GENERATION TO GENERATION

HANDS ON

BC'S ARTISAN SECTOR, SUPPORTING GROWTH THROUGH EVIDENCE

Investment Agriculture Foundation Research Project

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BC'S FOOD ARTISAN SECTOR

Executive Summary

The purpose of this document is to propose
1. A definition of Agri-Food Processors and food artisans and
2. Research methods to determine appropriate statistical indicators for the sector,
3. To assess its economic value within British Columbia and
4. To create a profile of BC's food artisan sector including:

   - A description of its artisans (by artisan type, age, gender, education, employment status or reliance on artisan income, years in business, training background);
   - An estimate of the contributions to employment by the food artisan sector including number and type of employees (i.e. by type of occupation, employment status (full time/Part time, temporary, seasonal);
   - An estimate of the value of sales generated by the sector, by type of artisan;
   - An estimate of the contributions made to suppliers (by type and proximity to artisan);
   - To identify the future business plans and aspirations of BC food artisans (i.e. growth plans, retirement and exit plans)
   - To identify challenges to business growth (i.e. labour supply, regulations, access to markets).

After reviewing the literature and policy documents, the report proposed the following definition: Traditional Agrifood Processors or Food Artisans use traditional knowledge, skills and tools to transform or manufacture raw foods and ingredients into consumable products (i.e. dairy, wine, tea, coffee, fruit and veg, confectionary, grain and beer). This study was conducted through a mixed methods approach whereby existing secondary data sources from Stats Canada and BC Statistics were examined to determine if artisan businesses could be extracted. Deeming this impossible due to limitations in the way data is currently collected, the study gathered primary data from artisans using an online survey administered via email to a sample of businesses. The sample was gathered using a convenience sampling approach whereby an inventory of existing artisans was developed after a web based search of food artisans based on a typology of consumable craft trades (N=271). Operators were asked to participate in the study for a six week period in February and March of 2016 resulting in a final sample of 85 operators. Data were then analysed excel. Due to the small sample size and the use of non-probability sampling, the analysis was limited to descriptive statistics to describe the artisans. Similarly, the results should not be used to generalize about the artisan sector in BC or elsewhere.

The study validated the notion that consumer demand for artisanal products has been increasing whereby 80% of artisans indicated that demand for their products over the past 3 years had increased. This demand was generated from both resident markets (70%) and visitor markets (30%). This increase aligned with business growth whereby 85% of artisans indicated either significant or moderate growth over the past 3 years. Artisans were interested in seeing this growth continue and 86% indicated that their future plans were to grow their business. Businesses were found to generate 100% of employment income for 48% of the artisans, with another 40% earning at least 50% of their income from their artisan business. Employment generated by the artisan businesses was more likely to be full time and permanent, with little fluctuation in the averages by season. Artisans were using a diverse distribution strategy with the top mechanisms being in local shops, farm markets, local grocery stores and restaurants. The top challenges impacting business growth were difficulties in distributing products, marketing, and in accessing capital for expansion.

Artisans claimed that most of the training to master their craft has been self-taught. Similarly, artisans are entrepreneurs as much as they are a craftsperson and thereby need business training. Here too, most artisans claimed that they were self-taught. For those taking training, they were most likely to find these through non-credit courses at community organizations such as Chambers and Community Futures. The courses most taken were in marketing followed by financial management.

Conclusions

The results of this study are helpful in that they begin to profile, using empirical data, the food artisan sector in BC providing important insights about the growth and viability of the sector. These should be useful to aid in the creation of future supports for the sector, particularly in eliminating barriers to growth in marketing, distribution and access to required capital for business expansion. In terms of research, the definition of food artisans developed and used in the study should allow for additional exploration and description of the sector moving forward. Most importantly, the definition should be used to refine measurement of the agri-food and craft sector in the collection by Statistics Canada. Future research is needed to expand the inventory of BC food artisans enabling a larger sample size in future studies and to allow for more comparative analysis between artisan types.

Background

The past decade has seen a re-emergence of artisans as an economic force, a trend that is predicted to continue (Intuit: Institute for the Future, 2008; Pouls, 2013). These artisans "ply their trade outside of the walls of big business, making a living with their craftsmanship and knowledge" (p: 1). Once dominant in society, artisanal goods were replaced in large part due to the industrial revolution and its technological advances when large factories and mass production methods led to large numbers of standardized products. In the early 21st century, the stronghold of mass production was shattered by rapid technological advances that transformed the global economy. Aided with personal computers and access to the internet, increased global competition emerged and markets fragmented allowing for small businesses and specialized products to regain a foothold in the economy. The re-emergence of artisanal goods is part of this broader global realignment of the marketplace and has been driven by demand among consumers for authentic, locally produced and specialized products. Some, like eminent Harvard economist Larry Katz believe that the new artisan economy of the future will provide a more robust foundation of labour and aid in the restoration of meaningful work and the middle class if workers are provided the skills that have been in decline since industrialization began (Fisman, 2012; ACS, 2011). Young people are expected to benefit from this transformation if they are able to "bring to the table a product or service which is not easily made routine through computers or technology or cannot easily be done from across the world…those jobs will maintain themselves and possibly increase in demand" (Hamilton, 2012).

The re-emergence of the artisan economy within Canada has not been adequately studied, monitored or supported. Despite the recognized benefits to Canadian society, the artisans or traditional craft trades (TCT's) are often ignored by government, education institutions and other funding agencies in favour of the industrial trades. At the same time, specific information about artisans is scattered or segregated, which makes it challenging to create a clear picture of TCT's and of the current realities for artisans. Data on the sector is currently limited and fragmented between the craft industry and agriculture and no aggregate data is collected on the sector. The limited understanding of the sector has prevented the development of appropriate supports to enable business success, which thereby limits viability of the sector and inhibits entrepreneurs from expanding or creating additional employment opportunities.

In 2012, an initiative was pursued by Vancouver Island University in partnership with La Société de développement économique de la Colombie-Britannique to synthesize knowledge on the Traditional Craft Trades (TCT's) in an effort to enable the sector to emerge more prominently as a contributor to the Canadian economy. The knowledge gained in the project was a valuable first step to highlight the labour and training needs of the sub-sector, but it also identified significant knowledge gaps that must be addressed in order to fully realize its' potential. In particular, the report highlighted the need to:

1. develop a clear definition of the sector and
2. to determine the value of the sector to the economy.

In an effort to build upon this knowledge and fill these gaps, La Société de développement économique de la Colombie-Britannique applied for funding support from the Investment Agriculture Foundation in 2015 for a project called "Hands On: Creating opportunities for learning, employment and entrepreneurship in BC's Traditional Agrifood Processing Trades". This initiative specifically looks at Traditional Agrifood Processors (TAP's), or the food artisans that create consumable products. This report highlights the results of a portion of this project aimed at defining and understanding the size and economic value of the TAP's within the province of BC.

The current challenge

The way the Statistics Canada classifies food artisans and agri-food processors paints an inadequate picture of the scale and composition of the sector. It is also difficult to assess the economic impact of this sector because both Statistics Canada and Revenue Canada reporting structures makes it almost impossible to calculate the economic contribution of food artisans to the Canadian economy. Until this happens, agencies may remain reluctant or skeptical of the value of the sector.

In order to ensure that adequate supports are in place to enable the food artisan sector to grow and create additional opportunities in the economy, we need to determine its current size and significance as a benchmark to future growth. The recommendations from the 2013 report on the TCT's indicated that more needs to be done to improve data sources, gather additional data, map and understand the sector. Specific recommendations included:

- Choosing a definition, using a typology and establishing metrics;
- Develop a statistical framework and occupational codes that represent the TCT sector employers and craftspeople or artisans.

Purpose

The purpose of this document is to propose: a) a definition of Agri-Food Processors and food artisans and b) research methods to determine appropriate statistical indicators for the sector and c) to assess its economic value within British Columbia.

Definition of Traditional Agrifood Processors

TAP's are a subset of two other groups including: a) Traditional Craft Trades (TCT's), and b) Agrifood Processors (AP's).

Traditional craft trades

At the root of all Traditional Craft Trades (TCT) is the concept of craft. Craft is the design and small-scale production of quality goods from natural and human-made materials such as clay, glass and wood, or from animal and plant substances such as milk, grain and meat. Frequently, only small quantities are produced at one time by an accomplished person or by a small cluster of skilled individuals. Craft creations can be functional, edible, ceremonial, visual, and sculptural or a combination of these and are often sold to educated consumers, collectors and institutions. TCT's are strongly characterized by their integration of traditional knowledge and skills, and artisans that practice TCT's are therefore the carriers of traditional craft (Vaugeois, et al. 2013).

Traditional Craft Trades (TCT) are comprised of two categories: utilitarian and consumable. Utilitarian trades integrate traditional knowledge and skills in the production of functional and/or decorative goods. Consumable trades integrate traditional knowledge and skills in the production of edible and/or cosmetic goods (see figure 1).

DEFINITION

Traditional, agrifood processors or food artisans use traditional knowledge, skills and tools to transform or manufacture raw foods and ingredients into consumable products (I.E. dairy, wine, tea, coffee, fruit and veg, confectionary, grain and beer).

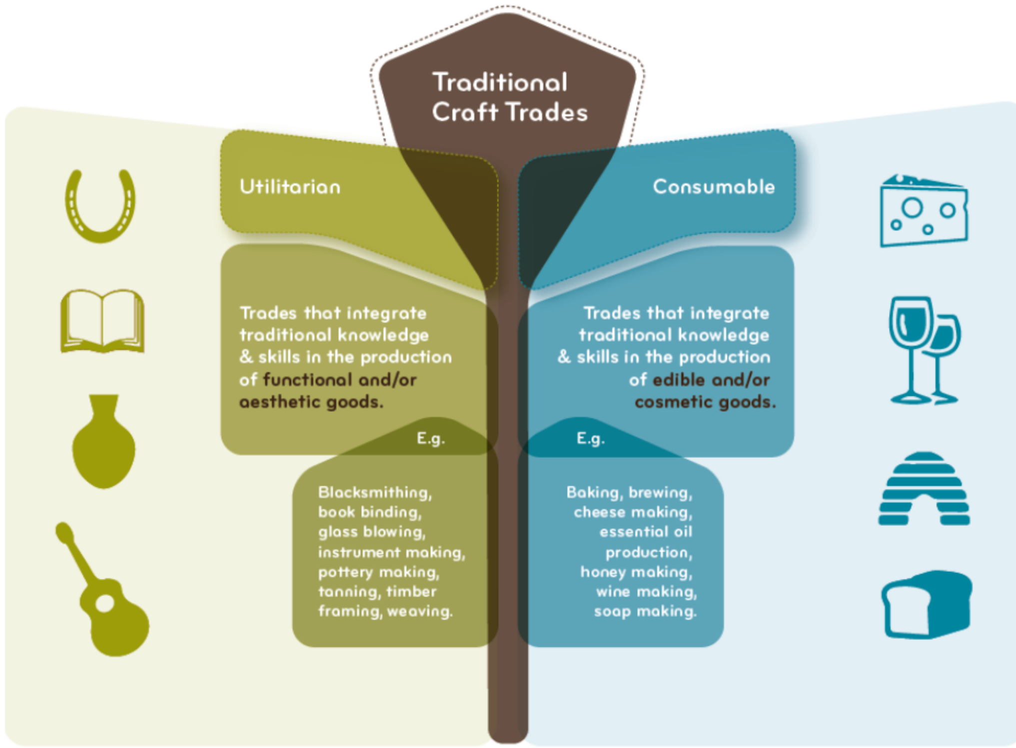

Figure 1: Typology of Traditional Craft Trades (Vaugeois, et al, 2013)

Agrifood Processors

Many of the TCT's that produce consumable products are Agrifood processors. Agrifood refers to the business of producing food agriculturally (as opposed to through hunting, fishing, gathering, and so on) (Wikipedia, 2015). Agrifood Processors are involved in the transformation or manufacturing of different food and drink products, like dairy, wine, tea, coffee, fruit and veg, confectionary, grain and beer. They use machinery to process raw foods, add ingredients and package or bottle end products.

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Traditional Agri-food Processing Trades

The processes used to manufacture or transform raw materials into agrifood products varies widely among processors. Some agrifood processors use traditional knowledge and processes to create their crafts. These agrifood processors can be called Traditional Agrifood Processors or food artisans.

These products are becoming more prominent in the marketplace as demand among consumers for specialty and local food items increases. The exact size and significance of this sector to the agrifood sector is yet unknown and at this point in time, anecdotal evidence is all that exists.

Table 1: Consumables created by Traditional Agrifood Processors

Baking	Brewing	Butter making
Charcuterie	Cheese making	Chocolate making
Confectionary	Distilling	Wine making
Essential oil production	Fruit oil production	Honey production
Liquor making	Maple sugaring	Maple based alcoholic beverages
Milling	Pastry making	Pome fruit growing
Preserve making	Sausage making	Vinegar making

The emergence of Food Artisans

The term artisan refers to both how something is made and what it is made of. Artisans are defined as, "those that produce something (as cheese or wine) in limited quantities often using traditional methods." (Miriam Webster Dictionary). "The artisan process requires a specific knowledge, caring or philosophy and is most often carried out by hand. Furthermore, artisan foods have been associated with fresh, non- or minimally processed and often, locally sourced ingredients" (Bell, 2013).

Artisanal products have been gaining attention by consumers and as such may be a more appropriate term to use to describe Traditional Agrifood Processors. This may assist the artisanal movement in defining its unique role in the marketplace and in the prevention of having the term artisan move to a label among others in the food industry keen to cash in on the lack of knowledge among what artisanal products stand for (Good World Food, 2011). Similarly, there is a growing interest in supporting the artisanal entrepreneur. For example, The US Department of State launched a global campaign in 2012 with the Alliance for Artisan Enterprise to connect artisan businesses with organizations investing in them. In 2015, The US Department of State hosted an event called "The Launch of the Global Campaign for the Alliance for Artisan Enterprise (US Department of State, 2015)". The aim of the event was to launch platforms and partnerships to enable governments, buyers, donors, artisan support organizations, artisans, academia and the arts, and consumers to better collaborate and expand the potential of artisan enterprises globally.

This recognition and emerging support is likely to expand across the border into Canada in which case, aligning our terminology may be critical to enable clarity to emerge. There is growing criticism of the way Canadian organizations are going about supporting artisanal businesses. For example, a blogpost on Artisan Canada stated "Artisans…need help building and sustaining a viable artisan business; effectively bringing their products to the marketplace to make sales. It's not rocket science or philosophy and it isn't a "cocktail party". It's economics, its business, its practical help and tangible support" (Artisan Canada, unknown)

Measuring the economic value of the artisan sectors

"The artisan sector is part of a much larger global creative economy that, if it were a country, would already be equal to the fourth-largest economy in the world, with the fourth largest workforce according to the Inter-American Development Bank. Beyond the aggregate economic impact, artisan products reflect the cultural and social traditions of the communities within which they were created. Choosing artisan means supporting a form of economic development that has deep meaning, one that originates from and is rooted in the uniqueness of people and place"
(Foote, 2015)

In 2003, the Canadian Crafts Federation estimated that there are 22,600 professional craftspeople in Canada and their economic value of $727 million dollars, the highest concentration being in Ontario, British Columbia and Quebec, respectively (Vaugeois, et al. 2013). As for artisanal agrifood processors, no economic estimates can be made because there is currently no active or strategic data collection on such industries—neither from Statistics Canada nor any major private consumer research company. We know, for example, that 2009 retail sales from Canadian specialty food stores amounted to $4,534,335,000.00 but specialty foods include many sub-sectors such as organic, fair trade, gourmet, ethnic, and allergy-sensitive products as well artisanal products. In order to appreciate the economic value of the sector, more fine-tuned data collection is required.

The challenges within Canada to define and determine the value of the sector are mirrored elsewhere in the world where the artisan economy is emerging and thriving. The US Department of State indicated that "the artisan sector globally has been valued at $32 billion dollars, but the economic impact is not always recognized" (US Department of State, 2015). In an innovative study conducted by the Artisan Economy Initiative in Portland (Marotta, 2015), over 90% of small maker enterprises did not show up on national small business databases. Despite this relative invisibility, the small makers in their study had a large impact on the local economy in Portland alone employing over 1000 people, generating over $250 million in revenue and collectively, they experienced an average 60% increase in revenue growth over a three year period. They also found that maker enterprises showed a link between revenue and job creation whereby firms transitioned part time employees to full time at around the $500,000 to $1 million range. The white paper summarizing their study indicated that there is a strong need to nourish the maker and artisan community.

In a note of the European Commission in 2007 on the importance and contribution of the agri-food sector to the sustainable development of rural areas (European Commission, 2007), the paucity of regional data for detailed analysis of the sector was highlighted. Despite the recognition that there is increasing demand for high quality products for various niche markets, the report indicated that the EU agri-food sector must seize the opportunities offered by new approaches, technologies and innovation in order to meet the needs of evolving market demands.

Similarly, the artisan movement in Australia has experienced rapid growth due to the demand for authentic, local produced food products. An important recent finding in Australia which should be highlighted indicates that traditional economic measurements such as productivity may not provide an accurate picture of the economic value of the artisan economy. In tracking the sector, the Australian Productivity Commission found that "due to their lack of scale and amount of labour involved, artistan bakeries, winderies and breweries are aggravating a continuing decline in productivity" (Sprothen, 2015).

Measuring the economic value of the artisan sectors

As highlighted, enhanced metrics on the artisan economy are needed in Canada. Some of these are traditional economic indicators such as employment and revenue, but a number of them must take into account the broader benefits of local production. Regardless of type, the agencies involved in gathering data will need to revise their data collection systems to produce these metrics.

Economic indicators of the value of the Food Artisan sector could be determined by metrics such as

- Size
  - the number of food artisan businesses operating within Canada, the provinces or sub-regions, by type (according to the typology of TCT's);
  - the proportion of Food Artisans among all agri-food processing occupations (to provide an indication of prominence in the food processing sector);
- Labour force
  - Number of trained artisans, by type;
  - Demographic breakdown of artisans by age;
  - Size of the labour force indicated by number of individuals employed (FT PT and seasonal) in TAP's;
- Revenue
  - Sales of products sold by type;
- Suppliers
  - Value of supplies purchased by location – i.e. local suppliers vs. external suppliers;
- Multiplier
  - Artisanal businesses are believed to purchase ingredients used in the processing of their goods from local suppliers. This would increase the size of the economic multiplier needed to give a more accurate estimate on the recirculation of spending from the production and sale of artisanal goods.
- Productivity
  - As highlighted in the case of Australia, artisanal goods require higher labour inputs than mass manufacturing and as such, productivity measures may appear to decline. This economic indicator should be noted and understood, and perhaps replaced with an indicators of quality of craft.

- Additional indicators to monitor to determine the value of food artisans could include:
  - Knowledge and skills maintained by the TCT's;
  - Cultural and heritage value maintained by the TCT's;
  - Excellence of craftsmanship in the TCT's (i.e. awards, recognition);
  - Contribution to sense of place (for residents and visitors);
  - Value to visitor experience (linking to the tourism economy).

Data Sources

Who has data on this sector?

Stats Canada & BC Stats

The most comprehensive data on the primary agriculture sector is from the Census of Agriculture. The Census questionnaire has limited data on the processing sector and resulting data cannot be filtered to determine which agrifood producers are artisans.

The Occupations Listings for Artisans and Craftsperson's (Unit Group 5244) currently only list occupational titles of utilitarian crafts whereas none of the consumable crafts are listed. Some of the consumable craft trades are listed in other occupational codes, however, there is no way to determine the extent that artisanal methods are used in the sourcing and processing of the products. For example, Unit group 6332 is for bakers, some of which may include artisanal bakers. The most likely occupational group to capture traditional agrifood processors would be in Unit code 946: Machine operators and related workers in food, beverage and associated products processing. This grouping contains unit code 9461: Process control and machine operators, food, beverage and associated products processing with example occupational titles such as:

- bakery machine operator – food and beverage processing
- brew house operator
- canning machine operator
- chocolate refiner
- cigarette machine tender
- citrus juice extractor
- control room operator – food and beverage processing
- corn sugar refinery operator
- dryer tender – tobacco processing
- fermenter operator
- fruit preserver – food and beverage processing
- fryer operator – food and beverage processing
- grain-processing machine operator
- meat grinder – food and beverage processing
- mixer operator, dry foods
- pasteurizer operator – food and beverage processing
- tobacco blender
- winery-press operator

The challenge again with these occupational listings is that there is no way to distinguish from the data sets which businesses practice traditional agrifood processing or artisanal practices.

BC Food Processors Association

Link.

BC Food Processors Association has a BCFPA Directory of food and beverage processors in BC. The directory is a resource for buyers with contact information and a listing of the company's capabilities. The goal of this directory is to provide links between businesses. It contains searchable information including data on: Company profiles, Key contact information, Websites, Corporate data, Product / service areas, and Extensive cross indexes. In order to access the directory, one needs a membership.

1. These include artisan, artistic floral arranger, carver, craft instructor, craftsperson, glass blower, leather worker, metal arts worker, potter, silversmith, stained glass artist, stringed instrument maker, totem pole carver and weaver. See Link.
2. Unit Group 9461: Process control and machine operators, food, beverage and associated products processing listing – see Link.

BC Small scale food processors association

Link.

BC Small scale food processors association has a specialty food directory that contains information about British Columbia "specialty food suppliers" including their contact information, list of available products, seasonal availability of products, and the provincial regions they supply to. It is searchable by food type and region and is intended to connect and buyers to specialty food products.

Canadian Artisan Foods

Link.

Canadian Artisan Foods. The Canadian Artisan Foods site connects artisan food producers with retailers and consumer groups. Their site provides a Canadian Artisan Foods Catalogue with links to artisans, many within BC.

Food and culinary tourism events and festivals

A number of artisan events have emerged across Canada where listings of food artisans are provided to showcase the products that will be available to consumers. These listings can potentially be mined to identify food artisans.

Methods

This section will outline the methods that were used to assemble an inventory of Food Artisans in BC and to undertake a survey of the sector to arrive at a clearer determination of the economic value of the sector.

Stage 1: Mine existing data from Stats Canada and BC Statistics

Data was provided by BC Statistics on the agri-food processing sector in BC from the Census Canada data on Agriculture. This data included:

- BC Primary agriculture census data on Cansim including the census questionnaire;
- Number of business establishment counts by the North American Industry Classification (NAICS) code and by regional district;
- Cansim table 304-0015 Manufacturing sales, by NAICS and province, monthly;
- Cansim table 301-0006: Principle statistics for manufacturing industries, by NAICS, annual.

These data sources were examined to determine their fit in measuring the economic value of the TAP sector in BC. As none of these data sets provide an opportunity to filter by the method of processing used, there is no way to distinguish the data that emerge from TAP's or food artisans. As such, they were found to be inadequate to measure the significance of the sector.

3. Modifications to enable improved data on the sector will be included in the final report.

Stage 2: Develop a BC inventory of food artisans

In order to move forward, the second stage involved the development of an inventory on the BC food artisan sector. This inventory was assembled in a database (excel) of existing Food Artisans provided by SDECB and included the following variables:

- Business name/Artisan
- Area of Expertise
- Trade/Craft practiced
- Description of products
- Location
- Owner
- Website
- Email address
- Facebook page
- Phone number
- Hours of operation
- Number of employees
- Location of products sold
- Business start date
- Language
- Notes on the business

This inventory was developed by: 1) requesting any existing databases from organizations involved in supporting or promoting the agrifood processing sector in BC; 2) doing a web based scan of existing directories such as BC Small Food Processors, BC Food Processors, Canadian Artisans, Food festival websites looking through vendors, and a general search of each type of craft within BC. Each of these was scanned for food artisan businesses that meet the following criteria: 1) they practice a craft that aligns with the categories include in the consumable craft section of the TCT typology, and 2) they will make clear reference to practicing a traditional craft or artisanal production methods. These were categories into two categories, Food Artisans using plant substances and animal substances.

Stage 3: Survey of Food Artisans

A survey instrument was developed and administered to the inventory of food artisans to gather primary data on the sector. The survey was designed with input from staff at SDECB, the Ministry of Agriculture and the BC Small Scale Food Processors Association. This instrument is designed for use in an online survey format and includes variables such as:

- The length of time in business,
- Artisanal products,
- Changes in demand for products,
- Source of customers
- Product distribution
- FT/PT status of the entrepreneur or reliance on main source of income,
- Number and type of employees,
- Sales,
- Suppliers and supplier expenses,
- Future plans (including retirement as an option plus exit plan?),
- Challenges to business growth,
- Demographics of the owner such as age, education.

The research objectives for this survey were to:

- Create a profile of BC's food artisan sector including:
    - A description of its artisans (by artisan type, age, gender, education, employment status or reliance on artisan income, years in business, training background);
    - An estimate of the contributions to employment by the food artisan sector including number and type of employees (i.e. by type of occupation, employment status (full time/Part time, temporary, seasonal);
    - An estimate of the value of sales generated by the sector, by type of artisan;
    - An estimate of the contributions made to suppliers (by type and proximity to artisan);
- To identify the future business plans and aspirations of BC food artisans (i.e. growth plans, retirement and exit plans)
- To identify challenges to business growth (i.e. labour supply, regulations, access to markets).

The questionnaire was administered online using Survey Monkey. An invitation was sent out (via a link to the survey) to the artisans listed in the 2016 BC Food Artisan inventory(N=271) providing people with rationale for participation and assuring them of who will access the data and use the information provided. Reminder emails encouraging participation were sent 2-3 weeks following the first invitation request. Analysis was done in survey monkey on the frequencies for each question and additional analysis (i.e. cross tabs) can also be done to compare responses among different artisan types.

Findings

Food Artisan Inventory

The scan of existing databases and web sources produced an inventory of 271 food artisans. This number should not be used as an indicator of the total size of the sector as many Food Artisans may not use a website to promote their business and food products, and many do not adequately describe the processes they use to create their food products which may result in the inventory having excluded some Food Artisans.

These have been categorized by artisan type as shown in Figure 2. The majority of these were located in the Vancouver Island region, followed by the Cariboo Chilcotin Coast region, the Thompson Okanagan region and the Kootenay region. Additional searches for Food Artisans within each of these regions is suggested to expand upon the existing database.

Overall, the inventory contains more Food Artisans using plant substances in their products than animal substances. Artisans producing beverages such as wines, distilled products, brew products and spirits were more evident in the web search. This is followed by Artisans producing various preserves and canned goods, baked goods, chocolate, sea salt, vinegars and oils. The animal substance category (Figure 3) shows less variation in the types of crafts with cheese processing, sausage, and seafood products among the most evident. The inventory shows some regional variation in the types of artisanal products, for example with more beverages in the Thompson Okanagan region and meat products in the Cariboo Chilcotin region. As the inventory is expanded, these regional variations may begin to help illustrate the link that Food Artisans have on the regional economy.

Figure 2: BC Food Artisan Inventory Summary: Plant Processing

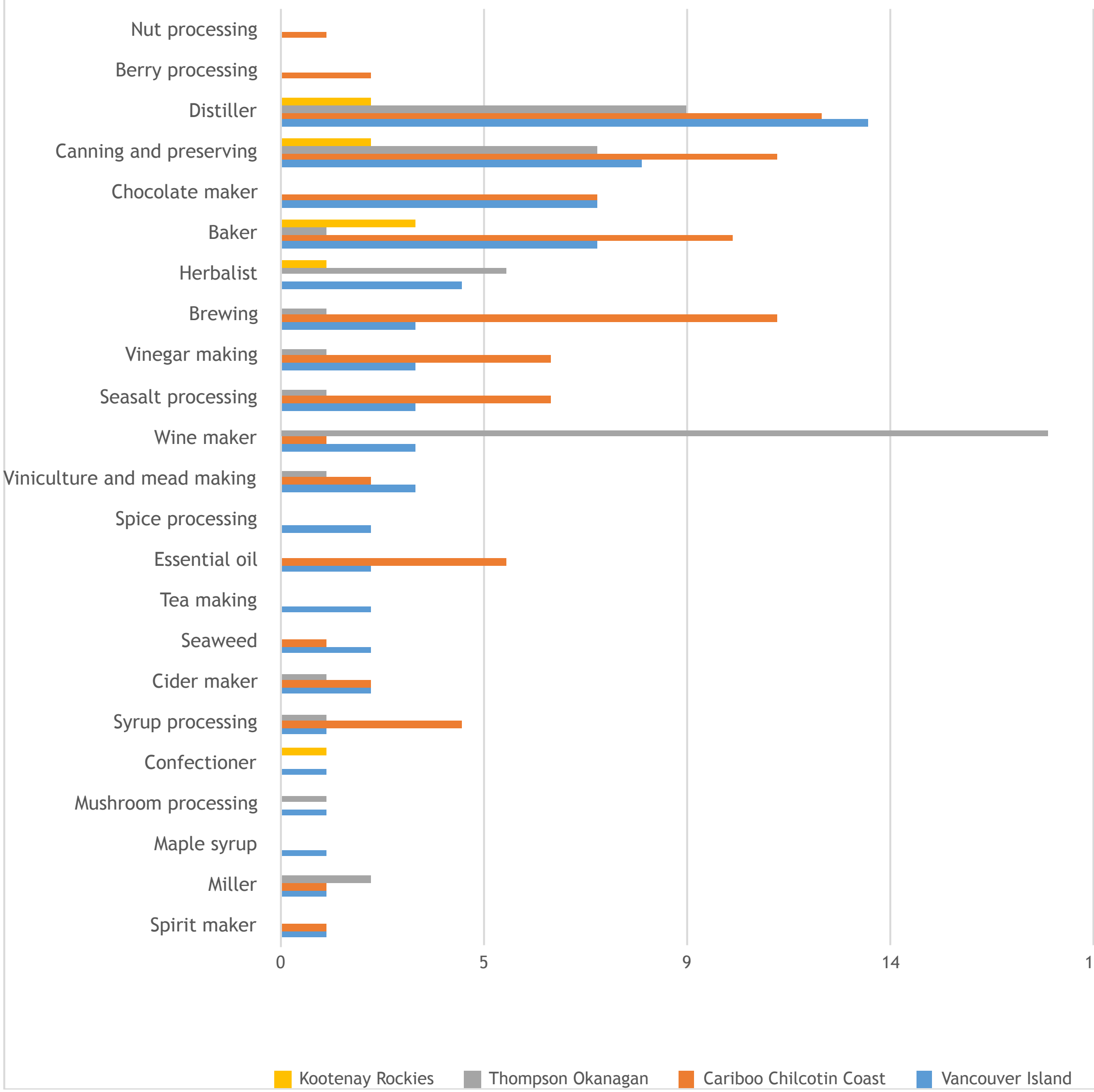
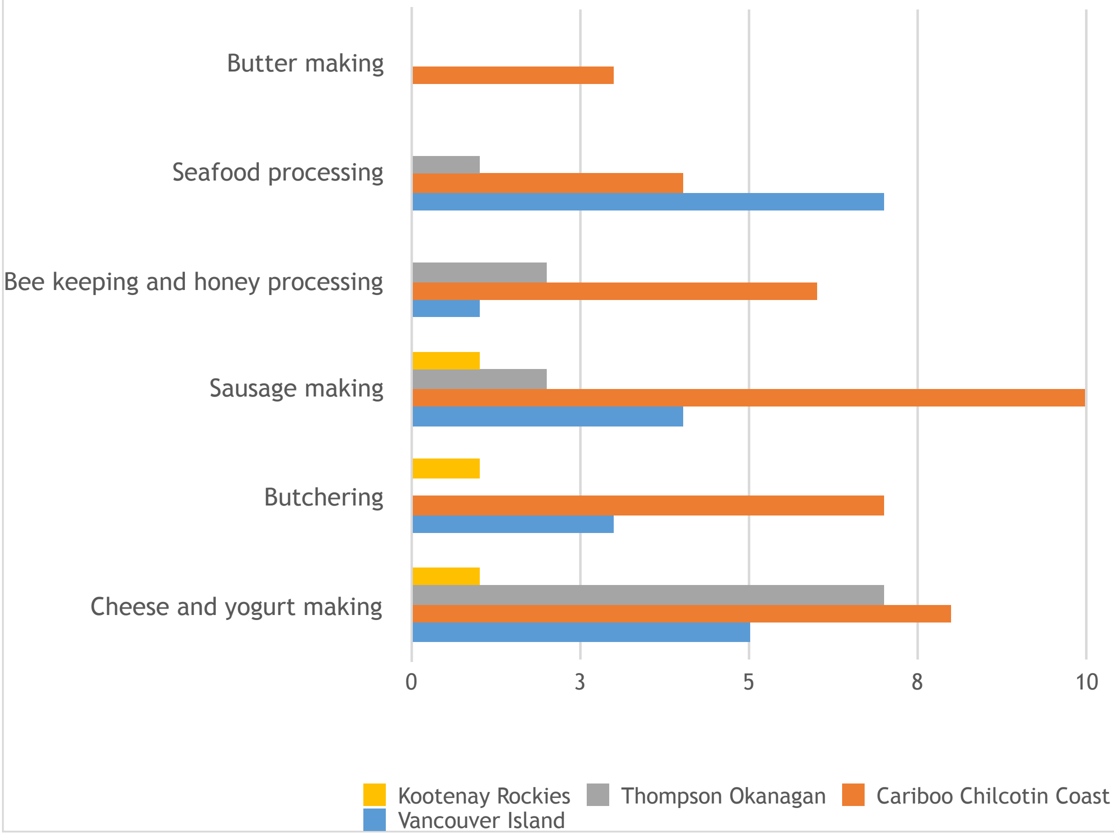


Figure 3: BC Food Artisan Invetory Summary:
Animal Processing

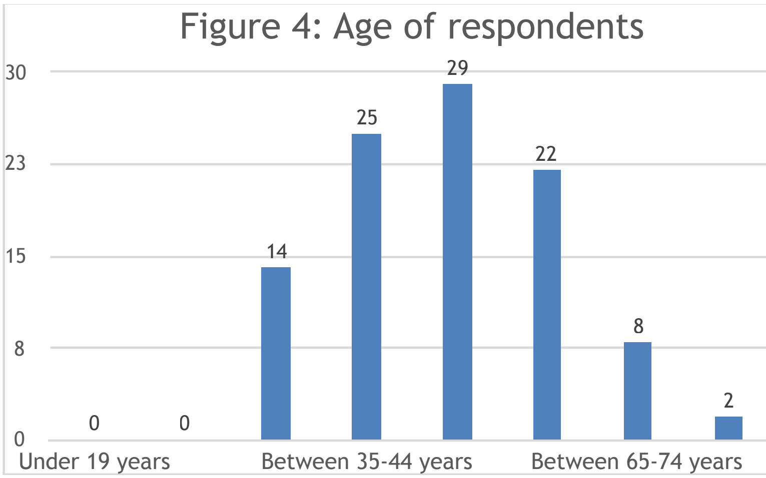


Future use of the inventory

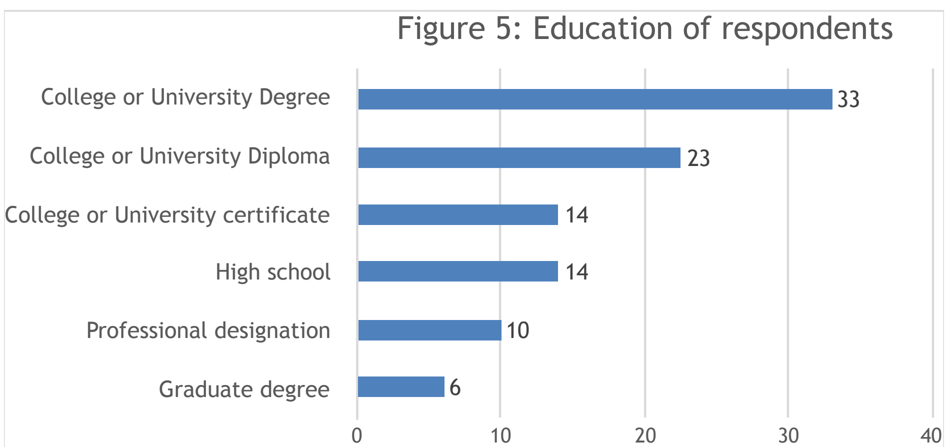
The inventory of BC Food Artisans is like any other inventory, an incomplete and changing list of all of the potential businesses in need of further study. As such, it is recommended that the inventory be maintained by an organization such as SDECB on an annual basis whereby web links are visited to ensure the business is still in operation, and to monitor changes. Additionally, I would recommend that the inventory in the Kootenay Rockies region be shared with partner agencies (i.e. the Chambers of Commerce, Economic Development Bodies or Regional Tourism Organization) to help identify additional Food Artisans. These agencies are likely going to be interested in assisting to populate the inventories due to their shared interests in economic development.

Survey of BC Food Artisans

The survey was completed by 85 artisans (31% response rate) during the timeframe of data collection. The resulting sample profile included artisans across a range of ages as shown in Figure 4. Overall the age profile illustrates a fairly young sample where 39% are under 45 years of age, 29% are between 45-54 years, and the remaining 32% are 55 or older.

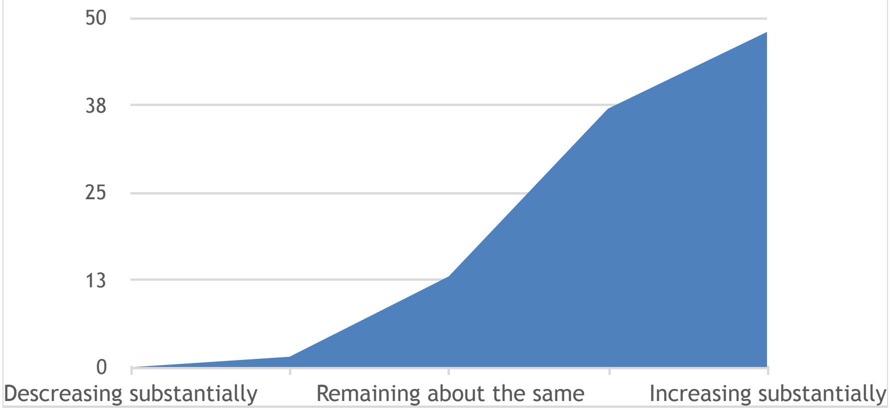


The sample was also highly educated as shown in Figure 5 whereby 33% had obtained a college or university degree, 22.5% had a college or university diploma, 14% a certificate and the 6% a graduate degree. Another 10% had obtained a professional designation.



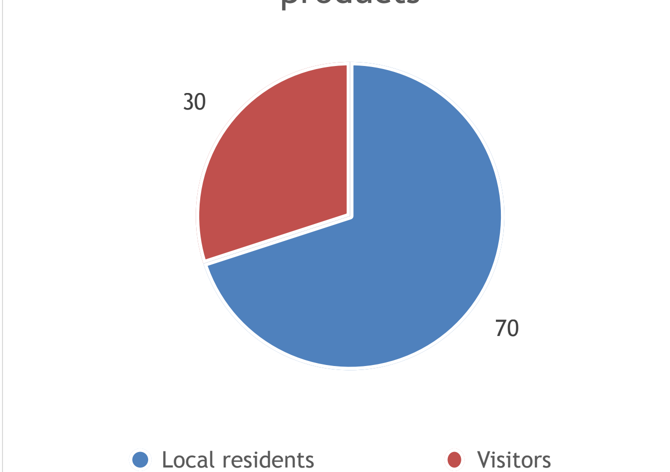
Over the past three years, consumer demand for the food products produced by the artisans was reported to be increasing substantially as illustrated in figure 6. Here, 48% of artisans reported a substantial increase in demand, and another 37% reported some increase. For 12%, demand had remained constant and for 3% demand was somewhat decreasing (no similarity between products was found).

Figure 6: Consumer demand for food products

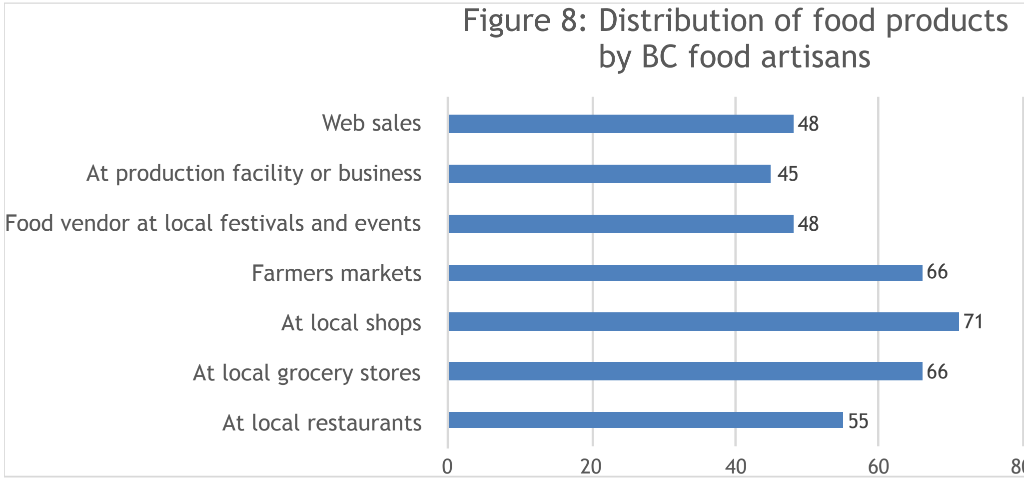


The source of demand for products was also asked to determine the market difference in local vs. visitor demand. Approximately 12% of the sample could not provide an accurate estimate of the demand, however for the remaining, 70% of demand was originating from local markets and 30% was from visitors to the area. This demonstrates the interdependence of food artisans with these two markets.

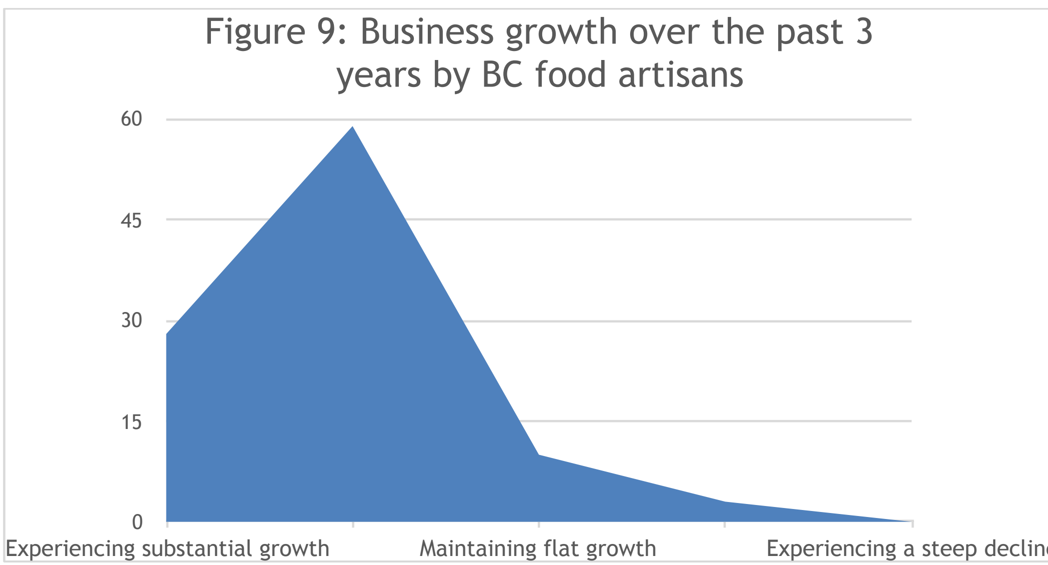
Figure 7: Source of demand for food products



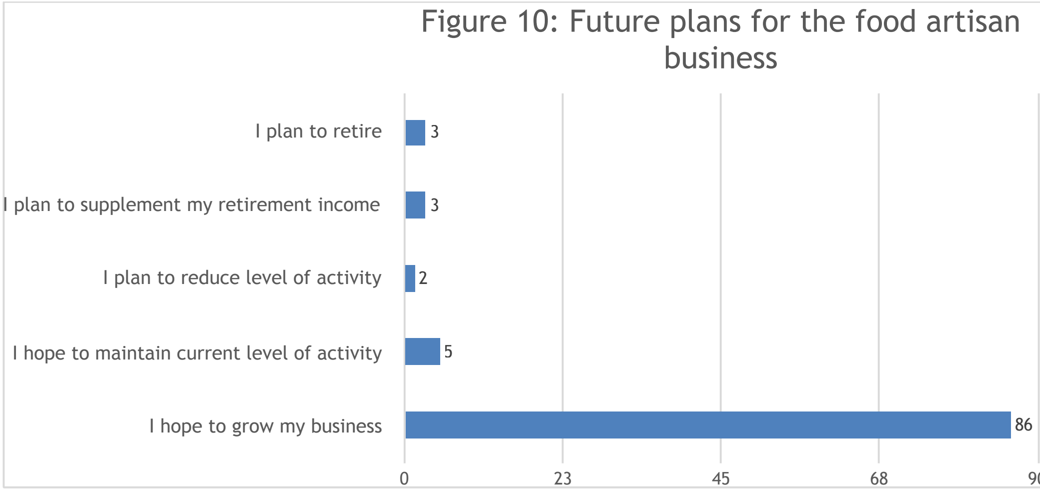
Artisans were asked about how they distribute their food products to the market. As shown in Figure 8, artisans were using a diversified distribution strategy. The most frequent distribution point mentioned was through local shops (71%) followed by farmers markets and local grocery stores (66%). Local restaurants (55%), web sales and local festivals (48%) and direct sales at production facilities (45%) were also widely used by the sample.



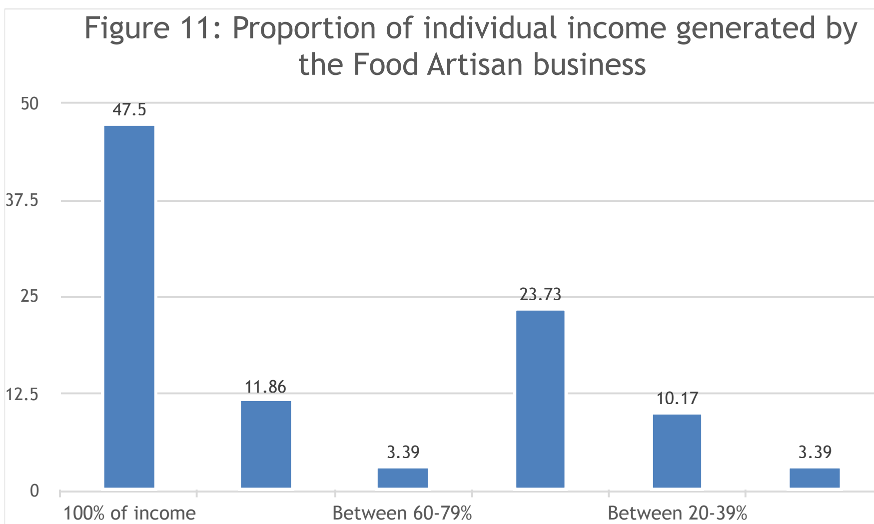
The sample was asked to comment on business growth over the past 3 years. As shown in figure 9, and aligning with the increase in demand for products, the sample reported strong growth. About 28% have experienced substantial growth and another 58% reported moderate growth. About 10% had experienced flat growth while 3% had experienced a moderate decline.



When asked to comment on their future plans for their artisan business, the majority (86%) intended to grow their business over the next 3-5 years. Another 5% wanted to maintain their current level of activity while the remainder wanted to retire, reduce activity or use the business to supplement their retirement income.

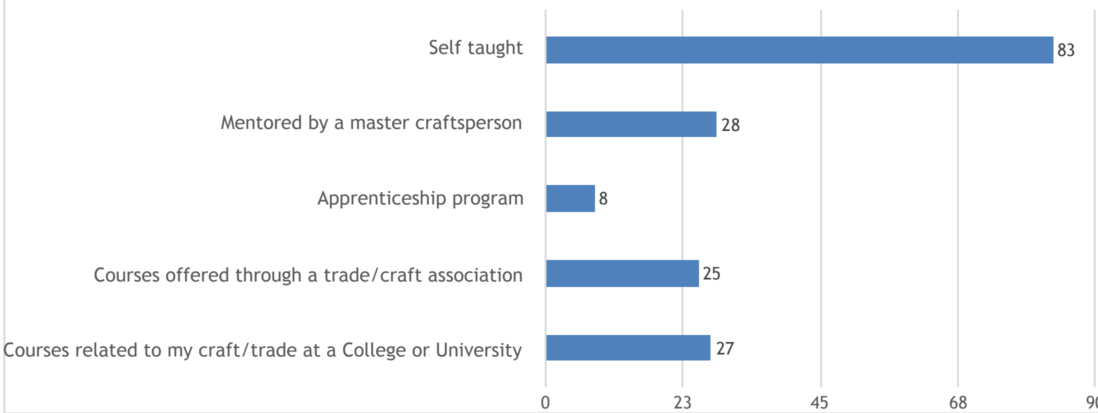


Artisans were asked to indicate what proportion of their individual income was generated by their food artisan business. As shown in figure 11, 47.5% receive 100% of their income from their business. The majority of the remainder make between 50-99% of their income from their business.



The sample was asked to provide information on the training they have taken in their craft and in their business skills. As shown in figure 12, 83% of artisans reported being self taught in their craft. Another 28% were mentored by a master craftsperson, or took courses at a college or university (27%) or a trade/craft association (25%). Approximately 8% participated in an apprenticeship program.

Figure 12: Types of training pursued to develop and enhance craftsmanship skills



Similarly, when it comes to business training, 44% reported being self taught. The remaining 27% took workshops or courses through local agencies, through credit courses (20%) or non credit courses (8.5%) in business at a college or university.

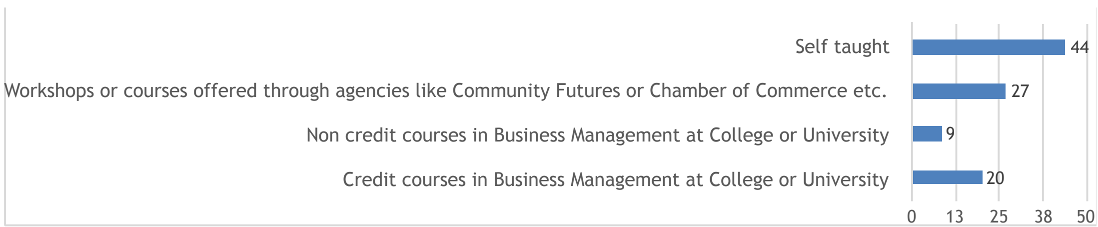
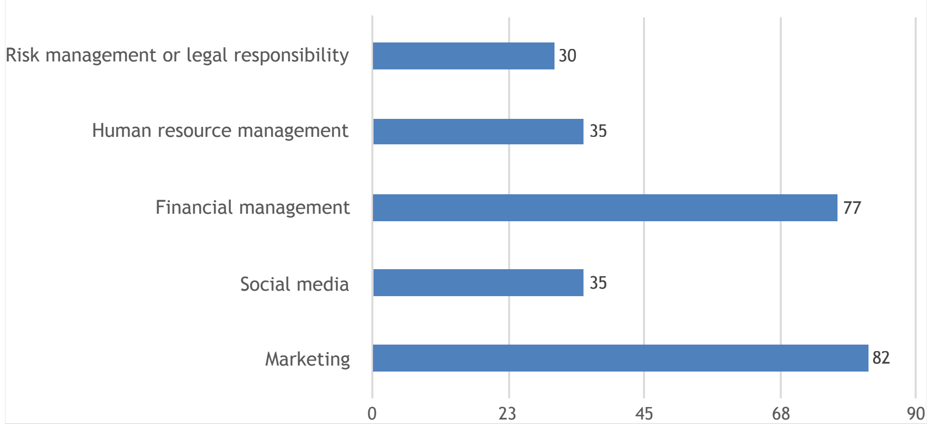


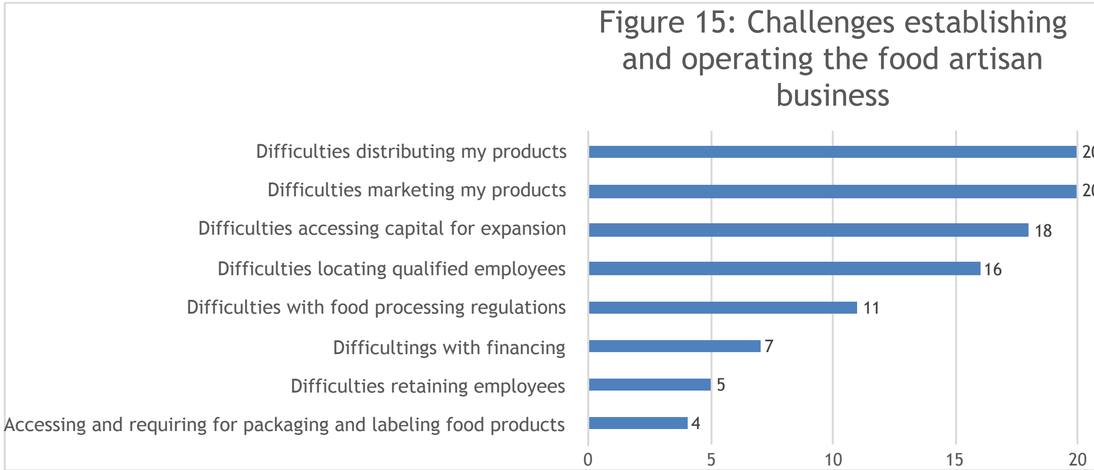
Figure 13: Type of training taken to assist with set up, operation or management of artisan business

For those that did take courses in business, the most common topics were in marketing (82%), financial management (77%), social media and human resource management (35%) and risk management (30%) (see figure 14).

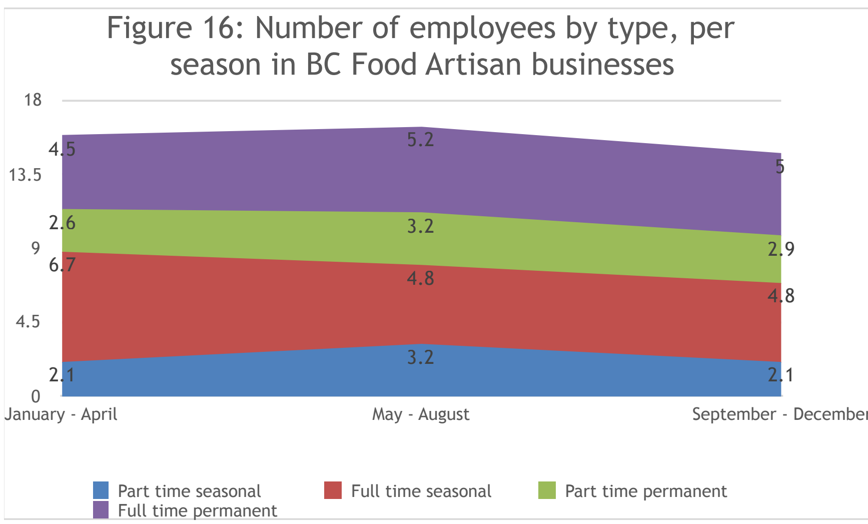
Figure 14: Type of business courses previously taken



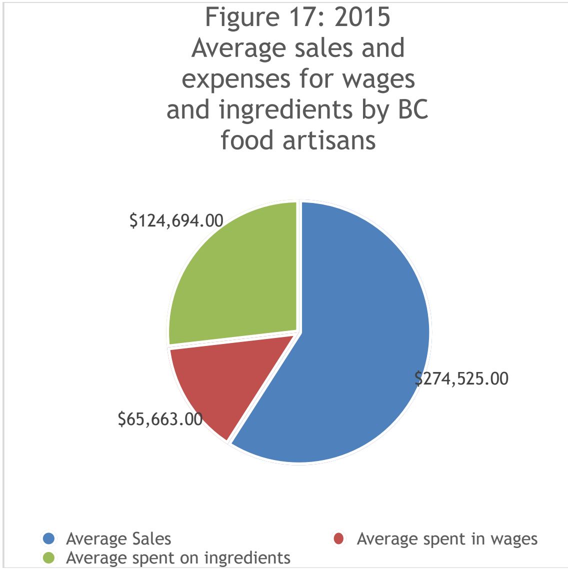
Respondents were asked about what challenges they experienced establishing or operating their business. As shown in figure 15, 20% experienced difficulties distributing and marketing their products. Another 18% had difficulty accessing capital for business expansion or locating qualified employees (16%).



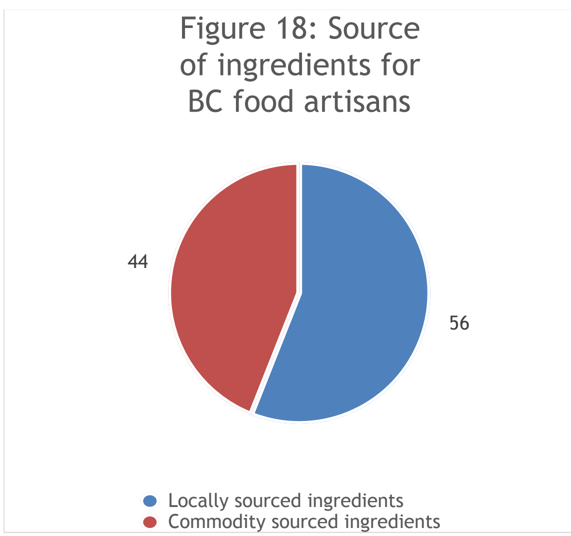
The study wanted to determine the employment generated by food artisans. As shown in figure 16, the artisans reported more permanent full and part time employment with little variation across the seasons than in seasonal workers used. The averages illustrated portray a picture of small to medium sized businesses. Approximately 15% of the sample reported that they hire more than 20 employees on a part or full time basis in any season.



In order to obtain an indication of the economic contributions made by the artisans, the survey asked respondents to indicate sales and expenses over the past year. Approximately 60% of respondents answered this question. Averages indicate annual sales at $274,525 for food products. Average expenses for purchase of ingredients was $124,694 and $65,663 for wages. As these vary widely across type of food artisan and size of business, these estimates should be used with caution.



The study wanted to understand where artisans are sourcing their food ingredients. As shown in figure 18, 56% of ingredients are commodity sourced whereas 44% are sourced from local suppliers.



Conclusions

The results of this study provide important insights about the growth and viability of the artisan food sector in BC. These should be useful to aid in the creation of future supports for the sector, particularly in eliminating barriers to growth in marketing, distribution and access to required capital for business expansion. In terms of research, the definition of food artisans developed and used in the study should allow for additional exploration and description of the sector moving forward. Most importantly, the definition should be used to refine measurement of the agri-food and craft sector in the collection by Statistics Canada. Future research is needed to expand the inventory of BC food artisans enabling a larger sample size in future studies and to allow for more comparative analysis between artisan types.

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