

# *From Honeycomb to Consumer*

## Marketing Local Honey in New York State

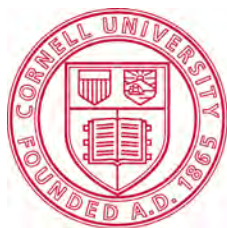


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## INTRODUCTION

New and experienced beekeepers and honey producers report frustration with marketing. Regulations and practices related to selling honey are disperse and hard to track down. Guidelines are available for large commercial operations, but few resources exist for hobbyist or small-scale producers to clarify what they should or should not do when marketing honey.

This booklet is intended to inform and inspire small-scale honey producers who feel unclear about what consumers, culinary professionals, regulators, and fellow honey producers expect as they “go public” with honey sales. It suggests various ways to make the most of honey sales and challenges honey producers to look at their products and marketing approaches more deliberately.



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### **Educational purposes only**

The information contained in this publication is intended solely for the education of individuals who are interested in the subject of honey marketing and is not intended to provide legal or other professional counsel. Laws and regulations are subject to change and should be referenced for updates.

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## Picking up where bees leave off

Honey is a surprisingly complicated substance. About 82 percent of honey is comprised of various sugars, mostly fructose, glucose, and maltose. Water makes up 17 percent, and the rest (the source of the unique flavor) is a dense blend of enzymes, amino acids, minerals, protein, and organic acids.

Honeybees convert water-laden flower nectar into honey in a multi-step process. Flower nectars are partially digested by forager bees, then fan-dried by processor bees to concentrate the sugars into a stable, nutritious stored food. This biochemical alteration also concentrates the compounds, making each batch of honey, derived from a unique mix of nectars and processing peculiarities, completely unique.

Beekeepers have a front seat in the ancient tradition of honey production. Once the honey is extracted from the hive, the duty of care for honey is in your hands. As a honey producer, you must follow the high standards of quality and regimented diligence of the bees to package, sell, and make a small business enterprise out of respect for the endless efforts of the bees.

## Selling points

According to recent research from the University of Delaware (September 2013, K. Messer and D. Delaney), consumers are willing to pay more for local compared to international honey. In a survey of more than 100 consumers, researchers found buyers are willing to pay 20 percent more for a jar of local honey compared to a jar of international honey.

Local honey and honey products have a long list of selling points:

- Sugars in honey are very simple sugars like glucose and fructose - which some people find more easily digestible and athletes use for a quick energy boost.
- Unlike artificial sweeteners, honey contains additional nutritional compounds, like proteins and minerals. These minerals are derived from the flowering plants and concentrated somewhat in the honey.
- Honey is additive-free and has a heritage going back thousands of years.
- The quality of pure honey remains stable for many months on a kitchen shelf.
- Every purchase of local honey products benefits your local economy.





## Honey from a consumer point of view

Local honey and all the honey-related products are widely recognized but still somewhat underutilized by the general public in New York. Only a small percent of New Yorkers regularly use New York honey. Because pure honey is at least a familiar product to most potential customers, producers have an excellent opportunity to market local honey products.

Honey's ongoing reputation for purity and natural wholesomeness is a tremendous asset. With its roots in the appeal of flowers, bees, and honeycombs, honey epitomizes "natural" food and a historically earth-friendly product. Images of busy bees, white-cloaked beekeepers, and dripping honeycombs are all part of the enduring small-scale honey producer image.

Honey producers still need to emphasize the importance of buying New York honey, and preferably YOUR New York honey. After all, customers are not just buying everyday honey. They are buying a little bit of your world in each bottle – your local hives, your efforts, your attention to quality, and your personality. Loyal honey customers are in it partly for the relationship with the nearby natural world you manage. Perhaps unintentionally, you have established a reputation with these folks. Make their loyalty a priority. If they have purchased a significant amount of product from you, reward them with added personal service and support their endeavors as much as possible.

Some consumers regard pure honey as a premium product, something reserved for special occasions or as a gift. Fortunately, more and more consumers regularly purchase small food luxuries like gourmet sauces or espresso coffee drinks. Pure, local honey reflects a similar indulgence.

## Marketing approaches

From a practical point of view, existing honey customers can leverage your other honey products for you. Here are some examples of you can build on an existing customer's relationship:

- Encourage your customers to refer people to you or provide them with a sampler to share with their friends.
- Suggest gift packages from your apiary for special occasions. For holiday sales, mail a catchy flyer in early November.
- Share your goals for developing a larger customer base with your loyal customers, and ask for their suggestions. They are often eager to help you consider alternative ideas.
- Promote honey using a simple newsletter, an e-mail update, or social media approach. Correspondence should go out only to those customers who have willingly provided their postal or e-mail address for your mailing list. If you don't hear back from a customer, don't assume you have lost them. They may be filing it for future use or passed it on to a friend.

The key to reaching local consumers is visibility. A local customer who tends to buy grocery store honey is ready and willing to buy your product; they just need to know who is selling and how to find you. The more visible you are, with a clear message that you are interested in meeting face-to-face, the more likely they will start buying directly from you, rather than the grocery store.

A large group of honey consumers buy honey products wherever they can find them, regardless of the producer. It is more challenging to reach this group, so much of your effort should again focus on visibility. You must be seen to be patronized. Sooner or later, you will convert some of these general honey buyers to more exclusively loyal customers.

The secret to increasing honey product sales is "direct experience." Although the busy effort of harvesting and processing honey is familiar to beekeepers, it is an exciting and fascinating

experience for everyone else. Pictures on the label can only go so far. If you can deliver the real thing - a few moments of being up close with honey on the comb, or standing back while bees make their flights in and out of a hive area - you will establish a connection between the buyer and your honey product. Although it creates extra work in a busy season, the connections established during personal visits last through the year. Make sure your guests are protected with veils and other bee-proof apparel.

## **Where to sell honey: 31 random marketing ideas to consider**

- ☐ Introduce your honey through family members and neighbors – let them know you are selling and provide a price sheet
- ☐ Sell stylish t-shirts to promote your honey
- ☐ Collaborate with a maple producer / retailer to jointly market your sweet, natural products (approach this as a joint venture)
- ☐ Include information about your honey at end of every e-mail message
- ☐ Sell honey through the gift shop at nature center or museum – visit the shop often and develop a relationship with the shop manager
- ☐ Sell honey through a local winery
- ☐ Participate in community festival with an educational display about bees and your honey (Earth Day, summer fest, farm festival)
- ☐ Participate in shopping center event (science day, kids day, etc.)
- ☐ Sell through a local food cooperative or natural food store
- ☐ Develop a collaborative marketing group of several honey producers
- ☐ Market as a local product at tourist destination
- ☐ Meet with restaurant chefs for honey tasting / introduction
- ☐ Use product as fundraiser for local charity (church, humane organization, environmental center)
- ☐ Sell at local college - festivals, parent's weekend - as a dorm essential for natural sweetness, special food, etc.
- ☐ Special honey sale to a club - Audubon chapter, birding groups, athletic team, outdoor venture club, sportsman's club, etc.
- ☐ Sell to a private school for supplies or addition to a lunch or snack menu
- ☐ Contact fitness stores and see if they would carry honey for local athletes
- ☐ Develop relationship with a log home dealer, real estate agent, or mobile home business to supply "welcome" gift
- ☐ Presentation to civic groups (Rotary, Lions, etc.) - Service organizations frequently seek speakers for their meetings. Prepare a 15 to 20 minute presentation, usually with slides, little known information, or samples of your honey.
- ☐ Special honey offer for senior living centers
- ☐ Join with a local greenhouse, florist, or u-pick farm to co-market honey
- ☐ Investigate herbalists and find out if natural honey will fit their practice



- ☐ Teach a class through continuing education, Extension, or community college
- ☐ Sell to an artisan cheese maker for a honey-cheese pairing (try it!)
- ☐ Supply microbrewery, cider mill, or supply store for beer and wine makers.
- ☐ Simple classified ads in a local urban paper
- ☐ Donate to a charitable auction
- ☐ Brochure at local hotel or tourism center rack
- ☐ Small ad in church bulletin, regional magazines, Farm Bureau newsletters, Adirondack Life, etc.
- ☐ Promote / sell with a cheap web site
- ☐ Host a honey tasting event and let customers pick their favorite varietal

## The honey packing area

Honey production is usually pretty messy. From frame collection and scraping to extraction, honey producers have to deal with a gooey, syrupy substance that clings to everything, and may attract a variety of nuisances.

Fresh, clean, safe honey will sell itself. Contamination problems with honey start in the packing house. Honey packing cleanliness is essential to market honey like you mean it. At this point, New York beekeepers are not required to have an Article 20-C food processing license to process and retail their own honey. The honey must be extracted and packaged in a sanitary environment to minimize defects in flavor and integrity and ensure food safety.

Below is an important checklist to guide your extraction and packing area set up. The idea is to use this checklist to ensure your honey is clean and safe, and save time and effort each time you extract and pack honey.

- \_\_\_ Floors, walls, ceiling, tables, and other surfaces are smooth and washable.
- \_\_\_ The only thing being done in the honey processing area is honey processing.
- \_\_\_ Open equipment is covered when it is not being used.
- \_\_\_ Doors are shut and windows are closed, except for screened sections with bee escapes.
- \_\_\_ Washing and rinsing water is from a public source or annually tested for potability if from a private well.
- \_\_\_ Jars, bins, lids, buckets, and other packaging supplies should be food-grade and stored in an area free from contamination, rust, and dust.
- \_\_\_ Frames and combs are handled to avoid contamination from soil, chemicals, or harmful substances.
- \_\_\_ House pets, livestock, and other animals are stringently blocked from entering the honey packing area.
- \_\_\_ Handwashing stations are available to workers and dedicated only to hand washing.



## Packing honey for marketing quality

Glass containers with tight lids are the classic honey package and they are hard to improve upon. The customer sees the purity, the color, and the quality of the honey you extracted. This is important, because a buyer will not yet have a sense of the honey flavor or aroma, so the jar has to tell the bulk of the story without you. Plastic containers are suitable for convenience and squeezability, but they do not show the honey nearly as well.

All containers and lids will look their best if you wash and sanitize each of them, then finish with a fresh water rinse and complete drying period. Even brand-new containers should get the same washing treatment to clear away manufacturing and shipping debris.

Honey processing areas should have a low humidity level. Honey is hygroscopic and will easily absorb moisture from the atmosphere during handling. Fill jars to the top, leaving a small area under the lid for product expansion to avoid leaks.

Water content in the honey must measure 16 to 18.6%, as observed in a honey refractometer or hydrometer, targeting a moisture level of 17.6%. Guesswork is not a good idea when it comes to moisture in honey; an elevated moisture level can ferment badly and will not be readily apparent to you until it has already happened.

Honey will spoil and cause illness if it is not packaged and stored properly. Though honey has a never-spoil reputation, it will go bad under certain circumstances. Yeast and other microbes will grow in honey that has moisture levels over 17 percent. Moisture levels above 18 percent will almost guarantee fermentation of the packaged honey.



The simple sugars in honey have a tendency to crystalize and cause inexperienced customers to assume spoilage or that the honey is unusable. You can help them by letting them know what to expect and how to eliminate the crystals (warming the jar of honey in a warm water bath with the cap off). Honey crystals change the chemistry of honey over time, making it more susceptible to elevated moisture and a fermentation risk.

Honey color is often, but not always, a reliable indicator of its flavor. The color is closely linked to the nectar source, so a light honey often has a mild flavor and dark honey is more likely to have a rich flavor. Excessive heating while the honey is being processed or poor storage techniques can lead to darker color and may also deteriorate the quality.

When filling jars, try to work with slightly warmer honey. As you fill clean jars, let the honey run down the side of the container to reduce air bubbles. Weigh each filled jar to make sure the amount of honey you indicate on the label (minus the jar weight) is correct. After labeling, wash fingerprints and sticky spots of the jars.

When you are done with a packaging run, double check the batch for completeness. Jarred honey should be clear and untainted, free of air bubbles or particles with the season or floral source clearly labeled as such to ensure customer satisfaction. The weights should be accurate and each lot designated in writing in your records. This helps to reassure customers that you are diligent in your honey production.

## Honey and infant botulism

Botulism is an important concern for honey producers. The bacterium *Clostridium botulinum* is a naturally-occurring contaminant that can be carried on pollen and transmitted to raw honey, making the honey unsafe for infants. The bacteria release toxins in the gut, causing severe illness. The Center for Disease Control and Prevention, the American Academy of Pediatrics and the National Honey Board recommend that honey not be given to babies younger than one year of age.

## Labeling honey

Even on a small scale, the honey label is much more than a little piece of paper stuck to the jar. Honey sales can be made or lost because of the label. The label is one of your key marketing and communication tools:

- The label conveys what you want people to know about the honey you produced – facts about the honey, contact information, and wholesomeness.
- The label is the most widely visible representation of your honey enterprise - it will speak to customers first and most often.
- The label is an everyday sight in the cupboard - it will make a lasting impression.



In New York, honey labels are required to have four features:

- 1) The word "honey" must be written prominently. Producers may use the term "pure honey" or "raw honey" and an indication of the variety, such as "fall honey" or "basswood honey" as long as the word "honey" is prominent.
- 2) Display your name or the name under which your honey production business is conducted
- 3) Display your location as the name of the town or city, state and ZIP code. You can omit the street address only if a customer can locate you with a public telephone directory.
- 4) Indicate the net weight of the honey in both ounces and the metric equivalent. The net weight is the weight of the honey without the jar. Show this information in the bottom 1/3 of the label.

The size of the net weight declaration will vary depending on the size of the label:

Less than 5 square inches . . . 6 point

Between 5–25 square inches . . . 14 point

Between 25–100 square inches . . . 20 point

## **Health claims and “Nutrition Facts”**

Honey is used by many people for health reasons, but that does not permit a honey producer to emphasize health claims on their honey label. Much of the purported health effects of honey are still under investigation.

Most small scale honey producers are exempt from providing the “Nutrition Facts” label because their annual gross sales are less than \$500,000. However, if the label or advertising makes any nutrition or food-related health claims (e.g. healthy, fat free, nutrition boost), then the approved Nutrition Facts label must be on every package.

## **Labelling honey “local”**

It is easy to make imported honey look quaint and charming, as though it was produced just down the street. Because there is a marketing edge for “local” products, small-scale producers should make an effort to spell out very clearly that their honey is locally-produced.

If your honey is a product of your own apiary, develop a label that goes beyond just a street address. Local honey producers can capitalize on a consumer’s familiarity or interest with where they are — home or visiting — by being very specific about the place of production. Instead of a generic or overused image, bring out a local theme, a village name, or a regionally significant landmark. Identify your honey with yourself and your community, and be clear about really being local.

## **Is it really a “honey business”?**

Here’s a typical scenario: A hobby beekeeper starts a hive or two, and realizes these bees make a lot of honey. Some of it gets jarred and given away as gifts. Eventually, some folks realize that it involves a lot of work so they pay the beekeeper a few dollars for their honey. The informal sales continue, but the beekeeper avoids claims of being in the honey business because they are not trying to make a profit. Meanwhile, local honey farmers are having hard time earning money because hobby producers are practically giving the honey away.

There are legal implications involved in selling a food product to a consumer. As soon as you sell honey, you are in the business of selling honey. Insurance, liability, and New York’s honey production laws apply fully to anyone who produces honey for sale.

## **“Hobbyist” versus “producer”**

If you raise bees, extract honey, and then package the honey for sale, you are a honey producer and are expected to comply with all applicable honey laws and regulations. Selling honey and honey products on the side, while trying to maintain a “hobby” approach to beekeeping is a contradiction. Anyone who offers honey for sale, even informally and on a very small scale, should consider their enterprise an agricultural operation.

Production of honey and other apiary products is recognized as an agriculture operation and is eligible for advantageous programs and laws in New York as long as the enterprise is operated in a businesslike manner.

A honey hobbyist produces honey for home use and may periodically give it as gifts, but does not intend to sell it. Hobbyists are not regulated, yet they should make a point to follow packaging and sanitation guidelines as though they are a honey producer.



## NY laws and regulations pertaining to honey

New York State defines honey as follows:

*The terms "honey," "liquid or extracted honey," "strained honey," or "pure honey," as used in this article, shall mean the nectar of flowers that has been transformed by, and is the natural product of the honey-bee, taken from the honeycomb and marketed in a liquid, candied or granulated condition.*

(Agriculture and Markets Law Article 17, Section 205)

Honey is recognized as one of a number of legitimate agriculture products related to beekeeping in New York, specifically listed as a crop and livestock product as follows:

*j. Apiary products, including honey, beeswax, royal jelly, bee pollen, propolis, package bees, nucs and queens. For the purposes of this paragraph, "nucs" shall mean small honey bee colonies created from larger colonies including the nuc box, which is a smaller version of a beehive, designed to hold up to five frames from an existing colony.*  
(Agriculture and Markets Law Article 25AA, Section 301.J.)



## If it is not pure honey, it is not honey

To be legally sold as honey in New York, honey can only be that: pure, 100 percent honey, with no other ingredients mixed in. If anything is added to the product, it is no longer honey and must be labeled as a honey flavored syrup.

*No person or persons shall package, label, sell, keep for sale, expose or offer for sale, any article or product in imitation or semblance of honey depicting thereon a picture or drawing of a bee, beehive or honeycomb, or branded as "honey," "liquid or extracted honey," "strained honey" or "pure honey" which is not pure honey.*

*No person or persons, firm, association, company or corporation, shall manufacture, sell, expose or offer for sale, any compound or mixture branded or labeled as and for honey which shall be made up of honey mixed with any other substance or ingredient.*

*There may be printed on the package containing such compound or mixture a statement giving the ingredients of which it is made; if honey is one of such ingredients it shall be so stated in the same size type as are the other ingredients, but it shall not be packaged, sold, exposed for sale, or offered for sale as honey; nor shall such compound or mixture be branded or labeled with the word "honey" in any form other than as herein provided; nor shall any product in semblance of honey, whether a mixture or not, be sold, exposed or offered for sale as honey, or branded or labeled with the word "honey," unless such article is pure honey. A product which is in semblance or imitation of liquid honey shall be labeled as "honey flavored syrup" or "artificially honey flavored syrup", as is appropriate.*

(Agriculture and Markets Law Article 17, Section 206. Relative to selling a commodity in imitation or semblance of honey)

## Details about the limited exemption from food processing regulations

New York State regulates food processing for commercial sale by requiring a 20C Food Processing License where foods like honey are

processed.

Here's the bottom line:

- 1) If you are packing honey you have produced, then you do not need to obtain an Article 20C Food Processing License.
- 2) If you pack honey that another beekeeper produced, you will need to use a licensed 20C facility or develop a licensed 20C facility for food processing. In addition to other rules, this will require a separate room with a 3-bay sink, hand washing station, washable walls and surfaces and similar sanitary equipment.

The limited exemption is based on meeting sanitary conditions where the honey is packed, and allows the NYS Department of Agriculture and Markets to inspect exempt premises.

*a. Maple syrup and honey. Processors of maple syrup or honey who do not purchase maple syrup or honey from others for repackaging, and who do not combine maple syrup or honey with any other substance, shall be exempt from the licensing requirements of this Subchapter, provided that the following conditions are met:*

*1. Such establishments are maintained in a sanitary condition and manner, and to this end the following requirements shall be complied with:*

*(i) Every practicable precaution shall be taken to exclude birds, insects (except those involved in the production of the product), rodents and other vermin and animals from the premises of the operation.*

*(ii) The use of insecticides, rodenticides and other pest control items in such establishments shall be permitted only under such precautions and restrictions as will prevent the contamination of the product.*

*(iii) Rooms, compartments, places, equipment and utensils used for preparing, storing or otherwise handling the product, and all other parts of the operating premises, shall be kept in a clean and sanitary condition.*

*(iv) There shall be no handling or storing of materials which may create insanitary conditions in any place or places where the product is prepared, stored or otherwise handled.*

*(v) All equipment and utensils used in processing or handling the product shall be maintained in good repair to assure sanitary conditions in the operation.*

*(vi) All finished product containers must be clean, sanitary and properly labeled in compliance with the requirements of Parts 175, 176 and 259 of this Title.*

*b. Exemptions from licensing requirements of article 20-C of the Agriculture and Markets Law under this section are conditioned on continued compliance with the requirements of this section.*

*c. The granting of an exemption pursuant to this section will not except an operation from any inspections the commissioner may deem necessary to assure compliance with this section. (NY Agriculture and Markets Law Part 276, Article 20-C, Section 276.4)*



## Sales tax and small scale honey

Pure honey is exempt from sales tax in New York State, including comb honey and creamed honey.

Confections made from pure honey are subject to sales tax. Examples of honey candy and confections include honey covered nuts, fruit, or popcorn, candy made from honey, and any fudge, brittle, or similar sweet foods made with honey. Likewise, you are required to register to collect sales tax if you make and sell beeswax soaps or candles. Beekeepers who sell these products need to obtain a Certificate of Authority to register to collect and record sales taxes.

## Liability and small scale honey production

Controlling your liability exposure is better than fearing liability, ducking the issue, or hoping nothing will happen at your beekeeping and honey marketing enterprise. You need to look at your potential risks and prepare for them, if only to have peace of mind that you have taken care of liability risks, while being certain that sometimes things go awry. Act before a problem happens. Otherwise, the problem may control the destiny of all you have worked for.

Most homeowner's policies will not cover any beekeeping activities or small farm activities. It is possible to get a rider or possibly a general liability umbrella policy to cover any risks you cannot cover. Be sure to also talk to your insurance agent about product liability. They are in the best position to understand your policy and the coverage that might be needed. Each insurance company will view honey product liability and related beekeeping concerns differently.

Beekeepers can obtain both premises coverage and product coverage from an insurance company that deals with agriculture businesses. Policies will cost several hundred dollars per year and can be customized.

## Selling honey in other states

Honey producers are obliged to conform to honey labelling and marketing rules applicable to the state where the sale is made. For example, a New York honey producer should contact the Pennsylvania Bureau of Food Safety and Laboratory Services to determine if they are required to complete any form of registration. Regulations are subject to change and can be interpreted by field representatives, so they are not listed specifically here.

Packaged or bulk honey sales and marketing rules vary considerably from state to state. A honey producer should first contact the NYS Department of Agriculture and Markets to determine if their intended sale outside New York is subject to regulations. Further the producer should also contact the corresponding agency in the target state and request guidance regarding regulations. Document the name and title of the personnel you derive information from to show you have made a good-faith attempt to get clear answers. Note the date, time, and content of your communication. If there are any subsequent regulatory issues, a communication trail will be very helpful.



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