

# Enhancing Cooperative Extension Capacity to Support The Advancement of Adding Value and Direct Marketing by Farmers in the Northeast

**SARE PROJECT ENE12-125** \*WINIFRED MCGEE, PENN STATE EXTENSION; GINGER MYERS, UMD EXTENSION; DR LITHA SIVANANDAN, WVU - EXTENSION SERVICE; DR LARRY GRUNDEN, PENN STATE EXTENSION

## ENABLING EXTENSION PROFESSIONALS TO DELIVER GROUP AND ONE-TO-ONE EDUCATION FOR FOOD VALUE-ADDED BUSINESS START-UP AND MANAGEMENT

### The Challenge

According to USDA/ERS (2010), for each dollar that consumers spend on food, the farmer's share is approximately 23%, with 77% covering production, processing, marketing, transportation, and distribution costs – supporting “middlemen” between the farm and the table. To retain a higher percentage of the food dollar on the farm, Northeastern producers frequently consider direct marketing to the consumer – both agricultural commodities and value-added products. Producing and selling value-added items requires different skills-sets than does traditional production agriculture, and introducing foods to the marketplace opens the seller to unique business liability. This makes it important that farmers receive training, education and support from Extension (and other agricultural professionals) to effectively set up and manage local food enterprises. However, because agricultural direct marketing is relatively new, Extension personnel and agricultural professionals may lack experience with direct-to-the-consumer venues to effectively assist farmers in making informed decisions about whether such ventures are feasible, or advisable.

### The Response

This program provided comprehensive professional development training to 34 potential instructors (27 in the target states of PA, MD, and WV, 3 in Tennessee, and 4 in Oregon), enabling these trainees to conduct workshops and provide one-to-one consultation for food business start-up and management. The educational program included:

- 2 series of 7 webinars to educate about topics covered in Penn State Extension classes, *Food for Profit* (FFP) and *Managing Risk for Food Businesses* (MRFB),
- 15 field trips to interview farmers who are successfully adding value and direct marketing, and
- active apprenticeships with seasoned *Food for Profit* instructors (the project leaders), planning and assisting in the delivery of 6-hour workshops (either FFP or MRFB), in their counties or regions (to 18 of the 34 trainees)

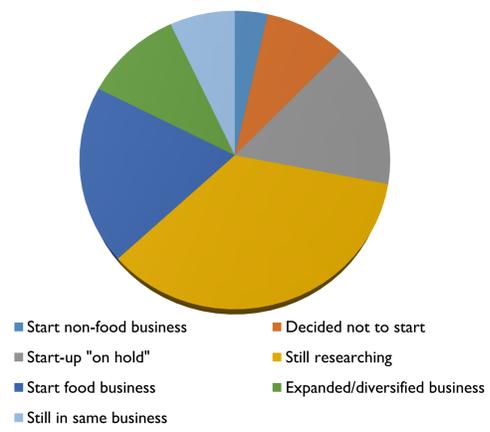
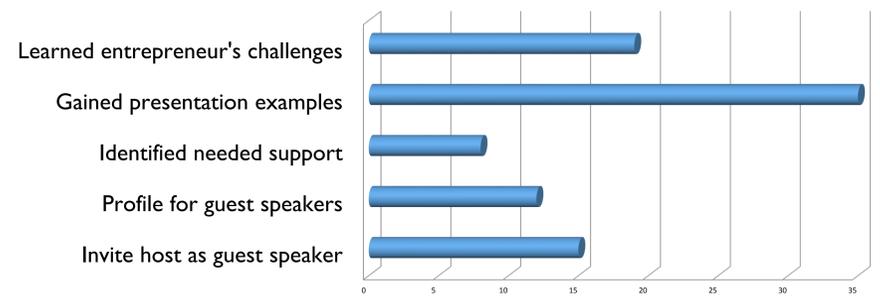


Photo to the right illustrates the project's ultimate goal – development of a value-added product from a Pennsylvania woman farmer

Trainees participated in field trips to farmers and entrepreneurs who had been successful in adding value.

### Project Impact for Farmers

#### Learning Reported from Field Trips



Through the Educator Apprenticeships (from October 2013 to December 2015), 57 workshops were held. A total of 983 female, new/beginning, and next-generation farmers attended either an FFP or MRFB workshop, at which they learned the realities of food business start-up, management, and the unique risks associated.

In October 2015, 250 attendees of *Food for Profit* workshops that had taken place in 2014 were invited to participate in an Internet survey, to determine how they applied the concepts learned; 57 (23%) of the invitees responded as follows:

- 4 were in the same business they had at the time of the workshop; 6 had expanded/diversified
  - 11 had started a food business and 2 started a non-food business since the workshop
  - 20 were continuing to research their food business options (pre-start)
  - 9 had put their food business venture “on hold” for a time
  - 5 decided not to start a business of any type, after learning the realities of entrepreneurship
- All impacts point to effective education about food business development, delivered by the project trainees.