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Progress Report - *Agricultural Development Center* The University of Tennessee Agricultural Extension Service

During the first two years of existence, the ADC has evaluated 73 projects, accepted 47, completed 34 and provided direct mail applications to over 80 others. The ADC web site has received 3,014 hits. Nineteen firms that the ADC is working with have a product on the market. Project contacts have occurred in 55 Tennessee counties.

It appears that the demand for ADC programs is present. We feel that we've made progress, but we can do so much more if additional resources are available.

We will be assessing our strengths and opportunities and revising our strategic plan for the ADC. We welcome your suggestions and input.

- - - Ray Humberd

FSMIP Update - The FSMIP case study summary reports are currently under peer review. In pursuit of the market development phase of this project, a list of 35 potential market development studies (average of 7 per study) was assembled by a three-member team of cooperators and distributed to 15 cooperators to identify the 'best studies.' During the next three months, case-study reports will be completed and the market-development studies will begin.

ADC Publication Now Available - Extension publication PB1642 "Considerations for a Value-Added Agribusiness" is now in print and available from County Extension Offices across the state or from the ADC. This publication provides an understanding of marketing and feasibility considerations for value-added agriculture and provides insight into terminology, regulations and tactics for entrepreneurs considering an agribusiness.

Grants - The ADC is involved with numerous grant opportunities as either cooperators or primary investigators. The following are some of the proposals in which the ADC has been actively involved: market development in the forest products industry, a multi-state value-added agribusiness educational program and a vegetable marketing initiative.

Extending the ADC Message - The ADC was involved in several presentations and educational activities during the recent winter months. More than 445 individuals participated in 12 ADC presentations and educational activities across the southeast. Topics and presentations included: 1) Extension agent training in West Tennessee (forest products, agritourism, specialty foods, web marketing), 2) "Adding Value to Tennessee Agriculture" exhibit at the Tennessee Fruit & Vegetable Growers annual meeting in Chattanooga and the Ky-Tn "Alternative

Ag. Workshop 2000," 3) Presentations on "Internet Marketing" and "Preparing for School Field Trips" at the Tennessee Fruit & Vegetable Growers annual meeting in Chattanooga, 4) Presentations on "Small Business Web Site Development and Marketing" for "Leadership Upper Cumberland" and an area small business development conference in Byrdstown, 6) "Adding Value to Tennessee Agriculture" presentation at the Tennessee Council on Cooperatives young couple's conference, 7) Presentation on "Hosting School Groups for Entertainment Farming Enterprises" to the Knox Chamber Agribusiness Committee, 8) Presentation to the North Georgia Fruit & Vegetable Growers Association on "Using the Internet for Value-Added Marketing."

Cooperative Ventures - The importance of value-added enterprises is being considered as part of two, statewide, pro-active, market development initiatives. ADC faculty members are involved with the recently formed "Value-Added Pork Team" and the "Tennessee Aquaculture Task Force." Both groups have assembled to identify and plan multi-disciplinary industry-development programs. The pork team is focusing on market opportunities with Hispanic consumers while the Aquaculture Task Force is focusing on total industry identification and strategic planning.

COMPLETED PROJECTS

Fee Fishing - - As with any business, the development of a fee-fishing operation requires a delicate balance of production, marketing and financial management skill—not to mention excellent customer service. Potential fee-fishing operations must carefully consider the production of pond-size species, adequate facilities, area market potential, promotion and advertising strategies, liability, auxiliary activities (fish cleaning, snack shop, tackle sales, picnic & nature areas) admission fees, and proper pricing of harvested fish.

Boxed Vegetable Deliveries - - "Community Supported Agriculture" activities, and variations thereof, are currently being considered by farmers in Tennessee. Marketing a pre-sold mixed container of seasonal vegetables to affluent suburban consumers is one such variation. Organic products and custom delivery of the boxed vegetables to a pre-determined convenient, location also adds value to the enterprise.

Agri-Tourism - - Promoting agri-entertainment enterprises in Tennessee often requires substantial promotion, publicity and advertisement. Listing in the Tennessee Vacation Guide, brochures at Tennessee Welcome Centers and Rest Areas, direct promotions to school groups and targeted advertisements to other groups create opportunities for exposure to a large audience of potential customers. Because the number of visitors will certainly be less than the total area population, agri-tourism enterprises need to aggressively promote the business to a much larger audience to ensure sufficient customer traffic. In addition to a well-planned marketing campaign, agri-entertainment operations should plan to carefully identify all regulatory concerns applicable to the operation (local, state and federal food regulations, zoning restrictions, confined animal regulations, health department codes and insurance limitations).

Canned Tomato Products - - Upscaling a home-canning recipe for commercial sale requires more than a larger cooking pot. Inspected facilities, required training and approved processes are required. These upscale requirements have an associated cost which may increase production costs to a point that discourages most consumers. In this case, the competition for specialty-type canned tomato products is not just other specialty-type canned tomato products. Rather, all other canned tomato products (generic label, bulk and gourmet) represent alternatives for the targeted customer.

The Agricultural Extension Service offers its programs to all eligible persons regardless of race, color, national origin, sex, age, disability, religion or veteran status and is an Equal Opportunity Employer.

COOPERATIVE EXTENSION WORK IN AGRICULTURE AND HOME ECONOMICS

The University of Tennessee Institute of Agriculture, U.S. Department of Agriculture, and county governments cooperating in furtherance of acts of May 8 and June 30, 1914.

Agricultural Extension Service
Charles L. Norman, Dean