

Megan L. Bruch
Marketing Specialist
Center for Profitable Agriculture
P.O. Box 1819
Spring Hill, TN 37174

Phone
(931)486-2777

Fax
(931)486-0141

E-mail
mlbruch@utk.edu

Web Site
<http://cpa.utk.edu>



Do You Have a License for that Animal?

If animals are part of an agritourism operation, an "animal exhibitor license" may be required.

An animal exhibitor license is required under the federal Animal Welfare Act (AWA) for "anyone exhibiting farm animals for non-agricultural purposes (defined in the regulations as exhibition at carnivals, circuses, animal acts, petting zoos and educational exhibits)." Exhibitors of foreign farm animals not commonly kept on American farms must also be licensed.

The Animal Care Division of the USDA Animal and Plant Health Inspection Service

(APHIS) is responsible for the licensing and enforcement of the laws under the AWA.

Exhibited animals are regulated to protect the animals and the public. The AWA includes requirements and standards for animal handling, length of time allowed for exhibition, housing and animal care. Accurate records of veterinary care must be kept and made available to APHIS during inspection. Exhibitors must be in compliance with all standards and regulations under the AWA before a license will be issued. APHIS inspectors may also make unannounced visits to the operation.

License fees are dependent upon the number and species of animals on exhibition and the annual income you expect to receive from exhibiting those animals.

For more information or to request an animal exhibitor license application kit, contact the Eastern Regional Animal Care office at (919)855-7100.

Additional information on this and other regulatory issues are also available in *Agritourism in Focus* (pages 91-92). The publication is available on-line at the Center for Profitable Agriculture Web site (<http://cpa.utk.edu>).

Contents

Do You Have a License for that Animal?

TDA Cost-Share Program Update 1

Keep Your Eye on the Ball with Target Marketing 2

Market Minute 3

Resource Review 3

Upcoming Events 3



TDA Cost-Share Program Update

By Dan Strasser, Marketing Specialist, Tennessee Department of Agriculture

Many Tennessee farmers are benefiting from the first year of the Tennessee Agriculture Enhancement Program (TAEP), funded through an appropriation by the state legislature.

The TAEP includes funding for cost-share assistance for farm diversification. Approved applications allow farmers to be reimbursed 35% of the project cost up to a \$10,000 maximum reimbursement.

In the producer diversification cost-share segment of the TAEP program, 140 farmers have currently been approved for \$617,000 in cost-share assistance with

agritourism entrepreneurs accounting for \$123,600 of these funds. The Tennessee Department of Agriculture hopes to extend similar opportunities for many years to come.

Specific details of the 2007 TAEP cost share will be available June 1, 2006 at www.picktnproducts.org. Expected changes to the program include a one-time open application period. Applications for the 2007 program will be accepted July 1 to September 30, 2006. The applications will then be evaluated on a competitive basis. Allocations for approved projects will be

announced October 16, 2006. Producers can then complete approved projects between October 15, 2006 and October 15, 2007.

Interested agritourism entrepreneurs should plan ahead to ensure their application is complete and representative of the specific needs of their agritourism operation.

Watch the www.picktnproducts.org Web site for announcements and additional details.

Keep Your Eye on the Ball with Target Marketing

Spring is in the air, and baseball fans can barely contain their excitement as umpires across the nation once again shout, "Batter up!"

Everyone knows the key to a successful at bat is to "keep your eye on the ball." Coaches from little league to major league repeat the phrase over and over again. Like a batter who keeps their eye on the ball when trying to hit one out of the park, agritourism entrepreneurs should focus their marketing efforts to reach a specific target audience for their enterprise.

A target audience is defined as a specific portion of the population who has

1. A need that the product or service can fulfill
2. A willingness to purchase the product or service and
3. The financial ability to purchase the product or service.

Most products (and services) are not needed or desired equally by every person in the population, even though as producers

and sellers we often think that all people desire our products. Products are likely to be needed or desired more by some specific segment or segments of the population. In the same way, not all people will be willing to purchase a product even if they need or desire it. Finally, not all people have the financial ability to purchase a specific product or service.

It is the people in this smaller segment of the population who have the need or desire for the product, the willingness to purchase and the financial ability to purchase that should be the focus of marketing efforts for a product.

It is the job of the entrepreneur to narrowly define the target audience and learn about this audience's customer values (benefit/need, cost, convenience, communication). The entrepreneur needs to learn the characteristics of the target audience and answer such questions as

- Who are they (parents, grandparents, school teachers, teenagers, meeting/event planners)
- Where do they live
- What is their income and what do they expect to pay for the product/experience
- How far will they travel to visit your enterprise
- What amenities/services do they expect from your enterprise
- What sources or types of advertising or promotion influences their purchasing decisions

Using the information learned about the target audience, the entrepreneur can plan and implement narrowly-focused marketing efforts to gain effectiveness and efficiency. Marketing efforts can only be effective in earning sales and efficient in spending marketing budgets when they reach people who need or desire the product, the target audience, and entice them to learn more about or purchase the product. By keeping their eye on the ball (the target audience), agritourism entrepreneurs will greatly increase their chances of hitting one out of the park.



"Like a batter who keeps their eye on the ball when trying to hit one out of the park, agritourism entrepreneurs should focus their marketing efforts to reach a specific target audience for their enterprise."

Market Minute

While school groups and families with children are attractive target audiences for many agritourism enterprises, entrepreneurs should not count out other segments of the population.

In a presentation at the 2006 North American Farmers' Direct Marketing Association conference, Brent Warner of the British Columbia Ministry of Agriculture and Ed Mahoney of Michigan State University summarized trends affecting direct-marketers and agritourism operators. Warner and Mahoney state that "The median age in the U.S. population is projected to be 42 in 2030 and more

than 20 percent of the population will be over 65." They argue that "the aging of our population, coupled with persons wanting to stay fit and healthier to an older age, will increase demand for farm market products and tourism experiences."

These individuals often have fond memories of time spent on a farm and would like to relive those experiences. Many members of this age group also have significant disposable income and purchasing power.

These trends suggest this older age group may be potential target audiences for some agritourism

enterprises. The challenge lies with providing products and experiences desired by members of this group.

Agritourism operators should be careful not to stereotype this new generation of seniors. This generation is not taking retirement lying down as evidenced by groups such as The Red Hat Society.

Many in this generation of seniors are also not ready to quite working altogether and are looking for interesting second careers or part-time jobs. These skilled and experienced individuals may be valuable sources of expertise or labor for agritourism enterprises.



"...the aging of our population, coupled with persons wanting to stay fit and healthier to an older age, will increase demand for farm market products and tourism experiences."

Resource Review

A UT Extension publication titled *Targeting School Groups for Agritainment Enterprises* contains information useful to entrepreneurs creating experiences for school groups.

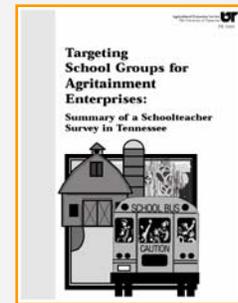
In 1999, the UT Agricultural Development Center, now the Center for Profitable Agriculture, conducted a study to gain information to better understand the market for elementary school field trips to farms.

The study included a survey of 201 kindergarten to fifth grade teachers in a six county area around Knoxville, TN. Results of the survey are summarized in the publication.

Although the study was conducted several years ago, results are still applicable in most cases. Some adjustments may need to be made based on changes in some trends such as increases in the use of the Internet to find

information and changes in school calendars. Entrepreneurs should confirm information specific to teachers in their target market area.

Targeting School Groups for Agritainment Enterprises can be accessed on-line on the Center for Profitable Agriculture Web site at: <http://www.utextension.utk.edu/publications/pbfiles/pb1669.pdf>.



Upcoming Events

Organizational Meeting for the Tennessee Agritourism Association

June 5, 2006, 11am, Putnam County UT Extension Office, Cookeville, TN

All interested agritourism operators are welcome. Please bring your own lunch.

For more information, contact:

Dan Strasser, TN Dept. of Agriculture at 615-837-5160 or dan.strasser@state.tn.us

Vera Ann Myers, Myers Pumpkin Patch and Corn Maze at 423-235-4796 or veraann@xtn.net

2007 Tennessee Agritourism Conference

January 22-23, 2007
Pigeon Forge, TN

Southeast Region Agritourism Council Meeting

January 24, 2007
Pigeon Forge, TN

Programs in agriculture and natural resources, 4-H youth development, family and consumer sciences and resource development. University of Tennessee Institute of Agriculture, U.S. Department of Agriculture and county governments cooperating. UT Extension provides equal opportunities in programs and employment.