

Good afternoon! First and foremost, I'd like to thank Kostas Skordas and the other ARC staff for making this conference possible and inviting me to participate on this panel. I'd also like to thank Savannah Lyons from the WV Food and Farm Coalition for moderating the panel and my fellow panelists, Leslie and Scott, for the incredibly inspiring work they do. My name is Alexa Arnold, and I'm an organizer for Community Farm Alliance, a membership-based, grassroots non-profit that works on food and farm policies and projects that benefit Kentucky's small scale family farmers and local food consumers. I'd like to talk about what's happening with local food and agriculture on the ground in the Appalachian region of East Kentucky.

The local food and agriculture renaissance is still fairly new in eastern KY. While CFA historically had a membership base of small tobacco and dairy farmers in the region, they were among the first impacted by the demise of the tobacco program and the consolidation of the dairy industry. While the rest of the state began a swift diversification from tobacco, transition in the eastern region has happened more slowly. However, in the last 5 years the region has seen a reemergence of farming and demand for locally grown, culturally appropriate food.

Overall, we see three key elements of what's happening on the ground in the region:

1. The importance of coordinated community support for local food and farm entrepreneurship.
2. Innovation and integration. People are creating new models with new approaches, while continuing to pursue integration between the alternative food system and the current, industrial system.

3. Adaptation. Taking well known models and adapting them to fit the place, the demographics and the needs of the community.

Another moral of the story of the local food and agriculture scene in eastern Kentucky is: Place matters and we have to meet people where they are.

Entrepreneurship looks different in small rural communities with geographic limitations and no concentrations of people. This also means that success looks different as well. We all know that local food ventures often have goals that are not strictly financial, such as environmental impact, fair wages for workers and community development. They're also not interested in growth at all costs. While in the mainstream business universe, growth is the indicator of competitiveness, many EKY local food enterprises strive for stability.

First, I'd like to highlight an example of local food entrepreneurship in Floyd County, Kentucky.

There's often a catalyst for increased community efforts to build a local food economy. In Floyd County, the catalyst was Todd Howard, full-time farmer and CFA board member.

In the early 2000's, Todd Howard worked in the coal industry, as did many of his neighbors, family and friends. In 2006, his son Lucas was born and his family moved into his parents' old home place. Todd began to think about where he would be in 10 years. Their new home had a couple of fertile bottoms and what began as simple backyard gardening for their own consumption turned into full scale farming.

The city of Prestonsburg had had a small farmers' market for years, but there were only about 3 vendors involved, each with little growing capacity to be set up all day. There was also a major disconnect between the farmers and their consumers. There were a few elements that the market lacked: they weren't incorporated – so they didn't have a bank account where they could put potential funds that might be used for fundraising, marketing, etc; they didn't have any sort of business plan, by-laws or market rules; and they had no management personnel (volunteer or paid).

The Floyd County market had these same issues in common with virtually every other market in the eastern Kentucky region. It made us think a lot about what I mentioned earlier – meeting people where they are. Farmers and gardeners in the region had very little experience growing vegetables for market – let alone thinking about selling to any other institutional market. The low hanging fruit in the region was to help farmers' markets become a sustainable marketplace, while also helping farmers expand their capacity and extend their growing season.

In 2011, with only 3 producers, the market grossed \$1100 in sales. In 2012, over 13 sale dates and 52 hours, the 7 vendor farmers market grossed \$23,000 in sales. In 2013, with 12 vendors, they grossed nearly \$50,000.

Todd has served as an example of how it's possible to earn a living wage through full scale farming in eastern Kentucky. People in Floyd County who have grown a garden for their entire lives are inspired by Todd's success and are making plans to raise food for retail sale next year. Also, the efforts to build a sustainable farmers' market business in Floyd County

inspired a CFA Pilot Project, the Farmers' Market Support Program, which is currently working with 5 eastern Kentucky markets (which includes over 40 farmers) on business development, marketing strategies, and farmers market management training.

What's most unique about this story in Floyd County, is how a geographically dispersed community came together in a coordinated effort to support local food entrepreneurs.

In March of 2012, St. Vincent Mission, a local missionary and host of a Grow Appalachia site, organized a vision planning meeting in Prestonsburg. Over 50 people attended and identified 3 areas they would pursue if money was no object: farmers' markets, community gardens, seed and story saving. This meeting also spurred a loose formation of Appalachian Roots, a nonprofit organization that currently strives to support the aforementioned areas of focus. In order to identify the regions assets, barriers, potential markets, and most importantly, how to bring all of these together, Appalachian Roots, has spent the last year conducting a Community Food Systems Assessment in Floyd County. Aside from gathering data that can be used to make the case for local food system development in the future, the Community Food Systems Assessment has been a tool to build bridges with unlikely players – the Area Development District, the local food banks, local government and the judge executive, the school system, grocers and food distributors in the region, the health department, the Chamber of Commerce. It's also helped leaders think constructively about what models might work best in their community.

Appalachian Roots has also become a sort of 'Friends of the Farmers Market' organization, taking on some of the marketing and fundraising responsibilities of the market and aggregating local organizational support.

Floyd Countians have learned that it's incredibly challenging in this region to have a good idea and run with it without any community support. People of power in the community are also catching on – they're seeing that local food system development IS economic development. Aware that farmers' need more markets than direct marketing alone to make a viable income, the city of Prestonsburg is pulling funding together to build a structure and storage/packing facility, so that the market can evolve into an aggregation center. Floyd County is serving as an example for what's possible for local food systems in east Kentucky, and other communities are catching on.

While things have been extremely successful for them, they still need more support. Their progress has been made completely by the efforts of volunteers. As the farmers market grows and moves forward to begin to navigate the web of institutional selling and buying, they are in desperate need of a paid market manager. They are in desperate need of a system that supports these innovators on the ground.

I'd like to share another example of an entrepreneur in EKY whose thinking creatively and adapting well known agricultural business models to meet the needs of his farm, his customers and his community.

Geography plays a big role in rural, Appalachian business ventures. Farmers are trying out different models to see what makes the most profit for them. In Clay County, Will Bowling and his family raise sustainably pastured livestock on their 60 acre farm. Clay County does not have a history of sustainably raised meat, but the Bowling's experience is proof that demand for these products exists in unlikely places if farmers are willing to adapt their marketing models to fulfill the needs.

When the Bowling's began farming 10 years ago, their local extension staff and NRCS staff instructed them to sell live animals into the commodity chain at the local sale barn. It became increasingly obvious that they could not make a living wage selling into the commodity market from the 60 acres of pasture that comprised their farm. At first, they addressed this by selling custom orders of 'freezer beef' – customers would purchase whole animals at a time. While this model allowed them to control their prices, they still were not able to develop their customer base as much as they needed to, despite several years of efforts. They realized that while the custom sales model was convenient for them, it was not convenient for most of their customers. They were asking customers to coordinate with the processor to specify how their meat was cut, to spend a significant portion of their meat budget at once and to provide storage space for an entire animal.

The Bowling's determined that they could overcome these barriers by offering a meat CSA – Kentucky's first meat CSA. Their CSA offers a 6 month subscription cycle with monthly deliveries. They have several drop-off locations throughout their area that serves many customers and increases their transportation efficiency. The Bowling's are convinced that the CSA system holds great potential for small farmers and their mountain

communities – this business model can improve a farmer’s finances, provide customers with high-quality, humanely raised and locally sourced product and improve local economies.

What’s unique about Will’s program is that they’re proving that raising livestock in the mountains is a viable opportunity for farmers with small acreages and for beginning farmers with limited start-up capital to make a living from agriculture. The CSA model dramatically improved their cash flow – like vegetable CSA’s, they received monthly payments, which revolutionized their finances by giving them operating capital throughout the year. The CSA also provided them with financial security through customer diversification, whereas when selling into the commodity chain they knew they always had a market for their animals, but did not have any control over their selling prices. Lastly, the CSA allowed them to fill a void in their local food system. Consumer choice is limited in east Kentucky and one of the greatest benefits of direct marketing is the degree to which it empowers the customer.

They also lift up that rotational grazing systems are wildly successful in EKY – and in hopes of sparing other beginning farmers the same start-up struggles they encountered, Will created the Old Homeplace Farm Meat CSA Guide. This guide details the process of planning production to meet demand, how to locate customers in a sparsely populated market, considerations about transportation and delivery, an overview of the requirements involved to legally sell meat, step-by-step actions to prepare meat for delivery, and many other topics.

These are just a few examples of what's happening on the ground in EKY.

While all of the moving pieces are inspiring, there are still challenges to developing local and regional food systems in EKY. Putting it simply, Kentucky needs more farmers. Community Farm Alliance is addressing this issue through our Agricultural Legacy Initiative, which provides a comprehensive pathway to the land for beginning farmers. Many other organizations throughout the state and nation are also addressing this through integrated capital, technical and marketing support. EKY also lacks farm to fork infrastructure, such as aggregation, processing and distribution facilities. There's also a need for a coordinated marketing campaign to lift public awareness about the benefits of local food.

Despite these challenges, EKY is full of opportunities. Public demand for local, fresh, humanely raised food is far greater than the supply – creating space for small scale farmers to flourish. Additionally, policy makers, local and state government officials are recognizing that food system development is economic development. Communities and individual farmers in the region have laid the ground work that's necessary to show that farming and local food business ventures can be financially viable and can build community development.

So what's next?

When we're talking about the east KY region, we have to think creatively about how to meet people where they are and help them grow to their fullest potential. Communities who have historically been fairly silo-ed are understanding that for a local food economy to thrive, they have to think regionally. Community Farm Alliance is focusing on regional coalition

building – connecting food business and organizations and supporting regional market development. We have a vision of small networks throughout EKY connected together to help feed the region and help to transition the local economy. We're also encouraging communities to learn from one another – and are in the process of supporting the development of a statewide food policy network whose goal is increased collaboration across stakeholders and increased capacity for grassroots democratic participation in developing sustainable solutions to local food system needs.