

SOUTHERN MARYLAND TOBACCO CROP CONVERSION PROGRAM

KEY ACCOMPLISHMENTS - FY 2007

What's New in FY 2007? (details follow):

Buyout

- *Survey of Buyout recipients in winter 2006*

Land Preservation

- *Eighteen new farms under land preservation (1,766 acres) in four counties, 20,556 acres cumulative due to county leveraging*

Marketing

- *Southern Maryland Equine Guide, listing horse farms, equine businesses and equine support services*
- *Buy Local Challenge Week – July 2007: Statewide endeavor initiated and created by SMADC*
- *BINGO on the Trails: to entice visitors to the So. MD Trails sites*
- *Forty three farms and 12 new businesses join So. Maryland, So Good (SMSG) totaling 200 farms*
- *SMSG website averages 5,000 visits per month*
- *2nd edition Farmers Market Brochure, listing sites and map where all SMSG products can be found*
- *3rd edition Farms for the Holidays Brochure, highlighting fall and winter products & services*

Agribusiness:

- *Southern Maryland Trails: Earth, Art, Imagination: Revised guide book with 2 new trails added*
 - *Maryland Tourism Industry Council 2006 Best New Product Award*
 - *Grand launch for Trails: October 2006*
- *Growing Grapes for Wine Grants: Second round of grants offered*
- *Southern Maryland Farm Viability Grants: Impact study and 5th round of grants offered*

Education and Outreach

- *Southern Maryland Equine and Hay Conference – 3- day Conference*
- *Growing Grapes for Wine – 3 workshops offered*
- *Cornelia and the Farm Band, Four Public service announcements broadcast on local television, new coloring book published*
- *National, international and local broadcast of “Discovering the New American Farmer”, our 30- minute documentary. Broadcast on RFD-TV (a national television broadcast serving rural America), Maryland PBS, local cable television and in Britain*
- *SMILE: Third Southern Maryland Invitational Livestock Expo for Children – adds horse and dog show*
- *Enhanced program outreach, public awareness and media coverage/relation provoked forty independently authored articles and press releases*
- *SMSG invited to speak at over 18 events in Maryland and Pennsylvania*

2007 PROGRAM DETAILS:

TOBACCO BUYOUT:

- Now in our seventh year of the Tobacco Buyout, there are no new applicants, as the sign-up period ended in year five. Ninety-two percent of the 1998 eligible tobacco has been taken out of production forever for human consumption as 854 growers have taken Maryland's Tobacco Buyout. This represents 7.65 million pounds of tobacco and 83% of producers.

- Annual affidavits are reviewed to assure compliance with each of the 854 contracts and their beneficiaries to confirm the growers have had no interest in tobacco and have met the criteria to stay in agriculture.
- In late 2006, a survey was sent out to participants to gauge the average age of producers; how many have grown or maintained their operation; whether or not they are full-time farmers; what are they currently producing, etc. These results were summarized and made available in January (see Attachment A).
- We have met and/or exceeded the original target goals in our number one-priority program.

AGRICULTURAL LAND PRESERVATION:

- 1,766 acres have been directly preserved by the program in four counties of Southern Maryland in FY 2007, resulting in 10,706 acres cumulative over the five years of the program preserved with program funds.*
- In 2007, 18 farms placed land under preservation (12 Calvert, 3 Charles, 1 Prince George's, 2 St. Mary's).
- Leveraging: These program funds enabled the five counties to make additional offers for agricultural land preservation and have leveraged the counties to place a total of 3,390 acres under agricultural land preservation in this fiscal year alone, and 20,556 acres over the five years of the program.*
- Acres reported at the end of each fiscal year include properties that are approved by the counties and waiting settlement, thus funds are encumbered for those specific properties and attributed to this fiscal year.
- We have met the target goals in our number two-priority program.

AGRICULTURAL DEVELOPMENT / INFRASTRUCTURE “What Next”:

A market trends analysis of the Southern Maryland Agricultural Community conducted in the first year of the Buyout identified the needs and opportunities. The needs specifically included *Marketing support and Leadership development*. Among the key opportunities identified were: *green products (horticulture / nursery), livestock, produce and value-added processing, tourism, grapes/wine, hay, and the equestrian industry*. In previous years, the Commission addressed the first six identified opportunities, and in FY'07 added the hay and equine industry. The Commission's agricultural development goals broadly cover marketing, agribusiness development, and education and outreach.

SO. MARYLAND, SO GOOD: MARKETING SOUTHERN MARYLAND

- ***So. Maryland, So Good (SMSG)*** -- This three-fold campaign seeks to 1) directly link farmers and buyers, 2) add value to local agricultural products through the use of an identifiable brand (logo), and 3) educate consumers about the benefits of buying from and supporting local farms. ***Directories and a website*** assist retail and wholesale buyers to find local products. ***Promotional materials*** help the consumer identify truly Southern Maryland products. ***A creative and assertive campaign actively advertises*** the program, and encourages and educates consumers to shop and dine at businesses, including farmers markets and farm stands that feature Southern Maryland farm products.
 - ***Direct contact facilitation*** provides direct links between farms and retail and wholesale buyers (stores, restaurants, caterers, universities and brokers).
 - ***Southern Maryland Farm Guide*** – From Arugula and Alpacas to Zinnias and beyond, this Guide is a remarkable inventory of the vibrant diversity of Southern Maryland's agricultural community directs customers to some of the finest and freshest farm products and services the region has to offer. The Guide, first developed in late 2002, is now in its fourth edition was fully updated in the spring of 2007 with listings valid for the period 2007 – 2008. It lists 200 farms, along with associated products, businesses and services throughout Southern Maryland, and new this year an expanded list of equine establishments. The Guide incorporates a broad range of products such as produce, meat, poultry, wine, farm services, agritourism and farm-made gifts. The Farm Guide also

distinguishes SMSG participants who promote the broader Southern Maryland regional agricultural community by actively featuring the SMSG logo.

- Forty-three new farms applied to be listed in fiscal 2007. A total of 200 farms were listed by June 2007 (Anne Arundel = 47, Calvert = 39, Charles = 36, Prince George's = 28, St. Mary's = 50).
- The Guide is widely distributed to tourist centers, farmers' markets, fairs, chambers of commerce, libraries, participating farms, and other locales, and the nearby metro areas. The Directory also includes an array of services offered by the farms, including agritourism, holiday and special events, and provides a list of restaurants and stores that buy and promote local products, as well as farm service businesses and agencies. Maps of each county are included, along with descriptions of the farms and markets where products can be found, product availability chart, as well as contact information. Farmers have expressed continued appreciation for the Directory.
- Over 35,000 directories have been placed in the hands of consumers and buyers over the four years of the program. 20,000 copies of the new 2007/8 Farm guide have been printed for distribution in FY 2007 and 2008. Additionally, the interactive Farm Guide hosted by www.somarylandsogood.com connects Southern Maryland farms to a wider audience in Metro DC and well beyond our county borders, averaging 5000 visits per month.
- ***A Wholesale Directory of SMSG producers*** desiring contacts with interested buyers has been distributed to 61 commercial buyers currently purchasing from local producers, including 24 stores, 34 restaurants, 1 broker, and 3 universities in the local and DC metro area.
- ***So. Maryland, So Good Holiday Brochure*** – first published in November of 2004, this annual Holiday Brochure was created to pique public interest and demand for farm products during the late fall and holiday periods. Now in its third edition, 3,375 copies were distributed in FY '07 this mini-guide features 75 listings of farms providing a wide variety of seasonal produce, home décor, farm gifts, flowers and plants, wine, meat, poultry, seafood, farm hosted holiday events and winter farm activities. There were over 1,407 visits to the 'online brochure' through June '07.
- ***So. Maryland, So Good Farmer's Market Guide*** – published May 2005 in response to requests from SMSG participant farms, the guide celebrates the benefits of farmer's markets and the local abundance of farm fresh, affordable, nutritious foods year round. A second revised edition, published in May 2007 connects consumers to 16 Southern Maryland farmers markets, two regional wholesale auctions and to 14 regional farmer's markets that feature Southern Maryland farm products. Nearly 7,000 (4906 in FY 07) brochures have been distributed to date. The Farmer's Market Guide is ranked as the most visited document on the website for the period, confirming a growing and consistent public interest in farmers markets.
- ***Southern Maryland Equine Guide*** – a new brochure designed to meet the needs of the growing equine industry in Southern Maryland lists 56 horse farms and their associated services, including 27 equine hay producing farms. The mini-guide in particular provides a valuable directory for the community for equine related agricultural support services, in addition to farriers, equine vets, tack shops, feed mills, equine associations, and local riding trails. Nearly 10,000 brochures have been distributed since the guide was published in March 2007.
- ***The So. Maryland, So Good Website (www.somarylandsogood.com) – A Virtual Farmers Market*** This website attracted over unique 58,898 visitors between August 2006 – June 2007 with an average of over 75,000 hits per month, and an average of 5,000 visits per month. The interactive *Directory of farms* continues to be the #1 entry page, followed by considerable interest in *Things to do, What's in Season, Events* and continued regular activity on the *Restaurant and Store* pages.

- **Promotional materials** portraying the **SMSG** logo help consumers identify truly Southern Maryland products. The materials have been used in advertisements by farms, local grocers and restaurants throughout Southern Maryland and metro DC markets. Many local businesses are using the logo in their newspaper ads, newsletters, billboards, and menu cards. Even non-agricultural businesses have incorporated the SMSG logo into their advertisements to show their support of local farming.
- **A creative and assertive campaign actively advertises** the program throughout the seasons and encourages and educates consumers to shop and dine at businesses that feature local products. Specially targeted ads drive the public to the SMSG Website for further information and copies of SMSG literature. In FY 2007, 22 SMSG ads were run in 11 publications in area newspapers and magazines with a combined total circulation of over 1,469,490 in the immediate local area, metro DC including parts of Virginia, Pennsylvania and Delaware. In addition regular press-releases are timed to coincide with special events, grant opportunities, and to showcase SMSG participants, products and publications. Forty documented independently authored articles and press releases reached an audience of 219,430.
- **State Highway Administration Annual Earth Day Event** – SMSG presence at the SHA headquarters in Baltimore, by invitation only. The one-day event attracted over 350 visitors including several schools and highlighted need for environmental and agricultural preservation in the State of Maryland. 350 coloring books, 180 Trails guides and 500 Equine Guides were distributed.
- **County Fairs and other festivals** – SMSG exhibited at all five county fairs, the state fair and numerous other public events, including the Patuxent River Appreciation Days, the Sotterly Riverside Wine Fest, Prince George’s County Services Expo, July 06, United Propane Employee Event, St. John’s School 5K Children’s Run, Bon Appetit Buy Local Celebration, Charles County Land Conservancy, MadMAC, Colonial Farm Credit Annual Dinner, Prince George’s Soil Conservation Dinner, Pennsylvania Association for Sustainable Agriculture, Maryland Economic Development Association, Chesapeake Bay Foundation, Maryland Historic Preservation, and more. SMSG displays maintained a striking presence, and stood out with their innovative and inviting layout and informative displays. Interactive surveys for adults, combined with ‘farm trivia’ games for children created opportunities for direct interface with SMSG staff, helping to build awareness of the SMSG farms and SMSG programs. Over 4,850 agritourism brochures, 3,392 Farm Guides, and 2,205 Coloring Books placed in the hands of consumers at the county fairs alone. The SMSG booth was awarded Best Indoor Exhibit at the 2006 Calvert County fair, and has won Best Commercial Exhibit for the past 2 consecutive years at the Charles County Fair.

BUY LOCAL CHALLENGE WEEK - JULY 21 – 28, 2007

This exciting new initiative was conceived by SMADC to challenge the public during last week of July to eat something everyday from a local farm to boost the local agricultural economy at a timely juncture in the growing season when produce is plentiful and readily available.

- SMADC designed original promotional materials, including a logo, fliers, signs, decals, buttons, generic press releases, and a website, and made these available electronically to farms and agricultural marketing professionals across the entire state of Maryland at no cost. The materials highlighted the flavor, nutritional and considerable health benefits local farm products can provide. They also emphasized how and where local farm edibles can be found from farms, farm markets, as well as businesses that actively purchase farm products.
- The last full week of July has been designated Buy Local Challenge Week (BLC) and is intended to become an annual, recurring event. In addition to the five southern counties, Agricultural Marketing

Professionals (AMPS) from Frederick, Montgomery, Cecil, Garrett, and Howard counties expressed enthusiasm for the state-wide initiative and actively participated in the event using some of the promotional materials developed by SMADC.

Notable '07 campaign highlights:

- www.buy-local-challenge.com. This website was created by SMADC as an information conduit for the promotion. The site displays a state-wide map, and useful information (tips for preparation of fresh farm food, recipes, product lists, and links to participating sites) providing support for the campaign that is viable for the entire year. 1,372 unique visits have been recorded from the website's inception in May '07 through August '07.
- Specially designed promotional items were widely distributed to all participating farms, farmer's markets, farm stands, restaurants, stores, libraries, hospitals and other public venues.
- Seven ads in local, metro DC and regional newspapers reached a combined circulation of 809,248.
- Twelve publications featured independently authored articles / press releases reaching an estimated audience of 167,046.
- Five "Dot Com" newspaper sites promoted the challenge, including Washington Post.
- Three local Economic Development offices, Maryland Cooperative Extension and Soil Conservation newsletters and websites promoted the campaign.
- Special Presentations were made to County Commissioners in three counties to promote BLC to public. These were broadcast on local cable television.
- St. Mary's Commissioners endorsed the BLC with a Proclamation.
- Governor O'Malley endorsed challenge with Proclamation at luncheon for over 60 local farmers, state & local officials. Menu featured products from local farms. Fox News (Channel 4), WTOP, Channel 7 and local stations and newspapers covered the event.
- College of Southern Maryland (CSM) radio interview promoted the week.
- A CSM Lecture series promoted the week.
- Two area markets hosted BLC special events, including cooking demonstrations by local chefs.
- 61 restaurant & stores showcased promotional materials.

FARMERS' MARKETS – Program funds provide promotional advertising for 13 Farmers Markets in the five counties. Sales in 2006 from these markets averaged \$1.7 million for over 155 Southern Maryland growers.

- ***Southern Maryland Regional Farmers Wholesale Market*** – This market is one of two of the region's wholesale auction markets for Southern Maryland. The Market (Cheltenham) requested support from program funds. This wholesale market supports over 500 Southern Maryland farmers and buyers and in 2006 brought in annual sales of approximately \$307,000 to regional farmers.
- ***Other Farmer's Market Events*** – SMSG featured in four market season grand opening events - Hyattsville and Riverdale Park markets in Prince George's County, and South River Colony Market and Deale market in Anne Arundel. Three of these markets are situated in densely populated areas close to local shopping alternatives, yet attract significant local interest from enthusiastic buyers seeking fresh farm products close to established residential and business neighborhoods.

AGRIBUSINESS DEVELOPMENT

AGRIBUSINESS AND AGRITOURISM

Capitalizing on our close proximity to major metropolitan areas, agritourism continues to be a major opportunity for the further development and crystallization of our ongoing efforts to build a program that encourages area tourism with Agritourism at its core, offering a lucrative alternative for regional farms.

- ***Southern Maryland Trails: Earth, Art, Imagination*** - The goal of this initiative, is “to provide economic benefit to Southern Maryland by providing visitors an attractive, unique and authentic experiences of the region’s culture and living heritage facilitating innovative partnerships between farms, artists, and related heritage sites and businesses.” Our second goal is to promote economic and community development through facilitating partnerships and cross-marketing. To this end, we host annual “Trails” networking events to encourage the development of these innovative business partnerships. A third and no less significant goal is to “educate ourselves about our own community”. By appreciating what we have here in Southern Maryland, we hope that our local citizens will be more compelled to support our local farms and businesses, as well as land preservation programs that enhance the rural beauty of our region. As one local reader was overheard to say on the day of the Trails launch: “Reading this (guide) book makes me feel like I live somewhere special.”
- Two new trails were added in September 2006, covering the entire five counties and featured in a revised, comprehensive, informative and creative guidebook, designed to educate readers about the unique features of Southern Maryland. A revised guidebook was published in late summer of 2006 to include new sites in the existing trails, and three new counties. A fold-out map orients readers. Interesting tidbits give readers a sense of culture and history, and fun facts. The Guide is widely distributed to tourist centers, participant sites, fairs, chambers of commerce, and other locales, and the nearby metro areas.
- The *Grand Launch of the Trails* featuring the two new trails was promoted in October, 2006. Sites were provided a “Trails Windssock” to help customers find the locations.
- *BINGO on the Trails*: To entice visitors to patronize the Trails sites throughout the year, in December, SMADC initiated “BINGO on the Trails”, a month-long promotional campaign encouraging citizens to visit the Trails sites. Over 100 people and 30 sites participated.
- A website, www.somdtrails.com, explains the trails and guidebook to visitors, and provides a means of communication with trails members.

In addition to the above, notable highlights from this program in FY’07 include:

- Maryland Tourism Industry Council 2006 Best New Product Award
- In response to suggestions from the Trails partners, new cooperative advertising opportunities were offered in Maryland Life & Grapevine Magazines
- Trails Guide Re-print: # 30,000

AGRIBUSINESS AND VALUE-ADDED DEVELOPMENT

Regional Livestock Slaughter / Processing – Southern Maryland Meats: SMADC continues to work with a group of local livestock producers and USDA RC&D to address the need for a local slaughter and butcher facility, and/or to promote southern Maryland meat through a marketing campaign.

- Livestock production is on the rise in Southern Maryland as many farmers transition away from tobacco. There is no current livestock slaughter or processing facility in Southern Maryland for retail sales of meat products. Farmers now ship live animals to auctions or houses in Baltimore, Westminster, or Virginia. Because of this lack of infrastructure, most farmers say it is not cost-effective to consider retail sales of value-added meat. A group of producers and officials

interested in developing a local regional slaughtering/butchering facility and/or marketing campaign.

AGRIBUSINESS GRANTS AND BUSINESS PLANNING

- ***Growing Grapes for Wine in Southern Maryland*** – This grant program was the first of its kind in Maryland, and became a prototype for the new state-wide program. Towards a goal of increasing wine grape acreage in Maryland and capitalizing on an earlier research grant to Maryland Cooperative Extension, in FY 2006, the Commission created a grant program to provide matching funds towards the purchase of grape vines. The program is offered with the full partnership of Cooperative Extension to provide expertise and guidance through site visits and workshops on growing grapes in Southern Maryland. Grantees are required to attend the workshop, follow accepted cultural practices, and become members in the Maryland Grape Growers Association or Maryland Wineries Association to encourage networking and marketing potential.
 - In 2006 eight grants were awarded for a total of 15 new acres under grape production.
 - In 2007, three grants have been awarded with 8 acres to be under grape production.
- ***Southern Maryland Winery Cooperative:*** SMADC has offered business planning assistance, in cooperation with the Maryland Department of Economic Development (DBED) and the local Small Business Development Center, to a group of local grapes producers that are working with St. Mary's County government to establish a winery featuring locally produced wines.
- ***Southern Maryland Farm Viability Enhancement Grant Program:*** *provides business planning* and grant assistance to farmers to diversify operations, add value to farm products and/or services, and gain better market access. Twenty farms have developed or are developing business plans. We have received eight new applications in 2007. Among the approved for business plans are the following:
 - Butcher shop on-farm (2007)
 - Enhanced produce production with irrigation (2007)
 - Agritourism (2007)
 - Livestock expansion w/irrigation (2006)
 - Roadside market for produce and flowers (2006)
 - Value crops and commercial kitchen (2006)

EDUCATION - ADVANCED LEVEL

Farmer Seminars / Workshops: In an effort to help farmers in the five southern Maryland counties continue to diversify and transition away from tobacco, education is an ongoing priority.

- ***Southern Maryland Equine Conference*** – provided a forum for the Commission to reach out to and provide support for our burgeoning equine community in Southern Maryland, and identify new opportunities for existing farms to service the equine industry. The conference was well received with a total of 253 people attending over the three days. Twenty individual sessions were offered including a full-day off-site equestrian demonstration and training session at a local horse farm. Analysis of the evaluation forms was very encouraging with numerous compliments for the speakers (AGNR, Extension, nationally acclaimed guest speakers, panelists from the local equine and agricultural community) who were commended for the excellent content and topicality of their presentations. Conference meals provided a showcase for winter farm products from four local farms. Eight local and regional newspapers published articles and press releases covering the conference for a total circulation of 19,500. Sessions featured topics such as:
 - Horse Care and Keeping, Land Management, Quality Hay Production & Harvest, Pasture Renovation and Weed Control, Manure Management, The Equine Boarding Business and Perspectives, Regulations, Safe Horse Handling and Advanced Riding Skills and Problem Solving.

- ***Growing Grapes for Wine Workshops***
 - ***Grape Production Workshop*** – This full-day workshop offered a broad overview of commercial vineyard development from pre-plant planning into the third year including economics and marketing information, variety, clone, and rootstock choices, site selection and preparation, pre-plant decisions, equipment and supply requirements. It also covered the basics of ordering, planting, and tending the vines through the third year of growth, as well as best practices for training, canopy management, and pest management. This workshop was a good overview of what is involved with getting a commercial vineyard started in Maryland.
 - ***Grow Grapes for Profit*** – A series of two mini workshops on growing grapes that sell and what it takes to make wine that sells. The seminars were for experienced farmers as well as farmers interested in becoming first-time growers. They were designed to take growers to that next step and help them make decisions about the best and most profitable grapes to grow for the wine market.

EDUCATION - ELEMENTARY AND TEEN EDUCATION

- ***Kids Cook and Cornelia and the Farm Band*** – Now in its fourth year, much of the educational package is available to view and download from our website for individual classroom and home schooling venues. The evolving materials emphasize messages to children and families about health, good nutrition and exercise that come from a farm, and teach messages about the diversity of local farm products and services available in Southern Maryland. The evolving package includes curriculum for fourth grade, two coloring books and more (see below).
 - ***Cornelia and the Farm Band – Four public service announcements*** were created in 2006 portraying messages to children and families about health, good nutrition and exercise that come from a farm. These animation pieces were broadcast continually throughout 2006-2007 on local television stations, and are a component piece of the educational package that will be available to schools and home-schoolers. A unique jingle, “Let’s Go to a Farm” was created for the animation pieces.
 - Let’s Go to A Farm website – was created for viewers of the public service announcements, to educate and excite children and families about farms, farm products and services. The website is envisioned to link to state and national agricultural education programs and has attracted over 183 visits in 6 months.
 - Two coloring books have been published, initially inspired by Southern Maryland children’s character designs. The second book, ***Cornelia and the Farm Band*** coloring book, paralleling the messages of the four public service announcements, was published in late August 2006. The book also contains humorous songs about farms to be sung to familiar children’s tunes.
 - Over 39,000 copies have been distributed, including 10,835 in 2006. Two entire school systems (St. Mary’s and Charles County) have requested and received copies of both coloring books for their elementary school students.
 - Humorous animated farm songs from the second coloring book are being developed to accompany the curriculum materials.
- ***SMILE (Southern Maryland Invitational Livestock Expo)*** - As farms become fewer in number across the state of Maryland, it is increasingly important to find ways to reinforce farm children, and encourage educational networking opportunities.

- In its 3rd year, the SMILE show is an established and highly anticipated calendar date for area youth. Following on the success of previous shows, \$12,000 in project funds sponsored the 2-day event. SMILE show classes featured fitting and showing, market and breeding competitions for beef, swine, sheep, dairy goats and meat goats. The dog show, offered obedience and fitting and showing classes, and new this year a horse show provided 30 competition classes for both Western and English disciplines. The popularity of SMILE continues to grow, open to children and youth up to the age of 21 years, a total of 103 children and youth participated from eight counties including three Eastern Shore counties. 250 animals were registered for the events. In addition to the livestock shows, educational and youth development events were held to foster camaraderie and enhance participants' knowledge and appreciation for the area's agricultural heritage.
- There was also significant attendance by local and elected officials, Farm Bureau representatives, County Commissioners and the St. Mary's County Fair Board, in addition to members of the general public. Eight local newspaper, cable and website media reported on the event with a full front page pictorial in the Washington Post Southern Maryland Extra.
- Organizers are committed to the longevity of the show and have established articles of incorporation for a tax-exempt "non-stock" corporation and have completed filing for non-profit (501c3) organization status, currently under review. It is also the intention of the SMILE board to seek other grants and donations so that the show can eventually become self-sustaining.

PUBLIC EDUCATION AND OUTREACH:

- ***Community Outreach:*** Educating the community about the state of Southern Maryland agriculture and ways to support our local farms continues to be an important facet of our work. We spoke on behalf of the farm community at many events, including Chesapeake Bay Foundation, the Charles Land Conservancy group, local rotary clubs, farm bureau annual dinners, Soil Conservation banquets, the College of Southern Maryland radio broadcast, and at local commissioners hearings. Some of these were broadcast through local cable television. The Buy Local Challenge Week was also conceived as a way to spotlight farms through public outreach and education with messages such as *"Did you know that if every household in Southern Maryland spent \$12 a week for just 8 weeks, over \$54 million would be reinvested directly into our farmers' pockets?"*
- ***Discovering the New American Farmer:*** Our thirty minute documentary, using local stories to tell an international message was broadcast in 2006-2007 internationally (Britain), nationally on RFD-TV (a national television broadcast serving rural America), state-side on Maryland PBS, and on local cable television stations. The film has also been shown and discussed at events for the Chesapeake Bay Foundation, the St. Mary's County Farm Bureau, and Prince George's County Soil Conservation Service. DVDs are available for a modest fee.
 - The film captures the beauty of Southern Maryland's agriculture and natural resources through interview with local farmers and officials. Its purpose is to educate viewers about the modern struggles of So. Maryland farmers as the region transitions out of tobacco and the responsibilities of So. Maryland consumers as the population rapidly increases in the area. The documentary provides proactive suggestions on how to strike a balance between the sometimes opposing communities of farming and development, in order to support our agricultural economy, preserve our regions rural character and protect So. Maryland's environmental resources. Various voices and perspectives were collected to tell the story of So. Maryland's changing communities, including leading farmers, watermen, local legislators, and county officials.
 - The film won two national Telly awards in the categories of education and culture in the spring of 2006.

For more information regarding this program, please contact the following:

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**Southern Maryland Agricultural Development Commission
Tri-County Council for Southern Maryland**

SOUTHERN MARYLAND TOBACCO CROP CONVERSION PROGRAM

Southern Maryland: Transitioning away from a Tobacco Heritage

For over 360 years, Southern Maryland's agricultural economy has been dependent on tobacco production. In 1992, tobacco accounted for two-thirds of the total value of all agricultural commodities produced in the region and provided the mainstay for over 900 full/part time growers. In 2000, the state of Maryland instituted a voluntary tobacco buy-out program to transition farmers out of tobacco production forever, to be administered through the Tri-County Council for Southern Maryland. The result of the Buyout has been an unprecedented and significant cultural and economic shift as has not been experienced since the advent of European settlers.

According to a study conducted in 2001, the region's heavy dependence on tobacco has left other agricultural sectors poorly developed. Little non-tobacco agricultural infrastructure is currently in place in Southern Maryland. Agricultural innovation and entrepreneurship are severely lacking. Economic indicators show that agriculture in SMD does worse than in other parts of the state as well as elsewhere in the nation. The lowest net returns per acre (price per unit) are in SMD, and very little of those returns circulate through the rest of the SMD economy. All of this is coupled with statistics that show urban sprawl and land development are occurring faster on Southern Maryland's remaining 244,000 acres of farmland than anywhere else in the state. In short, agriculture and the natural resource base in Southern Maryland are in need of major help.

To address these tremendous needs, the Tri-County Council for Southern Maryland, a non-profit, quasi-governmental body, convened the SMD Agricultural Development Commission to develop a program to stabilize the region's agricultural economy as farmers convert from tobacco to alternative crop and other agricultural enterprises. The Commission represents a cross-section of the region's community, from elected officials and local government, to representatives from higher education centers and traditional agricultural sectors, to private sector, business and finance representatives, and farmers. Together with the Council, the Commission has revised the Tri-County Council for Southern Maryland Strategic Plan for Agriculture to this "Southern Maryland Tobacco Crop Conversion Program" with the following mission, vision and goals:

MISSION

To promote diverse, market-driven agricultural enterprises*, which coupled with agricultural land preservation, will preserve Southern Maryland's environmental resources and rural character while keeping the region's farmland productive and the agricultural economy vibrant.

*"Agricultural enterprises" and "natural resource based enterprises" are used interchangeably and are broadly defined as tobacco-free sustainable agriculture, and includes forestry and aquatic resources and agriculturally related activities such as agri-tourism and value-added processing.

VISION

A diversified, profitable Southern Maryland agricultural industry thereby enhancing the quality of life for all citizens.

The Tobacco Crop Conversion Program consists of three main components—Tobacco Buyout, Infrastructure / Agricultural Development, and Agricultural Land Preservation as follows:

OVERARCHING GOALS

- (1) The **Tobacco Buyout** component is a voluntary program which provides funds to a) support all eligible Maryland tobacco growers who choose to give up tobacco production forever while remaining in agricultural production and b) restrict the land from tobacco production for 10 years should the land transfer into new ownership.
- (2) The **Infrastructure / Agricultural Development Program** will foster profitable natural resource based enterprises and regional economic development for Southern Maryland by assisting farmers

and related businesses to diversify and develop and/or expand market-driven agricultural enterprises in the region through a) economic development and b) education.

- (3) The **Agricultural Land Preservation** component seeks to provide an incentive for Southern Maryland tobacco farmers to place land in agricultural preservation, to enhance participation in existing Southern Maryland agricultural land preservation programs, and to assist infrastructure needs for farmers' markets.

For more information regarding this program, please contact the following:

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**SOUTHERN MARYLAND AGRICULTURAL DEVELOPMENT COMMISSION
TRI-COUNTY COUNCIL for SOUTHERN MARYLAND**

Southern Maryland Regional Strategy – Action Plan for Agriculture

**KEY ACCOMPLISHMENTS BY OBJECTIVES, STRATEGIES, ACTION PLANS and MFRs
FY 2007 (July 2006 - June 2007)**

Goal 1. Transition Maryland growers away from tobacco production for human consumption

<i>Objective 1.1</i>	<i>By the year 2005, 85-90% of the eligible tobacco growers in Maryland will no longer produce tobacco in Maryland for human consumption</i>
Strategy 1.1.1	Administer the Tobacco Buyout Program for the State of Maryland which offers a monetary incentive for growers who produced tobacco in 1998 to forever cease tobacco production for human consumption
Action Plan	<ul style="list-style-type: none"> • Tobacco Buyout

KEY ACCOMPLISHMENTS - FY 2007 (July 2006 - June 2007)

Managing for Results

	Actual	Actual	Goal	Actual	Goal	Goal
Performance Measures	2005	2006	2007	2007	2008	2009
Inputs:						
Number of farmers applying for the program per year	67	76	na	na	na	na
Output:						
Total number of applying farmers who have contractually agreed to cease tobacco production	67	76	na	na	na	na
Efficiency:						
Applications and contracts processed in timely manner (%)	100	100	na	na	na	Na
Payment checks issued in timely manner (%)	100	100	100	100	100	100
Outcomes:						
Cumulative number of growers out of tobacco	779	854	854	854	854	854
Cumulative pounds of eligible tobacco out of production (millions)	7.331	7.65	7.65	7.65	7.65	7.65
Quality:						
Percent of tobacco farmers who cease tobacco production via the program (cumulative)	76%	83%	83%	83%	83%	83%
Percent of tobacco pounds that are out of production via the program (cumulative)	89%	92%	92%	92%	92%	92%
Payments issued in timely manner (%)	100	100	100	100	100	100

Goal 2. Assist farmers and businesses to diversify and develop market-driven agricultural enterprises

Objective 2.1	<i>Targeted marketing programs for Southern Maryland developed</i>
Strategy 2.1.1	Develop and support programs for retail and/or wholesale markets for Southern Maryland agricultural products
Action Plan/Step	<u>Marketing Southern Maryland Products (now So. Maryland, So Good (SMSG))</u> <ul style="list-style-type: none"> Develop a marketing program to enable Southern Maryland producers to gain access to metropolitan markets
Action Plan/Step	<u>Southern Maryland Farm Guide (now SMSG)</u> <ul style="list-style-type: none"> Update and develop Farm Product and Services Directories to promote Southern Maryland farm, store, and restaurant retail and wholesale products and services
Action Plan/Step	<u>Farmer's Market Promotion and Development</u> <ul style="list-style-type: none"> Assist counties and producers in the promotion and development of farmers' markets for local products

Managing for Results

Goal 2. Objective 2.1: Targeted marketing Programs for Southern Maryland developed

Strategy 2.1.1	Develop and support projects for retail and/or wholesale markets for Southern Maryland agricultural products
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	Actual	Actual	Goal	Actual	Goal	Goal
Performance Measures	2005	2006	2007	2007	2008	2009
Inputs:						
Number of grower applications: Farm Guide and SMSG (merged)	169	197	205	200	205	210
Number of store participants: SMSG (now including stores, restaurants, institutions)	50	59	65	62	65	70
Number of Farmers' Market applications	13	13	13	13	13	13
Output:						
Market trends, loan, and feasibility studies assessed	0	1	0	0	0	0
SMD Directories published (Regional, Direct-market) ¹	4	3	2	4	3	4
Efficiency:						
Directories published in timely manner	4	3	2	4	3	4
Farmer market applications and contracts processed timely	100%	100%	100%	100%	100%	100%
Outcomes:						
Number of growers / businesses advertising in Directory ²	245	254	270	287	290	300
Number of Farmers Markets supported/promoted ³	13	18	18	18	18	18
Number of Farmers' benefiting from farmers' market promotion, enhancement ⁴	500	671	685	665	665	665
Quality:						
Advertising campaign – number of direct mailings, media ads ⁵	5.5 m	4.4 m	3 m	3.2 m	3.2 m	3.2 m

1: Farm Guide, equine brochure, holiday brochure and farmers' market brochure

2: 200 in directory, 62 stores and restaurants and 25 implement and suppliers

3: 18 FM (retail and wholesale) in brochure

4: 165 farmers from farmers markets, 500 Cheltenham

5: Direct mailings (8,370) and 35% of combined circulation for ads

Goal 2. Objective 2.2. Farmers and agri-businesses diversified and on-farm and related income increased

Strategy 2.2.1	Develop and implement a grant program to provide incentives and professional support for farmers to increase on-farm income and preserve the farm's environmental resources (Southern Maryland Farm Viability Enhancement Program)
Strategy 2.2.2	Develop opportunities for value-added processing
Strategy 2.2.3	Develop and support a regional agri-tourism program
Strategy 2.2.4	Promote, advertise and recruit agri-businesses into and from Southern Maryland
Strategy 2.2.5	Provide matching grant support for targeted local, state and federal agricultural grant programs

	Actual	Actual	Goal	Actual	Goal	Goal
Performance Measures	2005	2006	2007	2007	2008	2009
Inputs:						
Number of applications for SMD Farm Viability & Grape Grants	6	24	10	24	15	15
Number of relevant local, state and/or federal grants ¹	0	0	1	1	1	1
Output:						
Cumulative number of Farm Viability Business Plans developed	13	14	17	20 ²	21	25
Agri-tourism Brochures published ³	1	2	2	1	1	1
Efficiency:						
Applications and plans processed timely	100%	100%	100%	100%	100%	100%
Grant funds processed in timely manner	na	100%	100%	100%	100%	100%
Outcomes:						
Number of farms with viable business plans (cumulative) ⁴	13	14	17	19	22	25
Business Incubator / Processing Kitchen design underway	na	1	0	0	0	0
Number of producers/business participating or enhanced in agri-tourism as a result of program ⁵	88	153	175	191	200	200
Matching grants awarded	1	0	1	0	1	1
Quality:						
Advertising campaign – number of direct mailings, media ads ⁶	5.5 m	4.4 m	3 m	3.2 m	3.2 m	3.2 m

1. USDA matching grant FY'07: Supplying locally produced foods to hospitals
2. Development of two FY'06 business plans completed in FY'07
3. Agritourism brochure has evolved into So. MD Trails guidebook
4. Three business plans approved FY'07 and currently being prepared
5. 191 in trails guide (includes arts and festivals) FY'07
6. Direct mailings (8,370) and 35% of combined circulation for ads FY'07

7. Managing for Results

Goal 2. Objective 2.3. *Information and education to enable the agricultural community to diversify farm and related operations provided*

Strategy 2.3.1	Develop and/or support relevant trade fairs, conferences, workshops and seminars on select related topics
Strategy 2.3.2	Support and develop education and training opportunities in agriculture, leadership and business management
Strategy 2.3.3	Provide information through diverse media (eg: newsletter, website, resource library)

	Actual 2005	Actual 2006	Goal 2007	Actual 2007	Goal 2008	Goal 2009
Performance Measures						
Inputs:						
Funds available for Infrastructure programs	yes	yes	yes	yes	yes	yes
Output:						
Number of Educational Tours developed	2	1	2	1	1	1
Number of Educational Tours developed (cumulative)	8	9	11	10	11	12
Educational opportunities (fairs, conferences, courses, seminars, etc.) sponsored through program ¹	43	30	25	30	25	25
Educational opportunities (fairs, conferences, courses, seminars, etc.) sponsored through program (cumulative) ¹	86	116	141	147	172	197
Number of scholarships awarded	1	1	1	0	1	1
Number of farmers / businesses directly receiving information ²	1919	2234	2300	3372	2300	2500
Efficiency:						
Grant or sponsoring funds processed in timely manner	100%	100%	100%	100%	100%	100%
Outcomes:						
Number of agri /businesses enhanced/developed as a result of tours, education, trade fairs, grants, etc. (participants in workshops, etc.) ³	876	940	500	811	800	800
Quality:						
Advertising campaign – outreach of direct mailings, media ads ^{3&4}	5.5 m	4.4 m	3 m	3.2 m	3.2 m	3.2 m

- 4 workshops, 20 community meetings and public outreach and 6 special events in 2007 totaling 30
Cumulative: 1 (2001)+ 7 (2002)+17 (2003)+ 18 (2004)+ 43 (2005)+ 30 (2006)+ 30 (2007)
- Direct mailings: 3372 = 854 (tobacco mailing; 150 trails mixer, 700 equine conference, 1030 holiday brochure mailing and web, 76 SMILE, 287 farm update and 275 Buy Local Challenge
- Grantees (24), Workshops & Special Events (787). This number is probably higher, due to the Buy Local Week Challenge Week, developed by SMADC and promoted state-wide to support farms, farmer markets and stores and restaurants in July '07.
- Direct mailings (8,370) and 35% of combined circulation for ads

Goal 3. To promote and support agricultural land preservation in Southern Maryland.

Objective 3.1	<i>Incentives for landowners to put land under state and/or local agricultural land preservation programs and to support the counties' agricultural land preservation programs provided</i>
Strategy 3.1.1	Provide an incentive for landowners who take the Tobacco Buyout to place their land under agricultural preservation as specified in the Tobacco Buyout Contract by receiving an additional 10% of the easement price, pending availability of funds
Strategy 3.1.2	Match State / County Easements for agricultural land easement on a one-to-one basis. First priority will be given to landowners who have committed to the Tobacco Buyout and received their first payment. Remaining funds may be used for agricultural land easements of other agricultural landowners
Objective 3.2	<i>Acquisition of County land for Farmers' markets on a one-to-one match from the County and General Market Support</i>
Strategy 3.2.1	Provide support and funds upon request for acquisition of land for a Farmers' Market. Acquisition may include either the purchase of land or a long-term lease agreement. Funds may also be used for general market support.

FY'04 Performance Measures	Actual 2004	Actual 2005	Actual 2006	Goal 2007	Actual 2007	Goal 2008	Goal 2009
Inputs:							
Funds made available to support existing county preservation program (thousands) ¹	902	1,473	1,875	2,025	2,025	1,199 ³	1,380 ³
Bonus funds available to support incentive for tobacco farmers (thousands)	147	378	na	389	389	480	300
Output:							
County programs strengthened	5	5	5	5	5	5	5
Number of eligible Growers who place land under agricultural preservation (cumulative, inc. leveraged matching) ²	73	92	125	130	164	175	190
Outcomes:							
Cumulative acres permanently preserved (inc. matching) ²	11,616	13,593	17,166	19,500	20,556	22,500	24,500
Counties participating	5	5	5	5	5	5	5
Quality:							
Payments issued in a timely manner	100%	100%	100%	100%	100%	100%	100%

1. At the end of each fiscal year, unused funds are reallocated from infrastructure programs to preservation
2. Acres reported at the end of each fiscal year include properties that are approved by the counties and waiting settlement, thus funds are encumbered for those specific properties. Sometimes these properties drop out and the funds are used to support the next easement offer. This FY2007 report reflects all the adjustments to date, as we conducted a comprehensive review of records to verify the number of acres preserved since the beginning of this program.
3. The Maryland Board of Public Works reduced the approved SMADC budget by 8% in June 2007 (MDA and DBM reported that all Maryland programs funded by the Maryland Cigarette Restitution Fund (CRF) were equally cut by 8% budget in June '07). This number reflects that budget reduction. DBM, through MDA, requested that the FY'09 reflect the 8% budget cut in CRF funds.

For more information regarding this program, please contact the following:

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 Tri-County Council for Southern Maryland
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Attachment A

2006 Tobacco Buyout Survey Summary (conducted Oct.-Dec. 2005)

Summary of the survey:

- The survey results are encouraging.
- Increased transitions are occurring into new and profitable agricultural enterprises, such as:
 - nurseries and green products,
 - value-added production,
 - grapes for wine, and
 - agritourism.
- These results, combined with the statistics, show
 - a majority of farms are maintaining their operations in So. Maryland
 - and reinforce our strategic programs in marketing, agribusiness and education, protecting farm assets and estate planning.

The Southern Maryland Agricultural Development Commission sent out a voluntary survey along with the 2006 Buyout Annual Renewal Form. The survey was sent to all of the living Tobacco Buyout participants. There are 854 Maryland Tobacco Buyout original contracts and 590 responded to the survey. Not every question received responses. Responses came from Anne Arundel, Calvert, Charles, Prince George's and St. Mary's counties, and one each from Cecil and Queen Anne Counties.

Summary of the 2006 Survey Questions and Responses:

Before the Buyout

Tobacco was a very popular cash crop in Southern Maryland was because it didn't require large lots of land and could be grown on a part-time basis. The survey results bear this out as over 55% of the respondents identified themselves as part-time growers before the buyout. Just over 40% stated they were full-time farmers.

After the Buyout

Approximately 66% of the respondents considered themselves as part-time growers and 33% as full-time. After seven years of the Buyout, this represents approximately a 10% shift in the respondents.

Farm Operation

The goal of the Buyout program is to help farmers stay in agriculture and be profitable as the region transitions away from a tobacco-based economy. This was done by 1) providing an income stream through Buyout payments over a 10-year period to enable growers to transition to new agricultural ventures, and providing tools such as 2) land preservation and 3) developing marketing, agribusiness development and education/outreach programs to assist the grower in finding an alternative crop or agribusiness. Over 50% stated that their farm operation has been maintained or grown since the buyout. Just over 45% have downsized their operation.

What do you currently grow/raise?

Number of responses: 574.

Growers were asked to list all that they produce and more than one category could be marked on each survey. The traditional crops remain a stronghold. Grains and livestock received 326 responses, hay 216, vegetables 171 and livestock 131 responses. The "alternative" crops and/or agribusiness had a strong showing of 104 responses. This represents grapes for wine, greenhouse bedding plants, nursery plants, cut flowers, agritourism and animals raised such as emus, horses and llamas. After commodity crops, hay is the second most commonly grown crop.

What do you grow or raise differently since the Buyout?

Number of responses: 371.

Respondents were asked to list things they have done that are “new or different” since they began the buyout. The top three listings were grains/soybeans (169), produce (95) and hay (73). The “animal” category received 24 responses (primarily livestock, goats, hogs, horses and rabbits). “Alternative” crops received 22 responses (primarily cut flowers, greenhouse bedding plants, and mums).

How do you market your farm goods?

Number of responses: 487.

More than one response could be checked off. The top three categories were shipping grains/soybeans (195 responses), direct-marketing to retail customers (195 responses), and marketing through wholesale buyers (94 responses). Over 25% market directly to retail customers. This is an encouraging statistic, as these direct market activities strengthen awareness and ties between farms and the community.

Grower Age

At the onset of the Buyout, the average age of the Maryland tobacco grower was 62. In 2006, approximately 65% of the respondents are over the age of 50. Approximately 36% are under the age of 50.

Open Ended Questions

The next three questions were open-ended, therefore very difficult to tabulate. Some responses were brief and vague, while others gave very long answers. The responses are grouped into broad categories.

Where do you see yourself and your farming operation in 5 to 10 years?

Number of responses: 397.

Fourteen responded that their business would increase, 269 thought it would stay the same, 50 thought they would be retired or dead, 22 expected their business would decrease and thought they would diversify into something else. We had approximately 85 uncertain and miscellaneous responses.

What would you like to see the Southern Maryland Agricultural Development Commission do for you?

Number of responses: 212.

Some of the participants want the Commission to handle everything from regulatory issues, obtain better prices and provide tax breaks and lower taxes. 17 responded that they would like the Commission to develop new markets, 14 sided new initiatives, 16 said land preservation and 16 farmer initiatives and preserve farming. 24 didn't have an opinion and 25 responses were very general, e.g., “help me farm,” “all they can,” etc.

What information or workshops would you like to see the Commission offer?

Number of responses: 135.

29 responses did not have any comments and there were 34 general comments. We received 20 responses for “alternative crops”, ten for “marketing”, eight for “farm preservation”, eight for “how to make more money” and four for “estate planning”.

FOLLOW-UP: The Commission has offered workshops on all of these topics.