

*The Value of Appalachian Grown™ Labeling for  
Nursery Growers in Western North Carolina*

Prepared for  
the Appalachian Sustainable Agriculture Project



by  
Laura D. Kirby  
with support from  
the Environmental Learning Center of Warren Wilson College

September 2006

## Introduction

Increasing local consumption of locally-grown food and farm products has been a primary goal of the Local Food Campaign (“the Campaign”) conducted by the Appalachian Sustainable Agriculture Project (ASAP) since 2000. ASAP has used multiple strategies to achieve that goal, including public education and promotional work, farmer training and support, focused farm-to-school programming, and publishing and distributing the *Local Food Guide*, a comprehensive guide to food and farms in western North Carolina. While ASAP’s primary focus area is the 23-county region known as Western North Carolina (WNC)<sup>1</sup>, many Campaign activities extend beyond those boundaries. In 2006 ASAP introduced the *Appalachian Grown*<sup>TM</sup> logo for certifying farms and farm products grown or raised in Appalachian counties.

Nearly 20% of harvested cropland in the region was used to grow Christmas trees and all categories of nursery crops in 2002, the most recent USDA Agricultural Census year. More than 29,000 acres were used for growing Christmas trees and over 12,000 acres were used to grow all other categories of nursery products. Together, sales of Christmas trees and other nursery crops accounted for just over 30% of the \$543 million cash receipts from farming in the region. Christmas tree sales contributed approximately \$56,000 to the total, and sales of all other nursery crops generated nearly \$111,000 in cash receipts.

To explore the question of whether non-food crops could benefit from a “buy local” campaign similar to the one used for promoting locally-grown food, ASAP commissioned a survey of farms producing nursery crops in the region during the summer of 2006. The goals of the survey were to explore the applicability of the *Appalachian Grown*<sup>TM</sup> designation for trees, shrubs and plants grown in the region and to explore interest among producers of those crops in using the *Appalachian Grown*<sup>TM</sup> label.

Given substantial differences in how Christmas trees and other types of nursery products are produced and marketed in NC, the decision was made to limit the survey to nursery growers that were not exclusively selling Christmas trees. Nearly one quarter of all Christmas tree growers in NC market their products direct to consumers through choose and cut operations,<sup>2</sup> for example, and Christmas tree growers already use one type of local label to market their products. That label, “The Perfect Christmas Tree,” was developed by the NC Christmas Tree Association and is used widely by regional growers to promote locally-grown Fraser firs.

For the survey, a mailing list was generated using directories from various trade organizations and from the NC Department of Agriculture and Consumer Services producer database. A total of 469 nursery growers were identified and mailed a written survey asking about the products they grow and issues related to using the *Appalachian Grown*<sup>TM</sup> label. 109 surveys were returned for a response rate of 23%. Results from 100 usable surveys are presented below.

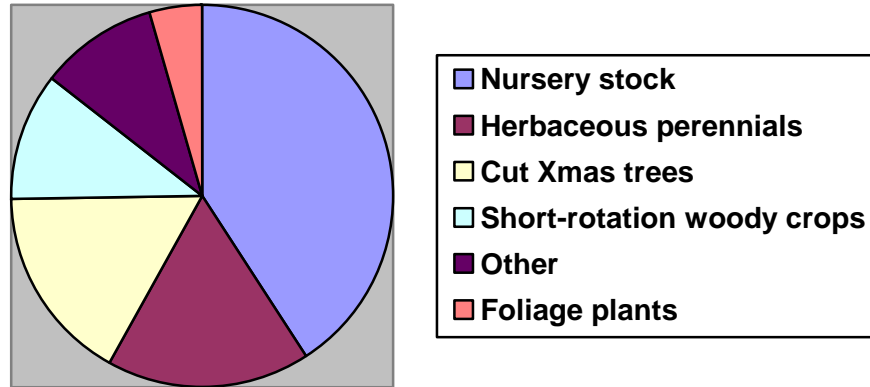
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<sup>1</sup> Western North Carolina is defined as the 23 counties included in the Advantage West economic development region of the state: Ashe, Alleghany, Avery, Buncombe, Burke, Caldwell, Cherokee, Clay, Graham, Haywood, Henderson, Jackson, Macon, Madison, McDowell, Mitchell, Polk, Rutherford, Swain, Transylvania, Watauga, Wilkes, Yancey.

<sup>2</sup> NC Christmas Tree Association. “Tree Facts,” [www.ncchristmastrees.com](http://www.ncchristmastrees.com).

**Descriptive information**

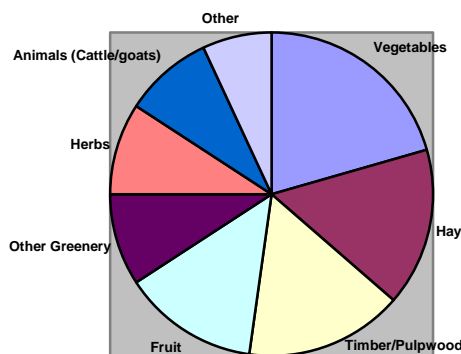
**Figure 1: Nursery Crops Grown by Survey Respondents (n=100)**



Total Acres: 5427  
 Median Acreage: 5  
 Average Acreage: 54.3  
 Range: .10 to 1170 acres

More than half of all farms surveyed raise plants on fewer than 5 acres, which is not surprising given the smaller size of WNC farms in general. Only three farms responding to this survey were large, each of those operating on 1000 or more acres. Nearly a third of the nursery growers reported that they also grow other types of farm products (see Figure 2). Non-nursery crops grown by those farms include timber and pulpwood as well as small quantities of food crops. Food production mainly includes fruits and vegetables grown for home consumption or for direct sale to consumers.

**Figure 2: Non-Nursery Items Produced by Survey Respondents (n=34)**



Total acres for non-nursery crops: 2690      Average acreage: 79  
 Median acreage for non-nursery crops: 15      Range: 1 to 1000

## Determining the Value of a Local Label for Nursery Products

In order for *Appalachian Grown*<sup>TM</sup> or another similar label to be useful for nursery products grown in the region, several conditions must be met. First, there must be a sufficient quantity of products that meet an accepted definition of locally-grown. There must also be interest among growers in using the label. And there must be markets where the label adds value to the products being sold. Each condition is considered in turn below.

### Definition of Appalachian Grown

In consultation with farmers and professionals working with farmers, ASAP developed a set of criteria for *Appalachian Grown*<sup>TM</sup> certification. A definition of *Appalachian Grown*<sup>TM</sup> nursery plants and trees is included as item four in the list of criteria (see Figure 3). Of 100 survey respondents, more than two thirds indicated that at least 90% of their products would meet the proposed definition. Only one grower indicated that none of their products would meet the definition.

#### **Figure 3. Producer Certification for *Appalachian Grown*<sup>TM</sup> Farms and Farm Products**

To become *Appalachian Grown*<sup>TM</sup> certified and market products with the *Appalachian Grown*<sup>TM</sup> logo, the farm operator must confirm the following standards:

1. The farm is located in an Appalachian county.
2. The individual certifying the farm is the farm operator.
3. Products marketed as *Appalachian Grown*<sup>TM</sup> will be grown or raised on the certified farm or on another certified *Appalachian Grown*<sup>TM</sup> farm.
4. **Nursery plants and trees marketed as *Appalachian Grown*<sup>TM</sup> have spent at least 75% of life beyond propagation or at least 1 year on the farm.**
5. For meat marketed as *Appalachian Grown*<sup>TM</sup>, the animal spent 75% of its life after weaning on the certified farm or on another certified *Appalachian Grown*<sup>TM</sup> farm.

### Interest among growers

Some nursery growers expressed doubts about the ability of the *Appalachian Grown*<sup>TM</sup> label to materially benefit their businesses. Ten of 34 comments about the label expressed this type of uncertainty. Nevertheless, more than two thirds of all respondents indicated that nursery product sales could benefit from this type of advertising. Overall, more than 60% of respondents indicated they would like to be contacted about *Appalachian Grown*<sup>TM</sup> labeling and/or being listed in ASAP's *Local Food Guide*.

### Markets

Currently, 57% of nursery growers completing a survey sell to retailers, wholesalers or consumers within the region and 61% sell to retailers, wholesalers and consumers in other

regions. When asked about their interest in expanding sales to local markets, more than 70% of respondents scored their interest as 8 or higher on a scale from 1 to 10. Three areas of concern were identified as barriers to achieving a higher volume of local sales.

The first two concerns focused on consumer awareness and avenues for selling nursery products locally. Eighteen of 77 (24%) responses to a question about barriers to increasing local sales of nursery products focused on advertising issues and the question of whether or not consumers would be able to distinguish local from non-local products. Eight of 77 (10%) responses focused on the fact that there are few ways to sell nursery products direct to consumers in the region.

The third area of concern described by nursery growers involves market forces like supply and demand. More than 45% of responses named issues related to the mismatch between supply and demand for nursery products in the region. References to competition from so-called “big box retailers” fit within this category, as did numerous references to price and competition from other local growers and comments like “oversupply” and “low demand.” The growers described a situation where local demand for nursery products lags far behind the level of supply. Interestingly, this is in contrast to the situation with food crops, where local demand for fruits and vegetables exceeds the supply of fruits and vegetables or is not connected well with supply.<sup>3</sup> As in the fruit and vegetable market, this issue is complicated by the question of what infrastructure is needed to connect local farm products with local markets.

## Conclusions and Implications

The data suggest a need to differentiate locally-grown nursery products as a way to strengthen demand for the products. Enrolling nursery growers in the *Appalachian Grown*<sup>TM</sup> logo program may be one way to accomplish this. Partnering with the NC Christmas Tree Association to replicate successful components of their labeling program may be another effective strategy.

In the short term, it will require minimal investment of time and resources for ASAP to expand its Local Food Campaign to include nursery products. Options range from adding a category for nursery products to the online version of the *Local Food Guide* to adding a section for nursery products in the print version of the guide to developing an all new guide for nursery products to be sent out through existing distribution channels. As for markets, there exist opportunities to market nursery products on a small scale through any of the nearly three dozen farmers tailgate markets currently affiliated with ASAP’s campaign. Longer term, entry requirements for larger scale markets like retailers and landscapers will need to be explored. Recognition of the value of “locally-grown” in those markets would be essential to success of the *Appalachian Grown*<sup>TM</sup> logo for nursery growers.

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<sup>3</sup> *Expanding local markets for WNC farm products: A preliminary report.* 2006. Appalachian Sustainable Agriculture Project, Asheville, NC.