

# 3 Agricultural Economics and Marketing

## Agricultural Economics

### INTRODUCTION

This chapter describes agricultural resources present in the Suisun Valley and discusses economic issues affecting farmers and business operators. In addition, it presents a summary of the Suisun Valley Marketing Plan and the County's role in increasing agricultural tourism in the Suisun Valley Strategic Plan area.

### AGRICULTURAL RESOURCES AND ECONOMY

Agricultural land comprises 62 percent of Solano County's total land area and a large portion of the county's economy.

The Suisun Valley has fertile soil that facilitates intensive agricultural activity. In 2008<sup>1</sup>, Suisun Valley's crop output contributed almost \$17 million to the county's economy, representing about six percent of the County's \$292,840,200 agricultural production value. In contrast, Suisun Valley's 8,366 acres of farmland is approximately two percent of Solano County's 360,562 acres of farmland in production.

The principal agricultural commodity is wine grapes, which have been grown in Suisun Valley since the late 1800's. The Suisun Valley Strategic Plan area lies within the Suisun Valley American Viticultural Area (AVA), as shown in Figure 1-2. As of 2008, there were five wineries within the Valley.

Suisun Valley also produces fruit, including cherries, peaches, pears, prunes, and apricots. From the early 1900s until the 1940s, a thriving orchard industry operated in Suisun Valley. In response to global competition, key packing facilities were closed, leading to a decline in orchard production. Even with the decline, some of the orchards have remained in continuous production to this day and provide fruits sold at the six farm stands located in the Valley. Processing facilities, shops, and restaurants within city limits also provide additional markets for Suisun Valley agricultural products. It is vital that the County collaborate with cities to attract business and tourism industries.

In addition to wine and fruit production, Suisun Valley has begun to attract attention as a center for agricultural tourism. The Valley's wineries, farm stands, and events have attracted visitors every weekend and during special events. A main event, Fun Family Farm Days, attracts up to 1,500 visitors each day<sup>2</sup>. Over 20,000 customers visit Valley wineries each year. Additional visitors eat at Vintage Café in Mankas Corner or explore Gomer School.

Farmers, landowners, surrounding cities (including the City of Fairfield and Suisun City) and the County all desire to see Suisun Valley remain in perpetual, viable agricultural production. Valley stakeholders agree on the following objectives:

<sup>1</sup> 2008 Solano County Crop and Livestock Report

<sup>2</sup> Ellison, Tracy. Agricultural Ambassador. Suisun Valley Fund, Suisun Valley, CA. May 21, 2009 – email correspondence with Adam Cline of Solano County regarding agritourism traffic.



- maintaining the agricultural character of Suisun Valley;
- enabling value-added agriculture;
- creating agricultural-tourism serving centers;
- providing infrastructure to support expanded use of Suisun Valley; and
- improving farm production and income.

In order to further develop Suisun Valley as a destination for agricultural tourism and to develop the Valley's agricultural capacity, the County has undertaken numerous initiatives within this Strategic Plan, including roadway improvement plans, water infrastructure plans, and zoning updates. In addition, the County seeks to contribute to the success of the Suisun Valley Fund Advisory Committee's (SVFAC) marketing plan.

This section of the Suisun Valley Strategic Plan presents a summary of the marketing plan and a description of the County's role in the efforts described in the marketing plan. Where applicable, this section includes a description of the County's role in helping the Valley achieve its goals.



# Marketing Plan

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The City of Fairfield and the Solano Irrigation District (SID) formed the Suisun Valley Fund in 2002 and the associated Suisun Valley Fund Advisory Committee (SVFAC) to preserve and enhance Suisun Valley agriculture. In February 2008, SVFAC began preparing a marketing plan to promote agriculture and agricultural tourism in Suisun Valley. The Suisun Valley Marketing Plan incorporates many existing programs and marketing initiatives taking place in the Suisun Valley and provides recommendations for additional services, marketing efforts, and organizational priorities.

In the summer of 2009, several organizations collaborated to create the Suisun Valley Direct Marketing Committee. This committee consists of five members, including three representatives of the Vintners Association, one produce or fruit grower representative, and one business owner in the Valley. The goals and actions described in the marketing plan will form the basis for their efforts.

## PURPOSE

On February 23, 2007 SVFAC adopted the following vision for the future of agriculture in Suisun Valley:

*“Suisun Valley is a unique farming region that supports profitable family farms and quality of life for all its residents. It is a destination for tourists seeking world-class wine, identifiable Suisun Valley farm products and a beautiful agricultural landscape with no fallow land. The Suisun Valley appellation is so famous that it creates new markets and increases demand for Suisun Valley wine and other farm products outside of the region.”*

The Suisun Valley Fruit Growers Association, Suisun Valley Grape Growers Association, Solano County Farm Bureau, Solano Land Trust, Solano Irrigation

District, City of Fairfield, City of Suisun City and County of Solano also support this vision statement.

Existing Valley farmers, wine makers, farm stand operators and other retail/restaurant/tourist businesses want to benefit from increased customer traffic and sales. The Marketing Plan recommends new strategies to assist these businesses as they evolve into a stronger, more dynamic economic destination for local visitors. Additionally, the plan strives to help the business community expand Suisun Valley as a regional agritourism destination.

The marketing plan provides goals, general guiding objectives, and specific strategies to enhance economic activity in Suisun Valley. This summary only includes the strategic goals and selected actions for which the County has a direct role. Text directly quoted from the original plan is italicized. For the full text of the Marketing Plan document, please contact the Solano County Resource Management Department or Suisun Valley Fund.

## STRATEGIC GOALS

Members of the Suisun Valley community were involved in setting the direction for the marketing plan. After a series of community input meetings, the following five strategic goals were chosen as a framework for the Marketing Plan:

- Goal 1: Position Suisun Valley as a viable agritourism destination.
- Goal 2: Expand awareness of Suisun Valley as a local source for food, wine, and other related businesses.
- Goal 3: Strengthen cooperation among growers, wineries, and other related businesses to increase profitability.



- Goal 4: Build support for agriculture as a vital economic development base for Solano County.
- Goal 5: Establish the organizational capacity to sustain current activities and develop new programs.

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**GOAL 1: Position Suisun Valley as a viable agritourism destination.**

*Visitor interest and motivated agricultural related enterprises indicate that Suisun Valley is primed to strengthen its position as an agritourism destination. However, when compared to its direct competitors, including Napa, Sonoma, and Marin, the Valley has a limited inventory of farms, wineries, restaurants and other related attractions. Additionally the Valley has not yet acquired the reputation and brand of the Napa Valley and its surrounding communities.*

*The Valley should focus its marketing efforts to attract interest from the immediate local trade area and gradually expand efforts to encompass a larger regional market. Both of these markets will be key to positioning the Valley as a viable agritourism destination. As Suisun Valley's brand or image takes shape and the inventory of agricultural enterprises and related businesses is expanded, the Valley will become a natural choice for those visitors who are wanting to experience a slower, more genuine agritourism outing. The following objectives target visitors from the regional area versus the local market, however; most will work for both markets.*

Some of the actions recommended by the marketing plan include:

- Continuing to use the Suisun Valley website.
- Developing marketing materials.
- Enhancing and expanding Fun Family Farm Days.
- Developing a comprehensive publicity plan.
- Identifying advertising opportunities.

- Building strong collaborations.
- Fostering a "visitor friendly" environment.
- Enhancing and expanding wayfinding.

**Solano County's Role**

Solano County's role in positioning Suisun Valley as a viable agricultural tourism destination is to amend the zoning code to clarify that marketing events are allowed by right within Suisun Valley and continue to use the FARM Coordinator and Agricultural Planner positions to reach out to stakeholders in the Valley.

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**GOAL 2: Expand awareness of Suisun Valley as a local source for food and wine**

*Local awareness of Suisun Valley has increased in recent years as area residents have discovered the Valley and its wineries, produce stands, and other related businesses. Local promotion and awareness will continue to play a major role in the Valley's success.*

*Given that Fairfield's population has increased 8.2 percent since 2000, and that approximately 10 percent of the population turns over each year due to job changes, family changes, military transfers, and other demographic factors, local promotion of the Valley needs to remain a high priority.*

*The Valley should continue focusing its marketing efforts to attract interest from the immediate local trade area and gradually expand efforts to encompass a larger regional market, including capturing its share of the local food movement that is becoming prevalent in California.*

Some of the actions recommended by the marketing plan include:

- Reaching new residents through promotions and advertising.
- Developing a strong identity to keep Suisun Valley at the "top of the mind" for locals.



- Working with local businesses to support Suisun Valley events by posting window displays and other materials.
- Expanding the outreach efforts to cities.

**Solano County’s Role**

The role of Solano County in expanding awareness of Suisun Valley as a local source for food and wine includes promoting locally-grown products through permitting procedures. These permitting procedures within the zoning regulations allow small wineries and small farm stands “by-right” if applicants use at least 25 percent locally-sourced product.

**GOAL 3: Strengthen cooperation among growers, wineries, and other related businesses to increase profitability**

*Strong relationships between agricultural enterprises (growers and wineries) and related agritourism businesses are essential to maximizing the market potential of the Suisun Valley. Creating effective communication networks is necessary to keep community stakeholders informed about pertinent issues, meetings, and activities related to Suisun Valley and agritourism. These networks will also help agricultural enterprises working together to develop cross-market efficiencies and the overall Suisun Valley brand.*

Some of the actions recommended by the marketing plan include:

- Enhancing communication among agricultural enterprises.
- Providing cooperative advertising assistance.
- Encouraging cross-marketing.

**Solano County’s Role**

The County’s updates to the zoning regulations helps with the goal to strengthen cooperation toward increased profitability. The new ATC designation allows for additional uses not allowed in the agricultural designations. Additionally, the

agriculture designation in the Valley has been expanded to allow for agritourism supporting uses like bed and breakfasts and tasting rooms. These uses will support cross-marketing opportunities and allow for increased efficiency and better profits.

**GOAL 4: Build support for agriculture as a vital economic development base for Solano County**

*The success of Suisun Valley as an agricultural region depends on the viability of farming and ranching. To improve viability, it is essential to build and maintain support for infrastructure improvements, reductions in governmental barriers and a streamlined approval process. Valley agricultural and agritourism enterprises need to continue to work with the County and other relevant stakeholders to ensure that these improvements are executed in an effective and beneficial manner.*

Some of the actions recommended by the marketing plan include:

- Enhancing communication networks and outreach efforts.
- Building advocacy among Suisun Valley growers at all levels.
- Finding additional ways to increase grower profitability and advocacy.

**Solano County’s Role**

The County has been vigorous in its support for agriculture as a vital component of the economy. Through the FARM Coordinator and Agricultural Planner, the County will continue to work with stakeholders to make the Board of Supervisors aware of upcoming Suisun Valley events, pass on newsletters, and continue to meet with stakeholders. As was suggested by the marketing plan, the County FARM Coordinator should meet with Valley stakeholders at least once a month.



**GOAL 5: Establish the organizational capacity to sustain current activities and develop new programs.**

*Establishing a strong organization structure to carry forward the marketing plan and support Suisun Valley with achieving its vision as a viable agricultural and agritourism region is by far one of the most important goals. Without the organizational “infrastructure” to implement the various ideas shared in this document (as well as others), the marketing plan will soon become just another plan that sits on the shelf.*

*Developing an effective and efficient structure to carry forward the plan is probably the hardest goal of all. It takes a strong, focused group of individuals who are willing to do the hard work. There are many options of how organizations coordinate themselves and build the capacity to sustain their activities and program. Most importantly, the approach must reflect the character and resources of the community and have buy-in for stakeholders and partners.*

*The goal of the organizational framework is to involve as many components of the community as possible and not rely on just one entity, such as the Fund, to oversee and implement the various programs or activities. There must be stable, ongoing funding to support both the programs and activities needed to promote and market the area as well as a paid person dedicated to overseeing and managing the process. In short, it will take consistent funding, commitment from all aspects of the community and a paid person whose primary “job” is to champion the program and implement the activities. Without these three key components, the process will be slow and confidence from the stakeholders, partners and even the community will begin to dwindle.*

Some of the actions recommended by the marketing plan include:

- Continuing funding the Agricultural Ambassador position.
- Investing in technical assistance to help solidify the new organizational structure.
- Establishing a diverse, stable funding base.
- Expanding knowledge of agritourism development and management.

**Solano County’s Role**

Establishing the organizational capacity to sustain current activities and develop new programs is an area where the County has a limited role. However, the County can help stakeholders find resources to continue funding organizations like the Suisun Valley Fund and aid the community by collaborating with nearby cities and other organizations.

