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**"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 30

October 2005

### Update on Outreach Activities:

From July to September, CPA specialists developed 8 new educational presentations and used them in 13 different outreach programs to some 430 people. Presentation topics included: marketing value-added products, entrepreneurship & farm enterprises, commercial food processing, agritourism cluster development and organic production. The presentations were made in Maury, Stewart, Dickson, Cumberland, Hamilton, Knox, Madison and Putnam counties.

CPA specialists also developed 7 new educational information sheets and 5 media news releases.

In addition, 13 packets of educational information were developed on various topics including: adding value to poultry waste, developing value-added food products, preparing for organic growing, direct marketing beef & lamb and marketing nursery products.

Various information was also distributed through 98 different inquires and consultations with agricultural leaders, Extension agents and farmers in 40 different counties. Information from the CPA was provided on various topics including: farmers markets, honey processing, ethanol co-ops, farmstead cheeses, vermiculture, insurance, marketing blueberries & raspberries, sales tax and direct



marketing beef products.

### Name Change Depicted in New Sign:

For more than 90 years, the Middle Tennessee Experiment Station has been a fixture in the Spring Hill community of Maury county, just 45 miles south of Nashville. In July, state and local leaders were on hand in Spring Hill to unveil new signs which bear the station's new name – the **Middle Tennessee Research and Education Center**. The name change is a better reflection of its ongoing programs

and better communicates the overall mission of the facility. The *Center for Profitable Agriculture* is pleased to be located on-site with the Middle Tennessee Research and Education Center in the Spring Hill community.

### CPA Specialists Identify Priority Education Topics for the Future:

As part of the new planning and reporting system for the overall UT Extension system, CPA specialists recently identified primary educational topics to provide leadership to in the coming years. Specific short, intermediate and long-term program objectives have been identified for each of the priority topics – educational programs and outreach teaching will be aimed at accomplishing these objectives. The five priority program topics administered by specialists in the CPA are: 1) Sustainable Agriculture, 2) Agritourism, 3) Cooperative Development, 4) "Developing Rural Businesses" and 5) "Direct Marketing Meat & Livestock Products."

### "Developing Rural Businesses" (DRB) Program Hits High Gear:

Many communities are placing greater emphasis on agritourism and value-added agriculture in overall economic development plans. Through the DRB program, CPA Specialists have become involved in local economic development discussions, including informal discussions and presentations. The CPA is prepared to present information on the role of value-added agriculture in economic development and discuss pertinent services available. A list of more than 40 educational presentations available from CPA specialists has been sent to all county agriculture agents in the state. The listing provides the title, a short description of content and an estimated time length for each presentation topic. The listing is available on the CPA website at: <http://cpa.utk.edu/DRB/pdffiles/presguide9-12-05.pdf>.

### "Value-Added" Poster Distributed Statewide:

The CPA recently developed a poster aimed at increasing awareness of value-added agriculture across the state. During September, the 12" x 18" full-color, glossy poster was distributed to each county in Tennessee. In addition to increasing awareness about value-added agriculture, the poster also promotes the *Center for Profitable Agriculture* as a resource in the evaluation and consideration of such enterprises. The poster can be viewed on the CPA web site at <http://cpa.utk.edu/posters/val-addposter9-05.pdf>.

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**CPA Specialists Represent Tennessee at National Meeting:** During July, Amanda Ziehl, Megan Bruch and Rob Holland represented the CPA at the Annual Meeting and Professional Improvement Conference for the National Association of Agricultural Agents in Buffalo, New York. Bruch was named winner in the Southern Region and one of three National Finalists in the "Slide Set/Graphic Presentations" category of the National Communications contest with her entry titled "*Marketing for the Agritourism Enterprise.*" Holland participated in the national applied research poster contest with his entry titled "*A Review of USDA-Inspected Livestock Slaughtering Facilities in Tennessee.*" The CPA specialists were among 17 other Tennessee Extension personnel at the meeting which was attended by more than 1,600 people from across the country.

**Cooperative Development Initiative Receives Additional Funding:** As a continuation to the grant-funded program in 2004, the Kentucky Center for Cooperative Development recently contracted with the CPA to extend outreach and education efforts in Cooperative Development. From July to September, the CPA has been actively involved in a number of farmer meetings and consultations related to developing cooperative efforts. In addition, the CPA is in the process of publishing a new educational resource titled "*First Things First: Initial Steps for Developing Value-Added, Cooperative Farmer Ventures.*" A final report of the CPA's Cooperative Development activities will be prepared and submitted in October.

**CPA Specialists Lead Regional Training:** As part of a multi-state educational training program for Extension educators, Rob Holland and Amanda Ziehl recently represented the CPA by providing instruction to some 39 selected Extension educators from 13 Southern states, Guam and Puerto Rico. The three-day training program was coordinated by North Carolina A&T State University and was conducted in Greensboro, North Carolina. Holland and Ziehl were responsible for teaching business planning and management concepts and principles through their presentation titled "*Making A Business Successful and Generate A Profit.*" The presentation provided traditional business planning principles and keys to entrepreneurial intuition.

#### **Around the Corner...**

- ▶ Extension Agent Training in "Agricultural Economics" and "Beef & Forages," October 2005
- ▶ "First Things First: Initial Steps for Developing Value-Added, Cooperative Farmer Ventures," Released October 2005
- ▶ "Agritourism in Focus: A Guide for Tennessee Farmers," Released November 2005
- ▶ "Steps to Considering Value-Added Enterprises" Workshop in Lewis County, November 2005
- ▶ "Vegetable Marketing" Meeting in DeKalb County, December 2005
- ▶ National Farmers Cooperative Conference, November 7-8 Minnesota
- ▶ Agritourism: Cultivating Farm Revenue Conference November 7-9, Cool Springs
- ▶ "Results of Hispanic Market Development Study," Released Spring 2006
- ▶ Value-Added In-Service Training, March 2006, Spring Hill and Vicinity
- ▶ "Tennessee Master Goat Producer Manual," Released Summer 2006
- ▶ National Value-Added Conference, June 2006, Nashville

## **UPDATE ON COMPLETED PROJECTS:**

**On-Farm Commercial Food Processing & Marketing -** Farm families considering the development of food products for commercial sales should carefully evaluate a variety of regulatory, marketing and cost factors. The facility in which the products will be prepared/processed must be approved and inspected by the proper agency. Regulations require that certain low-acid foods be processed by a specially-trained staff and meat products must be processed under USDA guidelines with a USDA inspector on-sight. Processing dairy products for commercial sale requires a strong communication with the Tennessee Department of Agriculture and adherence with FDA guidelines. An adequate evaluation of the costs of producing food products is important and should be compared with market expectations in order to determine the number of food products that must be sold in order for the business to break-even and make a profit. The cost of commercializing some food products actually exceeds the market potential and in many cases, the level of required sales often exceeds the expected number of buyers in a specified area. A complete and thorough market evaluation is an important ingredient in the ultimate success of value-added food businesses.

**Composting & Marketing Poultry Waste Products -** East Tennessee poultry operations often seek additional farm income from the sale of broiler waste. General market conditions predict approximately \$15 to \$25 per ton for bulk broiler waste. However, this rate often does not cover all the handling and delivery costs. Properly composted poultry wastes that is bagged and marketed to small-volume consumers can return over \$200 per ton. However, the composting procedure, bagging and commercial fertilizer regulations cannot be overlooked. Indeed, composting and bagging provide good methods of adding value to poultry wastes, but developing, retaining and replacing buyers (markets) requires constant attention to marketing.