry, and aquaculture operations are eligible.)
Gaming facilities -Golf Courses -Lending, investment, and insurance companies.
Projects involving more than $1 million *and* the relocation of 50 or more jobs.

Lender Eligibility
Any Federal or State chartered bank; Farm Credit System; Bank of Cooperatives; bank-holding company's mortgage company; credit union; or insurance company.
Lender must be subject to government credit examinations and in good standing.
Lender's officers/directors/owners have no substantial financial interest in the borrower.

Borrower Eligibility
Most types of enterprises qualify -manufacturing, wholesale, retail, service.
Project must be in a rural area -outside the immediate influence of a 50,000 + population city.
Proprietorships, partnerships, corporations, nonprofits, tribes, or political subdivisions.
Majority ownership by US citizens or permanent residents.
Less than 20 percent ownership by government or military employees. Good Credit history.
Must have tangible balance sheet equity at loan closing/project completion of:
10-20 percent or more (for existing businesses).
20-25 percent or more (for new and energy-related businesses). Inability to get credit elsewhere is NOT a requirement.

Security Requirements
The proposed operation must have realistic repayment ability.
There must be adequate collateral to protect the Lender and RBS. Lender should discount collateral consistent with sound loan to value ratios. Typical discount factors are:
Real-estate -using 80 percent or less of the appraised value.
Chattels -using 80 percent or less of the appraised value.
Accounts receivable (<90 days) -using 60 percent or less of value.
Inventory -using 60 percent or less of the value.
Insurance:
Hazard insurance on collateral *(lesser* of loan amount *or* depreciated replacement value). Life insurance (decreasing term OK) on principals/key employees -amount negotiated.
Personal/corporate guarantees:
Typically from all proprietors, partners (except limited partners), or major (20 percent or more interest) shareholders.

Special Requirements
A feasibility study by a recognized, independent consultant may be required.
Annual audited financial statements are generally required for loans in excess of $3 million and when other special circumstances warrant an audit.
A 2% fee on the guaranteed portion of the loan is paid to RBS at the time the guarantee is issued.

Application Process

- Lender & business submit .a joint preapplication to RBS, indicating a willingness to make the loan provided a B&I guarantee is approved.
- RBS meets with all parties at the project site, and then makes a preliminary determination of project eligibility, normally within 15 days.
- Lender & business complete their application.
- From RBS receipt of complete application, approval takes less than 60 days. Loans up to $5 million are approved locally larger ones are reviewed in Washington, DC.
- RBS issues a conditional commitment, approving a guarantee subject to conditions.
- After meeting RBS's conditions, the lender may close the loan and request the guarantee.
- RBS issues the guarantee after verifying all conditions are met and collecting guarantee fee.

RURAL BUSINESS ENTERPRISE GRANT Fact Sheet

United States Department of Agriculture
Rural Business-Cooperative Service

USDA Rural Business-Cooperative Service (RBS) makes grants under the Rural Business Enterprise Grant (RBEG) Program to public bodies, private nonprofit corporations, and Federally recognized Indian Tribal groups to finance and facilitate development of small and emerging private business enterprises located in rural areas outside the boundary of a city or unincorporated areas of 50,000 or more and its immediately adjacent urbanized or urbanizing area. Public bodies include incorporated towns and villages, boroughs, townships, counties, States, authorities, districts, Indian Tribes on Federal and State reservations, and other Federally recognized Indian Tribal groups in rural areas.

The public bodies, private nonprofit corporations and Federally recognized Indian tribes receive the grant to assist private businesses located in rural areas. *GRANT FUNDS DO NOT GO DIRECTLY TO THE BUSINESS. Grants may be made only for projects for which it can be demonstrated that there is a reasonable prospect that the project will result in development of small and emerging private business enterprises.*

The small and emerging private businesses to be assisted must have less than 50 new employees and less than $1 million in gross annual revenues and must be located in a rural area outside the boundary of a city or unincorporated areas of 50,000 or more and its immediately adjacent urbanized or urbanizing area.

How May Funds be Used?

Funds are used for financing or development of private small and emerging businesses.
Eligible uses are:

- Technical Assistance (providing assistance for marketing studies, feasibility studies, business plans, training, etc.) to small and emerging businesses.
- Purchasing machinery and equipment to lease to a small and emerging business.
- Creating a revolving loan fund (providing partial funding as a loan to a small and emerging business for the purchase of equipment, working capital, or real estate).
- Constructing a building for a business incubator for small and emerging businesses.

Limitations:

Grants cannot be used for:
Agricultural Production.
Comprehensive area wide planning.
Loans by grantees when the rates, terms, and charges for those loans are not reasonable or would be for purposes not eligible under RBEG regulations.
Development of a proposal that may result in the transfer of jobs or business activity from one area to another. This provision does not prohibit establishment of a new branch or subsidiary.
Development of a proposal, which may result in an increase of goods, materials, commodities, services, or facilities in an area when there is not sufficient demand.
Programs operated by cable television systems.
Funding part of a project, which is dependent on other funding, unless there is a firm commitment of the other funding to ensure completion of the project.

USDA Rural Business-Cooperative Service is an Equal Opportunity Lender, Provider, and Employer. Complaints of discrimination should be sent to: USDA, Director, Office of Civil Rights, Washington, DC 20250-94 10

All applications are considered without regard to race, color, religion, sex, national origin, age marital status, or physical or mental handicap (provided applicants have the capacity to enter into a legal contract) of the members of the groups applying for assistance. Service must be extended on the same basis.

How are Applications Processed?

Applicants will submit supporting data before a formal application is made. After determining the order of funding priorities, RBS will tentatively determine eligibility and request applicants to assemble and submit a formal application.

Where Is Application Made?

Just call 1-800-ASK-UGA1 (275-8421) from anywhere in Georgia. You'll be automatically connected to the UGA Extension office in that county.

Other Conditions

Applicants for grants to help develop private business enterprises must file written notice of intent consistent with Intergovernmental Review requirements. Federally recognized Indian Tribes are exempt from this requirement.

Applicants for grants to establish a revolving loan program must include detail on the applicant's experience operating a revolving loan program, proposed projects, applicant's financial ability to administer a revolving fund, the need for a revolving fund, and other funds proposed to leverage funds made available under this program.

All community projects funded by RBS are subject to an environmental assessment in accordance with the National Environmental Policy Act.

USDA Rural Business-Cooperative Service is an Equal Opportunity Lender, Provider, and Employer. Complaints of discrimination should be sent to: USDA, Director, Office of Civil Rights, Washington, DC 20250-94 10

Agritourism Budget - Example

Start Up Cost

	Unit		
Grading Land Parking		$	1,500
Kids Corral/play area		$	1,500
Improve appearance of farmplace up and paint		$	2,500
Fencing restricted area		$	1,000
Train labor - 8 hours of training	8 people	$	512
Wagons - wagon $5,000 to $8,000 for new		$	7,000
Safety Chains, stops, side boards,		$	500
Total		$	14,512

Variable Expenses Corn Maze Planting	UNIT	QUANTITY	COST/UNIT	PER ACRE
SEED	THOUS	28	$ 0,90	$ 25,20
FERTILIZER				
NITROGEN	LBS	120	$ 0,29	$ 34,80
PHOSPHATE	LBS	70	$ 0,25	$ 17,50
POTASH	LBS	70	$ 0,15	$ 10,50
LIME (PRORATED)	TON	0,33	$ 31,50	$ 10,40
HERBICIDES	ACRE	1	$ 62,64	$ 62,64
TRACTOR/MACHINERY	ACRE	1	$ 18,07	$ 18,07
LABOR	HRS	2,12	$ 8,00	$ 16,96
INTEREST ON OP. CAP.	DOL	89,555	$ 0,08	$ 8,06
Total				$ 178,93

Utilities	UNIT	QUANTITY	PRICE OR PRICE OR COST/UNIT	TOTAL
Electricity	kw			
Water	gallons			
Total				

Corn Maze Operation (8 weeks)	UNIT	QUANTITY	PRICE OR COST/UNIT	Total Cost	
Design	Job	1	$ 1,500,00	$ 1,500,00	Normal day -
Maintenance	Hours	40	$ 8,00	$ 320,00	1 person inside maze
Labor (3 people 25 hours week, 8 weeks)	Hours	600	$ 8,00	$ 4,800,00	1 person in concessionand tickets
Flashlights/batteries	Flashlight	100	$ 1,00	$ 100,00	1 person outside maze, greeting and getting started.
Batteries	Batteries	300	$ 1,00	$ 300,00	hours (3 people for 25 hours week per person)
Total				$ 7,020,00	1 additional person is needed for each additional 150 people visiting per hour.

Hay Ride	UNIT	QUANTITY	PRICE OR COST/UNIT	Total	
Horses for Hayrid					
Tractor for Hayride					
Hayride wagon(s)					
labor (2 people, 25 hours week, 8 weeks)	hour	400	$8,00	$3,200,00	2 people - one driving and one monitoring group
Fuel	gallon	20	$2,75	$55,00	2 people 25 hours a week
Oil and Lube	case	1	$ 25,00	$25,00	
Total				$3,280,00	

Pumpkins Launcher	UNIT	QUANTITY	PRICE OR COST/UNIT	Total	
Gourds	Gourd	3000	$ 0,10	$ 300,00	1 person selling tickets and monitoring
Misc. Supplies			$ 200,00	$ 200,00	1 person 25 hours a week
Machine	Machine	1	$ 500,00	$ 500,00	
Labor (1 person, 25hours week, 8 weeks)	hours	200	$8	$ 1,500,00	
Total				$ 2,500,00	

Concessions	UNIT	QUANTITY	PRICE OR COST/UNIT	Total	
Bottled water	16 oz	1000	$ 0,69	$ 690,00	1 person in concessionand tickets
Roasted corn	ear	1,000	$ 0,10	$ 100,00	1 person 25 hours a week
Hotdogs	10 pack	500	$ 1,59	$ 795,00	
Buns	8 pack	625	$ 1,00	$ 625,00	
Ketchup	12 oz bottle	50	$ 1,00	$ 50,00	
Mustard	12 oz bottle	50	$ 1,00	$ 50,00	
Napkins		100	$ 1,25	$ 125,00	
Labor (1 person at 25 hours week, 8 weeks)	hours	200	$ 8,00	$ 1,600,00	
Total				$ 4,035,00	

Marketing	UNIT	QUANTITY	PRICE OR COST/UNIT	Total
Radio	30 second slot	270	$ 10,00	$ 2,700,00
Newspaper advertising	2 x 5 space	10	$ 50,00	$ 500,00
TV advertising	15 sec space		$	$ 2,500,00
Bill board	One	1	$ 1,500,00	$ 1,500,00
Coupons * $1 off admission	bottled water label	1000	$ 1,00	$ 1,000,00
Shirts	Dozen	240	$ 12,00	$ 2,880,00
Caps	Dozen	240	$ 5,00	$ 1,200,00
Information signs on Farm	per sign	10	$ 250,00	$ 2,500,00
Directional signs	per sign	4	$ 25,00	$ 100,00
Website	Site	1	$ 1,000,00	$ 1,000,00
Total				$ 15,880,00

Miscellaneous	UNIT	QUANTITY	PRICE OR COST/UNIT	Total
Portable Toilets	Toilet	4	$ 100,00	$ 400,00
Tent (fair style)	Tent	1	$ 2,000,00	$ 2,000,00
Materials/Supplies		5	$ 100,00	$ 500,00
Total				$ 2,900,00

Calculation of Individual Attraction and General Admission Prices

	Start-Up Costs	Utilities & Misc. Exp.	Corn Maze	Hay Rides	Pumpkin Launcher	Concessions	Total
General Admission Pricing Option							
A. Individual Attraction Expenses	$ 14,512	$ 2,900	$ 7,196,93	$3,280,00	$ 2,500,00	$ 4,035,00	$ 34,528
B. Share of total Expenses (percent)	42%	8%	21%	10%	9%	12%	100%
Break-even price for the following estimates of number of farm visitors (dollars per visitor)							
500	$ 29,02	$ 5,80	$ 14,40	$ 6,56	$ 5,20	$ 8,07	$ 69,05
1,000	$ 14,51	$ 2,90	$ 7,20	$ 3,28	$ 2,60	$ 4,04	$ 34,53
1,500	$ 9,67	$ 1,93	$ 4,80	$ 2,19	$ 1,73	$ 2,69	$ 23,02
2,000	$ 7,26	$ 1,45	$ 3,60	$ 1,64	$ 1,30	$ 2,02	$ 17,28
2,500	$ 5,80	$ 1,16	$ 2,88	$ 1,31	$ 1,04	$ 1,61	$ 13,81
3,000	$ 4,84	$ 0,97	$ 2,40	$ 1,09	$ 0,87	$ 1,35	$ 11,51
3,500	$ 4,15	$ 0,83	$ 2,06	$ 0,94	$ 0,74	$ 1,15	$ 9,86
4,000	$ 3,63	$ 0,73	$ 1,80	$ 0,82	$ 0,65	$ 1,01	$ 8,63
4,500	$ 3,22	$ 0,64	$ 1,60	$ 0,73	$ 0,58	$ 0,90	$ 7,67
5,000	$ 2,90	$ 0,58	$ 1,44	$ 0,66	$ 0,52	$ 0,81	$ 6,91

Agritourism Budget - Example					
Start Up Cost					
	Unit	**Cost**			
Grading Land Parking		$ 1,500			
Kids Corral/play area		$ 1,500			
Imporve appearance of farm/clean up and paint		$ 2,500			
Fencing restricted area		$ 1,000			
Train labor - 8 hours of training	8 people	$ 512			
Wagons - wagon $5,000 to $8,000 for new		$ 7,000			
Safety Chains, steps, side boards,		$ 500			
Total		$ 14,512			
Variable Expenses Corn Maze Planting	UNIT	QUANTITY	COST/UNIT	PER ACRE	
SEED	THOU.	28	$ 0.90	$ 25.20	
FERTILIZER					
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PHOSPHATE	LBS	70	$ 0.25	$ 17.50	
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LABOR	HRS	2.12	$ 8.00	$ 16.96	
INTEREST ON OP. CAP.	DOL.	89,555	$ 0.09	$ 8.06	
Total				**$ 178.93**	
			PRICE OR	TOTAL	
			PRICE OR		
Utilities	UNIT	QUANTITY	COST/UNIT		
Electricity	kilo				
Water	gallons				
Total					
			PRICE OR		
Corn Maze Operation (8 weeks)	UNIT	QUANTITY	COST/UNIT	Total Cost	
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Batteries	Batteries	300	$ 1.00	$ 300.00	hours (3 people for 25 hours week per person)
Total				**$ 7,020.00**	**1 additional person is needed for each additional 150 people visiting per hour.**
			PRICE OR		
Hay Ride	UNIT	QUANTITY	COST/UNIT	Total	
Horses for Hayrid					
Tractor for Hayride					
Hayride wagon(s)					
labor (2 people, 25 hours week, 8 weeks)	hour	400	$8.00	$3,200.00	2 people - one driving and one monitoring group
Fuel	gallon	20	$2.75	$55.00	2 people 25 hours a week
Oil and Lube	case	1	$ 25.00	$25.00	
Total				**$3,280.00**	
			PRICE OR		
Pumpkins Launcher	UNIT	QUANTITY	COST/UNIT	Total	
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Machine	Machine	1	$ 500.00	$ 500.00	
Labor (1 person, 25hours week, 8 weeks)	hours	200	$8	$ 1,600.00	
Total				**$ 2,600.00**	
			PRICE OR		
Concessions	UNIT	QUANTITY	COST/UNIT	Total	
Bottled water	16 oz	1000	$ 0.69	$ 690.00	1 person in concessionand tickets
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Hotdogs	10 pack	500	$ 1.59	$ 795.00	
Buns	8 pack	625	$ 1.00	$ 625.00	
Ketchup	12 oz bottle	50	$ 1.00	$ 50.00	
Mustard	12 oz bottle	50	$ 1.00	$ 50.00	
Napkins	Sleeve	100	$ 1.25	$ 125.00	
Labor (1 person at 25 hours week, 8 weeks)	hours	200	$ 8.00	$ 1,600.00	
Total				**$ 4,035.00**	
			PRICE OR		
Marketing	UNIT	QUANTITY	COST/UNIT	Total	

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Website	Site	1	$ 1,000.00	$ 1,000.00
Total				$ 15,880.00
			PRICE OR	
Miscellaneous	UNIT	QUANTITY	COST/UNIT	Total
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1,000	$ 14.51	$ 2.90	$ 7.20	$ 3.28	$ 2.60	$ 4.04	$ 34.53
1,500	$ 9.67	$ 1.93	$ 4.80	$ 2.19	$ 1.73	$ 2.69	$ 23.02
2,000	$ 7.26	$ 1.45	$ 3.60	$ 1.64	$ 1.30	$ 2.02	$ 17.26
2,500	$ 5.80	$ 1.16	$ 2.88	$ 1.31	$ 1.04	$ 1.61	$ 13.81
3,000	$ 4.84	$ 0.97	$ 2.40	$ 1.09	$ 0.87	$ 1.35	$ 11.51
3,500	$ 4.15	$ 0.83	$ 2.06	$ 0.94	$ 0.74	$ 1.15	$ 9.86
4,000	$ 3.63	$ 0.73	1.80	$ 0.82	$ 0.65	$ 1.01	$ 8.63
4,500	$ 3.22	$ 0.64	1.60	$ 0.73	$ 0.58	$ 0.90	$ 7.67
5,000	$ 2.90	$ 0.58	$ 1.44	$ 0.66	$ 0.52	$ 0.81	$ 6.91

Estimating Market Potentail

1. Describe Your Target Market Segments:

Demographic Characteristics (examples)	1st Segment (home schools)	2nd Segment (Elementary schools)	3rd Segment (Church groups)	4th Segment (Families)
Gender: Male or Female				
Age or age group				
Education				
House Hold Inc.				
Marital Status				
Children in Home				
Religious affiliation				
Lifestyle Characteristic, i.e., "Green,"Family-oriented, Famil oriented	1st Segment (home schools)	2nd Segment (Elementary schools)	3rd Segment (Church groups)	4th Segment (Families)

2. Market Area (Where are visitors located or coming from)

Where Is Your Market Area or How Far Are They Willing to Drive, i.e., County, city, South East, 45 miles, 70 miles	**Location or Distance**
1.First Segment Market Area	
2. Second Segment Market Area	
3. Third Segment Market Area	
4. Fourth Segment Market Area	

3. Estimated Number of Customers within Market Area (define your market area, look within that area at the demographic composition)

How Many People Matching My Demographics Live Within the Defined Market Area	
Market Area	**Number of People (target market)**
1.First Segment Market Area	
2. Second Segment Market Area	
3. Third Segment Market Area	
4. Fourth Segment Market Area	
Market Potential - Total (sum 1-4 above)	

4. Consumption Figures (how often is the product consumed and how much of the product is consumed.)

Consumption or usage by People Matching My Demographics Within the Defined Market Area	
Market Area	**Consumption or usage**
1.First Segment	
2. Second Segment	
3. Third Segment	
4. Fourth Segment	

5. Price (what is your cost of producing the product and what type of "profit" do you intend to generate?
How does this price compare to your competitors? How sensitive are customers to price changes?) Also, look at what your different segments are paying for their products

Target Markets	
Segments	**Price**
1.First Segment	
2. Second Segment	
3. Third Segment	
4. Fourth Segment	

Estimating Market Potential: ,where
MP = market potential
N = number of possible buyers
P = average selling price

Q = average annual consumption

Demographic Characteristics (examples)	Number of Possible Buyers	2nd Segment (Elementary schools)	3rd Segment (Church groups)	4th Segment (Families)
1.First Segment				
2. Second Segment				
3. Third Segment				
4. Fourth Segment				

Developing a Business Plan

What is a business plan and why do I need one? Business plans essentially force business owners to spend some time thinking about the business, industry, competition and to determine the best direction for the business. It is a roadmap to developing a successful agritourism business.

A business plan helps assess and create a vision for what needs to be accomplished. It helps evaluate future needs and can be used as a tool for measuring and improving the operation. Developing a business plan does not happen overnight, but taking the time to build a solid plan will save time and money in the long run. Realize that the plan is a working document and must be realistic and fit needs and objectives of the agritourism business.

A business plan serves many purposes and is essential to starting or expanding a new business venture. A business plan consists of several parts.

Executive Summary
The executive summary simply highlights the major parts of a business plan. Although the executive summary is at the beginning of the business plan, it is usually written after all other sections have been carefully thought out and planned. Briefly cover Who,What,When,Why and How. This is just a summary and should include no more than 2 pages.

Create a Mission Statement
Reflecting the core purpose of your business, stating the basic values and goals in a short, focused sentence of no more than 20 words. Ask yourself: What is the purpose of the proposed project? What benefit will it provide? Who are the costumers?

Create a Marketing Slogan, consisting of a short, clever, even humorous translation of your mission statement that conveys a single, simple thought about your business to your customer.

Set Measurable Goals & Objectives. Goals are *3-5* years out; objectives are things you want to accomplish in the next year. Some areas for consideration may include sales volume, profits, customer satisfaction, owner compensation, number of employees, employee development, etc. To set goals and objectives, ask yourself the basic:
What? Why? How? When? and Who? questions. Then set timetables to match goals and objectives. Who will be responsible for what activities? Who are the key employees and what

are their titles? How long do you plan to operate this venture? How many hours are you willing to commit to this venture? Where do you see the business in *3-5* years?
How are you going to promote customer satisfaction?

Gather Information from reputable sources to document your business plan. You'll want to know about potential visitor days and expenditures, preferences, and interests; competition and complementary services in your area; etc. These types of surveys are available from Economic Development organizations, Tourism boards and various associations.

Describe Farm or Ranch Recreation Enterprise: When was it started, or projected to start? Why was it started? Who started it? How does the recreation enterprise fit in with your overall farm or ranch operation? How are you set up as a business (sole proprietorship, general partnership, limited partnership, regular corporation, chapter S corporation)?

Describe Product or Service: Write down what you are selling to the public. Why should people buy your service? What does it do? What makes it unique? What will it cost to provide this service or product? How much will you charge? How does it compare to other similar recreation enterprises? Are there complementary services in the area?

Define Customers: Who are you targeting for your recreational enterprise? You'll want to define: gender, age, income, occupation, location, family status, children, education, and interests.
For example, if you are developing a fee hunting enterprise, you'll probably look at males in the 25 to 50-age range.

Compete or Complement: Since farm and ranch recreation is relatively new as an emerging industry, state agencies are encouraging enterprises to work together to attract visitors, share resources, and market services. However, you should first carefully develop and evaluate your business and product, considering your resources and activities.
Develop a Marketing Strategy: Your marketing and advertising method may be as simple as word of mouth and repeat customers, or it may involve an ad campaign with printed materials, radio spots, newspaper or other media advertising, mass mailings, and the like. Marketing and advertising will be covered more fully in the next section, but you should include your marketing strategy in your business plan.

Management: Include a resume of each owner and key employee. Identify outside consultants and advisors, including accountant, lawyer, banker, insurance broker and other consultants.

Employees: Because a recreation enterprise may create a new Standard Industrial Code (SIC) for the activities associated with that portion of your business — resulting in different workers compensation rates and reporting requirements — you should treat your personnel issues separately for this enterprise from your farm or ranch business.

Written job descriptions that clearly define duties and a personnel manual may be helpful in this setting. You should identify how many employees you need to run the recreation enterprise, their titles, job duties and skills. If you need additional employees, where and how will you attract them? What process will you use to screen and hire employees (job skill testing, job interviews, etc.). What training needs will you face? Who will conduct employee training (inhouse, paid consultant, community college, other recreational businesses)? What will be the cost of the training? How will you set salaries and wages? What benefits will you provide?

Insurance: Identify the types of insurance you have for your business. See the section on Liability and Insurance

.

Fixed Assets: You will need to identify your current fixed assets (those with a useful life or more than one year) and those, which you need to purchase. These might include land, buildings and improvements, machinery, other equipment, livestock, office furniture, computers, etc. Determine the cost and estimated acquisition date. Estimate the useful life of each fixed asset. Complete a monthly depreciation schedule.

Start-up Expenses: Any new enterprise will have start-up costs. These costs are those associated with what it takes to open your door for business. Most of these costs will be one-time expenditures, while a few will occur every year. Examples include legal fees, accounting fees, licenses and permits, remodeling work, advertising, promotions, hiring costs, etc.

Sales Forecast: Forecasting sales are critical to your enterprise from both a management and sales point of view. You can't plan financially if you don't have an estimate of sales. You should review your data on products, customers, competitors, and budgets to develop the trends and projections. Be realistic in making these forecasts. Estimate the total market size in $ sales per year based on your research, and create a market share analysis with worst case, mostly likely case, and best-case scenarios.

A financial strategy is also an important component of a business plan. The financial strategy identifies your sources of existing debt and your financing needs. It specifies your fixed assets, start-up costs and payments (if debt financing is required) as well as several basic forecasts for your business.
This component of your business plan is important for two major reasons. First, the financial strategy is fundamental to your primary evaluation of the business idea and in the management of the enterprise. Second, your financial strategy is fundamental to a lender's evaluation of your enterprise and key to obtaining financing.

In order to understand your financial situation, you need to know how your financial statements are developed and be able to read and analyze them. Make sure your numbers are verified, needs are justified and sources of capital are accurately researched. Adopt systems for

record keeping and bookkeeping that allow you quick access to accurate data and create a system of management checks and balances.

The following financial statements should be included in the business plan. In each case, include assumptions made to create estimates and forecasts.
1. Enterprise budget — a projection of income and expenses
2. Cash-flow forecast — an estimate of how income and expenses will "flow" through the operation, usually over a period of one year
3. Profit and loss statement — a projection of revenues and expenses including adjustment categories such as capital gains or losses and depreciation
4. Balance sheet — an accounting of assets, liabilities and owner equity
5. Income statement — a projection of revenue and expenses for a specific period of time
6. Break-even analysis — an analysis describing how many visitors or what amount of sales would be needed to cover costs
7. Sources and uses of cash — a description of funding sources and uses of funds

A summary of your financial strategy should be included in your business plan. The summary describes your financial documents and explains how your new enterprise will fit into your current operation. It also serves as the second part of your business plan's executive summary.

Create an Exit Strategy
The exit strategy is the next-to-last component of the business plan. An exit strategy specifies situations in which you would exit the business or situations that might necessitate closing the business. The exit strategy also outlines the methods you would use in these situations.

Situations in which the business would be exited or closed will vary. Your personal goals may indicate that you plan to retire at a certain age, or your goals may include plans to grow the business to the highest value and sell it or pass it on to your children. In addition, it may become infeasible to continue to operate your enterprise due to changes in competition, market trends, regulations, personal goals or circumstances.
Methods for exiting a business also vary. Some examples include selling the business to a competitor, selling the business to a family member or employee, selling your share of the business to a partner or other shareholders, passing the business on to a family member or liquidating the business inventory and assets.

Each method will have implications for tax liability, retirement finances, and relationships with family members and other business interests. You may want to discuss your exit strategy with your management team to determine the best strategy for you and to make preparations to effectively implement the strategy in the future.

Include an Appendix
The appendix is located at the end of your business plan. Include supporting documents such as
• Tax returns
• Financial statements
• Resumes of owner and key employees
• Resumes of your management team, including your outside consultants and advisors such as accountants, lawyers, bankers and insurance agents
• Certificates of completion of all business planning, management and technical courses taken

Where to get help?
The business plan should be tailored to fit the agritourism project. Write the plan yourself, even if you seek assistance from professionals and other community members. Professional assistance (attorneys, accountants, financial consultants, etc) should be used as needed.

There are several resources available to assist in writing a business plan. List below are a few to get started:

- Small Business Administration
  1.800.827.5722
  www.sba.gov

- Small Business Development Centers
  www.sba.gov/sdbc

- Chambers of Commerce
  www.acce.org

- Colleges and Universities

- State Economic Development Agencies

- Libraries

- Business Information Centers (BICs)
  www.sba.gov/BI/bics/index.html

- National Sustainable Agriculture Education Service
  attar.ncat.org/

BUSINESS PLANNING CHECKLIST - IS YOUR PLAN COMPLETE?

Description of Business

___1. Business form: proprietorship, partnership, corporation or cooperative?

___2. Type of business: retail, wholesale, manufacturing, service or consulting?

___3. What is the product and/or service? What makes it unique?

___4. Is it a new business? A takeover? An expansion? A franchise?

___5. When is your business open?

___6. Is it a seasonal business?

___7. How long have you been in business?

___8. What have you learned about your business from past operations or (if you're a start-up) from outside sources?

___9. Why will your business be profitable?

___10. What are your personal and business goals?

Product/Service

___1. What are you selling?

___2. What benefits are you selling?

___3. What is unique about your goods or services?

___4. If you are a consultant, what process will you use?

Market

___1. Who buys from you?

___2. Are your markets growing, steady or declining?

___3. Is your market share growing, steady or declining?

___4. Have you segmented your markets? How?

___5. Are your markets large enough for expansion?

___6. What social, political, regulatory, economic and technological changes are taking place that could impact your industry, your market or your market's perception of and desire for your products/ services?

Competition

___1. Who are your-nearest direct competitors?

___2. Who are your indirect competitors?

___3. How are the businesses similar to and different from yours?

___4. What have you learned from their operations? From their advertisements?

Product Development Plan

___1. What other products/services (if any) are you currently considering?

___2. What is your time frame for developing and introducing them?

Marketing Plan

___1. Who will actually buy from you (e.g., do you sell to distributors, wholesalers, retailers, businesses, consumers?) And how does this impact your marketing plan?

___2. How will you attract and hold your target market and increase your market share?

___3. Are you planning to enter or leave any markets?

___4. How do you price your products?
___5. Where are you (will you be) located?

___6. Why is this a desirable area? A desirable building?

___7. What kind of space do you need?

___8. Are there any demographic or other market shifts going on in your area that could impact your marketing plan?

Sales Plan

___1. Who will do the selling in your business? (You? Company salespeople? Independent sales representatives?)

___2. What are your weekly, monthly and quarterly sales goals?

___3. What other checkpoints have you established for reaching those goals?

___4. What sales approach will you use?

Operations Plan

___1. How will you organize the flow of work through your business? (This is especially important if you have several people doing different parts of the overall tasks, such as in a factory or a farming operation.)

___2. How will you assure that all tasks are performed? Performed on time?

___3. How will you monitor quality?

___4. How will you keep costs under control?

Personnel Plan

___1. What are your current personnel needs?

___2. What skills will your employees need in the near future? In three years?
___3. What are your plans for hiring and training personnel?

Management Plan

___1. How does your background/ business experience help you in this business? For your own use: What weaknesses do you have and how will you compensate for them? What related work experience do you have?

___2. Who is on the management team?

___3. What are their strengths and weaknesses?

___4. What are their duties?

___5. Are these duties clearly defined? How?

___6. What additional resources are available to your business?

Application and Expected Effect of Loan (Investment)

___1. How will the loan (investment) make your business more profitable?

___2. Will you buy or lease your equipment, location or vehicles?

___3. Do you really need this money? Or can you make do without?

Financial

___1. Have you completed your financial projections? (As a minimum you should have profit and loss statements, cash flow and income projections for three years and a current balance sheet.)

___2. Will you need additional cash? If so, how will you get it?

___3. Have you shown that your business will be profitable?

Source: Jenni Jeras, The Business Journal

START-UP EXPENSES

Start-up expenses are the various expenses it takes to open your doors for business. The majority of these expenses will be one-time expenditures, while others will occur every year. Examples of these expenses are listed on the next page. If you have an existing business, skip this work-sheet.

Step 1:

Fill in Total available cash for starting your business venture.

Step 2:

Review the expenses listed on the next page. You probably can use this list for the expenses for your business. You may have some expenses which are not listed here, write them under Other expenses.

Step 3:

Estimate your cost for each expense.

Step 4:

Calculate the total for your start-up expenses.

Step 5:

Calculate Beginning Cash Balance by subtracting Total Start-up Expenses from total available cash. This amount should be written on the Projected Cash Flow worksheet under each month on the Beginning Cash Balance line.

START-UP EXPENSES

EXPENSE		COST
Total available cash		$ _____
Total of capital equipment (find this total on next page)	$ _____	
Beginning inventory of merchandise for retailing businesses	_____	
Legal fees	_____	
Accounting fees	_____	
Licenses & permits	_____	
Remodeling work	_____	
Deposits (public utilities, etc.)	_____	
Advertising (grand opening, etc.)	_____	
Promotions (door prizes, etc.)	_____	
Other expenses: _____		
_____		
TOTAL START-UP EXPENSES	_____	$ _____
Beginning Cash Balance	_____	$ _____

CAPITAL EQUIPMENT

Equipment	Cost	Acquisition Date	Useful Life (in months)	Monthly Depreciation

Total Costs Capital Equipment	$	Total Monthly Depreciation	$

Projected Cash Flow

Cash flow projections are among the most critical financial projections you will make. You will calculate your cash receipts and the cash disbursements for each month. If the cash receipts are greater than the cash disbursements, you will have a positive cash flow. If the cash receipts are less than the cash disbursements, you will have a negative cash flow. Negative cash flows are enclosed in brackets. Here is an example: ($5,218).

Step 1:

Fill in your beginning cash balance for the first month. This amount should be taken from the start-up expenses worksheet if your business plan is for a new business.

Step 2:

Fill in the various categories for Cash Receipts and total them for the first month only.

Step 3:

Fill in the various categories for Cash Disbursements and total them for the first month only.

Step 4:

Calculate the Net Cash Flow for the first months (Total Cash Receipts minus Total Cash Disbursements).

Step 5:

Calculate the Ending Cash Balance for the first month. (Beginning Cash Balance plus a positive Net Cash Flow (or minus a negative Net Cash Flow).

Step 6:

Fill in the Beginning Cash Balance for the second month, (which is the Ending Cash Balance for the first month).

Step 7:

Repeat the first six steps for each of the twelve months remember to complete one month at a time!

PROJECTED CASH FLOW

MONTHS	1	2	3	4	5	6	7	8	9	10	11	12	Yearly Totals
Beginning Cash Balance													
CASH RECEIPTS													
Cash Sales													
Collect Account Receivables													
Loans from Banks, Etc.													
Other Receipts													
Total Cash Receipts													
CASH DISBURSEMENTS													
Purchases (merchandise)													
Salaries													
Payroll Benefits													
Occupancy Expenses													
Insurance													
Interest													
Other:													
Other:													
Purchase Capital Equipment													
Loan Principal Repayment													
Owner's Withdrawals													
Total Cash Disbursed													
Net Cash Flow													
Ending Cash Balance													

PROJECTED INCOME STATEMENT

You are now ready to assemble the data for your projected income statement. This statement will calculate you net profit or net loss (before income taxes) for each month.

Step 1:

Fill in the sales for each month. You already estimated these figures; just recopy on the work sheet.

Step 2:

Fill in the cost of goods sold for each month. You already estimated these figures; just recopy on the work sheet.

Step 3:

Calculate the Gross Margin for each month (Sales minus Cost of Goods Sold).

Step 4:

Fill in the three categories of labor-related operating expenses (salaries, mandatory benefits, optional benefits). You estimated these figures already; just recopy them on the work sheet.

Step 5:

Fill in the Operating Expenses — Non-labor. You estimated these figures; just recopy them.

Step 6:

Fill in the Monthly Depreciation Expense. You estimated this figure already; just recopy them for each of the 12 months.

Step 7:

Calculate the Total Operating Expenses for each month by adding all operating expenses.

Step 8:

Calculate the Net Profit or Net Loss (before income taxes) for each month (Gross Margin minus Total Operating Expenses).

PROJECTED INCOME STATEMENT

MONTHS	1	2	3	4	5	6	7	8	9	10	11	12	Yearly Totals
Sales													
Cost of Goods Sold													
Gross Margin													
OPERATING EXPENSES													
Salaries & Wages													
Mandatory Benefits													
Optional Benefits													
Occupancy Expenses													
Car/Delivery													
Supplies													
Advertising													
Legal/Accounting													
Insurance													
Bad Debts													
Interest													
Other													
Depreciation													
Total Operating Expenses													
Net Profit (or Loss) Before Income Taxes													

BALANCE SHEET

The balance sheet can be compared to a picture of your financial condition on a particular day. This statement is a list of your assets (at your cost), your liabilities (your debts), and your equity in those assets.

You are going to prepare a balance sheet as of the end of your last fiscal year or as of the start-up date of your business. You should include all the assets and liabilities as of the appropriate date. You will also be preparing a projected balance sheet for a date one year in the future.

Step 1:

Fill in the amounts for each of the Current Assets and calculate the Total Current Assets.

Step 2:

Fill in the amount for Fixed Assets, (Land, Buildings and Equipment), less accumulated depreciation.

Step 3:

Calculate the Total Assets (Total Current Assets + Total Fixed Assets).

Step 4:

Fill in the amounts for current and long-term liabilities and calculate the required totals.

Step 5:

Calculate the Owner's Equity (Total Assets - Total Liabilities).

Step 6:

Fill in the amount of Total Liabilities + Owner's Equity. This amount should equal the amount for Total Assets.

Step 7:

Repeat Steps 1 through 6 for the end of the year projections.

BALANCE SHEET

Assets	As of		As of
Current Assets			
Cash	$_____	$_____	
Accounts receivable	$_____	$_____	
Inventory	$_____	$_____	
Prepaid expenses	$_____	$_____	
Other current assets	$_____	$_____	
TOTAL CURRENT ASSETS			
Fixed Assets			
Land	$_____	$_____	
Buildings (Less Accum. Depr.)	$_____	$_____	
Equipment (Less Accum. Depr.)	$_____	$_____	
Other fixed assets	$_____	$_____	
TOTAL FIXED ASSETS			
Total Assets	$_____		$_____
Liabilities			
Current Liabilities			
Accounts payable	$_____	$_____	
Federal & State taxes owed	$_____	$_____	
Other current liabilities	$_____	$_____	
TOTAL CURRENT LIABILITIES	$_____		$_____
Long-term Liabilities			
Notes payable to bank	$_____	$_____	
Mortgages payable	$_____	$_____	
Other long-term liabilities	$_____	$_____	
TOTAL LONG-TERM LIABILITIES	$_____		$_____
Total Liabilities	$_____		$_____
Owner's Equity	$_____		$_____
Total Liabilities + Owner's Equity	$_____		$_____

Jenni Jeras, The Business Journal
July 8, 1994

Threats to Success

Despite the optimism that surrounds a small business start-up, most small businesses fail. In fact, 80 percent of small businesses fold in their first five years according to the Small Business Administration. Unquestionably, all entrepreneurs make mistakes, but those who recognize and correct mistakes are more likely to succeed.

Why do small businesses fail? The answer varies with entrepreneurial skills and business conditions. It is important to have good managerial, analytical, communication and interpersonal skills, in addition to drive and vision. It is also important to understand common threats to business success.

Failure to understand or predict the difficulty of owning your own business or adding an enterprise Owning and running a business is hard and stressful work. As a service business operated from your home on family land, your agritourism enterprise can be particularly difficult, requiring tremendous commitment and effort. Learn how to cope with stress and try to find a balance with family, friends and activities you enjoy.

Lack of strategic planning Make mistakes on paper before you risk assets. Understand that planning is an on-going and cyclical process. In other words, plan strategically.

Not knowing how to manage and operate an agritourism enterprise Agritourism enterprises require a different set of skills from production agriculture. Take courses, read books, attend seminars, listen to tapes, get a mentor or do whatever you can to gain the skills you need.

Lack of cash, poor cash flow, lack of financial savvy, poor money management, under-financing "Do not have the 'build it and they will come' mentality!' " said one agritourism operator. Instead, know and fill demand and then expend capital. Learn about available financing opportunities, tools and techniques. Understand the basics of business finance.

Growing too fast When a business grows too fast, entrepreneurs often lose control, quality of products and service deteriorate and customers go elsewhere. Business growth should be done strategically and at a rate you can manage.

Poor interpersonal skills Relationships within a business are complex; important; and worthy of time, attention and feedback. You will need to develop relationships with members of your management team, employees and customers.

Poor communication skills Good communication skills consist of good listening skills as well as good verbal skills. Develop a system for reporting feedback and suggestions from employees and customers. You might consider holding regular meetings of your management team.

Failure to innovate Markets are dynamic. It is important to monitor market conditions and make adjustments to meet the needs of consumers.

Trying to go it alone Businesses can sink when the operator wears too many hats. Having strong, well-rounded management and working teams is important. Pay for and use the services of professionals when needed. Hire employees that complement your weaknesses and delegate responsibility. You should also form networks with people involved in agritourism activities locally and regionally.

Failure to recognize your own strengths and weakness The better you know yourself, the better your chances of avoiding problems and achieving success. Ask for help when you need it.

Failure to seek and respond to criticism Many of the problems listed can be corrected or avoided with the help of candid feedback. Do not automatically blame external causes for failures, but take a look at internal causes. Have people you trust critique your management skills. Talk with management team members, friends and peers. Use the information to learn how to improve your skills.

Nelton, Sharon. June 1992. "Ten Key Threats to Success." Nation's Business.

Source: Center for Agribusiness and Economic Development

Marketing

Marketing is often thought of as simply product advertising or sales pitches; however, marketing includes much more. Marketing is "planning and executing a set of objectives to bring buyers and sellers together so that a sale can take place." It requires thorough planning and execution.

In the case of agritourism, marketing has four main goals:

1. Identify a target audience and their needs.
2. Attract the target audience to the enterprise.
3. Meet the needs of the target audience and entice them to spend their money at the enterprise .
4. Create a desire in the audience to return again and again to the enterprise.

Marketing requires focusing on customer values in order to develop and market a product or service to meet unfulfilled needs of consumers. Thus, it is important to understand the concept of "consumer values." When making purchase decisions, consumers generally consider four factors, often referred to as the Customer's 4 C's:

1. Customer Benefit — What benefit will customers receive from the product or service?
2. Customer Cost — What cost will the customer incur to acquire the product or service?
3. Convenience — How convenient is the process of acquiring the product or service?
4. Communication — How do customers learn about products, services and how to acquire them?

Agritourism entrepreneurs should keep these factors in mind when developing products and services as well as when developing their marketing plan.

Developing a Marketing Plan

Developing a marketing plan takes time and commitment, but it is well worth the investment. There is no single formula for success or "silver bullet" strategy that will guarantee success. Instead, marketing is more like an art than a science, in that it is a creative process rather than an exact formula that can be followed in all situations. "Creating a marketing plan does not guarantee success, it only reduces the chance of failure."

A marketing plan can be compared to a road map in that it allows you to look at where you currently are and provides direction on how to get to your destination. The marketing plan provides the same guidance as a road map, outlining your plan for bringing buyers and sellers together. Attracting and retaining customers is fundamental to the success of a business, as customers provide the money that is essential for a business' daily operation, payroll, debt servicing and profits.

A comprehensive and properly prepared marketing plan can provide invaluable information pertaining to the marketplace. It is easy to brainstorm and hold strategy sessions. These meetings can generate brilliant marketing strategies as ideas are conceived and communicated. However, if these ideas are not recorded and then implemented they are useless. Lee Iacocca, former chairman of Chrysler, provided great insight that supports the creation of a written marketing plan when he
said: "*the discipline of writing things down is the first step toward achieving them.*"

Constructing a marketing plan is similar to putting a jigsaw puzzle together. Many individual components provide specific pieces of information, but none of the individual pieces provides enough information to see the "big picture." However, when these individual components are combined, the big picture becomes clear and the business has a plan for marketing its wares. A good marketing plan for an entertainment farm operation can be broken down into the eight different elements:

I. Introduction
The introduction of a marketing plan provides a concise and complete overview of what the marketing plan is going to accomplish. The reader should be able to gather enough information about the marketing plan from the introduction that he or she has a general idea of what is going to take place.

II. Market Analysis
Market analysis is an essential component of the marketing plan. The market analysis contains information on consumers, competitors and the overall industry. This information is critical to developing an effective marketing plan. In order to accurately complete the market analysis, an in-depth study of the industry and extensive research into consumer tastes and preferences are needed. These investigations will allow you to identify industry trends, changes in consumers' tastes and how the competition is positioning its products. This type of strategic information is critical to effectively position and promote a product to a target market.

To effectively perform a marketing analysis the market area must be defined, the target market identified and a competitor and situational analysis developed

A. *Market Area*
The market area can be thought of the as the geographic area where the business intends to operate, i.e, a city block, between the rivers or the globe. Defining the market area is important because it defines the geographic area where potential consumers live and or work. The people in the market area are considered to be potential customers. If the population in the market area is not sufficient, it will have to be expanded. Food retailers, for example, typically rely on drawing customers from a five mile radius around the store. If this population is too small, the retailer will build elsewhere or risk insufficient sales revenue.

Total sales for specific products can be determined once a market area is defined. For example, Americans consume approximately two pounds of honey annually. Therefore, defining a market area provides the means of determining the total market potential by multiplying the area's population by consumption figures. The result is the area's estimated total sales potential. However, this figure may be misleading and overstate the true market potential for a particular product as not all of the residents in the market area are potential consumers. For example, assume the population for a defined market area is 10,000 people. Some of the people in the area eat beef while others are vegetarians. Therefore, not all of the people in the market area are potential consumers. As a result, it is important to determine what segment of the total population in the market area can realistically be considered potential customers.

B. Target Audience or Customer Profile

Once you have made an initial description of your enterprise and studied the market situation, it is critical to identify your specific target market or audience. Identifying a target audience will allow you to design your marketing efforts effectively by focusing directly on customers you are seeking rather than mass marketing to the general public.

A target audience is defined as a specific portion of the population that has

1. A need the product or service can fulfill
2. A willingness to purchase the product or service
3. The financial ability to purchase the product or service

Describe the customers in your target audience by answering the following questions.

1. Where do your target customers live?
2. What age or in which age range are your target customers?

3. What is the marital status of your target customers?
4. Are your target customers families, individuals or groups?

5. Do your target customers include or exclude children?
6. What is the income range of your target customers?
7. What sources or types of advertising or promotion influence the purchasing decisions of your target customers (newspaper, radio, TV, publicity, word-of-mouth referrals, Internet, brochures or other types of advertising)?

8. What are your target customers' hobbies and interests?

9. When are your target customers available for the services your venture plans to provide?

10. What are your target customers looking for in an agritourism enterprise (entertainment, relaxation, action/adventure/hands-on-experience, education, social interaction, genuine farm experience or other)?

11. How far are your target customers willing to travel to obtain such an experience?

Answer the following questions about your target audience to test for the three components of the target audience definition.

1. Do your target consumers have a need that your agritourism enterprise can fulfill that has not already been fulfilled by other businesses in the area?
☐ Yes ☐ No ☐ Do Not Know
2. What are the target-customer needs that your enterprise can fulfill? How will customers benefit from your operation?
3. Does your target customer have adequate disposable income to spend at your enterprise?
☐ Yes ☐ No ☐ Do Not Know
4. Is your target customer willing to pay an acceptable price for the products or services you can offer at your enterprise?
☐ Yes ☐ No ☐ Do Not Know
5. Does your target customer have convenient access to your proposed operation? Consider distance to the operation, access from major roadways, quality of roadways and difficulty in finding the operation.
☐ Yes ☐ No ☐ Do Not Know
6. Will enough of your target customers be willing to travel the distance to visit your location?
☐ Yes ☐ No ☐ Do Not Know

If you answered "Yes" to each of the six questions above, it is likely that your identified target customer meets the three components of the definition of a target audience. If you answered "No" or "Do Not Know" to any of the questions above, your identified target customer is most likely not a suitable target audience for your enterprise. Consider whether other customer types will fit your personality, skills and goals and whether they meet the target audience criteria.

C. *Competitor Analysis*

A competitor analysis focuses on identifying competitors and collecting pertinent information related to their business. The analysis should investigate both direct and in-direct competitors. For example, an upscale fruit preserve's main competition is other upscale fruit preserve products and not the mass produced national brand jams and jellies. The analysis should contain a list of each competitor's strengths and

weaknesses, resources, marketing channels as well as their strategic plans (if available). It is important to highlight competitor's weaknesses as this provides material which can be used to exploits competing products weaknesses in marketing materials. It is important to know the competition. By identifying competitor's strengths and weaknesses, it is easier to determine a product's competitive advantage, which is useful in product positioning and promotion.

Identifying competitors provides basic information for estimating market share. Market share can be estimated using the total market potential figures and the number of competing outlets. Finding market share information is a difficult if not an impossible task. This information is very valuable and acquiring it may be very expensive. In other instances, there is no market share information. If market share information is not readily available, there is a way to derive a crude market share figure. This crude estimation is calculated by dividing the total market potential equally among the total number of competitors. For example, if there are 15 competing products in a specific market, it is assumed that each of the fifteen competing products capture approximately 7 of the market (100 /15=7). Again, this method of market share estimation is by no means accurate or representative of the actual market shares held by each competing product because it assumes that all outlets have an equal market share which is probably unrealistic. For instance, one national supermarket outlet may capture 50 of the grocery market and the remaining 50 of the grocery market may be divided among the remaining 14 competitors. Despite its short comings, this crude method of estimating market share information provides a means for a company to make an assumption of how much they might capture if they entered the market. The alternative is to make a guess based on the best available information.

D. Situational analysis

The situational analysis can be thought of as a comprehensive investigation into the business environment in which your company will be operating. The situational analysis can be separated into two different elements.

1. *Industry Overview*- this element primarily focuses on industry trends and should provide a general review of the industry. For example, is demand for your product category increasing, decreasing or stable? Is the product category moving toward fat-free products? What are the long term trends in the market place? What are the demographic trends and how might they impact the market? These are some of the questions that need to be investigated. Traditionally, it is easier to enter and compete in a growing market than in a stagnate or declining market.

2. *Regulatory and social implications*- this element of the situational analysis should focus on government regulations and social trends that

would directly or indirectly impact consumer demand for or consumer perception of your product. There may be social trends that might have positive or negative product ramifications. For example, the new organic regulations stipulate that before a product can be labeled organic, it has to be certified organic. An example of social implications and their impact on product consumption could be the current public anti-tobacco sentiment.

III. Marketing Objectives and Goals

The marketing objectives section should outline detailed and specific marketing goals and objectives. This section is essential to the overall success of the marketing plan. By setting business goals and defining objectives, the strategy and tactics subsections that follow will provide detailed information on how the objectives and goals will be met. However, before marketing strategies and tactics are developed, a clear picture of what is expected to be accomplished must be created. For example, you need to set specific goals, such as to accommodate 1,500 students and 200 families. Again, you may want to set specific sales goals by market.

IV. Marketing Strategies

This section outlines and describes what needs to be done to reach specific marketing goals and objectives. Specific marketing strategies are developed after the entertainment operation identifies its marketing objectives. Marketing objectives are specific and measurable goals used to define where the business would like to be at some definite time in the future. For example, if an entertainment farming operation's goal is to have 1,500 school children tour the facilities in the upcoming year, a marketing strategy must be developed and implemented. Once the business has determined its marketing goals, a method of achieving the goals must be formulated and outlined. Assume the marketing goal is to have 1,500 school children tour the facilities in the upcoming year. How is the operation going to accomplish this goal? Marketing strategies are concepts that can be used to create a set of activities aimed at reaching specific marketing goals, "how" specified marketing objectives are to be met. Depending on the operation's current status in the market, different marketing strategies are needed to achieve the specified
marketing objectives. The four general marketing strategies that can be used to market a product or services are:

- Market Penetration
- Market Development
- Product Development
- Diversification

After developing specific marketing strategies, it is important to consider how the competition will react when these strategies are implemented. An outline of the anticipated competitors' reactions should be developed and strategies to counter their reactions need to be considered.

Market Penetration is similar in meaning to market share and refers to the percentage of total product sales that is captured by a company. For an entertainment farming operation to increase its market penetration, it must attract competing entertainment farming customers, attract customers new to entertainment farming or increase its existing customers' use of the facilities.

Market Development is a very simple strategy. The business tries to identify new markets or new uses for its existing products, e.g., offer corporate outings using the facilities developed for school tours. If a business wants to expand and does not want to develop or produce a new product, it can use a market development strategy.

Product Development strategies occur when a business develops new products or services for existing customers in the business' current markets. Product development may be as simple as adding value to existing products or developing an entirely new product. A new eco-tour could be created at the "Farm Forest" enterprise, which would be an example of new product development.

Diversification is a strategy that is typically used as a business grows. The purpose of diversification is to attract new groups of customers by producing new products and/or entering new markets. Let's look at a producer who initially offers a fall pick-a-pumpkin operation. As the operation grows, he or she decides that the business could attract even more customers by offering a cut-your-own Christmas tree enterprise. By venturing into the cut-your-own Christmas tree market, the producer has diversified the product mix.

V. The Marketing Mix

The marketing mix component of your marketing plan describes the methods you will use to attract customers to your operation. Strategies developed and used to gain market share should be tailored to the specific target audience and the values of those customers. The strategies should also be developed to meet your goals for the operation. Marketing strategies include the 4 P's of marketing: product and/or service positioning, price, place, and promotions.

Product — refers to the actual product being offered. The "product" can be thought of as the summation of the individual product's physical and perceived attributes, including packaging. The product needs to have desirable characteristics, appropriate packaging and a perceived image consistent with demands of the targeted market. Packaging is a significant aspect of the product. For example, according to Larry Davenport with the International Jelly & Preserve Association, packaging is essential to a product's success because 90 percent of niche product purchases are based on presentation. Thus, how the agritourism operation is packaged can influence the customers' perception of the operation and the likelihood they will visit it.

Price — Determining the admission price and the price of the products and services available at the operation is a critical marketing tactic. The prices have to be high enough to cover the total cost of operating the enterprise, yet not so high to discourage potential customers from visiting. One method of

determining admission price is to research existing entertainment farming operations or competing forms of entertainment and use these prices as a starting point.

Promotion — is a term used to describe the advertising, promotion, publicity and selling of a product or service. Promotion can be broken down into two distinct categories: 1) face-to-face selling and 2) advertising, promotion and publicity.

Place — refers to a general concept describing how the product will get to consumers. In the agritourism operation, place refers to the site where the activities take place.

It is important to understand that the ultimate function of a marketing mix is to sell more product. Because developing an effective and successful marketing mix is more like an art than a science, it takes experimentation and follow-up evaluation to determine the most effective method(s) of marketing a product to consumers.

VI. Advertising, Promotion and Publicity

Advertising, promotion and publicity are three distinctly different communication strategies that are frequently used together to increase customer traffic and sales. The goal of each of the three strategies is to influence the purchasing decisions of consumers. It is important to remember that advertising, promotion and publicity alone cannot generate significant demand for a product if consumers do not like the product or it does not meet a specific need.

Advertising relies on both printed and electronic communication to deliver information about a product or business to potential and existing customers. It is important that your advertising campaign is directed at your target market, in terms of content and where the message is going to be aired or printed. Advertising a business whose target market is school groups and adults with children has a number of functions:

- to inform teachers and parents of your agri-entertainment operation's existence
- to inform teachers and parents why they should visit your farm (e.g., learn about agriculture)
- to remind teachers, students and parents of a specific reason why they might want to visit your farm (e.g., need a pumpkin for Halloween)
- to associate specific qualities with your enterprise (e.g., good, clean, family fun)
- to help differentiate your operation from the competition (e.g., hayride and pumpkin included in the admission price)

Sales Promotion, involves customer response and involvement as opposed to advertising which involves delivering information about a product or business to potential and existing customers. However, product adverting and promotion are frequently used together. For example, a car dealer may advertise his dealership while running a free hotdog and soft drink promotion for individuals who visit his business. Promotions are a way to entice the customer to purchase a product though a special activity. Everybody is familiar with promotional strategies like clearance sales, in-store sampling and product giveaways.

Advantages and Disadvantages Associated with Specific Advertising Media[6]		
Media	**Advantages**	**Disadvantages**
Newspaper	Potentially large coverage area Low cost relative to other media Immediate/timely (daily or weekly) Access to many socioeconomic groups Ability to target specific audience via specialty section Can use color Flexibility in ad size and cost Visibility of the product (i.e., picture) Use of coupons to measure effectiveness Short lead time	Inconsistent reproduction Typically one-day exposure Clutter (can be lost among other ads) May be limited to text or black-and-white Lack of movement and sound
Radio	Specific audience (demographics) Immediate/timely/multiple exposures Possible high entertainment value of ad Celebrity endorsement or pitch Time and content flexibility Use of a human voice (celebrity) Sound reinforcement	Time limitations restrict message Need for repetition Clutter (can be lost among others) Ad recall is low "Station surfing" during commercial breaks Short ad exposure
Magazines	Potentially large coverage area Can target a specific audience Can use color Flexibility in size and cost Visibility of the product (i.e., picture) Use of coupons to measure effectiveness Large repeat and secondary exposure	Clutter (can be lost among others) Cost associated with repeat exposure Lack of movement and sound Not immediate; publication may be weekly, monthly or less frequent
Television	Large coverage area Can target a specific audience Uses both visual and auditory stimuli Large repeat exposure	Costly to produce and air Time limitations restrict message Need for repetition Short ad recall Clutter (can be lost among other ads) Inverse relationship between hours watched and audience income
Direct Mail	Can target a specific audience More opportunity to educate on product/service benefits	Expensive ($1 to $2 per piece) Difficult to obtain "clean" mailing list May be perceived as junk mail Not immediate, 2- to 3-week lag time May be discarded unopened
Point of Sale	Can influence impulse purchasing Helps product stand out among competition Customer has opportunity for direct response at time of ad presentation (i.e., purchase)	Can be expensive Clutter (ad can be lost among other point-of-sale material)
Outdoor (signage and billboards)	Large audience exposure depending on placement Use of color Can provide information and directions Continuous exposure	Limited message length Initial production and preparation costs Ideal sites are difficult to access
Internet	Information available 24/7 Customers access in their environment and at their convenience Relatively cost effective Can target types of viewers Messages can be timely Ads can be interactive Ability to use coupons to measure effectiveness	Maintenance necessary Not effective as a stand-alone strategy Difficult to gauge impact Costs of development and maintenance can vary dramatically

[6]Dalton, Anne, Rob Holland, Shasta Hubbs and Kent Wolfe. Adapted from *Marketing for the Value-Added Agricultural Enterprise*. University of Tennessee Extension publication PB1699. May 2002. Available online at http://www.utextension.utk.edu/publications/pbfiles/PB1699.pdf. Accessed April 4, 2005.

Mass Media Advertising should be directed at the local market. At least two months before the entertainment farming operation opens, advertising costs and scheduling information should be obtained from local newspaper(s), radio station(s) and television station(s). In addition, you should also begin preparing your advertisement(s). Newspaper, television and radio advertising are particularly useful when starting a new agritourism business. By advertising, you are able to reach a large number of potential consumers. The advertisement can be used to get potential consumers' attention and alert them to your opening and any special events that may be taking place. It is also a good idea to periodically advertise and remind existing and potential visitors that you exist.
Before you decide to advertise in any medium, make sure that the subscriber or listener demographics of the newspaper, television station or radio station are similar to the demographics of your target market (customer).

Publicity might be considered inexpensive or free advertising. There are a number of sources of publicity and a lot of times publicity can achieve the same goals as advertising.

- *Television Publicity* - You should try and convince one or more of the local television stations that they need to do a feature story on your business or product. This feature story has the potential to reach a very large number of potential customers within a Metropolitan Statistical Area.

- *Newspaper or Magazine Publicity* is another way to reach a large audience. Again, newspapers in the target area and other publications or magazines servicing your niche market should be approached about doing a feature article on your business. In some instances, your local county Extension Agent can help you get a feature story in the local paper.

- *Radio Publicity* is another option for informing potential customers that the business exists as what activities and products are available. Again, you may get a local radio station to do a feature story on your business. Radio publicity is immediate and can be used to contact consumers when inventories are high or traffic is slow, i.e., apples are ready for picking.

It takes work and planning to obtain print and electronic media publicity. The following outlines possible methods for obtaining print and electronic media publicity:

A *media list* should be developed. The media list should include local and regional media that are directed toward potential customers. These media provide a means of advertising your product to potential consumers or even generating publicity for your products through feature stories. In addition to providing free publicity, the media list can be a valuable source of "events" for promoting the pumpkin patch's products as the media provide information on community events. Another promotional tool is to contact local radio stations and have your product be a part of an on-air promotional campaign. A gentleman in Chicago used this tactic to generate inexpensive advertising. The local radio

personalities would give one unit of his product away every hour as part of their listener appreciation program. This promotion generated hourly advertising for the cost of a bottle of product ($2.29). A similar strategy could be used by the business. For example, if you are operating a pick-your-own pumpkin enterprise, you may want to work with a local radio station so that they give away 1 free pass that enables the winner to enjoy all the activities at the pick-your-own pumpkin enterprise as part of their listener appreciation campaign. This would generate free radio advertising for the price of a pumpkin, hay ride and other activities.

News leads should be sent to appropriate media each time there is an occasion or event associated with the pumpkin patch. Such occasions or events could be:

- the 10,000th jar sold
- new product introductions (e.g. new re-sealable container.)
- the business visited by a notable person

It is very important that the news lead be formatted to meet a particular publication. Editors are not likely to spend the time and effort to rewrite a news lead. A news lead has a better chance of being published if it is easily adapted to the specific format of the newspaper or magazine to which it is being submitted.

Key people in selected media should be identified and provided product samples, if applicable, at appropriate times, such as holidays or other occasions. An extensive list of publication editors, radio news editors and local television editors should be compiled and provided samples on holidays or special occasions. These individuals look for interesting stories focusing on the region and could promote your business via a news article or feature story.

Just like selling your business or products to consumers, you will have to sell your business or product to the media to be considered for a feature story. Before contacting television stations, radio stations or newspapers in your area there are some simple questions you should have answered to help you effectively and efficiently pitch your story. The following outlines questions that you should be able to easily and readily answer and even have in front of you when talking when you talk to individuals in the mass media[5]:

- *What is the story?* (Two sentence maximum)

- *Who is in the story?* (list the people that can be interviewed, and the area of expertise)

- *When is the best time to air your story?* (Think about the goal you want to achieve getting your story on the air. If you are trying to build participation, the story should be aired prior to your event)

- *Where will the story take place?* (What are the visuals? Will it look good on TV?)

- *Why is this a good story?* (How will the story effect the viewers or listeners)

Caution: Before you decide to advertise or promote or seek publicity for your business, via print or electronic media; make sure that the viewer or listener demographics of the media are similar to the demographics of your

Internet

The internet has created a new method of marketing products to consumers. However, it takes a plan to successfully launch and support a retail website but given its sales potential it is a must. Research has shown that over two-thirds of online users use the internet to purchase products. However, they use the web to collect information and compare products before making a purchase. According to industry research, 91 of online users use the internet to seek information, while 78 use it to research a product before making a purchase. This provides a great marketing opportunity and a venue to inform potential customers about a product's benefits. However, getting them to the website can be difficult. It is important to continually update your site and create a reason for people to want to come back. Add new recipes, have an editorial column, run specials, anything to make them wan to return and return often.

A website should have a shopping cart feature that allows the customer to add items, track their purchases. Shoppers want to add stuff to their cart and have it still be there if they turn off their computers and come back later. They want to use it as a wish list and add and subtract to it as they shop and to compare items in cart.

Email lists are a very important part of direct marketing. Collecting email addresses can be as simple as asking visitors to provide you that information. A website may have a sign-up list that allows customers to enter their email address and receive an email notice when an event happens. For example, a roadside stand may send out emails to customers alerting them to the fact that strawberries are ready. Start a online registration book to collect basic information (customer's name, email address, address, city, state, ZIP code and telephone number). As you fill orders to ship to consumers, it is necessary to have contact information in order to ship the product. By collecting and saving customer information you can gradually compile an extensive email and mailing list/ data base of consumers. This customer data base can then use this data base to generate future sales by periodically reminding consumer's via email about your products or send them information describing new products via advertising flyers, brochures and price lists. It is important to not abuse email as customer can become fatigued and irritated if they feel they are receiving too many emails and might consider it spam.

Word-of-Mouth Advertising appears to be a very effective way of attracting customers. It can be both positive and negative. As a general rule, people are more likely to complain about their experience than they are to compliment it. As a result, if customers are less than satisfied with quality, price, service or any other aspect of the operation, they may actually hurt business by generating negative word-of-mouth advertising. On the other hand, if customers are satisfied, they may recommend your business to family and friends. Satisfied customers are significantly more likely than unsatisfied customers to make repeat visits. Thus, it is critical that you maintain a quality product, deliver exceptional service and make the experience enjoyable for the customer. A simple formula to remember is that 20 percent of customers account for 80 percent of your business, so generating loyal repeat customers is a critical success factor.
According to a 1999 entertainment farming survey of elementary school teachers[11], word-of-mouth advertising is the most common way teachers learn of field trip opportunities. Thirty-seven percent of the teachers who completed the survey indicated that they learn of field trip opportunities form talking with others.

Road Sign Advertising can provide potential customers with a variety of information about the entertainment farming operation. However, it is a good idea to investigate local and state regulations concerning road signage. Some of the information you should include on your sign includes:

- Location
- Business hours
- Special promotions
- Other attractions

In addition to containing information, your sign should "catch" the attention of motorists. The sign should be designed to attract the attention of passing motorists by using high contrast and large letters in combination with bright, easy-to-read colors (e.g., yellow writing on a navy blue background). However, the sign needs to be easy to read, as motorists will typically be passing by the sign at speeds of 30 mph or more.
Table 4 presents a guideline for creating a sign given various traveling speeds.

Table 4. Example Distances and Words Read at Various Speeds with Recommended Letter Height and Widths

			Number of Words at Speed			
Distance (Ft)	Letter Width (In)	Letter Height (In)	30 Mph	40 Mph	50 Mph	60 Mph
50	3/8	1 ¾	4	2	1	0
100	¾	3 ½	8	5	4	3
200	1 3/8	7	15	11	8	6

300	2 3/16	11	22	16	13	10
400	2 7/8	14	30	22	17	14
500	3 ½	17 ½	38	28	22	18

A number of signs should be placed on busy roadways to ensure customer exposure, as well as to provide directions to the entertainment farming operation. However, the final sign needs to be spaced at a reasonable distance from the entertainment farming operation to allow motorists time to slow down safely to make the turn. The following outlines the distance needed to slow down safely at different speeds:

- at 30 mph a car needs 2/10 of a mile to slow down safely
- at 40 mph a car needs 1/4 of a mile to slow down safely
- at 50 mph a car needs 3/10 of a mile to slow down safely

According to the results of a University of Georgia direct marketing study, there is a significant correlation between the number of roadside signs and revenue. The study concluded that roadside stands with more road signs had higher weekly sales than roadside stands with few road signs. Although the study focused on roadside stand operations, the finding may be applicable to many other types of retail operations

Collateral Marketing Materials

A logo or trademark should be developed so it can be registered with the state and it cannot be used by another individual or company. Trademarking can be very important, as your logo can be used by other businesses if it is not trademarked. You could lose the right to use your logo if another individual or business applies for your trademark. Additional information pertaining to trademarks is available in Appendix E.

Brochures and/or Fliers. This type of marketing material is commonly referred to as collateral material and it is a necessity. Many times the brochure or flier is all that potential customers have to learn about your product and find your business. The brochure/flier is a selling tool by which information about your business and its products are relayed to potential consumers. These materials may not have a direct impact but potential customers may take the material with them and refer to it at a later date. The brochure/ flier can be used as a handout and/or mail piece. This makes the brochure or flier a very important part of your marketing material. It is important that you convey your product's desired image and its attractions in the brochure or flier as this may be your businesses only exposure to potential customers. (E.g., pick your own pumpkin at a working farm and experience a real corn maze).

A general price list can be incorporated into the brochure or flier. If you develop a brochure, the price list can be a separate insert. A price list insert is suggested if you are ordering a large number of brochures or you expect to have a price change before you deplete your supply of brochures. This will allow you to change prices without having to print new brochures. The brochure or flier should include a list of activities, products, prices, hours of operation, directions or any other pertinent business information.

For example, if you are operating an agri-entertainment business (pumpkin patch with a Halloween theme) you might try and display or distribute brochures or fliers in the :

1) Area super markets - bulleting boards
2) Area convenience stores and gas stations - bulleting boards or tape to the door
3) Area schools, take a stack of brochures/fliers to the school secretary and see if she will put them in the faculty congregation area
4) Area preschools, take a stack and leave at the front desk for parents to see and pick up
5) Try to post and distribute brochures/fliers at little league sporting events
6) Identify other activities focused on children and children's activities and post and distribute brochures/fliers. For example, a gymnastic complex, a Karate school or Sunday school.

Again, think of your target market and try to distribute these materials in locations where potential customers frequent.

Stationery should be purchased using the company logo. Using company stationery in written correspondence portrays a professional image and an official organization. The stationary can also be used to send out news releases and official notices. The logo should be on everything associated with the business such as brochures, invoices, signs, stationery, business cards, displays, etc. These items can be referred to as your business stationery system and they must be consistent in the image they send to customers. For example, Starbucks has been diligent in the application of its identity. All visual communication (napkins, coffee bags, store fronts, tabletop promotions, etc.) used by Starbucks is consistent in the message it projects.

Mailing lists are a very important part of direct marketing. Start a registration book to collect basic information (customer's name, address, city, state, ZIP code and telephone number). As you fill orders to ship to consumers, it is necessary to collect basic information. In order to ship the product you will need to capture the consumer's name, address, state, city, zip code and telephone number. By collecting and saving customer information you can gradually compile an extensive mailing list/ data base of consumers. This customer data base can then use this data base to generate future sales by periodically reminding consumers about your products or sending them information describing new products via advertising flyers, brochures and price lists.

Another use for capturing and saving customer information is in identifying potential consumers. The information that can be captured and enter into a database can be used in generating a customer profile, a demographic description of your target market. A customer profile can provide an accurate picture of your customer. Customer profiling information can help identify areas where potential customers reside. There is a theory that "birds of a feather flock together." Therefore people residing in the same ZIP or postal codes generally share similar demographics. By profiling customers via information captured from shipping products, it is possible to estimate

VII. Marketing budget

A marketing budget is a necessity. After a creative marketing plan has been developed, money is required to effectively implement the marketing plan. Money must be allocated from the operating budget to cover marketing expenses (e.g., advertising and promotional material, market research, marketing consultants, market development and marketing personnel). The marketing budget should include the cost for all of the advertising and promotional media that will be used, travel and expenses, the cost of collecting additional research data, monitoring trends and shifts in the marketplace, developing collateral marketing material and all other marketing related expenses, table 5.

The marketing budget should be developed at the beginning of the year. For the existing business, a good place to start is using the past year's expenses. Additional marketing costs can then be included based on any new marketing or promotional strategies to be implemented in the upcoming year. However, for a new business, marketing costs will have to be estimated based on the upcoming year's marketing plan. The marketing budget costs should not be carved in stone, but should be used as a guide and modified according to the pumpkin patch's marketing needs and projected income during the year. A rule of thumb would be 5 -10 of expected annual sales or a specified set minimum. Remember that the marketing budget is a tool to help you plan and finance marketing activities. It may be important to increase or decrease your marketing budget as your marketing needs change. For example, next year you may plan to advertise on two radio stations instead of one, thus increasing your marketing expenses by 10% .

Table 5
Sample Marketing Budget

Transfers (Marketing Budget):	
5% of expected sales	$9,500
Expenses:	*Cost*
Local Newspaper Advertisement	$200.00
Food Magazine Advertisement	$500.00
Association Membership	$500.00
Brochures (printing)	$600.00
Stationary (printing)	$50.00
Business Cards (printing)	$100.00
Samples	$100.00
Postage	$400.00
Other	$50.00

Source: Center for Agribusiness and Economic Development

Simple Marketing Check List

IV. Market plan check list

The marketing check list is to provide a simple means of tracking the company's marketing activities and to establish marketing goals. Lee Iacocca said it best "The discipline of writing things down is the first step toward achieving them." The check list should be used to record which marketing activities the company intends to pursue and to track the progress in meeting its marketing goals. For example, the company may set a goal of placing its products in two mail order catalogs over the next year. The goals would then be written and would include what part of the activity is to be pursued, as only portions of each activity might be of interest.

Let's use Tar Heel Hot Sauce as an example. Tar Heel Hot Sauce may set a goal of placing its products in two gourmet mail order catalogs featuring hot sauce products over the next year. In the space provided for goals, Tar Heel Hot Sauce should include what part of the activity it intends to pursue, as only portions of each activity might be of interest. The following is not intended to be an exhaustive listing for a businesses marketing process, however it does provide a guide line

The following check list example was completed for Tar Heel Hot Sauce.

☐ Develop a company and product name.

Goal: Research and develop a name. Check company and product registration to make sure that the name is not taken and that the name can be reserved. Register name with the North Carolina Secretary of State.

Was goal accomplished? _____Yes ____No. __X__ Partially

What needs to be accomplished? Need to register the name with the Secretary of State

☐ Develop a marketing budget.

Was goal accomplished? __X__ Yes ____No. ____ Partially

What needs to be accomplished?

☐ Develop business stationary systems (brochures, invoices, signs, stationary, business cards, displays, etc.).

Goal: Need to develop business material. Need to obtain product photographs for the brochure and web site. Need to develop a company logo to incorporate into all business materials and label.

Was goal accomplished? ___ Yes __X__No. ____ Partially

What needs to be accomplished? ___ Need to meet with graphic artist to design logo

☐ Develop a list of media you would like to contact during the next year. The list should include local, regional, national and international media directed toward potential consumers. This would include news
lead sources, newspapers, magazines, radio stations and television stations.

Goal: Investigate local print media. Determine what media exists and who they target. Investigate radio stations servicing the area. Determine what audience the radio stations serve. Identify contact with each media outlet for future advertising and promotional activities. Investigate local television shows that focus on the area. Morning shows highlight area businesses in special segments, i.e., cooking segment. Contact local cable provider to determine the feasibility of local advertising.

Was goal accomplished? ____Yes ___No __X__ Partially

What needs to be accomplished? Need to contact local television stations to identify cooking segment contact.

Explore promotional activities - see about giving Tar Heel hot sauce away as part of radio stations call in promotions. Obtain list of food editors in area.

☐ Develop a list of key people who will be provided product samples at appropriate occasions.

Goal: Compile a detailed list of food editors and store buyers.

Was goal accomplished? __X___ Yes ___No ____ partially

What needs to be accomplished?

- ☐ Develop a list of trade shows you plan to attend.

  Goal: Investigate the specialty food industry to identify specialty food show in the South East. Determine when the shows start, cost of obtaining a booth, how to register and the types of attendees the shows generally draw . Talk to other specialty food businesses and ask their opinion of each show. Develop a short list of shows that Tar Heel will attend.

Was goal accomplished? ____ Yes ____No __X__ Partially

What needs to be accomplished? Have developed a list of southeastern trade shows. Have not contacted other specialty food businesses to determine which shows are viable and which are not.

☐ Develop a list of specialty and gourmet shops you plan to call on during the next year.

Goal: Drive around and call area Chambers of Commerce to identify specialty shops that may be willing to carry Tar Heel Hot Sauces. Contact the North Carolina Specialty Food Association and ask for a list of specialty food shops. Contact the Center for Agribusiness and Economic Development to see if they have a list of specialty food stores.

Was goal accomplished? __X__ Yes ____No _____ Partially

What needs to be accomplished?

☐ Develop a list of mail order catalogs you plan to contact during the next year.

Goal: Identify all mail order catalogs that market specialty foods. Contact each catalog to who they target, see if they would consider a new hot sauce product and determine how to get products included in the catalog.
Was goal accomplished? ____ Yes ____No __X__ Partially

What needs to be accomplished? Have developed a list of mail order catalogs, have not contacted any of them about getting Tar Heel Hot Sauce included.

☐ Develop a list of gift basket companies you want to contact during the next year.

Goal: Tar Heel has identified and contacted five gift basket companies.

Was goal accomplished? __X__ Yes ____No _____ Partially

What needs to be accomplished?

☐ Develop Tar Heel's Web site and update it regularly.

Goal: Find a web developer and develop a functional web site. The web site will promote products as well allow customers to purchase products online. Need to

contact and five web developers. Have each developer submit a bid for the web site and make a selection. Have web site up by end of calendar year.

Was goal accomplished? ____ Yes ____No __X__ Partially

What needs to be accomplished? Have not found a web developer,

☐ Start compiling a mailing list, including both businesses and consumers. A good place to start is with current
customers. Keep name and contact information for anyone or any business who orders a product though the mail, catalogs, telephone or website.

Goal: Develop a working mailing list. Want to develop a spreadsheet to track who is buying what and how often. Will use this to market new products and promote existing products.

Was goal accomplished? __X__ Yes ____No _____ Partially

What needs to be accomplished?

☐ Develop a list of specialty food brokers you want to contact during the next year.

Goal: Identify five specialty food brokers. Select a broker to carry Tar Heel Hot Sauces.

Was goal accomplished? __X__ Yes ____No _____ Partially

What needs to be accomplished?

This simple check list provides a means of developing marketing strategies, recording them and tracking their implementation. It is important to set goals, work toward them and successfully complete them. Remember, as a entrepreneur, it is up to you to successfully market your products and services. You have to be your company's cheerleader.

Developing Paid Advertisements

Paid advertisements for your agritourism enterprise should be developed to reach your target audience and designed around your enterprise's positioning statement. Advertising is effective only if the message reaches your target audience and registers with them.

Paid advertisements, like all other promotional materials, should portray a consistent image for your enterprise. The development and use of an appealing business name and an attractive logo will help to build awareness and recognition of your enterprise and to create consistency in marketing efforts. A graphic artist could assist you in the development of your logo. You may choose to trademark the logo so that it cannot be used by other businesses.

Preparations for paid-advertising should begin at least two months prior to the time when the advertisements will be run. This includes contacting media for costs and scheduling information. If you plan to outsource the development of the advertisements, more time will be needed. If possible, advertisements should be developed by the same source to maintain consistency.

Consider this six point advertising strategy when developing paid advertisements. This strategy will assist in creating a focused and comprehensive advertisement that will effectively communicate needed information to potential customers.

Six Point Advertising Strategy[3]
1. Primary Purpose—*What results do you expect from the ad? or Why are you advertising?*
2. Primary Benefit—*What unique benefit can we offer customers? What customer value or need can my enterprise meet?*
3. Secondary Benefit—*What other key benefits will customers receive from our products or services?*
4. Target Audience—*At whom (what target audience) are we aiming this advertisement?*
5. Audience Reaction—*What response do we want from our audience (come to the operation, visit a Web site, call an information line)?*
6. Company Personality—*What image do we want to convey in our advertisements?*

Once an advertisement has been developed, make sure to double-check it for grammar and spelling errors. You may choose to test your advertisements with a small group of customers to determine whether they have the desired effect.

[3]Adapted from: Marchall, Maria I. *The Marketing Mix: Putting the Pieces Together.* Purdue University. Available online at http://www.foodsci.purdue.edu/outreach/vap/materials/marketing.pdf. July 15, 2004.

Brochure Development

Brochures can be effective paid-advertising tools for agritourism enterprises, depending on the target audience. They can be used as rack cards in visitor centers, chambers of commerce or other businesses; distributed personally at speaking engagements; or used as direct mail pieces. Brochure design is critical to catching the attention of potential customers. Effective brochures will present pertinent information in an organized and easily understood format.

Catching Attention

The top one-third of the front cover should contain your business name and logo. For rack cards, the back cover should also include the business name and logo on the top one-third, in case the cards get turned backwards.

Photographs really are worth a thousand words. Using them on the cover and throughout a brochure helps in catching and holding attention. Photos should be of good quality, honestly depict your products and/or services, be current, and include people when possible.

Paper weight and quality are important. Brochures need to stand up in racks or withstand mailing. A brochure size of 4 inches by 9 inches fits in racks, can be mailed easily and is easy for customers to carry.

Legibility

The design should be appealing to the eye and easy to read. Color of paper, text and pictures should be attractive to your target audience. Although bright, neon colors are attention grabbers, these colors can make brochures very difficult to read.

Typeface and font size are also important. Text should be in at least 12-point type. If your target market includes senior citizens, your font size should be even larger. The type should be clear and easy to read. Serif typefaces are considered more legible in blocks of text than are sans serif typefaces.

Content

The following table lists information to include as well as the suggested placement in the brochure.

Placement	Information to Include
Top ⅓ front	Business name and logo City, state
Middle front	Days/hours of operation Picture Keywords, phrases or short text to describe activities, producers, services
Bottom front	Contact information Business name Mailing and street address Phone and fax E-mail and Web site
Top ⅓ Back	For rack cards: same as top ⅓ front
Back	Map and directions with easiest route
Bottom back	Contact information Month and year printed (To avoid confusion with reprints)
Alternative back	Mailing panel with logo and return address "To:"

The brochure may also contain other information if space is available, such as in a tri-fold brochure. This may include

- More detailed information about products and services
- Information about your family or operation history
- Price lists

Planning a Successful Direct Mail Campaign[4]

Direct mail can be an effective way to target a specific group of customers with advertising flyers, brochures, postcards, specials, price lists and countless other types of promotional materials. As with all promotional strategies, careful planning and implementation are important.

Although a number of factors are critical to implementing a successful direct mail campaign, the single most critical factor is having an accurate and well-targeted mailing list. One simple and inexpensive way to generate a mailing list is to collect basic information from customers (name, address, city, state, zip code, telephone number and e-mail address). You may be able to do this by using a guest book or by assigning an employee to collect information from visitors as they enter or exit your enterprise.

Other methods to obtain mailing lists do exist but are much less effective and often more expensive than developing your own list from customers. Mailing lists can be obtained through list brokers, organization membership lists, news articles, magazines, trade lists and show exhibitor lists. You may also be able to work with your post office to deliver a mailing to each residence in a specified area. Be careful to choose a method that will allow you to reach your target audience. Response rates for residential mailings are often only one in 1,000, while responses to a target-customer list may be more than three per 100.[5]

Besides the careful compilation or selection of a mailing list, a number of other factors can significantly impact the success of your direct mail campaign. The basic elements[6] to consider are

- The product and/or service offer
- Presentation of the offer
- Envelope considerations
- Mailing considerations

Product and/or service offer. The focus of the mailing should be a product/service offer that must somehow appeal to potential consumers and entice them to visit your operation. The offer must convince them that you can provide a benefit they want and/or need.

Presentation of the offer. The presentation of the offer is critical to a successful mailing campaign since the recipient is not able to evaluate the product in the traditional manner (i.e., taste, touch, see or smell the product). Therefore, the presentation of your company and product/service is critical to build the customer's perception of your enterprise. The material should emphasize product and/or service benefits, be presented in a professional manner and clearly written so your potential customer can easily and fully understand your offer. Pictures of people enjoying activities at your enterprise are an effective way to help in the presentation of your offer.

Envelope considerations. The envelope (or outside of the direct mail piece if no envelope is used) should look professional and avoid the appearance of junk mail to decrease the chances of having your mail tossed out unopened. Although the envelope should not look like junk mail, it should create some level of curiosity. If recipients are curious about the contents of the envelope, you increase the chances of them opening it. Hand writing the address on the envelope may arouse recipient curiosity.

Mailing considerations. First-class mail is less likely to be perceived as junk mail and is more reliable than bulk mail. The Direct Marketing Association estimates that anywhere from

[4]Adapted from Wolfe, Kent. *Planning a Successful Direct Mail Campaign*. University of Tennessee Extension *Center for Profitable Agriculture* publication ADC Info #44. March 2000.

[5]Attard, Janet. *Using Direct Mail to Build Business*. Available online at http://www.businessknowhow.com/marketing/usingdm.htm. July 19, 2004.

[6]Adapted from WGSC Publications. *Direct Mail Works Like Magic*. Phone: (909) 924-8831, FAX: (909) 924-8431 or online at www.wgsc.com.

Coloring Your Marketing Message

Color choice is an important consideration in developing marketing materials. Colors have a psychological effect on people and can be used to your advantage (or disadvantage).

Consumer studies have found that some colors affect males and females differently. This may be related to the visibility of the color, the retention of the color, the preference for the color and the feelings associated with the color. For your marketing materials, choose colors with high visibility, retention, preference and positive associations your target audience, if possible. Reactions to basic colors by gender are described in the following table.

Reactions by Consumer Gender to Basic Colors[2]

Color	Consumer Gender	Visibility	Retention	Preference	Association
Blue	Female	Low	Low	Low	Depressing, Business-Like, Leadership
Blue	Male	Low	Low	High	Reliable, Intelligent, Secure
Pink	Female	Low	Low	High	Therapeutic, Feminine
Pink	Male	Low	Low	Low	Calm, Relaxing, Feminine
Black	Male and Female	Low	Low	High	Male = Rich Female = Sensuous
White	Male and Female	High	Low	Low	Pure, Clean
Red	Male and Female	High	High	High	Male = Danger, Bargain, Excitement Female = Warm, Intimate
Yellow	Male and Female	High	High	Low	Sun, Outdoors
Brown	Male and Female	Low	Low	High	Rich, Earthy
Green	Male and Female	Low	Low	Low	Money, Leisure
Gray	Male and Female	Low	Low	High	Security
Orange	Male and Female	High	High	Low	Healthful, Warm

[2]Adapted from Bill Gallagher, *"Winning Colors and Shapes for Your Company,"* June 10, 1996. Available online at http://www.gmarketing.com/tactics/weekly_29.html.

Media Relations and Publicity[1]

The media, particularly local media, can be a friend to agritourism entrepreneurs. Newspapers, television programs and radio spots can help publicize special events, new products and awards. Through coverage of special activities or exceptional employees, the media can also raise public awareness of services or products or of the enterprise's community-minded goals. For the plugged-in public, media Web sites can be vital links for news and information about an organization and its products and services.

Publicity

The trick to getting publicity or media coverage is to match your organization's needs to those of each of your chosen media outlets. Here are seven tips to help you determine how your organization can best use the media.

1. **Determine your organization's needs.**
   For most businesses, the need for publicity will fall into one of four categories:
   a) Announcement of a special event or new product.
   b) Article about an award (for the organization or an employee).
   c) Feature article about something associated with the business and also related to the community.
   Examples might include autumn events, school projects or holiday-specific products. A feature about something unique going on with the business like a new product line or a building expansion may also be of interest.
   d) News.
   Whether an item is news is best determined by the media outlet. Small businesses should submit a news item as an idea for a feature story. The news outlet will determine the best usage for their audience. If they really think your item is newsworthy, they will contact you or send a reporter. Newsworthy stories have a demonstrable impact on the target audience. For example, a 50-percent-off sale is not news. Businesses have sales all the time. News would include an event where you donate your profits to disaster victims.
2. **Identify which media outlets suit your needs and will value your information.**
   It is best to research your chosen media outlets. Does the newspaper have a special section that lists meeting announcements or specialize in community-related articles? Does the TV or radio station run business announcements on a daily or weekly basis, say between their weather and sports segments? How far in advance of the event do you need to submit information? The research method is simple: read, watch, listen and scan Web sites.

   Submit routine items (announcements and information regarding awards or special events) by the methods described in the newspaper or magazine or outlined on the outlet's Web site. Often these submission procedures involve sending an e-mail or filling in a form available on the Web site. List events in the calendars featured on local radio stations (usually public stations), TV news shows that list community activities, local cable access TV and newsletters of other similar organizations in the community. Such entries are generally free of charge, except for your personnel time involved. Keep a record of calendars used for future reference.

   If your organization or employee has won a significant award, consider informing the local media in advance of when the award will be conferred. They may choose to send a reporter to cover the event if it's local. Note:

[1]Contributed by Patricia Clark McDaniels, The University of Tennessee Institute of Agriculture, Marketing and Communications Services.
The author recognizes the contributions of her colleague Charles Walker, who is well known to the UT Extension community as a retired member of the Marketing and Communications Services news and information team. Charles authored the original version of the publicity portion of this manuscript. His original work has appeared in many forms in various UT Extension publications, particularly the Master Gardener Handbook. Chuck Denney, a producer with UTIA Marketing and Communications Services, also provided valuable input.

Website Development

Why Develop A Website?

- A website is a powerful and effective marketing tool for advertising your business and sharing information
- It provides colorful interactive presentations and material, describing your products and/or services
- Local and international markets can be reached 24 hours a day, 365 days a year
- It is a cost-effective form of advertising
- Almost limitless to the amount of information that can be displayed on a website
- Information is easily updated
- Allows customers to pre-shop

What to have on the Website

There are four major components a website should contain:

1. Domain Name- The domain name is the name of your website. For example, www.mybusiness.com.
2. Site Map- The site map is a "road map" of how your site is set up. It shows the navigation of the site and where different elements are located on the website.
3. Look and Feel- The look and feel of your website is the design aspect of your website. How do you want it look? What colors do you want to use? What kind of images do you want displayed? These are the types of questions to ask yourself when thinking about building a website.
4. Content- Many websites have history about their business, the people who run the business and what they offer ("About Us"). For example, if your business has been family owned for 3 generations, talk about it. A list of your products and/or services ("Our Products"), with detailed descriptions (pictures are always helpful). Contact information ("Contact Us") is crucial. Include all contact information that you have, including address, phone, fax, and e-mail.

Other components of a website:

- Logos: Do you have a logo or something that is used on your business stationary or envelopes? Family crest? If so, make sure they are displayed throughout the website.
- Links: Are there some links you feel would give your customers more information or that they may be interested in?
- "What's New" Page: This could be upcoming activities or events taking place at your business including dates, times and locations.
- "In the News" Page: If your business has been in the paper or a magazine with good comments, add it to your website so that your customers and guests can read about what others have to say.
- "FAQ" (Frequently Asked Questions) Page: If you get a lot of e-mails and letters asking questions about your business, display the questions on the website so that your customers and guests can learn more.
- "Feedback" Page: It's always nice to get good reviews from your visitors. Take advantage of the opportunity and show the positive feedback to others.

These are just a few suggestions, but the possibilities are endless when it comes to websites. If you are thinking about developing a website, here are some things to think about:
Search the Internet and look through other websites
Start to think about how you want yours to look and feel
Make sure the information is easy to find

Tips for Building Marketing and Community Partnerships

Establishing relationships and cooperative alliances with your community is a key element of long-term success.

1. Speak about your project early with neighbors, family, and local businesses. Share your ideas. Listen to their concerns and feedback. Address any problems early in the development of the project.

2. Develop a comfortable level of public presentation. Have a clear focus of your mission and expected outcomes. Don't let yourself become overburdened by the administrative aspects, the rules and procedures of your project. Keep your eye on the outcomes.

3. Speak about your project at service clubs, association meetings, and other gatherings. Get feedback, modify your presentation. Join the local Chamber. Offer to write a regular column for your local newspaper.

4. See your shortcomings or weaknesses as future partnerships. Inventory your community and seek out those who have what you need to complete your goals. Return the favor.

5. Define who shares potential customers with you. Align yourself with other businesses, attractions and openly discuss potential customers. Develop exchange promotions and track where your leads come from.

6. Be innovative. The greatest achievements happen outside the "system." Don't break laws or burn bridges, just be creative.

7. Local ordinances—like your mother, government listens to commitments, not complaints. And so do your neighbors. If you cannot turn a negative situation into a positive passion, don't go there. Work through compliance issues as required by law and in the spirit of cooperation with surrounding properties and interests.

8. Engage any adversaries. Most simply want to be heard or are afraid of the unknown impacts. Sit down one-on-one and listen. Address the concerns, don't whitewash over them.

9. Keep your business plan and marketing plan in the daylight. Make them work for you. If they aren't, then change them. Use them to support your actions and efforts.

10. Work to foster a sense of community and personal responsibility among citizens.

11. Manage physical growth of your operation to ensure quality of life for all citizens affected.

12. Work with other businesses to encourage small town character and support of locally-owned businesses.

13. Build on the agricultural, timber and other resource-based assets in the area.

14. Maintain and enhance historic structures.

Top Marketing Ideas for Agritourism Operations

Adapted from a fact sheet written by Mike Wetter

1. Happy customers are the most important key to success. Customer service is the most critical element. The level of customer service will determine repeat visits and "word-of-mouth" advertising. Learn their names. Remember what they like and have it ready for them. Keep a database if you can't keep it all in your head. The little touches make all the differences.

2. Develop a mailing list. Get names from outdoor magazines, associations, ODFW and other sources of people that like outdoor activities. Your mailing list is your most important asset. Mail to your customers at least twice a year.

3. People don't come to hunt or fish or ride a horse or tractor. They come to have fun and relax. You are in the hospitality business -take care of your customers and you will succeed. Always ask your customers what they liked about their stay and what could be improved.

4. Cater to as "high end" a customer as you can and don't be afraid to charge for your service. This is not a volume business, so you can't go low-end and make money. If you target people with money and charge more for your service, people will expect more from you. You don't have to be "upscale," but you do need to offer a quality experience.

5. Take care of the details. Make sure that your telephone is answered professionally ("Anderson Ranch" rather than "hello"). Your answering machine should have a professional message. Return calls promptly.

6. Let your neighbors know about you. Join the Chamber of Commerce, talk to gas station owners, cafes, Elk clubs, motels, and neighboring farms. Give people your brochure and make sure that people in your area know about you. Start close to home at first and move out gradually. It is much less expensive to attract a client from Portland, Boise, or Seattle than from Japan or Germany. Get listed in the Complete Guide to Ranching Vacations in North America ((916) 583-6926).

7. Send information about your company to magazines and newspapers. Send them news releases and story ideas. Invite them out for a free stay. Follow mailings with personal calls. Think of things that will interest them. The Oregon Tourism Commission has a media guide, available for $6, which will provide ideas for how to work with the press. Call (503) 986-0000 to order a copy.

8. Obtain brochures and literature from other operations that are similar to yours. See what they are offering and what it costs. Look at their brochures to see what you like and don't like. Improve your materials accordingly. Get addresses and phone numbers of operations from outdoor recreation magazines. Owners are generally willing to give you a half-hour of free advice. Call them and tell them you are just starting out and ask if you can have a few minutes of their time to ask some questions.

9. Put signs on your property that are visible from the road. Make sure people can find you and have a way to contact you. Call the Travel Information Council about signage on state and federal highways at (503) 373-1042

10. Produce quality brochures and PR materials. On brochures, less is more. Don't clutter it with lots of words. Use photos. Hire a graphic artist or get lots of feedback from other business people before you go to print. Don't use a photocopier. Color is costlier than a black and white brochure, but it shows a commitment to quality and attracts a lot more attention. Another option which may be more useful than brochures are websites. More and more people are using websites to plan vacations and get information. Discuss the importance of developing and maintaining a dynamic website.

Legal Rules and Regulations

Nearly all marketing activities are affected by federal, state, county, and city ordinances, rules or regulations. They are simply a fact of life. In view of the current public interest for a safe-quality environment, it is just good business to be aware of regulatory necessities and to show good faith in attempting to comply with them.

Because each direct marketing enterprise is different, and because regulations vary from location to location, it is impossible to provide a complete list of regulations that will apply every where all the time. However, it is possible to provide a generalized list of common laws and regulations that direct marketing operators work with in the process of operating their businesses.

A few general rules that almost always apply in any situation:

1. Always check with local, state and federal authorities before trying to market any product, especially food items. Food items are almost always carefully regulated.
2. Check with the officials before you start so that there are no unpleasant surprises down the road. Make yourself knowledgeable about rules and regulations far enough in advance to allow adequate time to comply with them.
3. Rules and regulations are constantly changing, so communicate regularly with local and state officers. Keep abreast of changes.
4. Make government inspectors your allies rather than your adversaries. They will often give you valuable free advice on many aspects of your operation. If you are constructing a building, for example, your consultations with inspectors will ensure that what you are building is something they will approve.
5. Nearly all regulations add time, effort and cost to your marketing operations. These can have an undesirable effect on your ability to do business. If you feel that certain legal requirements are extraneous or detrimental, bring this to the attention of the proper authorities and work with them to resolve the situation. You may be able to obtain a waiver in certain situations.
6. Remember that safety is always of paramount importance. You can improve the opportunity for success if you will 1) make your enterprise as safe as possible for clientele and 2) carry adequate insurance for the size and type of your operation.

In case you are inspected:
When you are inspected, accompany the inspector while he/ she is walking around your property.

1. Ask questions and seek advice and assistance in meeting any regulations that apply to your business.
2. Ask for a business card. It is important to know how to contact the inspector for follow-up purposes. You may need to obtain copies of regulations, clarify a specific situation with an inspector, or speak with someone else in the agency.
3. In case of violations or citations, find out completely as to why you are being cited. Read the regulation so that you understand it thoroughly and how it applies to your situation. If the warning is obviously justified, communicate to the officer that you understand and will comply. If you feel you are being wrongly cited, talk to the enforcement officer.
4. If there is still disagreement, follow up with the appropriate agency and ask for help from their representatives. The next step is to go to your board of supervisors and try to work the problem out. As a last resort, call or write your elected state senator or representative. He or she may be looking for a case, and all of them are sensitive to public opinion, especially when a bill is coming up for a vote.
5. In all cases, be polite but persistent. Agency representatives have regulations they have to abide by. If we get angry or overbearing with them, our attempts at working through difficulties can have an adverse outcome.

Zoning and Health Considerations in Agritourism

Agritourism businesses are subject to zoning and other regulations related to individual and environmental health. Such regulations are determined and enforced by federal, state, county, and/or municipal governments. Regulations can vary greatly by region, and it's important to be aware of and comply with regulations related to operating an agritourism business.

Zoning Considerations

Zoning is "the division of a city or county by legislative regulations into areas (zones), specifying the uses allowable for the property in these areas" (http://www.entrepreneur.com/homebasedbiz). Zoning ordinances can often be seen as a hurdle for beginning agritourism businesses. One survey found 13 of agritourism businesses surveyed had difficulties with zoning (University of Tennessee Extension 2005), and an online survey found that more than 50 had difficulties (Eckert 2007). Ordinances may prohibit particular commercial activities or require that specific facilities and/or structures be present. In some regions, ordinances have been altered to be more accommodating for farms involved in agritourism.

Zoning ordinances are generally handled by county or municipal governments. You can contact these entities (see backside) to determine which ordinances may be in place in your area. The nature of zoning ordinances and the ability to obtain zoning variances will vary greatly with each locality. For a discussion of zoning and home-based businesses visit http://www.entrepreneur.com/encyclopedia/term/82024. html

Examples of Zoning Ordinances:

- Limiting or prohibiting specific commercial recreational activities in an area
- Requiring flush toilets and other facilities for sanitation
- Prohibiting attractions, restaurants, or bed and breakfasts in certain areas
- Regulating location and size of structures

Health Considerations

Like zoning, there are legislative regulations in place aimed at protecting the health of both individuals and the environment. Health regulations will vary from place to place, but generally your county/local health department will handle these. Food preparation and safety, and waste disposal regulations, are often especially important considerations. Licenses and permits are generally required. Your County/ Local Extension Agent should be able to provide the necessary information.

Examples of Health Regulations:
Limiting the number of visitors allowed on a "home stay" farm or ranch
Requiring one or more persons involved with food preparation or handling to obtain food handlers' permits or certificates
Requiring certain types of equipment needed for food storage
Requiring a certain amount of drinking water be available for visitors and placing requirements on water quality
Enforcing specific requirements for septic systems and sewage disposal

The Bottom Line

Due to the variability of zoning and heath regulations, it is important to check with local, county, state, and federal governments, and other organizations to identify which regulations may apply to your agritourism business. Useful agencies to contact include:

Chambers of Commerce
Secretary of State's Office
County/Municipal Health Departments
Tax Commission or Department
County/University Extension Offices
U.S. Department of Agriculture
Zoning or Planning Boards
Agritourism Organizations and Cooperatives
Economic Development Offices
Tourism or Visitors Bureaus
State Farm Bureau Federations
State Agencies or Departments of Health/Agriculture

References and Sources for Further Information

- The Food Safety and Inspection Service (FSIS) Factsheets. Web site: http://www.fsis.usda.gov/Fact_Sheets/index.asp
- Food Safety State and Federal Standards and Regulations - National Association of State Departments of Agriculture -has links to other resources. http://www.nasda.org/nasda/nasda/Foundation/foodsafety/index.html
- Association of Food and Drug Officials (AFDO) -guidance on regulatory topics from a variety of federal, state, and local sources. http://www.afdo.org/afdo/states/topical.cfm
- Americans with Disabilities Act (ADA) Regulations and Technical Assistance Materials. ADA web site: http://www.ada.gov
- Zoning Survey Shows Farm Challenges. Eckert, Jane (2007). Available at http://www.eckertagrimarketing.com/articles/articleshome.shtml
- Agritourism and Nature Tourism in California. George, Holly, & Rilla, Ellie (2005). University of California, Agriculture and Natural Resources, Publication 3484. Available from University of California Small Farm Center for $25 at http://ucce.ucdavis.edu/files/filelibrary/5327/3866.pdf
- Legal Structure Rules & Regulations for Direct Marketing Enterprises. From Direct Marketing and Tourism Handbook. Gibson, Richard D. (1995). University of Arizona, Department of Agriculture. Available at http://cals.arizona.edu/arec/pubs/dmkt/dmkt.html
- Health and Safety Guidelines for Children. Humann, M.J., & Lee, B.C. (2007). Marshfield, WI: Marshfield Clinic. Available at http://www.marshfieldclinic.org/nfmc/pages/default.aspx?page=nccrahs_ag_tourism
- • Agritourism in Focus: A Guide for Tennessee Farmers. University of Tennessee Extension (2005). Available at http://extension.tennessee.edu/publications/pbfiles/PB1754.pdf

Adapted from Agritourism on Focus: A Guide for Tennessee Farmers

Regulations

Disclaimer

The information contained in this chapter is deemed correct and information utilized at the time of their review. Not all regulations governing agritourism enterprises are discussed, however. This chapter is for educational purposes only and is not an interpretation of any laws.

Agritourism enterprises may be affected by a wide variety of regulations depending upon the type of attractions offered, location of the enterprise, whether employees are hired and a number of other factors specific to each enterprise. These regulations may be imposed at the federal, state and local levels of government. It is important to investigate all regulations applicable to your agritourism enterprise in order to avoid penalties, fines or interruptions to your business.

This section provides an introduction to a number of regulations that may impact agritourism operations. Regulations discussed here have been organized into three categories:

1. General regulations — regulations that likely impact a majority of agritourism enterprises
2. Employment regulations — regulations that impact enterprises employing personnel
3. Permits and licenses for specific attractions — regulations specific to certain types of attractions

General Regulations

Nearly all agritourism entrepreneurs must comply with several general regulations, which include, but are not limited to, zoning ordinances, business licenses, sales tax collection and remittance, and the Americans with Disabilities Act.

Zoning

Zoning ordinances may dictate

- The location, height and size of buildings and other structures
- The percentage of a lot which may be occupied
- The size of yards, courts and other open spaces
- The density and distribution of population
- The uses of buildings and structures for trade, industry, residence, recreation or other purposes
- Use of land for trade, industry, residence, recreation, agriculture, forestry, soil conservation, water supply conservation or other purposes
- Regulations for signage and parking

A 2003 survey of 210 agritourism entrepreneurs found that 27 operators (12.8 percent) had at least "some difficulty" with zoning for their enterprises.1 The addition of structures, increased traffic, type of activities offered, length of season, operating hours and feelings of neighbors may all be impacted by zoning regulations.

Some areas in the United States are amending agricultural zoning ordinances to allow some value-added agricultural activities, including agritourism.2 The ordinances may specify requirements for access from various road types, parking area surfaces or bus parking. Special- or temporary-use permits are used in some areas to authorize agritourism activities.

Traditional farm operations are typically zoned specifically for agriculture. While agritourism retains some characteristics of agriculture, it may go beyond what are thought to be traditional production agriculture activities.

You should consult the appropriate zoning authority for your location before investing in an agritourism operation or adding additional activities to an existing one. If your plans are not consistent with current rules, you may need to seek a change in zoning status for your land or a portion of your land.

Sales and Use Taxes

Sales and use taxes are imposed by state government and often by county and city governments. Sales and use taxes are imposed on the retail sale, lease or rental of tangible personal property, the gross charge for specified taxable services and the gross sales for amusements. Although the tax is imposed on the purchaser, the seller is liable for collecting and remitting the taxes.

Your agritourism enterprise may be responsible for sales and use taxes depending upon the types of activities and services sold. You may, however, benefit from sales tax exemptions for the sale of farm products grown or produced on the operation. Some generic agritourism circumstances and corresponding sales and use tax liability are described below.

Americans with Disabilities Act

All businesses are required to comply with the Americans with Disabilities Act (ADA). The ADA ensures equal opportunity in employment as well as accommodation in public places, commercial facilities and transportation for persons with disabilities.

Title I of the ADA prohibits discrimination against persons with disabilities in employment by businesses having 15 or more employees or by state and local governments.13 Title I, with respect to private employers, is enforced by the Equal Employment Opportunity Commission (EEOC). For employment issues related to the ADA, contact the Equal Employment Opportunity Commission at (800) 669-4000 or http://www.eeoc.gov.

Title III of the ADA prohibits discrimination against persons with disabilities in commercial facilities and places of public accommodation.14 Commercial facilities include office buildings, factories and warehouses. A place of public accommodation is a facility whose operations affect commerce and fall within at least one of the following categories:

- Place of lodging
- Establishment serving food or drink
- Place of exhibition or entertainment
- Place of public gathering
- Sales or rental establishment
- Service establishment
- Public transportation terminal, depot or station
- Place of public display or collection
- Place of recreation
- Place of education
- Social service center establishment
- Place of exercise or recreation

Public accommodations and commercial facilities must

- Provide goods and services in an integrated setting, unless separate or different measures are necessary to ensure equal opportunity
- Eliminate unnecessary rules that deny individuals with disabilities an equal opportunity to enjoy the goods and services of a place of public accommodation
- Make reasonable modifications in policies, practices and procedures that deny equal access to individuals with disabilities, unless a fundamental alteration would result in a change to the nature of the goods and services provided
- Ensure effective communication through the use of auxiliary aids and services when necessary, unless an undue burden or fundamental alteration would result
- Remove architectural and structural communication barriers in existing facilities where readily achievable
- Provide goods and services through alternative measures when removal of barriers is not readily achievable

When private owners of places of public accommodations or commercial facilities design and construct new facilities or alter existing facilities, they must comply with the ADA Standards for Accessible Design, a handbook available online at http://www.usdoj.gov/crt/ada/ adastd94.pdf.

Title III is enforced by the U.S. Department of Justice. More information may be obtained from the ADA Web site at http://www.usdoj.gov/crt/ ada or by calling the Department of Justice ADA Information Line toll free at (800) 514-0301, voice; and (800) 514-0383, TDD.

Employment Regulations

If you employ personnel for your agritourism enterprise, you will be affected by several employment regulations. These employment regulations vary according to the type and size of your enterprise, the nature of an employee's job and the number of employees you employ.

The Fair Labor Standards Act

The Fair Labor Standards Act (FLSA) of 1938, as amended, establishes standards for minimum wage, overtime compensation, equal pay, child labor and certain mandatory record keeping affecting your full- and part-time workers.

Minimum wage rates are set by the U.S. Congress and are periodically adjusted by statute. As of May 2005, the minimum wage rate is $5.15 per hour.

Overtime pay is set at a rate of not less than one and one-half times the regular rate of pay. Overtime pay is required after an employee works 40 hours during a calendar workweek.

Specific provisions apply to agricultural operations. Employees who are employed in "agriculture" are exempt from overtime pay provisions. The FLSA17 defines "agriculture" as farming in all of its branches including

Cultivation and tillage of the soil

- Dairying
- Production, cultivation, growing and harvesting of any agricultural or horticultural commodities
- Raising of livestock, bees, furbearing animals or poultry

- Any practices (including any forestry or lumbering operations) performed by a farmer or on a farm as an incident to or in conjunction with such farming operations including preparation for market, delivery to storage or to market or to carriers for transportation to market

"Agriculture" does not include work performed on a farm that is not incidental to or in conjunction with the farmer's agricultural operation.

"Agriculture" also does not include operations performed off a farm if performed by employees who are employed by someone other than the farmer whose agricultural products are the basis of the work.18 Any employee who falls under these two sets of circumstances must be paid overtime when the proper conditions are met.

Equal pay requirements prohibit differences in wages based on gender. Men and women employed in the same establishment, doing jobs that require equal skill, effort and responsibility and which are performed under similar working conditions must be paid similar wages.

Records should be kept on employees' wages, hours worked and other information (such as age, gender, entrance pay and job duties) as specified by the Department of Labor record keeping regulations available online at http://www.dol. gov/esa/regs/compliance/whd/whdfs21.htm.

It should be noted that the FLSA does not regulate the following areas (i.e. as the employer, you determine):

- Vacation, holiday, severance or sick pay
- Holidays off or vacations
- Premium pay for weekend or holiday work
- Pay raises or fringe benefits

Child Labor Act

The Child Labor Act prohibits the employment of minors in certain occupations and in particular working conditions that may be hazardous. Child labor regulations differ depending on a youth's work activities and the type of agritourism enterprise providing employment.

- A minor must have a thirty-minute unpaid break or meal period if scheduled to work six consecutive hours.
- Breaks cannot be scheduled during or before the first hour of scheduled work activity.
- Minors 16 and 17 years of age may not be employed
  - During the hours the minor is required to attend classes.
  - Between the hours of 10:00 p.m. and 6:00 a.m. on Sunday through Thursday evenings preceding a school day, except with parental or guardian consent. Even with consent, the minor may work until midnight no more than three nights Sunday through Thursday.

- Minors 14 and 15 years of age may not be employed
  - During school hours.
  - Between 7:00 p.m. and 7:00 a.m. if the next day is a school day.
  - Between 9:00 p.m. and 6:00 a.m.
  - More than 3 hours a day on school days.
  - More than 18 hours a week during a school week.
  - More than 8 hours a day on non-school days.

- More than 40 hours a week during non-school weeks.

Note: The U.S. Department of Labor does not allow 14- and 15-year-old minors to work past 7:00 p.m. from Labor Day to June 1.

In farm work, permissible jobs and hours of work, by age, are as follows:

- Youths 16 years and older may perform any job, whether hazardous or not, for unlimited hours.
- Youths 14 and 15 years old may perform any non-hazardous farm job outside of school hours.
- Youths 12 and 13 years old may work outside of school hours in non-hazardous jobs, either with a parent's written consent or on the same farm as the parent(s).
- Youths under 12 years old may perform jobs on farms owned or operated by parent(s). With a parent's written consent, they may work outside of school hours in non-hazardous jobs on farms not covered by minimum wage requirements.

Minors of any age may be employed by their parents at any time in any occupation on a farm owned or operated by the parents.

Occupational Safety and Health

The Occupational Safety and Health Administration (OSHA) works to ensure a safe and healthy workplace for all citizens, regardless of age. All employers are covered by the provisions of federal and state OSHA regulations. If you employ eleven or more employees, you must maintain records in accordance with OSHA rules.

OSHA requires the employer to

- Provide a safe working environment
- Inform employees of safety regulations
- Warn employees of existing hazards
- Supervise employee activities
- Supply and maintain necessary equipment inherent in the workplace Records should be kept on any hazardous materials that may be encountered or used by employees. In addition, records should be maintained on any injuries or illnesses that may have occurred during employment or on the job.

Workers Compensation

If you have five or more full- or part-time employees, you are required to obtain workers' compensation insurance for your employees. This insurance protects a business from lawsuits filed by an injured employee and provides insurance benefits to employees injured while on the job. Family members who work for your agritourism enterprise are considered employees. Businesses are responsible for obtaining coverage from a licensed insurance carrier.

Unemployment Insurance Taxes

Unemployment insurance taxes provide benefits to unemployed workers who have lost their jobs through no fault of their own.

As an employer, you are not liable for unemployment insurance premiums if you are self-employed and also the sole employee, a sole proprietorship without employees, general partners without employees, or general partners in a limited liability company without employees. Wages paid to workers under the H-2A Temporary Agricultural Worker Program are not subject to unemployment insurance since these workers are not eligible for unemployment benefits.

Employers must pay federal unemployment taxes if they pay cash wages totaling $20,000 or more in any calendar quarter to an employee or employees or if, in each of 20 different calendar weeks in the current or preceding calendar year, there was at least one day in which they had 10 or more employees performing service in agricultural labor. The 20 weeks do not have to be consecutive weeks, nor must they be the same 10 employees, nor must all employees be working at the same time of the day.

Income Tax Withholding

All employers are required by the federal Internal Revenue Code to deduct and withhold taxes on wages paid to their employees. You may need to use either the tax guide for agricultural employers or the tax guide for small business entrepreneurs depending upon whether your employees are involved with the agricultural activities or other activities of your operation. It may be important to contact your personal accountant for more information on these taxes.

The IRS provides the Farmer's Tax Guide (Publication 225) for agricultural employers. It includes the necessary information and forms to withhold federal income taxes. The Farmer's Tax Guide can be found online at http://www.irs.gov/ publications/p225/indes.html or by contacting your local IRS office.

The IRS also provides a similar tax guide for small business entrepreneurs (Publication 334) found online at http://www.irs.gov/publications/p334/ index.html or by contacting your local IRS office.

Permits and Licenses for Specific Attractions

You may be required to obtain a special permit or license for your agritourism operation depending on the type of activities being conducted on your enterprise. There are several permits and licenses that are required for only specific types of attractions.

Source: Center for Agribusiness and Economic Development

Food & Drug Administration Good Manufacturing Practices Highlights

The following abbreviated list should not be used as the only reference when building, planning or considering a commercial food operation. It should merely be used as a resource to gain a better understanding of the types of practices that the act specifies. The entire act itself should be studied. It is also a good idea to use the good manufacturing practices as a guideline to "draft" a sketch, diagram or blueprint of your planned facility. The sketch can then be submitted to the GDA inspector in your area for review and comment.

- All persons working in direct contact with food, food-contact surfaces and food-packaging materials shall conform to hygienic practices while on duty to the extent necessary to protect against contamination of food.
- Workers should wear garments suitable to the operation, maintain personal cleanliness, washing hands, removing all unsecured jewelry and wear gloves.
- Workers should wear hairnets, headbands, caps and beard covers where appropriate and should take precautions to protect against contamination of food.
- The grounds shall be kept in a condition that will protect against the contamination of food.
- Roads, yards and parking lots should be maintained so that they do not constitute a source of contamination.
- Areas that may contribute to contamination should be adequately drained.
- Operating systems for waste treatment and disposal should function in a manner so that they do not constitute a source of contamination.
- Sufficient space should be provided for placement of equipment and storage of materials for maintenance.
- Operations in which contamination is likely to occur should be separated.
- Floors, walls and ceilings should be built as to be adequately cleaned and kept clean and in good repair.
- Aisles or working spaces should be provided between equipment and walls, adequately unobstructed and of adequate width to permit employees to perform their duties and to protect against contaminating food.
- Adequate lighting in hand-washing areas and in all areas where food is examined, processed or stored and where equipment or utensils are cleaned should be provided
- Safety-type light bulbs should be used.
- Adequate ventilation should be provided to minimize odors and vapors.
- Adequate screening or other protection against pests should be provided.
- Buildings, fixtures and facilities shall be maintained in a sanitary condition and kept in repair.
- Toxic cleaning compounds and pesticide chemicals shall be identified and stored in a manner that protects against contamination of food.
- No pests shall be allowed in any area of a food plant.

- Effective measures shall be taken to exclude pests from the processing areas and to protect against food contamination.
- Food-contact surfaces, including utensils, shall be cleaned as frequently as necessary to protect against contamination of food.
- Cleaned and sanitized portable equipment with food-contact surfaces should be stored to protect food-contact surfaces from contamination.
- Each plant shall be equipped with adequate sanitary facilities and accommodations including a water supply sufficient for the operations intended
- Plumbing and sewage system should be of adequate size and design.
- Each plant shall provide its employees with adequate, readily-accessible toilet facilities and hand-washing facilities shall be adequate and convenient
- All plant equipment and utensils shall be so designed and of such material and workmanship as to be adequately cleanable, and shall be properly maintained.
- All equipment should be so installed and maintained as to facilitate the cleaning of the equipment and of all adjacent spaces. Food-contact surfaces shall be corrosion-resistant when in contact with food.
- Equipment that is in the manufacturing or food-handling area and does not come into contact with food shall be so constructed that it can be kept in a clean condition
- Raw materials and other ingredients susceptible to contamination with aflatoxin or other natural toxins shall comply with current Food and Drug Administration regulations, guidelines, and action levels for poisonous or deleterious substances before these materials or ingredients are incorporated into finished food. Compliance with these requirements may be accomplished by purchasing raw
- materials and other ingredients under a supplier's guarantee or certification, or may be verified by analyzing these materials and ingredients for aflatoxin and other natural toxins.

Source: Agritourism – Virginia Cooperative Ext. Service, Nov., 2001

Risk Assessment, Management and Safety Considerations

Risk Assessment and Management

Operating a farm carries some inherent risks. Generally, farmers are aware of these risks and, normally, they are insured against these risks. In an environment where tourists are added to the farm, as visitors or as workers, additional risks arise. Because of the potential for added risk you first should identify the agritourism activities that you are going to offer, then examine the additional risk those activities may create. For example, you may decide to add hayrides on your farm. A hayride is not risk free, since there is always a possibility that a customer will fall off the wagon. However, by establishing some rules and modifying the wagon you can protect your visitors from potential risk. To make the hay ride as safe as possible, you can make sure that all riders remain seated and keep their arms and legs inside the wagon during the ride. You can construct railings around the wagon and maintain a low speed with the tractor. Assessing and managing risk is something you should never do alone. Before adding any additional product or service on your farm, you need to contact your insurance agent and your lawyer first. Make sure you have a good, honest, working relationship with these professionals. You must be able to trust them with every aspect of your protection and your customers' safety.

Liability

Farmers must understand that they might be liable for injury or property damage to a third party because they acted negligently, because an employee was negligent, or because of special circumstances in which the law allows recovery even in the absence of fault on the part of the defendant. In other words, a farmer may be liable for personal injury or property damage to a third party when the farmer's failure to be careful is the cause of an injury or an accident. However, despite the fact that a person cannot prevent a lawsuit from being filed, you must make sure that your operation is as safe as possible and must have appropriate insurance coverage. Safety precautions and insurance coverage are two of the best ways to manage liability risk.

The following is a list of different kinds of legal liabilities. You should consult with your attorney about how these issues relate to you and your agritourism enterprise.

- General liability: Financial loss because of bodily injury or property damage to employees or customers caused by negligence.

- Personal injury: One of your customers slips on your porch and breaks an arm.
- Property damage: Conducting your business, you break the window of a customer's car while trimming trees.
- Product liability: While having lunch at your restaurant, a customer breaks a tooth eating one of your products. Product liability laws are not uniform, but your attorney or insurance agent should be able to help you determine what your needs might be.
- Professional liability: This provides protection for a business that provides a service to customers, such as a bed and breakfast or a restaurant. The service provided causes personal harm. For example, your waitress or one of your family members splashes hot coffee on a customer and burns his arm very badly.

Risk assessment

Naturally, some activities are of greater risk than others. It would be wise to identify all of your activities and recognize the potential risks that would occur due to the presence of tourists. You can ask other members of your family, other farmers, or consultants to help you identify the added potential risks. This process will allow you to reduce or eliminate many of the hazards on your farm. You may be familiar with this process as it pertains to crop production: you insure your crops against the risk of bad weather or poor production in a given year. The concept is similar for the tourism side of your business: you need to insure yourself and your farm against the risk of you, an employee, or a guest becoming injured on your property. The exercise of a risk assessment should help you to:

- Define the risks related to the new activities on your farm,
- Rate the likelihood of loss due to those new activities, and
- Rate the size of potential loss for your farm products and/or services.

While it may seem impossible to eliminate all potential hazards, maintaining a pro-active safety strategy and providing your insurer with documents proving your safety efforts may protect you legally in the long run.

The following table may guide you through the risk assessment process. Please note that it is not an all-inclusive assessment; it is an example that should help you to initiate risk assessment thinking. Nobody can pretend that identifying potential hazards on paper will eliminate every real risk. You should maintain a constant evaluation and assessment of risk on your farm.

Risk management

Inviting people onto your farm as guests invites additional risk to your farm as well. The first step you can take toward managing risk is to recognize the potential risks and hazards that you are creating. Generally, there are four basic ways to handle risk: avoid it, reduce it, accept it, and/or transfer it to another party.

Taking precautions to avoid accidents by customers should be a top priority for agritourism enterprises. However, in the event of an accident, agreements made prior to a visit on the farm may dictate the legal responsibility. Following are explanations for four legal practices that should be understood, adopted from *Sound Advice for Functions and Events* by the Nonprofit Insurance Alliance of California, P.O. Box 8507, Santa Cruz, CA 95061-8507; (800) 359-6422. These and other proactive risk management practices should be discussed with legal counsel.

Hold Harmless Agreement: A hold harmless agreement between two parties states that one party will assume the risk of legal liability associated with an event for the Animal Welfare other party.
Usually landlords will include hold harmless language in leases to protect them from being sued if an accident occurs on their property. Farmers may ask onsite vendors to sign hold harmless agreements that release farmers from liability should a vendor-related accident occur on the farm.
Participant Waivers: Typically, participant waivers are used when minors are involved in school or camp activities, and would be appropriate for on-farm school tours. The minor's parents or guardians are required to sign the document agreeing to release the farmer from any responsibility for injury to their child. However, the waiver does not absolve farmers from liability for injuries directly caused by their negligence.
Incident Reporting: If an incident occurs, the safety point person on your farm should fill out and file an accident report, including contact information of witnesses and accident-site photos, for future reference. Should a claim be presented later, the file should provide sufficient information to begin the investigation. The safety point person also should follow up with the injured party. Many small claims can be averted by demonstrating concern for the individual.
Vendors and other Independent Contractors: If the activity provided by vendors or other independent contractors requires a license, check the license to see if it is current. Make sure independent contractors carry insurance before you allow them on your farm.

Avoiding risk
The first rule in risk management is to avoid risk. You must assess the potential risks involved in adding different activities or services to your farm. If you identify an activity that will add risk to your farm, the safest way to insure yourself against the risk is to avoid it altogether. If you really wish to add an activity that you believe will add risk to your farm, then you will need to consider another method of risk management.

Reducing risk
By carefully analyzing each component and step of an activity and by taking appropriate safety measures, you can reduce potential risks. It pays to play the "What if?" game in regard to the potential hazards on your farm and to plan ahead for any accidents that may occur. It is very important that you remember to discuss each and every new activity with your insurance agent before implementing the activity. Your insurance agent can help you identify places where you can reduce risk and can design an insurance plan that provides you with the best liability coverage.

Accepting risk
You may not always be able to avoid, reduce, or transfer risk. Sometimes you have to accept the risk and make sure that you are protected by insurance coverage. Perhaps, you may want to establish an emergency fund to cover deductibles on insurance policies.

Transferring risk
Transferring a risk means that another party will reimburse you in the event of a financial loss. This promise of reimbursement usually comes with an insurance plan. At this point it is important to consult with your current agent. If he or she is not willing to or cannot cover your new activities, you may need to consult another insurance broker. You should develop a close, trust-based relationship with your insurance agent and your attorney so that you fully understand the details of your insurance plan.

Table 4: Risk assessments (example)

Activities	*Risk potential Scale 1 to 5 Five is the highest*	*Safety Measures*	*Insurance needed*	*Estimated cost to adapt or modify activity.*
Hay Rides	3[1]	Add rails to wagon, limit speed	Consult your insurance agent	$50
Corn maze	2[2]	Maybe it will be a good idea to fence the maze perimeter if there is a risk that someone will get lost beyond the maze field.	Consult your insurance agent	
Horseback riding	5[3]	Require helmets, guided walking trails, guides must have safety training	Consult your insurance agent	It is a major investment when considering horse, barn, and other related expenses

[1]Hay rides represent a risk of injury by falling from wagon. However, safety measures (railing, low speed) reduce those risks.

[2]Corn maze represents low risk of injury (cuts or bruises from falls).

[3]Horseback riding is a high-risk activity.

Bio-security & Animal Welfare

Farms can be both a source and recipient of contaminants. Livestock and crop enterprises can be damaged by the introduction of diseases carried on the shoes and car tires of tourists. Similarly, farms can also harbor contaminants, chemicals and diseases that could be harmful to visitors. While sanitation and extreme safety steps help minimize problems to the farm and to farm visitors, some farms are simply not good candidates for public tours or entertainment farming activities. Biosecured poultry and hog farms should carefully weigh the pros and cons of an entertainment farming enterprise before implementation. Animal welfare is another issue that should be carefully considered. Most farmers understand the relationship between the well-being of their livestock and production yields and, therefore, provide safe, sanitary and healthy conditions. However, livestock operations that do not provide adequate conditions seem to command more publicity. The general public perception that farm animals are mistreated is a growing concern. Therefore, farm operations should implement livestock management practices that are generally accepted and defensible. A livestock operation that is going to also be involved with an entertainment farming enterprise may
want to consider asking representatives of the local Humane Society to visit, inspect and evaluate
the operation. Almost all entertainment farming entrepreneurs have stories to tell about a discussion
with an animal rights activist. Such confrontations should be expected. While the flavor of such
conversations can be uncomfortable, the situation can be turned into an opportunity for the farmer
to learn and to teach. The entire labor force of an entertainment farming operation should be prepared to take advantage of such teachable opportunities.

Insurance

Liability issues for farms that host the public are generally resolved with appropriate insurance. Insurance needs will vary by operation. Neil Hamilton's book The Legal Guide for *Direct Farm Marketing* provides guidance on choosing and consulting with an independent insurance agent. Insurance representation can provide guidance on specific steps for reducing risks of your operation. A new database on farm injuries can be found at www.nsc.org/necas.

You will want to shop around for various insurance plans, seeking advice from other farmers and Extension agents in your area. Not all insurance policies will fit your agritourism farm. By obtaining two or three different quotes you can get better coverage and prices. It is your responsibility to negotiate with insurance carriers and to make sure that you are well protected.

Source: Rural Enterprise
Magazine, Summer, 1992

Examining Insurance Needs Is Essential to Marketing

Farmers' markets, roadside stands, U-Pick vegetable and fruit operations, and Christmas tree farms are on the upswing. Consumers enjoy selecting from freshly picked produce, and many like picking it themselves.

For anyone to begin one of these operations or to continue an existing one, the usual business considerations must be made. One must determine the market and know how to serve it. You also need the manpower, facilities and finances to make your operation a success.

Insurance is also an important part of the financial picture. Although insurance may be expensive, you'll only be gambling everything you own if you try operating without it. Insurance is as necessary as quality products, good help and a good location in operating a direct marketing business.

While there are many optional insurance coverages available (and needed by some operators), there are some basics which every operator should have. They are: (!) Product liability insurance for injuries which may arise out of products that are raised and/or sold by you. (2) Premises liability insurance to protect you if you should cause injuries to the public or damage property belonging to the public. (3) Employer's liability insurance (either legal or statutory) to protect you in event of injuries to your employees. (4) Physical damage insurance to protect against loss to the property owned by the operator, such as buildings, equipment and merchandise.

Although more options may be available, these items are certainly the basics on which to build a solid insurance program. It is always wise to consult your attorney and your insurance representative to help determine your particular insurance needs.

Product Liability

Chemical use: Are the chemicals safe for application to produce destined for consumption or contact by humans? And, have you followed the manufacturer's application instructions carefully? Selecting an inappropriate chemical or the misapplication of that chemical may place the entire burden of liability on you.

Shelf life: All operators are aware of the need to keep bad produce off the shelf. Yet, while this seems obvious, sometimes they forget to keep an eye on the products they have purchased from outside sources for resale. Often, these are prepackaged items, such as honey, salad dressings, jellies, jams and other similar items. Check all products regularly to be sure they are not outdated.

Food preparation: It is extremely important that employees handling food do it properly and that your operation conforms to the health standards of your local municipality and/or state. Monitor the ingredients and the quality of the products carefully. Do not create situations where an ingredient can accidentally be put into the food product that would contaminate it.

Clearly label all stored ingredients. Again, doing things the right way and being able to prove it will certainly help if a problem occurs.

Premises Liability

Condition of parking area: It is advisable to have a paved parking area, preferably concrete or asphalt. If you use gravel or stone for your parking facility, be sure that you use very small stone or gravel. The larger rocks increase the chance of someone twisting an ankle, falling and being injured. In addition, having parking along a highway or road certainly can create safety problems. Traffic congestion with inappropriate parking facilities could put you in a contributory liability situation. Another area of concern is utilizing an open field or lot. Often these areas have holes, ruts or mounds of dirt which can cause a fall. All unpaved areas should be maintained regularly to keep them as smooth as possible.

Steps, ramps and handrails: Steps always present problems, whether located along sidewalks, at building entrances or inside a building. Ramps also present problems, but, if kept gently sloping, they generally are better. Whether you use steps or ramps, always make sure strong and solid handrails are in place. It is a good idea to follow a regular routine of checking the steps, ramps and handrails to be sure that they remain in good, safe condition.

Equipment and animals: Farm equipment and animals are often close to the market. Children tend to look at farm equipment as something to climb on and animals as something to pet. Consequently, it is advisable to take precautions to try to keep the public, especially children, away from both. Since children frequently do not recognize the dangers associated with farm machinery and animals, responsibility for injuries could be absolute.

Unusual hazards: Each operation may have a hazard which presents a unique exposure. You should look for ways people can be hurt and then look for sound methods of protecting against injuries from those potential problem areas. Some common hazards are:

- A wood stove that a person, especially children, could brush against or touch and be burned.
- Playground-type equipment which is provided for the customers' children. An insurance underwriter would certainly discourage the use of this equipment, even though customers seem to prefer it.
- Hayrides, pony rides or buggy rides. Again, these present the possibility of absolute liability. These operations are usually discouraged by underwriters. However, these may be the attractions you feel are needed for your operation. In this case, it's important to understand the tremendous responsibility potential these present and the accompanying insurance expense for this exposure.
- U-Pick or U-Cut operations often provide rides to the field. The ride may be on wagons, trailers or special carts pulled by horses or tractors. These methods of transportation can present some serious liability exposures. Some suggested ways of controlling these are:

- Do not cross a public road with these types of vehicles. Do not use the vehicle if it is muddy enough to create ruts. (Remember, tomorrow that same ground may be dry, and ruts can make the ride very rough and hazardous.)
- Do not use the vehicle in areas where there could be a sharp drop-off. A drop-off of just a few inches could cause the vehicle to overturn if the wheel leaves the path.
- Do not operate the tractor at high speeds. Pulling wagons, trailers or carts at a slow speed is usually best. These units seldom have springs, and hitting a rut or hole can jostle the passengers severely or throw them off the unit, which can cause injury.

In addition, some wagon-type units do not trail well at the higher speeds and are subject to whipping

- In U-Pick orchard operations, the public should be allowed to pick only from the ground. The use of ladders, whether they belong to your or the customer, can cause some serious liability exposures.
- In a U-Cut Christmas tree operation, customers should not be allowed to use chain saws, whether they are yours or their own. In fact, you should do the cutting- not the customer.
- In U-Cut operations, the field should be checked daily and the remaining stumps cut off at the ground. Untrimmed stumps may cause trips and falls.

Liability to Employee

The employee situation is one to be extremely careful about. In some states, worker's compensation is mandatory. In others, the employees may not be covered by the worker's compensation act unless the farmer has opted to bring them under the act. This is an area of interpretation in some jurisdictions. It is always advisable in cases where statutory participation is not required that you discuss this matter very carefully with an attorney well-versed in your state's law concerning employer responsibilities. Most hazards relating to employees can be minimized with a thorough training program and the use of proper safety equipment (shields on machinery, safety glasses, masks, ect.) True the added training and use of safety equipment will take a little more time and money, but it can sure save a lot of grief (and money) in the long run.

Property Insurance

Theft and vandalism losses can usually be avoided or at least minimized by being able to secure the building or sales area. However, there is not a lot you can do about produce that you leave out in the open.

From a fire standpoint, wiring should be checked to assure it is in good condition and that circuits are not overloaded. In addition, heating with portable heaters requires special caution. The area in which they are to be operated should be examined carefully to determine if combustible materials are nearby. If so, heaters should be moved or relocated to avoid combustibles.

As far as wind is concerned, you should attempt to try to make everything as secure as possible. Do not leave doors standing open. Either they should be closed and latched or, if left open, they should be secured in the open position. Anchoring outdoor signs and other items that might easily blow away is usually relatively easy. Properly securing such outdoor items also reduces potential liability claims.

These are the very basics. The items are simple and common, but it's surprising how often they are overlooked. But the most common question asked about liability insurance is, "What limit of liability should I buy?" This question is not easily answered because of the changes in awards made by juries in recent years.

In the past, net worth was considered a good limit of liability. However, courts now tend to ignore this and base the award on what they perceive the injury to be. This could be in excess of the limit you have purchased. Because of these uncertainties surrounding liability claims, it is best to buy all the liability insurance you can.

Cost of Insurance

The cost of this insurance is decided by several factors. These include the size and type of the operation, and unusual hazards which may exist (such as hayrides, playground equipment, pony rides, farm ponds, etc.).

Some farm-owners' policies include coverage for the operation of a small roadside stand, while others may not. Ask your insurance agent. When the coverage must be purchased separately, the cost can vary from a few dollars to thousands of dollars. It depends primarily on the size of the operation and the type of hazards involved.

Property insurance is easier for most people to establish. Here, you need to determine amounts of insurance, perils desired, and the deductible best suited to your financial position.

The amount of insurance is relatively easy to determine. You insure for what the property is worth. Remember that most policies provide coverage on an actual cash value basis and not on the replacement cost. Replacement cost coverage may be available only as an option and on certain types of property (usually only on your dwelling).

The operator should consider a policy which provides protection against loss caused by fire, wind, hail, explosion, smoke, vehicles, vandalism and theft. Broader package policies may be available. The larger the operation, the more important the broader perils may become.

You should also examine the cost of at least a couple of deductible options. These can help keep your premium more reasonable. The cost will vary by the type of policy and may run anywhere from as low as a few cents per $100 of coverage to several dollars per $100 of coverage. The amount of insurance, perils, and deductible selected will affect the cost. However, other factors which may be beyond your control can also influence the cost, such as fire protection and available water supply.

After reading this article, you may feel that roadside stands and similar operations may not be on the upswing. It really is not as bad as it may seem. Most of the insurance related items mentioned have common sense solutions. In fact, common sense is the best guide to controlling hazards associated with a farm market or, for that matter, with any farm operation.

The hazards and insurance needs are real. Don't be lulled into a false sense of security because you have a farm-owner's policy. Learn to read your policy and ask your insurance agent when you have questions. You could stand to lose everything if you take your insurance for granted.

Insurance is as important to direct marketing and farming as good equipment. In fact, insurance is the one piece of farm equipment that works for you 24-hours a day.
Before making a major change to your farming activities, it's important to visit with your insurance agent and your attorney. Both can offer good, sound advice that will pay big dividends. And that's what direct marketing is all about.

by Don Cook, manager, Farm Underwriting Dept., Farm Bureau Insurance, 130 East Washington St., P.O. Box 1250, Indianapolis, IN 46206. Phone: (317) 263-7200.

How Growers Can Reduce Liability Risks

Fruit and vegetable growers, like other businessmen and women, face some liability risk every time they make their produce available for public consumption. But there are basic business practices they can use to help reduce the likelihood of liability suits being filed.

"Regrettably, there is no way to prevent a lawsuit being filed against you in most circumstances," says Donald L. Uchtmann, a professor and acting head of the University of Illinois' Department of Agriculture Economics and an Extension agricultural law specialist. "A consumer may believe that pesticide residue on fruits or vegetables made him sick." A U-pick customer or delivery person may break a leg on your property and believe it's your fault. An employee may be injured on the job or your dog might bite a neighbor. Or, while driving your truck to town, your employee may hit a pedestrian.

"While growers can't anticipate every potentially damaging circumstance, growers can increase the chances of successfully defending the suit if and when it is filed. They can also insure against remaining risks that are unavoidable."

Before addressing these steps, growers need an understanding of the overall legal issues involved in liability. Growers may be liable for injury or property damage to a third party because they acted negligently, because an employee was negligent or because of special circumstances in which the law allows recovery even in the absence of fault on the part of the defendant.

Types of Liability

Uchtmann says it is important that growers have a reasonably clear definition of the legal terms. For example, negligence can be defined as a lack of care under the circumstances.

"This is an imprecise definition because the very concept of negligence is intended to be flexible," he says. "In essence, growers may be liable for personal injury or property damage to third parties when their failure to be careful is the cause of an injury or an accident."

A blatant example of negligence would be to knowingly allow a defective ladder to be used in a U-pick operation.

"Whether a grower acted carelessly is usually a question that a jury answers using its collective common sense, unless an out-of-court settlement is reached," he says.

Respondent superior is another legal concept that places liability for an employee's negligent acts upon the employer.

"A key provision is that the act occurred in the performance of the employee's duties or within his or her scope of responsibility," Uchtmann says. "The law broadly defines 'within

the scope of employment, so an employer cannot escape liability simply by ordering the employee to do all the work carefully."

Premises liability is another component of negligence. Uchtmann says the general rule is that landowners or tenants are not liable for someone injured on the premises unless the landlord or tenant is at fault. Landowners could be at fault if they were negligent, or if they intentionally injured the entrant.

"If the entrant is a trespasser, the probability of the owner or tenant being liable is very low, but liability could arise if 'excessive force' is used to remove the trespasser or if the trespasser is intentionally injured."

Product liability laws are also important to those growers who sell directly to consumers. Plus, product warranties can be expressed or implied.

"Express warranties" involve a positive statement about the product. One example would be a label noting that, "This fruit has not been sprayed with Pesticide X in the last 10 days." Implied warranties arise automatically, such as the implied warranty that fruits or vegetables sold are of reasonable quality.

"If a product does not live up to the express or implied warranty, and if the consumer is injured as a result, liability can arise," he said. "In contrast, strict or automatic liability does not require evidence of either breach of warranty or fault. Strict liability may be present whenever a product is sold in an unreasonably dangerous condition. Fruits or vegetables with certain pesticide contamination could be viewed as unreasonably dangerous."

Workmen's Compensation

Workmen's compensation laws provide an example of liability even though the person has not been negligent. Where such laws apply, the employer is automatically liable for specified amounts when an employee is injured on the job.

"Agricultural employment is exempt from workmen's compensation laws unless the employer hires more than 500 worker days of labor per fiscal quarter," Uchtmann says. "Growers involved in direct marketing operations should be aware that the sales activities of employees working at roadstands and other marketing facilities are not clearly agricultural in nature, which means direct marketers may not be able to use the agricultural exemption."

Dog bites provide another potential for liability without show of negligence. In Illinois for example, a dog that attacks without provocation and injures people peacefully conducting themselves in places where they may lawfully be exposes its owner to automatic full liability for any injuries.

Recent changes in Illinois law have also affected a grower's potential liability. Several changes were made last summer in the liability law in response to the "alleged insurance crisis" in the state.

"Under prior law, if an accident occurred and the defendant (say, a grower) was 10% at fault and the injured party was 90% at fault, the injured party could still receive 10 of his damages from the grower," says Uchtmann. "Now, under the comparative negligence rule, defendants cannot be held liable unless they are more than 50% at fault."

Other changes include some limitations on claiming punitive damage (compensation exceeding actual damages), procedural changes which discourage frivolous suits and modification of the joint and several liability rules. Uchtmann says fruit and vegetable growers from other states can contact their extension agricultural law specialist for more specific information.

Protecting Against Liability

"With this background, a grower is ready to take some steps to protect against liability," says Uchtmann. "I recommend several simple and basic actions."

"First, be very careful and cultivate a safety consciousness among those who work in your business. People who are concerned about safety and are constantly reminded to be careful are less likely to be negligent."

"Growers should also make the premises as safe as possible. If the premises are safe, the probability of injury to a customer, delivery man or others is reduced. They should avoid extra label use of pesticides. In particular, don't apply pesticides not approved for the particular fruit or vegetable, and don't apply approved pesticides too close to harvest."

"A grower should also create as much good will as possible. If someone is injured on the premises, be as helpful as you can. And last, keep your dog away from customers."

Uchtmann says being careful is not enough. It is important for fruit and vegetable growers to appreciate the risks of liability inherent to their businesses and to take appropriate steps to insure these risks. Adequate insurance protection is a must.

Growers should thoroughly discuss their operations with their insurance carriers, paying particular attention to any possible need for premises liability, product liability and workmen's compensation coverages.

"You can't prevent the lawsuit," says Uchtmann. "But making sure your operation is as safe as possible and having appropriate insurance coverage are the best two ways to manage the liability risk."

For more information, contact Donald Uchtmann, Agricultural Law Specialist, Cooperative Extension Service, 151 Bevier Hall, University of Illinois, Urbana, IL 61801 or call (217) 333-1829.

Farmers and ranchers are legally responsible (liable) for the well-being of their customers and employees. Considering safety and minimizing risk are important parts of business planning.

To protect your agritourism business, it is important to create a risk management plan. Some of the main areas of risk and negligence include site safety risk, product risk, employee related risk, and financial risk. To ensure the well-being of your business, it is recommended that you avoid certain activities, use liability waivers, purchase insurance, practice good management techniques, train employees, and pay attention to the legal structure of your business.

Checklist for Managing Risk

- ◊ *Contact State or Local Agritourism Organizations and Key Consultants*
  Key consultants to determine your needs are lawyers, insurance agents, financial managers, and accountants. See backside for available resources and technical assistance.
- ◊ *Understand Local and State Health and Safety Laws and Regulations*
  See AgMRC Zoning and Health Considerations Checklist (http://www.agmrc.org).
- ◊ *Inventory Areas of Possible Risk*
  - o Site Safety: Consider physical site hazards including visitor activities and attractive nuisances such as farm equipment likely to attract children
  - o Product: Consider what you are selling or producing and any health or safety regulations or considerations
  - o Employee related: Know your employees and know what will be required on-site to safeguard their health and safety
  - o Financial: Consider current record-keeping, billing processes, assets and debts
- ◊ *Develop a Risk Management Plan*
  - o Site Safety
    a. Post rules for customers and conduct regular inspections
    b. Post and implement employee rules and regulations
  - ♦ Product
    a. Establish a labeling protocol for products
    b. Establish a protocol based on state regulations for handling products
  - ♦ Decide on the right type and amount of insurance coverage
    a. Business liability
    b. Product liability Workers' compensation
    c. Workers' compsensation
- ◊ Consider using preventative measures like waivers or product warnings if warranted.

National Resources

USDA Risk Management Education Agency
Develops educational materials for 50 states.
http://www.csrees.usda.gov/nea/economics/in_focus / farm_if_risk.html, 202-720-7441
Digital Center for Risk Mgmt Education
http://www.agrisk.umn.edu/ National Ag Risk Library at the University of Minnesota, St Paul, MN, Toll-free 800-234-1111

Regional Risk Management Education Centers

Northeast Center for Risk Mgmt Education
http://www.necrme.org/ University of Delaware, Phone 302-831-6540
North Central Risk Mgmt Education Ctr
http://www.farmdoc.uiuc.edu/ncrisk/ University of Nebraska, Phone 402-472-2039
Southern Region Risk Mgmt Education Ctr
http://srrme.tamu.edu/ Texas A&M University, Phone 254-968-4144
Western Center for Risk Mgmt Education
http://westrme.wsu.edu/ Washington State Univ., Phone 509-477-2168

State Resources

Your State's: Department or Agency of Agriculture, State Agritourism Organization, Department of Marketing or Tourism, University Cooperative Extension Service, and directories from the National Association of Resource Conservation and Development Councils (http://www.rcdnet.org/), and Natural Resources Conservation Service http://www.nrcs.usda.gov/ technical/RESS/altenterprise (2004 Alternative Enterprises and Agritourism Liaisons Directory and Economic and Rural Community Development Directory).

Health and Safety Guidelines

National Institute for Occupational Safety & Health, Centers for Disease Control & Prevention (NIOSH)
http://www.cdc.gov/niosh/topics/agriculture/ Toll-Free: 800-35-NIOSH 800-356-4674
NIOSH Agricultural Research Ctrs.
http://www.cdc.gov/niosh/agctrhom.html
National Safety Council
Farm safety & workplace fact sheets
http://www.nsc.org/library/facts.htm 630-285-1121
The National Children's Center for Rural and Agricultural Health and Safety
Under Resources
http://www.marshfieldclinic.org/nfmc/ Toll-free 800-662-6900

Risk Management Planning

"Farming for Profit and Sustainability Resource Manual" and "Taking the First Step: Farm & Ranch Alternative Enterprise & Agritourism Resource Evaluation Guide:"
Natural Resources Conservation Service (NRCS)-Alternative Enterprises & Agritourism
http://www.nrcs.usda.gov/technical/RESS/ altenterprise/resmanual.html 202-720-2307
"Don't Break A Leg... Managing Risks on Your Small Farm," "Managing Marketing Risks" and other Risk Management Articles.
The Small Farms Program-Cornell University
http://www.smallfarms.cornell.edu/pages/resources/ businessmanage/risk.cfm_607-255-9227
Articles on Risk Management Planning-
USDA Alternative Farming Systems Info Center
http://afsic.nal.usda.gov/ National Education Library 301-504-6559 DC Reference Center 202-720-3434

Insurance Information

North American Farmer's Direct Marketing Association –member's liability insurance list
http://www.nafdma.com/ 62 White Loaf Road, Southhampton, MA 01073, 413-529-0386
"Understanding Farmers Comprehensive Personal Liability Policy: A Guide for Farmers, Attorneys and Insurance Agents." National Ctr for Agricultural Law, Research, & Information, University of Arkansas, School of Law
http://www.nationalaglawcenter.orgreadingrooms 479-575-7646
"The Legal Guide for Direct Farm Marketing"
Des Moines, IA: Drake University
http://www.iowafoodpolicy.org/legalguide.htm 515-271-2947

References: Agritourism and Nature Tourism in California, Univ. of California Agriculture & Natural Resources Pub No. 3484; In the Eyes of the Law: Legal Issues Associated with Direct Farm Marketing, Univ. of Minnesota Tourism Ctr.

Adapted from Agri-Tourism Workbook, Agribusiness Council of Oregon

Liability and Insurance Considerations

Liability should be one of your major considerations when you enter into a fee-recreation enterprise. In general, if you decide to impose a fee for any recreational activity conducted on your land or land you are in possession and control of (rent or lease), you are exposed to greater liabilities for any injury of visitors that may occur. Meet with your attorney and insurance agent to determine the extent of liability and insurance needed and to develop a risk management plan.

The landowner or user in possession and control of the land is obligated to make reasonable use of the property, which causes no unreasonable harm to others in the vicinity. Liability equally applies on land you may be renting or leasing — ownership is not the key factor.

The extent of your liability toward a person who enters the property and who has potential of being hurt depends on the status of the visitor.

There are a number of ways to reduce liability exposure, such as:

1. Knowing the statutes and regulations that apply to fee recreation land use
2. Having a formal fee-recreation property use agreement with clientele
3. Having adequate liability insurance that covers all fee-recreation activities
4. Incorporating the business
5. Selecting the clients that use your property; and,
6. Providing a tour of the property to all clients and explaining any known potential hazards.

TRESPASSER: Someone who enters the property of another without consent of the owner. Possessor of the land (expressed or implied). Consent is simply the owner/possessor's willingness to let the other person enter or remain on the land. Someone you ask to leave, but who stays, becomes a trespasser. Someone who walks past a "No Trespassing" sign is generally a trespasser.

Trespassers enter the property for their own purposes and not for the performance of any obligation to the landowner. In Oregon law, trespass may be classed as intentional, reckless, negligent, or without fault. Since the trespasser has no authority to enter the property, the landowner has no duty to warn about dangerous conditions or activities on the property. Exceptions are where significant numbers of trespassers are known to frequent the area or where young children are involved.

In general, the landowner is not liable for injuries to trespassers caused by a landowner's failure to exercise reasonable care to put the land in safe condition for them, except if there is willful, wanton, or reckless action on the part of the landowner (actions by the landowner intended to cause injury or reckless disregard or indifference to human safety).

LICENSEES: A licensee is someone who comes onto your land with consent. The licensee generally is on your premises without business or commercial reason. Social guests fall in the category of licensee. A public officer who enters a premise in the line of duty is a licensee.

The duty owed to licensees depends on whether the injury is caused by a condition of the land or activities on the land. As a condition of the land, a possessor/owner is liable for willful or wanton acts or gross negligence. As to activities on the land, the possessor/owner has the duty to exercise reasonable care for the protection of the licensee. You are not required to put the land (natural conditions) in safe condition for licensees, but must warn licensees of dangerous conditions and activities.

The licensee classification is especially important with respect to the use of land for recreational purposes. Recreationists using the land with permission, but without a fee imposed, would likely be considered licensees in Oregon.

INVITEES: Someone who enters or remains on the property at the expressed or implied invitation of the owner/possessor for the benefit of the inviter, or the mutual benefit of the owner/inviter and the invitee.

Invitees come in two forms: public or business.

A public invitee is a person who is invited to enter or remain on the land as a member of the public for the purpose to which the land is held open to the public. A business invitee is a person who is invited to enter or remain on the land for a purpose directly or indirectly connected with business dealings.

In general, the landowner's liability obligations are the highest under an invitee situation, less with a licensee, and even less with the trespasser.

In the case of the invitee, the owner/possessor's obligations may include inspecting the property, warning of dangers, removing dangerous conditions, curtailing dangerous activities, etc. The owner must exercise reasonable care to make the premises reasonably safe. Merely posting warning signs is not enough.

Other Forms of Liability:
Alcoholic beverages: Other activities associated with a fee-recreation event or activity may result in additional types of liability. For example, if intoxicating beverages are served at a cost, the owner/operator is required to carry liquor legal liability insurance (see additional information on liquor licensing)

Transportation: If transportation is provided (carrying paying guests around in a personal automobile), a commercial auto policy is needed. Your regular auto coverage will not cover commercial use of the vehicle.

Vicarious liability: Additionally, the possessor of land is not only responsible for his/her own actions, but also for the acts of persons acting on their behalf. This may include an employee or even an independent contractor (pack guides, boatmen, for example).

Off-farm liability: If an activity sponsored on the farm causes harm, hazard, or injury to people outside the farm, other forms of liability are involved. These are the customary issues of trespass, chemical drift, spread of fire from one party's property to another, seepage of water onto adjacent lands, mining onto another's property, projecting a foundation across a boundary line, etc. Some activities may also cause nuisance to an off-farm party that causes liability. The risks identified may seem onerous and discouraging, but there are insurance companies willing to work with you to protect your interests through policy coverage.

BUSINESS STRUCTURE
Incorporating a recreational business may be one way to ease the burden of liability. In theory, an individual is not liable for any assets other than those he or she has invested in the corporation. Other types of organizations with some potential for limiting liabilities of their owners are limited partnerships and limited liability companies.

LIABILITY INSURANCE
Adequate liability insurance is imperative. Most policies that cover general farm and ranch activities do not cover recreational activities on the land. You will either need to add a rider to your existing policy or get a new policy with one of the companies that provide insurance for your particular activity.

Liability insurance coverage for a fee recreation activity is generally written in $100,000, $300,000, $500,000 and $1,000,000 packages. As a rule, you should maintain enough liability insurance coverage to protect personal assets as much as economically possible. Additionally, if you plan to hire a hunting, fishing, or packing guide for your operation, Oregon statutes require the guide to have minimum liability coverage of $300,000.

Premium rates vary among insurance companies, based on the exposure of risk for a particular fee-recreation activity. The rates are affected by the portion of the enterprise devoted to recreation and type of activities. Additionally, your managerial capability as an operator appears to be significant in determining premiums.

Some questions for consideration regarding insurance for your enterprise are:

Is the difference between the premium for the insurance and the income gained enough to offset each other and still allow a sufficient financial gain to make the venture worthwhile?

Can you realistically pass the costs of insurance on to the customer, or will the cost decrease the customer demand for the activity?

The following activities will be reviewed very closely by an insurance company and will involve special coverage if available:

- Hunting
- Fishing
- Lodging
- Food Services
- Alcohol
- Animals, especially horses
- Landing strips on the property

Keep in mind that employees who change job functions because of the new activity may be placed in different work classifications resulting in changes in workers compensation premium costs as well.

Selecting Insurance Based on Your Recreational Activities

Generally, the following activities will be viewed as Commercial Insurance subject to a separate policy from the general farm or ranch policy coverage:

- Boating, Canoeing, Rafting
- Clay Bird Shooting or other Shooting Events
- Elder Hostel Programs
- Exotic Animal Farms
- Fee Hunting and Fishing
- Festivals, Concerts, and Special Events
- Guest or Dude Ranches
- Horseback Riding; Horse, Mule, and Llama Pack Teams
- Hunting Dog Trials and Training
- Hunting Preserves
- Moto-Cross, ATV, Snowmobile, and Mountain Bike Riding
- Seasonal Festivals and Celebrations
- Wineries and Breweries

In general, the following activities can be made part of a farm or ranch insurance policy by endorsements. Each activity is always viewed on its own merit:

- Bed and Breakfast
- Farmers Markets
- Roadside Markets
- School Youth Tours
- Technical Tours
- Working Farm (viewing and limited participation)

Questions to ask in comparing insurance coverage:

1. Is there a deductible?
2. Does the insurance apply to:
    - Your premises and operations liability?
    - Your products and operations liability?
    - Your contractual liability to others?
    - Your personal injury liability to others (libel, slander, invasion of privacy)?
    - Your advertising injury to others?
    - Your property liability damage to others?
    - Incidental medical malpractice liability resulting from aiding an injured person?
    - Non-owned watercraft liability?
    - Host liquor liability?
    - Court costs for defense (above limit or included in liability policy limit)?
3. Are employees added as additional insureds?
4. Are there additional charges for adding public land management agencies, such as the U.S. Forest Service, BLM, or Oregon Marine Board as additional insured?
5. Is the premium a set fee, based on a percentage of gross sales, or client days?
6. Do you have to join an association to get insurance?
7. Are there representations in the policy that the guests or operators must adhere to for a claim to be honored?
8. Does the insurance agent understand your proposed fee-recreation business?

- Waiver of liability: as an additional protection you may want to incorporate principles of firearms safety, require successful completion of hunter safety or horse riding basics, prohibit use of alcohol with certain activities, etc.
- Acknowledgment and assumption of risk: describe the nature of the property (i.e., wild land with barbed-wire fences, logs, poison ivy, wild animals, uneven terrain, etc.) and the activities (horse riding, fishing, etc.), and then have the lessee/guest accept the risks such activities can have.
- Insurance: with this provision, you may want to have the user agree to carry liability insurance and to name you in the policy as an insured.
- Conditions of cancellation, renegotiation, or renewal: a list of conditions necessary m the case either party wishes to terminate, renegotiate or renew an agreement for various reasons.
- Mediating differences: This arrangement may reduce the probability of disagreements resulting in litigation. Specify that any problems arising from the agreement or the use of the property, including injury, will first be addressed in mediation before either party resorts to legal action.
- Payment specify the rate to be paid, how payment is to be made—where, when, etc., and the provisions for failure to pay.
- Damage deposit: this provision would cover damages the lessee does to the property that are not repaired by the lessee. The deposit would be returned to the lessee if damages do not occur.
- Miscellaneous: other sections or provisions may include gates and fences, trespass enforcement, in-kind services provided by the user (fence construction, wildlife crop planting, etc.), limitations of the number of campers or overnight recreational vehicles in certain areas, use of campfires or cooking fires, garbage, sanitation, other guest policies, etc.
- Signatures: finally, complete the agreement with the printed name and address of each member of the recreation group, followed by their signatures and the date of each person's signing.

SAMPLE AGREEMENT

PERMISSION TO ENTER AND USE PROPERTY FOR RECREATION PURPOSES

_____(Guest) is hereby given permission to enter
property known as: _____
for the following purposes:_____
on the following dates: _____
This permission is strictly limited to the above description and is subject to strict compliance with the rules and regulations copied and attached, and other limitations or restrictions which from time to time may be given either orally or in writing.

RELEASE, WAIVER, AND INDEMNITY

I have read the above permission and the accompanying rules and warnings, and I understand that participating in _____
(name of activity) results in certain risks, regardless of all feasible safety measures, which can be taken. I am aware of the nature of the risks involved. I will follow any and all rules presented to me. I will conduct myself as a prudent person with regard for the safety of others, and myself and for the property of others.

To the extent proposed activities involve equine activity as that term is defined in state law, I hereby waive the right to bring an action against the equine professional or equine activity sponsor for any injury or death arising out of riding, training, driving, grooming, or as a passenger upon the equine.

I assume the risk of any responsibility of injury, loss, or damage to person or property resulting from my participation in activities on the premises. I will not hold the landowners, possessors, or occupiers liable.

I agree to indemnify and hold the landowners, possessors, or occupiers harmless from any claims or damages resulting from my actions, which may affect the person or property of the landowners, possessors, or occupiers of the premises or any other person.

Signed_____ Date_____

Customer Service

How do I provide excellent customer service?

Customer service includes giving customers what they want and fulfilling their multitude of less obvious needs. Before you begin to learn about customer service, however, it is important for you to remember that you will not be able to deliver perfect customer service all of the time. You will make some mistakes along the way. That is okay. If you put forth your best effort and learn from your mistakes, you will be on your way to providing excellent guest services. You will find many good sources at your local Virginia Cooperative Extension office or most major bookstores.

Customer-friendly attitude

Good customer service begins with a customer-friendly attitude. A customer-friendly attitude begins with the view that the customer is your job, not an interruption of your job. As a manager, you will need to reflect a customer-friendly attitude in your words and in your actions. You can begin by displaying a sincere smile and offering a kind greeting to all guests and co-workers. This will set a good example for your employees.

Service quality

Customer service experts suggest that there are five main dimensions that influence customers' perceptions of service quality. Those five dimensions are reliability, responsiveness, assurance, empathy, and tangibles[3]. A brief description of each dimension follows:

- Reliability is your ability to perform the promised service dependably and accurately. For instance, if you operate a bed and breakfast on your farm, you may promise guests that breakfast will be served at 8:00 a.m. each morning. You are providing reliable service if, in fact, you do serve breakfast every morning before or by 8:00 a.m. If you serve breakfast at 8:30 one morning and at 9:00 another morning, your service is unreliable.

- Responsiveness is your willingness to help customers and provide prompt service. For example, if your agritourism business relies on e-mail to interact with customers, then you would be providing responsive service if you return e-mail requests promptly. If you respond to e-mail requests only once a month, then you are not responsive to your customers.

- Assurance refers to your employees' courtesy, knowledge of the business, and ability to inspire trust and confidence in customers. For example, if you host school group tours on your farm, you probably receive a lot of questions from the children. If you answered, "I don't know," to every question, you would not inspire trust in your knowledge from the children or teachers. However, if you respond to each question with an appropriate answer, you are assuring the children and the teachers that you are knowledgeable about your farm.

- Empathy refers to the caring, individualized attention that you give to each customer. In a service business, each customer wants to feel like you genuinely care about his or her needs. For instance, if a customer at your pick-your-own pumpkin business is thirsty, you would be showing more empathy if you escorted the customer to the facility personally than if you simply grunted out directions. In addition, you might want to show empathy by providing water bottles near the picking site.

- Tangibles are the physical facilities, equipment, personnel, and written materials that your customers see. It is important that all tangible items appear neat, clean, and professional. For example, if you develop a brochure for your agri-tourism enterprise, you will want to make sure that everything on the flyer is spelled correctly and that the images and words reflect the true nature of your business. In addition, you will want all of your customer-service employees to wear clean, neat clothes and maintain a groomed appearance.

As you become more conscious of the customer service that you and your employees provide, you will begin to pay more and more attention to feedback from your customers. It is important that you use all comments (both positive and negative) to improve the quality of your service delivery.

Source: Oklahoma Tourism Handbook

Hospitality and Image

Hospitality can make or break you. Customer service, attitude and reliability to perform the promised service cannot be stressed enough. Hospitality can keep your customers coming back for more and making recommendations to friends and neighbors. In the end, the customers PERCEIVED value is all that matters. Think about the best trip you ever took, what made it special?

- Hospitality starts when you answer your telephone. Answer the phone in a professional manner with the name of your business. State your name and use a friendly tone. For example: Good morning, this is Take Me Home Farm, Jane speaking.

- Do you offer a 1-800 number for inquiries and reservations?

- Return calls quickly!

- Think about how you will greet your customers. You may want to develop a script for both yourself and employees. Welcome to Take Me Home Farm. We have a long history in the dairy business, etc., and we are so happy to have you as our guest today.

- Know the history of your area.

- Consider how you can make your visitors more comfortable.
  • Provide your visitors with a suggested list of what they should wear and what they should bring with them. For example: sunscreen, a hat, comfortable shoes — no flipflops, etc.
  • Have umbrellas on hand for unexpected showers.
  • Detail what you have done to make their visit safe and enjoyable. Let them know the rules and regulations you have for the activities they have chosen.
  • If needed, provide alternative modes of transportation around the farm such as golf carts.

- Don't make promises you can't keep. Your goal should be to give your customers more than they expect, you never want a guest to feel short-changed when they leave.

- Remember to smile, smile, smile!

- Every action makes an impression. To promote the image you want to present to your customers, consider:
  - Does your logo represent the image you want to present?
  - How are you and your employees dressed?
  - What does your business card say about you. What image does it present?
  - If you use stationery, does it consistently promote your desired image?
  - When you drive into the entrance of your location, does your signage and landscape look inviting?
  - Are your physical facilities neat and clean and promote a quality destination?
- Neither you nor your employees can ever take a bad day out on the guest.

- In the end, ask yourself:
  - How did you make the guest feel special and welcome?
  - Have you done everything necessary to make them want to recommend your location to others?
  - How will visitors remember their experience on your farm or ranch?

- You may want to provide something for your guests to take home with them to remember their visit such as:
  - Pictures you took and developed while they were there
  - A small gift with your business logo on it

- If you provide lodging, what services will you offer?
  - Maid service? Laundry service? etc.
  - In-room television and telephones?

- Keep a list of activities, services and phone numbers guests may need such as:
  - Other local attractions. Are there restaurants, hotels/motels, art galleries, museums, fairs, community events, sporting events, rodeos, craft shops, parks, etc. that your guests might be interested in visiting?
  - Local hospital/doctors
  - Auto repair shop
  - Banks
  - Post office
  - Churches

Customer Service

Customers are the lifeblood of your business so the happier they are, the better for you. Customer satisfaction is often linked to customer service, and customer service is a major factor in customer retention and whether you receive positive or negative word-of-mouth referrals. Customer retention is important to the bottom line: research shows that it costs three to five times more to replace than to keep a customer.[1] Customer service is also one area where you can gain a competitive advantage.

This chapter will help you create a customer service plan for your agritourism enterprise by helping you

- Develop customer service policies
- Establish methods to train employees
- Learn to evaluate customer service

What is Customer Service?

Customer service is defined as an organization's ability to meet the needs and desires of its customers. Excellent customer service is a vital part of marketing for agritourism enterprises. It is the ability of an organization to consistently exceed the expectations of its customers.

Customer service is displayed in the presentation of your agritourism enterprise and facilities as well as in the attitude, knowledge and behavior of you and your employees. Customer service begins before a customer arrives and ends long after the customer leaves your enterprise.

What is a Customer?

A customer is the most important person ever in this office — in person or by mail.

A customer is not dependent on us — we are dependent on him.

A customer is not an interruption of our work — he is the purpose of it.

We are not doing a favor by serving him — he is doing us a favor by giving us the opportunity to do so.

A customer is not someone to argue or match wits with. Nobody ever won an argument with a customer.

A customer is a person who brings us his wants. It is our job to handle them profitably to him and to ourselves.

A sign at L.L. Bean Inc.
Philip Kotler, 1997, Marketing Management

[1]Wreden, Nick. *How to Recover Lost Customers*. Available online at http://www.smartbiz.com/article/articleview/112/1/7/ 14 July 2004.

What is customer service?[2]	
Customer service is —	**Customer Service is not —**
Attention	Neglect
Courteous Words	Sharp Replies
Smiles	Bored Looks
Enthusiasm	Dullness
Response	Indifference
Warmth	Coldness
Understanding	Closed Mind
Patience	Irritation
Sincerity	Being Mechanical
Consideration	Annoyance
Remembering Details	Forgetting Details
Facts	Arguments
Creative Ideas	Humdrum
Giving	Receiving
Action	Delay
Appreciation	Apathy

Components of a Customer Service Plan

The importance of customer service to your agritourism enterprise dictates the need for a comprehensive customer service plan. A customer service plan has five major elements:

1. Customer Needs, Wants and Expectations — Find out what services your customers need, want and expect to receive from your enterprise.
2. Customer Service Goals and Objectives — Establish goals and objectives for your enterprise based on these needs, wants and expectations.
3. Customer Service Policies — Develop customer service policies for your enterprise.
4. Employee Training Policies — Train employees to implement your customer service policies.
5. Customer Service Evaluation — Evaluate the effectiveness of your customer service plan and make changes where needed.

Developing Your Customer Service Plan

Developing a written customer service plan for your agritourism enterprise may take some time and effort. The effort, however, is well spent as you strive to retain customers and build positive word-of-mouth referrals.

Customer Needs, Wants and Expectations

Your customer service planning should begin with a review of the needs, wants and expectations of your target audience. Does your target audience expect full-service and luxury amenities, self-service with only very basic amenities or something in between? Will your customers require individual attention from your employees to assist them with choosing products, an employee to serve as a guide to a group or just someone to point them in the direction of activities? Do your customers expect to have access to restroom facilities with running water or are port-a-johns acceptable? Do customers expect an employee to answer the business phone during business hours or is a recorded message acceptable?

You may learn more about your customers' needs, wants and expectations by

- Surveying, interviewing or holding focus groups to ask target consumers questions about their needs and expectations
- Reviewing customer comments and complaints
- Asking employees for observations and suggestions
- Evaluating sales and inventory data for returns and special orders
- Evaluating wait times for activities, check-out at register and phone calls
- Considering the service provided by competitors

[2]Adapted from Ramay Winchester and Lee Curtis. Tennessee Department of Tourist Development. *One Visitor/Customer at a Time Hospitality Training Program*. April 2002.

Agritourism Associations and Networks

Agritourism associations, resources and networks, and other related organizations can provide benefits for farmers and ranchers wishing to diversify their operations. Such associations often provide information and resources, and can prove helpful in three general ways. First, these associations can provide an advertising outlet for your business through websites, brochures, and other media. For example, many associations maintain websites that market attractions in a geographic area or map driving routes to participating farms, ranches, and other agritourism sites. Second, these groups can provide an opportunity to network, interact, and learn from others who are involved in similar businesses. This enables farmers/ranchers to build upon the experiences of others in similar ventures. Third, they provide information on trainings, conferences, trends, and recent research.

Following is a listing of some of the agritourism and related associations, networks, and websites specifically developed for agritourism businesses in order to directly meet identified needs related to marketing their businesses. In addition, there are governmental, non-governmental, and university organizations dedicated to assisting in the development and marketing of agritourism. Online at http://www.agmrc.org, there is a more extensive listing including entries from most states.

Agritourism Associations, Resources, and Networks

National

Agricultural Marketing Resource Center (AgMRC) http://www.agmrc.org/

Regional

Southwest Marketing Network
http://www.swmarketingnetwork.org/

Dude Ranchers Association of America
http://www.duderanch.org

State

Alaska
Alaska Office of Tourism Development
http://www.commerce.state.ak.us/oed/toubus

Alabama
Alabama Agri-tourism Trail:
http://www.alabamaagritourism.com/

Arkansas
Naturally Arkansas:
http://www.naturallyarkansas.org/

California
California Agricultural Tourism Online:
http://calagtour.org/
(UC California, Davis Small Farm Center)

Colorado
Colorado Dept of Agriculture, Market Div:
http://www.colorado.gov/ag/markets

Delaware
Delaware Agritourism Association:
http://www.defunonthefarm.org/home/

Georgia
University of Georgia, Ctr for Agribusiness & Economic Development, Georgia Ag & Nature Based Tourism Directory (AGNET):
http://www.caed.uga.edu/agnet/
(consumer site: http://www.iiseyes.org/agnet/)

Hawaii
Hawaii AgVentures (Big Island Farm Bureau):
http://www.hawaiiagventures.com/

Idaho
Rural Roots: http://www.ruralroots.org/

Illinois
Illinois Fresh (University of Illinois Extension)
http://www.urbanext.uiuc.edu/fresh/

Iowa
The Choose Iowa program:
http://www.chooseiowa.com/
(Iowa Dept of Agriculture & Land Stewardship)

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Kansas
Kansas Agritourism:
http://www.kansasagritourism.org/
(Kansas Agritourism Advisory Council)

Kentucky
Kentucky Agritourism:
http://www.kyagritourism.com/

Maine
Get Real Maine: http://www.getrealmaine.com/
(Maine Department of Agriculture)

Maryland
Maryland Direct Farm Market Association:
http://www.mdpickyourownfarmmarkets.com/
(farmers' markets & pick-your-own operations)

Massachusetts
Association of Roadside Stands and Pick Your Own:
http://www.massfarmstands.com/

Michigan
Michigan Farm Market & Agritourism Association:
http://www.mi-fmat.org/

Minnesota
Minnesota Farmers' Market Association:
http://www.mfma.org/

Missouri
AgriMissouri
http://www.agrimissouri.com/agritourism.htm

New Hampshire
New Hampshire Farmers' Market Association:
http://www.nhfma.org/

New Jersey
Visit NJ Farms: http://www.visitnjfarms.org/

New Mexico
New Mexico Farmers' Marketing Association:
http://www.farmersmarketsnm.org/

New York
New York Agritourism & Education program:
http://www.nyagtours.com/

North Carolina
Homegrown Handmade, Art Roads & Farm Trails of North Carolina:
http://www.homegrownhandmade.com/

North Dakota
North Dakota Nature & Rural Tourism Association
http://www.ndnature.org/

Oklahoma
Oklahoma Agritourism Program:
http://www.oklahomaagritourism.com/

Oregon
Oregon Farmers' Market Association:
http://www.oregonfarmersmarkets.org/

Ohio
Farmland Center
http://www.thefarmlandcenter.org

Pennsylvania
Pennsylvania Farm Vacation Association:
http://www.pafarmstay.com/

Rhode Island
Rhode Island Farmways:
http://www.rifarmways.org/

Tennessee
Tennessee Agritourism Association:
http://www.visittnfarms.com/

Texas
Texas Farmers Market Association:
http://www.texascertifiedfarmersmarkets.com

Vermont
Vermont Farms! Association:
http://www.vtfarms.org/

Washington
Washington State Farmers Market Association:
http://www.wafarmersmarkets.com/

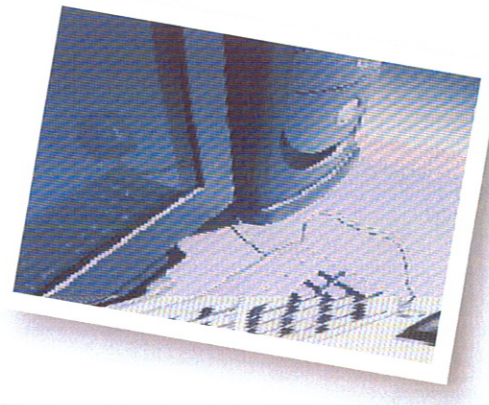
Wisconsin
Wisconsin Agricultural Tourism Association:
http://www.visitdairyland.com/

Wyoming
Wyoming Farmers Marketing Association:
http://www.wyomingfarmersmarkets.org/

Agricultural Marketing Resource Center
1111 NSRIC, Iowa State University, Ames, IA 50011-3310
866-277-5567, AgMRC@iastate.edu, http://www.agmrc.org

Compiled October 2007 by Lisa Chase and Varna M. Ramaswamy, University of Vermont Extension; Steven W. Burr and Jascha Zeitlin, Utah State University Extension; Gary P. Green and Michael Dougherty, University of Wisconsin.

Agritourism Resources



This chapter provides a sampling of useful programs and resources in table format, although not all of them will be applicable to your particular enterprise. As you continue to do research on your venture, you may discover additional resources beyond those listed in this chapter.

Resources for agritourism entrepreneurs can be classified into three major categories: technical, financial and marketing.

- *Technical resources* are available in the form of consultations and educational materials/ publications on production practices, financial management, marketing planning and business planning.
- *Financial resources* are available in the form of loans, grants and tax incentive programs.
- *Marketing resources* are available in the form of promotions and marketing programs.

The following table lists resources in each of these categories. Resource name, category of assistance, description of assistance and agency contact information are included.

Agritourism Resource Table

Program/ Resource	Category of Assistance	Description of Agritourism Assistance Available	Agency Contact Information
Alternative Enterprises and Agritourism	Technical • Educational materials and publications	• Provides educational resources such as case studies, information sheets and publications • An evaluation guide, *Taking the First Step: Farm and Ranch Alternative Enterprise and Agritourism Resource Evaluation Guide*, is available to assess farm resources and the potential to start an alternative enterprise or agritourism venture	National Alternative Enterprises and Agritourism Leader USDA Natural Resources Conservation Service P.O. Box 2890 Washington, D.C. 20013 Phone: (202) 720-0132 Fax: (202) 720-6473 http://www.nrcs.usda.gov/technical/RESS/altenterprise
Americans with Disabilities Act Tax Incentive Program	Financial • Tax credit • Tax deduction	• Tax credit for architectural adaptations, equipment acquisitions and services such as sign language interpreters - Tax credit is equal to 50% of the eligible expenditures - Maximum tax credit is $5,000 • Tax deduction for architectural or transportation adaptations - A business may use the deduction for the removal of architectural or transportation barriers - Maximum tax deduction is $15,000	Internal Revenue Service Office of the Chief Counsel CC:PSI:7 1111 Constitution Ave. NW, Room 5115 Washington, D.C. 20224 Phone: (202) 622-3120 http://www.irs.gov Refer to IRS Publications 535 and 334.

Program/ Resource	Category of Assistance	Description of Agritourism Assistance Available	Agency Contact Information
Building Better Rural Places	Technical • Educational publication	• Resource guide that describes federal programs offering assistance in community development, sustainable land management, and value-added and diversified agriculture and forestry • Guide summarizes federal programs on technical and financial assistance in agriculture and forestry	Appropriate Technology Transfer for Rural Areas (ATTRA) This publication is available online at http://attra.ncat.org/guide/resource.pdf
Center for Profitable Agriculture	Technical • Educational materials and publications • Consultations	• Work one-on-one with agri-entrepreneurs and farmers through county Extension agents to evaluate the market potential or feasibility of a value-added venture • Aid in developing business or marketing plans • Perform market analysis for value-added enterprises • Explore regulations for value-added enterprises • Coordinate technical production assistance for value-added enterprises	University of Tennessee Extension Center for Profitable Agriculture P.O. Box 1819 Spring Hill, TN 37174-1819 Phone: (931) 486-2777 Fax: (931) 486-0141 http://cpa.utk.edu cpa@utk.edu
Century Farm Program	Marketing • Promotions	• Program identifies, documents and recognizes farms owned by the same family for at least 100 years • Farm is eligible if - It has been in the family continuously for over 100 years - At least one owner is a Tennessee resident - It is 10 acres or more of the original farm - It produces at least $1,000 in farm income annually • Century Farms receive a certificate suitable for framing • Metal exterior sign from Tennessee Department of Agriculture • Recognition on the Century Farm Program Web site • Recognition in Tennessee Farm Bureau News	Center for Historic Preservation Middle Tennessee State University 1416 East Main Street P.O. Box 80 Murfreesboro, TN 37132 Phone: (615) 898-2947 Fax: (615) 898-5614 http://histpres.mtsu.edu
Farm Service Agency (FSA)	Technical • Educational materials and publications • Consultations Financial • Direct loan • Guaranteed loan	• Informational fact sheets are available online about marketing, business management, conservation and environmental compliance • Direct and guaranteed loan programs for farm ownership and operation are available for farmers and ranchers who cannot obtain commercial credit from a bank, Farm Credit System institution, or other lender	Find your local FSA office online at http://www.fsa.usda.gov/TN The educational materials and publications are available online at http://www.fsa.usda.gov

NC STATE UNIVERSITY

NC State University
A&T State University
COOPERATIVE EXTENSION
Empowering People · Providing Solutions

Center for Agribusiness and Economic Development

The Business Side of Agritourism

Fletcher, North Carolina

April 27th-29th, 2009

Georgia Food Safety Regulations Cheat Sheet

This guide is only meant to be an introduction to food safety for agritourism venues in the state of Georgia and was prepared with resourced from Southern SARE. Even if the site does not serve prepared foods, farmers markets, stands and agritourism venues should consider food safety as well.

Best management practices are ever-changing and local health agencies are ultimately responsible for regulating activity. Consult your local health department in addition to the state agency.

Minimizing health risks associated with food service helps to ensure visitors, employees and others an amazing experience. For the purpose of this guide, food safety is a measure of the risk to health and safety posed by handling and consuming agricultural products or prepared foods purchased at a farmers market or agritourism venue.

The Georgia Food Act defines food as "articles used for food or drink for human consumption, chewing gum, and articles used for components of any such article." A food product is "contaminated with filth" if the food is not securely protected from dust, dirt, and all foreign or injurious contamination.

The following regulations are excerpts from the Georgia Department of Human Resources, Public Health Food Service Code Chapter 290.5.14. Please refer to this document for further explanation or definition.

(a) Valid Permit Required. It shall be unlawful for any person to operate any type of food service operation: food service establishment, mobile food service unit, extended food service unit, or temporary food service establishment, without having first obtained a valid food service permit from the Health Authority pursuant to this Chapter

(2) Mobile Food Service Unit. A food service permit will be issued to a mobile food service operation in the county of origin where the base of operation is located. A separate "Mobile Unit Permit" will be issued for each mobile unit in each county in which the mobile unit operates.

(3) Application for a Permit
(a) Requirements. The management of the food service establishment including a mobile food service unit and an extended food service unit shall submit to the local Health Authority an application for a permit at least ten (10) business days prior to the anticipated date of opening and commencement of the op

(1) Mobile Food Service Units and Extended Food Service Units
(a) Compliance Required. Mobile food service units and extended food service units shall comply with the requirements of this Chapter, except as otherwise provided in this subsection and as specified under subsection (1)(b) of this Rule.

1. The Health Authority may impose additional requirements to protect against health hazards related to the conduct of the food service establishment as a mobile operation; or
2. May prohibit the sale of some or all potentially hazardous food, and
3. When no health hazard will result, may modify requirements of this Rule relating to physical facilities, except those requirements specified under subsections (1)(e) and (f) of this Rule.

(b) Exceptions to Compliance.
1. Mobile food service units and extended food service units serving only food prepared, prepackaged in individual servings, transported and stored under conditions meeting the requirements of the Chapter; or

2. Beverages that are not potentially hazardous and are dispensed from covered urns or other protected equipment, need not comply with requirements of this Chapter pertaining to the necessity of water and sewage systems nor to those requirements pertaining to the cleaning and sanitization if the required equipment for cleaning and sanitization exists at the commissary or other approved base of operation.
3. Frankfurters, precooked encased sausages, and similar approved foods requiring heating only may be prepared and served from enclosed type mobile food service units approved for such purpose having handwashing and utensil sanitation facilities on the unit, positioned at a fixed location, and operating from an approved commissary or base of operation

(2) Temporary Food Service Establishments
(a) Operation, Permit Application, Responsibilities
1. A temporary food service establishment means a food service establishment that operates at the same location for a period of no more than 14 consecutive days in conjunction with a single event or celebration.
2. The application for a special food service permit shall indicate the inclusive dates of the proposed operation and must be submitted at least 30 days prior to the event

Exceptions to Compliance. Temporary food services which:
1. Are sponsored by a political subdivision of this state or by an organization exempt from taxes under paragraph (1) of subsection of (a) of Code Section 48-7-25 or under Internal Revenue Code Section 501(d) or paragraphs (1) through (8) or paragraph (10) of Section 501 (c) of the Internal Revenue Code, as that code is defined in Code Section 48-1-2;Chapter 290-5-14 Food Service 138
2. Last 120 hours or less; and
3. When sponsored by such an organization, is authorized to be conducted pursuant of a permit issued by the municipality or county in which it is conducted.

A "label" means a display of written, printed or graphic matter upon the immediate container of any food article. The food product is properly labeled if every weight, statement or other information appears on the outside wrapper or container of a retail package, or is easily legible through the outside container or wrapper. "Labeling" means all labels and other written, printed or graphic matter upon an article or any of its containers or wrappers or accompanying such article.

1. "Ready-to-eat food" means food that is in a form that is edible without additional preparation to achieve food safety, or is a raw or partially cooked animal food and the consumer is advised, or is prepared in accordance with a variance that is granted, and may receive additional preparation for palatability or aesthetic, epicurean, gastronomic, or culinary purposes.

2. "Ready-to-eat food" includes:
(i) Raw animal food that is cooked or frozen;
(ii) Raw fruits and vegetables that are washed;
(iii) Fruits and vegetables that are cooked for hot holding;
(iv) All potentially hazardous food (time/temperature control for safety food) that is cooked to the temperature and time required for the specific food and cooled;
(v) Plant food for which further washing, cooking, or other processing is not required for food safety, and from which rinds, peels, husks, or shells, if naturally present are removed;
(vi) Substances derived from plants such as spices, seasonings, and sugar;
(vii) A bakery item such as bread, cakes, pies, fillings, or icing for which further cooking is not required for food safety;
(viii) The following products that are produced in accordance with USDA guidelines and that have received a lethality treatment for pathogens: dry, fermented sausages, such as dry salami or pepperoni; salt-cured meat and poultry products, such as prosciutto ham, country cured ham, and Parma ham; and dried meat and poultry products, such as jerky or beef sticks; and
(ix) Foods manufactured as specified in 21 CFR Part 113, Thermally Processed Low-Acid Foods Packaged in Hermetically Sealed Containers.

A summary of a few recent major changes in Georgia's food safety regulations (Chapter 290-5-14).

- **PERSON–IN-CHARGE (PIC) OF THE OPERATION DURING INSPECTION MUST DEMONSTRATE FOOD SAFETY KNOWLEDGE**

  PIC must demonstrate knowledge of foodborne disease prevention, application of the Hazard Analysis Critical Control Point (HACCP) principles, and complying with the requirements of rules by:

  (1) Having no critical violations during the current inspection;
  (2) Being a CFSM; or
  (3) Responding correctly to the inspector's questions as they relate to the specific food operation.

- **DOUBLE HANDWASHING IS REQUIRED AFTER USING THE RESTROOM**

  You must wash your hands before leaving the restroom and again in the kitchen before returning to your duties. Wash hands at designated hand stations only, never in kitchen sinks. Hand antiseptics are never substitutes for hand washing. Apply these products only after properly washing hands.

- **GLOVES ARE REQUIRED WHEN PREPARING ANY READY-TO-EAT FOODS**

  You must wear clean disposable gloves when preparing any ready-to-eat foods with your hands. Change disposable gloves any time you touch an unclean surface or change tasks.

- **DATE MARKING ON FOODS IS NOW REQUIRED – FOODS MAY BE HELD 7 DAYS MAXIMUM**

  Potentially hazardous foods prepared on site and held in refrigeration for more than 24 hours must be marked with the name of the food, the preparation date, and the use-by date or discard date. If the food is held under refrigeration at 41°F or below, the maximum holding time is seven (7) calendar days. Commercially prepared containers of potentially hazardous foods that are opened and held at 41°F or below must also be marked with the use-by or discard date (no more than seven (7) calendar days.

RESOURCES for Georgia Food Health and Safety and Agritourism venues

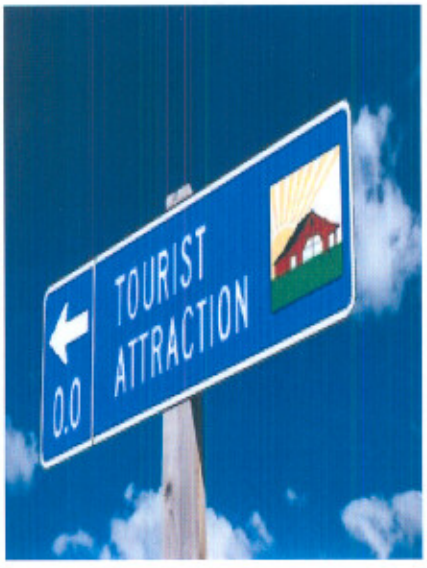
http://health.state.ga.us/pdfs/environmental/Food/Rules/FoodServiceRules.pdf
http://www.nasda.org/nasda/nasda/foundation/foodsafety/Georgia.pdf
http://sfp.ucdavis.edu/farmers_market/food_safety.pdf

Disclaimer:

This information is to only be used as a reference material and all appropriate agencies should be contacted. Information included is provided in the resources listed above. Utilization of this document does not constitute an agreement with any agency listed

Appendix B

Save the Date



The Business Side of Agritourism

Training for Extension Agents

Lillington, NC, March 10, 2010

Workshop Topics:

Developing Your Agritourism Website
Using Social Media to Grow Customers
Other Rural Opportunities (*Beyond Tours and Mazes*)
Compliance Issues (*Insurance, Taxes, Labor*)
Panel Discussion with Agents

Funds are available for travel. Space is limited.
Please contact Gary Bullen for more details.
Email: Gary_bullen@ncsu.edu
Ph: 919-515-6096

The Business Side of Agritourism
January 28th, 2010

Registration

Name: _____

Address: _____

Phone: _____

Email: _____

Do you presently own an Agritourism Business? _____Yes _____No

Number of persons attending: _____
Names (other than above):

_____

_____

_____

$25 X ___ (# persons before Jan. 8) = $____
$35 X ___ (# persons after Jan. 8) = $____

Checks made payable to '**NCCES**'

How many people will be attending the pre-conference activities on Wed., Jan. 28?

_____

Please mail checks and registration to:

Henderson County Cooperative Extension
740 Glover Street
Hendersonville, NC 28792

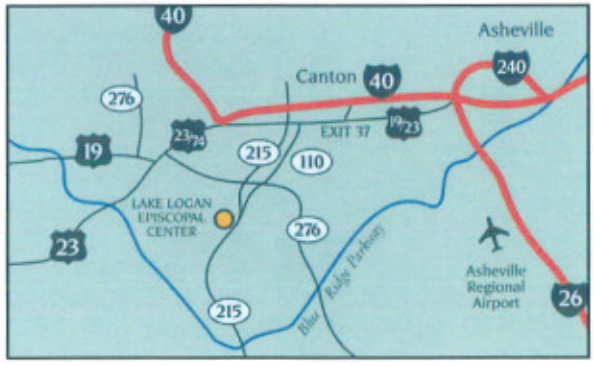
Directions

FROM THE EAST (I-40 West from ASHEVILLE)

- Exit #37 (East Canton), left at bottom of ramp
- Right on Hwy 19/23 all the way into Canton
- Just before bridge, turn left on Hwy 110 South (Sorrells St.)
- Go 6 miles on Hwy 110, cross over Hwy 276, going straight, where the road becomes Hwy 215 (Love Joy Road).
- After approx. 2.5 miles, the road ends at a stop sign.
- Turn left onto Lake Logan Road. Go approx. 3.6 miles to our entrance (LLEC office is 6 miles from Hwy 276)

FROM THE WEST (HWY 23/74)

- Exit #98 (West Waynesville), right at bottom of ramp
- Left on Hwy. Business 23
- Right on Hwy. 276 South for 6 miles
- At Bethel Grocery, turn right on Lake Logan Road (LLEC office is 6 miles from Hwy 276)



www.lakelogan.org

The Business Side of Agritourism Workshop

January 28th, 2010

Lake Logan Episcopal Center
Waynesville, NC

www.lakelogan.org

Sponsored by: NC Cooperative Extension and Southern Region Risk Management Education Center

NC State University A&T State University COOPERATIVE EXTENSION Empowering People · Providing Solutions

Southern Region Risk Management Education Center

Local, conventional, organic, creative, traditional, alternative…what brings them all together? Our consumers desire to get out on the farm and have an enjoyable experience with friends and family while buying and supporting our local farmers. If you have or wish to incorporate Agritourism activities into your farm then this conference is for you. The Business Side of Agritourism is packed with experts from across the state as well as neighbors that have already incorporated Agritourism into their farm. Come spend the day with us and learn what you need to know about legal regulations and new ideas that will benefit your farm and agritourism business.

WORKSHOP AGENDA

8:00 am Registration

9:00 **Bob Schmidt, Owner of Maple Lane Farms in Greenback, TN**

9:45 **Self and Market Assessment**
Bill Jones, Carolina Native Nursery

10:30 Break

11:00 **Understanding Sales Tax on Value-Added Products** Guido van der Hooven, NCSU and Tammara Cole, NCCES

12:00 Lunch (included with registration)

1:00 pm **Types of Agritourism Enterprises**
Samantha Rozier-Rich, Dept. of Parks, Recreation and Tourism Mgmt., NCSU

2:00 Break-Out Sessions (choose only one)

1. **Minimizing On-Farm Risk and Liability**
Martha Glass, NCDA&CS

Break-Out Sessions continued…

2. **Rules and Regulations for Food and Activities for Agritourism Businesses** Doug McVey, Madison County Health Dept. Inspector

3. **Using Your Chamber of Commerce and Travel and Tourism Department**
Cate Marvill, Asheville Convention and Visitors Bureau

3:00 Break

3:30 Break-Out Sessions (choose only one)

1. **Collaborations and Collective Marketing**
Samantha Rozier-Rich, Dept. of Parks, Recreation and Tourism Mgmt., NCSU

2. **Social Networking and Websites**
Sarah Benoit, Creative Original-
Passionate and Professional Online Marketing

3. **How to Incorporate Education into Your Agritourism Business**
Rob Hawk, NCCES with Rita Stepp, J.H. Stepp Farm's Hillcrest Orchard and Barbara and Doug Harrell, Harrell Hill Farms

Pre-Conference Activities (Optional):

Wednesday, January 27, 2010

3:00 pm **Field Trip to Sunburst Trout Farm**, 128 Raceway Place, Canton, NC, 28716
www.sunbursttrout.com

6:30 **Dinner**, Lake Logan Episcopal Center

8:00 **Farmer/Guest Social**, Lake Logan Episcopal Center

(You must register ahead – we'll need a count for dinner)

Important Information

Lodging
Lodging is available at the Lake Logan Episcopal Center, please call (828) 646-0095, www.lakelogan.org

Snow Policy
In case of snow, activities will be postponed 2 hours. Cancelation will only occur for a major snow event.
Check the website http://haywood.ces.ncsu.edu or call (828) 250-4873

Cups - BYOC
To reduce waste, please bring your own cup or mug for coffee

First Come – First Served
Registration is limited to 65 people – so please register early

Appendix C

FACULTY POSITION ANNOUNCEMENT
Tennessee Technological University
School of Agriculture

POSITION: Assistant/Associate Professor - Agritourism; 9 month appointment; tenure track

DATE OF AVAILABILITY: August 1, 2011

CLOSING DATE: Screening will begin in **June 2011** and continue until the position is filled.

PRIMARY RESPONSIBILITIES: Teaching (60%)-teach undergraduate courses in Agritourism and other agricultural areas related to the successful candidate's experience. Management/Development (15%)-provide leadership in the development and maintenance of the University's agritourism program and laboratory (Shipley Heritage Farmstead). Research/Scholarly Activity/Service (15%)-develop an applied research program oriented towards problem solving or development of practices revolving around Agritourism in Tennessee by working with community partners, seeking outside funding and maintaining strong connections with the Tennessee Agritourism Community, and contribute to school, college and university service by serving on committees. Academic Advising (10%).

SALARY: Commensurate with qualifications and experience.

QUALIFICATIONS:
Required:
- Ph.D. in Degree Agricultural Economics OR Tourism with emphasis in marketing for either field, or a closely related discipline required

Preferred:
- Demonstrated abilities for effective teaching or extension programming in agricultural or tourism related fields.
- Educational background and the ability to teach in agricultural areas related to marketing, economics or statistics.
- Demonstrated ability to communicate and work effectively with faculty, alumni, community, students and agricultural groups and agencies.
- Demonstrated abilities for effective academic advising of undergraduate students.

GENERAL: Tennessee Technological University is a state supported institution with an enrollment of approximately 11,100 students, located in Cookeville, Tennessee, a city of 30,000. The School of Agriculture has 11 teaching faculty members and an enrollment of approximately 312 students. Academic programs are offered in Agribusiness Management, Agritourism, Agricultural Communications, Agricultural Education, Agricultural Engineering Technology, Agronomy & Soils, Animal Science, Pre-Veterinary Science, Environmental Science, Horticulture, Nursery & Landscape Management and Turfgrass Management. Facilities include laboratories for teaching and research with modern equipment, teaching and research greenhouses with laboratories, and a 300-acre farm with three acres under irrigation for field research, and an irrigated container production area.

TO APPLY: Submit a letter of application, vitae, official college transcripts, a completed TTU faculty application, and have four letters of reference sent to:

Dr. Billye Foster, Director
School of Agriculture, P.O. Box 5034
Tennessee Technological University
Cookeville, TN 38505
Phone: 931/372-3019 bfoster@tntech.edu
(*Note: Faxed copies of the application form cannot be accepted.*)

Note: The Immigration Reform and Control Act of 1986 requires TTU to employ only U.S. citizens and aliens authorized to work in the U.S. New employees must present documents verifying identity and right to accept employment (Form I-9). Tennessee Tech University complies with TITLE IX and is an affirmative action employer. Candidates will be considered for employment without discrimination for any on-merit reason such as race, color, national origin, sex, religion, age, handicap, or veterans status. Inquiries regarding these regulations may be referred to: Diversity and Legal Affairs Office, Tennessee Tech University.

Appendix D

CLEMSON
Institute for ECONOMIC AND COMMUNITY DEVELOPMENT

SAVE THE DATE!

January 5th-6th, 2010

Enhancing Our Capacity for Agritourism Development In South Carolina

A Train-the-Trainer Workshop For Agritourism Service Providers

Sandhill Research and Education Center
Lake House and CIECD New Facilities
900 Clemson Road
Columbia, SC

Extension and Campus-based Activities and Research
Financial Resources for the Agritourism Enterprises
Networking with Agritourism-Focused Individuals
Business and Marketing Planning for Agritourism
Statewide and Regional Agritourism Organizing
Risk and Legal Liability Mitigation Strategies
Agritourism Case Studies

If Interested, please contact Dave Lamie at dlamie@clemson.edu
Invitation Only, Pre-registration Required
$75; materials, 2 lunches, breaks and reception

NFERENCE SUPPORTED BY A GRANT FROM SOUTHERN SARE

Appendix E

Asheville Event, Business Side of Agritourism April 2009

CUSTOMER SATISFACTION 1= worst of scale 4- best of scale	Average
How satisfied are you with:	
The relevance of information to your needs	3.37
Presentation quality of instructor(s)	3.63
Subject matter knowledge of instructor(s)	3.58
Training facilities	3.37
The overall quality of the conference	3.42
KNOWLEDGE BEFORE THIS WORKSHOP	
How do you rate your knowledge about:	
Evaluation of an agritourism enterprise?	2.91
Market evaluation of an agritourism enterprise?	2.91
Financial analysis of an agritourism enterprise?	2.65
Risk management of an agritourism enterprise?	2.56
Making an effective website?	2.47
Reasons for collaborations?	2.98
KNOWLEDGE AFTER THIS WORKSHOP	
How do you rate your knowledge about:	
Evaluation of an agritourism enterprise?	3.91
Market evaluation of an agritourism enterprise?	4.00
Financial analysis of an agritourism enterprise?	3.72
Risk management of an agritourism enterprise?	3.81
Making an effective website?	3.60
Reasons for collaborations?	3.74
TAKING CHARGE (Aspirations)	
As a result of this program, do you intend to:	
Assess the potential for agritourism in your county or area?	3.30
Identify potential farmers for agritourism enterprise in your area?	3.09
Plan and conduct educational programs on agritourism for potential farmers?	2.93
Collaborate with potential partners to promote agritourism in your area?	3.28
Serve as a resource person to individuals that are working on an agritourism enterprise in your area?	3.14
Did the conference meet your expectation? 1= yes, 2-no	1.02
Are there any barriers for extension to engage in agritourism education?	1.05
How long have you been employed in Cooperative Extension	8.06
What is your current position in Cooperative Extension?	2.23
What is your gender?	1.44
How do you identify yourself?	4.05

Business Side of Agritourism (out of 30 responses)

1. As a result of the Business Side of Agritourism workshops, mateirals and resoruces...
   a. Do you have a better understanding of how to evalaute the feasiblity of a new agritourism operation? **Yes=97% No=3%**

   b. Do you better understand the legal and regulatatory issues of starting an agritourism operation? **Yes=77% No=23%**

   c. Do you hav a better understanding of developing a market strategy for an agritourism operation? **Yes=97% No=3%**

2. Have you used any of the Business Side of Agritourism materials and resources? **Yes=77% No=23%**

If so please list the materials and resources and number of times used

a. agritourism, your way guide
b. conference attendee list (for networking, finding speakers for conf.,et.)
c. we used materials when we put on an agrioturism conf. for North Georgia
d. web site development (2)
e. used all materials & resources frequently in planning additional education conf.
f. have used the resources on legal issues to assist potential agritourism business owners (7)
g. list of attendees with contact info (3)
h. I have used them as reference materials on a number of occasions since the workshop
i. I work with other agents to hold a workshop for private vendors in Feb. 2010
j. insurance/liability (5)
k. workbook to develop sustainstable workshop
l. meet with agribusiness clientele and other board
m. notebook- legal and regulatory issues
n. marketing analysis

3. Have you assisted any clientele with agritourism related questions? **Yes=70% No=30%**

If so, what questions and number of questions

a. sell eggs, fresh meat, vegetables, liability issues.
b. what do I need to do to start an agritourism operation?
c. what liability is associated with an agritourism operation?
d. I am working with a small group of entrepreneurs estabilishing a marketing cluster to bring in more business to an otherwise remote, but attractive set of venues
e. we address many issues covered by the Business Side....workshop.
f. marketing opportunities for agrioturism enterprises (1)
g. insurance/liability (5)
h. what to advertise with and seek out locally for co-promotion of agrioturism in Watuaga county? (5)
i. is there room for more agrioturism farms in the county? (2)

j. questioned on starting a corn maze
k. start-up
l. have a grant to develop agrioturism program
m. niche market
n. feasibility issues

4. Have you used any of the Business Side of Agritourism materials to develop a presentation?

Yes=33% No=67%

If so, what resources and number of presentations

a. the role of the consultants in starting an agritourism business (1)
b. for a board presentation and a Georgia Mountains Council meeting
c. marketing, website development, liablity

5. Have you developed an agritoursim class or workshop?

Yes=47% No=53%

If so, what class or training, number in training

a. North Georgia agritourism conf., approx. attendance 50
b. yes, planning a statewide annual conf. to be held in Nov.
c. an agri-tourism presentation was help as a part of a five meeting series on small farms. Agri-tourism specialist presented program. I coordinated the entire series.

6. Have you help anyone explore the possibity of starting an agritourism operation? How many? 3 people were helped on avg. out of 30 surveys

Yes=70% No=30%

Is so how?

a. one new Choose and Cut tree grower who I worked with to develop a business plan and marketing plan. This grower received an WNC Agoptions grant for this farm and this project.
b. mainly feasibility discussions and legal/insurance info.

Thank you for assistance. Please return the questionnaire to Gary Bullen at Gary_Bullen@ncus.edu

COMMENTS:

a. excellent training
b. workshop where to find resources