



Select! Sonoma County: A Long-Lived Marketing Program Faces Hard Times

A Case Study

Prepared for the North Central Initiative for Small Farm Profitability

By the University of Wisconsin Center for Cooperatives

Funded by the Innovative Food and Farming Systems Program
of the U.S. Department of Agriculture

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January, 2002

The Context: Sonoma County, California

Sonoma County is located along the Pacific Ocean just north of San Francisco, California. Although it has traditionally been an agricultural county, Sonoma County is now one of the fastest growing counties in California, with a 3% population growth rate annually. With this large influx of people, agricultural land has been gobbled up by housing and commercial developments, and the county is now considered urban. Not surprisingly, the prices of homes and land in the County are also increasing rapidly; the median cost of a home is currently \$300,000, and prime grape land is going for about \$65,000 per acre. As a result of some of these changes, many small to mid-sized fruit and vegetable farms are giving way to larger vineyards that can afford the high cost of land, labor, energy, and water.¹ Wine grapes are also more profitable and have a ready market. According to the 2000 Sonoma County Agricultural Crop Report, the wine grape crop tonnage for 2000 exceeded the previous record by over 3,100 tons

(with a concomitant increase in price paid per ton), while fruits, nuts, and vegetable crops decreased. Both livestock and poultry and their associated products also decreased in value and dairies decreased in number.² To reverse this trend, farm leaders and others interested in supporting local farmers and preserving open space have been struggling to find ways to support local farmers and preserve farmland in the County.



Select! Sonoma Label

The Founding of Select! Sonoma County

Founded 12 years ago as a public-private agricultural marketing organization, Select! Sonoma County's stated goal is "improving the economic well-being of Sonoma County agriculture and to motivate consumers to purchase Sonoma Grown and Sonoma Made product."³ Select Sonoma got off to a

relatively big start in 1989 when a blue-ribbon committee of county leaders including the Agricultural Commissioner, a cooperative extension agent, an owner of a successful local dairy, an owner of an independent grocery store, and several producers formed the organization as the first regional agricultural marketing organization in America. The program was originally called the "Sonoma County Agricultural Marketing Program" or SCAMP. At the time, the program was a role model for many other regional programs in the country. From its inception, Select! Sonoma has been partially funded by a "transient occupancy tax" or hotel tax approved by the Sonoma County Board of Supervisors, with the remainder of the money coming from private donations, fundraisers, and membership fees.

Dan Benedetti, the owner of Clover Stornetta Farms, was one of the founding members of Select Sonoma and also served as its first president. He is currently an active member of the organization. According to Benedetti, the biggest obstacle to getting the program going was agreeing on quality standards for products. Eventually, he said the members "agreed to

disagree” and had no formal quality standards for products because they didn’t want to “police each other.” Their rationale, he said, was that “customers would decide whether the product was good enough, and the products wouldn’t get in the back door of the supermarket if they weren’t good enough.” Overall, this system worked very well, Benedetti said.⁴

Jennifer Bice and her husband, owners of a very successful goat farm, were also original members of Select! Sonoma. When the program was started, she and her husband were extremely excited to have some support with marketing. According to Bice, because goat milk products are unfamiliar to many people, they had to engage in very aggressive niche marketing for their products; she referred to herself and her husband as “goat milk missionaries.” When Select! Sonoma came along, they saw it as an great opportunity to get much needed help with their marketing efforts. The first event sponsored by the organization, much to their delight, was a marketing conference.⁵

Select! Sonoma County's Membership Participation and Benefits

Select! Sonoma

members have been involved in different ways throughout the years of the program. Members pay \$100-\$300 per year for membership fees. Members vote for board members and attend Select! Sonoma events. In addition to the benefit of the Select! Sonoma label, marketing assistance, and the overall promotion of local products, Select! Sonoma has offered various types of programs for members over the years, including marketing workshops, food and wine tasting events, “retail liaison” programs, cooking contests, retail promotions, and more. They also distribute a newsletter that includes informational events, recipes, and pieces submitted by members.



Select! Sonoma “shelf-talkers” in a Sonoma County market

All in all, Jennifer Bice said that she and her husband were very pleased with Select! Sonoma programs—she said that they “got a lot out of them.” However, she admitted that while she and her husband were more actively involved in the beginning of the program than most members, as their business grew, they became too busy to keep going to events. She stated that time was a problem for many Select! Sonoma members. Dan Benedetti echoed this sentiment, saying that most of the Select! Sonoma farmers are small farmers who spend the vast majority of their time working on their farms—so they have little time to participate in these events.

Select! Sonoma Faces Hard Times

Unfortunately, due to the economic, agricultural, and demographic changes in the County, along with loss of membership, past lack of leadership and financial resources, Select! Sonoma is currently struggling to stay afloat. According to Michael Dimock, the new executive director of Select! Sonoma, after really getting off the ground from 1989-1991, the program was successful until about 1997. At that time, organizational and leadership problems, along with the sharp decline in the number

of small growers and artisan food producers in the County contributed to severe financial stress for the organization. During this period, Dimock said, the educational programming that had been part of the program's success was abandoned. Leaders of the organization stopped writing grants for educational and promotional seminars, which were quite popular among members and others in the community.⁶



Traditional Medicinal teas with Select! Sonoma labels

At the same time, intense conflict developed regarding the Select! Sonoma certification process and whether it should include only products *grown* in Sonoma County, or should include those *made* (but not necessarily *grown*) in Sonoma County. Cindy Callahan, current president of the organization, said that in addition to the conflict about labeling, there were “expensive marketing forays to promote Sonoma County products at high-end food emporiums in such places as

Texas and Colorado.” She felt that at that time, it was a serious mistake to focus promotional efforts so far afield, and that these efforts should have been focused on the 6.5 million consumers in the greater Bay Area.⁷

By 1997, the organization was really faltering financially and the organization raised the price of membership. Between 1997-1999, the organization lost half of its members, dropping from 140 members to 70 members. Many of the organization's bigger corporate members, who typically had less than 1% of their products certified as Select! Sonoma, dropped out of the program.

Dan Benedetti feels that the main problem, or “Achilles Heel,” of the program was that there was no *common* distribution and packaging/processing system. According to Benedetti, “all the marketing in the world falls on deaf ears without common identifiers among production, packaging, and distribution systems.” Because Select! Sonoma farmer members are so busy, he said, they “have zero time to market their products, and need a consistent program to take care of processing, packaging, and marketing.” He stressed that *all three* had to be taken care of, or the program ultimately wouldn't

help farmers and wouldn't be effective in the long run.

Both Benedetti and Bice, like Dimock, attributed the program's current problems to lack of direction, vision, and focus among executive



Select! Sonoma local product display in Sonoma County market

directors and board members during the late 90's. Benedetti blamed himself as well as other leaders for not seeing problems as they arose. Bice said that during the mid to late nineties, executive directors dropped programs, “let a lot of things fall through the cracks, and just couldn't keep up with things. They just didn't pay attention and things weren't on time.” She also noted that the membership at the time was very diverse, and it was often difficult to agree on what to do.

Recently, Jennifer Bice

said that communication with members was very poor, and members had “no idea what is going on with the program or why.” She said that many members she spoke with were confused about the lack of programs and promotions in stores. Ultimately, she felt that if the Select! Sonoma leaders told the members honestly about the challenges the program is facing currently, they “might come together as a community and rally to save the program.” She emphasized that “community and cohesion” were essential if the program wanted to survive, noting that the current director’s focus on getting money from “the big guys” was alienating small farmers in the program. Although she said she personally would stay with the program no matter what, she said that other members are “so disgruntled that they aren’t joining or paying dues anymore.”

Attempts to Revive Select! Sonoma

In July 2001, Select Sonoma’s director, Michael Dimock, was engaged in an aggressive fund-raising effort to save the program. At that time, the program was operating on a \$126,000 budget, with half the money coming from the county’s promotional budget. According to Dimock, some

county officials don’t want to invest more money in the program, since transient occupancy tax funds are the only unrestricted revenue the



Michael Dimock and the owner of a Sonoma County market in front of a Select! Sonoma display

county has. Many in the county want to see the money used for other programs.

The Select! Sonoma program was also severely in debt in the late summer and fall of 2001. During this time, Dimock was seeking money from large donors such as big wine growers in the county and holding high-end fund-raising events for members and other possible donors in the area. Dimock’s strategy to turn the organization around also included an aggressive, visionary three-pronged program focusing on product promotions, public outreach and education, and an agriculture sustainability project.

Unfortunately, as of January 2002, efforts to revive the organization financially have not been successful.⁸ A membership drive in the fall of 2001 informed members about the

three-pronged strategy to save the organization. The drive raised some money, but not nearly enough to tackle the debt. Michael Dimock thinks that the membership drive failed because farmers were not attracted to the “big-picture” strategy to save the organization; he believes that it was probably “too abstract,” and farmers didn’t really feel it connected with their “on-the-ground” problems. Dimock said, however, that they “plan to have a membership meeting in the spring to discuss the future of the organization. The members can select the best options.”

Select! Sonoma leaders are currently focusing on one last strategy to save the organization. A local group interested in preserving farmland and promoting locally grown and made products is hoping to partner with Select Sonoma to create a marketplace area in downtown Santa Rosa. The marketplace, called the Sonoma County Food & Wine Center, would focus on locally made and grown products and could include a culinary school, a farmers’ market, wineries, and other businesses that would promote local products. A local bank, interested in the Sonoma County Food & Wine Center concept, has offered to work with Select

Sonoma to forgive part of their debt and help them pay the rest of it back.⁹

Dimock said that if efforts to create the Sonoma County Food & Wine Center and decrease the organization's debt did not pay off in a few months, Select! Sonoma would be handed over to an existing program—the Sonoma County Wine Association (SWCA), which is the largest agricultural marketing association in the country. The SCWA has a healthy program due to the success of the wine industry.



*The future of Select Sonoma:
A local marketplace and farmers' market?*

Conclusions

At this time, it is not clear whether or not Select! Sonoma will survive—although the prognosis does not look good. Whether it does or not, however, lessons can be learned from the past struggles and current challenges of this relatively long-lived organization. Select! Sonoma faces problems that many other organizations geared at helping small to mid-sized

farmers in the U.S. face. The global level political and economic factors confronting small and mid-sized farmers in Sonoma County, like elsewhere in the country, are huge. These large-scale problems compound the challenges of making a membership-based, public-private organization work well and thrive financially.

In sum, reasons for the program's current problems include the following:

- **Rapid urbanization of Sonoma County**

- **Political/economic factors, including:**

- low commodity prices for most crops
- higher costs for land, labor, energy, and water

- **Select! Sonoma leadership problems and bad decisions, including:**

- lack of vision and focus
- not keeping up with fund-raising efforts and educational programs
- poor communication with members
- promotional efforts too far afield

- **Disagreements about labeling (grown vs. made)**

- **Failure to establish common production, packaging, and distribution system**

In spite of these problems, all of the people interviewed expressed hope that the program would continue—at least in some fashion. Dan Benedetti stated that he thought the program “could still be a model for the country, if collaboration could happen on a county-wide basis.” He thinks that the county needs to find common ground by realizing that everybody in Sonoma County needs diversified agriculture if they want the quality of life and special character of the county to survive. Michael Dimock said that ultimately, even if Select Sonoma ceases to exist, he is optimistic. “If Select! Sonoma fails,” Dimock says “another initiative perhaps more appropriate to the moment will be born. Producers are tenacious and the people of the county want our farms to survive. People are always learning and we will do something even better than the concept of Select! Sonoma.”

Citations

1. Personal interview with Michael Dimock, Executive Director of Select! Sonoma County. Santa Rosa, CA, July, 2001.
2. Sonoma County Agricultural Crop Report, 2000. Santa Rosa, CA.
3. Select! Sonoma County, "Strategic Approach" Brochure, 2001.
4. Phone interview with Dan Benedetti, President of Clover Stornetta Farms. Sept. 2001.
5. Phone interview with Jennifer Bice, goat farmer and member of Select! Sonoma County. Sept. 2001.
6. Personal interview with Michael Dimock, Executive Direction of Select! Sonoma County. July, 2001.
7. Phone interview with Cindy Callahan, President of Bellweather Farms. Board of Directors, Select! Sonoma County. Aug. 2001.
8. Phone interview with Michael Dimock, Executive Director of Select! Sonoma County, January, 2002.
9. Phone interview with John Westoby, Sonoma County Agricultural Commissioner, Santa Rosa, CA. January, 2002.