A MESSAGE FROM THE DIRECTOR

Specific plans for the 2014 Value-Added Beef Conference to be held in Manchester on March 18 and 19 continue to come together. The final working draft of the conference program was recently posted to the conference web site at:
https://ag.tennessee.edu/CPA/Pages/VABeefConference.aspx

The program includes eight different general session presentations, eight different breakout sessions and 17 presenters and panel members. The conference will also feature various educational and commercial exhibits in a trade show environment which will accommodate networking and discussion about regulatory and labeling issues.

Rob Holland
Director
Needs Assessment Conducted for “Honey for Profit” Program

In recent years, the number of inquiries coming to the Center for Profitable Agriculture (CPA) from beekeepers and honey marketers has increased. Most of the inquiries have included questions related to honey regulations and marketing. In addition, many county Extension agents have reported the establishment of local beekeeping associations and increases in membership/participation in beekeeping meetings, programs and associations.

In order to provide more consistent and comprehensive information to value-added honey inquiries, the notion of an educational workshop program targeting beekeepers and honey marketers was developed in the summer of 2013. The idea was informally discussed with a few Extension agents, Extension specialists and beekeepers. The central theme of an educational program included the development of information/curriculum, inclusion of case studies and dissemination through a workshop program. The decision was made to seek additional input from potential program participants through a formalized needs assessment. “Honey for Profit” became the working title for the program and the following summary statement was developed: “an educational workshop for beekeepers and honey producers aimed at addressing some of the issues and hurdles involved with marketing honey, issues such as containers, container size, labeling, regulations, market outlets, target market, food safety, quality, pricing and others.”

From October 7 to November 12, 2013, a needs assessment questionnaire was distributed to participants at four county beekeeper association meetings. Presentations were made by a representative from the Center for Profitable Agriculture at two of the meetings before the questionnaires were distributed. At the other two meetings, the local county Extension agent discussed CPA and distributed the questionnaire. Ninety percent of the participants indicated that they currently maintained at least one bee hive. The remaining 10 percent were considering getting into beekeeping or were no longer involved in beekeeping. When asked how long they had been involved with beekeeping, the responses ranged from six months to 70 years and the average number of years of beekeeping experience was seven. The number of hives per beekeeper ranged from 1 to 465; 59 percent of the participants had five or less hives while 10 percent had 10 or more hives. Fifty-five percent of the participants indicated that they sell honey and 84 percent indicated that they give honey to friends and family.

Value-Added Beef Exhibit

In October, a free standing educational exhibit was developed to showcase the value-added beef program and to serve as a backdrop for disseminating educational information about value-added beef operations. From October 2 to December 10, the exhibit was featured at seven different events with an audience of 728 participants.

A Pre-Feasibility Study For a Grain Buying Station in East Tennessee is Considered

Markets for locally grown grain, primarily corn and soybeans, have become more limited in East Tennessee. The number of feed mills has decreased over the past 20 years and there are fewer large-scale grain elevators in the region. However, grain production in East Tennessee counties has expanded in recent years. Most grain is transported out of the region to markets in Georgia, Alabama, Florida and North Carolina. While a majority of grain produced on East Tennessee farms is transported great distances to be sold, grain is transported into the region for various uses (approximate usage for livestock, approximate usage for others). Several grain farms and livestock feeders have questioned whether there is a profitable opportunity for a grain elevator business to be established in the East Tennessee region. A group of 17 individuals met on December 9 to discuss the pros, cons, opportunities and risks for a grain elevator business in the East Tennessee. Future steps for this project include considerations for a formal study to evaluate longer term commitment to grain production, volume, costs and transportation.
Center Specialists Teach in “Can I Farm…and Be Profitable?” Program

Megan Bruch and Hal Pepper recently presented two workshop sessions in Grundy County as part of the small farm series “Can I Farm … and Be Profitable?” Their presentations included discussions and teaching on marketing, business management and planning and product liability risk. A total of 47 people participated in these workshops.

Value-Added Beef Program

To date, there have been 43 value-added beef educational sessions as part of the Tennessee Value-Added Beef Program with a total attendance of 1,275. From April 1 to September 30, 2013, the Enhancing Value-Added Beef Opportunities portion of the overall and ongoing Tennessee Value-Added Beef Program moved into the full implementation phase. During this six-month period:

- Details were finalized for the planning of six “Production and Cost Considerations for Finishing Animals for Direct Marketing” workshops and three “What You Should Know About Beef Quality and Meat Cuts” workshops.
- Promotions began for the 2014 Tennessee Value-Added Beef Conference with the launch of a Save the Date e-card and a state-wide news release.
- Manuscripts for four value-added beef publications were submitted for the formal peer-review process.
- Five educational news articles were released on various topics related to the basic regulatory considerations for marketing value-added beef.
- An educational and informational exhibit on the Value-Added Beef Program was developed.
- Four on-farm Value-Added Beef 101 workshops were held across the state with 112 in attendance.
- One “Basic Regulations and Label Claims” presentation was conducted and one “Production and Cost Considerations for Finishing Animals for Direct Marketing” was held for 94 participants.
- One Exploring Meat Processing and Marketing Opportunities Tour was conducted for 28 participants.

10-Year Strategic Plan for Tennessee Agriculture

On December 10 at the Tennessee Farm Bureau Convention in Franklin, Gov. Bill Haslam was presented with the 10-year Strategic Plan for Increasing Rural Tennessee’s Capacity to Produce. The report contains 27 proposed action steps in four major areas. Action step 3.3 proposes the stimulations of rural enterprise innovations across the state through continued support of the Center for Profitable Agriculture.
2013 Southern Style Hospitality Seminar Evaluation Summary

Five Southern Style Hospitality Seminars were held in Tennessee in August 2013. The workshops were held as part of a project funded by the U.S. Department of Agriculture National Institute of Food and Agriculture and the Southern Risk Management Education Center. The Tennessee Agritourism Association also provided support for the events. The seminars are modeled after successful customer service training programs offered by Cooperative Extension in Texas (Texas Friendly) and North Carolina (NC Hospitality). Dr. Stacy Tomas, assistant professor for agritourism at Tennessee Tech University served as instructor for these workshops. A total of 103 people participated in the workshops. Ninety people completed and returned an evaluation form at the end of the workshop for an 87 percent response rate. CPA Info #204 has all the results from these evaluations and can be found at https://ag.tennessee.edu/cpa/Information%20Sheets/CPA%20204.pdf

2011-2013 Decision Making at Harvest and Beyond Workshops Evaluation Summary

Six Decision Making at Harvest and Beyond Workshops were held across the state in 2011-2013 as part of a project funded by USDA’s Specialty Crop Block Grant Program and administered by the Tennessee Department of Agriculture. The teaching team consisted of University of Tennessee Extension Specialists Megan Bruch (marketing), David Lockwood (fruits and nut crops), Hal Pepper (financial analysis) and Annette Wszelaki (vegetables). The workshops featured presentations on sales tax on the purchase and sale of specialty crops, pricing fundamentals, merchandising and product displays, how to determine when a specialty crop is ready to harvest, options for storing and extending the shelf life of specialty crops, and variety selection for direct and wholesale markets. A total of 179 people participated in the workshops. One hundred twenty-four people completed and returned an evaluation form at the end of the workshops for a 69 percent response rate. Results from these evaluations can be found within CPA Info#205 at https://ag.tennessee.edu/cpa/Information%20Sheets/CPA%20205.pdf

Direct Marketing Sense Workshop Evaluation Summary

The Direct Marketing Sense curriculum was designed for farmers involved in or interested in developing direct marketing operations. The program was developed by the Center for Profitable Agriculture with funding provided in part by the Tennessee Department of Agriculture and USDA Rural Development. Funding support to offer this round of workshops was provided, in part, by the Tennessee Department of Agriculture through a Specialty Crop Block Grant. The workshop included 11 presentations over two days. Speakers included Amy Ladd of Lucky Ladd Farms, Hal Pepper and Megan Bruch from UT Center for Profitable Agriculture and Faith Critzer from UT Department of Food Science and Technology. Workshop attendees were asked to complete an evaluation form at the end of the events. CPA Info #210 has all the results from these evaluations and can be found at https://ag.tennessee.edu/cpa/Information%20Sheets/CPA%20Info%20210%20Direct%20Market%20Sense%20Evaluation%20Summary%202013.pdf
Retail Meat Sales in Tennessee: Basic Weights and Measures Regulations
Departmental Publication – (D1)

Retail meat sales in Tennessee must comply with state weights and measures regulations as written in Tennessee Code Annotated 47-26-901 to 47-26-926. The regulations outline requirements for the allowable units of sale and related weighing and labeling requirements for meat products as well as the agency responsible for enforcing the regulations. The rules are in place in part to “prevent unfair or deceptive dealing by weight or measure in any commodity or service advertised, packaged, sold or purchased within the state.” This fact sheet summarizes the weights and measures regulations related to retail meat sales in Tennessee as of the date of publication and provides some examples to illustrate how the requirements may be implemented. This departmental publication can be found at https://ag.tennessee.edu/cpa/CPA%20Publications/D1%20Weights%20and%20Measures%20Final.pdf

Listing of USDA Livestock Slaughter Facilities in Tennessee Departmental Publication – (D3)

In August 2013, the Center for Profitable Agriculture reviewed a list of 30 livestock slaughtering and processing plants in Tennessee that were permitted for inspection by the U.S. Department of Agriculture Food Safety and Inspection Service (USDA FSIS). Most of the plants operate for the sole purpose of handling animals, meat and processing for their own company such as Tyson, Koch Foods, Pilgrim’s Pride, Hillshire Farm, Swaggerty Sausage and Wampler’s Farm Sausage. Thirteen of the plants may be “possibilities” for farmers who want to have livestock slaughtered and processed under USDA inspection in order to market their meat products. The 13 plants considered possibilities for farmers are listed in a departmental publication and can be found at https://ag.tennessee.edu/cpa/CPA%20Publications/D3%20FINAL.pdf

Number of Establishments Permitted by TDA Food and Dairy Section

The following is an updated listing of the number of establishments permitted and inspected by the Tennessee Department of Agriculture, Food and Dairy Section of Regulatory Services.

<table>
<thead>
<tr>
<th>Type of Establishment</th>
<th>03-26-12</th>
<th>07-26-12</th>
<th>09-14-12</th>
<th>11-30-12</th>
<th>03-12-13</th>
<th>06-18-13</th>
<th>09-19-13</th>
<th>12-20-13</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retail Food</td>
<td>9482</td>
<td>9472</td>
<td>9430</td>
<td>9460</td>
<td>9460</td>
<td>9504</td>
<td>9493</td>
<td>9528</td>
</tr>
<tr>
<td>Food Manufacturing</td>
<td>1234</td>
<td>1262</td>
<td>1247</td>
<td>1255</td>
<td>1231</td>
<td>1239</td>
<td>1238</td>
<td>1267</td>
</tr>
<tr>
<td>Food Warehouses</td>
<td>552</td>
<td>542</td>
<td>533</td>
<td>534</td>
<td>529</td>
<td>520</td>
<td>515</td>
<td>511</td>
</tr>
<tr>
<td>Tobacco-only Stores</td>
<td>299</td>
<td>299</td>
<td>297</td>
<td>297</td>
<td>288</td>
<td>287</td>
<td>284</td>
<td>285</td>
</tr>
<tr>
<td>Domestic Kitchens</td>
<td>133</td>
<td>145</td>
<td>145</td>
<td>148</td>
<td>149</td>
<td>151</td>
<td>151</td>
<td>149</td>
</tr>
<tr>
<td>Farm Egg Producers</td>
<td>79</td>
<td>76</td>
<td>69</td>
<td>53</td>
<td>27</td>
<td>23</td>
<td>23</td>
<td>22</td>
</tr>
<tr>
<td>Farm Meat Producers</td>
<td>56</td>
<td>59</td>
<td>60</td>
<td>62</td>
<td>69</td>
<td>82</td>
<td>86</td>
<td>91</td>
</tr>
<tr>
<td>Custom Slaughter</td>
<td>62</td>
<td>59</td>
<td>59</td>
<td>57</td>
<td>54</td>
<td>54</td>
<td>54</td>
<td>60</td>
</tr>
<tr>
<td>Deer-only Processors</td>
<td>81</td>
<td>82</td>
<td>81</td>
<td>83</td>
<td>81</td>
<td>80</td>
<td>80</td>
<td>82</td>
</tr>
<tr>
<td>Farm Dairies</td>
<td>433</td>
<td>425</td>
<td>420 (4)</td>
<td>410</td>
<td>405</td>
<td>394</td>
<td>392</td>
<td>379</td>
</tr>
<tr>
<td>Wineries</td>
<td>42</td>
<td>47</td>
<td>47</td>
<td>48</td>
<td>49</td>
<td>47</td>
<td>48</td>
<td>49</td>
</tr>
<tr>
<td>Distilleries</td>
<td>5</td>
<td>5</td>
<td>5</td>
<td>6</td>
<td>6</td>
<td>6</td>
<td>6</td>
<td>6</td>
</tr>
</tbody>
</table>
Programs in agriculture and natural resources, 4-H youth development, family and consumer sciences, and resource development.

University of Tennessee Institute of Agriculture, U.S. Department of Agriculture and county governments cooperating.

UT Extension provides equal opportunities.

Center for Profitable Agriculture
P.O. Box 1819, Spring Hill, TN 37174
931-486-2777
https://ag.tennessee.edu/cpa