



Vermont Farm & Forest Viability Program Coronavirus Relief Funds Report Rapid-Response Business Coaching

September 1, 2020

Pursuant to Section 5(b) of Act 138 of 2020

Overview & Background

The Vermont Farm & Forest Viability Program at VHCB launched a COVID Rapid-Response Business Coaching Program in late March to support working lands businesses in navigating the impacts of COVID-19. Farm, food, and forest products entrepreneurs are paired with an expert advisor to help them address a variety of urgent needs, connect with resources, apply for relief programs, pivot sales to new market channels, and plan next steps.

A half dozen independent consultants plus key Viability service provider organizations – including UVM Extension, the Intervale Center, NOFA-VT, the Center for an Agricultural Economy (CAE), the Vermont Sustainable Jobs Fund and Windham Grows (Strolling of the Heifers) – are providing Rapid-Response Business Coaching services to working lands businesses. In addition, Farm First is providing mental health counseling and the Vermont Agricultural Mediation Program is providing mediation services.

Entrepreneurs can fill out VHCB's COVID Rapid-Response Coaching intake form on the Viability Program's website to access immediate coaching support, or may directly contact a Viability business advisor, which is helpful for those businesses who already have an established, trusted relationship with a Viability business advisor. Viability Program staff are providing direct services to those entrepreneurs that need some initial consultation and recommendations via phone or email, and working to match each entrepreneur with the best fit advisor(s). Viability Program staff also make referrals to other organizations and explain additional technical and financial assistance resources available.

Funds from several sources, including a \$50,000 grant from the Working Lands Enterprise Board, enabled VHCB to launch and offer Rapid-Response Business Coaching starting in late March. Coronavirus Relief Funds (CRF) in the amount of \$192,000 awarded to VHCB through Act 138 of 2020 enable the Viability Program to offer these services July through December 2020, providing critical funding for the ongoing high demand for these services.

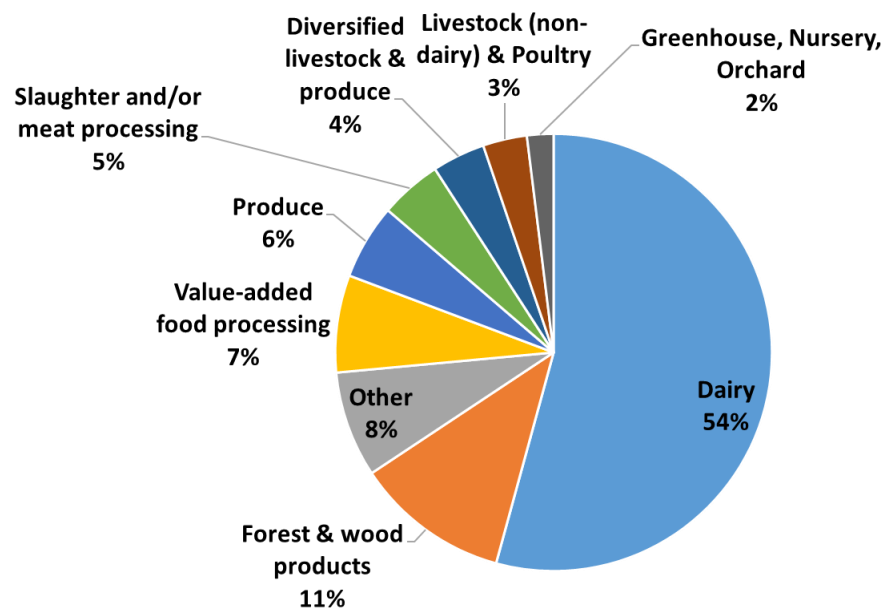
Outcomes to Date

Coronavirus Relief Funds – Starting in July, the Viability Program began utilizing CRF funds to provide COVID rapid-response business coaching. This funding has provided critical capacity to assist farmer & food businesses that have been negatively impacted by COVID-19. CRF funds will directly assist a minimum of 118 businesses from July 1-December 11, 2020, and 33 have been assisted with CRF funds thus far. VHCB Viability staff are also providing direct support to dairy farmers and other working lands businesses, particularly providing initial consultations and helping them access Vermont's CRF grant funding as it has become available. Viability staff are also managing enrollment for Rapid-Response Business Coaching, preparing contracts with the below-mentioned contractors and consultants, and coordinating trainings, phone calls and support for business advisors that provide the coaching services. In particular, we are coordinating communications between VAAFM and the VT Dept. of Forests, Parks and Recreation with our network of business advisors to support advisors in developing the knowledge they need to help business owners access State COVID relief resources.

Impacts from all COVID Rapid-Response services – Starting in late March, VHCB received support from WLEB and other funding partners to provide COVID response services to working lands businesses. As these initial funding sources have run out in July and August, CRF funds are ensuring these services continue through December 2020. The metrics and impacts data reported below are for all such services since we launched COVID Rapid-Response Business Coaching through the Viability Program.

From late March to the end of August, 306 entrepreneurs received COVID Rapid-Response Business Coaching. Fifty-four percent (54%) of these are dairy farmers, 11% are forest and wood products businesses, 7% are value-added processing businesses, 6% are produce operations and 5% are slaughter/meat processing enterprises.

Figure 1: Types of Businesses Served (306 Unique Businesses)



More than 80% of these businesses received help with navigating and/or accessing COVID relief programs such as PPP, EIDL, as well as Vermont COVID-19 Agricultural Assistance Program (VCAAP) grants and the Vermont Forest Economy Stabilization Grant Program. In particular, 146 dairy businesses have been supported in applying to the VCAAP Dairy Grant Program. More than a third received help with financial planning, 23% received help with pivoting to selling into new markets such as direct sales or shifting to online sales. Fourteen percent (14%) received help connecting with health and wellbeing resources, and 13% with addressing labor and human resources challenges.

Figure 2. Enrollment for Rapid-Response Services, by Month

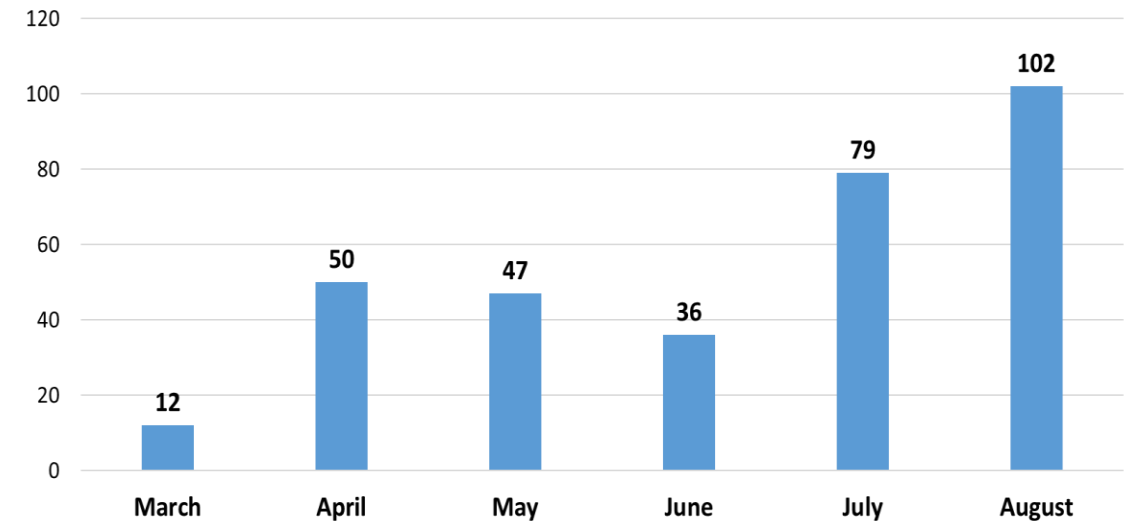
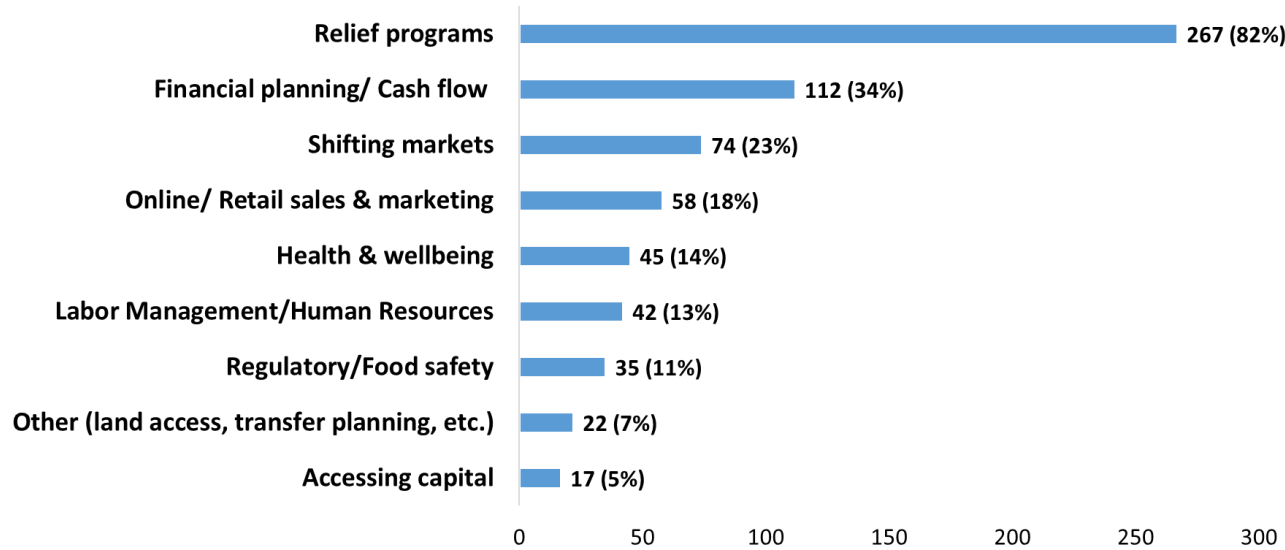


Figure 3: Types of Services Provided

Number (and %) of businesses receiving each type of service; businesses may receive more than one service.



Financial Summary – Coronavirus Relief Funds (\$192,000)

As of August 31, 2020, VHCB has utilized \$3,320.08 in funds for VHCB direct operations costs (direct services to businesses); \$15,543.13 in funds for VHCB administrative expenses; and \$102,783.00 have been committed to contractors to deliver COVID Rapid-Response business coaching. An additional \$36,347 will be committed to contractors in early October to provide services October-December, following an assessment of demand, capacity and ability to provide services in this particular timeframe. Remaining funds (\$34,006.79) will be utilized for administrative and direct operating costs.

The following contracts have been established to Viability Program partners and consultants to deliver Rapid-Response Business Coaching services with CRF funds:

Independent Consultants: \$13,000 – Four skilled independent agricultural business consultants will provide individualized business coaching on a wide variety of topics, from navigating state and federal resources, to marketing and sales, to cash flow and financial planning.

VT Sustainable Jobs Fund: \$46,992 – VSJF will provide in-depth business coaching to companies as they pivot operations to remain viable. Companies will engage in a cohort program model, receiving individualized coaching coupled with 2x/month calls with a cohort of business executives.

NOFA: \$18,000 – NOFA will provide educational forums coupled with business coaching to meat processing operations and farmer forums, and marketing and sales technical assistance to farm entrepreneurs.

UVM Extension: \$9,791 – UVM will provide emergency consultations and business coaching as well as developing educational materials such as digital marketing resources or dairy cash flow planning tools, based on needs as they arise.

Windham Grows: \$10,000 – Windham Grows, part of Strolling of the Heifers, will provide consulting to agritourism and value-added farm and food businesses.

VT Ag Mediation Program: \$5,000 – VTAMP will reach out to past clients and increase capacity to provide emergency mediation services, beyond what is already covered by their federal funding for mediation between farmers and lenders. They are able to provide mediation services for family communication issues, succession challenges and other conflicts.

Contracts in progress: We are in the process of developing a contract with Farm First, which will increase their capacity to provide mental health and counseling services, as well as other business support counseling, to the working lands sector.

Profiles

Dairy farm in Brunswick, VT

Experiencing significant, unanticipated price declines, as well as a quota on milk production, this dairy decided to explore the potential of bottling their own milk and pivoting to direct sales to diversify their markets and remain viable. They reached out to the Viability Program for assistance with identifying grants and other capital resources to support this added-value enterprise. They were connected with advisor, Rose Wilson, to explore the feasibility of this new enterprise, identify funding resources, and create a plan for transitioning operations toward direct sales. This farm is continuing to work on financial planning, creating a strategy for implementing processing as part of their business model, and anticipates enrolling in the Viability Program for longer-term advising to create a comprehensive business plan to support their evolution going forward.

Diversified livestock operation in Brattleboro, VT

With the pandemic interrupting food, and especially meat, markets nationally, this producer experienced high demand for local meat products from their community members. Accommodating this increased need put stress on the infrastructure and systems in place, and this farm reached out for urgent planning support to manage this demand, shift market channels, and restructure their financial assumptions to include unanticipated packaging, storage, and distribution costs. They were matched with Jen Miller, a business advisor at Northeast Organic Farming Association, to strategize and update their operational systems, implement adequate infrastructure, and understand their new cost of production to ensure they could keep pace with demand while operating a successful business.

Berry Farm in West Pawlet, VT

A multi-generational berry farm in West Pawlet gearing up for a season of Pick-Your-Own sought assistance from the Viability Program with navigating COVID relief resources after seeing sales decline more than 50% from the previous year. They were connected with Mike Ghia, a farm business advisor, who guided them through a variety of relief funding opportunities. Learning more about their business and marketing activities, a refreshed marketing and sales strategy emerged as an important next step for the business to maintain client relationships as well as build new ones to sustain them through this uncertain time. Mike provided an assessment of their current website and social media, offered insights and recommendations, and shared marketing strategies and planning guides with the younger and older generations to help them make improvements to their outward communications. They have implemented many of the recommendations to reach their customers and will be reconnecting with the Viability Program now that the Vermont COVID-19 Agricultural Assistance Program grants for non-dairy & working lands businesses are available.

Orchard in Monkton, VT

This family owned and operated orchard in Monkton Ridge grows nearly 30 different apple varieties, plums, peaches and pears, sells heirloom varieties to local award-winning cider makers, and operates a

seasonal Pick-Your-Own retail operation with that also sells Vermont specialty products and local artisan work. They reached out to the Viability Program to evaluate their agricultural enterprises and markets in light of the COVID-19 pandemic. They were connected with a farm business advisor at UVM Extension, Zac Smith, who has expertise in web development, online retail platforms, e-commerce strategy, and marketing. Zac delved into advising the family on these topics, providing online marketing and customer messaging recommendations, as well as working on operational planning to support a safe, enjoyable customer experience that instills customer confidence and the health of their business going forward. They are seeking additional, longer-term advising support through the Viability Program to fully build out and implement their marketing plan as well as develop an expanded business plan that anticipates a variety of market, sales, and public health scenarios to guide them as they adapt to the unknowns ahead.

More information about Rapid-Response Coaching and the online intake form can be found at:
www.vhcb.org/support-services