Vermont Domestic Export Program

Program Overview

Vermont's Domestic Export Program was created by the Legislature in 2014 "to connect Vermont producers with brokers, buyers, and distributors in other U.S. state and regional markets, and to provide technical and marketing assistance to Vermont producers to convert these connections into increased sales and sustainable commercial relationships." The Vermont Agency of Agriculture, Food & Markets (VAAFM) in partnership with the Department of Tourism and Marketing (VDTM) and the Chief Marketing Officer (CMO) will accomplish this through trade show assistance grants, matchmaker events, direct sales opportunities, and a comprehensive communications strategy. VAAFM and other public and non-profit partners will provide technical assistance and education to Vermont businesses in order to build skills that will create productive business relationships. The Program is designed to complement the marketing and promotions work of producer associations (e.g. Specialty Food Association, Maple Sugar Makers' Association, Cheese Council, and Wood Manufacturers' Association).

Wholesale Market Entry

The grant application period for **matching trade show assistance grants** of up to \$2,000 per company is open from January 8 to February 6, 2015. No less than \$25,000 will be awarded in March, providing financial assistance to Vermont food and forest businesses to attend out-of-state trade shows. In addition, grantees will be offered technical assistance to enable them to maximize their trade show experience. [See page 3 for grant criteria].

In March 2015 VAAFM will co-host a **Statewide Matchmaker** event with the Vermont Specialty Food Association and Vermont Fresh Network that will bring out-of-state buyers to the state to connect with cheese makers, maple syrup producers, produce farmers, meat producers, and other specialty food businesses.

Additionally, VAAFM will continue to collaborate with the Vermont Specialty Food Association and the CMO to host a **Vermont Pavilion at the Summer Fancy Food Show** in New York City in June. This will be the third year of this promotion, which includes bringing a Vermont chef to demo the products of businesses exhibiting at the show. Over 30 Vermont companies participated in the show in 2014, and exhibitors have stated that the promotion is successful in building Vermont brand recognition and promoting buyer-seller introductions.

Direct Sales & Promotional Opportunities

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).** In 2014, Vermont the 25 participating businesses grossed \$1.74 million in sales over the 17 day fair (up from \$1.68 in 2013). Fair attendance was 1,498,605 (up from 1,481,917 in 2013).

VAAFM is also pursuing a partnership with VDTM and the CMO to secure space for a Vermont sourced retail stand at the indoor **Boston Public Market**, which anticipates a grand opening in June 2015. This is an exciting opportunity to showcase Vermont produce, maple, dairy products, specialty food, and wood products in a high-visibility Boston market.

VAAFM will also provide support to Vermont agriculture and wood products associations for **in-store demos** at urban markets in the Northeast region during the spring and summer of 2015. We have cultivated a relationship with a Philadelphia-based retailer/distributor and are planning a targeted promotion of Vermont products.

Communications

The program aims to **increase regional and national awareness of Vermont brands** by collaborating with the seasonal marketing campaigns performed by VDTM. We are exploring the creation of an online reporting portal to facilitate Agency collection of business updates and popular storylines to promote to out-of-state press and social media outlets.

Technical Assistance

VAAFM is working with the Farm and Forest Viability Program and other service providers to ensure access to high quality technical assistance for sales and marketing. We are also partnering with the Vermont Specialty Food Association, the Vermont Maple Sugar Makers and other producer associations to prepare businesses for out-of-state competition and to leverage buyer connections. Examples of assistance to be offered include tradeshow training, e-commerce and online sales. Furthermore, the Agency is working closely with the Vermont Sustainable Jobs Fund to develop a well-organized online resource for technical assistance.

Program Budget

Wholesale Market Entry			
Tradeshow Grants		\$	25,000
Summer Fancy Food Show		\$	5,000
Direct Sales & Promotions			
Boston Public Market		\$	10,000
Producer Association Micro-Grants		\$	5,000
Advertising & Promotion		\$	2,000
Technical Assistance			
Webinar & Workshops		\$	1,000
Administrative			
Travel		\$	2,000
	TOTAL	\$	50,000

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Act 199 Language

Sec. 14. DOMESTIC MARKET ACCESS PROGRAM FOR VERMONT AGRICULTURE AND FOREST PRODUCTS (a) The Secretary of Agriculture, Food and Markets, in collaboration with the Agency of Commerce and Community Development and the Chief Marketing Officer, shall, subject to available funding, create a Domestic Export Program Pilot Project within the "Made in Vermont" designation program, the purpose of which shall be to:

- (1) connect Vermont producers with brokers, buyers, and distributors in other U.S. state and regional markets;
- (2) provide technical and marketing assistance to Vermont producers to convert these connections into increased sales and sustainable commercial relationships; and
- (3) provide one-time matching grants of up to \$2,000.00 per business to attend trade shows and similar events to expand producers' market presence in other U.S. states, subject to available funding.
- (b) The Secretary shall collect data on the activities and outcomes of the pilot project authorized under this section and shall report his or her findings and recommendations for further action on or before January 15, 2015, to the House Committees on Agriculture and Forest Products and on Commerce and Economic Development and to the Senate Committees on Agriculture and on Economic Development, Housing and General Affairs.

Trade Show Assistance Grant Overview

Vermont food and forestry businesses that are at different stages of growth with varying levels of trade show experience can apply for grants that provide financial assistance to exhibit and sell their Vermont products at National trade shows. By offering matching grants, businesses can mitigate the financial risks associated with presenting at national trade shows.

Applicants complete an online application that requests they self-identify trade show experience and are evaluated on the following criteria

- **Economic Impact to Vermont** Application should demonstrate the applicant's economic impact to Vermont. The economic impact can be through increased sales, increased utilization of Vermont agricultural or forest product inputs, employment retention and/or addition or other identified value.
- Marketing Strategy Applicants should offer reasons why the proposed trade show is consistent with their marketing plan and growth strategy.
- **Sales Approach** The Applicant provides a comprehensive sales approach that focuses on writing orders while at the show.
- Potential for Success Applicant's goals should reflect careful consideration and realistic expectations for the trade show and should be specific, measurable, and attainable with deadlines for achieving objectives.
- **Budget** The company has completed the budget form with realistic estimates