An Overview of Direct Marketing Strategies

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Direct Marketing Aquaculture Products in Alabama
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Selling Directly to Consumer

Note: Producers can engage in direct marketing independently or in partnership with processors. Significant benefits can be achieved by working with processors.
On-Farm Sales
Customers Come to You!

- Occasional Sales of Opportunity
- Farm Stores and Roadside Stands
- U-Pick Operations (Fee Fishing)
- Agritourism
  - Farm Tours
  - Festivals
Things to Keep in Mind

◆ Benefits
  ▪ Supplement income;
  ▪ Diversify revenue streams;
  ▪ Strengthen connections with local community.

◆ Disadvantages
  ▪ Labor Intensive;
  ▪ Zoning, licensing and permitting requirements;
  ▪ Liability concerns.
So Now There are People On Your Land ...

◆ How did they get there?
  ▪ Did you invite them or charge them to come onto your land?
  ▪ Did they ask your permission? Are you allowing them to enter for free?
  ▪ Are they trespassing? Are you aware of their presence?
3 Categories of People on Your Premises

- Trespasser (2 types)
  - Lowest duty of care.

- Licensee
  - Higher duty of care than trespasser, but less than invitee.

- Invitee
  - Highest duty of care.
Liability Issues: Trespasser

- Entered upon land without permission or invitation
- Knowledge of trespasser
  - No knowledge - no duty, no liability
  - Knowledge - duty not to affirmatively harm
    - A course of action which shows a deliberate intention to harm or utter indifference to, or conscious disregard of, the safety of others
- Example: Teenagers going out to your pond and fishing without your permission
  - Do you know about them? What can’t you do about them?
I need a mean bull (Siloam springs)

Date: 2012-03-07, 6:04PM CST
Reply to: see below

I am hoping to find an aggressive bull that is protective of his field. I am wanting a very aggressive one that will chase people off.

Call me or text im not particular on the breed

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Avoid scams and fraud by dealing locally! Beware any deal involving Western Union, Moneygram, wire transfer, cashier check, money order, ship protection/certification/guarantee. More info
Liability Issues: Licensee

◆ Present for a non-commercial, non-business purpose with the consent of the possessor of the property, such as a social guest at someone’s residence.

◆ Your Duty:

  - Refrain from injuring the person through willful or wanton conduct (i.e., deliberate behavior such as setting booby traps).
  - Warn of hidden dangers where the person does not know or is unlikely to know of the conditions or risks.
Licensee Example

◆ Someone asks for permission to hunt, walk, use land without a fee
  ▪ Need to warn of the bull on the back 40 that isn’t fenced in or of a huge snake population that you know of.
  ▪ What about a pond that is located on the back 40?
    • It is not hidden so there in no general duty to warn them
Liability Issues: Invitee

- Person who is invited upon the premises in order to conduct business with the possessor
- Came on the land for your benefit
  - Customers on farm or at your stand
  - Employees
  - Students
  - Business visitor
 Invitees: Your Duty

- **Highest** duty of care
  - A general duty to use ordinary care to keep the premises reasonably safe for the benefit of the invitee.
  - Typically you show these people the most concern anyways (i.e. “the customer is always right”)
  - But what about employees?
    - What kind of concern are they typically shown?
      - What kind of jobs do they typically perform?
    - This means making sure your employees have safe equipment, facilities, proper training, etc.
Agritourism Planning...Why this example?

**Planning resources:**
- [http://nationalaglawcenter.org/readingrooms/agritourism/](http://nationalaglawcenter.org/readingrooms/agritourism/)

There are many resources that provide things to think about BEFORE starting a new business venture.

- Learning from your mistakes is a great idea, but also learn from the mistakes of others because you will never live long enough to make them all yourself.
Agritourism/Liability Planning

◆ Helpful Hints
  - Mark boundaries carefully
  - Set up an inspection schedule (Pros and Cons to this Approach)
  - Use information from the inspection to provide invitees with a written warning of the dangers.
Potential Risk Management/ Liability Tool

AL Agritourism Statute - Ala. Code § 6-5-347

- Broad coverage in AL including u-pick and farmer’s markets
- Protects against “inherent risks”
- Read the statute carefully

Except as provided in subsection (c), an agritourism professional has no duty of care to inspect for an inherent risk of agritourism activity and may not be liable for an injury, sickness, or damage to a participant or the death of a participant resulting from an inherent risk of an agritourism activity. An agritourism professional does not confer upon any participant the legal status of invitee or licensee.
Warning Sign

To use the AL agritourism statute you must have this warning posted in black letters at least 1 inch high...consult your attorney on how to comply with this statute

WARNING.

“Under Alabama law, an agritourism professional is not liable for injury, sickness, or damage to, or the death of, a participant in an agritourism activity at this location if the injury, sickness, damage, or death results from the inherent risks of the agritourism activity.

“Inherent risks of an agritourism activity include risks of injury, sickness, damage, or death inherent to land, equipment, and animals as well as the potential for you to act in a negligent manner that may contribute to your injury, sickness, damage, or death, or for another participant to act in a manner that may cause your injury, sickness, damage or death.

“You are assuming the risk of participating in this agritourism activity.”
Zoning and Siting

◆ Check with local officials BEFORE taking any other steps.
  ▪ There can be a lot of variability across the state
◆ Cultivate a good working relationship
◆ Be flexible with your plans

Practical tip: As you run your business you will want to make changes...always check with local officials before making these changes.
Off-Farm Sales
You Go to the Customer!

- Farmers Markets
- Food Trucks
Farmers Markets

- Farmers sell products to individual customers
  - Permanent or temporary location
  - 1-2 times weekly for set period of time
  - Farmers sell products to individual customers

- State/Local Requirements
  - Alabama Seafood Dealer’s License from DCNR
  - Local health department requirements
  - Producer’s permit from Cooperative Extension Office

- Farmer’s Market Requirements
The Coastal Alabama Farmers & Fishermen’s Market

◆ Opened last October on city-owned property in Baldwin County
  ▪ 30 spaces available
  ▪ Open several seasons, several days a week
◆ In addition to state and local rules, market has specific rules
  ▪ Food safety (sampling)
  ▪ Posting prices
  ▪ Display, other logistics
Food Trucks

- Food Trucks prepare and sell food in individual portions
  - Health permit
  - Business license
  - Local requirements

- Fresh or frozen seafood
  - Vehicle license from DCNR
  - Local requirements

Ryouhooked.com
Things to Keep in Mind

◆ Benefits
  ▪ Supplement Income;
  ▪ Flexible – Can change locations as desired;
  ▪ Strengthen connections with local community.

◆ Disadvantages
  ▪ Labor Intensive;
  ▪ Licensing and permitting requirements.
Hybrids
Community Supported Agriculture/Fisheries

- Contractual arrangements between farmers and consumers.
  - CSA members buy “shares” of a farmer’s harvest, usually distributed on a weekly basis.
  - Farmers may work with processors and volunteers to prepare shares for transport and delivery.
C’ Ville CSF

- Supports Virginia Natural Fish Company, supplied by Virginia Aqua-Farmers Network.
- Shares of rainbow trout, catfish, shrimp/prawns.
- No website updates since 2013, but VNFC continues to sell at farmers markets.
Thimble Island Oyster Company

- For $175 per year, shareholders receive one dozen oysters and two dozen clams each month for 6 months starting in April.
- Pick up locations at dock and in town.
Things to Keep in Mind

◆ Benefits
  ▪ Pre-harvest cash flow;
  ▪ Access to stable market;
  ▪ Strengthen connections with local community.

◆ Disadvantages
  ▪ Labor Intensive;
  ▪ Licensing and permitting requirements;
  ▪ Consumer expectations and demands.
# Contact Information

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