

How Are Agricultural Marketing Issues and Needs Being Addressed?

Presented by Kelly Cox, Administrative Officer, County of Lake

The topic of today's conference is important to Lake County government, to our local economy and to our County's future. Those of us here today are seeking solutions to some very real and very serious problems.

Agriculture, as everyone knows, is an integral part of Lake County. Finding solutions to the challenges being faced by today's farmers is important to our County's future.

As the County's Administrative Officer, I'm currently responsible for the County's economic development and marketing programs and this is the perspective from which I've been asked to speak to you this morning.

If there's one message I would like to be successful in conveying to you today, it is that we are very sincere in our desire for the County to be able to help local farmers in achieving their goals and objectives.

The County's Economic Development Program assists businesses, including agribusiness, in a number of ways. We contract with professionals who are available to provide free technical assistance to farmers in areas such as marketing and financial management, and we provide low interest loans to agricultural businesses in order to help create new jobs.

During the past 5 years our program has loaned nearly \$700,000 to local agricultural businesses and those loans have resulted in the creation of at least 20 new jobs.

As we work to improve and enhance our local economy through our marketing and economic development program, we want to work more closely with local farmers and others involved in agriculture in order to help promote and market locally grown crops and products.

As I just indicated, the local agricultural industry has utilized some of our economic development programs in the past, but in the current fiscal year the Board of Supervisors has authorized a significant expansion of the program to include some new elements which are specifically for the benefit of Lake County agriculture.

I'd like to read a few excerpts from this year's final budget narratives which I wrote and presented to the Board of Supervisors this past August.

"Although the County has been making significant investments in the local tourism industry and other related sectors of the local economy in recent years, a very important sector of the local economy has been struggling with particularly difficult economic challenges. The local agricultural industry and in particular the pear industry, is in need of additional support and assistance. It is entirely appropriate and

necessary for the County's economic development program to assist in addressing this need.

The County is fortunate in already having a strong relationship with the Lake County Winegrape Commission and this relationship, which includes mutual support and cooperation in many areas, will continue and flourish. However, there are other sectors of the local agricultural industry where our relationship and support through our economic development program should be enhanced and expanded. Although staff is still uncertain of what precise form this support should take, there is no doubt that the agricultural industry is a key element of the local economy and it is appropriate and essential that this segment be included in our growing County economic development program. Consequently, staff is recommending that one-time general fund discretionary revenue be appropriated in this budget for an agricultural economic development project. The amount of funding recommended totals \$185,000 and is comprised of two elements. The first element, funded with a \$35,000 appropriation, is tied to the goals of the marketing program and will be used for developing an agritourism element of the marketing program. There are experts in this field who can work with the local farmers and County staff in developing an agritourism program which will be mutually beneficial to both farmers and the tourist industry. This project would be operated in close cooperation with the local UC Extension/Farm Advisor's office and will assist in furthering an objective of that office. The UC Extension office has been doing preliminary work in this area and this funding will enable us to obtain the services of a professional in this field in order to complete and implement this project.

The second element is funded with a \$150,000 appropriation and has not yet been fully defined. Staff proposes to form a committee or task force of representatives of the local agriculture community to assist in developing a proposed program that would address some of the most pressing needs of local farmers, and in particular pear farmers. Similar to how last year's Resort Revitalization Program was developed, the recommendation is to set aside funding for this purpose in the Final Budget and allow a task force to develop a proposed program and bring its recommendations back to the Board of Supervisors for approval and implementation at a later date. Staff's initial concept is to develop a program that would assist local pear farmers in marketing their products to various retail outlets; however, this is only one idea and those individuals who are directly involved in the industry may have better ideas and recommendations.

It is important to demonstrate the County's commitment to the local agricultural industry and invite that industry to participate in our County's economic development program. Without a strong agricultural industry, Lake County would not be the quality place it is for residents and visitors alike."

Since the time that budget narrative was written, we've been moving ahead with efforts to implement these projects. With assistance from our experts at the County's UC Cooperative Extension office we will soon be publishing some new promotional materials that will provide visitors and tourists with useful information about Lake County agricultural products.

Among other things, these promotional materials will be mailed to prospective visitors from other areas in order to help encourage them to visit Lake County and purchase Lake County agricultural products. We also plan to add an Agriculture section to our increasingly popular internet web site, lakecounty.com. Many tourists are interested in finding out where they can purchase local agricultural products and especially organic products.

This isn't surprising --why wouldn't anyone want to obtain fruits, vegetables and other agricultural products produced in an area which has been certified as having the cleanest air quality in California for the past fourteen years?

I'd like to commend Rachel Elkins and the members of her staff who have been working on this project for us. They have gone to a lot of work in contacting every local farmer in order to determine who is interested in becoming part of our new agritourism and farm tours program. We know this type of program isn't for everyone -- it just won't work for some of you, for various reasons. But I'm very pleased with the number of positive responses Rachel's office received from their survey and I think we have more than enough to get this project off the ground. I'm hoping the success we anticipate having with this project will result in more farmers wanting to participate in the future. In any event, Rachel's office has collected and compiled the data needed to prepare our new agricultural marketing brochures and we appreciate the fine work they've done. We're looking forward to completing and implementing this particular element of our agritourism project ASAP.

Agritourism really is a big deal and it's becoming bigger all the time. There's been a lot written about Agritourism and I think we're just beginning to scratch the surface of it here in Lake County. Since agriculture and tourism are Lake County's two largest industries, it just makes sense for those industries to combine forces whenever possible.

A lot of money has been invested in bringing tourists to Lake County -once they're here, why not take advantage of the opportunity and utilize that resource to support the local agriculture industry?

What we have to offer locally from our agriculture industry can itself become a draw that will lure future visitors to Lake County who will stay in local resorts and will support other tourist oriented businesses.

During my time functioning as County Marketing Director I've had the opportunity to work closely with many of the local resort owners and others involved in the tourist industry.

I've found that this segment of the local business community is very supportive and appreciative of the local agriculture industry and they recognize the importance of agriculture to our local heritage and to our future. In fact, the symbol that the local lodging owners have chosen to use in the County's new lodging rating system is taken from the local agricultural industry.

You probably know that the AAA uses diamonds to rate lodging facilities (you've all heard of 4 diamond and 4 star hotels). Well, in Lake County we're using a Pear symbol to reflect each lodging facility's level of quality. And of course, many of our local lodging facilities are now striving to become 4 Pear resorts! The lodging owners who worked on developing the new rating system felt that a pear represented or reflected something that is very closely

identified with Lake County and something that is considered as being high in quality as well.

The pear symbol ratings have been added to County internet website and they are going to be added to a future edition that printed of our local lodging brochures.

I think we can build on this and start using pears and other local agricultural products in some of our Marketing Program's out-of-county print advertising campaigns. In the same ad space where we are trying to convince people to visit Lake County, I think we can include something (whether it be simply a photograph, a symbol or text) to associate Lake County with premium agriculture products--and begin using this as another reason as to why someone should visit Lake County. I hope it also helps in promoting Lake County agriculture --even if it's a subliminal message. Since we're already paying for ads to promote tourism in general, we might as well try adding an element of agritourism to some of those ads and promotions.

Back to the budget narrative that I just read and the other special projects we're working on. Our greatest challenge right now is developing the right project to help the local pear industry.

I've had several meetings with individual pear growers to discuss their observations about the problems being faced by their industry and last month we had our first group meetings with pear growers and packers.

(Discussed ideas developed during the meetings)

This is the type of opportunity local government is rarely able to provide to one particular segment of the local economy. The pear farmers didn't ask for this help from the County, but the County is providing it because of the obvious need and because of a sincere desire to preserve this industry which has been such a dominant and important part of Lake County for the past 50 years. Still, since the industry itself didn't ask for this assistance, it leaves some doubt as to whether or not this will be a wise investment on the part of the County.

There are highly regarded economic development experts who prescribe to a theory that governmental assistance should only be provided to those who ask for it and that the government should not force feed any private business with assistance it didn't request.

Aware of this concern, we're moving ahead on the assumption that the local pear industry didn't request help because they didn't know it was even an option they didn't think the County would be able to provide financial assistance even if they asked, so they didn't ask.

We want tangible results from this investment - we don't want another study sitting on a shelf gathering dust -- especially one prepared by another highly paid consultant.

We are collectively looking for new, creative ideas that are feasible to implement and that will produce immediate and long-term results.

This definitely won't be an easy task, as some people believe that most of Lake County's pear orchards will be removed within the next decade, and they don't believe there is any way those operations can continue being economically viable.

However, we're going to do everything possible to change this and to provide a new hope and new optimism to the local pear industry. I hope we can help instill new life in our local pear industry and that this effort will serve as a model for other segments of our agricultural industry.

County government recognizes the importance of agriculture to our economy and to our quality of life in Lake County. Working together I believe we can make a difference and I am optimistic that we will have good progress to report in the months ahead.

I hope that during the course of this conference we will develop some new ideas on how County government can be of more help to the agricultural industry. We will be listening intently to everything that is said by those of you who are experts in this field.

The Lake County Marketing and Economic Development Program wants to help you in getting the word out about the superior quality of Lake County's agricultural products and promote this attraction right along with all of Lake County's other attractions. It's something that certainly sets us apart from most other tourist and vacation destinations.

I believe it's extremely important that local agriculture be a permanent part of the County's marketing and economic development program. It's key to what we're trying to market: the beauty, attractiveness and serenity of our County, and it's certainly key to the County's economic well being.

In summary, the Lake County Marketing and Economic Development program is pursuing an effort this year to assist the local agricultural industry by helping to promote Lake County agricultural products and by working with local farmers, and in particular pear farmers, to develop a new project that will be financed with the special one-time funding included in this year's County budget.

You have a County government that has a sincere desire to help your industry and that recognizes the importance of this industry to our County's past and future -- that probably puts us one step ahead of some other counties. The second step, which we've also achieved, is in setting aside money in the County budget for this purpose.

Now it's on to the next steps of developing and implementing a project--in other words, coming up with a solution to the challenges being faced by the local agricultural industry.

We definitely need your help in the form of providing us with ideas and suggestions on what would be the most help to you. It would be counterproductive for us to go on our own and develop a project that we think would assist local farmers - we need to first hear directly from the farmers regarding their needs and what they believe would be of the most help to them. This is certainly a challenge, because no one has all the answers and it doesn't appear there are any easy answers.

But working collectively, I think we're up to the challenge and I'm optimistic about the eventual outcome. The local farmers who I have had the opportunity to work with are

really impressive people -- they are honest, intelligent and they have earned our respect. They really are some of the finest people we've ever had the pleasure of working with and we don't want to let them down.

I would like to once again express my appreciation for being invited to be here today and for having an opportunity to work more closely with our local agricultural industry.