

Carleton Hall Farm Shop

Tenant farmers face uncertain future.

BACKGROUND

As tenants to the local council, the 80 acre dairy and beef farm business looks unlikely to continue beyond the current tenancy agreement. The location of the farm makes it quite likely that the council will use it for more profitable development in the future. Allied to this is the lack of viability of the farm for the next generation.



DIVERSIFICATION

With the farm simply not making enough money, tourism diversification came in the form of the farm shop which is now the most successful side of the farm business.

Having sold produce from the farm for a number of years, the owners decided to concentrate on this side of the business and opened the shop in 2000.



A redundant farm building grant from NWDA and a further grant from Eden District Council helped fund the development of the farm shop. A business plan was written to gain the funding.

Currently there is a balance of activity between dairy farming and the farm shop.

The number of visitors to the shop has grown from just under 4,000 in the two months of trading in 2000 to over 15,000 in 2001 (during which it was shut for 6 months during the FMD outbreak) to over 33,000 in 2003.

Customers are made up from 70% locals and 30% visitors. There are no identifiable target groups although more elderly couples were mentioned. It was felt that new people moving into the area were more likely to use the farm shop.



The farm shop operates all year round. Christmas, July and August are the busiest times. In terms of business, *"the second six months of the year are twice as good as the first six months."*

FINANCIAL INFORMATION

It is difficult to separate the farm shop from the farm as their accounts are combined. The farm shop buys the majority of the produce from the farm. It is estimated that the proportion of turnover between the farm and farm shop is approximately 50:50.

They are a member of the farm retail association. Membership does not require inspection but offers group discounts on marketing and legal advice.

USE OF LOCAL PRODUCE

In the season, 80% of the produce in the farm shop is home grown. Year round, approximately 70% is locally produced within a 10 mile radius. If possible, they would like to increase the proportion of local food as they recognise that people on holiday like to buy local food. They always look for new suppliers, for example they have recently been supplied with specially made vegetarian dishes. Local crafts are not really important to the business.

MARKETING

From an annual marketing budget they produce their own leaflet which is distributed in outlets such as caravan parks. They also appear in several local visitor guides. They have a banner on the nearby roundabout and advertise from a hoarding in one of their fields. They also have a sign on the A66.

The most effective promotional methods are the leaflets, banner and sign. Block advertising in the local press is not seen as effective (as the farm shop), although small ads for specific produce does generate enquiries.

The majority of their advertising is designed to capture locals and visitors who are already in the local area.

They have a computer but don't really use it for the business. They might be interested in developing a website but don't seem to have the time.

INVOLVEMENT WITH NWFTI

They didn't receive any business support or advice in 2003 (preferring to "*paddle their own canoe*") but would be interested in help setting up their computer.

They received advice from Carl Bendelow at the time of FMD in 20001. They received funding towards IT and advertising. He helped them to complete the forms. In January 2004, Carl put them forward for the *Countryside Awards* in the Business Link and Cumbrian news.

They haven't felt the need to ask for any more advice. They feel that sometimes there is the danger of being pushed into things you don't want to do.

FUTURE PLANS

Possible plans for the future include the expansion into a tea room and a larger car park. However, they are wary of committing to such a large capital investment since they are

tenants in their fifties and need to think about where they will live when they retire and the tenancy ends. The tea shop is therefore unlikely.

Major issues include the lack of viability of the farm, the end of the tenancy agreement, uncertainty over the CAP reform, local competition from big business muscling in on the farm shop trade and the weather.