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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"

Progress Report 32

April 2006

Summary of Contacts and Outreach Teaching:

From January to March, Specialists in the Center utilized numerous methods in their outreach and teaching activities across the state.

Information packets assembled in response to specific, individual requests were developed for 17 different client inquiries.

Assistance was provided through more than 80 e-mail, direct letter and telephone contacts and Specialists conducted in-office consultations with 7 different value-added projects.

Ten new educational presentations were developed and instruction was provided to more than 450 participants in 17 different events. Topics of discussion at these events included agritourism, niche meat marketing, retail marketing, farmers' markets and value-added agriculture.

Thirteen news articles were released, 320 contacts were made through educational exhibits at 7 trade shows and 8 farm visits were made in 7 different counties in all three UT Extension regions.

Tennessee to Host National Value-Added Conference:

Value-added agriculture educators and service providers from across the country will come together for the 2006 National Value-Added Agriculture Conference June 12 and 13 in Nashville, Tennessee. "The 2006 event will be the eighth annual conference providing educational and networking opportunities for professionals analysis and development," says Dan Wheeler, chair of this year's conference planning committee. The conference will feature experts on entrepreneurship, lessons learned from value-added entrepreneurs related to assistance needs, and sessions showcasing tools available for use by value-added educators and service providers. The conference program and registration details are available on the CPA Web site at: <http://cpa.utk.edu/Value-AddConf/index.htm>.

Center Specialists Lead Value-Added Training for UT Extension Agents:

On March 7, 8 and 9, the *Center for Profitable Agriculture* conducted an in-service training on value-added agriculture for agricultural Extension agents in Tennessee. The training included presentations, on-site tours and discussions on topics related to a variety of value-added issues. A significant part of the training evolved around the results and implications of a recent study of Tennessee's Hispanic market opportunities -- this part of the training was aimed at understanding and identifying growing/marketing opportunities for Tennessee farmers. The training also included a special focus on Tennessee's grape and wine industry, food processing and niche markets for meat and livestock. The training included on-site tours/training in a USDA-inspected livestock harvesting and processing facility, a commercial food processing facility, Hispanic retail markets and a commercial farm winery. Twenty-eight people participated in the training. On a scale of 1 to 10 (where 1 indicates a terrible training and a 10 indicates an excellent training) the average rating by all participants of the overall training was 8.625.

Specialists Contribute to Outside Funding Requests for More than \$200,000:

During the first three months of 2006, Center specialists have been busy developing proposals and contributing to opportunities for new funding. At the present time, five different projects are on the table and call for new funding to the Center from \$20,000 to \$70,000. If funded, these projects would allow the Center to develop new partnerships, develop new educational materials, conduct additional outreach trainings and evaluate new enterprises.

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New Publication Released as Part of “DRB” Program:

In March, the Center released a new educational publication titled *Tapping Available Resources: A Directory of Programs in Tennessee That Support Rural Economic Growth by Value-Added Enterprises*. Identified in the publication are programs which provide financial, technical, and marketing assistance to value-added entrepreneur businesses in Tennessee. Also listed are agencies and resources that provide business development information to businesses regardless of their type, size or location. Contact information for both programs and agencies is listed. This new publication is a part of the Center’s “Developing Rural Businesses” program which is funded through USDA Rural Development. One of the most critical steps in taking a would-be-enterprise idea all the way to a successful business is being able to identify and call upon all available programs, resources and information that exists to assist developing businesses. *Tapping Available Resources* is targeted at those would-be-enterprises by identifying resources helpful to Tennessee’s farmers and entrepreneurs. The publication is available in county Extension offices across the state and on the Center’s Web site at: <http://extension.tennessee.edu/publications/pbfiles/PB1761.pdf>.

“Tennessee Agritourism Today” Released in February:

In February, Megan Bruch, Extension Specialist with the CPA, developed and released the first edition of the “Tennessee Agritourism Today” newsletter. The electronic newsletter is dedicated to educating and informing agritourism industry partners. The February edition provided information about opportunities for agritourism through the Tennessee Agricultural Growth Initiative Producer Diversification Cost-Share program, a review of the Center’s *Agritourism In Focus* publication, a listing of upcoming events and a feature on evaluating existing agritourism enterprises. The newsletter is available on line at: <http://cpa.utk.edu/level2/agri-tourism/newsletter/agritour02-06.pdf>.

Results of “Hispanic Market Development Study:”

As part of the Center’s year and a half long “Hispanic Market Development” project, an Extension publication has been developed. The new educational publication is titled “The Growing Hispanic Population in Tennessee: A Potential Market Opportunity for Farmers and Value-Added Entrepreneurs?” and is authored by Megan Bruch and Amanda Ziehl. The publication contains information relevant to Tennessee farmers and agri-entrepreneurs who are considering developing products and marketing to Hispanics. It provides general market research data and information important to understand demand components including geographic area where potential demand may exist, the ability of the target audience to purchase products and willingness of Hispanics to purchase products based on tastes and preferences. Results of interviews with owners and managers of retail stores marketing to Hispanic consumers are also included. The publication will be available in the coming months.

USDA Value-Added Producer Grant (VAPG) Program is Focus of Recent DRB Outreach:

The VAPG program provides federal funding for enterprises, projects and activities that support the processing and marketing of value-added agricultural products. While the VAPG program generates notable interest, many producers feel ill-equipped to adequately complete the entire application. Ben Sanders, coordinator of the Center’s *Developing Rural Businesses* (DRB) program has worked with four different VAPG applicants from Tennessee – two independent producers and two producer groups.

UPDATE ON COMPLETED PROJECTS:

Agritourism Enterprise Planning & Development

The planning and development of a new agritourism enterprise includes consideration of many topics including regulatory issues, risk management strategies, and market planning and implementation. Careful research and planning in advance of business start-up should significantly improve an enterprise’s potential for success. The new “Agritourism in Focus” guide for agritourism entrepreneurs presents fundamental enterprise planning and development concepts necessary for success and provides methods to help farmers apply these concepts to their situations. Entrepreneurs should consult with specialists such as regulators, attorneys and accountants when necessary.