

UNITED STATES 2015 LOCAL FOODS MARKETING PRACTICES SURVEY

INSTRUCTION SHEET

FORM OMB NUMBER
(Date approved)

U.S. DEPARTMENT OF AGRICULTURE
NATIONAL AGRICULTURAL STATISTICS SERVICE
For additional help, call XXX-XXX-XXXX
Para ayuda adicional, llamer al XXX-XXX-XXXX

Interest is growing in supporting local agricultural economies through purchase of foods from sources that are geographically close to the consuming areas, via channels that are direct from farm to consumer or at most one step removed. There are however very few sources of consistent, reliable statistics available for policymakers and marketers to rely upon when making policy decisions which can affect both producers and consumers of local foods. This survey aims to establish benchmark data to provide policymakers with the necessary knowledge to enact sensible policy in support of the local foods industry.

Completing the 2015 Local Foods Marketing Practices Survey - Make all entries clear and easy to read. Use a blue or black ball point pen. Enter your answers in the proper spaces and in the units requested, i.e., number of acres, whole dollars, percent, etc. Mark all applicable Yes/No boxes with an "X". Some sections have a skip patten which directly the respondents to the next section when they have "NO" answered to the screening questions. Please follow the instructions on the report form for the skip patten. For sections of the form which do not apply to the operations, mark the "NO" box in the screening question at the beginning of the section and then follow the skip pattern. Instructions in greater detail for many sections are listed below.

You can also respond online, through a secure web browser. Data reported online is safe, secure, and will be kept confidential. Reporting online is the most economical method to report and save taxpayer money. Reporting online saves money and is environmentally friendly.

This operation refers to the farm, ranch or other agricultural activity controlled or operation by the person, farm, or business indicated on the cover page of the report form. The decisions as to who the operator is and what acreage to include in this operation can be made by reviewing the name and address area on page 1.

The principal operator is the person in charge, such as a hired manager, business manager, or other person primarily responsible for the onsite, day to day operations or directly supervising the work. In the event of multiple operators, the principle operator is either the person regarded by the other operator as the one making the majority of the decision or the oldest operator. The operator may have worked land he/she owned, land rented for cash from others, acreage rented on a crop-share basis, land operated rent free, or land operated under a combination of several such arrangements. For the most part, terms and definitions for this survey are similar to those in common use.

Reporting partial-year operations correctly- With the continuing change in the agricultural community, there may be questions as to who is responsible for completing the report form. During 2015, if there was a change of ownership or the addressee is deceased or is no longer farms, then the

report form should be completed for the part of 2015 in which the addressee operated the farm or ranch. Make updates to the address label, as needed. In addition, respondents should complete section 9 and include the address and name of the person who used the land in this operation for the remainder of 2015. If the addressee died during 2015, complete the report form and provide any necessary comment on the cover page.

Farming operation carried on by household member- on the report form for the operators, include any farming operation carried on by member of his/her family or by other persons living in the household, if they worked the land or kept livestock or poultry. Likewise, report land used or livestock or poultry kept by a son or daughter for sale to local markets. Person, including members of the family, living in the household and having separate agricultural operations should report their operation on a separate form.

Corporations and institutions- A report form is required for all agricultural operation operated by corporations, schools, hospitals, prison, experimental stations, grazing association, and other institutions. Report forms were mailed to the managers of the agricultural operation of these organization for completion.

For institution only, report as sold the value (or best estimate) of any agricultural products, such as vegetable, fruit, eggs and milk, produced on land operated by the institution and consumed by the persons in the institution. Also as "value of Sales" report all other sales associated with the agricultural operation of the institution. Report the area harvested of any of the crops or animals produced and consumed by the persons in the institution, along with the rest of the requested information for each crop in those sections.

QUESTIONNAIRE

Exclude crops and animals under production contract in this survey

- A production contract is an agreement between a grower and contractor (integrator) setting terms, conditions, and fees to be paid by the contractor to this operations for the production of crops livestock or poultry
The grower will raise an agricultural commodity and the contractor will provide certain inputs such as feed, fertilizer, ect. The grower receives a payment or fee from the contractor, generally after delivery, which is less than the full market price of the commodity. The contractor retains ownership and take possession of the raise commodity at the end of the contract period.

Face Page - Answer the questions about whether you produce agricultural products on your farming/ranching operation, and whether you sell food products directly to consumers, retail

establishments, or institutions. If you check "NO" to all questions on the face page, please turn to page 16, the last page, fill out your name and phone number, and return the form in the prepaid envelope provided. If you have any questions about the survey, please call XXX-XXX-XXXX, toll-free.

Section 1-4 - Report the value of edible agricultural sales sold through the appropriate direct marketing channel. Exclude sales of products that were not for human food or drink such as animal feed, wool, nursery and flowers. Report sales completed in 2015 regardless of the year crops were harvested or raised. Report the gross value of sales before the deduction of expenses, marketing fees, or taxes. Include as sales your estimate of the value of any crop or livestock bartered directly to consumer for services or other goods. Report in whole dollars only. If you did not sell through the marketing channels listed in the table at the end of each section, please mark the "None" box.

- **Processed or Value Added Food Products-** Products where value has been added after harvest or production. Products that have been altered or packaged before being sold to the consumer. Include canned or preserved vegetables, jam, jelly, wine, juice, cider, cheese, and meats. Include only those commodities which the initial agricultural commodity was produced on this operation. For example, if wine was produced from grapes purchased from another operation do not include it. If the grapes were produced on this operation, then the wine should be reported. Value added products are reported in section 2 item 31 and in section 5 item 4.
- **Crop Sales** - Report the value of the crops sold for human consumption in 2015 in the appropriate direct-to-consumer category. Report sales of value-added crop products such as apple cider, wine, package salads, jelly, juices and precooked foods with all value-added food products in separate table(s). Report the sales in 2015 regardless of the year crops were harvested or raised. Include the value of your landlord's share of the commodities harvested. Report the gross value before the deduction of expenses or fees
- **Livestock and Poultry Sales** - Report the value of livestock and poultry and their products produced and sold by this operation for local use for human consumption in 2015. Report value added products for livestock and poultry and like cheese, bottled milk, meat, small carton eggs, and pre-cooked foods with all value-added food products in separate table(s). Report the sales in 2015 regardless of the year the animal was raised. Include the value of your landlord's share of the commodities harvested. Report the gross value before the deduction of expenses or fees.

Section 1 Direct to Consumer Sales-Direct to Consumers sales are transactions between the farm and the final user of the good. No other operation or entity is purchasing the agricultural product to distribute it to the final user. Farmers markets, farm stores and farm stands and CSA are examples.

Direct to Retail sales- Direct to retail transitions are between the farm operation and a retail outlet that will sell the good to the final consumer. The operations does not process the transactions with

the consumer. Sales to Supermarkets, restaurants, food cooperatives and caterers are examples of retail outlets.

Direct to Institutions sales- Direct to institution sales are transactions between farms and institutions using the good to provide a service to employees, students or residents. Colleges, Schools, workplace cafeterias, correctional institutions and preschools are examples of institutions. The farm does not process the final transition to the consumer.

Direct to Intermediate markets-Intermediate markets are brokers and distributors that are not the final consumer of the good and will not process the transactions between the consumer and the final good. For this survey, Intermediate marketers will purchase goods from the operations to distribute it to other sales venues where they will be sold to the final user and brand the product as regional or local.

Section 5 - item 1- Report by category the total value of all local food sales reported in Sections 1-4. The total reported should represent the sum of items reported in Section 1, item 29, Section 2, item 11, and Section 3, item 13, and Section 4, item 16.

Section 5, items 8 - 22, This pertains to your entire farming operation, not just the portion used to produce food items sold directly to consumers or retailers.

Section 6 - Items 1-17 Report your expenses for your entire farming operation, not just the amount you spend to produce products for direct markets.

PRODUCTION EXPENSES

Include farm production expenses paid by you and/or your landlord(s) for crops, livestock, or poultry produced on this operation in 2015 in items 1 through 15. Include expenses associated with the generation of farm-related income reported in Section 30. Include expenses incurred in 2015 even if they were not paid in 2015. Estimate if exact figures are not known.

Include the expenses associated with the production and marketing of value added products grown, processed and sold by this farming operation.

Contract growers or custom feeders - Do not report the value of inputs provided by the contractor or livestock owner as production expenses. Identify the items that were contractor provided in section.

- **Item 2 -** Include surfactants and oils and other products used to increase a chemical's effectiveness.
- **Item 6 -** Report the purchase cost of all grains, silage, hay, commercially mixed and premixed feeds, ingredients, concentrates, etc., fed to livestock or poultry on this operation. Contract livestock and poultry growers should not report the value of feed that was provided by a contractor. Do not report the value of feed raised and fed on this operation as an expense.

- **Item 9** - Include the cost of repairs and upkeep of farm machinery, vehicles, buildings, fences, and other equipment used in the farm business. Include expenses for repairs to machinery and equipment used only for custom work if income from those machines is reported in section 6. Exclude repairs to vehicles not used in the farm business. Exclude expenditures for the construction of new buildings or the cost of additions to existing buildings.
- **Item 10a** - Include labor expense for the farm business for gross salaries and wages, commissions, dismissal pay, vacation pay, and bonuses paid to hired workers, family members, hired managers, administrative and clerical employees, and salaried corporate officers. Include cost for benefits such as employer's social security contributions, unemployment compensation, worker's compensation insurance, employer paid life and medical insurance expense, pension plans, etc.
- **Item 10b** - Include the labor costs of workers furnished on a contract basis by labor contractor, crew leader, or cooperative for harvesting vegetables or fruit, shearing sheep, or similar farm activities. Report costs for repair work done by a construction contractor in Item 9. Report the cost of customwork or machine hire in Item 11.
- **Item 12a** - Exclude rent paid for operator dwelling or other nonfarm property. Exclude the value of shares of crops or livestock paid to landlords.
- **Item 13** - Report all interest expenses paid in 2015 for the farm business. Include interest paid on CCC (Commodity Credit Corporation) loans in Item 13b. Exclude interest associated with activities not related to production of crops or livestock on this operation, such as land or buildings rented to others, packing sheds, or feed mills that provided services to others. Exclude interest on owner/operator dwelling where the amount is separated from the interest on the land and buildings on this operation.
- **Item 14** - Include real estate property taxes you paid on the acres and buildings you owned and used in the farm business and property taxes on equipment or livestock. Exclude property taxes on land or buildings rented to someone else, or property
- **Item 18** Report your expenses only for direct marketing of products to consumers, retailers and institutions.

Section 7 -Report any special marketing practices use, particularly certifications by the USDA or other organizations. Please report any food safety audits or plans you have.

Section 8 - Report in this section the characteristics of the persons who make the day to day decisions for your farm or ranch. In item 2, report the total number of persons making day to day decisions, including both the men and women. Do not report as operators minor-aged children who only work on the farm. In item 3, answer questions about those people for up to 4 operators. IF there are more than 4 operators, answer for 4 operators only.

Section 9 -Fill out the name and the phone number of the person completing the form. You can also indicate if you would like survey results mailed to you, or find out where to find them on our website.

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Frequently Asked Questions --

Why is the USDA NASS conducting this survey?

The National Agricultural Statistics Service is conducting the Local Foods Marketing Practice survey to provide valuable information on the details of local food sales, expenses and other information. Data collected from this survey will generate a complete representation of the farm economics of local food production. Policymakers have supported this Census follow-on survey because of the importance of making informed decisions on farm policies based on complete and accurate data.

What does the National Agricultural Statistics Service do with the information you provide?

NASS will publish results of 2015 Local Food Marketing Practices survey in the winter of 2016 to provide valuable insight on trends in local food sales in the agricultural economy. Results will be available on the NASS website, www.nass.usda.gov and www.agcensus.usda.gov. Only aggregate level data will be published, so that no individual reports or farm operator information will be disclosed in the summary data. The information will be available to everyone from the general public to your leaders from government, business, and non-profit organizations to have more information when considering local foods policy and program decisions.

How was this address selected?

Your address was scientifically selected to represent other local food producers in your community. As part of a sample, you represent many other people. Local food producers from all 50 States have been selected to participate in this very important survey. Please return the completed form in the postage-paid envelope as soon as possible or fill out the survey online. Your report is due by Month Day, 2016.

Is it safe to provide my information over the Internet?

Yes. The 2015 Local Food Marketing Practices survey is encrypted at all times. Our secure servers ensure the encrypted transmission of data between your browser and the National Agricultural Statistics Service. This means your browser and our server encode or scramble all data using a security key.