



VENTURE

**A Newsletter for the
Small Scale Food Entrepreneur**

Volume 4, No. 1

Spring 2002



HOT STUFFING: EVENTS YOU DON'T WANT TO MISS

March 19, 2002

Western NY IFT Food Expo
Rochester Riverside Convention
Center, Rochester, NY
Free Admission
Judy Anderson: 315-787-2273

March 19, 2002

Bringing Your Product to Market
(in Spanish)
Jamaica Plain, MA
Mass. Specialty Foods Assoc.
1-800-813-5862

March 20, 2002

Bringing Your Product to Market
(in English)
Jamaica Plain, MA
Mass. Specialty Foods Assoc.
1-800-813-5862

March 21, 2002

Bringing Your Product to Market
(in English)
West Greenfield, MA
Mass. Specialty Foods Assoc.
1-800-813-5862

March 22, 2002

Recipe to Market
Burlington, VT
Cecelia Golnazarian: 802-656-0147

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The Web, Food and Your Business: Using Technology to Market Your Specialty Food Products

Part I: Getting on the Web

*By Elaine Young, Instructor,
Champlain College E-Business Program*

The World Wide Web has been a technological breakthrough that has made significant changes in the number of ways ANY business, no matter what its size, can successfully market products. As a matter of fact, smaller businesses can use the Internet to significant advantage. Over time, it will provide many leads, if not actual sales, from a wide range of geographic regions. While at first it may seem overwhelming to even figure out how to get started, with a well thought-out plan and a clear budget, your business will benefit from being on the Internet.

Why use the Web?

Probably the first question that comes to anyone's mind is, "Why the web in the first place?" Let's take a look at some statistics:

According to a recent report from *comScore Networks*, \$53.07 billion was generated in 2001 in online consumer sales at US retail websites — \$33.7 billion of which came from non-travel related websites. ("Reviewing 2001 Online Retail Sales in the US," Jan. 2002, *Emarketer*)

How Many Online?

World Total - 513.41 million

Africa - 4.15 million

Asia/Pacific - 143.99 million

Europe - 154.63 million

Middle East - 4.65million

Canada & USA - 180.68 million

Latin America - 25.33 million

Source: Nua Internet Surveys, <http://www.nua.net>, January 29, 2002

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Producer Profile: Jeff and Julie Mitchell at Vermont Pepper Works

by Brian Norder

Among the most popular foods produced at the Vermont Food Venture Center in Fairfax, VT, is a line of pepper sauces from Vermont Pepper Works of Hyde Park, VT. The sauces, Rancho Ancho, Carrot-Cayenne, Hempin' Jalapeno and Peach-Ginger Habanero, have a solid market niche as part of a national hot sauce craze that just seems to keep growing.

The proprietors of Vermont Pepper Works are Jeff and Julie Mitchell, graduates of culinary school in New York, who have worked at Stowe restaurants for several years. They embarked on their sauce business in late 1999 with a visit to the Center and have been working away ever since through the business planning process, recipe and label development and raw material sourcing.



Julie and Jeff Mitchell



the hottest. They are rated PG, R, X and XXX respectively as a marketing tool and means of educating potential buyers. The four sauces were used in vegetarian sushi rolls for the NECFE Open House on the UVM campus last August.

Jeff is enthusiastic about the assistance available at the Vermont Food Venture Center and its affiliation with NECFE and was featured on a local television segment about NECFE. He is quick to give credit for the help he received to start his business, "With endless resources and a great reputation within the specialty foods industry, Project Director Brian Norder has been of outstanding benefit to us!"

Look for Vermont Pepper Works sauces in specialty stores, coops or other hot sauce retailers. Goods are also on-line at www.vermontpepperworks.com *

Part of the company's mission is supporting local agriculture. Jeff has been working with local growers to supply as many of the peppers as well as carrots and other vegetables as possible. Part of this strategy includes blast freezing the peppers in season for use throughout the year.

The four sauces represent distinct levels of heat: Ancho being the mildest and Habanero,

HOT STUFFING, continued from P. 1

April 22-23, 2002

Value Added Meat & Sausage Making

Stafford Springs, CT
860-684-0222

May 6-9, 2002

Better Process Control School

Geneva, NY
Judy Anderson: 315-787-2273

LOOKING AHEAD

Summer 2002

Value-Added Dairy Products

Morrisville, NY

September 2002

Bringing Your Product to Market

Processed Meats Workshop
GMPs for Acidified Foods
New York Metropolitan Area

Late Fall

Commercial Preparation of Jams and Jellies for the Retail Market

Massachusetts



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Food Safety and Terrorism

By: *Dr. Todd M. Silk & Dr. Cecilia A. Golnazarian*
University of Vermont

The United States food supply is one of the safest in the world. However, we frequently hear of foodborne disease outbreaks that occur in the United States. The Center for Disease Control estimates that ~ 76 million people become ill each year from food, resulting in 325,000 hospitalizations, and ~ 5,000 deaths. To increase the level of food safety in the United States, the Food and Drug Administration (FDA) has been working closely with food safety agencies at federal, state, and local levels for the last several years. As a result, effective prevention programs, enhanced surveillance systems, and rapid foodborne illness outbreak response protocols have been established to protect our food supply against natural and accidental threats. Since September 11, 2001, the FDA has further increased its emergency response capability and has reassessed and strengthened its emergency response plans. The FDA has also intensified surveillance of food imports and food production by hiring an additional 210 import inspectors, and adding an additional 100 inspectors to survey critical areas of product safety in the domestic food production and distribution system. The FDA will increase the number of food samples that are tested for possible contamination by hiring an additional 100 technical analysts.

On January 9, 2002, FDA/Center for Food Safety and Applied Nutrition (CFSAN) published "Food Producers, Processors, Transporters, and Retailers: Food Security Preventative Measures Guidance." In this document, FDA/CFSAN suggests appropriate measures that can be taken by food establishments to minimize the risk of food being subjected to tampering or criminal or terrorist actions. The guidance is relative to all involved with any aspect of food production from the farm to the table, including farms, aquaculture facilities, fishing vessels, producers, transportation operations, processing facilities, packing facilities, warehouses, and retail and food-service establishments. The guidance is divided into several sections that relate to individual components of a food establishment operation including management of food security, physical security, employees, raw materials and packaging, operations, and finished products. As well, a set of security strategies and evaluation techniques are outlined. The following is an abridged summary of the guidance. To view the full document, visit the FDA website¹.

Management of Food Security

Food establishment operators should consider assigning responsibility for security to qualified individuals. Provide an appropriate level of supervision to all employees, including cleaning and maintenance staff, contract workers, and especially new employees. Conduct daily security checks of the premises. Implement procedures to ensure the security of incoming mail and packages (e.g., securing mailroom, visual or x-ray mail/package screening). Staff should be encouraged to be alert to any signs of tampering with product, equipment, or other areas that may be vulnerable to tampering. Employees should be instructed to alert identified management about any findings. All information about suspicious activity should be investigated immediately, and local law enforcement should be alerted about all suspected criminal activity.

Physical Security

Food establishment operators should consider securing their facility from unsolicited visitors. All incoming and outgoing vehicles should be inspected for inappropriate or suspicious items or activity. A system of controlling vehicles authorized to park on the premises (e.g., using placards, decals, key cards, or cypher locks) should be implemented. The entry to the establishment should be secured with a check-in/check out point (reception or security). All visitors (including contractors, suppliers,

customers, couriers, etc.) must have identification and a valid reason for visiting. All food handling and food storage areas should have access restricted unless accompanied by authorized personnel.

The building perimeter should be secured with fencing or other appropriate deterrent. Doors (including freight loading doors), windows, roof openings/hatches, bulk storage tanks etc. should be secured to the extent possible (e.g., using locks, alarms, sensors, video surveillance etc.). Entrances to restricted areas should be kept to a minimum. Records should be kept for all keys to the establishment. Security patrols (uniformed and/or plain-clothed) and video surveillance, where appropriate, should be considered. Finally, provide adequate lighting and emergency lighting.

Storage areas for hazardous chemicals must be secured (e.g. locks, seals, alarms, intrusion detection sensors, guards, monitored video surveillance). Access to these storage areas should be limited. Records of hazardous chemicals should be kept, and any missing stock or other irregularities outside a pre-determined normal range of variation should be investigated while alerting local law enforcement about unresolved problems.

Employees

When hiring new employees (including seasonal, temporary, contract, and volunteer employees), obtain and verify work references, addresses, and phone numbers; check immigration status with U.S. Immigration and Naturalization Service when appropriate; perform criminal background checks, including Federal Bureau of Investigation Watchlist. Provide food security training to all new employees, including information on how to prevent, detect, and respond to tampering or criminal or terrorist activity.

Establish a system of positive employee identification and recognition (e.g., issuing photo identification badges

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A Big Bang from a Small Space: Labeling your Product

Jane Kolodinsky, University of Vermont

If a picture is worth a thousand words, then a label can be even more valuable. Often, before customers are sold on a brand because of knowledge about it, they have already formed an opinion about the product in their mind because of the label. The label design helps customers form an image about the brand *and* can provide some important information about the product.

Image is Everything!

There are many reasons to pay careful attention to label design. Certainly, the label is a place to shout your brand name. In fact, your brand name should be prominently placed on the label. How many surfaces does your package have? There usually is more than one place to highlight the name of your products. While the lettering of the name brand should be stylistic, make sure it is readable.

Brand name is only part of what can be conveyed on a label. You must consider the label background. Do you want a photograph? An illustration? A graphic design? The visuals can convey an image even more strongly than words. Together, the impact can be greater than either of the parts. Have you ever heard someone say they chose a product because, “They liked the label”? While it certainly isn’t an objective purveyor of the quality of your product, it speaks loudly and clearly. At the very least, it can catch a customer’s attention in a sea of similar . . . salsas, jams, bread, dairy products, meats . . . available in today’s marketplace.

Image Is Not Enough!

In spite of its small size, a label CAN convey objective information. This objective information can be characterized into two groups: voluntary and mandatory. Voluntary information is that which you put on your label because it highlights attributes of your product that can set it apart from the competition. It adds value to your product. Mandatory information is that which is required by State or Federal law.

What types of label information exist? Some examples include:

Nutrition information and labeling: Check with national requirements

Ingredient lists: check the regulations

Origin information: How much of the product must be produced in your state to give it an origin label? Make sure you check out both source of ingredients and processing requirements in order to mark your product, “Made in Vermont,” for example.

Seals of Quality: Does your state have a labeling program with requirements? While these aren’t mandatory, if you use some of the programs, the product must meet requirements set up by the program. Vermont has the *Vermont Seal of Quality*; New York has *Pride of New York*; Maine has the *State of Maine Quality* seal.

Attribute information: Are there attributes of your product that make it stand out? Examples include, “dolphin-safe tuna” sold by a major national producer; “rBST free milk,” a characteristic highlighted by Booth Brothers Milk; and “organically produced,” which is voluntary, but also requires following strict national guidelines.

Putting it All Together

There are some guidelines for general design that are very applicable to designing a label:

1. **Balance:** Make sure the label is arranged to achieve a pleasing distribution of the visuals;

2. **Contrast:** Use different sizes, shapes, densities, and colors to enhance attention and readability
3. **Proportion:** Make sure to check the relationship of objects in background and the type size you use;
4. **Gaze Motion:** This is also called sequence. How does the illustration, product name, and other information flow for the customer when looking at the label?
5. **Unity:** Use the qualities of balance, contrast, proportion, and gaze-motion in a combination that develops a unity of thought, appearance, and design in the layout of the label.

If you are artistic, you might try designing your own label using the guidelines presented above. You might hire a graphic designer and provide them with the information and elements you want to see on the label. If you are on a tight budget, you might contact a local university with an applied program in art or design and ask whether your label design might be appropriate for a student project or “contest.” The Department of Community Development and Applied Economics at the University of Vermont, for example, teaches a course in Applied Design where students have worked on a project to develop a logo for a local nonprofit. Land Grant Universities across the Northeast likely have programs you can contact.

Some Resources

Requirements of Laws and Regulations Enforced by the U.S. Food and Drug Administration

<http://www.fda.gov/opacom/morechoices/smallbusiness/blubook.htm>

A Food Labeling Guide

<http://www.cfsan.fda.gov/~dms/flg-toc.html>

Fair Packaging and Labeling Act

<http://www.fda.gov/opacom/laws/fplact.htm>

Requirements of Laws and Regulations Enforced by the U.S. Food and Drug Administration

<http://www.fda.gov/opacom/>

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LABELING, continued from P. 4

[morechoices/smallbusiness/blubook/blubook2.htm](http://www.morechoices.com/smallbusiness/blubook/blubook2.htm)

Ingredient Labeling: What's in a Food?
<http://www.fda.gov/fdac/special/foodlabel/ingred.html>

State Departments of Agriculture in the Northeast provide information on regulations and seal of quality programs:

Vermont
<http://www.state.vt.us/agric/index.htm>

New York
<http://www.agmkt.state.ny.us/>

Maine
<http://www.state.me.us/agriculture/qar/index.html>

New Hampshire
<http://www.state.nh.us/agric/aghome.html>

Connecticut
<http://www.state.ct.us/doag/Connecticut>

Massachusetts
<http://www.massgrown.org/>

Rhode Island
<http://www.state.ri.us/dem/programs/bnatres/agricult/index.htm> *



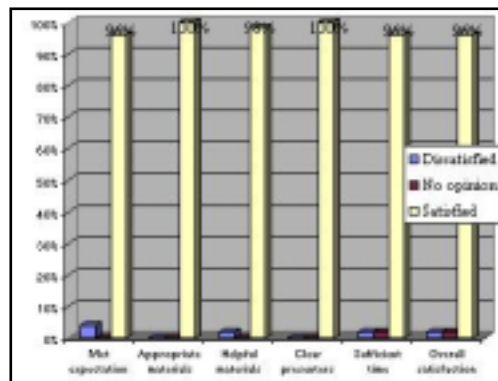
Participants Rave about NECFE Workshops

by Michele Cranwell, University of Vermont

In August 2001, the Center for Rural Studies at the University of Vermont, the evaluation team for NECFE, in conjunction with NECFE staff, developed a workshop evaluation questionnaire to assess participant satisfaction as well as receive feedback on all workshops. This article highlights the findings of the first two workshops that utilized the NECFE-wide workshop evaluation instrument: Basic Cheesemaking held on November 7-9, 2001, and Commercial Preparation for Jams and Jellies, held on December 3, 2001. Nineteen people responded to the Basic Cheesemaking workshop and twenty-seven people responded to the Jams and Jellies workshop evaluation.

Overall, participants were very satisfied with workshops, presenters, and materials and found the workshop content useful for their business. Benefits of attending workshops included receiving hands-on experience, learning procedures for products, and opportunity to work with experts, ask question, and network with others.

The workshops had a wide representation from the northeast as well as other parts of the United States and Canada: 47% of respondents were from Vermont, 33% from New York State, 5% each from Massachusetts, Connecticut, and Maine, and 2% each from Ontario, Maryland, and Texas. Participant age ranged from 26-68 years old, with an average age of 52 years. Sixty-two percent of respondents were female and 37% were male. Sixty-two percent reported that they are currently operating a food business. Of these people, 19% said it provided their primary source of income and 63% said it provided a secondary source of income. Goals for taking the workshops included: professional development, learning about equipment and techniques, processing procedures, product improvement, and business expansion through developing value-added products and increasing production.



Workshop Satisfaction

One hundred percent of respondents indicated that the workshop met their expectations. Workshops met expectations because of the hands-on aspect, excellent and informative presentations/teaching techniques, networking, and acquiring desired knowledge, such as procedures, food safety techniques, and resources for further information. An overwhelming majority of respondents (between 96%-100%) indicated satisfaction that workshops met their expectation, materials were appropriate and helpful, presenters were clear, and sufficient amount of time was allotted for the workshop (see chart). Furthermore, 98% of respondents stated that the workshop was useful to them or their business and 94% noted that interactions and networking with others at the workshop was useful. Participants who attended the conference in Vermont utilized videoconferencing technology for a lecture held in New York (hands-on aspect of workshop occurred simultaneously in both Vermont and New York locations). Evalua-

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10 Do's and Don'ts of Recalls

1. **Prevent Recalls before They Happen** – It's best to avoid having a recall in the first place. Prevent recalls by complying with Good Manufacturing Practices (GMPs), instituting your own sanitation program using standard operating procedures (SOPs), establishing procedures for investigation of customer complaints, and ensuring that your suppliers adhere to high standards.
2. **Be Prepared for a Recall** – Be ready for a recall before it happens. At a minimum, that means appointing a Recall Coordinator and selecting a Recall Team, designating a recall contact person at each plant/warehouse/store, selecting a reputable outside laboratory, coding your product and knowing where it is in the distribution chain, and conducting mock recalls. You may also wish to adopt a written plan that will describe the procedures you will follow if a recall becomes necessary.
3. **Stay Calm** – If a problem arises, remain calm, logical and methodical. Many companies have survived major recalls, and your's can too.
4. **Get All the Facts** – When you first learn of a potential recall situation, obtain all the facts and define the scope of the problem. Verify who has complained about the product, what is the nature of the complaint, whether the complaint is valid, whether it is a product sold by you that caused the problem, and, if so, how much of the product may have the problem and where the problem product is located.
5. **Take Charge of the Situation** – If the problem occurred at your facility, you are the recalling firm. The recalling firm is responsible for planning and implementing the recall. If the problem occurred at your supplier, your supplier is the recalling firm, but your company still must follow the supplier's instructions regarding moving, correcting and/or disposing of the product.
6. **Coordinate your Actions** – One individual, the Recall Coordinator, should coordinate all actions related to the recall. Because a recall can involve many parts of your company, it is important to have central coordination.
7. **Create a Paper Trail** – Maintaining good records is critical before and during a recall. Accurate records can help narrow the scope of a recall and aid traceback to the source of the problem. A company should have accurate records of all product received (including ingredients), processed, and sold. During a recall, create a paper trail of all actions and communications with suppliers, customers, and government regulators.
8. **Be Clear and Precise in Communications** – In all communications with suppliers, customers, government regulators, and the press, be clear, concise and to-the-point. Do not speculate.
9. **Cooperate with Regulatory Officials** – During a recall, refusing to cooperate with government regulators will only make matters worse for your company. You should always cooperate fully with any reasonable and lawful government request.
10. **Do a Post-Recall Assessment** – After a recall, review your recall procedures to make sure they are effective. Identify and correct all internal problems that led to the recall.

Reference:

Food Products Recall Manual. Frank Olsson & P.C. Weeda.

As reported in the *IFT Weekly Newsletter*

January 30, 2002

Food Cravings - Who Craves What?

Mccormick & Co. has released more information from their Crave-It Study of consumer food cravings. The study found that product descriptors or physical features are the main drivers of craving rather than emotional or product benefit features. For example, in the chip category, descriptors such as sharp cheddar, spicy jalapeno, sweet and sour, smoky BBQ improve craveability. The study also found that women prefer to evaluate chocolate candy, cheesecake, french fries, tortilla chips, and cinnamon rolls for craveability, while men prefer steak, hamburger, ribs, pizza, coffee, and peanut butter. This may indicate that women crave sweet, caloric-rich products while men prefer savory protein sources. McCormick Flavor Division sponsored the study in partnership with the Understanding & Insight Group and Moskowitz

Jacobs Inc. This sponsorship seeks to further understand the world of consumer cravings. The study is designed to identify the elements of a food consumption experience enjoyed by a consumer that results in making a product "craveable" to that consumer. Twenty categories of products will be explored, including the world of beverages and other food categories. ★

FINGER LAKES-NY-ONLINE

by Henry-Paul Benveniste

Motivated by the same spirit to assist small businesses that resulted in the Finger Lakes Culinary Bounty, I have created FingerLakes-NY-OnLine.com.

I am extending this offer to Entrepreneurial Product Developers to participate in FingerLakes-NY-OnLine program thus providing a greater exposure to any specialty food product manufacturer. Each business will be cross-referenced in related sections. Many developers that do not presently have a website or E-commerce capability will be offered a few web pages and many amenities, as follows:

- FLNY-OnLine site is a Virtual Mall
- FLNY-OnLine's goal is to boost and develop exposure and marketing efforts by offering E-Commerce capability (i.e. selling on line and shopping cart access).

Please, review the site at <http://www.fingerlakes-ny-online.com/>

Principal range of offerings: (per participant in the program)

- Create web pages for each participating member to include newsletter, presentation and pictures.
- Set up an individual E-commerce web shopping cart for each member.
- Set up an individual personalized form to receive a request for information from potential clients.
- A gift section for users to purchase from each individual business a choice of two gift baskets or a \$ face value gift certificate.
- Plus much more that is not listed here, among: PR, B to B, help in marketing and recipe creation.

Rate for entrepreneurs:

Monthly fee: no set up cost and \$ 14.50 per participant (monthly)

Henry-Paul Benveniste is a Regional Identity Developer, Hospitality/Agri/Tourism concept implementer, and value-added product developer. Among his other qualifications and awards, he created Finger Lakes Culinary Bounty and serves as executive committee member. He is the senior consultant and project manager with New Leaf Corp, and the winner of two international culinary contests: The James Beard foundation award, in recognition of bringing country-inn food palette up to a new benchmark; and the 2000 Seaway Trail National award, in recognition for enhancing, utilizing, protecting and interpreting the scenic, recreational, cultural and natural resources of the NY State Seaway Trail Scenic Byway Region.

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AT HOME FOOD PRICES CONTINUE TO CLIMB

During January, at-home food prices rose nearly 0.9% from the prior month, and were 2.9% above year earlier levels, according to the Bureau of Labor Statistics.

Of fifteen major commodity groups, eight advanced at levels exceeding overall food-at-home inflation on a year to year basis: fresh fruit & vegetables up 6.2%, processed fruits & vegetables up 4.2%, dairy products up 3.9%, poultry up 3.7%, cereal & cereal products up 3.3%, beef & veal up 3.2%, and fats & oils up 3.5%. Only three group indices declined from January 2001: eggs down 8%, coffee down 4.6%, and fish & seafood down 1.9%.

The index for food-away-from-home, meanwhile, remained 2.9% higher than a year earlier—the same cumulative percentage increase for all of 2001.

Consumer Food Prices -Jan.2002

| Unadjusted | Jan.Index | %Chge. | %Chge. | Yr.-to-Date |
|---------------------------|-------------|---------|---------|-------------|
| | 1982/84=100 | Dec.'01 | Jan.'01 | 2002/2001 |
| All Items | 177.1 | 0.2 | 1.1 | 1.1 |
| All Food | 175.8 | 0.6 | 2.9 | 2.9 |
| Food At Home | 176.2 | 0.9 | 2.9 | 2.9 |
| Food Away From Home | 176.4 | 0.2 | 2.9 | 2.9 |
| Cereal & Cereal Products | 181.5 | 1.3 | 3.3 | 3.3 |
| Bakery Products | 204.1 | 0.4 | 2.7 | 2.7 |
| Beef & Veal | 159.7 | -0.3 | 3.2 | 3.2 |
| Pork | 163.7 | 0.4 | 4.5 | 4.5 |
| Poultry | 166.8 | -0.5 | 3.7 | 3.7 |
| Fish & Seafood | 189.2 | -0.1 | -1.9 | -1.9 |
| Eggs | 138.4 | 3.7 | -8.0 | -8.0 |
| Dairy Products | 169.9 | -0.5 | 3.9 | 3.9 |
| Fresh Fruits &Vegetables | 264.6 | 5.6 | 6.2 | 6.2 |
| Proc. Fruits & Vegetables | 112.6 | 2.3 | 4.2 | 4.2 |
| Sugar & Sweets | 158.4 | 1.5 | 1.7 | 1.7 |
| Fats & Oils | 158.3 | 0.9 | 3.5 | 3.5 |
| Carbonated Drinks | 126.5 | 2.6 | 0.4 | 0.4 |
| Coffee | 142.6 | 0.0 | -4.6 | -4.6 |
| Other Foods | 177.4 | -0.3 | 2.1 | 2.1 |

a. Base year has been changed by BLS to Dec.1997.

Note: All Item data reflects BLS revision.Food items unaffected.

When you look at these numbers, it becomes even clearer that if you want to grow your business and reach a larger audience than your local clientele, the web is a cost-effective option that can help you expand that market.

Yes, even a small food business can use the web to market products. As a matter of fact, when you factor in the cost of printing labels, brochures, direct mailings, local advertising and garnering shelf space in your local stores, there's a good chance that the web site can actually save you money over time.

How Can I Get Started?

The first step in any web marketing strategy for your business is to sit down and draft up a plan that includes:

Goals: What is it that you want your web site to accomplish? Promotion? Direct Sales? Customer support?

Objectives: How will you reach those goals? What things must your web site DO? If your goal is to sell your product, then your site MUST have a shopping cart. If it's for customer support, then nutrition label information, your phone number, and a list of product lines are all things that need to be on the web site. If it's for promotion, make sure you know all the other web sites you want to link to, search engines to be listed and advertised on, and make sure your site is clear and focused on your product.

Action Plan: A timeline for reaching the goals and objectives. When do you want all of this to happen? Two months, six months, one year? Set your timeline, list out what you want done when, and stick to it!

Budget: How much money do you have to spend? Be realistic. Remember the cardinal rule: "You get what you pay for" and if you want to market your product successfully on the internet, you need to make sure the web site is clear, straight-forward and focuses on your product.

Let's walk through this process by looking at a "real world" example.

Abigail's Vermont Applesauce

Abigail has been producing her own applesauce for some time, and has recently begun selling it in several of her local stores. She's looking for other options to expand and grow her business. She turns to the web as an option.

Goals

Abigail has looked carefully at what her goals are for her web site, and knows that she would like it to:

- Promote her product
- Sell her product
- Provide Customer service

She believes that her web site, if done right, can accomplish all of this.

Objectives

Abigail then lists her objectives for each goal.

Product Promotion

1. Differentiate her applesauce from other specialty food products. Abigail knows that her product is different from others because she uses Vermont apples, has combined other unique fruits and flavors into the recipes, and makes it naturally low in sugar.
2. Educate consumers about the appeal of low-sugar, natural applesauce. Abigail plans to provide information about the healthiness of her product in an effort to gain health conscious consumers.
3. Provide local customers specialized promotions to encourage them to purchase both online (as gifts for family and friends in other states) and in the local stores (for their own consumption). This "cross-promotion" technique brings people to the stores and to the web site. Abigail plans to use special internet coupons that her customers can use at the local store if they purchase a gift for someone.

Product Sales

1. Abigail wants to be able to sell her product online. She needs a shopping cart and knows that she will want a secure environment. What she isn't sure about is if she should accept credit cards and worry about

real-time processing or if taking checks will be enough. She is most concerned about this part, as it is very confusing and she is uncertain about where to begin.

Customer Support

1. As any good retailer knows, customer service is key to gaining and keeping customers. Abigail wants to provide a place where her customers can come to ask questions, provide feedback and learn about her product. She hopes to create a newsletter that customers can sign up for that will provide periodic information about her products as well as special promotions.

Action Plan

Now it's time to figure out how to implement each objective. In this case, Abigail chooses to tackle the hardest part first: figuring out how to REALLY sell online. She knows that she needs the following:

1. **A hosting provider.** Her website needs to "live" somewhere. Abigail knows she is not prepared to run her own server. So, she contacts a local hosting provider that she found by doing a quick online search, and making a few phone calls to other local businesses in the area. She finds out from them that they can host her web site, help her get a domain name (what it will be called), set up a shopping cart, get her a secure certificate and a payment processing system that will allow her to accept credit card orders if she decides to do that. She gets a list of FIVE references from them and after making some phone calls, decides that they sound like a reputable firm, and that they have been in business long enough (more than a year).
2. **A web site.** Now that she has the hosting part taken care of, she knows she needs a web site. She doesn't know much about graphic design or setting up the site, so she contacts her hosting company to find out if they can do this part too. When they say "yes," she sets up a meeting time to discuss the ideas she has for the

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web site.

- 3. Online Promotion.** Abigail knows that once she gets her web site up and running, she's going to have to make sure people know she is out there. She knows she is going to have to do some more research on this to make sure she does that right.

How much will it cost?

Abigail meets with the local company and finds out what her options are so that she can make an informed decision.

The first question she must answer is if she wants to accept credit cards online. That ONE answer will be the difference in hundreds of dollars of fees, set up costs, programming and complexity.

Credit Cards

Merchant Accounts + Payment Processors + SSL Certificates = Real time credit card processing. If you are processing large quantities of orders, and have a clear inventory management system, this is the way to go. The lingo and jargon of collecting credit cards can seem complex, and is. It's not simple. If you already have a Merchant Account, then you need to find out from that bank who the credit card processor is. Take that information to your hosting/design company so that they can provide you with a better quote. If you don't have a Merchant Account

you will need to get one for a fee (up to \$800), as well as an SSL Certificate (between \$125-\$300 depending on the company you go with).

No Credit Cards

If your production is small and you plan on gradual increases in purchases over time, and you don't have a strong inventory management system, you may choose to not process credit cards. However, being able to accept credit cards is an important part of making the customer happy on your web site. Utilizing a third-party organization called "PayPal" (www.paypal.com) you can set up an account that will allow you to invoice the customer who wants to place an order, and PayPal will process the credit card for you and deposit the money into your own PayPal account for a fee of up to 7 cents/transaction.

Let's See What Abigail Decided

She knows she doesn't have a lot of money to spend, and that she is not sure she could produce enough product if she got a big order. She also doesn't currently have a Merchant Account. After some thought, Abigail decides to go with a simpler web site for ease of use and lower fees. She also decides to work with the hosting provider and have them design the site as well. She is prepared and has photos of her product and written copy for each page, as well as descriptions of the products.

How Long Will it Take?

In general, the planning process for developing a web site similar to what Abigail has decided on can take anywhere from one to four weeks, depending on readiness to provide the necessary information to the service company. The faster you are and the more prepared you are, the better off you will be.

Remember that each web site is different, as is each product, so rates and time estimates indicated above will cover a range. This is but one scenario that can work.

What About Online Promotion?

Once the web site is up and running, it's time to figure out how to get people to find it. That process will be highlighted in the next newsletter. Look for the continuation of Abigail's story as she begins to market her new marketing tool. ★

Elaine Young is a full-time instructor for the E-Business Program at Champlain College in Burlington, VT and is responsible for teaching both on-line and on-campus courses that include Introduction to E-business, Marketing, Advertising, Web-Based Marketing and Advertising and Current Issues in E-Business. Young has over 10 years experience in Marketing and Public Relations and a Master's Degree in Internet Strategy Management. She can be reached at eyoung@champlain.edu.

| CHARGE FOR ABIGAIL'S APPLESAUCE WEB SITE | |
|---|---|
| HOSTING: includes Domaine Name Registration, email accounts and shopping cart | \$50/month |
| DOMAINE NAME REGISTRATION FEE (an annual fee to keep your web site address: www.abigailsapplesauce.com) | \$16/year at low cost domaine registration service |
| WEB SITE DESIGN (Includes order form) | \$80/hour @ 6 hours=\$480 total for web site |
| <i>Rate quotes and technical information provided by Colby Marks, Burlington, Vermont Services: http://www.burlingtonvt.com</i> | |

with individual control numbers, color coded by area of authorized access). Remember to collect the retired identification badge when an employee is terminated, either voluntarily or involuntarily, and change combinations and/or collect the retired key card when an employee is terminated. Also, restrict workers from bringing personal items into food handling areas (e.g., lunch containers, purses, etc.).

Watch for unusual behavior by new employees or workers, for example, workers who stay unusually late after the end of their shift; arrive unusually early; access files/information/areas of the facility outside of the areas of their responsibility; remove documents from the facility; ask questions on sensitive subjects; and bring cameras to work.

Raw Materials and Packaging

Food establishment operators should consider using only known, appropriately licensed or permitted (where applicable) sources for all ingredients, compressed gas, packaging, and labels. Steps should be taken to ensure that suppliers and transporters practice appropriate food security measures (e.g., auditing for compliance with food security measures that are contained in purchase and shipping contracts or letters of credit).

Operators should inspect incoming ingredients, compressed gas, packaging, labels, and product returns for signs of tampering (e.g., abnormal powders, liquids, or odors) or counterfeiting (inappropriate product identity, labeling, product lot coding or specifications), where appropriate. Outdated product labels should be destroyed.

Operations

The safety of water in a food operation must not be overlooked. Food establishment operators should secure water wells, hydrants, storage and handling facilities, and ensure that water systems are equipped with backflow prevention. Potability testing should be performed regularly, as well as randomly. Be alert to changes in the profile of the results. Chlorinate water systems and monitor chlorination equipment. Finally, maintain contact

with the public water provider to be alerted to problems.

Finished Products

In order to secure the finished product, food establishment operators should keep track of finished products by: investigating missing or extra stock or other irregularities outside a predetermined normal range of variation and alerting local law enforcement about unresolved problems; ensuring that public storage warehousing and shipping (vehicles and vessels) practice appropriate security measures (e.g., auditing for compliance with food security measures that are contained in contracts or letters of guarantee); and perform random inspection of storage facilities, vehicles, and vessels. Finally, monitor closely the serving of foods in open display areas (e.g. salad bars, open bulk containers).

Security Strategies

Response to tampering or criminal or terrorist event:

- have a strategy for triaging the event
- plan for emergency evacuation, including preventing security breaches during evacuation
- identify critical decision-makers
- identify management that employees should alert about potential security problems
- identify 24-hour contact information for local, state, and federal police/fire/rescue/government agencies
- identify a media spokesperson
- have generic press statements and background information

Recall strategy

- identify the person responsible, and a back-up
- provide for proper disposition of recalled product
- identify customer contacts, addresses and phone numbers

Additional Steps

- maintain any floor or flow plan in a secure, off-site location
- make employees aware of internal, fire, and police emergency phone numbers
- become familiar with the emergency response system and the Emergency Command Center operations in the state in which the facility is located

- make employees aware of the company officials to alert about potential security problems, and where they can be reached

Evaluation

- evaluate the lessons learned from past tampering or terrorist events
- annually review and test the effectiveness of strategies (e.g., conducting mock criminal, terrorist or tampering event and mock recall, challenging computer security system) and revising accordingly - using third party or in-house security expert
- perform routine and random food security inspections of facility (including receiving and warehousing areas and intrusion detection system) - using third party or in-house security expert
- verify that security contractors are doing an adequate job

Emergency Contact

FDA 24-hour emergency number at 301-443-1240 or call their local FDA District Office. FDA District Office telephone numbers are listed at http://www.fda.gov/ora/inspect_ref/iom/iomradir.html. The operator should also notify local law enforcement agencies.

Even with all the protective measures that have been established, it is still the consumer who must be aware of the foods they are eating and the potential risks associated with them. Consumers should check to make sure all food packaging is intact. Food or packaging that has been dented, damaged or opened prior to purchase should not be used or consumed. Consumers should also be wary of any abnormal odor, taste, and appearance of a food item. If there are any concerns, the food should not be consumed. If consumers suspect a food product has been contaminated or tampered with, they should contact the FDA 24-hour emergency number at 301-443-1240 for foods with no meat, or the U.S. Department of Agriculture's Meat and Poultry Hotline at 1-800-535-4555 for foods containing meat.

If you have any interest in a workshop covering these issues please contact Cecilia Golnazarian at 802-656-0147 or cgolnaza@zoo.uvm.edu. If there is enough

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FOOD SAFETY, continued from P. 10

interest the Northeast Center for Food Entrepreneurship will schedule a workshop within the next few months.

References

1. FDA/CFSAN, 9 January 2002, "Guidance for Industry; Food Producers, Processors, Transporters, and Retailers: Food Security Preventative Measures Guidance." <http://www.cfsan.fda.gov/~dms/scguid.html>.

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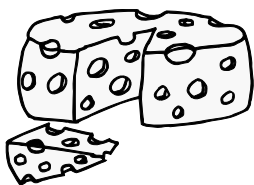
CHEESE, continued from P. 12

cheeses on par with those from Europe. Nationally, cheese consumption increased, partly due to these new offerings."

Our regional cheesemakers have won numerous awards from the American Cheese Society, including several "Best in Show." At the 2001 World Cheese Championship in Wisconsin, a Hudson Valley Camembert from New York's Old Chatham Shepherding Company won the Grand Champion Award, the first time an artisan-made cheese was so recognized. In September, at Cheese '01, the world's most important festival devoted solely to cheese sponsored by Slow Food International, 85 cheeses from 52 US producers from 17 states were featured. It was the largest assembly of American artisan cheeses ever displayed in Europe. Of that group, 23 producers from New England and New York were represented.

For an interesting and informative tour of farmstead cheesemaking, visit the Vermont Cheese Council's website at www.vtcheese.com.

*Article compiled by Jeff Roberts of Cow Creek Ventures, Montpelier, Vt and Susan Callahan, NECFE staff. **



WORKSHOPS, continued from P. 5

tion of the videoconferencing indicated that the majority (90%-100%) were comfortable using this technology, satisfied with the level of personal interaction, and felt that videoconferencing provided an effective medium for learning. Participants in Vermont appreciated that they were able to receive instruction from experts in New York without having to travel. All who received instruction through videoconferencing noted that they would be very likely to attend another workshop using this technology.

ther in-depth on topics or follow-up topics, gain more hands on experience, and receive more information and resources, such as marketing, product development, business promotion and advertising.

Plans for Business After Having Taken Workshop

The workshop evaluations show that both were successful, as participants were satisfied, found the information useful, and gained in skill and knowledge. At the end of each workshop, participants reported their plans for their business after



Cheese manufacturers learned to use the pH meter at the Cheesemaking Workshop in Vermont.

Most Helpful Aspect of Workshop

Participants of the Cheesemaking Workshop found it most helpful that they learned basic cheesemaking procedures, including skills of TA/pH, safety and sanitation, had hands-on experience, were provided with various resources, and had excellent speakers and presenters. For the Jams and Jellies Workshop, participants found helpful: hands-on presentation and practical experience, learning about procedures, pH and Brix, regulatory information, networking with others, receiving expert advice, and developing recipes. Seventy-three percent noted that they were referred to other services that they needed through this workshop. Workshop participants showed a desire to work fur-

having taken the workshop. Responses included plans to: expand their business through value-added productions or increased production, invest in or use more equipment to support production, improve working procedures, improve their product, and focus on specific areas, such as HACCP or the development of other products.

For information about upcoming NECFE workshops, please call toll free 888-624-6785 or visit the website at <http://www.nysaes.cornell.edu/necfe/>. For more information about the evaluation of NECFE, please contact Michele Cranwell at the Center for Rural Studies at 802-656-3012, mcranwel@zoo.uvm.edu, or visit our website at <http://crs.uvm.edu/evaluation/evaluation.htm>. *

Artisan Cheese Making in New York and New England

by Susan Callahan and Jeff Roberts

In its 2001 survey, the International Dairy, Deli, & Bakery Association reports that Americans annually consume 29.8 lbs. of natural and processed cheese per capita, a 270% increase since 1970. The growth of specialty cheese production mirrors this trend; between 1997 – 2002, retail sales are expected to grow by 36%.

The advent of limited production cheeses with distinctive flavors and unique shapes coincided with important changes in the America palate. In the last two decades, demand soared for organic foods, the arrival of new immigrants fueled an expansion of ethnic foods and tastes, and a strong economy created more opportunities for restaurants and farmers. As national food trends emphasized more regionally and locally grown fresh fruits, meats, vegetables, and other products, sophisticated consumers looked for small-scale farm enterprises practicing sustainable agriculture. As an example, the recent announcement of a new farmstead operation in South Woodstock, Vt, in the planning stages for production of mozzarella di bufala from water buffalo milk, brings a quickened heartbeat to cheese connoisseurs everywhere.

In a world of increasingly homogenized, standardized foods, artisan cheese represents something distinctive about an area. The key is milk: its flavors, color, butterfat, protein, and other elements depend upon a myriad of factors. Consider for a moment how variables such as climate and water, geology and soil, lay of the land and pasture, the breed of dairy animal, what the animals eat and the care they receive, the season of the year and the time of day shape a morning or afternoon milk. Each dimension adds complexity to milk and distinctive qualities to the final end product.

By introducing consumers to new cheeses, retailers like Murray's Cheese Shop and Fairways Market in New York, Fromagerie Kitchen in Cambridge, MA, and the Hunger Mountain Food Coop in Montpelier, VT, contribute to increased demand for locally produced items. Today, restaurants like New York's Artisanal and Picholine or Smokejacks in Burlington feature separate courses of high quality artisan cheese. At any one time, Artisanal stocks 12-20 cheeses from New England

and New York, reports Beth Goslin, Artisanal's Director of Marketing.

New York and the New England states are among the nation's leaders in specialty cheese production. Within the past five to ten years, new cheese makers and products have appeared throughout the region. State agricultural departments report 15 cheesemakers in Maine and 15 in Massachusetts. Some produce small batches of quality cheese sold only in local markets. Other cheese makers, investing in larger production facilities, now make sufficient quantity to supply urban centers, national and international markets where they command premium prices. Some new producers are former dairy farmers, who converted from selling fluid milk to create value-added products like yogurt, butter, and cheese. Jim Hines, Director of Animal Health and Dairy Services, MA Department of Agriculture states, "The Dairy Compact was a huge but short lived success in the marketplace. The direct marketing of milk through specialty cheese products offers a profitable opportunity."

Bonita Oehike, Marketing Specialist with the Massachusetts Department of Agriculture, also comments on the trend: "Farmstead cheeses offer a bright future in the dairy business. Consumers with sophisticated cheese palates in the Northeast are rating locally produced farmstead

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