



"Increasing the value of Tennessee's economy through new, expanded and improved processing and marketing of agricultural, aquacultural and forestry products as well as home-based industries"

[www.utextension.utk.edu/adc](http://www.utextension.utk.edu/adc)

## Faculty Update:

**Anne Dalton** has been named as an Extension Assistant in the ADC and will be providing leadership to the development of a variety of market development and evaluation resources. Anne's position is part of the recent cooperative-development project between the ADC, TDA and USDA and is funded by a grant through USDA's Federal-State Market Improvement Program.

A full-time **Director** for the ADC is still being sought. The job announcement for the position has been updated and the search committee hopes to conduct interviews in the coming months.

After her marriage to Joe Hubbs on September 7, the ADC's marketing specialist, Shasta Leinart, is now **Shasta Hubbs**.

## Upcoming Activities:

- ▶ ADC faculty will be assisting specialists from the departments of animal science and agricultural economics with Extension agent training sessions in October and November.
- ▶ Finishing touches and important details are being developed for the "Marketplace of Ideas in Agriculture" conference which will be held on the UT-Martin Campus on January 3.
- ▶ Final orders are being taken for the value-added resources centers which will be placed in Extension offices across the state.

## Progress Report 14

October 2001

## A Message From the Acting Director

The services of the ADC are in **great** demand. We have been forced to delay beginning work on several promising projects while we complete prior commitments. This is an unfortunate situation brought on by the fact that we don't have the size of staff needed to provide accurate analysis of all requested projects. We have also received requests for work on some larger projects that would require substantial funding and full-time effort from our entire staff for several months. However, it is great that we are providing the kinds of services needed by clientele interested in new or expanding value-added agribusiness enterprises in the State.

We continue to seek the ideal person to assume the Director's duties and hope to have that person on board soon.

- - - **Dan McLemore**  
**Acting Director, ADC**

## Joint Program Efforts:

During these times of tight financial resources, the ADC is pleased by the cooperative efforts and joint programs with agencies, associations and individuals that continue to leverage our efforts and stimulate our effectiveness. Recently, ADC faculty participated in an annual joint-faculty meeting with the Tennessee Department of Agriculture's Division of Market Development. Our relationship with the specialists of the Division of Market Development has proven valuable in the enhancement of value-added agriculture across the state. The Division of Market Development continues to be a valuable partner in various grant-funded market enhancement projects in the ADC as well. In addition, plans have recently been made to initiate a value-added working group which will be made up of value-added program specialists from various states in the southern region. This is an exciting development for the ADC, our faculty, and our programs. Within the Institute of Agriculture, the ADC is pleased to be providing Extension agent training across the state this fall with specialists from the Animal Science and Agricultural Economics Departments. Finally, the objectives of the "Marketplace of Ideas in Agriculture," which will be held on the UT-Martin campus on January 3, are a great reflection of the mission of the ADC. ADC faculty are involved with the planning and development of the conference and look forward to the many teaching opportunities the day will bring.

## Grant Projects Update:

The ADC is providing leadership in a variety of market development activities for agricultural enterprises, industries, and projects. The ADC has received approximately \$211,500 in external funds for various market development projects. Summaries, highlights and resources from some of these projects are available at the ADC web site <<http://www.utextension.utk.edu/adc/>> under the "Market Development" button.

**On-Site Education & Evaluation:** During the summer, Specialists in the ADC invested a significant amount of time with initial and follow-up, on-site visits with value-added entrepreneurs across the state. Enterprise topics discussed include agritainment (Sevier, Blount, Grundy), value-added waste products (Giles, Knox, Williamson), farm winery (Macon), and specialty food marketing (Greene, Morgan, Hamilton, Pickett, Shelby, Hardin, Rhea, Henry, Hickman).

**An Update on Completed Projects** .....

**Using the Internet to Sell Handcrafted Wooden Toys:** The demand for sturdy handcrafted toys, reminiscent of yesteryear, seems to be increasing with the aging of the baby boomer segment of the population. Products such as wooden rocking horses that are functional toys as well as heirlooms for future generations are very popular. However, gone are the days of strictly selling these items to the local retail outlet or consumer. Distance is not always a limiting factor to today's producers. Via the Internet, products can be sold down the street or across the globe with virtually the same amount of effort. An assessment of a website currently in use by a value-added wood products business was performed in order to determine ways to increase the site's ease-of-use and number of visits. Internet surfers look for websites that provide detailed descriptions and photographs of items for sale. In addition, they want to be able to order using their preferred method of payment, usually a credit card, quickly and with few delays over secure channels. Issues addressed during the assessment included 1) keywords used by search engines to find and rank websites, 2) submission to various search engines, 3) the importance of website links, and 4) the usefulness of visitor counters.

**Considering a Rural Wilderness Retreat:** The ADC assisted an entrepreneur with the marketing and feasibility aspects of operating a wilderness retreat. The retreat would provide primitive camping spots as well as freestanding camping structures and RV slots. In addition, a camp store, fee-fishing pond, and restaurant will be added. The average volume of vehicle traffic on highways and roads in the area as well as seasonal attractions were studied to determine the need for such a facility. Marketing efforts were directed toward becoming listed in the Official Tennessee Vacation Guide, becoming a part of the Tennessee Department of Transportation's Tourist Oriented Directional Signs (TODS) and Specific Service Signs Programs. In addition, the benefits of different types of mass media advertising and promotional strategies were analyzed. The feasibility analysis focused on the initial start-up and operating costs as well as revenues generated by such a facility. The retreat's ability to produce a sustainable profit was also analyzed.

**Horse Manure Compost:** Composted horse manure is expected to yield very low nutritional values for nitrogen, phosphorus, and potassium. In addition, manure obtained from a variety of horse barns is expected to provide inconsistent levels of nutrients from farm to farm. Therefore, composted horse manure sold as a potting mix or a general soil medium may be a better marketing angle than selling it as a fertilizer or soil conditioner. Bag and bulk sales are possible, but specific target markets will have to be identified and developed for either to be successful. The marketing challenge is two-pronged. First, the public must be educated on the benefits of using manure-based products. Many have misconceptions regarding odor and weed content of such products. Second, the majority of sales of composted materials are of unbranded products. Producers need to build product recognition in the marketplace. This task may be easier to accomplish with bags as packaging versus bulk sale.

**Enhancing Markets for Jams & Jellies:** It should be understood that the jam and jelly market category is most likely overcrowded. The "jams, jelly, and preserves" market is dominated by the large, established, mainstream companies. Approximately 31 percent of grocery store sales of jams, jellies, and preserves are by one national brand. Sales in the jam and jelly category have increased slowly in recent years at an annual rate of about 2 percent. The ADC assisted a producer with an existing product line of unique and distinct flavors of jams, jellies, and preserves in determining ways to increase profit without dramatically increasing the amount of time and effort required to generate it. The producer's current situation and efforts were assessed along with the corresponding implications. Marketing efforts focused on increasing local area sales through the use of an on-site retail storefront, mass mailings to specialty and gift shops. The creation of specialty and holiday gift packs, attendance at wholesale trade shows and the use of a broker and/or distributor were also addressed as ways to increase the amount of revenue generated.