

COLLABORATIVE MARKETING

Working together to accomplish marketing goals is often referred to as collaborative marketing. This may include farmers and consumers or nonprofit groups working together to benefit the farmer and/or buyers. A present shift in public perception is that local farmers need the support of their communities to stay viable. By working together, groups can provide a market for small farmers who can then afford to stay on the land. It is a circular system in which all participants can benefit and customers gain access to farm products in abundance.

Examples of collaborative marketing groups include multi-stakeholder cooperatives, aggregation partnerships, produce auctions and more.

Wisconsin Produce Auctions

Produce auctions are a one-stop sales outlet for local growers where they can access many markets through selling cooperatively. Some auctions use an order buyer system which shifts the buying responsibility to a professional auction floor trader. USDA grading standards are used and uniform packaging and product size are required where possible. This website provides locations and contact information for produce auctions located in Dalton, Cashton and Fennimore. <http://ifmwi.org/auctions.aspx>

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Mary Anderson, Producers & Buyers Co-op

Collaborative Marketing

Benefits

- Can accomplish goals together that may not be achievable alone
- Allows producers to focus on growing
- Can pool products and gain access to large-volume markets

Challenges

- Group decisions may override individual ones
- Group meetings may be needed to determine direction
- Efforts may be disrupted by staff or budgeting changes

Resources for Collaborative Marketing Groups

Collaborative Marketing - A Roadmap and Resource Guide for Farmers

Minnesota Institute for Sustainable Agriculture
www.extension.umn.edu/distribution/businessmanagement/DF7539.html

Outlines steps needed to organize a farmer-owned marketing cooperative.

Collaborative Marketing Resource Guide

University of Minnesota Extension
www.extension.umn.edu/distribution/businessmanagement/components/7539_d_1.html

A resource guide for identifying agencies, organizations, and businesses that may be able to provide technical and financial assistance, as well as other services.

Cooperatives: Their role for farm producers

UW Cooperative Extension
www.uwex.edu/ces/agmarkets/publications/documents/A3811-3.pdf

A resource that explains the different types of cooperatives and how to start them.

UW Center for Cooperatives

University of Wisconsin
www.uwcc.wisc.edu

Provides information and outreach programs on cooperatives.

PROFILE

Wisconsin Grass-fed Beef Cooperative



The Wisconsin Meadows brand (shown above) stems from collaborative marketing made possible by the Wisconsin Grass-fed Beef Cooperative. Picture below is the Cooperative's President Bob Van De Boom with his wife, Beth, out on their farm.



Bob Van De Boom, President
www.WisconsinGrassFed.coop



The Wisconsin Grass-fed Beef Cooperative got its start at a grazing conference several years ago. Laura Paine, a Department of Agriculture, Trade and Consumer Protection employee, contacted farmers and ranchers who were interested in forming a grass-fed beef cooperative. After an initial meeting brought these individuals together, the WGBC was born.

“A steering committee of seven people pursued what needed to be done,” explains Cooperative President Bob Van De Boom. This committee decided on protocol for the cattle and the structure of the organization, and eventually became the Cooperative’s Board of Directors.

The Cooperative currently provides beef for 27 regular customers in a variety of markets, including health food stores, Braise Restaurant Supported Agriculture (see page 83) and Community Supported Agriculture. The Cooperative sets prices and provides a sales sheet to customers. Occasionally it offers special deals. “During fourth of July we had a burger special for our biggest customer,” Van De Boom explains.

Sales and marketing have been one of the larger successes of the Wisconsin Grass-fed Beef Cooperative. This stems from the members decision to sell its meat under its own brand, Wisconsin Meadows. The group also hired a sales and marketing manager to reach out to new customers and provide demonstrations on grass-fed beef at stores around the state.

“Right now our bottleneck is finding enough cattle year round so we can continue to grow,” says Van De Boom. In addition to marketing to customers, the Cooperative is currently searching for new members by setting up booths at pasture walks and conferences. Another issue has been communication between board members, Van De Boom explains. “Being across the state makes it hard to meet face-to-face.”

Now the Cooperative has 55 members and a full-time sales and marketing manager. Most of the day-to-day operational decisions are made by the sales and marketing manager, but the Board of Directors decides larger issues through email or during monthly conference calls. If needed, an issue is taken directly to the members at the annual meeting.

Laura Paine at WI DATCP continues to play a key role as adviser to the group. Leadership and diversity in the board members has given the Cooperative a strong foundation and benefit. This can be seen in the different roles members fill, as one of the members designed several Wisconsin Meadows logos and consulted a focus group for input. Another example is that members with backgrounds in sales and cattle production have contributed their unique knowledge and experience to build and improve the Cooperative.

Van De Boom advises producers looking to work cooperatively to find dedicated, communicative leaders.

PROFILE

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Mary Anderson
Producers & Buyers Co-op

Producers & Buyers Co-op

Mary C. Anderson
www.ProducersAndBuyers.com



How did the Co-op start?

In 2008, Sacred Heart Hospital in Eau Claire approached the River Country Resource Conservation and Development Council about creating an organization that would link local producers to institutional food services. The hospital had committed itself to spending 10 percent of its \$2 million food budget to local food and needed a way to meet that goal. A consortium of interested parties met and ultimately formed the Producers & Buyers Co-op.



Developing the Co-op was no easy feat, according to Mary C. Anderson, RCD Resource Specialist. Producers, processors, institutions and others “spent countless hours working out the details, developing open communication between the partners and finding creative solutions to the hurdles encountered along the way.”

What were some challenges?

One issue the Co-op still encounters is the lack of buyer education on the differences between industrial and local food. Consumers don’t always understand the differences in quality, sustainability, or cost of production that come with purchasing local food. There is also a lack of local meat and produce processors. “The Co-op often has to schedule meat processing weeks to months in advance,” Anderson adds.

The lack of local infrastructure has been an issue for the Co-op. “Institutions are used to ordering and having product the next day, so their in-house storage is limited,” says Anderson. “The product cost for storage has to be passed on to institutions, making local food less competitive.” The Co-op had to develop a transportation system for itself, as well as find ways to meet the packaging and labeling needs of the institution.

What resources have been helpful to you?

One key resource for the Co-op was the Wisconsin Department of Agriculture, Trade and Consumer Protection’s Buy Local, Buy Wisconsin grant. The Co-op also made use of other DATCP resources on business financing and planning.

“One of the seven guiding principles for cooperatives is ‘Cooperatives helping cooperatives,’” says Anderson. “The consortium received a lot of valuable assistance from others, including Just Local Food Cooperative in Eau Claire, the Southeast Minnesota Food Network, the Viroqua Food Cooperative, the Cooperative Foundation, and Margaret Bau, USDA-Rural Development’s Cooperative Development Specialist.”

What tips do you have for producers who would like to sell to institutions?

“Creating a local food supply that meets the needs of the producers and the institutions has to involve all parts of the food chain,” says Anderson. “Producers must learn how institutions are accustomed to ordering and receiving their food, which is very different from working with individuals or selling at a farmers market.”

To succeed at selling to institutions, all stakeholders must demonstrate commitment and leadership. Anderson explains, “Commitment to the vision and dedication to the implementation are keys to success.”