

Vermont Domestic Export Program

The Vermont Agency of Agriculture, Food and Markets (VAAFMM) in partnership with the Agency of Commerce and Community Development (ACCD) and the Chief Marketing Officer (CMO), executed the core components of the Domestic Export Program, which includes wholesale market entry, direct sales, communication and marketing initiatives. Throughout the past year over 100 Vermont businesses were directly impacted through Vermont's Domestic Export Program:

- 25 businesses were assisted with critical funding to attend tradeshows
- 50 businesses had products sold at the Boston Public Market
- 29 businesses vended at the Vermont Building at the Big E
- 12 businesses exhibited in the Vermont pavilion at the Summer Fancy Food Show

These activities resulted in **over \$2.5 million in annual sales** for Vermont businesses. In addition, many more businesses were reached through advertisements that were secured and designed by the state of Vermont.

Additionally, VAAFMM and other public and non-profit partners provided **technical assistance and education** to Vermont companies **in order to build skills** that create productive business relationships. The program worked with producer associations (e.g. Vermont Specialty Food Association, Vermont Maple Sugar Makers' Association, Vermont Cheese Council, and Vermont Wood Manufacturers' Association) to offer technical assistance around sales, marketing and other skills needed to reach out-of-state consumers.

Program Funding

As directed by legislation passed in 2015, the Agency of Agriculture, Food & Markets sought other funding sources in order to continue implementing this program in 2016. In September 2015, the **Working Lands Enterprise Board (WLEB) signaled the importance of the Domestic Export program by approving an additional \$25,000 to the program.** The Board was struck by the impact shown by the trade show assistance grants, which resulted in over 1,000 sales leads and \$1 million in projected annual sales. This funding enabled VAAFMM to release a Trade Show Assistance Grant solicitation in October 2015.

VAAFMM also submitted a Federal State Improvement Project (FSMIP) grant application to the U.S. Department of Agriculture (USDA) in May of 2015. The grant proposal, *Connecting Vermont Producers to Regional and National Markets* was awarded in October of 2015, at its full request of \$92,200. This project focuses on four areas to help connect Vermont businesses with out of state buyers: **distribution, statewide marketing program, buyer connections and digital marketing / e-Commerce.** This work will be completed over a two-year grant period from October 2015 to October 2017.

Wholesale Market Entry

In January 2015 VAAFMM solicited applications for matching **Trade Show Assistance Grants** of up to \$2,000 per company. In total 45 applications were received and 25 Vermont businesses were selected to attend 15

different trade shows in 10 different states. Grantees have reported sales to California, Idaho, Ohio and closer to home in New England and New York. [See page 6-8 for grant awardees].

FY2015 Trade Show Grant Impacts:

- Over 1,100 sales leads
- 90 immediate sales valued at \$30,000
- Projected 12 month sales at \$1.05 million
- 16 out of 25 grantees reporting sales outside of New England

VAAFM sent out the second application request for Trade Show Assistance Grants in October 2015. In early January 2016, VAAFM selected to award 14 Vermont businesses a total of \$15,000 to attend an out-of-state trade shows. In addition, VAAFM anticipates releasing a second request for applications in mid-February 2016 to provide grant funds to Vermont businesses attending out-of-state trade show for the first time.

In March 2015 VAAFM co-hosted a **Statewide Matchmaker** event with the Vermont Specialty Food Association and Vermont Fresh Network that brought 30 buyers from around the region to Randolph. These buyers connected with over 50 Vermont businesses comprised of cheese makers, maple sugar makers, produce farmers, meat producers, and other specialty food businesses.

In June 2015 VAAFM continued its collaboration with the Vermont Specialty Food Association (VSFA) and the CMO to host a **Vermont Pavilion at the Summer Fancy Food Show** in New York City. This trade show is the largest in North America, hosting over 25,000 buyers from around the world. More than 35 Vermont businesses were represented at the show, with chef demonstrations highlighting their products. In addition, Vermont businesses took home 5 Specialty Outstanding Food Innovation (Sofi) awards, including top honors of product line and new product.

In 2016, as part of the FSMIP project, wholesale market entry activities will include research on distribution gaps facing small and mid-size businesses entering markets outside of Vermont. It will also provide resources to continue the Vermont Pavilion at the Summer Fancy Food Show while performing research on consumer and buyer perceptions. Lastly, this project enables VAAFM to hold another matchmaker event, in conjunction with the Vermont Grocers Network's annual convention in April 2016.

Direct Sales & Promotional Opportunities

VAAFM worked with ACCD in a significant public-private partnership with Harlow Farm of Westminster to secure a prominent space at the indoor **Boston Public Market**. The market held its grand opening on July 31st and is open 5 days a week, 12 hours a day in the historic Haymarket district. VAAFM and ACCD worked closely with Harlow Farm to lease



a 544 square foot space at the busiest entrance to the market. In addition to Harlow Farm, Jasper Hill Farm of Greensboro was selected as one of the 37 vendors to sell their products at the market. Boston Public Market offers a significant opportunity to showcase quality Vermont products to out-of-state consumers, reporting **500,000 transactions and \$5 million in total sales through the first 5 months.**

Harlow's Vermont Farm Stand Impacts:

- Over 50 companies with product for sale
- \$185,000 in 6 month sales
- 9 Vermont businesses sampled product directly to consumers in Boston
- Over 20,000 consumer transactions

VAAFM continues its work connecting Vermont food and forest products businesses directly to end consumers in the **Vermont Building at the Eastern States Exposition (Big E).** Despite poor weather conditions in 2015 and a 10% drop in overall fair attendance, the Vermont Building Exhibitors still reported strong sales.

Vermont Building at the Big E Impacts:

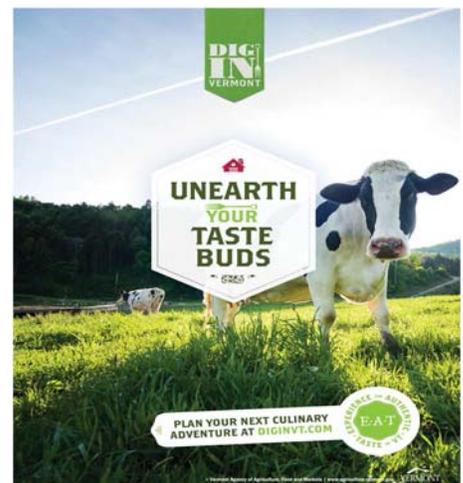
- 29 Vermont businesses exhibited in the Vermont Building
- \$1.68 million in Vermont products over the 17-day fair
- 4 new Vermont businesses exhibited at the Building

VAAFM has also overseen the completion of \$333,000 of the \$700,000 in deferred maintenance projects to the Vermont Building. Additionally, VAAFM is working closely with the Department of Buildings and General Services (BGS) to create a landscaping master plan to be designed and implemented over the next few years.

In 2016, as part of the FSMIP project and in partnership with the Vermont Maple Sugar Makers, the Vermont Cheese Council and the Vermont Grape and Wine Council, VAAFM will provide technical assistance to producers around marketing plans, digital marketing and e-commerce. This project will help provide knowledge on how to establish consumer relationships through online and social media platforms.

Communications & Marketing

The Domestic Export program has developed a great partnership with Vermont Department of Tourism & Marketing (VDTM) to create print, online and outdoor media that builds regional and national awareness for Vermont brands. VAAFM established a great working relationship with the Merrinoff family of Windham to secure advertising space in the Brooklyn, Long Island, & Manhattan **Edible publications.** This relationship



included receiving in-kind advertisement space for up to \$50,000. The magazines are published 5 times per year with a total distribution of 135,000 and a 3.5 pass-along-rate for a **total readership of 472,500 per issue**.

Thus far, VAAFM has placed print ads in two issues, promoting Vermont agritourism and a holiday guide featuring 18 Vermont businesses. In addition, Edible Manhattan posted an [online guide](#) promoting the 18 Vermont businesses included in the print advertisement.

In addition to these efforts, VDTM included a billboard advertisement for Harlow's Vermont Farm Stand in their outdoor holiday media package in the Boston market. This advertisement was live for one month from December 2015 to January 2016. VAAFM will continue to explore ways to work closely with VDTM and their media packages in out-of-state markets.



As part of the FSMIP project, VAAFM will be conducting a brand aesthetic development project. The project will be completed in two phases, VAAFM will form an Advisory Group of private businesses and association stakeholders to guide the creation of a brand aesthetic complete with a brand logo and tagline. In Phase II, VAAFM will determine the feasibility of a licensing program that will allow Vermont producers the use of the brand logo and tag line.

Technical Assistance

VAAFM is working with the Council of Agricultural Associations, which brings together the leadership of Vermont's working lands membership organizations to ensure access to high quality technical assistance for sales and marketing. We are also partnering with VSFA, the Vermont Maple Sugar Makers (VMSMA) and other producer associations to prepare businesses for out-of-state competition and to leverage buyer connections. Examples of assistance to be offered include turning leads into sales, trade show promotions, trade show booth design, e-commerce and digital marketing.

2016 Program Budget

Wholesale Market Entry		Source
Tradeshaw Grants	\$ 25,000	WLEB
Summer Fancy Food Show	\$ 6,500	FSMIP
Matchmaker Event	\$ 4,500	FSMIP
Direct Sales & Promotions		
Boston Public Market	\$ 2,500	VAAFM
Advertising & Promotion	\$ 35,000	In-kind (Edibles)
Technical Assistance		
Webinar & Workshops	\$ 30,000	FSMIP / WLEB / VAAFM
Administrative		
Travel	\$ 6,000	FSMIP
TOTAL	\$ 109,000	

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2015 Trade Show Assistance Grant Awardees

Company	Trade Show & Location	Grant Amount
Artesano	New England Food Show in Boston, MA	\$500
Black River Meats	New England Food Show in Boston, MA	\$1,500
Brookside Woodworking	Fine Furnishing Show in Pawtucket, RI	\$905
Cobb Hill Frozen Yogurt & Cheese	New England Made Giftware & Specialty Food Show in Portland, ME	\$992.50
Consider Bardwell	American Cheese Society Meet the Cheesemaker Event in Providence, RI	\$500
Gringo Jacks	Summer Fancy Food Show in New York, NY	\$575
Halladays Harvest Barn	New England Made Giftware & Specialty Food Show in Portland, ME	\$487.50
Maple Landmark	Museum Store Association Conference & Expo in Hartford, CT	\$1,278
Mt. Mansfield Creamery	American Cheese Society Meet the Cheesemaker Event in Providence, RI	\$500
Nitty Gritty Grain	Associated Buyers Table Top Show in Portsmouth, NH	\$850
Parish Hill Creamery	American Cheese Society Meet the Cheesemaker Event in Providence, RI	\$500
Plymouth Artisan Cheese	Winter Fancy Food Show in San Francisco, CA	\$800
Rockledge Farm Woodworks	New England Made Giftware & Specialty Food Show in Portland, ME	\$1,405
Sugar Bobs Finest	Summer Fancy Food Show in New York, NY	\$500
The American Game Table Co.	American Camp Association New England Conference & Expo	\$500

Company	Trade Show & Location	Grant Amount
The Potlicker	Summer Fancy Food Show in New York, NY	\$2,000
Tonewood	NY NOW Gift Show in New York, NY	\$2,000
Vermont Chevron	Boston Local Food Trade Show in Boston, MA	\$765
Vermont Farm Table	International Contemporary Furniture Fair in New York, NY	\$1,500
Vermont Farmstead Cheese	American Cheese Society Meet the Cheesemaker Event in Providence, RI	\$500
Vermont Hardwoods	Décor Expo in Atlanta, GA	\$2,000
Vermont Hay Co.	Natural Products Expo East Show in Baltimore, MD	\$2,000
Vermont Natural Coatings	ACE Hardware Fall Market Show in Chicago, IL	\$2,000
Wheeler Sugarworks	Summer Fancy Food Show in New York, NY	\$500

2016 Trade Show Assistance Grant Awardees

Company	Trade Show & Location	Grant Amount
Bee's Wrap	NY NOW Show in New York, NY	\$2,000
Cloudfarm	National Hardware Show in Las Vegas, NV	\$2,000
Gringo Jack's	Winter Fancy Food Show in San Francisco, CA	\$1,000
Kimball Brook Farm	Summer Fancy Food Show in New York, NY	\$1,000
Kingdom Creamery	Summer Fancy Food Show in New York, NY	\$1,000
Sugar Bob's Finest Kind	Summer Fancy Food Show in New York, NY	\$1,000
Shacksbury Cider	Summer Fancy Food Show in New York, NY	\$1,000
Sidehill Farm	Summer Fancy Food Show in New York, NY	\$1,000
Small Batch Organics	Summer Fancy Food Show in New York, NY	\$1,000

Stonecutter Spirits	WhiskyFest New York in New York, NY	\$600
Company	Trade Show & Location	Grant Amount
Tavernier Chocolates	Summer Fancy Food Show in New York, NY	\$400
The Vermont Switchel Co.	New England Made in Portland, ME	\$1,000
Tonewood	Boston Wine Expo	\$1,000
Vermont Sweetwater Bottling Co.	Summer Fancy Food Show in New York, NY	\$1,000