
Comox Valley Gap Analysis - 2008

Comox Valley Agri-food Initiative

Prepared for:

Comox Valley Economic Development Society

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Background and Purpose

Over the past ten years, there has been considerable discussion and a fuzzy vision has formed that the Comox Valley should become “the New Provence”. The valley can and does produce a wide variety of quality agri-food products and the recognition of this is spreading. Local products are basically exported worldwide and visitors are coming from all parts of the world to experience the taste of the Comox Valley. There is still a lot of work to do to gain the reputation of Provence or Tuscany. Perhaps, the valley should use and market itself as “The Land of Plenty”.

The Comox Valley has about 100,000 acres of farmland of which only about one third is farmed. In the shellfish sector, the provincial government has a stated goal of doubling production. Certainly, the potential exists for a significant increase in production of agri-food products in the Comox Valley.

Most of the food consumed in the area is imported from off island. There are a number of consumer trends that suggest that there will be increasing demand for local foods: the 100-mile diet, slow food, real food, organic food, etc. Increasing fuel costs have already pushed the price of food up as grain producers are lured into growing crops for biofuels. These trends imply that local food production will likely become more profitable and local foods will be more in demand.

Purpose

The purpose of this project is to identify opportunities for increased agri-food production in the Comox Valley by comparing local production with local consumption. The Request for Proposals suggested the following activities:

- Inventory and Gap analysis – a comprehensive analysis of the range, quantity and availability of agri-food products currently produced in the Comox Valley. The study will investigate all agri-food products from primary production right through to value added processed products – including fresh produce, meat and all other specialty products.
- Identify production strengths and gaps that present opportunities for local producers including updating land use inventory and mapping
- Survey consumers to establish benchmark data about consumers attitudes
- Facilitate 6 to 10 producer training workshops

Note: there were some significant observations early in the project which indicated that consumer attitudes were not as critical to achieving the objectives as was initially expected. There are other factors, as noted in Land Use Inventory Observations below, that impact the industry much more than local demand for local product. As a result, the consumer survey was replaced with a survey of “middlemen”. (See appendices C to F)

Objectives

The stated objectives of the project are as follows:

- 1) To enhance market development and promotion of the agri-food industry
- 2) To increase the agri-food stakeholder knowledge base, including stakeholder communication, economic potential, statistical data, marketing skills and product development
- 3) To facilitate the development of strategic partnerships and alliances that enhances the long-term sustainability of the agri-food industry.

Inventory and Gap Analysis

For the sake of this project, agri-food products were considered to be primary and value added products derived from agriculture and aquaculture products that are cultivated or managed for improved production within the Comox Valley. Turf, Christmas trees and nursery products were included.

Agri-tourism and agro-forestry products were not included. These are products that certainly can enhance the viability of local farms so there are related opportunities. It is somewhat difficult to define or assess the revenue associated with these and to assess demand vs. supply so analysis of these products will be limited to observations where appropriate or relevant.

The geographic area considered includes that portion of the former Regional District of Comox-Strathcona south of the Oyster River watershed. This includes Electoral Areas A, B, C, K (Hornby and Denman Island) and the portion of Electoral Area D that falls within the Oyster River watershed.

Range of Products

The product list started out with a list of about 200 BC agricultural and agri-food products found on the BC Ministry of Agriculture and Lands websiteⁱ. This list did not adequately (or accurately) reflect the products of the Comox Valley and it could be argued that it doesn't really represent BC products all that well. For example, the 200 products include 50 different herbs some of which are undoubtedly produced in very small quantities and some may even be on the province's noxious weeds list. It also includes "nursery crops" as one product. It does not reflect the wide variety of niche market products that are produced in the Comox Valley and elsewhere in the province.

The product list was revised and refined a number of times. The basic list still contains about 200 products (Appendix A)ⁱⁱ with plenty of room for change. It is suggested that the list is constantly changing and it should be if the Comox Valley wants to brand itself as "The Land of Plenty". In reality, a large part of the opportunity to expand the industry in the Comox Valley is in adding new products to the list. Those "new products" won't necessarily be related to introducing new crops or livestock species. They are products that could be created by differentiating existing crops, livestock or value added products. For example, there are 8 products included in the category of "Poultry and other birds" including: broilers, specialty chicken, ducks, eggs, emus and other ratites, game birds, geese and turkeys. This could be expanded to dozens of products by adding "organic", "free range", "pasture poultry", emu oil, etc. In fact, it is that differentiation within the local farm community that is earning the premium prices that allow some producers to significantly boost the profitability of their operations.

Quantity of Local Products

The quantity of local production was estimated using a combination of 2006 Census dataⁱⁱⁱ and an assessment of land use in the Comox Valley. The land use assessment was conducted by:

- Reviewing existing and past land use assessments to determine if they could provide the appropriate information to conduct an inventory of local products. Past projects include the following:
 - Primary Agricultural Land Use Mapping, Comox-Strathcona Regional District, from the Comox Valley Agricultural Plan, November 2002. This mapping was originally completed by a Ducks Unlimited contractor in 2002. The contractor works with, and knows, most of the local farms and the land use on those farms. The mapping was quite accurate, however, it is somewhat dated and the land use categories were too general to allow an accurate valuation of yield and/or potential income.
 - Comox-Strathcona Land Use Inventory - the 2002 mapping was updated, and digitized by the BC Ministry of Agriculture and Lands, in 2005. This mapping is more current and more accurate but it does not include land use mapping for Denman and Hornby and the categories for land use are too general to estimate potential revenue from primary production.
 - Existing farm uses as Classified by the BC Assessment Authority. This is mapping completed to determine if land owners are eligible for Provincial Farm Classification for property tax purposes. The categories are very broad. The data is very dated; one property shows as dairy but hasn't been used for dairy for over 10 years. And, the entire property is classified rather than the acreage that is actively farmed within the parcel.

None of these land use inventories were found to be directly usable for the purpose of calculating the value of local agri-food production. Accordingly, the following process was used to generate the land use inventory and value of agri-food production for this project.

- A draft land use map of the subject area was developed using local knowledge of the agri-food industry, along with previous mapping and aerial photographs (from imap on the Regional District's website^{iv}), as follows:
 - Acreages were measured online using the measurement tool on imap.
 - Forage is the main land use in the valley, however, the quality and intensity of forage production varies immensely. Accordingly, forage was divided into three categories: high intensity (dairy forage and irrigated forage land), medium intensity (dry land managed hay and improved pasture) and low intensity (unmanaged hay and pasture land). This assessment was based on local knowledge combined with some aerial photo interpretation.
- The acreage and land use was recorded in an Excel spreadsheet and cross referenced to the map.
- Land use was then confirmed by drive by inspection and interviews with key people. Adjustments were made where necessary.
- Average yields and crop values were inputted into the Excel spreadsheet to estimate the total value of each crop measured. Yields and values (prices) were based on a combination of local knowledge, internet research^v and discussions with producers and others involved in the industry.
 - It is acknowledged that this will not necessarily represent the actual value of production in the Comox Valley on any given year. It is basically an assessment of the productive capacity of the local industry on an average year assuming a reasonable level of management input. As such it is believed to be, at least, as

- accurate as the Census which is a snapshot of production in the single year prior to the Census year.
- Secondly, the assessment above takes into account changes in production that have happened since the Census was completed. For example, there have been several significant plantings of grapes and berries and a shift in milk production.
 - This was compared to the 2006 Census data. There were a number of anomalies. These were researched and corrected where applicable. Others are explained in the observations below.
 - The process described above does not allow any true assessment of livestock numbers. The dairy cow numbers and number of dairy farms reported in the Census was consistent with other information sources for local dairy production. The Census data for other livestock is really the only available source of livestock numbers so these were accepted as reported. However, the numbers were compared to forage production estimates and processing reports to determine if they were credible.
 - The farm gate value of processed shellfish products was accepted as reported by the Province of BC – Shellfish Production data tables^{vi}. Dr. Bill Heath, Production Shellfish Biologist stated that the Ministry does not record production by area but the industry estimates that 48% of all BC shellfish is produced in the Baynes Sound area so 48% of the BC total was included as local production.

Value of Agri-food Production based on Land Use Inventory

The estimated value of primary agri-food production, based on the local land use inventory process described above, is \$43,224,829. Because of recent plantings and land use changes, this value was above the total value of agri-food products reported in the Census (see below).

Value of Farm Products (based on 2006 Census)

Gross receipts of farm products are shown below. The total gross receipts produced by 497 farms in the Regional District of Comox-Strathcona (2006 Census) is reported at \$32,975,655. However, this study covers only the Comox Valley which includes Electoral Areas A, B, C and K. Production from a portion of Area D was also reviewed and included in inventory analysis because (a) it is in close proximity to the Oyster River (within the watershed) and (b) it is produced and/or marketed and distributed by Comox Valley producers.

Gross Receipts of Farm Products – Regional District of Comox-Strathcona (2006 Census)			
<i>Area</i>	<i># of farms</i>	<i>Total Receipts</i>	<i>Average per farm</i>
Electoral Area A	34	\$1,941,486	\$57,103
Electoral Area B	103	\$9,903,644	\$96,152
Electoral Area C	185	\$18,450,591	\$99,732
Electoral Area D	41	\$1,219,830	\$29,752
Electoral Area K (Hornby/ Denman)	53	\$739,774	\$13,958
Total for farms in subject area	416	\$32,255,325	\$77,537
Add Value of Shellfish (farm gate)		\$8,592,000	
Total Agri-food (excluding processed)		\$40,847,325	

Value of Locally Processed Product

The added value generated by local processing is estimated as follows:

Value of Shellfish processing	\$6,444,000
Estimated Value of processing of ag products	\$11,240,000
Total value of local Processing	\$17,684,000

Note: the added value of shellfish processing is based on 48% of the difference between the Wholesale value of BC Shellfish and the Landed value of BC Shellfish averaged over the last 5 years 2002-2006 (Shellfish Production Tables – Province of BC^{vii}). As noted above, 48% represents the portion of BC production that originates from the Baynes Sound area which is the same as the subject area for this project.

The *Estimated Value of processing local agriculture products*, above, was estimated at 75% of the farm gate value of products that are processed locally. These include: dairy, some livestock products (meats), and other minor products.

Total value of local Agri-food Products

The combined value of primary product and processed agri-food products produced in the Comox Valley is estimated at \$60,909,000 (rounded) as follows:

Value of Primary agri-food products	\$43,225,000
Estimated Value of Processed agri-food products	\$17,684,000
Total value of local agri-food	\$60,909,000

The value of local agri-food products by category is shown in Figure 1.

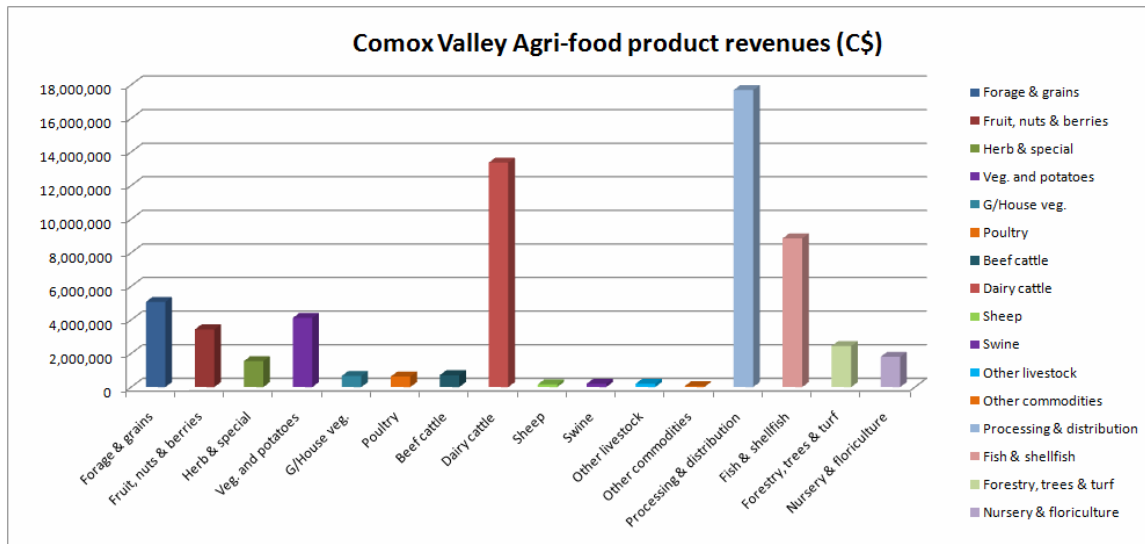


Figure 1 Estimated Revenue of Comox Valley Agri-food Products

Land Use Inventory Observations

The land use inventory and analysis pointed out a number of very significant factors that should be considered when developing strategies to enhance production and marketing of agri-food products in the Comox Valley.

Structure of Local Farms

There are a small number of large farms and a large number of small farms (see Figure 2 below).

- 10% of the farms, 41 farms with sales over \$100,000, generate over 85% of total gross farm receipts. It is relatively easy to identify most of them, purely based on scale and the commodity produced.

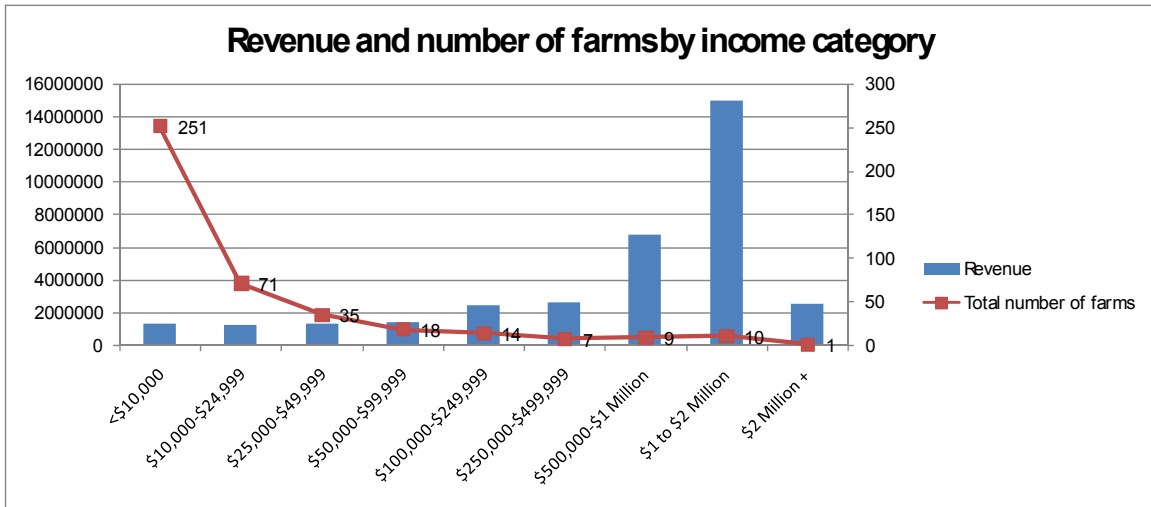


Figure 2 Estimated total sales by farm size (blue) compared to number of farms by farm size (line). Estimated total sales by farm size equals number of farms in income category multiplied by the average sales within the range. For example, the 10 farms in the \$1 to \$2 million range multiplied by \$1.5 million produce total estimated sales of \$15 million whereas the 251 farms producing <\$10,000 collectively generate \$1,255,000.

Commodity Based Industry

A review of the list of large farms clearly indicates that the local industry is still dominated by “commodity” producers – mainly dairy and cranberries. The shellfish sector is also clearly a commodity based sector with clearly defined production, marketing and distribution systems.

Production of commodity agri-food products represents, by far, the most significant portion of local industry revenues – three sectors produce over 55% of total farm receipts

Small Farms

The discussion above leaves 375 small farms (with annual sales of less than \$100,000) which generate less than 15% of gross farm receipts for the area – less than \$6.5 million collectively. Even though their

financial contribution is small compared to the large farms, they are critical to the local industry. These farms produce a very wide variety of products, most of which is sold direct to local consumers. These farmers purchase local goods and services and dedicate their time to the agri-food industry and related organizations. They also have significant opportunities to increase production. They are the farms that will most likely capitalize on the “100 Mile Diet” or grow into the niche market enterprises that will fulfill the vision of the “Land of Plenty”. The large farms need the small farms and the small farms need the large ones for a number of reasons but one main reason is to maintain a critical mass in the industry.

Two Subsectors; two (or more) strategies?

The two “groups” of farms described above face some challenges that are very different but they also have some common concerns. The differences warrant separate strategies for increased development of large farms vs. small farms. A third strategy could deal with common issues for the entire agri-food sector. The focus for the three strategies could include the following:

- 1) Commodity producers – these producers are dealing with issues related to rising input costs, falling commodity prices, access to labour, land use conflicts, and succession planning among others.
- 2) Small farms – these tend to be owner operated, using family labour. They are developing, niche market or direct market farms. Their challenges include: access to capital, marketing, access to knowledge/information, scale of operations, among others.
 - a. Note: few, if any of these producers, would say that local demand for their product is an issue.
- 3) Agri-food sector in general – there are some issue and opportunities that apply to the entire agri-food sector. Addressing these would benefit all. Perhaps the most significant issue overall is improved awareness (and appreciation) by local consumers of the local industry. One producer suggested that this could be significantly addressed with:
 - a. Increased branding of local product (“the New Provence” or “Land of Plenty”), combined with;
 - b. Increased involvement of local chefs to promote Culinary Tourism, and;
 - c. Increased niche market production and on farm processing combined with direct marketing.
 - d. A full time physical market place where local products are featured and (conveniently) available to local consumers. Example – Pike Place Public Market in Seattle
<http://www.pikeplacemarket.org/frameset.asp?flash=false>

Availability of Local Products

The inventory analysis was intended to include an assessment of the availability of local product. It quickly became clear that “availability” deserves its own section in the report. Assessing availability requires an analysis of the distribution system of local products – a fairly complex system as seen in Appendix B, and Figure 3

There are at least 5 main distribution paths that products follow from the local producer to the local consumer:

- 1) Producer used/consumed – this one sounds insignificant at first but it includes forage (pasture, hay and silage) that is grown as a feed input for the livestock industry. In terms of the dollar value of product, forage is the largest crop produced in the valley. To simply include it as part of the value of livestock would ignore its contribution to local production. Consequently, the portion of local production consumed or used by the producer is estimated at 10% of the total value of agri-food products.
 - Availability – by definition, this is all available and consumed locally, on the farm.
- 2) Marketed to wholesale markets in the Comox Valley – this product is estimated at 7% of the local production. It includes a variety products marketed through a local “middleman”; vegetables, berries, sprouts, peppers, and some livestock products. A portion of this product is intentionally wholesaled but some is wholesaled because the producer isn’t able to sell it all direct.
 - Availability – generally, these products are readily identifiable and available to local consumers, mainly at specialty stores and restaurants, occasionally at chain stores. There is one local distributor, Vancouver Island Produce (VIP), who is able to move product directly from the farm to major chains, without going through the chain’s warehouse system. VIP is expanding the line of products it represents but the products must meet their quality and other standards.
- 3) Shipped directly to markets outside of the area – this is estimated at 14% of the value of local production and it includes products like: cranberries, sod, tilapia, a portion of local potatoes, forage and nursery products, among others.
 - Availability – unknown and highly variable. Most of this product leaves the area and never returns. If it does return (example: processed cranberry products), it is in a form that it cannot be specifically identified as local (Comox Valley origin).
- 4) Processed locally – this is estimated at a total of 54% of the farm gate value of local product of which:
 - 12% is sold in the local market which includes the estimated local consumption of milk, meat and shellfish (and other minor products) processed in the Comox Valley, and
 - Availability – readily available but not always easily identifiable as being fully local. Even milk, processed in the Comox Valley may not be from the Comox Valley. Some products may not be labeled. Restaurants may use local but don’t always identify it on the menu.
 - 42% sold outside the area including milk, meat, shellfish and other minor products.
 - Availability – this is generally product that is excess to local demand or consumption. Some of this goes to markets, outside of the area, that are willing to pay significant premiums – enough to easily justify the added costs of distribution.
- 5) Direct marketed – about 15% of the farm gate value of local product is sold direct from the farm of which 10% goes direct to consumers and 5% to restaurants and bars. This includes

Farmers' Market sales of about \$750,000 per year plus estimated sales from on farm stands. It also includes estimated direct sales of forage within the valley.

- Availability – by definition, this is readily available and (usually) easily identifiable. The Farmers' Market essentially guarantees that the product is local. Most direct farm sales are selling their own (or all local) product, however, it is not always the case.

Even though, direct marketed product is readily available and easily identifiable, there are some issues and limitations that impact negatively on sales:

- Seasonality is the obvious one, but
- Convenience and the cost of purchasing are two other factors. Many markets, including the Farmers' Market are not open all week; some have very limited operating hours. Many, if not most, are also "off the beaten path", so the time and fuel costs of shopping at those markets has an impact on sales.

These issues could be resolved with a full time Farmers' Market at a convenient central location.

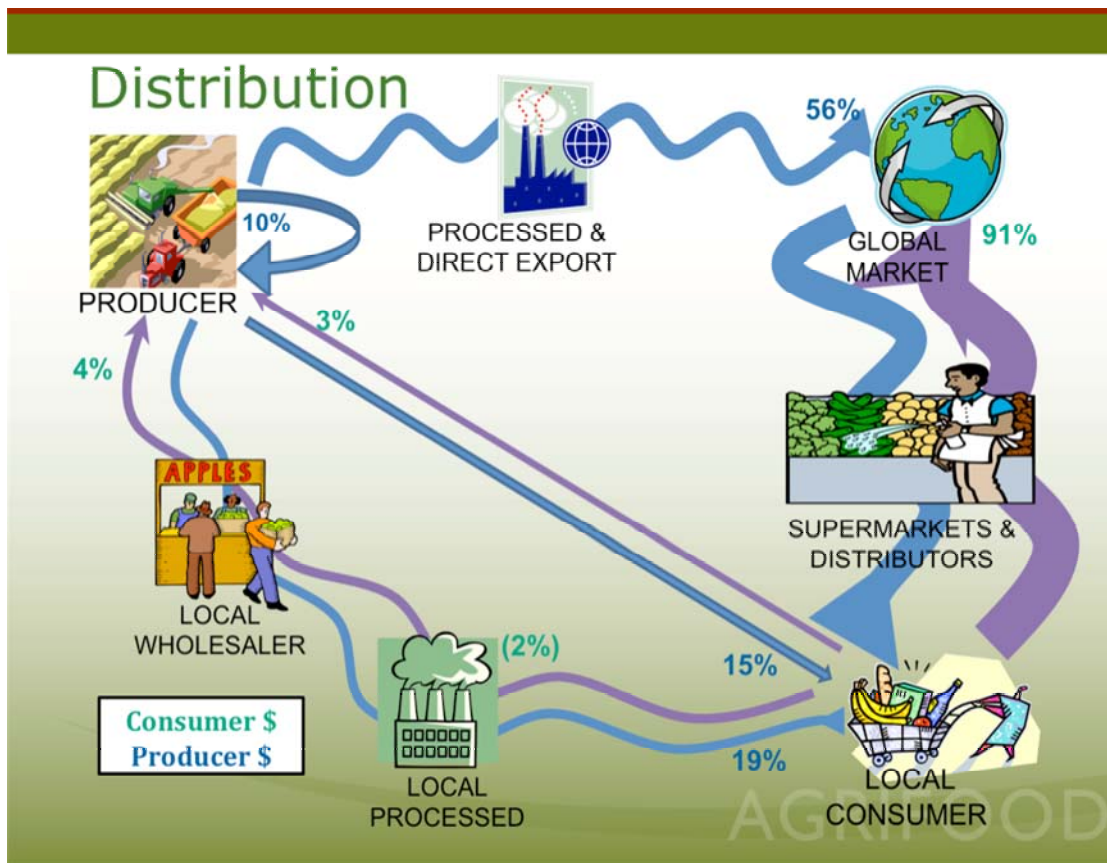


Figure 3 Diagram showing distribution system for Comox Valley agri-food products. The blue line shows the flow of product from the farm based on value. The green line shows the flow of consumer dollars back to the producer.

Significant Observations on Distribution and Availability

Distribution of the Commodity Agri-food Products

There are at least three major commodities/commodity groups that operate in much larger markets. They are marketed and distributed in well developed (or defined) systems which limit their local availability – they leave home and don't necessarily come back. The three main commodities (milk, cranberries and shellfish/fish) account for about \$23,616,900 (or 54.6%) of total local primary agri-food production.

Cranberries and milk are generically available – mixed in with other Ocean Spray and Dairyland product. Admittedly, some of the Dairyland milk goes back to the local market but it isn't specifically recognized as local by the consumer. Shellfish products are generally shipped to export markets that are willing to pay premiums over what could be obtained locally. The cost of supplying these products, specifically, to local markets is probably higher than the returns.

A review of the farm list (inventory) indicates that there is a variety of other products with markets outside of the area (and/or where there is surplus beyond what is consumed here) that add up to over \$4 million additional. These products include sprouts, nursery, sod, potatoes and tilapia, among others.

Therefore, after adjusting for milk and shellfish consumed locally, there is a total of about \$24.5 million (or 57% of local production) aimed at markets outside of the Comox Valley. A small proportion of this figure may find it's way back into the local market through outside distribution mechanisms, but the amount is difficult to quantify. It should be noted that about 50% of the \$24.5 million would remain on Vancouver Island; it is shipped out of the area but not off island.

It is probably safe to say that these commodities have well developed marketing and distribution systems and, while it is always a bonus to improve on those systems and prices, the producers have bigger issues back on the farm.

Distribution to Supermarket Chains

Local demand for local product is a minor issue compared to the ability of producers to place their product on supermarket (chain store) shelves. Consumers purchase about 54% of their food products from supermarkets because the outlets are: always open, convenient, inexpensive and they carry virtually all of the products needed on a daily basis. Everyone surveyed agreed that consumers would buy more local product if it was available at the local supermarket.

However, producers, especially small scale producers, face a number of challenges, to get their product into local supermarkets:

- 1) Access to the market – local producers who do sell to chain stores have stated that it isn't easy or cheap. In many cases, they cannot sell direct to the store. The product would likely be shipped to a warehouse, most of which are off island, processed and distributed from that warehouse. Many of these chains have their own branded product so the producer may be competing against that brand. Invoicing and payments are dealt with centrally so the producer will not necessarily be paid quickly. This system works for large suppliers but it can be challenging for small business.
- 2) Economics – the “infamous” middleman becomes part of the equation and the returns to the producer are reduced. There must be enough margin in the product to cover these costs.
- 3) Scale – most local producers do not produce on a large enough scale to supply the chains. The chains want consistent volume, uniformity, quality and safe food. Producers who want to

access this distribution system will need to have their own systems of quality control and consistency of supply. Labeling can also be a factor – and an expense.

- 4) Lack of local processing – one way of providing a uniform product (in some cases) is processing but this is the often discussed “chicken and egg” scenario. The valley won’t have processing until there is a higher volume of production and production won’t increase until there is more processing capacity.

Opportunities for Expanding Markets for Small Scale Producers

The discussion above, combined with comments from producers, indicates that small scale producers are not likely to find a lot of viable opportunities to market product through the mainstream supermarket system.

However, there are a significant number of consumer trends (organic, 100 mile diet, culinary tourism, slow food, real food, etc.) that strongly suggest that local demand for local product is solid, growing and will continue to grow. The opportunities will probably emerge in the following areas:

- Increased sales through the Farmers’ Market – Farmers’ Market sales have increased steadily at double digit rates and have always exceeded the budget expectations of the market, and
- Increased sales of niche market products, and on farm value added products from the farm gate, and
- Increased sales to restaurants, caterers, etc. Restaurant sales have been increasing at significant rates over the past 6 to 8 years. The aging demographics, higher incomes and increased interest in cuisine and culinary tourism will likely continue to drive demand for local products.

The Vancouver Island Diet

This project was based on an inventory and gap analysis of agri-food products *in the Comox Valley*. Focusing completely on the valley ignores the opportunities and potential to develop markets based on an Island wide diet as opposed to the 100-mile diet. Promoting the Vancouver Island diet makes sense. It also makes sense to analyze the gap as part of Vancouver Island rather than just the Comox Valley. Urbanization and rising land prices in the Victoria area will inevitably continue to push agriculture north into the Cowichan and Comox Valleys both of which have productive agricultural land bases. While it wasn’t the objective of this project to evaluate island demand for island product, there are clearly some significant opportunities for increased local production targeted at south island markets.

Gap Analysis - Local Consumption vs. Production

The gap between consumption and production was evaluated based on:

1. Total dollar value of local agri-food production vs. total local agri-food consumption, and
2. Production vs. consumption by commodity group where the commodity groups include: edible produce; livestock products, fish and shellfish, non-edible products and processed products. Per capita consumption or disappearance of many of these products is unknown so the gap analysis for some products is anecdotal.

Local Consumption

Local consumption in the Comox Valley is estimated as follows:

Based on the 2004/05 research figures from the Canadian Restaurant and Foodservices Association, and preliminary 2006 census findings, the average household spending on food in BC for this exercise has been averaged at approximately **\$8,000 per year**. BC figures are considered to be representative of the subject area. There are various statistics, from different sources, that indicate household spending in this range. This value was used because it was close to the others, current and the association has identified the portion of spending that goes to different food outlets – supermarkets, specialty stores, liquor stores and bars and restaurants.^{viii}

According to BC Stats, the 2006 population of the subject area is 62,326 (CVEDS website – BC Stats Profile 2006 for Local Health Area 71– Fanny Bay to Oyster River). According to the 2006 Census (Courtenay CA), there were an average of 2.3 people per household. This equates to 27,098 households within the subject area.

Based on the above statistics, total annual spending on food and alcohol in the Comox Valley is **\$216 million**. With production at \$60,909,000, the valley is producing the dollar value equivalent of about **28.2%** of the agri-food products consumed locally. Given that a large proportion of the production is produced for export, local consumption of locally “available” agri-food products is considerably less – estimated at **9%** as shown in Figure 4 below.

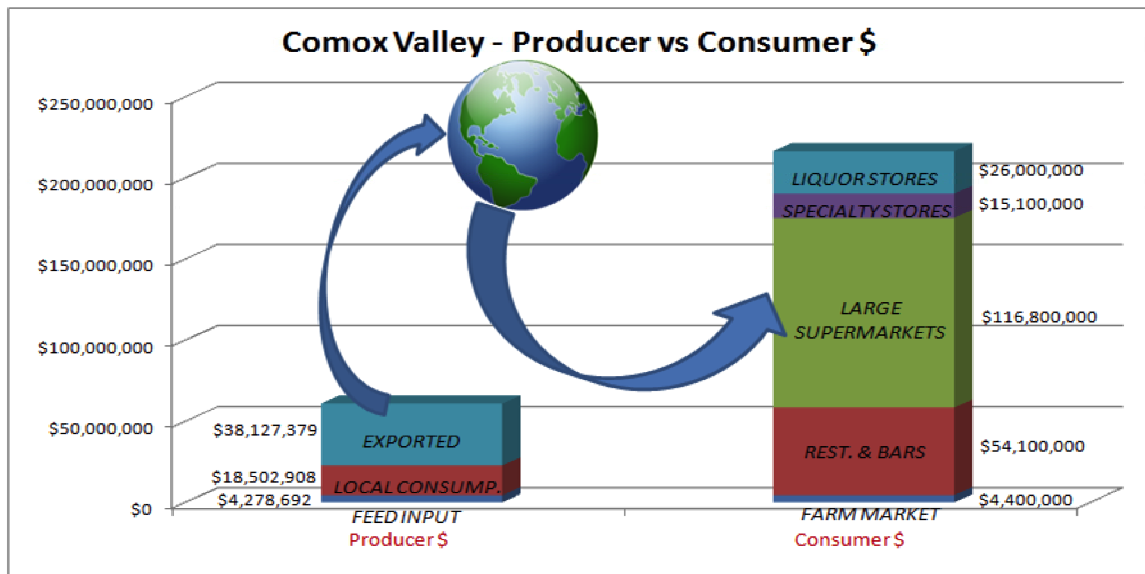


Figure 4 Value of local production (left) is estimated at \$60.9 million compared to estimated local consumption (right) of \$216 million indicating that 28.2% of the value of local consumption is produced in the Comox Valley. However, a large portion of the production (19.2% of the 28.2%) is produced for, and shipped to, markets outside of the valley. Therefore, the local production available to local consumers represents only 9.0% of total local consumption.

It should be noted that the statistics used to estimate this gap were considered to be the best available values, however, inaccuracies and statistical error could change consumption values considerably. The accuracy and age of the data on household spending on food is questionable and exactly what is included is unclear. However, tourist spending is probably not included and there are likely a number of other factors that would change the numbers above. Realistically, it doesn't matter. The percentage would not change a lot; it is probably safe to say that it would fall between 25 and 30%. It is definitely safe to say that there is a huge gap between what we produce locally and what we consume.

There are a few very good reasons to try to fill that gap:

- Economic development – local production will provide local jobs and keep dollars in the community.
- Food security – we are relying on other areas to produce our food. Often quoted statistics say that there are only 3 days worth of food in our food distribution system at any given time. A significant natural disaster would empty the shelves very quickly.
- Sustainability – another statistic says that the average vegetable we consume travels about 3000 kms from field to plate. As energy prices rise, the cost (economically and environmentally) of producing and delivering those products is going to rise significantly.
- Efficient use of resources – the Comox Valley has the soils, climate and water to significantly increase production of agri-food products.

Observations on the Gap

While it is nice to think that the Comox Valley should produce everything it consumes, there are some very significant challenges and, for some products, it probably isn't desirable to match production with consumption:

- There are many products that we consume that we can't produce locally and it is safe to say that consumers won't switch to a local alternative. Coffee is probably the most obvious example but a trip through the grocery store will identify a large number of other products.
- There are products, as noted above, that we can (and do) produce locally that should be produced locally because of competitive advantages. Local production of these products exceeds local consumption and there are still opportunities for significant production increases. In fact, there may be more opportunity to expand revenue in these sectors than there is in sectors where consumption exceeds production.
 - Shellfish - The province has a stated goal of expanding BC production from 6000 acres in 2003 to 9500 acres.
 - Cranberries – the General Manager of Ocean Spray recently stated that they would like to contract another 2500 acres of cranberry production for the processing market. He commented that the Comox Valley produces quality cranberries. There is also strong evidence that there is a demand for cranberries for the fresh market.
 - Dairy – the cost of feed is higher on the island but dairy has a long history in the valley and there are, arguably, good reasons for it to stay here and to grow. The high cost of land and the animal densities in the Fraser Valley could make this area attractive for dairy production.
 - Forage (livestock feed) – the soils and climate of the Comox Valley are very well suited to production of quality grass forages. Based on the inventory assessment, the existing forage land should be able to produce more forage than is needed to feed the local livestock herd. There are those who would argue that this land should be used for human food, however, a large portion of the forage land is only suitable for production of perennial forages. Some of this forage land could be converted to cereal production which could offset the high cost of “imported” dairy feed.
- The distribution systems used by large chain stores make it challenging to match local production with local consumption. Chain stores carry their own brands and/or have contracts with major producers in other areas. These products, some of which are “over produced” in the Comox Valley, find their way to local shelves (and consumers) at the expense of local product. Potatoes are a good example. Local growers could fill the shelves but a number of stores prominently display imported product so local potatoes are similarly shipped off to external markets. A stronger voice from local consumers would probably change this practice.
- Existing food distribution systems are probably the most significant challenge for increased production but possibly the best reason to adopt the vision of “the New Provence” or “Land of Plenty” (why copy someone else's brand when we may have a better one of our own?). The goal is to increase awareness of local food products and to reach a point where tourists come to the valley to “celebrate the food”.

- Processing, as noted above, may allow local producers to access markets through the main grocery chains. However, a significant number of larger scale processors moved out of the Fraser Valley about 20 years ago and have never returned. They left because of the relatively high cost of operations – specifically labour. The Fraser Valley has access to larger volumes of primary product so, if it doesn't work there, it is not likely to work here. Small scale processing for niche markets and direct sales, on the other hand, has been increasing in BC over that same period.
- For producers, the cost of servicing markets with small volumes is prohibitive and, as energy costs increase, it will become even more so. For consumers, it is much cheaper and more convenient to buy all their groceries in a central location. The Farmers' Market works well for that reason but it is seasonal and only operates 2 days a week. It serves some consumers well, some of the time.
 - It is suggested that a central market for local products would resolve the producer and consumer issues noted above. If that market included some processing and storage facilities, to allow small scale processing of local products, it would provide additional opportunities for local producers.
- “Land of Plenty” (or the New Provenance) – most of the observations that have come out of this Gap analysis suggest that a strategy that leads to more direct marketing of agri-food products will provide increased opportunity and profitability for local producers. The vision of “the New Provenance” or “Land of Plenty” would help make that happen. Edgar Smith described Provenance as a place where people celebrate their food. Producers have developed a reputation for quality and diversity and consumers and tourists have bought into it. Customers will travel great distances to accumulate the ingredients for their meals and then take them home and, with care and attention, prepare a meal that is an experience, not just a meal. There are a number of North American trends developing that suggest consumers have an “appetite” for this concept: the 100 Mile (160 km) Diet, real food, slow food, etc.
- As noted above, a full time physical market place where local products are featured and (conveniently) available to local consumers would provide a forum for consumers to conveniently find and purchase local products.

The Gap – by commodity group

A closer look at the gap between production and consumption by commodity group reveals the following:

Edible produce

This group includes 120 different products with various tree fruits, nuts, berries, herbs, vegetables, and some minor products like bee products and maple syrup. The estimated value of local production is just under \$10 million or 23% of local primary production. Of the 120 different products, there are seven for which production may exceed local consumption. Cranberries is certainly one of these and it represents a very significant portion of the \$10 million. Blueberries and blackberries are included because of recent plantings that will increase local production very significantly. Potatoes, sweet corn and pumpkins, in season, are produced at levels that are close to, or above, local demand. Eatmore also readily produces enough sprouts for the local market. There are many, many minor products within this category where it is difficult to determine production and/or consumption volumes. Excluding cranberries, valley production is estimated at 28% of total consumption – likely considerably higher than that in season.

Strengths and Opportunities

- The Comox Valley is ideally suited to production of most crops that can be grown in Canada. The climate has a long growing season and soils are generally adequate. With appropriate planning to address management, capital, marketing, and labour issues, potential in this sector is strong.
- Processing facilities may provide further opportunities, but the economics and viability would need close scrutiny. Small scale processing and/or direct marketing represent the best opportunities, particularly in the vegetable and herb markets.
- Tree fruits, berries and grapes may present better prospects due to possibilities with value adding (processing into juices, jams, wines and spirits).
- For most of these products there is a strong local consumer loyalty and potential to increase markets through direct marketing and culinary tourism.
- As noted elsewhere, Ocean Spray wants to increase its contracted acreage of cranberries by 2500 acres. Cranberries are capital intensive and it may be somewhat challenging to find suitable production sites.

Challenges

- Management – based on observations, the growers who are doing well in this sector (like most businesses) are those that are doing all the little things right – paying attention to detail and planning. Assuming management and planning are in place, the challenges at the farm level will likely be
 - Labour – this area is facing labour shortages which make it difficult to find and retain employees. Some crops, like berries, are very labour intensive so an appropriate plan should be in place.
 - Water for irrigation – many of the better growing sites in the valley have limited groundwater supplies. Well output should be confirmed or other water sources identified to ensure adequate summer water for irrigation.

Livestock (including forage)

This group includes forage (primarily fed to livestock) as well as 44 other livestock products including beef, dairy, sheep, swine, poultry, other livestock such as deer and bison among others. The estimated value of production from these sectors is \$20.3 million, which represents 47% of total valley primary agricultural revenues. Dairy alone accounts for 2/3 of this turnover. All of the other livestock enterprises are relatively small with large numbers of producers. Very few non-dairy livestock producers in the valley have annual sales over \$100,000.

Of the 44 products, there are two general areas where local production exceeds demand: dairy (liquid milk) and forage crops (including hay, pasture and silage). It is difficult to quantify demand for niche products such as bison and deer, and as such their production may equal consumption (in the absence of more aggressive marketing), but for the rest production is below demand. It does not necessarily follow that opportunities are greater in those products where supply is lower than consumption, and vice versa, as discussed below.

Strengths and Opportunities

- As mentioned above, some of the better potential for expansion exists in enterprises which are already widely (and for the valley 'over') produced. In the livestock sector, the primary (and possibly only) example is dairy – fluid milk – for some of the following reasons:
 - The dairy industry is well established in the valley with a high level of management, expertise, and experience amongst the existing producers, and
 - The only processing facility in the central/north island is in Courtenay and is operating at about 50% of capacity.
 - There is also unused production capacity on farms as existing producers are declining in numbers but increasing in size, and
 - Milk production is one of the few economic uses of the forage potential in the valley, and
 - Land prices are high but not as high as the South Island or the lower mainland, and animal densities and urban rural conflict are not significant issues as they are in those other areas.
- Based on existing forage acreage, it appears that there is excess forage production (or the potential for excess forage production) in the valley. Given the increasing price of grains, there are likely opportunities to convert forage acreage to higher “energy” crops to displace feed imports onto the island and/or possibly to produce biofuel crops. There are many acres of undermanaged or underutilized forage where production could be improved.
- The other area where strengths and opportunities may exist are niche markets where value-adding combined with good marketing could result in reasonable returns for small scale producers in many sectors such as specialty meats of many types, pasture raised products, and cheeses (goat, sheep, cow and others).
- The 'land of plenty' concept would accommodate such niche enterprises, especially where agri-tourism is concerned.
- Despite the challenges noted below, livestock can be (and is) produced on a small scale, part time, basis as a sideline to off farm employment. The off farm income helps producers develop their business gradually, if need be.

Challenges

- Recent financial assessments indicate that the livestock industry is facing many viability challenges. It will take a high level of management and a very good plan to generate a profit producing beef, sheep, or pork with current feed prices and meat prices. Even broiler chickens and layer chickens showed only a slightly positive gross margin.
- Other forms of livestock such as bison, deer and goat are niche market products. Production (probably) should increase slowly and cautiously as markets are developed.
- For the bulk of the livestock enterprises producers or potential producers, will need to carefully plan their marketing strategy (looking for niche markets), and pay particular attention to management in order to be successful.
- Regulations in marketing, health, and obtaining quota, are requisites in some sectors.

Fish & Shellfish

This group cannot be realistically combined with anything else, and is really stand-alone in terms of its production. Hence it is treated and analyzed on its own. The sector generates \$8.8 million in farm gate receipts, which represents a little over 20% of total local primary agri-food production. Shellfish is one of the “commodity” sectors with a well developed marketing and distribution system and significant local processing capacity. Most of the product is processed locally but sold outside the Comox Valley. In fact very little product is sold locally (probably less than 5%), but that does not mean that the industry lacks expansion potential. Included in this sector are the shellfish, primarily clams, oysters and scallops, and also a much smaller land based tilapia operation that sends all its production outside the area.

Strengths and Opportunities

- The obvious strength of the industry is BC’s strong presence and reputation in the market, and the vast coastline potentially available for the cultured production of shellfish and other fish species.
- There is a strong export market for the product, and the local processing capacity creates jobs and supports the local economy. Further, the local First Nations residents participate as owners and operators, to the benefit of the local community.
- There is a strong stated desire by the government to see a considerable expansion in production.
- Despite the fact that little of the product is consumed here, more local marketing and a strong agri-tourism sector could boost local consumption, and improve public awareness of the benefits.
- Fish farm production, of any kind, is low within the area, but there appears to be strong demand for the land based fish farm products.
- Seed stock – a challenge and an opportunity for the industry. Availability of seed for shellfish operations is currently very limited, mainly of US origin. A BC hatchery would be a valuable asset to the industry. However, there are some significant hurdles to overcome: economics, production contracts to sustain the business, expertise for operations and management, etc.

Challenges

- Labour for harvest of shellfish is one very significant challenge, currently.
- Tenures are limited especially in accessible areas, and
- Farmers face a number of issues with neighbours, upland owners and trespassers, and
- Primary among these are the regulatory and environmental challenges. As noted earlier, the BC government wishes to see production increased by more than 50% between 2003 and 2010 (and beyond if necessary). However, achieving these goals requires overcoming stringent regulations about siting operations and production methods.

Non-edible Crops

This group includes 20 products ranging from Christmas trees to nursery products and sod. The species of plants are too numerous to mention and have been broadly categorized for the sake of

functionality. The group generates \$4.24 million in revenue which represents almost 10% of local farm gate sales. Thus, the sector is by no means small in general terms, but it is the smallest group of those discussed here. Production is not necessarily all sold locally, but it could be safely said that the majority of it is. There is one very large producer of seedlings for the forestry sector most of which leave the direct area but stay on the island. Most other nursery products stay in the area and generally satisfy local demand. With very few exceptions, local producers are likely to be able to meet local demand, and the trend from 2001 to 2006 statistics shows a small decrease in production but a steady producer base.

Strengths and Opportunities

- A major strength is the absence of limiting regulations on production and marketing.
- The business is largely seasonal, giving owners a chance to take a break, plan future production and marketing, and prepare for the growing season.
- Markets are generally steady. The product is somewhat non-perishable, and economics are adequate depending on level of management.
- Possibilities for moderate expansion could be forthcoming if the edible crop sector were to increase production, necessitating increased demand for seedlings.

Challenges

- Marketing of many nursery products and sod (and possibly other products) is very closely tied to the construction industry or, in some cases, the forestry sector. When housing starts are high, demand (and prices) for these products is strong. However, if the market turns, there can easily be oversupplies of product.
- Consumer awareness can be a challenge. A portion of the population views all nursery products as the same. They will buy cheap “imported” nursery product from the major chains but survival is poor because the product isn’t adapted to the local environment.
- Large scale expansion would likely flood the market unless considerable export markets could be found. New business or expansion in this sector will need to find or develop niche markets within the industry

Processing:

This group includes 13 product categories which are deemed to be produced locally, from the very small enterprise, to the larger commodity based processing. Processing includes, the larger milk (and milk products, including cheese), and shellfish commodities, to the smaller meat products, pet food, bakery products, wine and other beverages etc. The group generates an estimated \$17.7 million which has been derived from taking an average of 75% on the processed primary product values. The figure is almost 41% of the total primary output (75% of 54.6%) and when taken in the context of the whole agri-food sector, it represents 29%, and is therefore the second largest sector behind livestock.

Production is mostly sold outside the Comox Valley – in fact only 23% of that processed value stays here, with the other 77% going outside the area. (9% vs. 32% respectively of the 41% indicated above). Dairy (milk) and shellfish constitute by far the largest portion of total processing, and almost all the exported value. Processing remains fairly stable, and is likely to do so into the future. There is spare processing capacity in many of the sectors represented here, but it will take some concerted

marketing to get producers to fill that capacity before new expansion can be contemplated. Developing small processing facilities for niche markets is a distinct possibility.

Strengths and opportunities

- The milk processing industry has been fairly stable for a number of years. There is spare capacity for further processing, but will depend on company marketing strategies.
- Shellfish has maintained a steady and modest increase in capacity in recent years, and as further producers turn to processing, and/or the planned increase in shellfish production takes effect, processing should continue to rise.
- Cheese making has developed significantly in the last 5 years. This will likely continue as markets develop and existing capacity is utilized.
- Niche market processing, (meat products, berry and vegetables, bakery and specialty foods) could develop progressively, provided the marketing is developed in tandem with that growth.
- Areas within the Valley are well suited to grape production, and there are already a handful of developing wineries. The growers' organization believes there is strong potential if the sector can attract investors with capital and access to management expertise. Berry wines and ciders also fall into this category.
- The rapidly developing and improving transportation network that services the Comox Valley will provide increasing opportunity to develop opportunities related to storage, handling and transport of agri-food products to other markets.

Challenges

- Commodity type processing requires a significant volume of uniform primary product on a regular basis. Milk and shellfish are probably the only local products available at a scale that can justify processing at this level.
- Livestock processing has changed significantly in the past year due to changes in regulations. Processors and suppliers are still in the throes of adjusting to those changes and the implications of those changes to local and more distant markets.
- The Land of Plenty concept, and related niche market opportunities are based on small scale on farm type value added enterprises. The valley does not have a lot of experience with, or direct access to, the systems that are needed to progress with the vision. The internet certainly helps to develop the concepts and locate the pieces needed to develop the businesses but it will take time to build the network that makes this happen.
- It will also take some time for new and existing producers to learn and adapt to the regulatory and food safety/health requirements of federal and provincial governments and consumers.
- As with all sectors, labour will likely be a concern. However, in some of the processing businesses there will be requirements for specially trained people that may be challenging to recruit (cheese makers, viticulturists, food safety professionals, equipment maintenance technicians, etc.)

Assessment of Local Demand for Local Product

At the start of this project, discussion revolved around local demand for local product. The theory was that a certain percentage of local consumers would pay a premium of XX% to support local producers. Early discussions generated the following comments:

- *“Surveying consumers to find out how much extra they will pay to support local producers won’t work. You won’t get a good answer. The only way that you could get any answers about what they will purchase or are purchasing is to do an exit survey”* (Brent Warner, Direct Marketing Specialist, BC Ministry of Agriculture and Lands).
 - Unfortunately, the project was undertaken during February and March when there really isn’t enough local product available to draw any reasonable conclusions from an exit survey.
- The premium, if there is one, is not consistent. Even the most loyal consumers will pay significant premiums for some products and none on other products. Fresh local corn on the cob is probably a good example of a product that warrants a premium and that people will go out of their way to purchase. Pork is an example of a product that can be difficult to sell at a premium.
- One of the local chefs has commented that he did the survey as part of a marketing strategy and concluded that the customer base would pay a healthy premium. However, when he tried to actually sell the product the premium wasn’t there.
- Differentiation is really the key to this. Most, if not all, of the speakers at the recent Farm Seminar in Nanaimo specifically mentioned the need to differentiate farm products. If the producer wants to market product for a premium price, the consumer must believe that there is an added benefit to purchasing that product. The “perceived value” to the consumer is higher for the local tomato than the imported one next to it. This isn’t as simple as “local demand for local product”. There must be a reason that the consumer feels compelled to pay “more” for one than for the other. The UNBC study^x identifies some of those reasons and it shows that those reasons are quite consistent throughout the province, namely to support the local producer, freshness, and quality.

The feedback from the early discussions suggested that “local demand for local product” is only a minor part of the reason that there is a large gap between production and consumption. There are other factors that are much more significant. Profitability of farms is likely the biggest factor but that is also a combination of other factors. The factor that was most relevant to this project was access to market (from the producer’s perspective) and availability of local product (from the consumer’s perspective).

Accordingly, the consumer survey was abandoned in favour of a survey of producers, supermarkets, restaurants, and processors in the valley (see appendix C & D). This provided a reasonable idea of the level of support for local production.

The survey results were analyzed and summarized, and can be viewed in Appendix E & F.

Survey Observations:

The following were some of the main observations:

Processors survey:

Apart from the buffalo milk, the vast majority of processed product comes from the Comox Valley

Local consumption of locally processed product is variable, but averages almost two thirds (by processors, not by quantity processed)

There is considerable spare processing capacity in almost all segments

Local processors believe local producers could meet the bulk of any increased processing capacity

Considerably less than 50% of any increase in processing would be consumed locally

Two thirds of processors report having modest plans for expansion

Of the constraints to expanded production, finance, labour, Government regulations and marketing (in that order) would be foremost

Supermarkets & Restaurants survey:

The vast majority (90%) of those interviewed do buy local, and would like to support the local producer

Problems with supporting local producers are: poor marketing, seasonality, inconsistency of supply, and to a lesser extent price

All respondents are familiar with the 'eat local' slogans and support them as far as they can.

90% of respondents can purchase direct from the producer at this time.

The most important reasons for buying local are: support local producers, and best quality. Consumer demand is not a major factor.

Price of local produce generally higher than imported

All those who currently buy, would buy more if it was available, dependant on those points mentioned in 2 above

On average (of those products they buy), respondents purchase about 10% on a year round basis, and double that when in season.

Producer Training Workshops

The time frame to organize and conduct consumer workshops for this project was very tight. The project started in February and, based on past experience, producers lose interest in courses quickly once things start to grow – mid March. Therefore, a series of small farm development workshops was organized in association with North Island College. These could be done within the timeframe and there was an apparent demand for these workshops.

In addition, the inventory and gap analysis and discussions with producers have indicated that there would probably be value in doing some form of workshop(s) or field day(s) on the following:

- 1) Marketing to Grocery Stores and Restaurants – the stores and restaurants generally said that they would and do buy local product but there are some conditions: consistent quality, food safety standards, price, convenience and ease of purchase, etc. Certainly, these are businesses but they are also customers, so the producer must be able to provide them with the product that they want at a price that the producer can generate a suitable profit.
- 2) On farm drainage – how to plan and use the Institute’s drainage plow. This one is more production oriented but relevant because it would encourage use of the plow and generate interest in the Institute both of which will strengthen the local agri-food industry. The institute is planning to hold a field day to demonstrate the drainage plow but there are some details that need to be finalized before it can proceed. It is challenging to find a drainage engineer or expert who is available and can present the appropriate information for the Field day.
- 3) Direct marketing – the Pacific Northwest Direct Farm Marketing Association holds an annual conference with workshops on various subjects related to direct farm marketing. These conferences and workshops are always well attended and participants always take home valuable and useful ideas that improve their marketing and profitability of the farms. The same types of workshops could be done locally.
- 4) Small Scale Processing – a “how to” workshop for small scale processing would probably be very well received. This could be targeted well beyond the Comox Valley because it is probably of interest to small and medium sized farms everywhere.

Workshop evaluation

A series of 6 Small Farm Development workshops was planned in cooperation with North Island College. The workshops started in early March and were completed on April 2nd. The first workshop was cancelled because there was not enough lead time to advertise it and attract participants. The material from this workshop was incorporated into subsequent workshops. Gary Rolston PAg, From the Ground Up, presented all of the sessions. Each session was 3 hours. The following subjects were covered:

- 1) Small farms – Choosing what to produce
- 2) Planning the Small Farm
- 3) Marketing Small Lot Agricultural Products
- 4) Production Planning for the Small Farm
- 5) Financial Planning and Management Tools
- 6) Putting the Plan Together

Evaluations indicate that the material presented was highly relevant and useful to the participants. The participants in this type of course are generally people who can become vendors at the Farmers’ Market and potentially develop productive small farm operations. At least 5 of the past participants in similar Small Farm Development Programs from North Island College currently sell at the Comox Valley Farmers’ Market – all of these farmers are essentially full time farmers. The course certainly wasn’t fully responsible for those farmers’ success in developing their farm

operations but it likely contributed to the development of farms. Unfortunately, participation in these programs is not high but fortunately, the caliber and dedication of the people who attend is high which is probably a large part of the reason that successful small farms do come out of the program.



Conclusions and Recommendations

There are, at least, 200 agri-food products produced in the Comox Valley.

The estimated farm gate value of local agri-food products is \$43.2 million per year. Local processing adds another \$17.7 million in value so the total value of local primary and processed agri-food products is \$60.9 million.

There are 2 distinct groups of farms:

- Large farms – 41 farms (10% of the total) producing over \$100,000 per year in sales, generate over 85% of the value of local production.
- Small farms – 375 farms (90% of the total) with sales less than \$100,000, generate less than 15% of the value of local production.

The large farms are generally commodity farms – producing milk, cranberries, shellfish, vegetables (among others) for well-developed marketing and distribution systems.

Small farms produce a diverse mix of products that are generally sold direct to the consumer. These are the farms that service the “100 mile diet”.

Availability – the distribution system for local foods is quite complex. Connecting the consumer to the producer is a much more significant challenge, to filling the gap, than is local demand for local product.

On the production side, about 57% of local product is shipped to markets outside of the Comox Valley. This includes most of the milk and shellfish, virtually all of the cranberries and an assortment of other products.

From the consumer side, 54% of purchases are made at the supermarket because it is convenient, relatively inexpensive and always open.

In season, the consumer can find the producer easily at the Farmers' Market or Direct farm markets, however, the hours of operation are less than the stores and, for some, there is a long drive to get to the producer. The cost of that drive and the time are increasing.

For most small farmers, the cost of distributing through the supermarkets, outweighs the benefits. Small farmers have a difficult time producing the volume, uniformity, and quality, on a consistent basis as required by the supermarkets. Small farmers face similar challenges when dealing with restaurants.

Local consumption of agri-food products is estimated at \$216 million – based on annual expenditures of \$8,000 per household.

Based on the values above, the Comox Valley produces 28.2% of the agri-food products consumed locally.

Or does it? As noted above, 57% is excess commodity product - shipped to markets outside the Comox Valley. If production is adjusted for this, then the Comox Valley only produces about 9% of what is consumed locally.

Dairy (milk), shellfish and cranberries are, by far, the most significant agri-food products produced in the valley. These are all produced in volumes that exceed local demand. If the valley was to fully embrace the “100 mile diet”, people would either have to consume a lot more of these products or would have to pay enough of a premium for other food products to cause a shift in production away from these to other products that are “under produced”. Local coffee? Not realistic. On the contrary, there is actually potential (and demand) to increase production of the main 3 products (and some of the other commodities).

Based on the above, the valley should continue to do what it does best but also focus on increased production to feed the Vancouver Island diet, which is more appropriate than the 100-mile diet.

Recommendations

There should be 2 or 3 economic development strategies for the agri-food sector. One strategy would be targeted at the large farms, one for the small farm sector, with some elements that are common to both sectors.

Large farms:

Business Retention and expansion – the dairy industry is one that is shrinking in farm numbers but growing in size. Business retention efforts could be targeted at areas such as assisting with succession and business planning, recruiting and retaining labour, assisting with regulatory change, and, if possible, reducing input costs.

Investment attraction – this could include continued efforts to recruit farmers to the area from other areas. For example, dairy farmers in the lower mainland are facing pressures from urbanization, high land prices, and high animal densities (more so than the Comox Valley); some of the local input costs are higher but there may be producers interested in relocating. Similarly, prairie farmers are dealing with low commodity prices but are also faced with rapidly increasing land prices because of “oil money”. Many are looking for a change.

Small farms:

Business retention and expansion – small farms tend to be owner operated and often need help with access to knowledge/information and access to capital. Many of these people are working off farm so they can't leave home to attend events outside the area. Often, a bit of information, some outside input and a few new ideas can help them dramatically improve their business. A permanent full time market outlet, similar to Pike Place in Seattle, would be a huge boost to the small farm sector, especially if it could be combined with a community processing facility of some kind.

Investment Attraction – there is a lot of unused and underutilized farmland in the Comox Valley. Over the past 20 years, a lot of the increase in development of small farms has come from early retirees – people who are moving away from the “rat race”, many of which have high levels of capital and plenty of management experience and ability. Programs aimed at recruiting these “new” farmers – come to the Land of Plenty – will likely be successful.

General strategies for agri-food producers:

Continued efforts to “connect the consumer with the producer” will help build loyalty to local product. These could include:

- Promote niche market businesses, agri-tourism, and culinary tourism to build towards the vision of the New Provenance
- Events to improve awareness of local agriculture. These should include buy in by producers and hopefully chefs, such as:
 - Great Taste events
 - Food festivals like the Shellfish Festival and Harvest Banquet
 - Feast of the Fields
- Encouraging the development of a full time, year round marketplace for local agri-food products. Ultimately, this would be central and convenient to producers and consumers and it would include some processing facilities, and
- Encourage cooperation amongst agri-food producers and producer groups. The goal is to “get the numbers out” to justify training and education programs and to address issues that affect all agri-food producers. The recent labour workshops indicate that there are significant issues that affect the entire agri-food sector and they will not be addressed by working in isolation.
- Be creative and have fun in the process. It will make the end product and the results more rewarding.

Reference Materials

- 1) UNBC Farmers' Market Survey, 2006
- 2) Comox Valley Agricultural Plan
- 3) Air Cargo Study

ⁱ BCMAI website at: <http://www.agf.gov.bc.ca/stats/commoditylist.ht>

ⁱⁱ Derived from modifications and additions to BCMAI product list

ⁱⁱⁱ See Stats Canada website at: http://www.statcan.ca/english/freepub/95-629-XIE/2007000/tables_menu.htm

^{iv} CSRD imap facility at: <http://www.rdc.ca/notices.asp?id=82>

^v Primarily BCMAI 'Planning for Profit' models and other agricultural references

^{vi} BC govt. shellfish website at: <http://www.env.gov.bc.ca/omfd/fishstats/aqua/shellfish.html>

^{vii} BC govt. shellfish website at: <http://www.env.gov.bc.ca/omfd/fishstats/graphs-tables/shellfish.html>

^{viii} CRFA research report: http://www.crfa.ca/research/2006/bc_now_home_to_top_restaurant_spenders.asp

^{ix} UNBC Farmers market study at: www.unbc.ca/planning/localfood/impacts.html

Appendices

Appendix A – Agri-food Product List

Appendix B – Flowchart

Appendix C – Processors Questionnaire

Appendix D – Supermarkets & Restaurants Questionnaire

Appendix E – Analysis of Processors Questionnaire

Appendix F – Analysis of Supermarkets Questionnaire