



"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"

CPA Now Fully Staffed:

The CPA is fully staffed with 6 full-time positions— each member and their program emphasis is listed below:

Russ Bragg is a Marketing Specialist with program responsibilities in niche marketing, direct-marketing, industry development and organic marketing.

Megan Bruch is a Marketing Specialist with program responsibilities in agri-tourism, statistical analysis, new market opportunities and market surveys.

Peggy Hamlett - - Area Specialist with program responsibilities in alternative agriculture, producer grants, sustainable agriculture and the Marketplace for Ideas conference.

Rob Holland - - Feasibility Specialist with responsibilities in cooperative development, departmental outreach/publications and value-added project teams.

Kim Martinez - - Principal Secretary and coordinator of web-based resources, grants & contracts and bookkeeping.

Dan Wheeler - - Center Director and coordinator of partnerships, budgets and agri-business development.

A Message from the Director

I am happy to report that we now have all our staff positions filled. We are indeed fortunate to have a group of very bright, energetic young staffers who are eager to help the CPA move to the next level as an "Agricultural Innovation Center." I am proud of the external funding support for the Center and its activities. In my mind, that's primarily a function of two things. First, the high priority currently being given to value-added, entrepreneurial efforts by external funding sources. But more importantly, it's attributable to the hard work of our staff and their willingness to focus on, and ultimately capitalize on, external funding opportunities. My hat's off to them.

I also want to thank our staff for their intensive work last quarter in developing an excellent guidebook for potential applicants applying for USDA Value-Added Producer grants. This publication was developed in a short period of time in response to a very critical need by these potential applicants. Their efforts combined with a greater emphasis by USDA Rural Development agency staffers on this program, resulted in a record number of grant applications submitted from Tennessee producers.

Dan Wheeler

Director - Center for Profitable Agriculture

Welcome to New Specialists: During the Fall of 2003, the CPA welcomed two new specialists—Dr. Peggy Hamlett and Mr. Russ Bragg. Hamlett has worked as an Area Extension Specialist in West Tennessee since 1999 and will continue to be officed at the West Tennessee Experiment Station in Jackson but will now be programmatically and administratively responsible to the Center. Dr. Hamlett is a native of West Tennessee, holds a BS degree from UT Martin, a MS degree from UT Knoxville and a PhD from Texas A&M. Mr. Bragg joins the Center's main office at the Middle Tennessee Experiment Station in Spring Hill as Marketing Specialist. Mr. Bragg is a native of Weakly County, has a BS degree in agri-business from UT Martin and recently completed a MS degree from Purdue University in Agricultural Economics. Russ will coordinate the Center's value-added industry projects, and will have program responsibilities for on-farm retailing, niche marketing and market development.

Summary of External Funding Progress: As of December, the CPA has received (or has confirmed future commitments of) \$817,000 in external funding since 1999 – \$130,000 of which is funding for specific projects that will be in-progress in the coming months. External funds from grants and contracts allow us to expand the reach of our mission, implement additional programs, develop additional resources and increase the farm-impact of our efforts.

Recent Outreach & Teaching A Success: The recent fall months provided several opportunities for CPA specialists to conduct a variety of teaching activities across the state. Specialists provided instruction of value-added topics at four farmer workshop-type meetings in Sevierville, Clarksville, Columbia and Fayetteville to some 150 participants. In addition, contacts were made with another 250 people through educational exhibits and presentations in Cookeville, Nashville, Columbia and Cool Springs.



Center for Profitable Agriculture Staff
(left to right): Dan Wheeler, Megan Bruch, Rob Holland, Kim Martinez, Peggy Hamlett and Russ Bragg.

Cooperative Development Initiative Launched: In November, the Center announced the creation of a new program emphasis in "cooperative development." The new program emphasis combines more than \$40,000 in grant resources from the USDA and the Tennessee Department of Agriculture's Ag Development Fund. The program will be coordinated in Tennessee by the CPA and will be lead through a unique collaboration with the Kentucky Center for Cooperative Development (KCCD). Rob Holland was named program coordinator in the Center. As part of the new program, the CPA will identify and select two farmer groups that are seeking mutual benefits through some type of cooperative effort. These groups will participate in organized strategy sessions to assist in the development of a cooperative effort. In addition, two mini-conferences devoted to improving the understanding of cooperative forms of business organization will be conducted and a web site will be developed as a central location for Tennessee's cooperative development resources.

New Publication Available: The CPA's most recent publication (PB 1735) titled "How Many Businesses Can a County Support?" was released in December. The publication is available in print or can be downloaded from our website <<http://cpa.utk.edu>>. This new publication compares Tennessee's retail business statistics with county populations as a guide for assessing the number of certain types of businesses that specified population ranges can support.

Update on Agri-Tourism Initiative: The Center continues its work on the state's Agri-Tourism Initiative. The inventory of Tennessee agri-tourism operations wrapped up in December. Data from the inventory will be used to create an industry profile and will be listed on the Department of Tourist Development's website (www.tnvacation.com/explore/agritourism) to promote Tennessee agri-tourism enterprises. The Center was and will continue to be involved with Initiative partners, Tennessee Department of Agriculture and Tennessee Department of Tourist Development, in the preparations for training seminars to be given across the state on February 12, 19 & 25. Additionally, the Center began the organization and development of a training manual for Tennessee agri-tourism operators. The USDA Rural Development Agency provided a \$100,000 grant to fund the Initiative.

Two-Year Marketing Program Completed: In July 2002, the CPA began work to accomplish five objectives of a USDA-funded Marketing Improvement Project aimed at creating tools and educational resources to assist in value-added market development. The final report documenting the accomplishments of the project was finalized in December. The following inputs and outcomes represent some of the highlights of the program:

- ▶ 5 extension publications completed, printed and available on the CPA's website and in each of Tennessee's 95 counties
- ▶ 2 on-line, interactive market assessment tools developed
- ▶ 2 educational "posters" developed
- ▶ 6 outreach seminars and workshops conducted with attendance exceeding 250
- ▶ 1 free-standing educational exhibit developed and utilized in outreach with more than 400 participants
- ▶ More than 58 contributing partners participated in the planning, development and implementation of the project

Programs on the Horizon: The coming months will provide opportunities for specialists in the CPA to continue the development of value-added programs across the state. Some of the planned activities are highlighted here. The third annual "Marketplace for Ideas" conference and trade show will take place at the UT Martin campus on January 15 & 16; three Agri-tourism Training Seminars will take place in West, Middle and East Tennessee in February; a brochure-type publication will be finalized to supplement the educational components of the CPA's new cooperative development initiative; two farmer-groups will be selected to work with the Center as pilot projects for cooperative development; and educational materials will be finalized for the Agri-Tourism Initiative.

UPDATE ON FARMER and INDUSTRY PROJECTS:

The Center continues to be involved with a variety of value-added farm and industry projects. Since 1998, the Center has completed analysis on 84 different value-added enterprises. We currently have 7 projects that are in-progress and 17 others that are under review in some way. The following projects have had the most attention from CPA specialists in recent months and will be a priority in the months ahead:

- ▶ On-farm milk processing
- ▶ On-farm biodiesel production and marketing
- ▶ On-farm vegetable processing and marketing
- ▶ Preliminary study for large-scale, integrated dairy production, processing and marketing
- ▶ Processing and marketing a specialty dairy product
- ▶ Winery
- ▶ Beef cattle marketing cooperative
- ▶ Commercial goat processing and meat marketing
- ▶ Cooperative mushroom production