

Vermont House and Senate Committees on Appropriations

Public Hearing on Governor's Recommended FY 2022 State Budget

Comments submitted by Judith Irving, Co-Founder, Fat Toad Farm, Brookfield, Vermont

My name is Judith Irving. I am a co-founder, along with my husband and daughter, of Fat Toad Farm in Brookfield, Vermont. We are in our 14th year of business making goat's milk caramel. We use a lot of goat's milk to make this artisanal confection. For the first ten years of our business, we had our own goat herd. We then sold the herd to Ayers Brook Goat Dairy in Randolph, run by Miles Hooper and Daryl Breau. We now buy our milk from them and truck it to our production facility on the back roads of Brookfield.

I want to thank you for the opportunity to speak in strong support of the Working Lands Enterprise Fund, which the Governor is recommended be funded at \$3.5 million.

As we entered 2020, our business had just barely crossed the line into profitability. We seriously restructured our business model in 2018 in order to try to reach this goal. Our plan for 2020 was to "stick to our knitting" in hopes of increasing our profitability by the end of 2021.

At that time, 70% of our business was too small to medium sized specialty food stores and restaurants all over the U.S. The rest of our business was generated from our web site and from Amazon.

And then Covid 19 happened, closing most stores and restaurants and seriously jeopardizing our business. We knew we had to quickly rethink what we were doing. Since it was becoming clear that people were quickly moving to doing most of their shopping online, we knew that was where we needed to focus our efforts. We essentially had a "home built", relatively unsophisticated presence on the web and knew that that wasn't going to work.

We applied for and were fortunate enough to receive funding from the Working Lands Enterprise Fund Covid 19 Business Response Grant program. We used these funds to start working with Lean Edge Marketing of Burlington, a firm that specializes in Amazon and web site development and analytics. In a matter of months, they were able to radically improve our presence on these sites and train us on how to keep maximizing sales in those two channels.

We immediately saw positive results and became well positioned to take advantage of the changing buying habits resulting from Covid 19, rather than have our business become a victim of those changes. From April to December 2020, our web site sales increased by 198% over the same time period in 2019 and our Amazon sales increased by 110%. Our final sales for the year came in 23% higher than 2019.

The Working Lands Enterprise Grant made the difference for us between success and serious financial struggles.

We also were part of the Vermont Sustainable Jobs Fund Cohort group throughout the year – a small group of other businesses that have been part of the VSJF program in the past. This biweekly get together gave us a chance to meet with business experts as we all tried to navigate the year and to talk with each other about approaches and solutions.

Thank you for your time and a very sincere thank you to each of you for all the effort you have been putting in to help all of us Vermonters and communities to make it through this pandemic. We sincerely appreciate it and are so proud of our State for its concern and approach.