



SOVA GROWN

Agritourism & Agribusiness Regional Economic Impact Study and Marketing Strategy



CENTER FOR ECONOMIC AND
COMMUNITY ENGAGEMENT



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1. INTRODUCTION



AGRITOURISM & AGRIBUSINESS:
REGIONAL ECONOMIC IMPACT
STUDY & MARKETING STRATEGY

In its heyday, West Piedmont was known for its prolific tobacco crops, textile manufacturing, and being a railroad hub. However, the industrial decline in the late twentieth century has brought about demographic and economic instability to the region, exaggerated by the context of the COVID-19 pandemic, national economic downturns, and demographic shifts. The impacts of these shifts on agribusinesses are particularly acute, especially for smaller scale operations, threatening the industrial and cultural heritage of agriculture in the region.

In Fall 2022, the West Piedmont Planning District Commission hired a team of community and economic development consultants from The Virginia Tech Center for Economic and Community Engagement, Arnett Muldrow & Associates and Ramble Type Digital to assist with the development of an Agritourism, Agribusiness and Agricultural Products Regional Economic Impact Study and an Agribusiness Marketing Plan. This report is the product of eight months of data gathering, including multiple tours of the region and discussions with its people.

A critical component of this plan was input from stakeholders, partners, and of course agribusinesses within the region. In order to drive engagement and communicate to stakeholders what the project would entail, a Project Logo was developed and included in all communication, presentations, and documentation. The logo “SOVA Grown” is designed to connect to the existing Life in SOVA logo and website (www.lifeinsova.com) used by the PDC to promote business and activities in the SOVA region. SOVA Grown also communicates the agricultural theme of this plan, including the fact that this effort is intended to grow the agribusiness economy within the region.

The logo is intended to promote this plan itself, and does not represent the new marketing brand for agribusiness and agritourism that is found later in this report.

This plan is meant to support the continued growth of agribusinesses and agritourism in West Piedmont. It is broken down into the following sections:

- A brief review of national agribusiness trends followed by an examination of West Piedmont and its agribusiness industry.
- Estimated annual impacts of the agribusiness industry including dollar and jobs generated for the region and broad community impacts from local agribusinesses
- Proposed branding for the regional agribusiness and agritourism industry, including recommendations on how to use and market the brand
- A review of the new West Piedmont agribusiness and agritourism websites with recommendations for online marketing
- Recommendations for sustaining this effort including funding opportunities

2. NATIONAL AGRICULTURE TRENDS

Agriculture and its related businesses have shaped American life since before the United States existed. Agritourism emerged in the early 1800s when city-dwellers would visit relatives on their farms in order to take a break from fast-paced city life. The popularity of ag-industries has seen significant growth in recent years, currently employing 10.5% of the U.S. labor force with 21.1 million full and part time jobs. Agritourism accounts for 70% of employment in the ag-industries. Since agritourism has such a large share of the cluster employment, this trend analysis will focus on agritourism but will also touch on ag-industry trends.

The blanket term of agribusiness results in uncertainty around what industries exist and what is possible within this industry cluster. Broadness also leads to a lack of proper guidance and knowledge about how to commercialize agritourism and agribusiness ventures. Support services that offer marketing and training are needed to increase the rate of successful operations. Lack of education is not the only thing slowing growth. Nationwide, agritourism growth and development is hindered by liability statutes that do not support operators. Rural and Southern agribusinesses tend to struggle due to a lack of proper electrification and e-connectivity. Those in the West find most of their challenges are caused by difficult to understand regulations and strict zoning. These barriers have created hot and cold spots for agritourism.

The Center for Economic and Community Engagement (CECE) analyzed national industry trends for the following agritourism and agribusiness industries (Table 1). The analysis is a synthesis of employment and production data with qualitative market research.

Table 1. Agritourism NAICS

NAICS	Description
1110	Crop Production
1120	Animal Production
1142	Hunting and Trapping
1151	Support Activities for Crop Production
3114	Fruit and Vegetable Preserving and Specialty Food Manufacturing
3115	Dairy Product Manufacturing
3116	Animal Slaughtering and Processing
3118	Bakeries and Tortilla Manufacturing
3121	Beverage Manufacturing
3331	Agriculture, Construction, and Mining Machinery Manufacturing
4245	Farm Product Raw Material Merchant Wholesalers
4248	Beer, Wine, and Distilled Alcoholic Beverage Merchant Wholesalers
4442	Lawn and Garden Equipment and Supplies Stores
4452	Specialty Food Stores
7223	Special Food Services
7224	Drinking Places (Alcoholic Beverages)
7225	Restaurants and Other Eating Places

2. NATIONAL AGRICULTURE TRENDS

Industry Structure

Crop production includes businesses engaged in growing crops for food and fiber as well as nurseries, and tree and floriculture production. This industry is the largest contributor to agritourism, contributing to 18% of the cluster's GRP. It represents 12.2% of agritourism employment and is projected to grow by 4% between 2022-2026. The top producing industries by GRP are described below (Table 2).

Table 2. Top Five Agribusiness Industries by GRP

Description	2022 GRP
Crop Production	\$116,103,620,666
Animal Production	\$82,499,123,598
Beverage Manufacturing	\$72,194,164,448
Animal Slaughtering and Processing	\$62,090,180,206
Beer, Wine, and Distilled Alcoholic Beverage Merchant Wholesalers	\$62,090,180,206

Animal Production (engaged in businesses that raise or fatten animals or sell animal products) and Beverage Manufacturing had similar industry representation, representing 5.9% and 6.8% of national agritourism employment, respectively. Although animal production is projected to be stagnant over the next five years, beverage manufacturing is projected to see significant growth 10% from 2022-2026, the third largest growth rate in the cluster.

Industry Growth

Using Lightcast data, CECE analyzed growth projections for agritourism industries. From 2022-2026, the only industry forecasted to decline is Agriculture, Construction, and Mining Machinery Manufacturing. However, this trend may change due to the recent reignition of the manufacturing sector in the US. Industries dealing with food and drink are seeing high growth projections. Recovery from the COVID-19 pandemic has led to an increased desire to eat out. All agritourism industries have an average 6% growth, which is higher than the national projection of 7%.

The top five producing industries are immensely overshadowed by the production of the restaurant industry (Table 2). It should be noted that not all restaurant operations operate as agribusinesses. Since there is no way to distinguish, the industry NAICS is a combination of all restaurants and other eating places, explaining why production is greater than other agritourism industries. The restaurant industry accounts for 45% of agritourism production and produces 73% of the GRP. For this reason, this industry was removed for the analysis of the sections above.

2. NATIONAL AGRICULTURE TRENDS

Characteristics of Successful Agribusinesses

There are several aspects that contribute to the success of agribusinesses. Operations that are well-established, women-operated or tend to cattle or horses have higher agritourism income. The most profitable activity for agritourism businesses is on-farm sales, accounting for 1/3 of the global market share. Farmers who are able to sell product produced on-site or offer experiences like camping and horseback riding typically see increased revenues.

Farms and ranches that participate in the local or regional food systems like selling direct to restaurants or farmer's markets are more likely to have successful agritourism operations. When the farm's products are sold direct to the public, word of mouth and positive community sentiment contribute to the operation's ability to run a successful agritourism program. Multiple income streams are made possible with a low-investment, low-risk strategy as farms mainly make use of their existing resources.

Farms in remote rural areas are more likely to participate in agritourism, while smaller farm operations tend to report less significant agritourism revenue. In contrast, agritourism farms located near urban areas tend to have higher agritourism revenue.



2. NATIONAL AGRICULTURE TRENDS

Trends that contribute to the growth of agriculture-based industries

There is a rising demand for sustainable activities and products, which naturally lend well to agritourism assets and interests. Individuals have been drawn to the appeal of rural activities, farm stays, and agriculture. Movements like slow dining, farm to table, and shop local have also increased demand for farm-based products. The rise in demand caused by shifting attitudes towards sustainability has also increased available governmental support for farms. Policies and regulations serve as agritourism's biggest support structures and its largest obstacle. The success of agribusinesses relies heavily on support services, such as marketing, training, and governmental support. Programs that can simplify permitting processes and increase e-connectivity for rural operations greatly improve the chances of an ag-industry's ability to grow.

The use of technology in agriculture and supply chains is promising to make them more efficient and sustainable, contributing to the growth of agriculture industries. As technology continues to advance, it is likely that more innovative solutions will emerge, further driving the growth of these industries.

COVID Impacts

The COVID-19 pandemic disrupted every industry, including agritourism. Research on the disruption impacts suggest that agritourism businesses not only survived the pandemic but also improved their operations and customer satisfaction through diversification and reorganization.

Amidst the chaos, operators seized opportunities to establish new standards in the agritourism industry, leading to unexpected benefits for both operators and visitors. Resilient operations not only maintained their basic functions but also embraced change and sought new areas of improvement. This is consistent with previous research, which shows that resilient businesses recognize opportunities in times of chaos and embrace radical change.

One way to help tourism businesses diversify their offerings and become more flexible is by providing capacity building on online platforms to operators and marketing the advantages of online reservations to visitors. Another way is to help tourism businesses overcome 'lock-in effects,' which can be achieved by encouraging them to try new practices and services during times of crisis when the public may be more receptive.

Finally, practitioners and policymakers can support tourism businesses in dealing with uncertainty by helping them adopt practices that allow them to manage customers' expectations effectively. For example, obtaining the contact information of visitors to inform them ahead of time when weather conditions will not be favorable can help operators offer alternatives and maintain customer satisfaction.

3. REGIONAL OVERVIEW

This section provides an overview of key trends and regional data for the West Piedmont Planning District, which includes the counties of Franklin, Henry, Patrick, and Pittsylvania, and the independent cities of Danville and Martinsville. Virginia Tech Center for Economic and Community Engagement (CECE) analyzed demographic, economic, and industry data trends in the West Piedmont Planning District, its individual localities, and the state to better understand and compare historical trends and regional context that underlie the demographic and economic conditions which shape today's agribusiness industry.



3. REGIONAL OVERVIEW

Regional Demographics

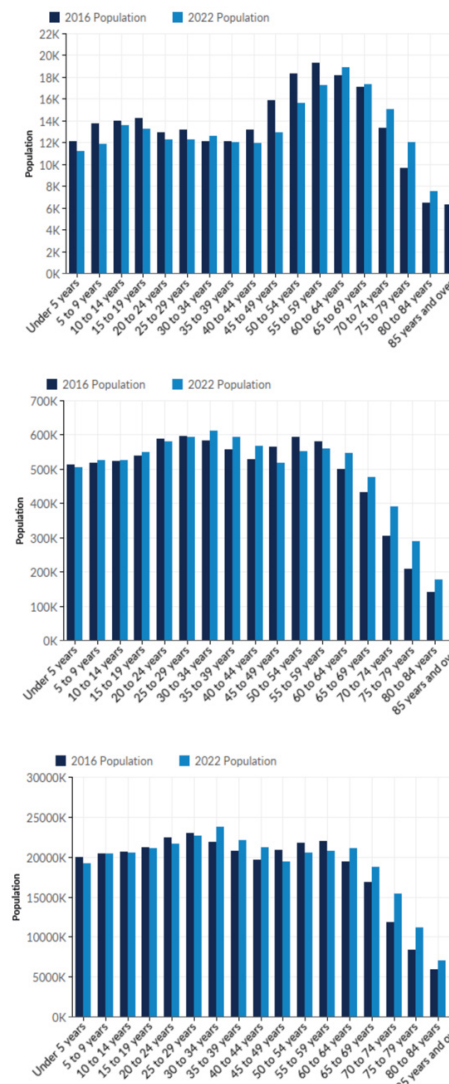
The population of the West Piedmont Planning District totals 234,067 people as of May 2022, with Franklin and Pittsylvania counties accounting for the largest proportions of population. Table 3 shows that total population has declined by 3%, or by 7,249 individuals, since 2016. The population is projected to decrease by an additional 2% (5,383 individuals) over the next five years. Of the localities within the district, Danville’s population is declining most rapidly, with a loss of 5.5% and a projected loss of an additional 5.8% through 2026. The district’s age distribution is skewed due to a substantially older population, which is drastically different from those of Virginia and the United States, as seen in Figure 1. Furthermore, there is a noticeable deficit in Millennials (ranging between 25-40 years old) and Gen Z (ranging between 10-25 years old) age groups. This skew may be the reason that roughly 30% of the region’s population loss, in the last five years, was due to COVID-19.

Table 3. Demographic Data for WPPD, Virginia, and United States

Location	Population (2022)	% Population Change (2016-2022)	Projected Population Change (2022-2026)
Franklin	56,224	0.10%	-0.5%
Henry	17,663	-3%	-2.3%
Patrick	17,518	-1.80%	0.0%
Pittsylvania	59,555	-3.50%	-2.9%
Danville	38,919	-5.50%	-5.8%
Martinsville	12,344	-5.20%	0.4%
District	234,067	-3%	-2.3%
Virginia	8,719,723	4%	3.3%
United States	333,523,253	3%	2.6%

Source: Lightcast (2022). Population Demographics Report. <http://www.lightcast.io>.

Figure 1. Age Class Distributions



Source: Lightcast (2022). Economy Overview. <http://www.lightcast.io/lightcast.io>.

3. REGIONAL OVERVIEW

The West Piedmont region has a median household income of \$45,534.50, 34% lower than the national average, and 44% lower than the state average. Across the board, the region falls short of state and national statistics, with lower per capita and median incomes, and higher rates of poverty and unemployment. That said, district averages are heavily skewed by localities with exceptionally high poverty and unemployment rates. In Martinsville, 25.5% of people are below the poverty line—nearly double the national rate of 14.1%- versus Patrick County with 15.6%--slightly above the national rate.

Danville has the lowest per capita and Martinsville median household incomes of all the district’s localities, yet its unemployment rate is below the district average and labor force participation is above the district average, indicating that wages in the independent cities are lower than its neighbors. Franklin County, on the other hand, is leading the region with a median income that’s 31% higher than the district average, per capita income that’s 26% higher than the district average, and the lowest unemployment rate amongst district localities. It is also the only locality that saw a population increase over the last six years, largely thanks to in-migration from the adjacent Roanoke area as well as tourist destination Smith Mountain Lake.

Table 4. Socioeconomic Data for WPPD, Virginia, and United States

Location	Unemployment (May 2022)	Per Capita Income (ACS, 2021)	Median Household Income (ACS, 2021)	% All People Below the Poverty Line (ACS)
Franklin	1.39	\$33,739.00	\$59,667.00	16.40%
Henry	4.71	\$24,337.00	\$41,103.00	20.30%
Patrick	1.51	\$29,049.00	\$47,215.00	18.70%
Pittsylvania	1.61	\$26,821.00	\$49,486.00	15.60%
Danville	2.51	\$22,876.00	\$38,904.00	21.90%
Martinsville	2.45	\$23,592.00	\$36,832.00	25.50%
District	3.57	\$26,735.67	\$45,534.50	19.73%
Virginia	2.98	\$43,627.00	\$80,615.00	10.90%
United States	3.38	\$37,638.00	\$69,021.00	14.10%

Source: Lightcast (2022) Economy Overview. <http://www.lightcast.io>. 2021 ACS 5-Year Estimates Detailed Tables S1903, B19301, S1701. Data.census.gov.



3. REGIONAL OVERVIEW

Agribusiness Industry Overview

The analysis below is an aggregation of the agriculture industries and businesses. They include farming, value-added food and beverage manufacturing, wholesale and retail food and beverage stores, and restaurants. Table 5 captures 4-digit NAICS industries that were used to capture agritourism business in the West Piedmont region. A more comprehensive list is found in the extended final report.

Table 5. Selected NAICS Agribusiness Industries

NAICS Code	Description
1110	Crop Production
1120	Animal Production
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1151	Support Activities for Crop Production
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4452	Specialty Food Stores
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7225	Restaurants and Other Eating Places

Source: US Census Bureau/ North American Industry Classification System



3. REGIONAL OVERVIEW

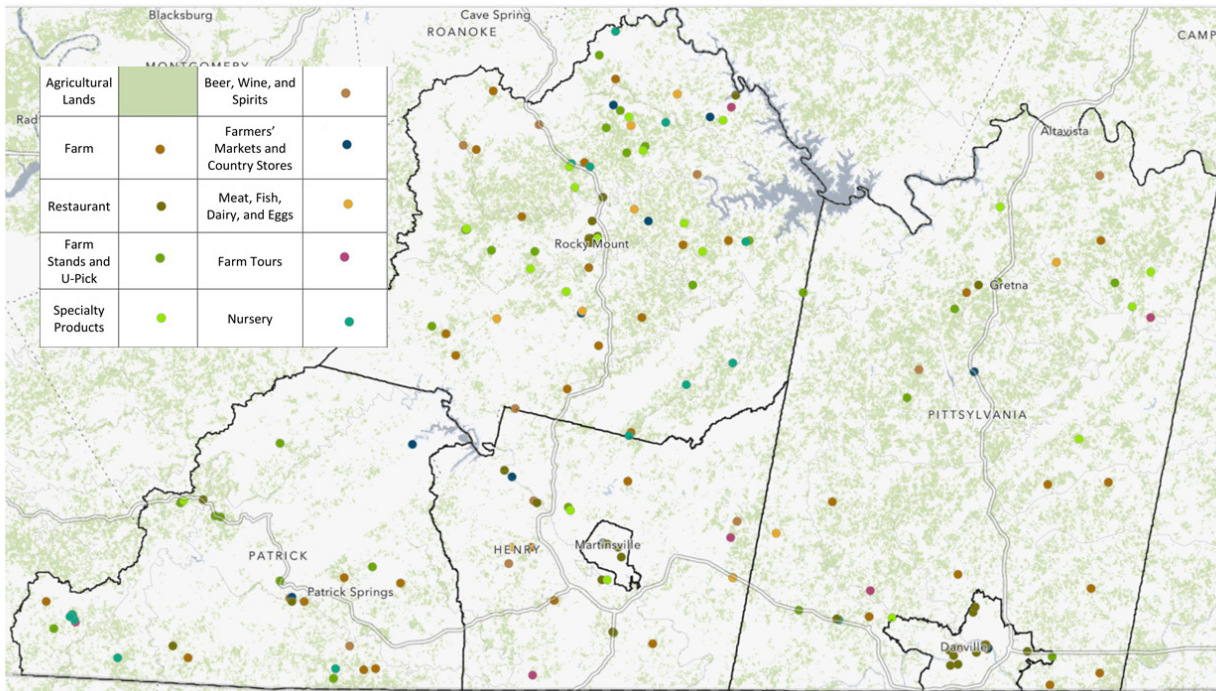


Figure 2. Map of regional agribusinesses

West Piedmont has a long history and culture of agriculture. Commodity farming of tobacco, cattle, grains, and other crops have led the cluster in terms of employment and contribution to regional gross domestic product. Median farm size is smaller than farms in the Midwest, only 81 acres. However, the most recent Agriculture Census estimated 2,871 farms in the area. These are comprised of full-time, professional farmers and those who use farming as a secondary source of income.

In recent years, a growing number of farms and agriculture-related businesses focused on small-scale, value-added products has also played a significant role in the cluster. Indeed, much of the employment and sales growth of the cluster has been in agricultural manufacturing of beverages, animal products and other specialty foods; nurseries; and smaller-scale agribusinesses that sell products but also draw tourists to the region. Figure 2 illustrates the geographic spread of the agribusiness cluster across the West Piedmont region.

3. REGIONAL OVERVIEW

The region housed 4,961 jobs in the agribusiness sector in 2022. Agribusiness employment increased by 7% between 2016 and 2022, a net-increase of 315 jobs. Meanwhile, Virginia employment has declined by 5%, and U.S. employment has remained stagnant. While crop and animal production employment declined in West Piedmont, other agriculture related businesses grew; for example, the following industries grew faster than the national average: animal slaughtering, beer and ale merchant wholesalers, food service contractors and caterers, and snack and nonalcoholic beverage bars. Particularly strong regional industries now and in the future, as defined by employment concentration, include: animal production (LQ 2.25), hunting and trapping (LQ 13.20), fluid milk manufacturing (LQ 2.75), animal slaughtering and processing (LQ 1.37), breweries (LQ 2.41), and nurseries and greenhouses (LQ 2.03). Overall agribusiness employment is projected to grow 14% in the coming five years (2022-2027). Much of that growth will be in the following industries: animal slaughtering and processing, commercial bakeries, breweries and wineries, and frozen specialty food manufacturing.

When broken down by locality,

- Danville and Martinsville have the highest employment numbers; however, much of that employment is in full-service restaurants, particularly in Danville, which may or may not be connected to the rest of the regional agriculture industry. Without full-service restaurants, agribusiness employment is lower than other localities in the region.
- Pittsylvania and Franklin Counties had the highest employment numbers outside restaurant employment. Pittsylvania saw some decline in crop and animal production, but employment growth in animal slaughtering, wineries, beer and ale wholesalers, and nurseries and garden centers. Franklin had some employment decline in animal production, but growth in milk manufacturing, animal slaughtering and processing, and food service contractors.
- Henry County and Martinsville saw the most significant employment growth. That growth also occurred in higher earning agribusiness industries such as animal production, meat processing, commercial bakeries, and breweries.
- Patrick County saw significant declines across the county's agribusiness industry, which is largely crop and animal production, hunting and trapping, and farm labor contractors and crews. While driving around Patrick County reveals a good selection of nurseries, fruit and vegetable markets, farm-to-table restaurants, and more informal cottage industries, those numbers are not significant in federal and state databases.

3. REGIONAL OVERVIEW

Table 6 contains a breakdown of jobs by county, the changes that can be seen, and the average earnings one can expect.

Table 6. 2022 West Piedmont Agribusiness Jobs and Earnings

Location	2016 Jobs	2022 Jobs	2016 - 2022 Change	2016 - 2022 % Change	Avg. Earnings Per Job (2022)
Pittsylvania	868	861	-7	-1%	\$35,938
Franklin	948	1,171	223	24%	\$33,131
Patrick	547	259	-288	-53%	\$28,825
Henry	359	767	408	114%	\$43,388
Martinsville	716	1,088	372	52%	\$36,138
Danville	1,568	1,583	15	1%	\$25,776
Region	4,646	4,961	315	7%	\$31,705
Region w/o Danville	3,079	3,378	299	10%	\$34,385
Virginia	233,177	222,537	-10,640	-5%	\$34,744
United States	10,345,446	10,377,235	31,789	0%	\$39,790

Source: Lightcast (2023.1 dataset). Industry Table. <http://www.lightcast.io>



3. REGIONAL OVERVIEW

Five of the fifteen top-employing occupations have experienced a decline in employment over the last six years. Only two of the fifteen exceed \$20 per hour in median earnings. Farm and ranch managers account for the largest share of occupations at 16%, and the number of available jobs in that occupation has declined by 24% since 2016. However, occupations in food processing, packaging, and retail saw large increases and will likely continue to increase as Tyson Foods is opening a new manufacturing facility in Pittsylvania County sometime in the next two to three years.

The decline in crop and animal production industry workers may be in part due to the aging population, given that the average age of farmers was 58.6 years old in 2017, according to the most recent census of agriculture. People over 65 years old have a greater representation in agribusiness than in the workforce overall, holding 9.9% of jobs compared to 8.6% across all industries. People aged 25 to 45 are underrepresented in the crop and animal production industries. However, other agribusiness industries, and the cluster overall, show this age group comprising roughly 41% of the industry workforce compared to 37.9% of the entire regional workforce. This fact verifies what many in the region have observed, those in the millennial generation are gaining more interest in agribusiness and are entering the cluster. Ages 45 to 64 are underrepresented in agribusiness, accounting for 34.6% of the agribusiness workforce compared to 41% for total regional industry employment.

Agribusiness employment favors males, who hold 58.3% of available agriculture jobs while representing 48% of the total regional workforce. White and Latino people are overrepresented, as white people account for 68.7% of the regional population and Latino people account for 3.6% of the total regional population, while holding 70.3% and 8.8% of jobs in the industry, respectively. Conversely, Black people are underrepresented, comprising 24.2% of the regional population though holding just 17.7% of agribusiness industry jobs.



3. REGIONAL OVERVIEW



Agribusiness in the West Piedmont Planning District generated \$308,895,156 in gross regional product (GRP) in 2022, primarily from the animal production sector, accounting for 38.5%, followed by breweries (12.7%) and crop production (11.2%). The regional GRP across the industries examined was not evenly distributed across the localities making up the region. While Franklin County makes up a greater proportion of regional employment, Pittsylvania County (at 22.6%) accounts for a larger proportion of the region’s GRP. Martinsville (22.1%) and Henry County (21.6%) also contribute a larger proportion to GDP than Franklin County (19.2%), Danville (7.8%), and Patrick County (6.8%).

Figure 4. Top 20 Agribusiness Industries by Gross Regional Product (GRP)

Source: Lightcast (2023.1 dataset). Industry Table. <http://www.lightcast.io>

3. REGIONAL OVERVIEW

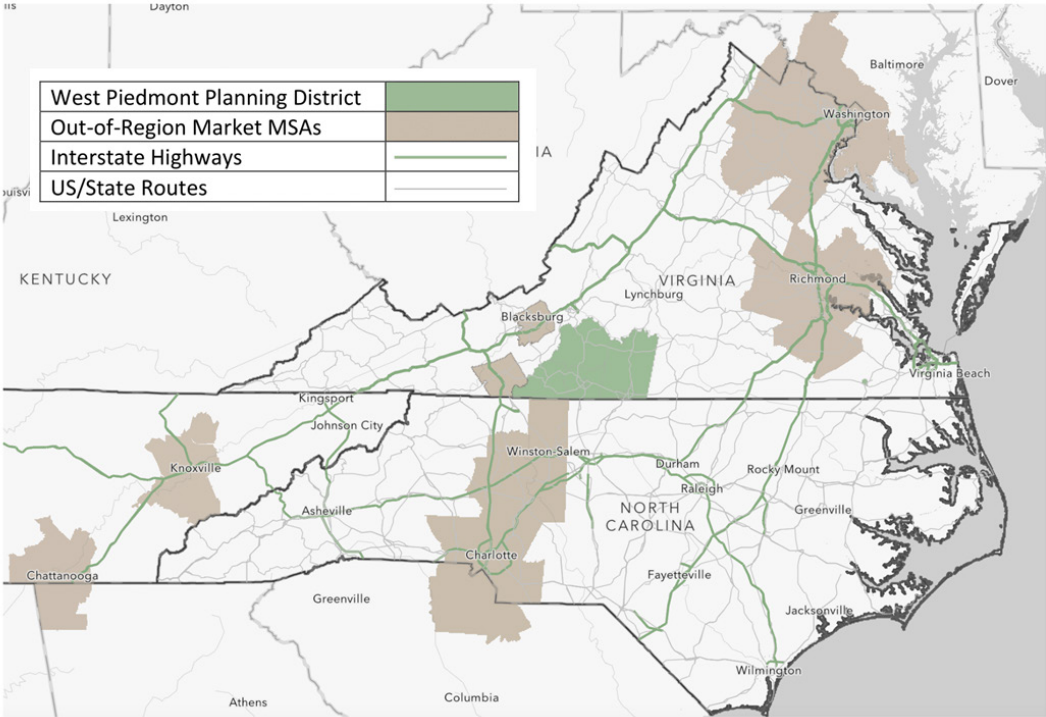


Figure 6. Key West Piedmont Agribusiness External Markets

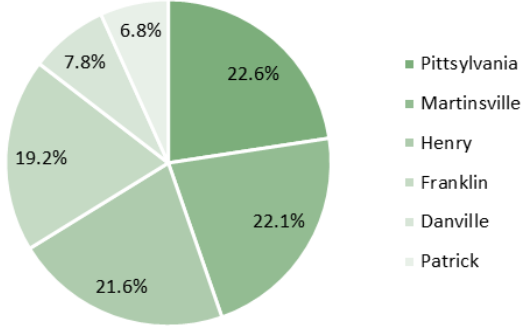


Figure 5. Agribusiness Cluster GRP Breakdown by County

Source: Lightcast (2023.1 dataset). Industry Table. <http://www.lightcast.io>

The West Piedmont agribusiness cluster made almost \$1 billion in sales in 2022, 71% of which was sales money from outside the region. In comparison, the wood products cluster with comparable employment numbers made \$1.07 billion in sales, 83% of which was from exports. Sales data indicate that the agribusiness cluster is a traded cluster that provides significant economic support to the region. Traded clusters are important to economic growth and stability in a region. Figure 6 shows key markets where agribusinesses have said they sold products.

3. REGIONAL OVERVIEW

Regional businesses are not necessarily buying much from the regional cluster, however, as illustrated by 68% of regional demand being imported into the West Piedmont region. This higher demand for imported agribusiness products could be indicative of a weak regional supply chain or a mismatch of products being produced in the region and imported from outside the region. Agribusiness in the district may be boosted simply by encouraging the regional food systems to rely more on locally produced agriculture than imported goods, thus keeping more dollars circulating locally rather than exporting locally produced goods and paying for those same goods to be imported from elsewhere. Big-box grocery franchises, for example, can undercut local agriculture and threaten the livelihood of smaller operations. Likewise, the regional agribusiness industry has very few in-region purchases, partly due to the lack of manufactured products necessary to the industry. The extended final report shows the top ten traded agribusiness industries in West Piedmont.

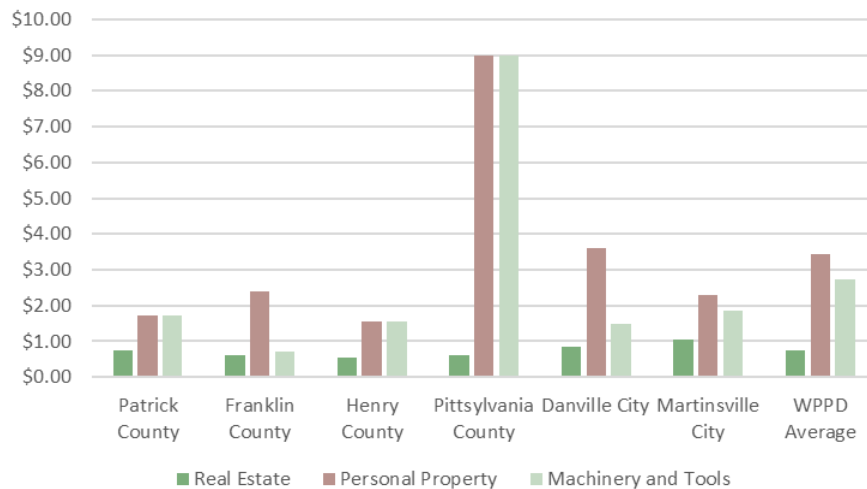


Figure 7. West Piedmont Locality Tax Rates

The cost per acre of land in the West Piedmont Planning District is greatly variable based on location. The average price is just approximately \$10,000, but cost per acre can range from \$4,000 in Pittsylvania County to over \$16,000 in Franklin County and the City of Danville. Notably, Franklin County's cost per acre may be inflated by luxury properties surrounding Smith Mountain Lake. The average farm size in the region is 192.5 acres. Agricultural land use accounts for roughly 30% of the regional area. Franklin County has the most agricultural land at 38%, while Henry County has the least, at 19%. Both Patrick County and Pittsylvania County have 33% of their land area designated for agricultural use.

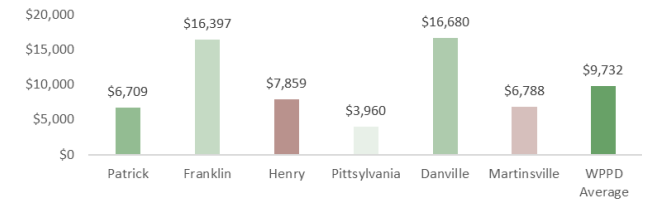


Figure 8. Average Cost/Acre of Land
Source: <https://www.landsearch.com/price>, December 2022

3. REGIONAL OVERVIEW

Sales and Operations

In a general sense, agribusinesses tend to sell their products at their own stores and farms; this was the most frequently reported location of sale. Businesses also sell at farmers markets, followed by festivals/events and local stores. Those that responded to the web survey demonstrated a strong web presence, with frequency of online sales barely lagging that of sales at festivals/events and local and regional stores. Businesses also engage in sales with restaurants and occasionally report selling at out-of-region markets.

Sales are heavily concentrated on weekends, with such sales being the dominant reported day of activity in all seasons. Trends indicate hours are fairly stable throughout the year, and farms tend to also report weekday activity. Special events and online/custom order sales occur year-round, but are more minor components of farm activity.

Agribusinesses reported retail sales activity with the greatest frequency, followed by farm tours and by event hosting. Businesses report limited Outdoor recreation and overnight accommodations. Businesses reported being open to the public approximately twice as often as being closed to the public. Reported revenues from survey responses ranged from approximately \$1,000 to \$180,000, though responses were distributed as follows:

- 7 firms reporting no income or declining to respond.
- 3 firms reporting revenues between \$1,000 to \$10,000.
- 5 firms reporting revenues between \$30,000 to \$80,000
- 2 firms reporting revenues between \$100,000-\$200,000.

Knowledge of tax implications pertaining to write-offs of business expenses may vary and may bias reported revenues downward, based on conversations with farmers.

Survey respondents reported small labor forces. Farms generally have between 1-2 full-time employees year-round. Some farms reported more extensive numbers of part-time employees (6, in one case), though generally have 0-2 part-time employees year-round. One farm also reported seasonal part-time labor. One web survey respondent noted that it is family-operated. The theme of family-run and hobby/casual farms to support personal goals, i.e. socialization and supplemental income, was prevalent in conversations, interviews, and paper surveys. With this indicating fuzzy demarcation of who is and is not full-time or part-time, we caution that extrapolation should consider that farms may also have 'hidden' labor, in the form of unpaid, informal family assistance.

3. REGIONAL OVERVIEW

Routine Production

Survey respondents reported meat activity to be a primary focus, suggesting that the firms engaged in production of meat products do so in a specialized manner. When firms reported fruit and vegetable production, they did so in a frequently secondary manner. Dairy, grain, and honey were also cited agriculture and animal products. Firms did report limited fiber production, wood carving, and leatherwork activity, but on a fairly infrequent basis and in a generally secondary capacity.

Table 9: Web Survey Analysis of Self-Reported Selection of Primary and Secondary Production Options

Category of Activity	Primary Production	Secondary Production
Fruit and Fruit Products	4	5
Vegetable and Vegetable Products	4	7
Meat Products	7	3
Dairy	3	2
Cereals/Grains	0	3
Apiary (Honey/Wax)	2	6
Woodcarving	1	2
Leatherwork	1	1
Fiber	0	1



3. REGIONAL OVERVIEW

Firms reported ‘other’ products as being primary products in 5 instances and secondary products in 3 instances. Text analysis of survey responses corroborates the above conclusions regarding produce and meat production to be the main focuses of regional agribusinesses.

Table 10: Text Analysis of Web Survey Responses of Reported Agribusiness Descriptions

How would you characterize your agribusiness? What products do you sell?			
Categories	Count	% of Responses	% of Respondents
Meat	8	44.44	42.11
Produce	5	27.78	26.32
Dairy	2	11.11	10.53
Retail	3	16.67	15.79
Artisan	1	5.56	5.26
Apiary	1	5.56	5.26
Plants/Flowers	3	16.67	15.79
Hemp	1	5.56	5.26
Beer	1	5.56	5.26
Events	2	11.11	10.53
Grains	1	5.56	5.26



3. REGIONAL OVERVIEW

Business Challenges and Desired Resources

The most frequently reported challenge that businesses face is reaching a new customer base. Other challenges reported, albeit to a lesser degree, include attracting talent, access to business support services, maintaining revenue year-round, and finding access to capital, as well as securing internet access; we found these challenges strongly parallel those generally understood to affect startups, small businesses, and entrepreneurs. The implication of this is that outreach to support farms can rely on generally-understood best practices. The challenges farmers face should be addressed with variations of existing business development best-practices.

Table 11: Web Survey Responses of Business Challenges

What challenges does your business currently face? Please check all that apply.	
Attracting or affording workers	7
Maintaining sufficient revenue year-round due to seasonality	8
Reaching new customer markets/marketing	10
A need for business support services (financial, legal, administrative)	7
Access to capital (i.e. loans, equity, cash) for expansion or improvements	8
Internet access	4
Other (Please click and describe)	2
Hemp	1
Beer	1
Events	2
Grains	1

Survey responses show that Agribusinesses report the following economic challenges:

- Supply shortages
- High costs of inputs (feed, fuel, etc.), packaging, and shipping.
- Finding processors (butchers, loggers, etc.)
- Finding customers and guests willing to pay current or higher prices.

Agribusinesses reported in surveys and conversations desire to see development of the following resources for business success:

- Collaborative sales hubs for meat and food sales and cooperative efforts, as well as collective purchasing hubs to make shipping supplies and practices more affordable.
- Rural internet.
- Collaborative marketing efforts and funding.
- Regional Agritourism Week.
- Understanding of pricing, website design.
- Grants and administrative/legal advice.
- Local, affordable supply chain.
- Mentorship for next generation of farmers, as well as business development education.
- Farmers’ Market facility improvements (parking, roofing).
- Educating the public on the role of SNAP.

3. REGIONAL OVERVIEW

Marketing

Given that firms noted difficulty attracting a new customer base, it is important to understand the marketing resources in which these firms engage. Firms reported engaging in online marketing to the most frequent degree, followed by local or regional resources, print resources, and radio. The role of small-town print and radio sources is not to be overlooked and was mentioned by knowledgeable conversation partners during a recent trip to Stuart, Virginia.

Table 12: Web Survey Responses Regarding Marketing Resource Use

What marketing resources have you used to grow your business? Please check all that may apply.	
Local or regional	7
State	2
Federal	1
Online	11
Print	5
Radio	3
N/A, we do not engage in marketing.	2
Other (Please click and list)	1

Pandemic Response

Firms reported a variety of experiences with the COVID-19 pandemic. One opened an online platform and reported booming sales that have since leveled off. Another reported an increase in business. Others report downturns or slow sales. Some report being unaffected. Farmers’ market managers reported implementing practices to remain open in response to the pandemic. Strategies managers mentioned included:

- Pre-order systems to facilitate more efficient service.
- Monitoring and adapting facility rules to accommodate restrictions.

3. REGIONAL OVERVIEW

Text analysis of survey responses corroborates findings:

Table 13: Text Analysis of Web Survey Responses Regarding Marketing Resource Use

Please elaborate on the marketing resources you have used to grow your business.			
Categories	Count	% of Responses	% of Respondents
Facebook	5	45.45	31.25
Social Media	6	54.55	37.5
Print	2	18.18	12.5
Radio	3	27.27	18.75
Verbal	2	18.18	12.5
Events	1	9.09	6.25
Email	1	9.09	6.25
Other	1	9.09	6.25

Agribusiness sentiment towards growth the cluster

Farmers generally reported willingness to engage in further conversation with researchers beyond the survey. This suggests a strong openness to collaboration with outreach and development professionals. The majority of participants were enthusiastic about the project and its goals. However, there, in some cases, are undercurrents of frustration.

One agribusiness felt frustrated that past outreach efforts by similar government entities had not proved successful and one business noted frustration with market operation business eligibility that they viewed as being not strictly defined. One business noted frustration with County/Town Council relationships, identifying lack of communication and appreciation for tourism. Regardless, businesses were very enthusiastic to speak with researchers and farmers' market managers provided strong insight into local culture and demonstrated enthusiasm with helping Center staff with the project.

3. REGIONAL OVERVIEW

Regional Applications of National Trends

Although the West Piedmont's aging population has slowed the growth of agribusinesses there is a growing interest among younger generations. Regional projected growth (14%) far exceeded national projections for agribusinesses (6%).

Research suggests that encouraging regional food systems to rely on locally produced agriculture keeps more dollars circulating locally. Encouraging West Piedmont vendors to sell on-site products, expand into local markets or blend their inventory with regional producers, processors and intermediaries could increase reliance on local products rather than imported ones. This would also strengthen resilience against supply chain disruptions due to the COVID-19 pandemic.

The most frequently reported challenge that businesses face in the region is reaching a new customer base. National trends suggest that increasing public interest in sustainability, outdoor activities, and locally sourced products, especially by younger generations, will mitigate this challenge. The remaining challenges identified in the region- access to business support services, maintaining revenue year-round, and finding access to capital, as well as securing internet access- affect agribusinesses nationwide.

As the popularity of agribusiness increases, more support services will become available at the national level. To spur growth of the sector in West Piedmont, officials should prioritize improving e-connectivity infrastructure and offer programs that support local business growth. As identified in the Report 1, many of the issues agribusinesses face are also barriers of other local small businesses. Research suggests working with local officials to streamline permitting and zoning processes, as these tend to be one of the major barriers to entry by the sector.

Local agribusinesses can improve their own success by increasing their presence in the local community. Businesses that contribute to the local food system and/or provide local services tend to report higher success rates. Businesses should make themselves accessible through easy to navigate websites, participation in local farmers markets, and selling direct to local restaurants. Community visibility increases the success of the sector by popularizing agribusinesses, which increases the availability of programs to improve growth and development of this sector and increases economic resiliency throughout the region.

4. IMPACTS OF AGRIBUSINESS

The following report provides a description of the steps taken to assess the overall economic impact of the West Piedmont agribusiness industry, a summary of the industry, a quantitative analysis of the economic contributions made by agribusinesses to the region, and finally an assessment of less quantifiable impacts of agribusinesses taken from interviews with regional agribusinesses.

Approach

A traditional economic impact analysis examines a specific event, new organization, activity, or object of study such as a trail, convention center or sports arena. The analysis accounts for money flowing into a defined region due to the study's subject. The analysis then determines how the diffusion of that money affects business revenues, household income and employment in the region, while accounting for leakages due to ensuing spending outside of the region.

For this analysis, the Virginia Tech Center for Economic and Community Engagement (CECE) used a mixed methods approach to understanding the impacts of agribusiness in the region. Researchers gathered data from existing sources to assess the industry's relative size and identify trends in the West Piedmont Planning District. This data includes employment, Gross Regional Product (GRP), and purchases and sales both in and outside the region. Most of this data came from Lightcast, a proprietary economic and workforce data software that compiles and analyzes data from over 150 public and private data sources. Regional business surveys from the previous report and data from the Virginia Tourism Corporation also aided in estimating the number of annual tourists and tourist spending brought to the region due to the agribusiness industry.

CECE researchers used Lightcast's out-of-region sales by industry data to determine total money coming into the West Piedmont Planning District thanks to the agribusiness industry. Researchers then put these sales dollars into a regional input-output model using IMPLAN software. IMPLAN is a well-recognized economic data, analytics, and modeling tool, most frequently used to estimate economic impact. The IMPLAN input-output model estimates overall economic impact in dollars and jobs generated from this new money (out-of-region sales) coming into the West Piedmont region.

Finally, to understand less quantifiable impacts of agribusiness in West Piedmont, researchers analyzed business surveys and conducted interviews with agribusinesses in the region. All responses were analyzed and summarized to highlight key themes regarding the impact of agribusiness. Researchers also wrote up descriptive vignettes of five different agribusinesses across the region to provide substantive examples of these impacts.

4. IMPACTS OF AGRIBUSINESS

Economic Impact of Agribusiness Industry

Taking 2022 agribusiness export sales for West Piedmont, researchers cross-walked traditional industry NAICS codes with IMPLAN's industry codes to facilitate subsequent inputting of NAICS code-based sales data into the IMPLAN input-output model. In cases where a NAICS code may match to multiple IMPLAN codes, CECE assigned proportions of NAICS-reported external sales to each IMPLAN industry category. CECE determined proportions for crop and animal production-related industries using USDA Agricultural Census data. For instance, since tobacco represented 56% of reported Ag-Census data, CECE assigned 56% of crop production to the IMPLAN category for tobacco. The extended final report shows the industry breakdown of crop and animal production from the USDA Agriculture Census. In other cases, CECE used professional judgement to assign proportions of a single NAICS code, or to assign multiple NAICS codes, to a given IMPLAN industry category.

Certain 'cottage industries' may not be captured; for instance, Lightcast sales data showed no cheese-making activity in the relevant NAICS code, which contrasted with qualitative insight from at least one farm in the region. However, CECE assures that any 'false negative' activity in one industry may be captured in another. For instance, cheese-making could be counted in 'Fluid Milk Manufacturing', or even in 'Animal Production.' Minor leakage of this nature may account for discrepancies between modeling results and estimates from other methods and sources; however, general thematic content remains robust.

Though CECE initially identified certain agribusiness industries such as canned fruit and vegetable manufacturing, non-chocolate confectionaries, and distilleries, they did not show up in the IMPLAN model possibly because these businesses were too small in the region. CECE removed these industries from the analysis, but attempted to put their sales information into similar industry categories. CECE researchers then ran the IMPLAN model with the sales information from each industry category.

4. IMPACTS OF AGRIBUSINESS

Economic Impact and Taxes

Table 15 shows the direct, indirect, induced, and total economic impact from West Piedmont’s agribusiness cluster. As said earlier, the West Piedmont agribusiness cluster made almost \$1 billion in sales in 2022, 71% of which was sales money from outside the region. Thus, total export sales in 2022 was \$639,580,629. A small portion of that money immediately leaves the region resulting in the direct economic impact from agribusiness (direct). Those direct impact dollars are spent on businesses purchases in and outside the region (indirect) and employees who then spend the money in and outside the region (induced). The economic activity generated from subsequent business and employee spending within the region results in the indirect and induced dollar estimates.

Total economic output due to West Piedmont agribusiness in 2022 was more than \$912 million. In response to this activity, the industry is responsible for more than \$92 million in federal, state, and local tax contributions. Most taxes are of a federal nature (approximately \$50,000,000), some of which is paid back through federal programs and grants. The industry then contributes approximately \$28,000,000 in state taxes and \$15,000,000 in county and local taxes.

Beef cattle ranching and farming, along with associated activities included in this category, dominate the economic contribution to the region. This notably tracks with survey results suggesting heavy beef cattle farming activity in the region. One reason for such high activity is that financial information put into this category includes a degree of dairy cattle farming, given modeling difficulties of separating one type of bovine growth from another.

Table 15. Economic Impact and Taxes from Agribusiness Activity in WPDC

Economic Activity	Direct	Indirect	Induced	Total
Economic Impact	\$633,745,684	\$166,792,214	\$111,818,913	\$912,356,811
Tax Contribution	\$56,570,288	\$20,645,725	\$15,212,850	\$92,428,863

Source: IMPLAN

4. IMPACTS OF AGRIBUSINESS

Job Impacts

Modeling suggests that agribusiness in the WPDC is responsible for employing 9,753 full-time equivalent jobs. However, employment is likely higher with many of these full-time equivalent jobs breaking down to part-time jobs. Direct export sales from agribusinesses result in approximately 7,457 jobs. Through additional economic activity generated in the region, an additional 2,296 full-time equivalent jobs are created and/or supported in West Piedmont. Table 17 shows the top ten occupations groups where jobs are generated. For the full list, please see the extended final report.

Table 16. Employment from Agribusiness Activity in WPDC

Economic Activity	Direct	Indirect	Induced	Total
Employment	7,457	1,494	802	9,753

Source: IMPLAN

Table 17. Occupational Employment and Compensation

Code	Occupation	Employment	Total Employee Compensation
45-2000	Agricultural Workers	744.46	\$24,069,174.04
53-7000	Material Moving Workers	205.46	\$7,191,624.24
51-3000	Food Processing Workers	169.34	\$5,798,907.80
51-9000	Other Production Occupations	151.99	\$6,479,144.10
41-2000	Retail Sales Workers	108.43	\$2,573,072.68
35-3000	Food and Beverage Serving Workers	106.5	\$1,993,399.25
53-3000	Motor Vehicle Operators	105.5	\$5,196,369.65
49-9000	Other Installation, Maint., & Repair	58.82	\$3,185,827.99
43-4000	Information and Record Clerks	49.36	\$1,796,478.94
37-2000	Cleaning & Pest Control Workers	48.06	\$1,177,832.08

Source: IMPLAN; For consistency, all reported dollar values are in 2022 values.

4. IMPACTS OF AGRIBUSINESS

Environmental Impact

Modeling is also able to determine various environmental impact metrics; though potentially beyond the scope of the present project, we include modeled impacts in the extended final report. The industry is responsible (directly or indirectly) for 537,755 kg of Nitrogen and Phosphorus.

Table 18. Environmental Impacts of WPDC Agribusiness

Pollutant/Resource	Annual Impact
Greenhouse Gases	173,347,906.46 kg
Nitrogen and Phosphorus Release to Water	537,755.24 kg
Pesticide Emissions	27,804.32 kg
Toxic Chemical Releases	1,031.36 kg
Water Use	266,326,243.63 cubic meters

Source: IMPLAN



4. IMPACTS OF AGRIBUSINESS

Broader Impact

Business surveys and interviews with regional agribusinesses revealed key trends and impacts from the agribusiness cluster that cannot be quantified in a typical economic impact analysis.

Agribusinesses see themselves as continuing the agricultural heritage of the region and sharing “the love of the land” with their communities and visitors to the region. Large and small agribusinesses tend to dedicate their work to preserving the natural beauty of West Piedmont and sharing the rich history of food, music, and art. Many of the smaller, direct-to-market businesses particularly embrace the agricultural traditions of the region in their business models.

Agribusinesses tend to become more sustainable through a mixture of passion and ingenuity, product diversification, support from family and community, and outside financial and educational resources. For many of the businesses surveyed and interviewed, their businesses are their livelihoods and passion. They may have different backgrounds such as taking their hobby and transitioning it into an agribusiness or continuing a generations-long family-run business; however, their passion and love of the land ties them together and makes the incredibly difficult work they do worth the time and effort. Business respondents often acknowledged strong community connections to the success of their businesses. The support from family, friends, and other community members was necessary to maintain business operations. Others noted sources of agribusiness success were diversifying products and services, continued learning through classes and engagement with peers nationally, and leveraging to grants and other agribusiness funding sources to assist the businesses in adapting to changing markets.

Beyond the money brought into the region through agribusiness, these businesses play a particular community development role that supports the health and sustainability of the West Piedmont region. This is particularly true for smaller, locally-owned businesses. Additional benefits include:

- Providing part-time and full-time jobs that keep workers in the region
- Strengthening the local agribusiness supply chain by emphasizing locally sourced products
- Creating public spaces for community to gather
- Community fundraising
- Offering educational activities from kids and adults
- Attracting visitors and new residents to the region

4. IMPACTS OF AGRIBUSINESS

Melvin's Farm to Fork Store



Melvin's Farm to Fork Store is where visitors will find an assortment of locally sourced meat, dairy, and other products from more than 31 vendors within a 60-mile radius of Wirtz, VA. A jewel of Franklin County, this general store opened in March 2020, at the beginning of the COVID-19 pandemic. Within two days of opening, the store had sold cuts of meat totaling two cows and three pigs. Melvin's has thrived ever since thanks to the relationships the owners have built with local vendors and customers.

While the store is best known for its grass-fed and grass-finished beef and pastured pork, it also specializes in pastured eggs and its Sweetland Farm milk-share program. Melvin's also sells products such as cereal grains, lavender, peanuts, and baked goods from local farmers and agribusinesses.

Melvin's owners, Gayle and Thad, do not see themselves as a local retail store alone. Rather, they have dedicated their work to improving and maintaining the health of the land and the community. "Healthy soil leads to healthy food and healthy people" explains Gayle. Through the store, Gayle and Thad offer dinner bundles with weekly recipes and ingredients for those who need inspiration for quick meals. They provide one-on-one advice to customers for how to prepare their meat. Their online Facebook group also gives advice and educational resources (e.g., descriptions of the nitrogen cycle and soil health) to over 3,400 people. They also offer classes and events such as sourdough bread making, raw milk baby formula preparation, goat soap making, and mother-daughter tea parties. They attribute this business diversification to how they have grown and now employ two full-time employees and two part-time employees.



Gayle and Thad started Melvin's Farm to Fork with the help of classes, funding sources, local business support, and their own ingenuity and luck. Both Gayle and Thad had grown up on dairy farms, and the work was part of their history and culture. In 2016, however, the couple were considering closing their dairy production business. With low prices for dairy on the commodity market, the business was becoming financially unsustainable. They had already sold off two-thirds of their dairy cattle when the owner of a nearby milk-share business, Sweetland Farm, said he was looking for a more labor-friendly solution to operating his business. The two businesses came together to produce raw milk and dairy products to provide 1,400 gallons of milk to families across the state. Then, in 2019, the couple went to a Ranching for Profit workshop (<https://ranchmanagement.com/ranching-for-profit-school-2/>) and came home with an idea to open a small store using a building on their property. To start the business, Gayle and Thad applied and received funding through a Tobacco Commission grant, a Virginia Fairs grant, and a USDA (US Department of Agriculture) loan. Today, they still find ways of growing and updating their business through diverse funding streams and agribusiness classes hosted on-line and in-person across the U.S.

4. IMPACTS OF AGRIBUSINESS

Melvin's Farm to Fork Store

When asked about agriculture and agribusinesses' impact on Franklin County and the larger West Piedmont region, Gayle responded that without it, the region would die. Recently, she had visited Alabama's black belt, a region with some of the most fertile soil in the U.S. With agriculture dwindling today, the region is now one of the poorest in the U.S. Meanwhile, according to Gayle, "Dairy farmers in Franklin County spend their money seven times over in this county. That is support for this economy. There are also mad amounts of talent here. Knowledge in these crafts is beyond what I can imagine."



Supporting local agribusiness not only leads to greater economic impact, but it can also support individual health and long-term financial stability. In most cases, the cost of these locally grown goods is no more expensive than the prices found at larger grocery stores. The price of a dozen eggs at Melvin's, for instance, is currently \$5.50, while the price at Kroger's is \$6.75. Even if some products are priced higher, Gayle explains that "you're going to pay one way or the other; either you'll pay up front for healthy food or you'll pay on the back end

on medical expenses."

Melvin's Farm to Fork Store supports households in the region through locally sourced, healthy food that contributes to the overall health of the population and community. The store also supports the livelihoods of more than 30 other locally owned businesses. Providing beneficial community and economic impact to the region is vital to the mission of the store and its owners.

When thinking of advice for new agribusinesses in the region, they recommend:

- Start small because you must learn about our market and your customers.
- The business does not have to be fancy, just follow the regulations and build a relationship with inspectors and those working with you.
- Do not undervalue your product. People will pay for quality classes and quality products
- Always be hungry for knowledge and willing to go out and find the answers
- Take the classes no matter what the costs
- Get connected with other people doing this work.

Melvin's is open Wednesday through Friday (11am to 4pm) and Saturday (10am to 2pm). To learn more, visit Melvin's Farm to Fork website: <https://www.melvinsfarm2fork.com/>

4. IMPACTS OF AGRIBUSINESS

Mountain Valley Brewing

Peggy and Herb Donovan did not intend to start a brewery when they moved to Axton. In search of a different career path, the couple moved from Chesterfield to Axton. Once in Axton,



a friend of the couple gifted them with some hops so they could take up home brewing as a hobby. Friends and family would visit the couple, who would let them taste their homebrew. Soon, word would spread like wildfire about the delicious craft beer the Donivans made. Recognizing that they may have something special on their hands, on April 15, 2017, Mountain Valley Brewing was born.

The brewery is located on the same property as the family home. Peggy said that the most common comment the brewery receives is that the atmosphere is like having a beer in your own backyard with friends and family.

Mountain valley has been a positive force for good in the community. Each month their “giving tap” program donates 10% of profits to local nonprofits. The brewery also hosts food trucks and live music from local musicians every weekend. From the ground up, Mountain Valley has expanded as it grew from a basement operation to a full-blown business, remaining self-sufficient.



When asked about the importance of agribusinesses, Peggy stated that they were “hugely important,” especially for preserving the area’s natural beauty. Mountain Valley has been so popular in the area that the Donivans are working on opening another location.



4. IMPACTS OF AGRIBUSINESS

Owen Farms

Owen Farms has been and continues to be a family attraction for farm tours and events. Before its existence as an agribusiness, visitors to David and Patty Owen's farm had always suggested turning their hobby into a full-time business. In 2003, they decided to share their 43-acre property with the greater community and became one of the first agribusinesses in the region. They began by raising cattle, goats and rabbits but quickly expanded to host a number of events and tours.



The farm operates an on-site market where local crafts, gourds and pocketknives are popular next to fresh produce. Not only are David's products sold but he is also happy to promote other local items from merchants in the region, such as goat milk lotions and soaps. All around the farm, visitors will notice signage and other product memorabilia to promote local business.

This year, Owen Farms will begin operations on Easter weekend, kicking off their season with an Easter egg hunt. They'll continue to have consistent hours through the summer months and transition into fall with festivities that include sunflower fields, pumpkin patches and corn mazes. The month of December, fresh cut Christmas trees will fill the lot.

Owen Farms is operational because of the family support that is provided. On top of their day jobs, children, grandchildren and in-laws pitch in to help.



The farm prides itself on the ability to support its community with fundraising. In the past, the farm has utilized its ponies at various events to raise funds and donated summer camp admission to a local community member in need.

In addition to contributing to the agritourism industry, Owen Farms is an educational opportunity as well. In the spring, the farm hosts school tours from kindergarten to eighth grade and in the summer, a summer camp that consists of teaching children about growing patterns, littering and the importance of soil care. They also include hayrides and train rides around the property for children to stop and learn about the animals.

Patty, David's late wife was the first to begin transitioning the farm to an events business. She had a passion for hosting weddings and other events on the farm. Since her passing, Owen Farms has become a legacy in her honor. It remains an attraction where visitors can always find fresh, local, and outdoor amenities. If you would like to learn more, a promotional video can be found at: <https://youtu.be/lwQcVjIDudw>

4. IMPACTS OF AGRIBUSINESS

Pickle & Ash Restaurant



Pickle and Ash is more than a restaurant. Owners Chelsea and Mitch set their sights on Mitch's hometown of Stuart, Virginia, and purchased a 12-acre property with the intention of turning it into a farm brewery. When their original concept had to be scratched, they knew they wanted to create a space to bring the community together and showcase the local flavor. At Reynolds Homestead's Air Shift workshop, a collaborative seeking to empower businesses and communities to maximize their potential, Chelsea and Mitch met Anna and Chris and decided to go into business together, and thus Pickle and Ash was born.

The restaurant, which opened in April of 2021, specializes in scratch-made, seasonal, locally sourced dishes. The 12-acre property now supplies the restaurant with local, organic produce—over 3,000 lbs. of it in the last year.

Everything that does not come from the farm is sourced as locally as possible, from the pasture-raised beef to the artwork on the walls; a testament to the owners' commitment to serving Patrick County and the surrounding region. The restaurant has provided about 20 new, well-paying jobs to residents. The owners attribute the success of Pickle and Ash to the relationships they have formed with the community and other local organizations beyond the vendors supplying the food they serve. These relationships are at the forefront of Pickle and Ash's mission to highlight all that the region has to offer.

The restaurant hasn't been without challenges. Particularly, the marketplace was borne of the Covid-19 Pandemic need for carryout service and has evolved to showcase baked goods and local products. The food truck was originally intended to serve patrons in the restaurant's yard to offset stress from the kitchen staff, but labor shortages have limited food service to the inside dining area and patio. The food truck has since attended local events and festivals, including Stuart's First Fridays, the Meadows of Dan Easter Celebration, and Bushels and Barrels, and is one of the few food trucks in the region.



While opening a restaurant in the middle of a pandemic has its fair share of challenges, the owners of Pickle and Ash have big plans for the restaurant's future. They envision operating the restaurant as a robust community gathering space with regular events alongside food service to continue strengthening their bond with the locals and spreading awareness of Patrick County's rich history of food, music, and art. There is no shortage of ways in which the Pickle and Ash brand, including the restaurant and the farm, can strengthen local ties and continue to build meaningful place for people to come together. Agribusinesses like Pickle and Ash fuel the regional hospitality and tourism industries, drawing in new people to see what the community can provide and enhancing the local connection to the land.

Pickle & Ash is open Thursday through Saturday (11-8) and the first two Sundays of each month (11-3).



4. IMPACTS OF AGRIBUSINESS

Puckett Greenhouse

Located in Ararat, Virginia, Puckett Greenhouses is a one-stop shop for all your garden needs, whether you are a backyard gardener seeking a few select plants, a store looking to stock up on bulk flowers for resale, or even a larger-scale operation looking to begin your own greenhouse.

Founded by Montague Puckett, who got his start selling plants in the 1970s, Puckett Greenhouses has since grown to an Ararat, Virginia. Puckett Greenhouses now employs 30-40 people each year. In the past, Puckett Greenhouses has operated an in-person storefront. Puckett Greenhouses has since transitioned into focusing primarily on wholesale plant sales. Conversations with Pucketts Greenhouses personnel indicate that the business sells up to 80,000 ‘flats’ and 40,000 hanging baskets each year.



Puckett’s products may be found in stores like Northwest Ace Hardware, small grocery chains, family owned and operated garden centers. Sales are split evenly between customers in Southern Virginia and in farther regions, like West Virginia and North Carolina.

Business operations increase as Spring rolls around. This is when Puckett’s plant operations pick up. However, Puckett Greenhouses is available for greenhouse construction services year-round.

Puckett Greenhouses has maintained services for decades, and so lends an experienced perspective on business operations as a long-lasting regional firm and identifies that advertising support and grant and project funding for small agribusinesses, as well as seminars designed to educate agribusiness owners on such grants and funding, would offer tremendous support to the industry. Puckett Greenhouses notes that, in the wake of the COVID-19 pandemic, price fluctuation is a major undertaking, particularly given the thousands of products the business must track. Labor can be difficult to find, but this consideration does not seem unique to Puckett Greenhouses.

Pucketts Greenhouses may be contacted via phone at (276)251-5286 or 1 (800) PUCKETT. For in-person support, those interested may visit Monday through Thursday from 8am-5pm and Friday from 8am-3pm at 1461 Green Spring Road, Ararat, VA 24053.



5. BRANDING

Introduction

A key focus of this project is to establish a unified brand identity to connect the agribusinesses and promote agritourism assets throughout the region, including:

- A Brand Identity comprised on consistent colors, typeface, and graphic composition that can be used to market the region as a destination for agritourism and agribusiness.
- A Market Position that presents the different themes of agribusiness in the region and describes the unique experiences offered.
- Application of the brand to Digital Tools including a website, community calendar, digital advertising and social media (presented in a separate section).
- Provide tools to connect the region's agribusiness through shared marketing and effective communication.

Discovery

The project team spent a full week in the region in the fall of 2022, visiting numerous destinations within the four counties and multiple towns. We engaged the local agritourism and agriculture stakeholders to experience each destination, but also to understand from their perspective what the messaging should be to communicate to potential users, visitors, and peer businesses. During the week, the team also conducted photography that was ultimately used in advertising and digital marketing.



Brand Development

Brand development occurred over the duration of the project, culminating in a brand workshop that involved continued stakeholder engagement as well as developing a draft market position and brand identity. The draft was presented to a stakeholder committee, followed by revisions, refinement, and full build out.



One of the most important elements of an effective brand is consistency with both graphics and messaging. The WPPDC has previously developed a regional identity for Life in SOVA to represent the Southern Virginia experience, including a simple SOVA logo, color palette, and typography. This graphic system was used as the umbrella framework for this project, with the intent of developing a unique brand for Agribusiness & Agritourism as a sub-brand, with the potential for future sub-brands being outdoor recreation, culture, etc.

The resulting regional agribusiness brand included a number of key elements:

- Market Positioning and Brand Statement;
- Southern Valley Regional Agritourism Brand Identity; and
- Brand Extension.

Market Positioning

A brand statement is an “elevator speech” of sorts that connects all the regional assets that define the agribusiness experience in a concise narrative. The statement is intended to lay out the various market positions based on the overall vision, presenting the region as a unique destination.

SOVA represents “Southern Virginia” as established in the existing SOVA brand, while the new Virginia’s SOUTHERN VALLEY also incorporates the SOVA moniker, while launching a new but connected name for agribusiness.



We are SoVA, Virginia's Southern Valley

SoVA is defined by its diverse and beautiful topography - from the Blue Ridge Mountains that form a scenic backdrop on our western edge, to the gently sloping hillsides and rolling landscape as you move eastward. Our region is unlike any other in the state, and offers a range of natural assets, stunning views and vistas, and endless outdoor recreation opportunities. Most importantly, SoVA is known for its rich, fertile lands, with perfect growing conditions supporting a range of agricultural uses that provide a strong foundation for both the regional economy, as well as our cultural identity.

While we create value-added products that feed the entire region and beyond, we also offer an agritourism experience that is second to none. SoVA is filled with destinations that are fun yet refined, relaxing yet innovative. From touring working farms, picking your own produce, purchasing locally made products at the farmers market, tasting spirits at distilleries and breweries, or enjoying the variety of events that celebrate our agricultural heritage, there is truly no end to the family-friendly and interactive experience that we provide.

Still, we have a higher purpose in SoVA than simply providing a great experience. What has drawn us here, whether we've been here for generations or are newcomers, is our shared values of feeding the community, stewardship, and sustainability. We are in this because we love the land, love the animals, and LOVE the LIFE. SoVA is a place where everyone is a farmer, even if you don't have land you are harvesting. It's our culture here. A culture to create something of value. We care about it and are fiercely proud of it. We want to communicate to our customers and visitors the VALUE of food, where it comes from and why locally produced and sustainable practices are important. It's truly back to our roots, where we share the food and farm with our family, and then we share it with the community, then share it with the world.

SoVA Virginia
Virginia's Southern Valley

Southern Valley Regional Agritourism Brand Identity

The Southern Valley brand focuses on the agricultural environment and experience to present the collection of regional assets.

The graphic is in the shape of Virginia, with the heart from the SOVA brand lying in the center of the Southern Virginia region. A sunburst rises from the heart, which separates the mountain region of Southwest Virginia from the low-lying plains moving to the east towards coastal Virginia.

The logo also incorporates the typefaces and an expanded color palette building on the SOVA brand. These colors are used in a number of single-color variations of the Southern Valley Brand in both stacked and wide orientation.







Brand Extension

Similarly, variations utilizing the new graphic incorporating the original SOVA moniker. These would be used in simple applications where “Southern Valley” is not necessary.



The primary brand can then be extended to other icons such as themed activities, events and partner organizations. With the Southern Valley brand, this would include icons for the different agricultural experiences that occur in the region like markets, destination farms, meat processing, farm to table, spirits, livestock, events, etc. These icons could be used to promote

the different themes, be applied to online mapping, wayfinding, etc. Similarly, utilizing the primary SOVA brand and banner with “Made In”, “Grown In”, etc. can help to promote the different agriculture experiences. This can ultimately be expanded as the larger SOVA brand is extended to outdoor recreation, craft, etc.



Market Recommendations

The Southern Valley brand identity and messaging is based on the ongoing stakeholder engagement and creative development as described above. Once the brand has been established, it should then be applied to specific marketing and implementation strategies to promote businesses and the agritourism experience.

So Much in SOVA Social Media

A significant amount of internal connectivity between local agribusinesses, destinations, and marketing partners can occur through social media. Individuals posting pictures, promoting businesses, advertising events, etc. can be cross promoted to expand the reach of regional social media output while connecting local businesses and destinations. We recommend the WPPDC create Life In SOVA social media accounts on Instagram, Twitter, Facebook, and others and begin promoting the experiences in the region using #lifeinsova, #sovagrown, #vasouthernvalley, #madeinsova, #exploresova, #shopinsova, #dineinsova, and of course, #somuchinsova.



Merchandising

The logo can be applied to any number of products and marketing collateral to promote Southern Valley and its distinctive assets. We recommend an open-source strategy where the WPPDC can allow partner agencies and businesses to sell Virginia's Southern Valley branded material, as long as it follows the brand style guide. Some clients in the past have managed this by producing the collateral, providing it to local business partners at cost, and then allowing the partner business to sell for profit. Everything from t-shirts to hats to water bottles to bags can be produced.



Official SOVA Agribusinesses

Within the four counties of the SOVA region, there is an endless number of agribusinesses and agritourism destinations, to the point that it's a challenge to have a single, consumable dynamic inventory. The new website being developed as part of this plan however does this through a regional map that can be sorted by category tailored to the desired experience. Creating a logo for "Official SOVA Agribusiness" will help to connect these businesses to the larger inventory, while also allowing the business to be part of the larger network. The logo could be displayed on the business' website, banners, print media, signage, etc.

The center of the logo creates an exclamation point that can be utilized as an icon that illustrates a certain business is in the network.



Finally, the graphic to the right illustrates a business card rack that could be placed at each network business with cards from other businesses within the region. These, poster-sized signs would include information from multiple destinations and further connect the businesses to each other.



Signage

The WPPDC could implement a simple signage program that identifies those agribusinesses that are connected to the larger network. Many of these businesses may be located on rural roads far away from local communities, or have a nondescript entrance from the main road. This signage system would not be a comprehensive wayfinding strategy with listed destinations, turn-by-turn signage, and other content. Rather, it would be a simple logo-based sign, with or without a destination, and a destination arrow. These signs would simply to reassure the consumer or visitor that they are on the right path to their destination.



Similarly, a feather banner sign could be located at the entrance to each business in an effort to catch the attention of the visitor and let them know they are in the right location. For both of these sign opportunities, the business would likely pay for the signage, with WPPDC working with a vendor to fabricate and install the signs.



Print Collateral

The Southern Valley logo can then be applied to any print material such as brochures, rack cards, event flyers, as well as print ads. The brochure design should incorporate the Southern Valley brand in the top portion of the brochure cover in case it will be utilized in a brochure rack.

Advertising

Finally the brand should be incorporated to any advertising that focuses on promoting agribusiness in the region. An ad template has been created for this project, and these ads can be deployed on the website, through social media, and print media as well. These ads should display the unique character of the Southern Valley experience, and direct people to the new website. They should use the established Virginia's Southern Valley logo, a single photograph, URL for the new website, and short tag line that connects to #somuchinsova.





So welcoming!



Southern Valley
VIRGINIA'S
LIFEINSOVA.COM

SOMUCHINSOVA.COM



So much fun!



Southern Valley
VIRGINIA'S
LIFEINSOVA.COM

SOMUCHINSOVA.COM



ASK US ABOUT OUR MILK!!
SUNDAES
\$6.29
FLOATS
Coke - or - 7P
\$4.29

TOPPINGS
WHIP CREAM CHOCOLATE SYRUP
CHOPPED PEANUTS
WALNUTS IN SYRUP
CARAMEL SYRUP
WAFFLE PIECES HOT FUDGE
CHERRIES

So many flavors to try!



Southern Valley
VIRGINIA'S
LIFEINSOVA.COM

SOMUCHINSOVA.COM



So much to learn!



Southern Valley
VIRGINIA'S
LIFEINSOVA.COM

SOMUCHINSOVA.COM



So colorful!



Southern Valley
VIRGINIA'S
LIFEINSOVA.COM

SOMUCHINSOVA.COM



So much to share!



Southern Valley
VIRGINIA'S
LIFEINSOVA.COM

SOMUCHINSOVA.COM



So rewarding!



Southern Valley
VIRGINIA'S
LIFEINSOVA.COM

SOMUCHINSOVA.COM



Southern hospitality!



Southern Valley
VIRGINIA'S
LIFEINSOVA.COM

SOMUCHINSOVA.COM



So friendly!



Farm Market



SOMUCHINSOVA.COM



So much history!

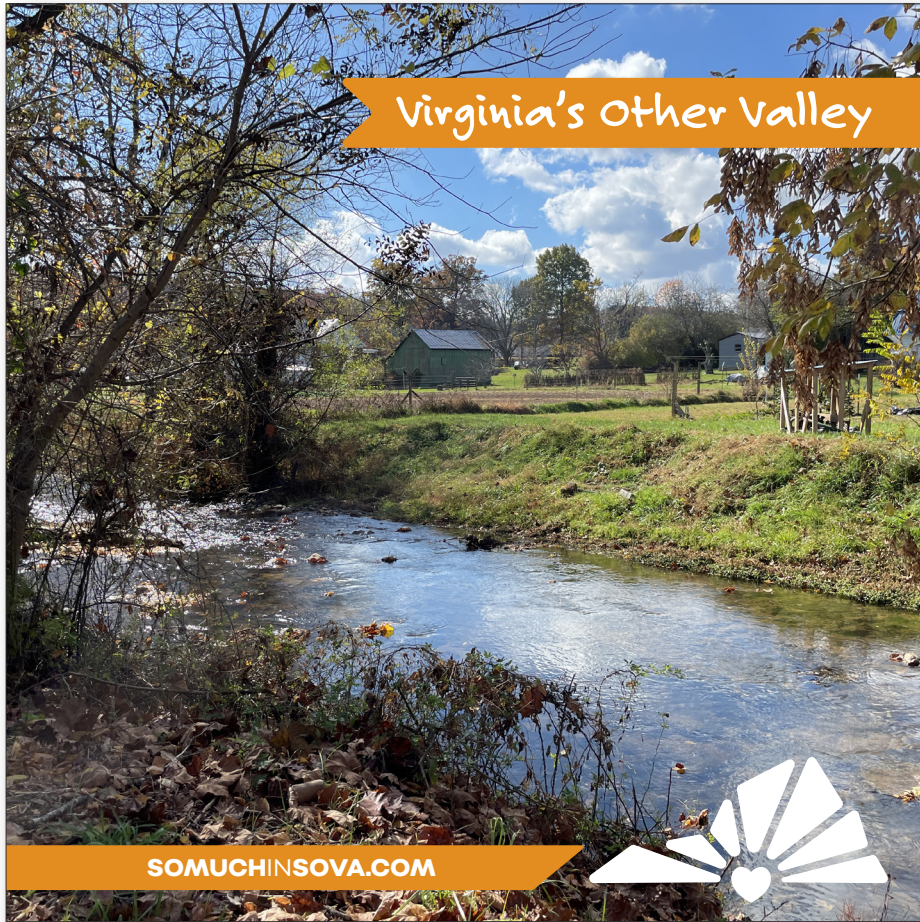


CLARO IDEALS LA PALINA DE LUXE

TOTEM Improved QUALITY



SOMUCHINSOVA.COM



6. WEBSITE AND MARKETING

Cultivating interest

The Website for this project is designed to achieve several goals.

First, the site is a public face to the agriculture industry in the region, designed to attract visitors and customers to the agriculture producers here.

Second, the site is a resource for producers to gather and share information about doing business in the region.

Finally, the site is a data repository for information about the agriculture businesses in the region.

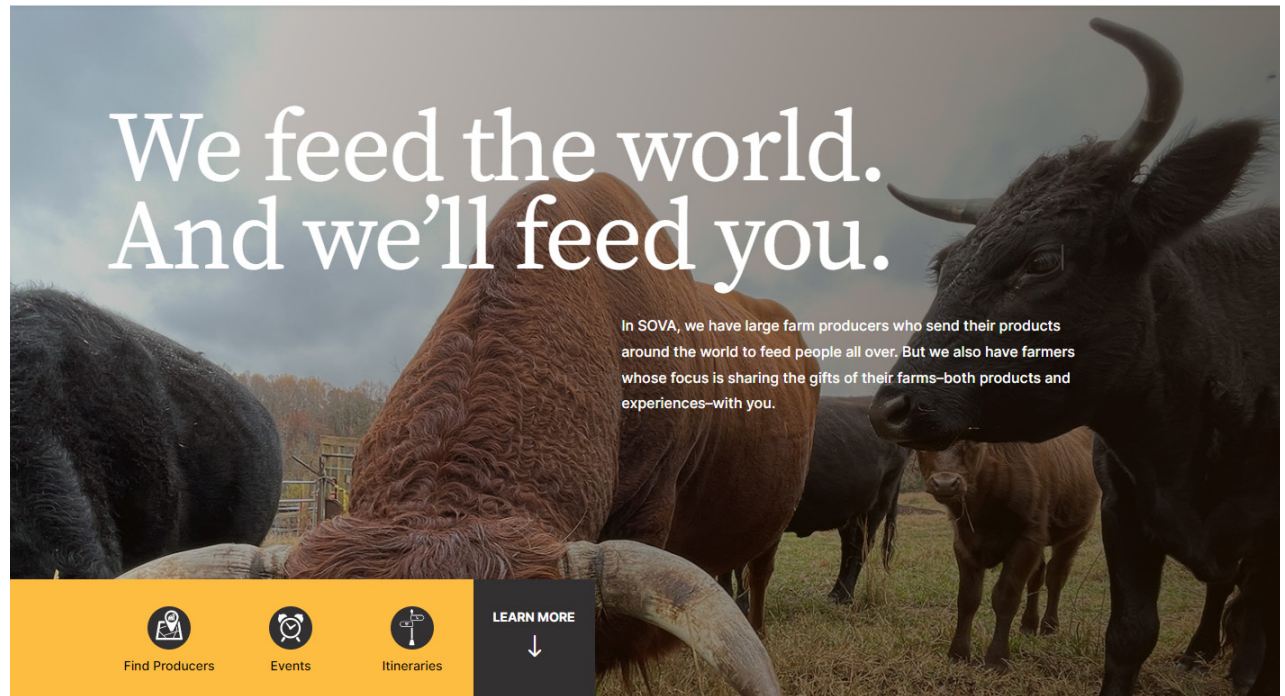
Gathering data

Searchable, flexible database

The site uses a custom-built data structure to catalog all of the agriculture producers in the region.

Each business entry contains key data fields:

- Address
- URL
- Latitude/longitude
- Status (open/closed)
- Is there a retail storefront?



- Contact email

The entries are categorized by business type, business community, business county, and business products.

Using this data, search tools for the public allow them to find particular types of businesses.

They can also map the businesses, either in whole or by individual categories.

This business database was initially built

using data sourced from various records, but it will need to be built out further to be comprehensive.

Calendar of events

In addition to the business database, there is also a calendar database in the system that tracks agriculture events in the region.

Again, these events are searchable by category and keyword. The calendar can be

displayed by day or month, and it can also be sent out as an RSS feed if needed.

Data sustainability

It is possible for producers to submit their own data listings to the calendar or to the business database, with all entries blocked from publication until they are approved.

To sustain the database, it is important to do outreach to producers to get them to update or add their listings. Also, someone will need to be designated to approve new entries and track some events in the calendar.

Connecting businesses

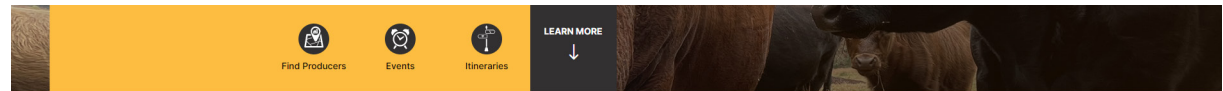
Producer forum

The site also has a forum designed to allow producers to share information. This will allow a restaurant, for instance, to connect with other producers to find produce, or for a producer to share excess materials with other producers.

This forum allows multiple discussion threads and topics. It has access controls built in so the public cannot see the content in the system.

Forum sustainability

To sustain this portion of the site, outreach efforts will need to target producers, and someone will need to approve/add new users to the system.



SOVA Stories

Mountain Valley Brewing

Mountain Valley Brewing's unique beers are brewed using hops grown right on their property, as well as other ingredients sourced locally such as honey, fruit, grain and barley, from other Virginia-based farmers for the ultimate in freshness and taste. Mountain Valley Brewing is passionate about supporting other small businesses in our community.

[Meet them](#)

Telling stories

Producer profiles

The site's public-facing mission is driven by telling the compelling stories of producers in the region. Initially, this is achieved through two tactics.

First, producer profiles provide a deeper dive than the producer database into the character of businesses in the region.

Producer profiles can be a combination of written text, photos and video interviews with the producers.

The plan is not to have comprehensive profiles of all producers in the region. Rather, the site will launch with a few profiles, and then new ones can be added

along the way. It's important to note that some of these stories are best told through video and photos, and those have to be coordinated with growing seasons. So the content building process is a longer one that involves mapping out the year and building new content along the way.

Itineraries

In addition to the profiles, the site also features itineraries. These are sample "guided tours" through the region.

The itineraries can be based on geographic themes as well as topical themes. There might be a Christmas itinerary, for instance, that highlights tree farms and people selling items for gifting. Or there might be a wine

and beer itinerary that guides people to different breweries and wineries.

Story sustainability

Maintaining and growing the storytelling aspect of the site is a heavier lift than some of the other pieces of the Website puzzle because it involves more time and more participation from producers. Ultimately, there will need to be a content development schedule and budget that allows for stories to be built over time. Additionally, the itineraries will need to be maintained, and new ones will need to be added.

A content roadmap will help the team know which stories to build, and someone will need to monitor new additions of agriculture businesses in the market so they can be added to the list of "stories to tell."

Targeted marketing

Audiences

In order to gain the most traction from this project, it's going to be necessary to market to different audiences. There are three primary audiences to reach:

1. Local producers, in order to familiarize them with the brand and encourage them to participate.
2. The local community in the region, in order to familiarize them with the brand and to encourage them to increase their

consumption of local agricultural product (including "experience" products like farm visits)

3. Tourists who might be looking for a destination to visit or a set of experiences to enhance an already-planned trip.

Local marketing

In order to reach both the local consumer audience and farm producers, we plan to advertise at the local agricultural fairs. This allows us to get in front of producers and consumers who already have an affinity for agricultural businesses in the same ad buy.

Address-targeted advertising

A large portion of our advertising strategy involves targeted digital advertising. In order to reach producers, we will target advertising against the database we have of existing producers in the market. We will also geographically target farmers market locations and the fair locations.

Behavioral advertising

We will use geographic and behavioral targeting to reach the tourism audience we are looking for with banner advertising. We will primarily target Virginia, West Virginia, North Carolina and Tennessee audiences who are showing affinity for travel or exhibiting "signals" that they are traveling (hotel hunts, for instance).

Streaming advertising

We will produce video advertising from the video we're already shooting for the producer profiles this video will run against the same behavioral and geographic targets we use.

These ads will run on streaming service like Hulu, PlutoTV and other video on computers, mobile phones and smart TVs.

Native advertising

We will also use native advertising, which combines text and photos and runs in the "look and feel" of publisher sites in order to more fully tell the story of the producers in the region.

Retargeted advertising

All of our digital advertising will push users to the site. Any users who visit the site will be "retargeted," where they see additional ads because they have visited previously.

7. SUSTAINABILITY PLAN

From the data collected during this project, the research team offers strategic recommendations detailing projects, programs and funding matrices to enhance, improve, and expand agritourism assets and agribusinesses in the region to curate a sustainable regional agricultural resources program that the West Piedmont Planning District could implement.

Business Organization and Tracking

A robust understanding of agribusinesses and agritourism assets, including those that need cultivation and connection, is critical to supporting and expanding the growing agriculture ecosystem in the West Piedmont region. This requires continual assessment of assets and supportive services to collectively track businesses, their needs, and their impacts. The strategies below focus on building sustainable networks to strengthen the development of agribusinesses and agritourism as well as provide ongoing inventory and user tracking.

Maintain WPPDC agribusiness website as a living, interactive tool for visitors, businesses, and agribusiness professionals

- To bolster its visibility and breadth within the region, share WPPDC website at existing convenings.
- Identify events and upcoming engagements where website can be shared and celebrated, and opportunities for new inputs. These events can include takeaway materials such as "How-To" manuals on how small businesses can load information into the database, access branding, and more.
- Leverage existing networks to keep the site up to date.
- Consider maintaining the project steering committee to serve as data gatherers and a source of accountability for maintaining the site information.
- Work with Virginia Cooperative Extension, county tourism and agriculture officials, and farmers market managers to keep data up to date.



7. SUSTAINABILITY PLAN

Foster a culture of continuous business data monitoring, tracking, evaluating, assessing, and celebrating progress.

It is critical to engage with communities and businesses in the region to co-develop a visitor tracking system that is consistent across localities. Zip Code tracking is a way of collecting visitor data to help agritourism businesses understand their market and to help WPPDC estimate the ongoing economic impact of the industry.

- **Invite businesses to share customer information.**
- Identify agribusinesses and other high-traffic agritourism attractions that are open to sharing the best methods for capturing customer information. For example, invite a sub-set of businesses that use cloud-based merchant payment methods (i.e. Square or PayPal) to participate in sharing zip code data with a central, trusted convener.
- **Design and implement a visitor intercept survey for at least one key event or attraction annually.**
- Survey data can help to create visitor profiles and define target markets. Local colleges and universities may serve as resources to administer the survey and assist with data analysis. Local institutions, such as Patrick & Henry Community College or Virginia Tech, often have the capacity and/or resources to support survey implementation or train local institutions to do so.
- **Partner in hosting a recurrent regional celebratory event.**
- Explore potential partnerships to develop a recurrent agritourism event, such as a forum, roundtable, or focus group, to serve as a space to discuss common opportunities, challenges, and strategies for the region. Additional partners, such as higher education institutions, may aid WPPDC in developing and/or facilitating such events.



7. SUSTAINABILITY PLAN

Business Development

The previous section focuses on creating connectivity between agritourism assets, business and data sets to track customers and their impact. Meanwhile, this section outlines strategies to create a thriving, supportive business environment to grow and be successful. It is divided into three sections: entrepreneurship, funding, and capacity.

Foster Entrepreneurship

- **Use grant funding that aligns with the development of agribusiness programs to hire a regional coordinator or on-site advisor for small business development.**
- One responsibility of this position could be to help nurture up-and-coming entrepreneurs that fill gaps in the agritourism market. Consider pop-up shops at local festivals, downtowns for budding entrepreneurs, including high school and college students.
- Another responsibility of this position could be to identify high-growth potential agribusinesses that could market their product to external retailers
- **Partner with higher education, VCE and SBDCs for agriculture and entrepreneurship business support services.**
- These partners already have training and resources for agribusinesses; however, these resources may not be well known, utilized, or as widespread as is necessary. Align, marketing, and bringing these resources to underserved areas could pose a fantastic opportunity for agribusinesses to grow. For instance, WPPDC could work with Patrick & Henry Community College and Ferrum College to expand existing business development support and training for agritourism. This could include classes on financial, legal, and administrative responsibilities including workshops tackling typical challenges agritourism businesses face (seasonality, surplus of perishable product, etc.)



7. SUSTAINABILITY PLAN

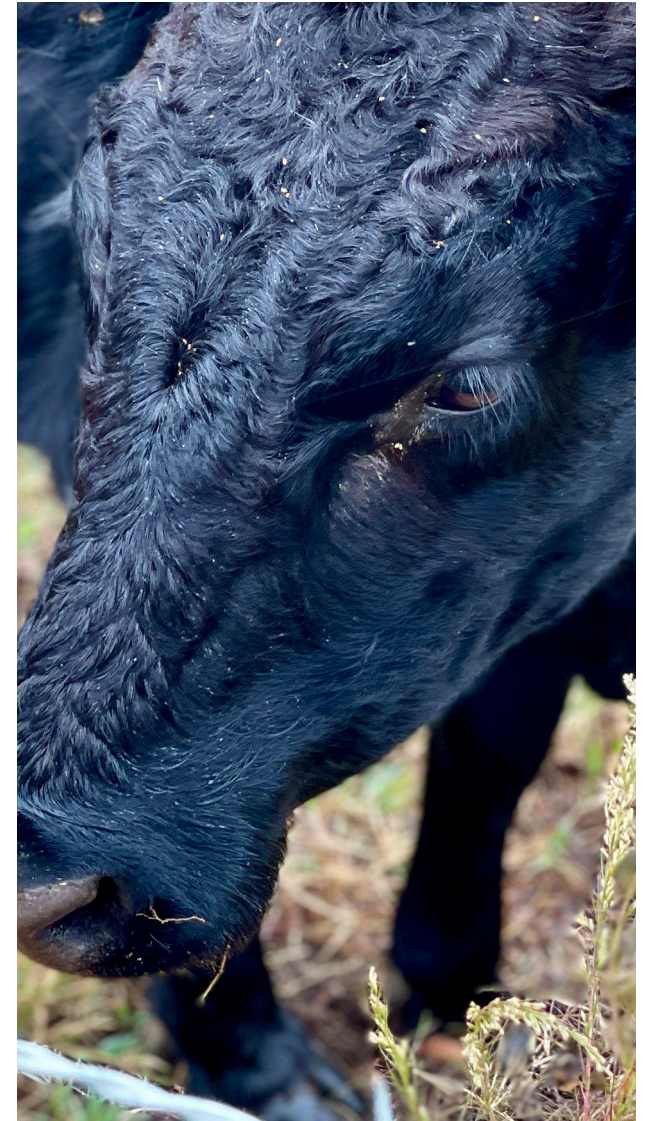
- **Maintain and enhance an interactive inventory of developable buildings and farmland.**
- WPPDC could create a list of vacant land and buildings in each community that could support agritourism retail and production locations with potential details such as square footage, buildout needs, rental rates and sales pricing, typical utility costs, and notes on building conditions. WPPDC could utilize its website for an interactive inventory.
- Support innovation in agribusiness by connecting businesses to new knowledge, trends and resources that can help them to evolve and adapt their businesses to changing environmental and market conditions. Some trends to consider are precision agriculture, controlled environmental agriculture, meat replacements, and vertical urban farming.



7. SUSTAINABILITY PLAN

Building and Maintaining Capital

- The following pages (and the extended final report) provide an inventory of financial resources that may support agribusiness development. Grow, update, and market this inventory to ensure greater access to capital (i.e. loans, equity, cash) for agribusiness expansions or improvements
- **Convene agritourism workshops with a special focus on financial stability**
- Host financial literacy courses for agribusiness. Topics could include how to understand and manage off season expenses, how to use the off-season to strategize and plan for a successful year, to pivot existing business endeavors and how to grow and maintain customer base and relationships.
- **Partner with the West Piedmont Workforce Development Board to employ worker/employer satisfaction initiatives.**
- To maintain positive culture and values among farm workers deploy satisfaction survey to culminate a list of skills workers are hoping to learn - ultimately providing a way to better retain and attract labor. Survey could include a suggestion section for lifestyle incentives that are reasonable for the farmers to offer.



7. SUSTAINABILITY PLAN

Resources and Funding Sources

The following resources can support and grow West Piedmont’s Agribusiness Industry Cluster. While not an exhaustive list, these are accessible and often underutilized. We have split them into financial programs and educational programs.

Financial Programs and Incentives

The USDA, Virginia Department of Agriculture and Consumer Services (VDACS) and the Virginia Department of Conservation and Recreation (DCR) offer several diverse tax incentives and subsidies. Additionally, Virginia Cooperative Extension provides educational and technical assistance programs to support agribusinesses and encourage sustainable practices. The following list is not comprehensive, and programs were selected based on relevance to agricultural practices in the West Piedmont Region.

Under the 2018 USDA Farm Bill, financial assistance programs fall into four broad categories—funding/capital, risk management and mitigation, environmental conservation, and disaster recovery. These programs are administered by three distinct agencies: the Farm Service Agency, Natural Resources Conservation Service, and Risk Management Agency, based on the nature of the assistance provided. According to the Environmental Working Group, over \$1 million in subsidies were granted to agribusinesses in the West Piedmont region in 2020, primarily through the Disaster Payment program, which aids farmers who have sustained damage in natural disasters. Pittsylvania County and the city of Danville (combined) received the greatest financial assistance, accounting for 60% of the regional sum, followed by Franklin at 22%, Patrick at 17%, and Henry County and the city of Martinsville (combined) at just 1%.

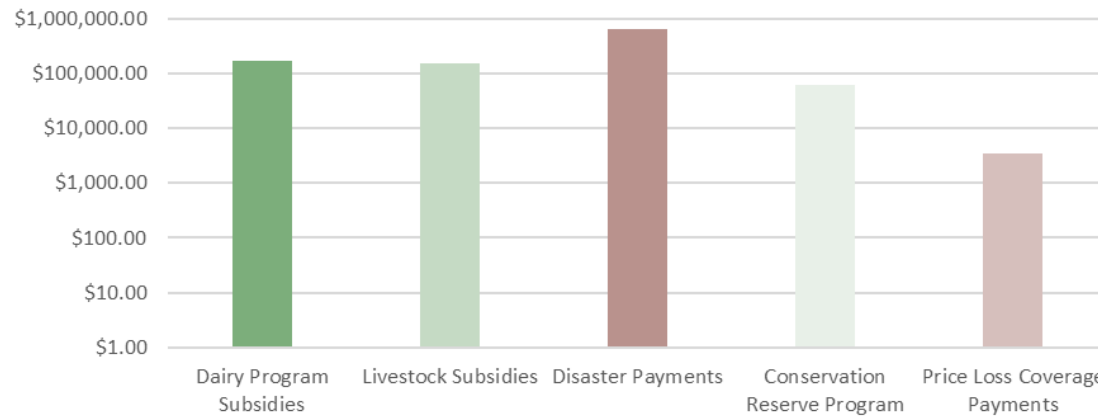


Figure 9. USDA Agribusiness Subsidy Payment Quantities to West Piedmont Localities in 2020
 Source: Environmental Working Group Farm Subsidy Database, <https://farm.ewg.org/index.php>.

7. SUSTAINABILITY PLAN

Incentives available at the state level cover a similar breadth of areas, ranging from equipment reimbursement to best management practice (BMP) installation cost shares.

- VDACS offers grants to agribusinesses and political subdivisions from the Governor's Agriculture and Forestry Industries Development Fund (AFID) for facility, community infrastructure, and strategic economic planning developments which increase the value of Virginia-grown agricultural products. These programs favor under-served, marginalized localities and projects benefitting multiple small-scale operations. VDACS also offers a partial reimbursement for producers seeking an organic certification.
- The Farm Wineries and Vineyards Tax Credit is another opportunity for producers to capitalize on a new business venture or improve an existing winery/vineyard and requires one acre of land dedicated to viticulture to qualify. Under the Farm Wineries and Vineyards Tax Credit, producers are eligible for a corporate or individual income tax credit of 25% of the cost of qualified capital expenditures up to \$250,000, not exceeding the producer's tax liability. This includes money spent on creating or improving a farm winery, including money spent on equipment for the planting, harvesting, processing, and bottling of grapes and wine.
- The Food Crop Donation Tax Credit incentivizes producers to donate crops to nonprofit food banks in Virginia by providing an income tax credit of 30% of the market value of that which was donated, up to \$5,000. The food bank must use the crops to benefit the needy, and can only be sold to other nonprofit organizations with the same purpose.
- The Virginia Small Business Finance Authority offers loan programs, providing collateral and guaranty for bank loans, as well as an economic development loan fund available to local governments, nonprofit organizations, and qualifying agribusinesses to create and protect at-risk jobs.



7. SUSTAINABILITY PLAN

- The Nature Capital Investment Fund targets southwest and southside Virginia, and provides subordinated debt to finance sustainability initiatives, including recycling and water conservation, renewable energy and energy efficiency, and eco- and heritage tourism.

Virginia Department of Conservation and Recreation (DCR) and The Virginia Department of Forestry offer a number of tax incentives to producers seeking to make their operations more environmentally sustainable through best management practices, equipment purchases, and waterway conservation efforts.

- The Conservation Reserve Enhancement Program (CREP) is one of the largest statewide water quality protection initiatives, which provides a cost-share reimbursement and rental payments on riparian buffer installation, allowing producers to protect local waterways without diminishing profits due to a loss of available land. The Agricultural Best Management Practices Credit reimburses 25% of the first \$100,000 spent on the installation of BMPs with an approved soil conservation plan, and 50% of the first \$100,000 spent if the producer has an approved resource management plan. Both individual and corporate income taxes qualify for up to \$75,000 in tax credits.
- The Conservation Tillage and Precision Agriculture Equipment Credit through the Department of Conservation and Recreation offers individual and corporate income tax credits for environmentally friendly equipment purchases, such as those designed to reduce soil compaction, 'no-till' planters, and chemical applicators, and will reimburse 25% of the equipment cost up to \$17,500. The equipment purchased must meet Virginia Soil and Water Conservation Board standards to qualify.



7. SUSTAINABILITY PLAN

- The Riparian Waterway Buffer Credit is available to producers with land along a Virginia waterway, including streams, creeks, and rivers used for timber harvesting. To qualify, producers must procure and certify a Stewardship Management Plan from the VDOF stating that the producer will not harvest trees near the waterway to create a riparian buffer. This income tax credit will reimburse 25% of the value of the timber left unharvested with a maximum of \$17,500 and cannot exceed one's total tax liability.

The extended final report provides these and additional funding sources



7. SUSTAINABILITY PLAN

Financial Programs and Incentives

The West Piedmont Planning District is home to five Virginia Cooperative Extension offices serving Franklin County, Patrick County, Henry County/Martinsville, Pittsylvania, and Danville. Each local office provides educational programming tailored to the needs of the community they serve, including but not limited to the following topic areas:

- Agriculture and Natural Resources programs provide informational assistance to property owners, including soil testing, pest identification and control recommendations, livestock management, and crop-specific management services available to producers.
- Family and Consumer Sciences programs connect individuals and families to services and other state and local agencies to encourage economic and family stability.
- 4-H Youth Development employs experiential learning strategies to engage youth from age 5 to 18 in animal sciences, natural resources, plant and soil sciences, leadership development, family and consumer sciences, and more. 4-H programs are held both as summer camp experiences as well as through public school-based and community outreach.
- Community Viability specialists work to build capacities in leadership, community enterprise and resiliency, food systems, community planning, and addressing emerging issues. These programs seek to train elected officials and entrepreneurs to support local food systems and economies, as well as conduct research and create tools to tackle community needs.
- SNAP-ED Family Nutrition programs aim to teach families and youth to manage food resources, make healthy food choices, plan meals, and live a healthy, active lifestyle on a budget.



7. SUSTAINABILITY PLAN

Local extension offices are not the only available resource to producers in West Piedmont. Cooperative Extension resources developed and implemented directly through Virginia Tech, Virginia State University, and nonprofit organizations are abundant across the region, and programs support agribusinesses through financial literacy, research and development, food safety, and small business incubators.

- The Catawba Sustainability Center, located in Roanoke County, is a 377-acre farm dedicated to research and community education on sustainable practices in agriculture, forestry, and land management. The Center's Small-Farm Incubator program provides new farmers with access to land, equipment, land management advice, and business/marketing resources to participants with novel agribusiness ideas seeking to establish themselves.
- The Virginia Beginning Farmer & Rancher Coalition and the associated Virginia State University Small Farm Outreach Program aim to train military veterans, ethno-racial minorities, and socially disadvantaged populations to create and sustain successful farms through training, technical assistance, and mentorship. Free or low-cost workshops, hands-on experience, and one-on-one support with specialists and mentors help prospective new farmers grasp the ins and outs of business operations, land management, and networking opportunities.
- Appalachian Sustainable Development Coalition aids farmers of all levels and backgrounds (including children) through programs addressing workforce and economic development, food insecurity, and community building and health, seeking to ensure rural agrarian communities can remain viable through the use of strategic planning. Programs range from agroforestry training to environmental conservation to Healthy Families- Family Farms.



7. SUSTAINABILITY PLAN

- Reynolds Homestead acts both as a community gathering place as well as a forest research center. The 780-acre campus hosts events to keep the agricultural and cultural heritages of Southern Virginia alive through classes, workshops, summer camps, and experiential education opportunities. The Community Engagement Center is available to rent for business conferences and other events. The forestry research center conducts studies and develops best management practices in concert with Cooperative Extension and private landowners to maximize ecosystem health and resilience alongside productivity through sustainable land management.
- Virginia Tech Food Science and Technology Extension Programs provide a number of services to agribusinesses. The Analytical Services Lab and Enology Extension divisions assist new and existing wineries across the region through workshops, roundtable discussions, and testing for alcohol by volume (ABV), Apparent Proof, Sulfites, and other tests associated with the production and retail of fermented beverages. The Food Producer Technical Assistance Network supports new and existing food entrepreneurs with startup assistance, food labeling and safety, and familiarizes participants with food rules and regulations.



7. SUSTAINABILITY PLAN

Farmers' Markets

Farmers markets also serve as great resources for small-scale farmers and value-added agribusinesses. They can serve as an initial marketplace to sell products, learn from peers, and gain knowledge on how to access more business resources in the region.

Table 19. West Piedmont Farmers' Markets

Market Name	About	Address	Locality	Hours of Operation	Season Dates
Danville Farmer's Market	Local produce, meats, baked goods, crafts, etc.	629 Craghead Street Danville	City of Danville	Saturdays, 7:30 - 12:00 p.m.; Wednesdays, 1:00 - 6:00 p.m.	Sat from May 7 through Oct 29; Wed from July through August
The Uptown Martinsville Farmer's Market	Fresh produce, coffee, crafts, eggs, meat	65 West Main Street Martinsville	City of Martinsville	Wednesdays and Saturdays from 7:00 - 12:00 p.m.	Saturdays (April 30-Nov 19); Wed & Sat from July 6-Sept 28
Rocky Mount Farmer's Market	Local produce, vendors, and civic/private event space	435 Franklin Street Rocky Mount	Franklin County	7 days/week, dawn to dusk	year-round,
Ridgeway Farm Market	Fresh produce & country store	6697 Greensboro Road Ridgeway,	Henry County	Monday-Saturday, 10:00-6:00 p.m.	year-round
Poor Farmer's Market	Local goods	2616 Jeb Stuart Hwy Meadows of Dan	Patrick County	Monday-Sunday, 6:00 a.m - 8:00 p.m.	year-round
Stuart Farmer's Market	Local meats, baked items, and fresh seasonal produce	310 Patrick Avenue Stuart	Patrick County	Fridays, 8am-12pm	May through Nov
Poor Farmer's Farm	Fresh produce & country store	7958 Jeb Stuart Hwy Vest	Patrick County	7 days/week, 10:00 - 5:00 p.m.	year-round
Olde Dominion Agriculture Complex Farmer's Market	Fresh produce, honey, flowers, baked goods	19783 US Hwy 29 Chatham,	Pittsylvania County	Fridays, 4:00 - 6:30 p.m., Sat 7:30 - 12:00 p.m.	Through Labor Day



