



Executive Summary of Rural Maple Values Focus Groups

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This summary provides an overview of three focus groups held with rural maple producers throughout the summer of 2014 in various locations in Ontario.

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Maple Syrup Innovation Toolkit

This focus group report is part of a larger suite of final documents, called the Maple Syrup Innovation Toolkit, that are part of the final deliverables for this project. These documents include five summaries of work completed at earlier stages of this project, two workbooks (one Aboriginal-focused, one commercial industry-focused), a policy brief and a video (<https://www.youtube.com/watch?v=1Kp-6jvp5Ck>). The toolkit can be accessed at www.resilientresearch.ca

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Introduction

In the summer of 2013, a graduate student associated with the *Ontario Maple Syrup Agri-Food Value Chain: Enhanced Competitiveness Through Innovation and Capacity Development* project funded by Ontario Ministry of Agriculture, Food and Rural Affairs (OMAFRA) conducted fifteen interviews with rural/settler maple syrup producers throughout the province of Ontario. The purpose of those interviews was to explore the values that rural people associate with the production of maple syrup, and other associated maple syrup practices. The collected data and subsequent analysis provided us with a preliminary understanding of rural maple practices, values and beliefs related to maple products and led to the development of the maple value system model for the Ontario industry.

As a follow up to these preliminary interviews, focus groups were held in three different locations throughout the province of Ontario namely, Sudbury, Guelph, and Gananoque in the summer of 2014. A total of 78 people participated in these focus groups. This report summarizes the results of those groups. For the purposes of the OMAFRA project, these focus groups contributed to a workbook that provides information to rural individuals who would like to learn more about the maple syrup sector, would like to get into the sector, or would like to upgrade their operations. This workbook is part of a larger suite of resources available as part of the Maple Syrup Innovation Toolkit.

Rural/Settler Maple Value System Model

On the rural/settler side, the value chain and system concepts can be expanded to develop a “maple value system” model that takes as its starting point the “triple bottom line” of sustainability. Consequently, our rural/settler maple value system model embraces a comprehensive definition of “forest values” which includes the “array of forest products, conditions and human interactions with the forest that are deemed important by and for the community, whether for socio-cultural, economic or ecological reasons”.¹ As such, our maple value system model enables consideration of a much broader array of benefits produced via maple product production activities.

The rural/settler model builds from ideas associated with economic value systems to incorporate ideas associated with sustainability. The model is inter-connected and iterative, centred around economic, social, cultural and environmental core values and contextualized by dominant trends in these realms and by the governance framework within which maple is embedded. It starts with the maple woodlands then moves through communities, supply channels, production, final products and consumers. Innovation, denoted by the research and development box, is undertaken by a range of actors throughout the value system.

Figure 1 provides the maple value system for Ontario. In a value system, operations across an industry work towards some common goals while also focusing on making their business distinctive. In the case of maple, we’ve tried to capture some of these common goals in the values box at the centre of the

¹ Bullock, R., Teitelbaum, S., and J. L. Bullock. 2015. “A Typology for Community Forestry: Governance Concepts and Approaches.” In *Bridging Practice, Research and Advocacy for Community Forests in Canada*, edited by R. Bullock, G. Broad, L. Palmer and P. Smith.

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diagram. Businesses can differentiate themselves by doing something a bit different or a bit better than others. In the diagram we outline the range of operations and activities typically undertaken by maple producers, starting with working in the sugar bush and ending with the production of value-added products.

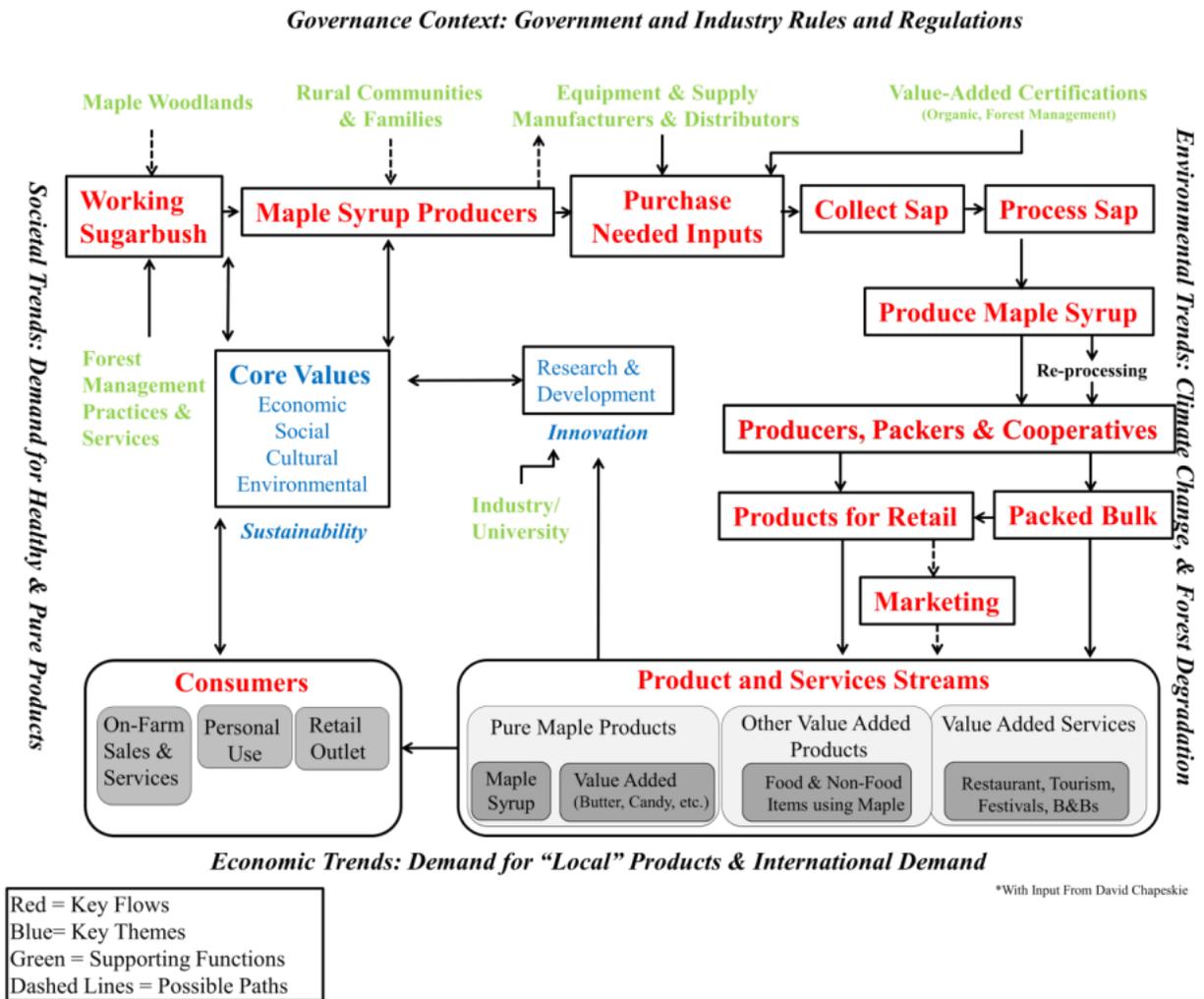


Figure 1 - Rural/Settler Maple Values System Model

Technology and Equipment

The focus groups revealed that the technology and equipment used by rural/settler producers vary significantly depending on what type of maple operation is in question. Maple sugaring practices ranged from backyard hobby activities to large commercial producers. The focus groups also revealed many related issues with regards to the technology and equipment that is most suitable for their current operations and for future planning. These issues range from considering the appropriate packaging for sale and marketing to whether or not value-added products are part of their production.

There is an ongoing debate regarding which is better for packaging maple syrup – glass, plastic or tin and which size bottles are best. In the end, it depends on the producers' capabilities, preferences and target market. For example, if they have international visitors or boaters as regular customers they might prefer plastic because it travels better. Small glass bottles can be very hard to heat up enough to kill mold during the bottling process, but are important in some speciality retail markets.

Sugar house design and related facilities were another aspect related to the size of the existing operation or the size they want to be in the future. Location of the sugar house and/or retail outlet should also be given careful thought. If it is located some distance from the main road then there will likely be more difficulty with visibility and retail sales. Locating it next to their home might work for some if they want to be able to manage production and/or the store from their home base. Others might not want their business located so close to their home since they might prefer to have distinct home and work spaces or might not want the public coming onto their personal property. Finally, the producers thought that carrying a surplus from year to year was a good idea to maintain their customers year round. Incorporating cold storage into the sugar house was suggested to protect the product over the long-term.

When buying equipment, producers highlighted the importance of taking into consideration access to service and support after the sale, and the knowledgeable ability of the representative. While maple equipment dealers typically excel in these areas, producers should still choose the dealer that seems to be the best fit for their operation. The same applies to planning the sap collection system to incorporate future growth. These systems need to be scaled and designed with the support of a knowledgeable dealer, considering both current and future needs. Otherwise, at some point in the future, producers might have to rip it all out and start over. When choosing equipment, producers should also consider how the various components will work together. For instance, the size of the evaporator should be matched with the number of taps, capacity to filter, the need/size of reverse osmosis, and so on. In the long run, good planning with growth in mind will save money.

The producers emphasized the need to make sure the chosen equipment will make the product they want, with consistent high quality and flavour. For instance, consumers seem to be preferring amber syrup over the light and extra light grades, yet some equipment tends to make the lighter syrups more readily. By the same token, keeping the equipment and lines clean and in good repair will help producers make quality syrup that has a more consistent flavour. However, as with products such as wine, flavours will always vary to some extent depending on several factors such as sap sugar content, timing of boiling in the production season, health of the sugar bush and so on.

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Some producers found that there is an ever increasing burden to following various rules and guidelines. One focus group participant mentioned that he was tired of so many regulations from different departments. Others however, asserted that following all the required guidelines and regulations means the product will be safe for human consumption. This is required to sell commercially. In addition, if producers undergo third party verification that they have followed those basic rules as well as adhered to enhanced standards, this can be advertised as part of the marketing strategy.

Another cost saving measure mentioned in the focus groups was that using energy efficient equipment, such as reverse osmosis or new evaporator models, that can save both time and money. Specifically, producers might spend less time boiling, incur less labour costs cutting firewood or reduce their fuel costs. The right fuel source for each operation varied depending on availability, operational considerations, characteristics of the available equipment and personal preference. For instance, some operations do not have access to electricity or gas and are dependent on generators. Others have a shortage or a generous supply of firewood. Some prefer wood pellets over firewood. Where labour support is more difficult to access or production time is constrained, some producers find oil or gas more convenient. For some, lack of time is constrained their current business or future growth, which meant the need to seek out equipment that can cut the workload.

The producers had some very innovative ideas about the multiple ways to position themselves in the maple industry. It is clear that producing maple syrup is not the only way to be in the maple industry in Ontario. Some producers may just produce sap or focus on value-added products. By pairing the interest in maple with something else people are passionate about or good at such as truck driving, art, wine, cooking, graphic design, etc., industry members have developed some very interesting and profitable business models.

Human resources and skills inventory

The producers indicated that to grow commercially, they have to treat their operation like a business and not a hobby. To do that, assessing the human resources and skills required to accomplish their goal is very important. In deciding where to focus their efforts, producers suggested thinking about incorporating their personal preferences. What would they rather be doing – managing their forest, producing top quality syrup and/or actively marketing to the public? It was suggested that producers need to get outside of the mindsets that maple syrup is just for breakfast and is just used in the Spring. Some producers said that people are always looking for something different and they should think about producing a product or service that no one else has. They want to teach people about the health benefits of maple syrup and its use as an ingredient for a wide variety of dishes.

A direct cost of expanding a business can be increased labour costs. Some businesses are willing to take this on. Others choose to stay smaller to avoid needing to hire help. Some suggest that if you are on pipeline and have a good reverse osmosis system and evaporator, you can go solo to about 2,500 to 3,000 taps. Once the operation gets much bigger help is needed. And, if hiring someone to help with their operations, producers need to research the applicable employment regulations. Some people also mentioned that it was important to consider the yearly time commitments. For example, if they did not have time to chase sales in August, perhaps they should focus the business on Spring sap or syrup production, and wholesale it to someone else who has the time to pursue the retail market.

The participants all agreed that maple producers are innovative when it comes to running their maple operation. They invent what they need and find the information they need to accomplish their goal. They figure out what works best in their sugar bush. To help with that, it was suggested that one of the first things people should do if they want to produce maple is to get a good mentor and to choose a mentor that has a background that aligns with their goals and vision.

Social and cultural practices

Maple producers often play a very important role in their community at the local level as well as within the producers' own families. For example, many producers have strong involvement in various local organizations. These relationships are a great way to make connections and help inform producers about potential opportunities where they could feature their product. By the same token, developing networks and providing personal service are key for many operations. For instance, personally delivering an order and meeting with the manager could lead to future opportunities.

The producers also highlighted the fact that donating syrup for local events raises a number of issues. Some focus group participants also have large school tours where they provide candy samples and a pancake breakfast. One participant said they had over 30 schools come through their maple bush. The syrup should be processed and labelled according to Ontario guidelines. And, if producers want to run a festival or other event on their property, or if they have volunteers helping with their operation, they need to make sure to have the proper insurance coverage.

Focus group members mentioned that succession was mentioned as an important part of planning the future of their maple business. In the participant's opinion, getting the younger generation interested in maple is important for keeping the industry vital. In addition, producers should consider talking about business succession with their families and partners well before the time comes to pass on the operation to new owners.

Maple operations were said to contribute substantially to the maintenance of family and friend networks in rural spaces. Many producers hold yearly events for their family, friends and neighbours. In addition, these networks are considered vital to growing a maple operation. Members of the extended network often help produce and distribute products, especially in the early stages of business development.

In recent years, the relationship with the government and maple producers has changed. It was felt that there is now less support than there used to be. People mentioned that they used to be able to connect with their "Ag rep" to get support when they needed it. They also mentioned that although funding such as Growing Forward II is available, the process was cumbersome and difficult to navigate and the portal was "glitch". Some felt that there was less oversight in the industry and that that was increasing risk to the industry overall. For instance, since the regulators are working with such limited resources, some felt that today there was more opportunity for more "bad" syrup to make it to customers and taint the industry reputation.

Depending on a producer's business goals, the participants said to think about how to build alliances with others in the industry to meet mutual goals. For example, maybe they would need to get sap from

neighbours to make the purchase of that large evaporator feasible. Or, maybe they prefer to buy bulk syrup for international export or the development of value-added products. These types of alliances can be win-win situations for all involved. They develop the social networks within the industry that are key to profitability in value systems.

Environmental relationships

Sugarbush management is another area of considerable interest for the focus group participants. Participants agree that without a healthy bush, there is no sustainability. For example, participants said to make sure the sugarbush is well managed prior to putting in tubing systems. Otherwise, there would be problems such as deadfall ripping out the lines. Insects, tapping guidelines, and even climate change were among the major considerations that were mentioned. The participants noted that a sugarbush helps deal with climate change by absorbing carbon out of the air.

The participants talked about how over thinning of the forest canopy can increase the potential of wind damage and the growth of brush or invasive species. Specifically, Emerald Ash Borer and the Asian Longhorn Beetle are two invasive species causing concern among maple producers. Producers warned that if you must buy firewood for your operation, the wood should be sourced carefully to avoid bringing in an unwanted pest. On a different note, the producers also warned that with the continued spread of West Nile (carried by mosquitos) and Lyme disease (carried by ticks) anyone working in the sugar bush should take the proper precautions to protect themselves.

Various sources of information were mentioned with regards to proper bush management. For example, forester and woodlot associations as well as conservation authorities were named as good sources of information about sustainable forestry practices. The participants further advised to choose someone with sugarbush experience; managing for optimal sugar production has different requirements than a timber/lumber operation. Similarly, there are guidelines available around how big a tree needs to be before you can tap it for the first time and how many taps are healthy for trees of various sizes.

Just like wine, many people believe that the taste of maple syrup is influenced by the local terrain or “terroire”. It was suggested that if you can describe the characteristics of your woodlot, climate and soils that contribute to your unique flavour, you can help your customers understand why your syrup is special. The participants also indicated that each sugarbush might have other resources they could think about harvesting. For example, this could include leeks and mushrooms.

Economic profile

Of particular note is the fact that in Ontario, the demand for maple syrup is greater than the supply, so there is lots of room for growth. Participants shared many different business and marketing strategies to enhance their maple operations. They emphasized that the maple syrup business can contribute in different ways to overall income. For example, it can be used as a way to diversify farming income, or it could be combined with another venture such as Christmas trees. Maple production could be planned during a slow time for a main business, or it can be a full time business. In fact, many maple operations even contribute to local employment in rural areas– including short-time seasonal work to full-time, year round jobs.

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From a different perspective, it was noted that as with all new businesses, new producers should be aware that they may not make much money in the first few years. Given that, some participants mentioned that funding opportunities may be available and that available financial planning tools should be used to help new producers get started or to help existing producers expand their operation. For example, the Ontario Maple Syrup Producers' Association has a financial planning tool that lets producers compare the costs and profits of various choices and helps to build a business case. This is an important step if applying for grants or loans.

With regards to enhancing business, some producers suggested that customers who come out to the bush should be provided with a memorable experience. For example, if the bush has a pancake house, then hiring local musicians could make the experience more interesting. Trails could be made more informative with interpretative signage. Wagon rides can be provided (if their insurance allows it!), or guided tours of the sugaring operation, and so on.

Maple sugar was highlighted as a simple value-added product where there seems to be growing demand. Another opportunity that exists in the Ontario market is in the area of maple syrup packing and the managing of large scale supplies for resale. The online market and international market was also seen as having many opportunities. It does not require any physical infrastructure or retail store labour (a side benefit of this can be less municipal taxes or liability insurance) and there's limited competition. However, to develop an online presence, producers need to think about how to handle shipping (maple syrup is heavy to ship), and they will also need the right type of insurance coverage. Another consideration is if exporting internationally, the price of the Canadian dollar can impact a producer's bottom line.

Participants agreed that there are many really interesting ways that producers can show maple and really showcase it as a beautiful ingredient. One potential area of differentiation could be to use speciality syrup bottles or value-added products that can be marketed as gifts for local gift baskets, corporate or government events, weddings, and so on. Regardless of the product, producers mentioned that many customers prefer tamper-proof lids and seals when packaging. They also added the caveat that developing a speciality maple product, such as wine, takes an investment of time and money. Producers advised to be prepared to fail and learn from mistakes, hire needed expertise and to do ongoing testing and market trials.

Producers felt it was important to make sure that marketing tools match the target market. For example, a website may not be necessary if the business will be focused on wholesaling rather than retail. Or, if targeting the European market, consider what type of third party certification might appeal to those customers (e.g. Forest Stewardship Council).

Easy and/or free marketing approaches that were shared in the focus groups include word of mouth from loyal customers, roadside signage, contacting local retail outlets, donating product to local festivals and getting articles into local newspaper and television. Websites, Facebook and other social media such as Twitter and LinkedIn can also be effective. Additionally, other related opportunities include Groupon, WagJag, Trip Advisor and so on.

Focus group participants agreed that the key to retaining customers in the long run, is to make top quality syrup and offer good customer service. They advocated for offering a 100% guarantee, and 100% accountability and consistent flavour. These practices were touted as ways to position their product as different from what is available at the big box stores.

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Publicity raised some issues about professionalism and privacy especially if the producers use social media or if there is public access to their property. It was noted that information and pictures can spread quickly. Participants emphasized the need to always present a professional image and make sure that the facilities are clean and well organized. They also reminded each other about the need to be aware that their operation could be out there on the internet even when they are not even aware of it. For those producers who are not “tech savvy”, some suggestions were offered such as maybe having a family member, kids or grandkids to help out with a web presence and social media.

Part of marketing is education. The producers were aware of the need to teach their customers what questions to ask when they buy syrup and related products. In order to help with that aspect of their operation some possible approaches were offered. For example, some said to consider posting information about the history of the operation and the details of the processing. Another suggestion was to consider having a taste testing station if they run a retail operation. This allows customers to compare grades and batches and provides them with some information about what these standards mean. These strategies help customers move away from the mentality that all syrup is the same, that the important thing is to get the lowest price, and that a generic, blended syrup from a big box store or grocery store is just as good as the local, distinctive product they can get from the facility itself. According to one producer, the aim was to have everyone go home with a free piece of maple sugar, having learned about the process and the history. That is the type of information that is not available on the bigbox shelf and that producers can provide.

In the minds of the producers, a maple product should be considered a premium ingredient just like a good olive oil or wine. To achieve that image, the producers suggested providing simple, well tested recipes using maple for their customers. They also noted that another group to educate are chefs. Producers can work with chefs in local restaurants, but also consider contacting any local chef training programs that could be located nearby.

Keeping an eye on social and food trends was another suggestion for marketing strategies. For instance, eating local and organics are growing market segments right now. Sap water is another trend to watch. Using words such as “hand-crafted” that capture the essence of these trends was one way of describing a maple operation to enhance its appeal. Third party certification for organic syrup or forest management practices can also be used to help add value and market products. And, certification is often necessary to sell to large retail outlets. Producers suggested that third party certification may or may not get more money for the product, but it tends to open up market segments that would otherwise not be available to producers (e.g., stores selling organic products). The focus group participants encouraged searching out organizations with interests that match up with individual operations. For instance, if the producer is into organic farming, perhaps the Worldwide Opportunities on Organic Farms might be a good fit for them.

The producers had many suggestions about effective labeling. They felt it was important to spend some time and effort to create a label that represents their product and business. Moreover, a unique bottle design can also contribute to making a distinctive product. Others suggested that when designing labels test them to see how they will last over time as customers use the product. Labels should still be readable and look fresh even after the product has been in the fridge for some time. One participant stated clearly that the label is the last signature that is put on the product before it goes out. Finally, participants encouraged each operation to find their own story. They advocated being proud of each

producers' history and operation and to share that with their customers. And, to make sure that marketing, branding, labelling and logos reflect that story.

The participants advised both new producers and existing operations to become familiar with the nearby competition when thinking about how to differentiate the operation and setting the pricing structure. For instance, if located near the Quebec border or in the southern Ontario locations where there are lots of producers, the operation might need to do more to make it stand out. This is a far more profitable strategy rather than focusing on having the lowest price. Focus group participants were adamant that maple syrup is a quality, premium product that can easily sustain the pricing associated with gourmet products.

Final Thoughts

As outlined at the beginning, this executive summary presents the results of focus groups that were held in three different locations throughout the province of Ontario namely, Sudbury, Guelph, and Gananoque in the summer of 2014. The participants of the three focus groups contributed to a workbook that provides information to rural individuals who would like to learn more about the maple syrup sector, would like to get into the sector, or would like to upgrade their operations. This workbook and this executive summary is part of a larger suite of resources available as part of the Maple Syrup Innovation Toolkit.

The information presented in this summary includes a Maple Values System Model that was used to guide the focus group discussions. The rural/settler maple values system model took as its starting point the "triple bottom line" of sustainability. With these values in mind, the participants provided information about the importance of choosing and acquiring appropriate technology and equipment with regards to the nature of their existing or desired operations. The discussions ranged from packaging, to manufacturing and even the proper design of the facilities and sugar house. Assessing human resources and doing a skills inventory were the next important point to consider with regards to growing their maple operations into a business rather than a hobby. Direct costs associated with this aspect of growing the business were also an important point. This point was followed by a discussion of the important role that maple operations have in their community as social and cultural practices. Another issue that was raised is the management of a sugarbush and the environmental relationships producers need to honor. Finally, the fact that the demand for maple syrup in Ontario is in great demand and that there is lots of room for growth highlighted the need for developing an economic profile for a successful business. The information imparted by the focus group participants provides a useful resource existing and potential producers especially when combined with the other resources in the Maple Syrup Innovation Toolkit.