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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 36

April 2007

### Summary of First Quarter Teaching & Outreach:

From January to March, specialists in the Center provided teaching at 26 different events in 12 counties. Fifteen different educational presentations were developed for these events. Two new Extension educational publications were developed and 14 new facts sheets were finalized. Five news releases were distributed from the Center as well. Direct contact with farmers was made via 10 farm visits and 102 direct consultations were conducted through emails, phone calls, letters and development of informational packets.

### Summary of 2006 Accomplishments:

During 2006, the Center conducted 53 on-farm visits with Tennessee farmers in 32 counties, provided teaching and instruction at 56 different events to more than 1,700 participants in 27 Tennessee counties and three other states. In addition, the CPA was featured at 105 conferences and trade shows and distributed information packets to 52 individuals in 30 counties. Specialists in the Center also completed project-specific analysis and reports for 4 farm businesses, authored 35 news releases, developed 30 new educational workshop presentations and wrote 4 final reports for grant-funded projects. During the year, CPA specialists implemented numerous programs with just over \$450,000 from external funding sources, conducted a 3-day value-added agriculture in-service training for Extension agents and hosted the 2006 National Value-Added Agriculture Conference.

### A Message from the Director:

Search to Fill Marketing Specialist Position in Progress – The search process to fill the vacant Extension Marketing Specialist position in the Center is nearing completion. Five candidates were interviewed for the position during March. The primary responsibility of the position is to focus on developing marketing plans for farmers and agri-entrepreneurs with value-added products and assist in the implementation of these plans for individual product lines and/or entire businesses. We hope to have someone on board by mid May to assist in serving the marketing needs of Center clientele.

Thanks for your Support – The CPA staff has been busy with a wide array of activities and initiatives during the first quarter of 2007. Most of our efforts are supported in some way by county Extension professionals and other strategic partners. All of our CPA staff - Dan, Kim, Rob, Peg, Megan and Ben want to thank all of you for your support and encouragement.

Dan Wheeler, Director

*Center for Profitable Agriculture*

**Charting a New Course Workshop Series Completed in Wayne County** – For three Monday nights from February 12 to March 12, some 20 farmers, small business owners and community leaders from Wayne County participated in a pilot workshop series titled “Charting A New Course.” The educational workshop series was developed for those considering, starting and developing new enterprises with focus on management and marketing issues for value-added and alternative enterprises. Twenty-six people registered and paid the \$10.00 workshop fee – average attendance at each workshop was 20. Promotional items for the workshop, the agenda, evaluation summary and all workshop presentations are posted to the CPA web site.

**Farmers Market Initiative Update** – The CPA’s most recent Extension publications titled “A Guide for Considering and Developing A Farmers Market in Tennessee” and “Direct from Tennessee Farmers Markets: Observations, Quotes and Data from Market Managers, Vendors and Customers” have completed a final peer review and are in the layout and design stage of final publishing. These two publications are part of the CPA’s Farmers Market Initiative and both should be available for distribution in June. An overview of these publications was provided at the annual meeting of the Tennessee Farmers Markets Association in January.

**State “Value-Added Agriculture” Priority Program** – The statewide priority program for Value-Added Agriculture implemented a needs assessment with Tennessee Extension agents and area specialists during January and February. Agents were asked to quantify the importance of value-added agriculture programming in their county and to identify and prioritize various value-added subject matter topics and teaching methods. A summary of the program needs expressed in the assessment is being prepared by the priority team and will be utilized in the development of a long-term plan of action.

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**New Domestic Kitchen Rules Provide Opportunity for Value-Added Food Entrepreneurs** – New rules from the Tennessee Department of Agriculture were released in January to allow for the small-scale production of non-potentially hazardous foods in home kitchens for commercial sale. Producing food products under these new rules can allow farmers and food entrepreneurs to test-market new food products without investment in a larger-scale commercial food processing facility. The production of food items under these new rules does require a license registration with TDA, completion of a food safety course and an annual inspection. Additional information about the new rules is available at: <http://cpa.utk.edu/pdf/files/TDAreleases/domkitchenrules.pdf> and at <http://cpa.utk.edu/pdf/files/cpa138.pdf>.

**“2007 Agritourism Cultivating Farm Revenue” Conference** – The Tennessee Agritourism Initiative partners hosted its second multi-day conference for agritourism in January. The 2007 *Agritourism: Cultivating Farm Revenue* conference was held January 22-23 at the Music Road Hotel and Convention Center in Pigeon Forge, Tennessee. A total of 205 people attended the event from 14 states. The conference offered five general session presentations and eight breakout session options. Participants also had access to a trade show with 21 exhibitors who showcased products and services available for agritourism entrepreneurs. New this year in the trade show was an “Agritourism in Action: Show Your Stuff Exhibit” where agritourism operators could bring pictures and marketing materials to display. Dan Strasser, agritourism coordinator for the Tennessee Department of Agriculture, and Megan Bruch, marketing specialist for the Center, had primary responsibilities for organizing the event. Conference materials are available on the Center’s Web site at <http://cpa.utk.edu>.

**Annual SSAWG Conference Reaches Many Tennesseans** – The annual conference of the Southern Sustainable Agricultural Working Group (SSAWG) was held January 23-25 in Louisville, Kentucky. With a total attendance of 1,250, the Tennessee delegation included approximately 108 farmers, service providers, educators and other agricultural leaders. The CPA’s own Peg Hamlett served as Sessions Coordinator for the entire conference and organized travel for 40 Tennessee scholarship recipients to attend the conference with sponsorship from USDA-SARE. Peg also served as the state coordinator for other Tennessee producers to attend the conference under the SSAWG-Risk Management Agency’s Farmer-to-Farmer program. The SSAWG conference provided a forum for producers, researchers, information providers and consumers to learn about sustainable farming techniques, marketing strategies, community food systems and federal farm policies and programs that promote sustainable agriculture.

**“Idea to Enterprise” Conference Highlights DRB Initiative** – The Idea to Enterprise Conference was held March 8, 2007 at Tennessee Technological University. The conference was aimed at agricultural entrepreneurs interested in developing a value-added agriculture enterprise. Six workshops and three general sessions were presented on topics that included venture creation, idea development, marketing, financing, liability concerns and generating ideas. Ninety-six participants attended the conference. Of those that responded on evaluations, 79% indicated that knowledge gained at the conference will increase their chances of success in business and 93% indicated that it was likely or very likely they would start, or assist a client in starting, a value-added enterprise.

**“Young Leaders Conference” Serves as Teaching Opportunity for CPA** – The annual “Young Leaders Conference,” hosted by the Tennessee Council of Cooperatives and the Tennessee Young Farmers and Ranchers once again provided outstanding teaching and awareness opportunities for the CPA. Representatives of the CPA mingled with the more than 200 attendees in the trade show and other venues of the conference. In addition, the Center’s Megan Bruch teamed up with Dan Strasser of the Tennessee Department of Agriculture and provided instruction during a break-out session on the topic of value-added agriculture and agritourism.

**Agritourism Marketing Tools and Techniques Workshops** – Three regional agritourism workshops were held February and March in Jackson, Cookeville and Jonesborough. The 129 workshop participants learned about key concepts to successful marketing; brochure design, development and distribution; marketing tools and resources available from the Tennessee Departments of Agriculture and Tourist Development; and the new Tennessee Agritourism Association. UT Extension Area Farm Management Specialists Chuck Danehower, Jerri Lynn Sims, Alan Galloway and Alice Rhea assisted Center specialist Megan Bruch in organizing the events. Funding for the workshops was provided in part through a TDA Ag Tag grant.

#### **UPDATE ON COMPLETED PROJECTS:**

**Alpaca Fiber Processing:** With an increasing number of live alpacas on farms across the country, the U.S. alpaca fiber industry is considered young but quickly growing. Virtually all alpaca fiber processing in the U.S. is conducted by small and home-based enterprises, often referred to as cottage mills. Current market conditions allow cottage mills to fetch a handy price for fiber processing and yarn spinning. Yarn and fabrics can then be made into a variety of clothing items. Alpaca clothing is often marketed as high-end products so there could be continued and increased potential for cottage mills if demand increases proportionally with increased supply. However, regarding the live alpaca industry there is substantial concern over whether market opportunities can sustain the expected growth – a downturn in the live animal industry would be detrimental to the alpaca fiber industry. Entrepreneurs should be cautious when evaluating an alpaca fiber processing enterprise.