

APPALACHIAN  
sustainable  
DEVELOPMENT  
LIVING BETTER. LOCALLY

2019 ANNUAL REPORT

# LETTER FROM THE DIRECTOR

**A**s you read this, 2019 is becoming a receding, perhaps distant memory. For ASD, it marked the end of our 24th year and the beginning of a process which will lead to a new Theory of Change and chart a path for ASD's next 25 years.

The following pages contain reflections on our accomplishments in 2019. You will read about how the first ever Herb Hub gained significant traction and attention from national buyers, who are now investing in and supporting Appalachian forest farmers. The FARM (Farmer and Rancher Mentoring) program ended its second great year by tripling the number of interns served: growing from 4 interns on 4 farms in 2018, to 12 interns working on 12 mentor farms! Our work to bring together a host of actors in the local and regional food system resulted in expanded market opportunities for local farmers, and substantial progress for farmers in Kentucky, West Virginia, Virginia, Tennessee, and North Carolina. We spent a considerable amount of time assessing and creating additional collaborative ways to build a better food system that makes farmers more successful. The Appalachian Harvest Food Hub had yet another banner year, with sales of over 3.4 million dollars. We supported dozens of home, community, and school-based gardens and taught hundreds of children and adults how to grow food for themselves, providing them with the means to become self-sufficient. And with the help of two West Virginia based partners, we are launching a new workforce development program that will help those with barriers to employment find gainful employment.

None of this work would be possible without the many diverse partners, stakeholders, volunteers, donors, and funders who walk alongside us each and every day. No matter where we all come from, or how we got here, our passion for Central Appalachia is evident in the progress we are making. And our work must continue.

We are constantly humbled by the wonderful people who support our work. Thank you in advance for taking the time to learn more about ASD and for caring about the resilient communities we serve.



*K Baker*  
**Kathlyn Terry Baker**  
ASD Executive Director

# LIVING BETTER. LOCALLY.

Appalachian Sustainable Development began in 1995 to provide economic opportunities to the people of Southwest Virginia and Northeast Tennessee, including providing assistance to tobacco farmers who were struggling due to changes to subsidies for tobacco. ASD began by helping farmers learn to grow fruits and vegetables, and has since transformed into a multidimensional organization that strives to positively impact Central Appalachia's economy, workforce and access to fresh, healthy food.

As people of Appalachia, we understand that though the region has come a long way economically, there is still a lot of progress to be made. According to the Appalachian Regional Commission, "Central Appalachia in particular still battles economic distress, with concentrated areas of high poverty, unemployment, poor health, and severe educational disparities." Despite these challenges, Appalachia has an undeniable momentum towards improvement, and ASD is proud to be a contributor to that momentum. In preparation for our 25th year and beyond, ASD has been working harder than ever to further develop as an organization that shapes the lives of the people who keep

this region moving forward.

Recognizing the need for expanded economic opportunities in the food and agriculture sector, in 2016 we launched the Central Appalachian Food Corridor. The Corridor creates sustainable jobs in local food production and distribution in five states: Southeast Ohio, West Virginia, East Kentucky, Southwest Virginia, and Northeast Tennessee. ASD's Corridor partners work to build the capacity of farmers, entrepreneurs, small businesses and nonprofits by increasing production, diversifying markets and strengthening distribution channels.

Along with the Central Appalachian Food Corridor, ASD programming works together as an ecosystem, each program supporting and complementing the other. Our programs expand and strengthen Appalachia's food and agriculture sector through education, mentoring and innovation. This connectivity of ASD programming allows our organization to be more broadly and deeply impactful in the region. Along with our wide span of food and agriculture initiatives, we also strive to be an organization that is forward-thinking and embraces a more diverse, equitable and inclusive Appalachia. ♣



43,368  
LBS.

of 2nds produce  
donated to food  
banks/pantries



\$3.4 MILLION

In Appalachian  
Harvest total  
produce sales



12

farmer interns  
working on

12

farms with  
farmer mentors



555

farmers trained  
in agroforestry

A large pile of fresh produce, including radishes, cucumbers, eggplants, and tomatoes, is displayed. The radishes are the most prominent, stacked in a tall pile. In the foreground, there are several cucumbers, some green and some yellow, and a few eggplants. To the right, there is a clear plastic bag filled with green beans. The background is dark and out of focus.

IN 2019,  
APPALACHIAN  
HARVEST SOLD  
\$3.4 MILLION  
OF PRODUCE.

# APPALACHIAN HARVEST FOOD HUB



In 2000, ASD created Appalachian Harvest, one of the first food hubs in the country, which connects small and medium scale produce farmers with large wholesale markets. ASD secures orders from national retailers and food brokers and provides farmers with training, technical assistance, marketing, aggregation and distribution services. Appalachian Harvest represents an immediate opportunity for farmers, as demand has historically exceeded supply, with total revenue generated since 2000 at more than \$21 million.

With an awareness of industry trends and emerging opportunities, Appalachian Harvest stands poised to meet the challenges of a demanding retail grocery store industry. In 2014, to meet the growing demand for certified organic produce, Appalachian Harvest established an Organic Grower's Group. Currently, the

only such group in the country, 21 farmers have been trained on the production practices of certified organic produce. The group also reduces start up costs for farmers looking to obtain their organic certification and shares best practice techniques with partners and other organizations. It is our goal to replicate this model with partner leads in Central Appalachia and beyond.

Appalachian Harvest is also the platform for farmers to earn additional income for their seconds produce (nutritious, delicious produce that does not meet strict aesthetic retail guidelines). By providing farmers with financial support for harvesting their seconds and connections to markets and programs that utilize seconds, Appalachian Harvest also fights food insecurity, reduces food waste and creates an income safety net for local farmers. Healthy Families - Family Farms and

Practically Perfect™ are two important programs that meet immediate food needs by increasing access points through the donation of seconds to food banks/pantries or the sale of fruits & vegetables at approximately 30% discounted prices, respectively.

With a more regional focus, Appalachian Harvest has been a critical partner on the Central Appalachian Food Corridor. This project serves as an example of how several states can collaborate and marry resources, creating opportunities for greater impacts in family farming. Appalachian Harvest provides the infrastructure and technical assistance that local and regional farmers and partners need so they can grow their family businesses and continue to strengthen local economies. In 2019 Appalachian Harvest's total produce sales were 3.4 million dollars. 🌱

## AGROFORESTRY PROGRAM

**A**groforestry is a land use management system in which trees and/or shrubs are grown with crops and/or livestock. This intentional combination has a variety of environmental, economic and social benefits. Agroforestry can benefit farmers by diversifying crops and income, reducing soil erosion, improving yield, enhancing water quality, increasing pollinator and wildlife habitat and much more. Agroforestry also helps farmers mitigate climate change impacts. There are several agroforestry

practices, including: forest farming, riparian forest buffers, alley cropping, silvopasture, windbreaks, and food forests. Although a seemingly new age land management system, agroforestry has been implemented globally for centuries. The resurgence of agroforestry as a holistic land management approach ties into modern demand for organic, biodynamic, and regeneratively farmed crops that can greatly benefit Central Appalachian farmers. ♣



## THE HERB HUB AT APPALACHIAN HARVEST

**A**SD provides seed to sale training and on-farm technical assistance to help farmers successfully implement agroforestry practices, like forest farming and alley cropping. With grant funding, ASD provides cost-share for start-up expenses, including planting stock and certifications. At the Appalachian Harvest Herb Hub in Duffield, VA, ASD offers shared-use commercial herb processing

equipment to help herb farmers meet buyer specifications and increase processing efficiencies. To facilitate market access, ASD provides aggregation and marketing services to connect farmers with premium-priced markets seeking field and forest grown herbs that are sustainably produced in regenerative agroforestry systems. In 2019 Appalachian Herb Hub Sales were \$50,889.54, with 555 farmers trained. ♣

## FARMER/RANCHER MENTORING PROGRAM

The Farmer and Rancher Mentoring program (FARM) is an on-farm internship that teaches beginning and aspiring farmers about the practical side of farming by providing them with on the job training and pathways to careers in agriculture. This educational opportunity allows interns to experience firsthand the blood, sweat, tears, love, and dedication it takes to have a successful farming career.

Interns are paired with experienced FARM mentors to complete a minimum of 200 hours of hands-on educational hours on a working farm. During this time, the pair will focus on the intern's learning goals developed at the beginning of the season. Interns are required to submit 2 blogs about their on-farm experience and meet the minimum required hours in order to successfully complete the program. Following the completion of the pro-

gram, interns will go forward with new skills and connections to successfully start, own and operate their farm operations.

The Farmer and Rancher Mentoring program benefits farmers of all skill levels in NETN and SWVA: aspiring, beginning, and experienced. It allows aspiring farmers to discover whether this career path is right for them before they make significant investments of time and resources. It allows beginning farmers to identify their specific learning goals to further their careers and develop next steps in the process. It allows experienced farmers to share their experience, knowledge and passion of farming with interns, inspiring and guiding them on a successful and achievable career path. FARM also creates a robust and growing local farmer network so that both interns and mentors will feel supported by their peers. 🌱



## GROW YOUR OWN

**G**row Your Own is an important agriculture education program for beginning and aspiring gardeners to supplement their nutrition and income by growing their own garden. In the Grow Your Own Program, participants are given the knowledge and tools they need for year round food production. Participants often come into the program aiming to learn how to grow the standard

summer crops of corn, beans, potatoes, and tomatoes. With ASD teaching them from step one, participants are prepared and excited to grow food year round, try new and different varieties of crops and cook from scratch. Families form the backbone of the program, with many children learning to appreciate the natural world around them through the garden landscape. ♡

SINCE GROW YOUR OWN  
BEGAN IN 2012,  
PARTICIPANTS HAVE  
COLLECTIVELY GROWN 122,384  
POUNDS OF PRODUCE,  
AND IN 2019 ALONE,  
18,702 POUNDS.



## LEARNING LANDSCAPES

**L**earning Landscapes teaches children how to create, plant, tend, nurture, cultivate and harvest fresh fruits and vegetables in gardens at schools, community centers and clubs. Children learn the value of the natural world, teamwork and sharing. They also learn to cook from scratch, using many of the ingredients from their garden space, increasing consumption of nutritious food. ASD believes that teaching children to have a

passion for growing their own food and eating healthy is an important investment in future generations. By installing a community garden classroom at Washington-Lee Elementary School in Bristol, Tennessee, ASD has begun to foster a love of gardening within the children of the school. Every child in attendance there has been able to watch seeds germinate, grow and thrive. ♡

SUDDENLY, KIDS WHO WOULDN'T HAVE LOOKED TWICE AT A RADISH OR A SNAP PEA ON A SALAD BAR ARE ACTIVELY CHOOSING TO EAT RADISHES AND SNAP PEAS BECAUSE THEY FEEL EMPOWERED BY THE FACT THAT THEY GREW THEM ALL BY THEMSELVES.

## HEALTHY FAMILIES-FAMILY FARMS

Since 2004, Healthy Families-Family Farms, ASD's foundational food access program, has raised money and purchased seconds produce (nutritious, delicious fruits and vegetables that do not meet strict aesthetic retail guidelines) from local farmers. This program tackles food insecurity by meeting the immediate food needs of

low to moderate income families while also recognizing that many farmers struggle to make ends meet themselves. The produce purchased from these farmers is then donated to local and regional food banks and pantries. Since 2004, Healthy Families-Family Farms has donated over 1.3 million pounds of nutritious, seconds produce. ♣

IN 2019, HEALTHY FAMILIES - FAMILY FARMS DONATED 43,368 POUNDS OF NUTRITIOUS SECONDS PRODUCE TO FOOD BANKS AND FOOD PANTRIES.



## PRACTICALLY IMPERFECT

Practically Perfect™ helps reduce the expense of purchasing fresh produce for low to moderate income consumers by creating a market for seconds produce. Practically Perfect fruits and vegetables are slightly larger or smaller cousins of garden-variety fruits and

vegetables. By working with Wholesome Wave, a leading national organization working to increase affordable access to fruits and vegetables for people who struggle with hunger, ASD makes this produce available at approximately 30% discounted prices at local supermarkets. ♣



## FORWARD.

**A**SD strives to be a regional voice that creates economic opportunities and tackles hard to solve problems through a thriving local food and agriculture system. We recognize the need for expanded economic opportunities and the need for programming that strengthens Appalachia's food and agriculture sector, through education, mentoring, development and innovation.

As we look towards 2020, our 25th anniversary, we are busy planning for our next 25 years, creating a vision of the changes we want to see in our communities and a plan for how ASD responds to and contributes to those changes. We are excited about the progress we are making and look forward to sharing the results with you soon.

Before this report was finalized, however, all of our worlds changed. What began

in 2020 as a celebration of our 25th year, a year that will see the implementation of a new agriculture-based workforce development program, new climate adaptation and mitigation strategies, and a strong focus on food equity, has now changed. We will continue to work on our strategic direction and the exciting plans we have for the future, but also realize that we must seek ways to navigate in this new world we are all facing. We hope that the unprecedented crisis brought on by COVID-19 will ultimately result in a renewed sense of community and a time when we remember that Appalachians are independent and resilient and that we take care of each other. We believe that this is our time to show why we are proud to call Appalachia home and that now, more than ever, people will begin to understand why we all need to Live better. Locally. 🌱

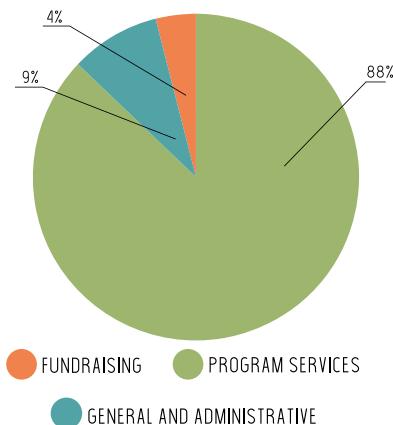
## STATEMENT OF FINANCIAL POSITION

	2018	2019 (Unaudited)	2019 (% of Total)
<b>Assets</b>			
Cash Equivalents	\$423,522	\$239,025	20%
Receivables	\$178,404	\$361,879	30%
Fixed Assets-Net	\$841,948	\$620,294	51%
<b>Total Assets</b>	<b>\$1,443,874</b>	<b>\$1,221,198</b>	<b>100%</b>
<b>Liabilities</b>			
Accounts Payable	\$165,600	\$241,756	35%
Notes Payable	\$301,887	\$254,525	37%
Other Liabilities	\$201,615	\$192,579	28%
<b>Total Liabilities</b>	<b>\$669,102</b>	<b>\$688,860</b>	<b>100%</b>
<b>Net Assets</b>			
Unrestricted	\$484,886	\$95,203	24%
Temporarily Restricted	\$295,344	\$295,344	76%
<b>Total Net Assets</b>	<b>\$780,230</b>	<b>\$390,547</b>	<b>100%</b>
<b>Total Liabilities and Net Assets</b>	<b>\$1,449,532</b>	<b>\$1,079,407</b>	

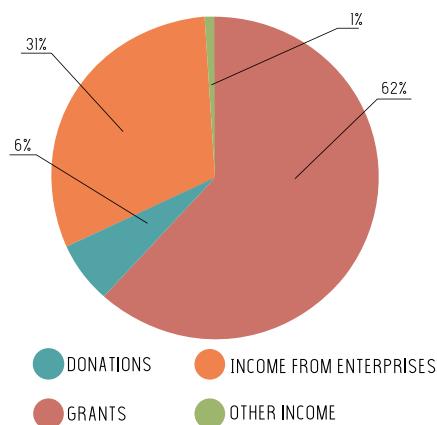
## STATEMENT OF ACTIVITIES

	2018	2019 (Unaudited)	2019 (% of Total)
<b>Revenue</b>			
Grants	\$982,624	\$1,138,834	62%
Donations	\$131,822	\$105,080	6%
Income from Enterprises	\$650,261	\$570,015	31%
Other Income	\$22,249	\$22,725	1%
<b>Total Revenue</b>	<b>\$1,786,956</b>	<b>\$1,836,655</b>	<b>100%</b>
<b>Expenses</b>			
Program Services	\$1,251,632	\$1,530,927	88%
General and Administrative	\$215,214	\$152,756	9%
Fundraising	\$74,237	\$63,994	4%
<b>Total Expenses</b>	<b>\$1,541,083</b>	<b>\$1,747,677</b>	<b>100%</b>
<b>Increase (Decrease) in Net Assets</b>	<b>\$245,873</b>	<b>\$88,938</b>	

EXPENSES BY CATEGORY



REVENUE BY CATEGORY



## 2019 BOARD OF DIRECTORS

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Appalachian Harvest Food Hub Truck Driver

**Frank Amyx**  
Appalachian Harvest Food Hub Truck Driver

**Jason Matheison**  
Appalachian Harvest Food Hub Truck Driver & Project Assistant

**Jordan Crabtree**  
Appalachian Harvest Food Hub Truck Driver

OUR MISSION IS TO TRANSITION APPALACHIA TO A MORE  
RESILIENT ECONOMY AND A HEALTHIER POPULATION BY  
SUPPORTING LOCAL AGRICULTURE, EXPLORING NEW  
ECONOMIC OPPORTUNITIES AND CONNECTING PEOPLE TO  
HEALTHY FOOD.

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