WAITSFIELD, Vt. -- At what he calls "the fringe of the empire," George Schenk strips bark from a stack of sugar-maple saplings. He sits outside the tiny shed on the Lareau Farm from which he runs American Flatbread, a multimillion-dollar company that crafts frozen premium pizzas for retailers around the country.

The saplings will become scaffolding for wigwams that Schenk and his employees plan to erect for the 20th-anniversary celebration of the company he founded with a single pizza made in a backyard oven. It was an unpretentious start, like so many others in Vermont's thriving food industry.

Today, another wood-fired oven, constructed of local fieldstone and clay, bakes 1,200 handmade pizzas daily -- except on weekends, when American Flatbread becomes a restaurant and diners gather around the glowing hearth. A second
bakery / restaurant operates in Middlebury, Vt., and several franchise American Flatbread restaurants have opened in the Northeast and in California.

Schenk and his staff expect 3,000 party guests to feast on organic pizza and share his vision of food as a sacrament that connects consumers to the natural world and all humanity.

"We who make food for others hold a very important public trust," says Schenk, who wears Simple shoes, a natty navy-blue fleece vest and blue jeans, and adroitly wields a Coghlan's camp knife as he speaks.

A former biologist, Schenk, 52, has purposefully built American Flatbread to mesh with his own evolving philosophy. His vision also reflects Vermont's international reputation as a source of wholesome, thoughtfully prepared "authentic" food.

From barbecue and tomato sauce to chocolate truffles and "Maple Passions Body Syrup," that reputation could easily prompt consumers to mistake the Green Mountain State for the Specialty Food State.

Since the mid-1980s, when a handful of Vermont products were first featured at a New York City Fancy Foods Show, the former republic has, in a fashion true to its self-reliant nature, become its own distinctive brand.

"By buying into the business, [a customer] is buying into the lifestyle choice at the same time," says Cathy Bacon, president of the Vermont Specialty Food Association and creator of a line of cheese spreads, infused maple syrups and pancake mixes named for her family's Hillside Lane Farm in Randolph.

King Arthur Flour, based in Vermont, sells well in California, where consumers "feel the Vermont seal shows quality and [means an] all-natural, healthy product," says spokesman Dave Anderson.

Twenty years ago, with support from then-Gov. Madeleine Kunin and a marketing visionary named Jerome Kelley, Vermont first promoted its natural essence in bottles of maple syrup, jars of jam and tins of pate. The state became a model for similar efforts around the nation.

"We were sort of the first out of the gate in marketing a product that is from a region that has this cachet," says Jennifer Grahovac, a marketing specialist with the Vermont Agency of Agriculture. "When you put Vermont on a product, it means something to consumers."

Vermont has come to mean far more than maple syrup, apple cider and cheddar cheese. In their kitchens, hundreds of aspiring business owners have
concocted dreams the size of Ben & Jerry triple scoops, along with recipes for salsa, jam, pancake mix, granola, pasta, sauce and salad dressing.

"We have a lot of baby companies with Grandma's recipes from years and years ago" who hope to make it big, says Grahovac, noting that minimal state regulations help to fuel those dreams.

Products made by companies such as the Putney Pasta Co., Vermont Butter & Cheese Co., Lake Champlain Chocolates and Rhino Foods ice-cream novelties, have become commonplace in specialty stores, mainstream supermarkets and on the Web.

Broadening appeal

More traditional businesses have retooled their identities for wider marketing opportunities. Bove's Restaurant, a Burlington, Vt. mainstay, has become, for example, "Bove's of Vermont," a national purveyor of gourmet pasta sauce.

Franklin Foods, a dairy company started in 1899, revamped its image with items such as All Season's Kitchen Chipotle Chile Salsa Cream Cheese and a perky credo: "Reinventing Cream Cheese!"

Some of those early "baby companies" have grown into corporate giants. Although it remains headquartered in a South Burlington industrial park, Ben & Jerry's Homemade is now owned by multinational Unilever. Originally located in a single cafe, Waterbury's Green Mountain Coffee Roasters is publicly traded and last year tallied more than $137 million in sales.

With products such as low-fat and sun-dried tomato cheddars, and entry into the artisan cheese market, Cabot Creamery, a farmer's dairy cooperative founded in 1919, is the country's fastest-growing cheese supplier, according to promotional material. Inextricably tied to farm communities, Cabot foreshadowed Vermont's wealth of "socially responsible" businesses. Early co-op members also saw the wisdom in using surplus milk to make cheddar cheese, setting the stage for a profusion of contemporary cheese manufacturers.

Then, there is King Arthur, founded in Boston in 1790 -- one year before Vermont became a state. In 1984, the flour company moved to Norwich, Vt., where the enterprise, employee-owned since 1996, markets flour and baking mixes, runs a cooking school, retail shop and a mammoth mail-order business.

There, the King Arthur staff also tests recipes for the company's Baking Sheet newsletter, an online forum called Baking Circle and cookbooks, including The King Arthur Flour Baker's Companion: The All-Purpose Baking Cookbook. (The
company's flour is grown and milled out of state.)

Other Vermont companies have outgrown the craggy borders that once defined them. The company that created Green Mountain Gringo salsa and tortilla chips sold out earlier this year to a North Carolina firm.

Success propelled Annie's Naturals, a $15 million salad dressing and condiment business started in a North Calais kitchen, to move most of its manufacturing outside Vermont.

The Vermont name has become such a branding bonanza that the state attorney general is in the final stages of issuing a rule that will control its use on labels or in advertising, depending on whether a product was actually made in Vermont or contains ingredients of Vermont origins.

The attorney general's office fine-tuned the proposed rule after it commissioned a consumer-perception survey by the University of Vermont. Released in April, the report found in part that more than 50 percent of Vermonters and one-sixth of those living outside the state are influenced by the words made in Vermont.

With a population of 613,000, Vermont, the country's second-most rural state, is an unlikely setting for a flourishing food industry that boasts several brands with global profiles. The state's snowy winters and its distance from large markets should have discouraged any aspiring businesses, Schenk says.

Still, Vermont beckoned to nonconformists like himself. "The place fosters an independent approach to creating a living," Schenk says.

Today, the specialty-food industry contributes about $700 million to $800 million a year to the economy of the state, says Jason Aldous, a spokesman for the Vermont Department of Tourism & Marketing.

From the state's 2000 sugar makers to the homemaker who sells her muffins to the convenience store down the street, "You could easily be talking 4,- or 5,000 companies," Aldous says.

With few legal restrictions, Vermont is "incredibly encouraging of the entrepreneurial spirit," says Marcia Mogelonsky, a senior research analyst who tracks food trends for the Mintel International Group, a market-research firm.

The state's flourishing food industry will not peak any time soon, Mogelonsky says. "The interest in specialty-food sales is going up, up, up."

A confluence of social trends placed Vermont in the vanguard of the artisan-food movement, Schenk says. Attracted by the state's rural sensibilities,
newcomers in the 1960s and '70s found few jobs waiting for them.

In a spirit of self-sufficiency and cooperation, countervailing traits synonymous with Vermont, small-scale food enterprises were launched by the dozens. (The trend was recognized by the 1987 film Baby Boom, in which Diane Keaton's hard-core yuppie moves to Vermont and starts a baby-food company.)

Mindful of the new American cuisine movement that was sweeping the country, entrepreneurs such as Schenk realized that if something "tasted like it was good for you," it wouldn't sell. It was a prescient culinary breakthrough that fulfilled baby boomers' demand for both health food and gourmet food by making them one and the same.

By championing food that was locally produced on a relatively small scale, the new generation of cottage industries gave a boost to Vermont's embattled agriculture. The state "has cultivated its rebel sensibilities into something very progressive," says Yola Carlough, head of social mission for Ben & Jerry's.

Pitch to the niche

Since those early days, other states have copied Vermont's marketing strategies, presenting competition for its specialty-food industry. Nimble Green Mountain State companies stay ahead by serving a multitude of niche markets at once. Each niche attracts more upscale consumers who let their conscience be their shopping guide, justifying higher price points.

Food that is certified organic is one of those increasingly lucrative niches. The Organic Trade Association projects that U.S. sales for organic food and beverages will reach $14.5 billion by the end of this year. In Vermont, the market for organic food is "giving new hope to the family farmers who want to stay in dairy or who want to go back to dairy," says Barbara Haumann, the trade group's senior writer.

Enlightened business models that incorporate social missions also comprise a beneficial selling point. The concept of fair trade itself is a "growing niche market," says Rick Peyser, director of social advocacy and public relations for Green Mountain Coffee Roasters in Waterbury.

Cultivating a folksy, friendly image draws customers to Vermont products as well. "We tend to be a state of stories," says Jed Davis, Cabot's director of marketing. A photographic pantheon of farm families who own Cabot Creamery graces the walls of the cooperative's plant and corporate offices. Know the farmers, know the cows, love the cheese, the photographs seem to say.

"Consumers today are developing more of a relationship with manufacturers
and brands," Ben & Jerry's Carlough says. "They trust the values that are aligned with them. With many progressive companies, you'll find that to be true."

Many Vermont businesses, emulating benign company towns, portray themselves as paragons of integrity. American Flatbread's own rules to live by include: "To be a good neighbor. To laugh and be of good will. To be grateful, respectful and forgiving. To create financial security for the company and its investors."

All of these niches bind together to define the ideal product, one that is healthful, organic, delectable, socially responsible, contains its own mythology and makes consumers feel good about themselves.

Particular consumers won't find all that "added value" in any old slice of pizza 2 / 3 cup of coffee or dish of ice cream; but they will find it and willingly pay for it in an Ionian Awakening pizza from American Flatbread, a cup of Organic Ethiopian Yirgacheffe from Green Mountain or a dish of Marsha Marsha Marshmallow from Ben & Jerry's.

Most company founders probably never imagined what they would achieve. People "move to Vermont and start a jam company to get out of the rat race," Bacon says. "I never hear, 'I want to move to Vermont, start a jam company and make a million dollars.' "

Those companies that have made millions run the risk of becoming a victim of their own success, concludes a recent survey by the Vermont Specialty Food Association. As they enter mainstream stores, specialty businesses feel pressure to lower their prices, the survey says. Often, as well, success can obliterate the original impetus for a food company: "Niche products tend to go mainstream usually and move out of the natural-foods industry," the survey said.

Like so many of her peers, Bacon spent a year experimenting in her kitchen before starting her company. Now, she makes her products in the Vermont Food Venture Center, an "incubator kitchen," designed for small businesses, and sells them at farmers' markets, fairs, food expos and through her Web site.

Bacon, a native Vermonter who also works as a marketing director for a Randolph engineering firm, remembers when the state government supported expeditions to fancy-food shows and other events.

That money dried up and today, she and other leaders of the Vermont Specialty Food Association donate their expertise to many promotional efforts at their own expense.
There are, though, opportunities to partner with others equally as passionate as she about Vermont's specialty foods. Currently, Bacon is collaborating with Cabot and the state of Vermont on an ambitious summer promotion that will bring a replica schooner, loaded with Vermont-made goods, from Lake Champlain to New York City.

For the mother of four, the project is testimony to the abiding spirit that inspired a cornucopia of Vermont foodstuffs. "The closer we all work together," Bacon says, "the further we'll advance collectively and individually."

Blackened Trout

Serves 4

4 ripe avocados, soft but not dented or mushy

1 tablespoon lime or lemon juice

4 cloves minced garlic

1 tablespoon Dijon mustard

3/4 cup extra-virgin olive oil (divided use)

kosher salt, ground black pepper and ground cumin to taste

2 heads of romaine lettuce

four 8-ounce fillets deboned trout

1 tablespoon prepared blackening seasoning

cooking spray

Preheat grill to medium heat. Peel and roughly chop avocados. Toss avocados with lime juice, garlic, mustard and 1/2 cup of olive oil. Add salt, pepper and cumin to taste; refrigerate until use.

Cut romaine into halves and drizzle halves with remaining olive oil. Grill romaine 3 minutes per side, remove from grill and keep warm until you're ready to serve.

Lightly dust flesh side of trout with blackening mix, then lightly spray flesh side of fish with cooking spray. Grill trout flesh-side down for 3 minutes, flip, then grill
skin-side down for 3 minutes. Place trout over romaine half; top each with avocado mix.

- Chef Darin Linebaugh of Helen's Garden

Per serving: 1,058 calories; 52 grams protein; 88 grams fat; 13 grams saturated fat; 19 grams carbohydrate; 12 grams fiber; 129 milligrams cholesterol; 297 milligrams sodium

Capt. Jim's Stuffed Croaker

Serves 4

3 teaspoons salt
1 teaspoon fresh ground pepper
6 fresh croakers, 2 to 3 pounds each
cooking spray
1/4 stick butter (divided use)
1 teaspoon JO crab spice or Old Bay crab spice

STUFFING:
1 stick butter
3 cups fresh chopped onion
2 cups fresh chopped celery
2 cups fresh chopped mushrooms
1 cup fresh chopped green peppers
2 cloves fresh garlic, minced real fine
4 fresh tomatoes, peeled, seeded and chopped into small pieces
6 cups soft bread crumbs (not croutons)

1 teaspoon salt

Sprinkle salt and pepper inside and outside of fish. Place in baking dish sprayed with cooking spray. Melt the butter and brush half of it onto the fish inside and outside.

Preheat the oven to 325 degrees and bake fish for about 15 minutes. While you are baking the fish, make the stuffing.

Melt butter in saute pan, add remaining ingredients, stir and cook until vegetables are tender (about 15 minutes).

Stuff the fish with the vegetable stuffing. Use the rest of the melted butter to baste the fish again. Bake another 15 minutes or until you can flake the fish meat with a fork (some ovens may take up to 30 minutes).

- Capt. Jim Brincefield

Per serving: 1,050 calories; 98 grams protein; 47 grams fat; 23 grams saturated fat; 58 grams carbohydrate; 8 grams fiber; 375 milligrams cholesterol; 3,336 milligrams sodium

Mr. Paul's Fish Sticks

Serves 6 to 8

1 egg

1 heaping tablespoon mayonnaise

1 tablespoon dry mustard

1/2 teaspoon salt

1/2 teaspoon freshly ground black pepper

1/4 teaspoon cayenne

1 teaspoon dried tarragon
3 tablespoons chopped parsley

1 pound back fin or claw crabmeat, picked over

1 1/2 pounds of fish fillets, such as bluegill, crappie, flounder or any small whitefish fillets, cut into 3-inch-by-1-inch strips

2 cups Bisquick

vegetable oil for frying (2 to 3 cups, depending on size of skillet)

lemon wedges for garnish

Combine the egg, mayonnaise, mustard, salt, pepper, cayenne, tarragon and parsley in a bowl. Mix well. Place the crabmeat in a large mixing bowl and pour the egg mixture over the top. Mix gently, taking care not to break up the lumps of crabmeat.

Line a baking sheet with wax paper. Arrange the fish fillets on the baking sheet. Mound some of the crab mixture evenly on top of each fillet. It should be about 1/4 inch high. Place the baking sheet in the freezer until the fish-and-crab mixture is stiff, about 45 minutes.

Make a thin tempuralike batter out of the Bisquick and 1 3/4 cups ice water. Pour oil into a very heavy skillet until it reaches a depth of about 1 inch and heat until very hot. Fry, turning each fillet once, until golden-brown, 2 to 3 minutes on each side.

Remove the fillets to paper towels to drain. If all the fillets do not fit into the skillet at once, hold the cooked fillets in a warm oven while the others are being fried.

Serve hot with lemon wedges.

- "Chesapeake Bay Cooking With John Shields" (Broadway Books, 1998)

Per serving (based on 8 servings): 450 calories; 16 grams protein; 36 grams fat; 5 grams saturated fat; 19 grams carbohydrate; 1 gram fiber; 70 milligrams cholesterol; 1,188 milligrams sodium

[Illustration]
Photo(s); Caption: 1. - 2. American Flatbread's George Schenk at a staff meeting on his Lareau Farm. Right, Organic Pumpkin Seed Bread is a product of King Arthur Flour, based in Norwich, Vt. 3. Dan Moochler (foreground) slides
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