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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 39

January 2008

CPA to Participate in Multi-year "Buy Fresh, Buy Local" Program for Tennessee:

With funding from the USDA specialty crops program, the Tennessee Department of Agriculture recently partnered with the Tennessee Farm Bureau to develop a multi-year initiative to promote fresh and local Tennessee products across the state. This "buy-fresh, buy-local" initiative will establish guidelines and criteria for local farmers markets, vendors and direct marketers and will provide a variety of education and training programs for farmers, market managers and vendors. Specialists with the Center will be involved with the educational components of the initiative.

Search Committee Seeks Applicants for Vacant "Financial Analysis" Extension Specialist Position:

In November, the CPA announced the search to fill a vacant Extension specialist position in the Center. The search committee is made up of Roy Bullock, Megan Bruch, John Campbell, Jennifer Dutton and Rob Holland—Chair. The position announcement can be accessed from the home page of the CPA Web site at <http://cpa.utk.edu>. Applications will be reviewed in March 2008 with an estimated start date in May. The position will be headquartered in Spring Hill and will be responsible for conducting financial analysis for value-added projects. Qualified candidates are encouraged to apply on line. Questions regarding this position should be directed to Rob Holland.



A Message from the Director....

Allow me to begin this message (my first progress report "message" as Director of the *Center for Profitable Agriculture*) by extending appreciation to the staff, friends and supporters of the CPA. Having recently completed the interview process for the position of Director, the great support that our Center has across the state and the great work that is conducted by our staff is fresh on my mind. My special thanks is extended to Dan Wheeler for his service, leadership, direction and legacy with the CPA and to Tim Cross, the Search Committee and the leadership of the Tennessee Farm Bureau for the confidence that has been placed in me for this new role. I appreciate the opportunity to serve as Director of the CPA and I look forward to contributing to Tennessee's value-added agriculture.

Since October, specialists in the CPA have been involved with various outreach and teaching programs for more than 1,025 participants in 12 counties through 29 presentations. We have begun analyses for three new farmer-initiated projects, developed two new fact sheets and released 5 news articles. We have been awarded grants for 4 new program efforts totaling \$242,221.00 in external funds. We conducted 4 farm visits in 4 different counties and provided one-on-one consultations for farmers, business entrepreneurs and agricultural leaders in 28 counties through 43 phone calls, 47 e-mail inquiries, and 12 direct mailings.

We have developed numerous collaborative efforts with subject-matter specialists on the Knoxville campus, around the state and in other states. We have established subject-matter responsibilities for each CPA specialist within the "value-added agriculture" framework. The value-added priority team has been busy planning agent in-service training for 2008, developing a definition for value-added agriculture, publishing an informational flyer, developing a listing of web-based educational resources and developing a team web-site.

I hope you will find the additional articles and summaries in this report interesting and helpful. We intend for these brief updates to provide you additional insight on some of our ongoing activities.

Rob Holland, Director

Center for Profitable Agriculture

Dutton Discusses Value-Added Beef Marketing at Northeast Tennessee Beef Expo

– 300 farmers were in attendance at the 2007 Beef Expo held at the UT Research and Education Center in Greene County on October 11, 2007. Jennifer Dutton represented the CPA and presented information on "Adding Value to Beef Cattle: Thoughts and Considerations on Marketing Processed Beef Products." Her presentation covered topics such as general marketing and value-added agriculture, regulatory requirements and production claims including natural, grassfed and organic. Dutton will make a similar presentation at the Tennessee Cattlemen's Association Convention in January.

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Bruch Named Outstanding New Extension Worker for 2007 by UT Extension – The Center's Megan Bruch has been named the Outstanding New Extension Worker for 2007. The award was presented in November at a Conference for UT Extension workers in Manchester, Tennessee by UT Extension Interim Dean Dr. Charlie Goan. Bruch was selected for the award for having outstanding program accomplishments among all Extension workers with between three and five years of service with UT Extension. In making the announcement, Dr. Goan sited Megan's leadership with educational programs for agritourism entrepreneurs and value-added marketing in Tennessee and across state lines. In making the presentation, Goan quoted one of Bruch's nomination letters with "Megan began her UT Extension career with energy, dedication and a passion for quality educational programming that is so refreshing to see in a new worker." Megan is recognized by her peers, clients and colleagues as a solid Extension professional with many talents and a true dedication to the Extension mission" Goan added.



Value-Added Inservice Training for Extension Agents Set – Three dates have been set in 2008 to provide training for County Extension agents in value-added agriculture. These trainings are planned and offered through the state "value-added agriculture" priority program team. The schedule of training is as follows: Jackson = September 10 & 11, 2008; Murfreesboro = October 22 & 23, 2008; Greeneville = November 5 & 6, 2008. This training seeks to expose agents to issues and information that will enhance their response to local inquiries related to value-added agriculture and will increase their leadership with value-added programs. The training sessions will feature: On-site tours and training with businesses and markets; Video segments; Worksheets, Exercises and Pre- and Post-Tests; Panel Discussions and various printed materials (fact sheets, publications and resources). Specific topics planned for the trainings include: Developing Farmers Markets, Retailing Techniques, Value-Added Meat Regulations (including labeling claims), Production Possibilities with Value-Added Market Opportunities (fruits, vegetables and specialty crops), Value-Added Food Regulations, Agritourism, Tennessee's New Buy-Fresh & Local Initiative and defining "Value-Added Agriculture."

County Agents Submit Proposals for Value-Added Educational Workshops – During November, the Value-Added Agriculture Priority Program Team solicited proposals from County agriculture agents for up to \$500 in program funds to implement a County-based program related to value-added issues. Thirteen proposals for funding were submitted, 8 of which were funded. These county-based programs will be implemented between January and May 2007 and will include a variety of topics including farmers market development, crops with value-added potential, considerations for new value-added enterprise development and agritourism.

Holland completes Corporate Leadership Development Training at Belmont University – On December 7, Rob Holland graduated from the Corporate Leadership Development program at Belmont University in Nashville. From April to November, Rob and 12 other associates from Middle Tennessee participated in more than 75 hours of classroom and experiential training in leadership, management and administration development. The program consisted of 11 different classes addressing topics such as change management, effective communications, negotiations, conflict resolution and trust in the workplace.

"Value-Added Outlook" Topic of Agent Training in November – During November, the CPA provided a presentation titled "Outlook For Value-Added Agriculture" at the annual Market Outlook agent training sponsored by the Agricultural Economics department. Some 45 agents participated in Knoxville and Murfreesboro.

Business Development Workshops Completed in Henderson County – During October, the CPA teamed-up with TSU Extension and the Agricultural Economics department to host a three-night "Small Business Development Workshop" in Henderson County. Two different sessions were held each day – one in the afternoon and one at night. A total of 32 people participated in the two sessions. The workshops featured training in entrepreneurship, small business success factors, break-even analysis, marketing, business management, financial resources and a variety of communication exercises.

UPDATE ON COMPLETED PROJECTS:

Direct Beef Marketing – Some beef producers are considering direct marketing and product differentiation in order to earn a higher percentage of consumer expenditures on beef. More recently, producers are differentiating their products in the market place by using specific production practices and labeling claims on their final products and then marketing these products through online sales, on-farm retail stores, grocery stores and restaurants. Using these product-differentiation strategies requires the producer to be in compliance with a variety of regulations. The producer must also develop ways to retail all products produced from one beef carcass because there are many cuts that are valued at lower prices than steaks. Beef producers that develop direct beef marketing enterprises must pay attention to consumer sensitivity to price, marketing lower valued cuts, product availability and regulation compliance.