

# Adding Value to Tennessee Agriculture



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**Spring Hill, Tennessee**

# Overview

- A few ag statistics.
- Historical perspective.
- Overview of the “*Center for Profitable Agriculture*” & Value-Added Ag.



# Tennessee Ag Stats:

- **#1 producing state of sweet sorghum for syrup.**
- **#1 producing state in Eastern Dark-Fired Tobacco.**
- **2<sup>nd</sup> in the number of goats.**
- **2<sup>nd</sup> leading state in Burley Tobacco production.**
- **4<sup>th</sup> leading state in hay production.**
- **4<sup>th</sup> leading state in fresh tomato production.**

# Ag Statistics

<b>Ranking by % of Total Cash Receipts</b>	<b>Tennessee's Top Ag Commodities (2002)</b>	<b>Ranking by % of Total Cash Receipts</b>	<b>Tennessee's Top Ag Commodities (2002)</b>
1	Cattle and Calves	11	Hay
2	Broilers	12	Hogs
3	Greenhouse/Nursery	13	Eggs
4	Soybeans	14	Snap Beans
5	Cotton	15	Grain Sorghum
6	Dairy Products	16	Squash
7	Corn	17	Peaches
8	Tobacco	18	Apples
9	Tomatoes	19	Farm Chickens
10	Wheat	20	Honey

# Bedford County Ag Stats:

- **1,667 Farms, Average Farm Size = 132 acres**
- **1<sup>st</sup> in the number of poultry farms**
- **3<sup>rd</sup> in the number of horse and ponies (5227)**
- **4<sup>th</sup> leading county in production of all hay**
- **4<sup>th</sup> in the number of goats**
- **5<sup>th</sup> leading county in number of beef cows**
- **6<sup>th</sup> in the number of horse and pony farms**



**The University of Tennessee**

**– “Tennessee’s Land Grant College of 1862”**

**University of Tennessee “Institute of Agriculture”**

**College  
of  
Agriculture**

1862  
(Morrell Act)

**Agricultural  
Experiment  
Stations**

1887  
(Hatch Act)

**Agricultural  
Extension  
Service**

1914  
(Smith-Lever Act)

The logo for UT Extension, featuring the letters 'UT' in orange and black, followed by the word 'Extension' in black text.

# UT Extension

- **4 – H**
- **Family and Consumer Sciences**
- **Agriculture and Community Development**
  - Animal Science
  - Agricultural Economics
  - Plant Science
  - Food Science
  - Agricultural Engineering
  - Entomology
  - *Center for Profitable Agriculture*

# Center for Profitable Agriculture

A partnership of UT Extension  
and the Tennessee Farm Bureau



Evaluating and Developing **“Value-Added”**  
Agriculture Ideas and Enterprises

**cpa**

Center for Profitable Agriculture

A University of Tennessee - Farm Bureau Partnership

# Definition of Value-Added



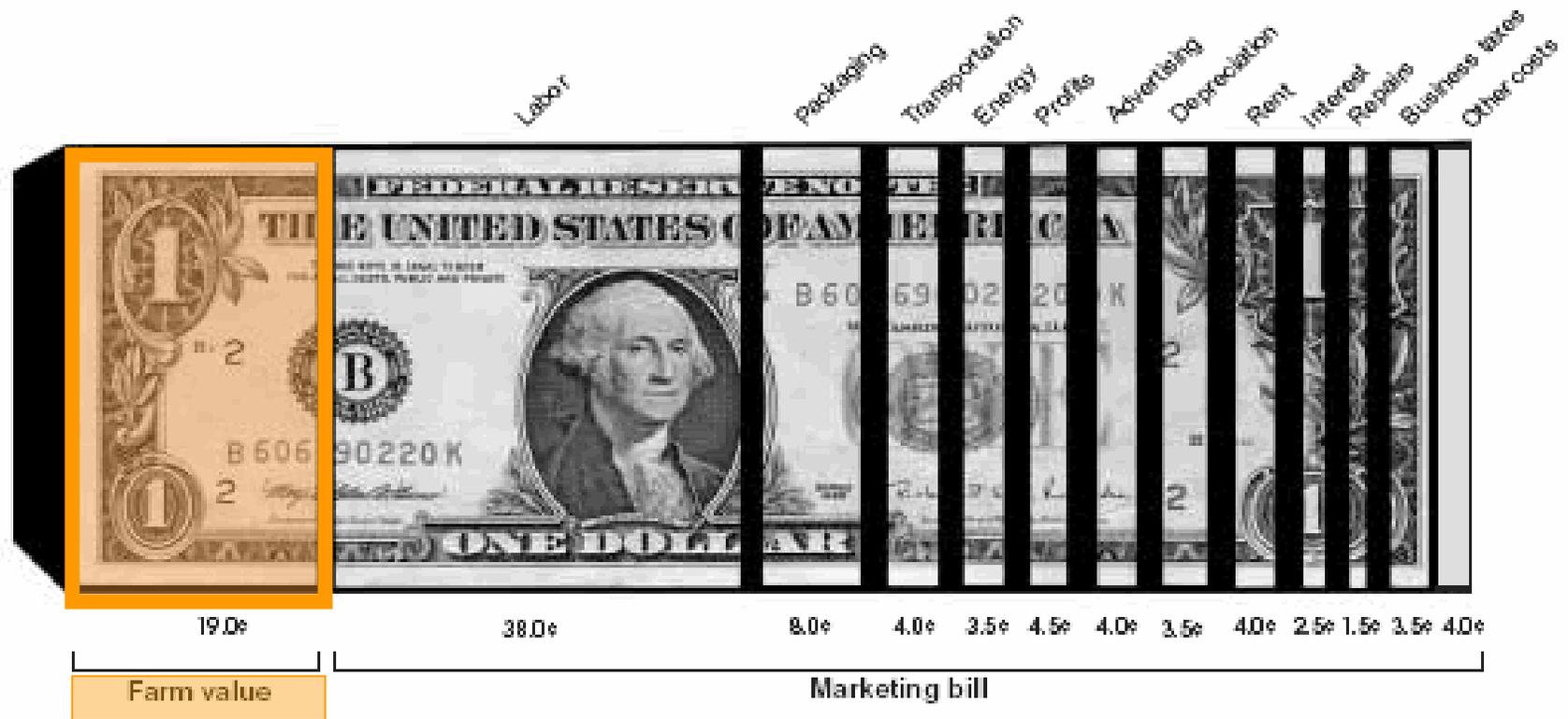
***Changing, processing, packaging,  
segregating, marketing . . . .  
an agriculture resource/commodity  
in a way that a greater portion of  
the revenue it generates  
accrues to the farm.***

***Processing***

***Packaging***

***Marketing***

# Farm Value of Food Dollar



Source: USDA's Economic Research Service.

# Value-added Examples

## Commodity

- Soybeans
- Milk
- Strawberries
- Composted Farm Wastes
- Tomatoes/Peppers
- Farm



## Value-added Product

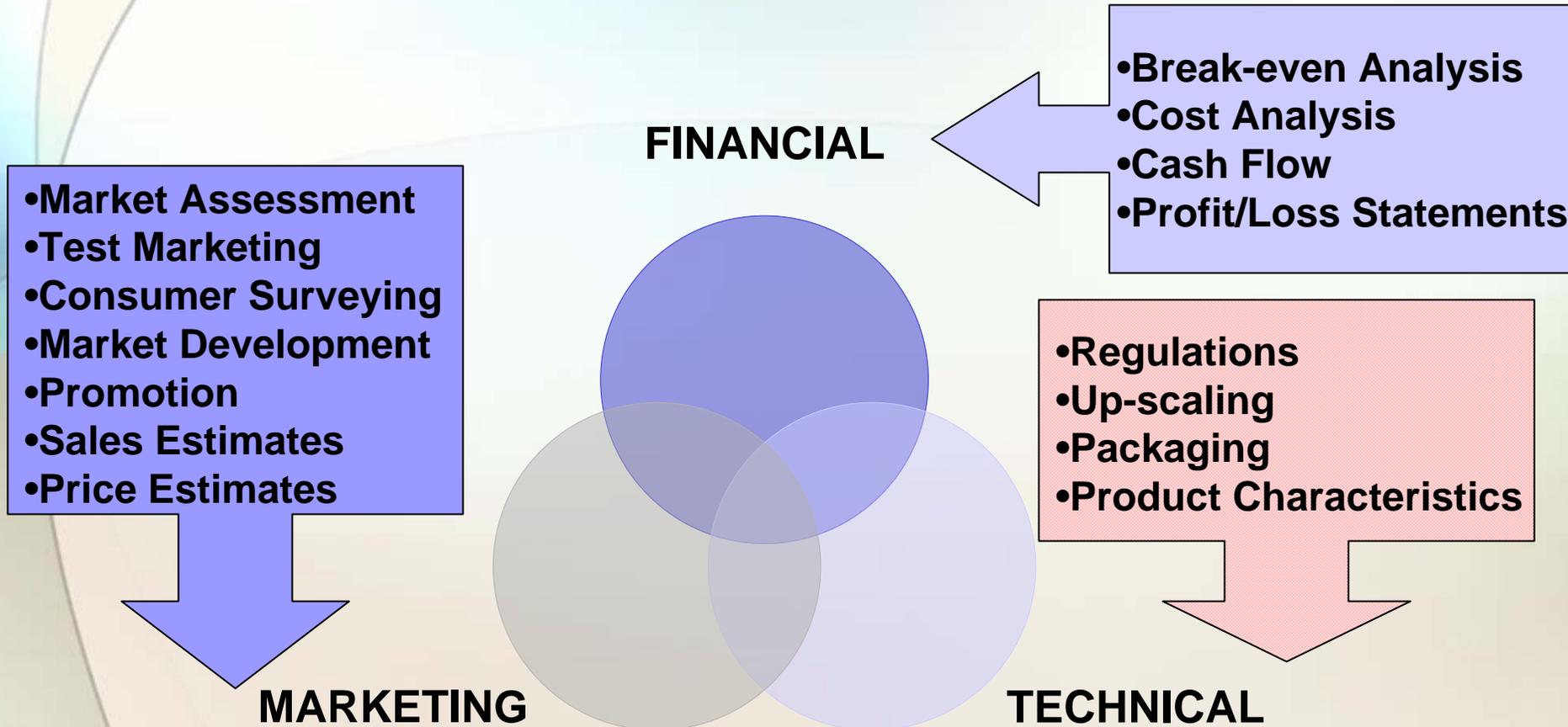
- Biodiesel Fuel
- Bottled Milk/Cheese/  
Ice Cream
- Strawberry Preserves
- Packaged Soil  
Conditioner
- Hot Sauce/Salsa
- Agri-Tourism/  
Agritainment



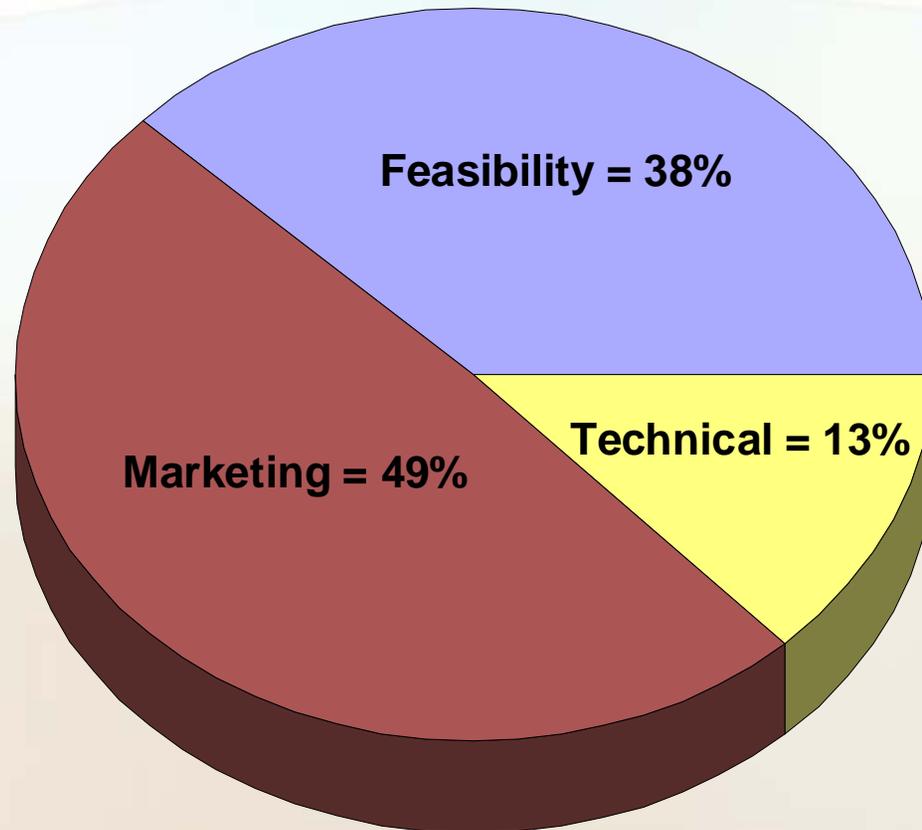
# What we do.....

- 1) Provide general “value-added” educational programs (farmers, Extension agents and ag. leaders).**
- 2) Assist in new “value-added” product development.**
- 3) Perform economic analyses feasibility studies, business plans and marketing plans.**
- 4) Evaluate the impact of regulations.**
- 5) Assist in identifying new market opportunities.**

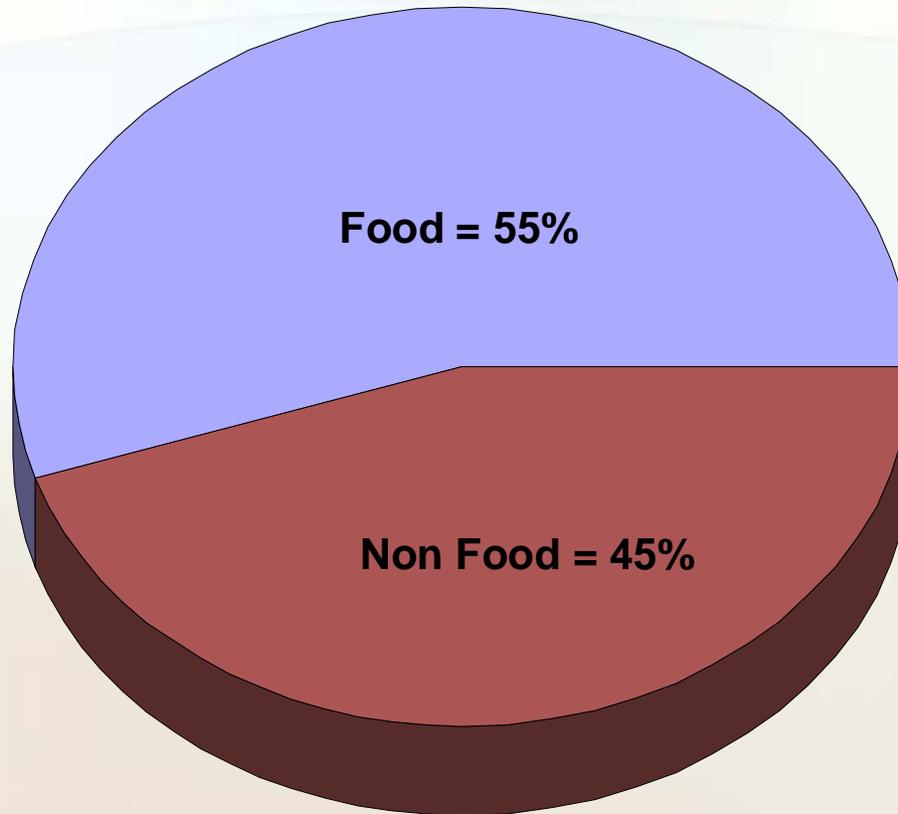
# Team Approach



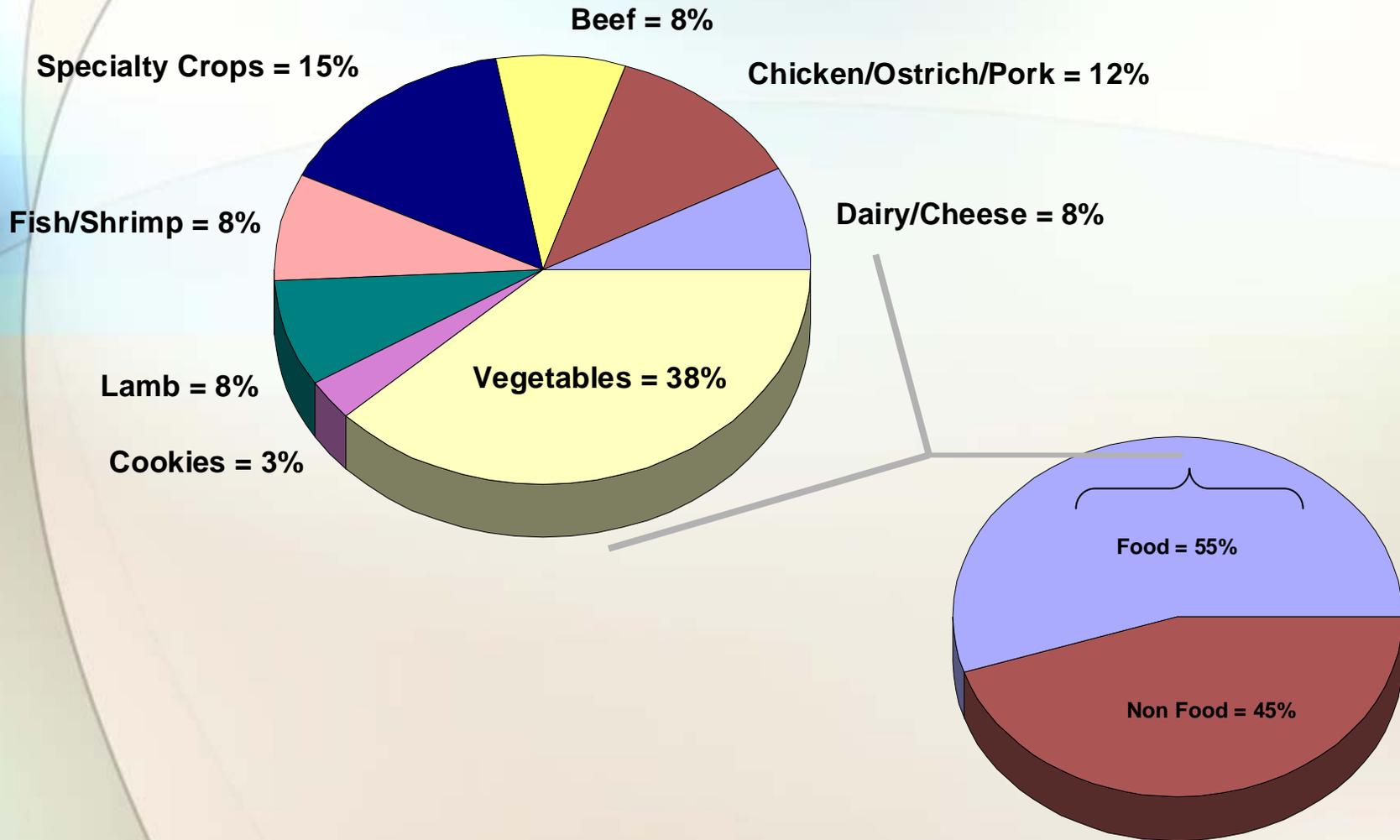
# Primary Role of CPA



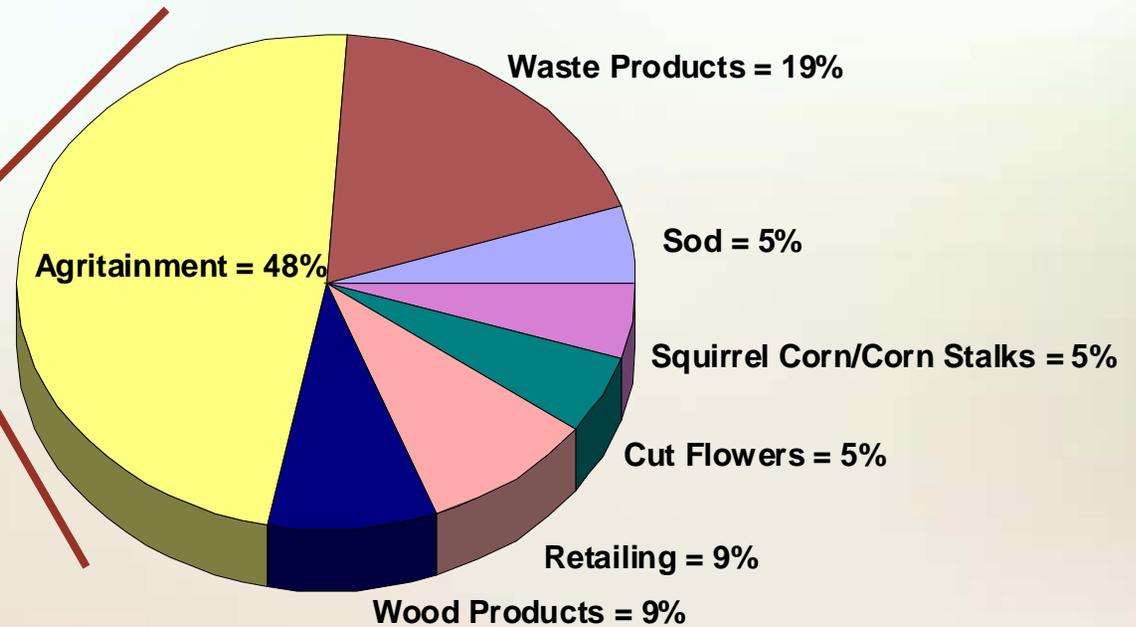
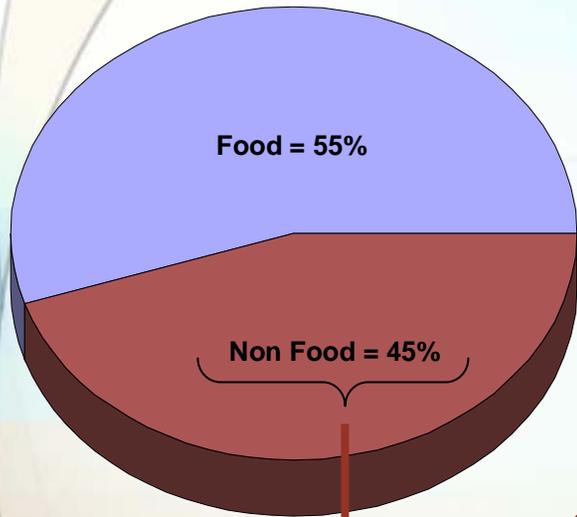
# Food and Non-food Projects



# Types of Food Projects



# Types of Non-food Projects



# Value-Added Agriculture Projects



**SLAWSA**



**Big "S" Farms**



**Jones Orchard Products**



**R-Grow**



## Honey Jelly



## Sweetwater Valley Cheese



## Grainger Co. Salsa

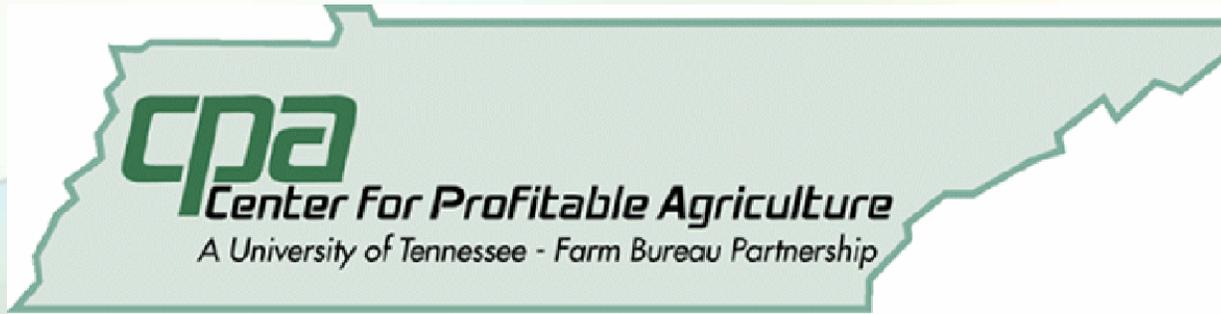


## Merritt Pop

# We've Been Busy...

- **86 Completed Project Analyses**
- **12 Projects in Progress**
- **15 Market Research Studies**
- **\$817,000 in Outside Funding**
- **14 Peer-Reviewed Publications**
- **Outreach Teaching in 87 Counties**

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**Middle Tennessee Experiment**  
**Station**

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# Is There a Need?

- **Farmer portion of consumer expenditures continues to shrink.**
- **There is no silver bullet strategy to guarantee success.**
- **75% of small businesses fail before one year and only 13% make it beyond 5 years.**
- **A unique set of resources contribute to success.**