

Vegetable Notes

November, 2002

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This issue of Vegetable Notes gives information on marketing, management, organic certification cost sharing, pest management and sprayer cleaning and maintenance. The calendar also lists upcoming meetings. There are also announcements for the upcoming all-day Vegetable and Berry Growers' meeting in December, the North American Direct Marketing Conference and the Annual Northeast Food and Farm Gathering.

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Smart Marketing Back to the Future:

Customer Relationship Marketing (CRM) in Food Retailing

From Rod Hawkes, Senior Ext. Associate, Food Industry Management Program, Dept. of Applied Economics & Management, Cornell University written July 2002.

Close your eyes and imagine traveling back 75 years in time to 1927, when small, independent neighborhood grocery stores and specialty shops were the norm. In those days, the grocer/owner knew most of the customers by name and many of their food preferences and needs. The store was probably a family operation and the grocer's family may have lived right in the neighborhood, if not above the store itself.

That type of customer intimacy has largely disappeared as large supermarkets replaced grocery stores and supermarket chains have increasingly replaced independent ownership in many parts of the world.

However, history has a tendency to repeat itself and often what is old becomes new again. Such is the case with a new trend in food retailing called customer relationship marketing (CRM). Essentially, CRM is an attempt to regain the customer intimacy that was so much a part of the grocery industry in the past. The goal of CRM is to create and maintain customer loyalty because a loyal customer can be less costly to serve and, therefore, may be more profitable in the long run.

Customer relationship marketing (CRM) can be defined as understanding the specific needs and preferences of individual consumer households and marketing, staffing, and merchandising to meet those needs. The key CRM objectives are to increase (1) operational and marketing efficiency, (2) customer loyalty, and (3) long-term profitability.

The difference today is the huge size of current supermarkets makes it difficult to establish actual person-to-person relationships as in the early days of the 20th century. Two major factors are driving the exploration and adoption of CRM by food retailers:

technology and competition. Technology is enabling retailers to track purchases by individual household through bar code scanning and customer identification cards. Retailers are thereby able to target promotions and advertising to the customers who actually use various products.

Competition from other supermarkets, non-traditional food retailers such as super centers, wholesale clubs, drug stores, and convenience stores, and many rejuvenated farm markets has resulted in too many outlets vying for the grocery spending of a consumer base that is not growing as fast as the number of shopping alternatives. As the number of stores in a market increases, competition forces prices to decline, putting a premium on efficiency to maintain profitability and sales growth.

In this environment, smart retailers recognize that the cost of acquiring a new customer is much higher than the cost of keeping a current customer. Also, loyal customers can be more profitable, especially over their lifetime, than customers who switch stores on a regular basis. Therefore, CRM focuses on identifying and nurturing a store's best customers and trying to increase the loyalty of the rest of the store's customer base.

For at least the past 40 years, food retailers have treated all customers as if they were equally important (i.e. profitable) to the company. Advertising fliers are universally available in stores or as newspaper inserts, as are discounts, coupons, and even frequent shopper card membership. Customers who only purchase a few discounted sale items have been treated the same as customers who purchase the majority of their food and household goods each week in one store.

Today many retailers understand that as little as 30 percent of their customers may account for as much as 80 percent of their sales. Obviously, all customers are not created equal! CRM offers a vehicle by which retailers can better manage their biggest asset, customers, by rewarding the best customers for their loyalty.

The large scale of supermarket operations requires sophisticated computerized database management to effectively deploy CRM. However, since CRM principles can be deployed on a smaller scale without a huge technology investment, this may be an area where small stores, farm stands, and farmer's markets may have a distinct advantage over their giant competitors. Smaller operations often already enjoy a more intimate relationship with their customers that can be enhanced and solidified through attention to customer needs and service. In fact, one of the acknowledged supermarket CRM leaders in the country is a one-store operator in Syracuse, NY called Green Hills Farms Market. Small size and local ownership are attractive for a growing segment of shoppers across most demographic groups. Evidence of this trend is found in the parallel movement of major retail chains to build smaller stores, incorporate local and regional products, and to become more involved in supporting activities in each store's local community, among many other things. On the consumer side, recent events have caused more and more concern about the origin, handling, and safety of the foods they buy. Locally owned and operated food stores can alleviate some of these concerns with their familiar faces, product knowledge, local sourcing, and customer service. Small store operators may also be able to respond quicker to changes in consumer tastes and demand. All of these

features may allow small operators to achieve the ultimate goal of CRM: **Customer Loyalty.**

Annual Marketing Conference Heads South

The 2003 North American Farmers' Direct Marketing Conference and Trade Show will be held **February 3-10, 2003**, at the Adam's Mark Charlotte in Charlotte, NC. The conference is sponsored by the North American Farmers' Direct Marketing Association (NAFDMA).

The conference will include pre-conference and post-conference bus tours of farms in North Carolina and South Carolina, workshops, two general sessions and 35 concurrent conference sessions, and a trade show.

In addition to the educational events, the conference will also offer opportunities for networking and socializing including Race Night and the annual awards banquet.

Pre-register to ensure your spot in workshops, meals, Race Night and the banquet. Pre-registration is mandatory for the pre-conference bus tour.

For registration information, call Jonathan Bates at 413-529-0386,

e-mail nafdma@map.com or

visit www.nafdma.com

December 2002 - March 2003

Meetings, Shows, Conferences & Workshops

December 5-6 MASSACHUSETTS FARM BUREAU FEDERATION ANNUAL MEETING

Seacrest Resort, North Falmouth, MA

Contact Ron Hall at (508) 881-4766

December 7 NEW ENGLAND VEGETABLE & BERRY GROWERS ALL DAY MEETING

White's Restaurant, Westport, MA *** **NEW PLACE!!*****

Contact Dom Marini at (508) 378-2546 (see reverse)

December 12 THIRD ANNUAL NORTHEAST LOCAL FOOD & FARM INITIATIVES GATHERING

Gedney Farm, New Marlboro, MA

Workshops, speakers, resource exchange, local foods lunch!

Contact Cathy Roth at (413) 623-6053

January 7 NEW ENGLAND VEGETABLE & BERRY GROWERS ALL DAY MEETING

Host Hotel, Sturbridge, MA ******NEW PLACE - INCLUDES TRADE SHOW!!******

Contact Dom Marini at (508) 378-2546

January 10-12 ECOLOGICAL CUT FLOWER GROWING WORKSHOP

Ballston Spa, NY

Contact the Regional Farm & Food Project at (518) 427-6537 or farmfood@capital.net

January 15 TRI-STATE GREENHOUSE IPM WORKSHOP

UVM Entomology Research Laboratory, Spear St., Burlington, VT

"On-Site Testing for Diseases and pH, and IPM for Herbs." 6 Pesticide Credits

Call Margaret Skinner at (802) 656-5440 for more information.

January 16 CONNECTICUT VEGETABLE GROWERS MEETING

Contact Jude Boucher at (860) 875-3331

January 25 NOFA MA WINTER CONFERENCE

Cosponsored by CISA, UMass Extension and NOFA MA

Barre, MA at the Quabbin High School

Contact Registration Coordinator Elaine Peterson at (978) 928-4707

January 31-February 2 ORGANIC VEGETABLE FARMING SYSTEMS FROM SEED TO MARKET

Ballston Spa, NY

Contact the Regional Farm & Food Project at (518) 427-6537 or farmfood@capital.net

February 1 NEW ENGLAND VEGETABLE & BERRY GROWERS ALL DAY MEETING

Eastern Massachusetts Extension Center, Waltham, MA

Contact Dom Marini at (508) 378-2546

February 11 VERMONT VEGETABLE & BERRY GROWERS ANNUAL MEETING

Holiday Inn, Rutland VT

March 12-13 NEW ENGLAND DIRECT MARKETING CONFERENCE & TRADE SHOW

Holiday Inn Boxborough Woods, Boxborough, MA

Contact Charlie Touchette at (413) 529-9100 or info@massfarmstands.com\

Decontaminating and Storing Sprayers

Dr. Andrew Landers, Cornell University

Sprayer Decontamination and Maintenance: Sprayers must be thoroughly decontaminated, inside and outside, after use. Regular maintenance of spraying equipment will prolong its life and ensure accurate trouble-free operation. This allows spraying to be done with the minimum loss of time and taking full advantage of favorable weather conditions.

NOTE: Read the manufacturer's instructions before beginning to wash out a sprayer.

Wear protective clothing appropriate to the pesticide which has been used. This may include an apron, rubber gloves, boots and face shield.

It is important to clean everything thoroughly including associated equipment such as mixers, the site where mixing and filling is done, and, of course, yourself.

Dispose of Pesticide Waste: REMEMBER: Cleaning up should be done in such a way that washings DO NOT enter public sewers or any water courses, not fields which have under-drainage and certainly not catchment areas for boreholes or wells.

The safe disposal of pesticide waste is a serious responsibility for sprayer operators. It is important, therefore, that everything should be done to keep waste generation to a minimum. Remember that pesticide waste is of four types:

1. Concentrated products
2. Diluted pesticides including washings

3. Empty containers

4. Contaminated clothing and other materials

Try to keep the volume of tank washings to a minimum. Special low volume, inexpensive washing systems are now available which consist of a spinning nozzle(s) mounted in the tank. The device can be connected to a hose or water tank. Water passes through the rotating nozzle(s) and cascades down the inside walls of the tank.



Preparation for Storage: Any spray liquid or contamination left in the tank should be disposed of correctly. Remove tank drain plugs or open drain cock. Hose down the inside and outside of the tank, including the tank top. Scrub where necessary or use a low volume pressure washer. Replace drain plug or close drain cock. Remove the suction, main and in-line filter elements. Wash them thoroughly in clean water with a soft brush and replace. Remove nozzles, nozzle filters and nozzle bar end caps if they are so fitted. Soak them all in a bucket of water with a material recommended for cleaning of spray machinery. Scrub clean with a soft brush. Partly fill the tank and pump out to flush all parts. Ensure that you open and close boom valves a few times during the flushing to clean out crevices. Refill the tank with clean water or a recommended cleaning agent. There are about a dozen commercial tank cleaners designed to remove or neutralize most of the modern low-rate chemicals. If no cleaning agent is available, one gallon of household ammonia per 50 gallons may be used. DO NOT use chlorine-based cleaners such as bleach. Re-circulate for 15 minutes, then pump a quantity through the pipes and booms. Leave the remainder for as long as practicable; overnight if possible. Discharge at least on quarter of the contents of the tank through the booms and drain the rest. Check that no deposits remain in the tank or filters. If any remain, hose them down and scrub them off. To ensure thorough cleaning and decontamination, the last three steps can be repeated. Store nozzles and filters in a safe place. Leave valves open and the tank lid loosely closed. Ensure that the sprayer and all parts are completely empty of water, especially the pump. If you are unable to completely drain the system, you can use an antifreeze solution. An environmentally safe antifreeze diluted to 50% may be acceptable. Hose down the outside parts of the sprayer, scrubbing if necessary. Ensure that the sprayer is parked safely and securely. Wash down waterproof clothing, apron, boots and face shield. Wash outside and inside of gloves with soap and water and rinse and dry them. Finally, thoroughly wash your face, neck and hands with soap and water.

Mechanical Maintenance: Lubricate all appropriate parts prior to storage. Check oil levels. Check soundness of all components, particularly booms and boom hinges. Electrical connections and components which control valves, spray monitors, etc. should be cleaned and protected as directed by the owners manual. Check wheels, wheel bearings and tire inflation.

Storage of Sprayers: Store sprayers under cover, taking care to prevent dirt and moisture

from affecting the tank or working parts. Remember sunlight softens and weakens rubber materials and can degrade plastic materials. Storing in a building also allows you the opportunity to conduct any routing or pre-season maintenance.

Why Farmers Succeed

It's worth re-visiting an article written several years ago by Susan Butler, in the North American Strawberry Growers Assn. newsletter that summarized important characteristics of successful farmers. Here are a few.

- They know their actual costs.
- They know how to control their costs.
- They keep accurate financial and production records.
- They approach their enterprises as profit managers not asset accumulators.
- They recognize their weakness as financial experts and get reliable support in this area.
- They don't tolerate assets that don't produce.
- They keep their level of risk under control.
- They plan ahead.

In short, the most consistently successful agricultural operators are executives - they spend time learning, thinking, analyzing and planning. They're information seekers always looking for reliable advice and guidance.

Minimize Squash Bug Overwintering

From Vermont Vegetable and Berry News, Vern Grubinger

I'm getting reports of a lot of squash bugs in some fields. While the immature stages (nymphs) do not survive the winter, adults will hibernate under dead vines, leaves, clods, stones, piles of boards, and outbuildings.

In spring the adults emerge during the first extended warm spell. By the time vines begin to run the adults will be flying into the fields, mating and laying masses of a dozen or more orange-yellow elliptical shaped eggs on the leaf undersides. The eggs turn bronze-brown just before they hatch, usually in 10 to 14 days. The nymphs pass through 5 instars, reaching maturity in 4 to 6 weeks. The overwintering adults continue laying eggs until about midsummer. New adults do not mate or lay eggs until the following year. There is only one generation per year.



To minimize overwintering adult populations keep the margins of fields as free as possible of crop refuse, piles of leaves, trash, and other winter shelter. It is especially critical to reduce the overwintering population of squash bugs by working the soil and/or removing foliage and fruit immediately after harvest. This deprives nymphs of the necessary food source to complete their development. Also, recently-matured adults are denied a food source with which to build up enough food reserves required to see them through winter. Next year, rotate pumpkins and squash as far away as possible from this year's fields.

**Annual Northeast Food & Farm Gathering December 12
Gedney Farm in New Marlboro, MA**

The 2002 Northeast Local Food and Farm Initiatives Gathering: Building Farm Profitability, Sustaining Buy Local Campaigns, and Growing Strong Communities, will be held on Thursday, December 12, from 9-4 PM at Gedney Farm in New Marlboro, MA.

Join growers, local food and farm members, agricultural support professionals, chefs, business groups, food service managers and others from throughout New England, NY and PA for this third annual event.

Morning workshops will focus on Farm Profitability and feature growers from the Northeast who have increased farm profit as a result of participating in "Buy Local Food" campaigns that develop and support such retail and wholesale markets as farm stands, farmers' markets, restaurants, schools and colleges, CSA farms, wholesale distributors, and an innovative "farm pick-up and delivery service." Expert use of the media will also be offered to help growers successfully promote their farm and farm products through radio, newspaper, and the Internet.

A second session will focus on Sustaining Buy Local Food Initiatives, which is an increasing challenge in times of reduced state and federal funds along with an uncertain economy. Workshop leaders from campaigns throughout the region will provide a host of successful campaign ideas for raising public awareness, accessing funds, and meeting the challenges of organizational and program development.

A third session, following a delicious local foods lunch prepared by Berkshire Grown's Chef of the Year, Peter Platt, and staff at Gedney Farm, will focus on Growing Strong Communities. Northeast leaders from business, agriculture, land conservation, community development, nutrition, public policy, and urban initiatives will draw the connection between food, farms and strong, local communities and economies.

Gedney Farm is a wonderful inn and conference center that has been renovated from beautiful large cow and horse barns near the village green in New Marlboro. Go to www.oldinn.com for a view of the facility. This Berkshire County location is approximately 15 minutes from Gt. Barrington and 80 minutes from the Amherst area.

The fee to attend the events of the day and enjoy a sumptuous local foods lunch is based on a sliding scale of \$35-65. Pay what you can afford. Partial scholarships are available to those who couldn't otherwise attend.

The 2002 event is sponsored by UMass Extension Agriculture and Landscape Program in cooperation with the Mass. Dept. of Food and Agriculture, Berkshire Grown, and Community Involved in Sustaining Agriculture (CISA).

Please note that the **pre-registration deadline is Friday, December 6**. For more information or to receive pre-registration materials, contact Laurie Cadorette, UMass Extension, at 413-448-8285 or lauriec@umext.umass.edu.

UMass Research Farm to Upgrade Irrigation System

Irrigation system improvements are coming to the UMass Vegetable and Agronomy Research Farm in South Deerfield. A traveling irrigation gun is being purchased and permanent underground main lines will be installed. The traveling unit will reduce the labor required to apply water to research plots. The use of permanent mains with hydrants will allow for quick connection of irrigation systems at any of the plots on the 26-acre farm. Water from the Connecticut River will be pumped through four-inch lines to operate the traveling unit. Town water will also be piped to all locations to supply trickle irrigation. This will allow water to be supplied to plots with the most appropriate system as well to conduct research into specific irrigation methods including application of nutrients.

Primary funding for these upgrades has been made possible through a grant from The Massachusetts Society for Promoting Agriculture with additional monies from the University of Massachusetts Experiment Station and UMass Extension. Existing components including the pumping and trickle irrigation components were acquired earlier with donations from the New England Vegetable and Berry Growers' Association, equipment dealers and manufacturers. Jim Peeler of Harris Irrigation is installing the new upgrades

USDA Organic Cost Share Program

The state Department of Food and Agriculture has been awarded funds from the USDA Organic Certification Cost Share Program for reimbursement to organic crop and livestock producers.

Reimbursement is available to operations certified and/or receiving continuation of certification during the period of November 1, 2002 through September 30, 2003.

Payments to eligible producers will be limited to 75% of an individual producer's certification costs up to a maximum of \$500.

Newly revised reimbursement forms will be available November 1st and will be mailed to all certified organic growers.

Please contact Mary Jordan at (617) 626-1750, Mary.Jordan@state.ma.us for more information.

Vegetable Notes is a publication of the University of Massachusetts Extension Vegetable

Program, which provides research based information on integrated management of soils, crops, pests and marketing on Massachusetts farms. Subscriptions to Vegetable Notes include the IPM Newsletter, published weekly during the growing season. For subscription information call (413)577-0712 or visit our website at <http://www.umass.edu/umext/programs/agro/>. For more information about the Vegetable Team's research and UMass Extension programs call Ruth Hazzard at (413)545-3696.