



"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"

Progress Report 22

October 2003

Grant Projects:

The CPA is in the process of implementing various outreach, development and analysis activities for four grant-funded projects. These projects have generated \$131,500 in external funding for the Center, and have supported the development of 4 Extension publications, 3 fact sheets, numerous workshops and seminars and various web-based educational resources.

During September, faculty in the CPA responded to 5-day submission period for USDA grant proposals for Agricultural Innovation Center projects. At the end of the five days, the CPA submitted a complete and detailed, 134-page proposal for a \$969,000 grant.

Significant efforts have also been invested by the CPA in recent weeks in response to the USDA's value-added producer grant program. A "guidebook" for considering and developing a VAPG proposal was developed and distributed and significant one-on-one assistance was provided to potential grant applicants.

Outreach/Teaching:

During the past three months, the CPA participated in the delivery of value-added education programs to some 700 individuals through farm visits, field days, conferences and seminars in the following counties:

Humphreys	Knox	Shelby
Greene	Maury	Fayette
Davidson	Rutherford	Henderson
Williamson	Jefferson	Weakly
Hancock	Decatur	Carroll
Haywood	Giles	Madison

Henderson Benton

A Message from the Director

Although it seems impossible, it has been one year since I joined the staff of the Center. Time flies! Because time flies, it's important to work with some sense of urgency, whatever our mission or objective. Otherwise, time passes us by; and sometimes, so does our mission. We have made progress this last year:

1. As of October 15 we will be fully staffed (6 permanent positions) with capable, bright, mostly young aggressive staffers.
2. Grant funding continues to be significant - the most recent being a successful joint grant proposal with the Kentucky Center for Cooperative Development.
3. The Center's Board of Directors is fully functional and has adopted a new/revised Business Plan for the Center which outlines our mission, objectives and strategies for the future.
4. The 19 member Value-Added Council has been organized and is functioning as private and public sector advisors to the Center.
5. We have established and maintain close communication and strong working relationships with our private sector partners and other agencies, especially USDA - Rural Development.
6. We have helped to launch a major Agri-Tourism initiative as a partner with the Tennessee Departments of Agriculture and Tourist Development.
7. As noted in this newsletter, several other projects, including work with individual farm families, are underway.

All our CPA staffers are looking forward to an exciting year ahead.

Dan Wheeler

Director - *Center for Profitable Agriculture*

Developing Partnerships and Cooperative Efforts:

In developing a statewide and comprehensive education program in value-added agriculture, the CPA continues to rely on and develop partnerships with strategic collaborators in the public and private sector. Partially in the process of developing a proposal for the USDA Innovation Center grant program, the CPA invested in the coordination of significant cooperative efforts recently. A sample of the agencies cooperating with the CPA are listed below.

American Dairy Assn. of TN	Value-Added Council
Tennessee State University	USDA Rural Development Agency
Tennessee Tourism Institute	Tennessee Valley Authority
Sparks Companies, Inc.	Tennessee Farm Bureau Federation
Tennessee Dept. of Agriculture	TN Soybean Promotion Board
TN Industrial Development Assn.	Burley Stabilization Corporation
Department of Tourist Development	South Central TN Development District
University of Tennessee Martin	Women in Agriculture of Tennessee

Upcoming In the coming months, the CPA is scheduled to conduct value-added training workshops with farmers in 5 counties across the state – these farmer meetings are mostly multi-county collaborations. The Center is also sponsoring an “update” agent training session which will feature multi-disciplinary topics from 9 different presenters (from 5 different departments/agencies). Specialists in the Center are also embarking upon project analysis for 6 farmer projects involving milk processing, winery, biodiesel, wheat-straw board and specialty hay marketing. The coming months will also find CPA specialists developing agri-tourism training materials, finalizing 2 Extension publications, finalizing the 2004 Marketplace for Ideas Conference and planning a series of other workshops and conferences.

PB #1727 Now Available: “A Review of USDA-Inspected Livestock Slaughtering Facilities in Tennessee” is an important part of the CPA’s ongoing educational programs with individual farm families, value-added entrepreneurs and agricultural leaders across the state. The results presented in this publication represent one of the five objectives of the 2001-2003 Federal-State Market Improvement Program (FSMIP) project titled "Developing Target Markets for Value-Added Niche Products."

Facilities in Tennessee that slaughter livestock for the public and whose services are inspected by the USDA are identified in the publication. Specific information pertaining to services rendered, species of livestock slaughtered and processed, and average cost of services is given. These results can assist agri-entrepreneurs and small farm agri-businesses in the development of new market opportunities for value-added products and enterprises and can contribute to an improved overall understanding of the critical success factors needed for successful value-added agribusinesses.

Value-Added Council Convened:

As the Governing Board of the Center’s value-added program emphasis, the *Value-Added Council* convened on August 22, 2003. The *Council* is made up of 19 members from the private and public sector. The Chairman of the council is David Mitchell, representing the Tennessee Farm Bureau Federation, the Vice-Chairman is Larry Paul Harris, representing the Tennessee Farmers Cooperative, and the Secretary is Joe Gaines of the Tennessee Department of Agriculture. Mrs. Kim Martinez is the recording secretary for the Council. The members of the council are:

David Mitchell - Tennessee Farm Bureau Federation
 Larry Paul Harris - Tennessee Farmers Cooperative
 Stanley Trout - Tennessee Department of Agriculture
 Mike Witt and Larry Pitts - Tennessee Forestry Association
 David Saylor - American Dairy Association of Tennessee
 Dr. Latif Lighari - Tennessee State University
 Dr. Bill Morris - The University of Tennessee
 Hank Delvin - Organic Grower
 Bob Pile - Greenhouse Operator

Joe Pearson - Tennessee Farm Bureau Federation
 Joe Gaines - Tennessee Department of Agriculture
 David Fugate - Tennessee Cattlemen’s Association
 Shane Guy - Tennessee Egg and Poultry Association
 Barry Bush - Burley Stabilization Corporation
 Dr. Charles Hall - The University of Tennessee
 Allen King - Cotton Farmer
 Nancy Edwards - Agri-Tourism
 Mike Estes - Farm Credit Services

UPDATE ON COMPLETED PROJECTS:

A Preliminary Analysis of Broiler Waste Compost: The total output of a composted broiler waste product may be limited first by the amount of birds available for compost. With a beginning composting recipe of 1 to 1.5 to 0.10 to 0.5 of birds, litter, straw and water, the amount of birds will most often limit the total volume of end compost product while a significant amount of non-composted litter will likely remain. A typical broiler house may yield approximately 1500 to 2200 bags (approximately 25 lb. bags) of compost per year (and about 95 additional tons of litter). The cost of composting and bagging the product may range from \$1.50 to \$4.50 per bag, depending on efficiencies gained through total volume. While market opportunities exist for the product, sales will be greatly influenced by price, product characteristics, product consistency, packaging, product positioning and product promotion.

A Preliminary Investigation of Regulations for a Value-Added Beef Enterprise: Regulations and inspection of the US commercial food supply dates back to the early 1900’s. In fact, many of the rules and regulation of the current food industry are derived from the principals embodied in the country’s first meat inspection laws of 1906. Assurance of a safe food supply involves a coordinated effort from federal, state and local agencies and includes input and oversight from possibly 12 different agencies/departments. It is not uncommon for a review of laws, codes and statutes for the food industry to involve thousands of pages. Despite such an overwhelming amount of text, it is extremely important for value-added entrepreneurs considering a food business to completely understand the regulations and inspections for their industry.

THE UNIVERSITY OF TENNESSEE, U.S. DEPARTMENT OF AGRICULTURAL AND COUNTY GOVERNMENTS COOPERATING
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