

Rural Louisiana

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In This Issue: Adding Value to Agriculture

In 1995 Kenny and Jamie Mauthe had a dairy farm near New Orleans. Their farm had between 120 and 150 cows, but they were struggling financially. Other dairy farms around them were closing.

Fortunately they had a 200 year old recipe for Creole cream cheese. A delicacy that could not be found in the stores anymore, the cream cheese was part of a classic New Orleans breakfast, sugared and eaten with French toast.

Following the advice of SARE (Sustainable Agriculture Research and Education) to move into value-added agriculture, the Mauthes made some of the cream cheese and some cheesecakes as well. Customers liked both of the products, and asked for more.

Then, thanks to advice from the SSAWG (Southern Sustainable Agriculture Working Group) that they purchase a commercial kitchen, the Mauthes were able to expand their value-added operation. They were able to lower the size of their herd to 60 head, reducing their work on the farm.

The Mauthes are a value added agriculture success story. By moving from selling to a wholesaler to directly to the public, and by selling their milk in a processed form (cheese and cheesecake) rather than in its raw state, the Mauthe's farm became more profitable.

In this issue we discuss various other means by which Louisiana farmers can add value to their farms and we provide a list of resources for those who might be interested in moving toward value-added agriculture.

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Agritourism: A diversification and marketing strategy

Farmers across the US and abroad are increasingly turning to agritourism to expand their revenue and to diversify their income. Agritourism is defined by Ramiro Lobo of the University of California at Davis (UCD) Agricultural Program as “visiting a working farm or any agricultural, horticultural or agribusiness operation for the purpose of enjoyment, education or active involvement in the activities of the farm or operation.” Ventures common to agritourism include farm-based bed and breakfasts, school tours, hay mazes, harvest-festivals, live music, hunting and fishing on the farm, and festivals.

Hard numbers on the agritourism industry can be scarce. A researcher from Pennsylvania State noted that “the tourism businesses haven’t tracked agritourism and neither has the U. S. Department of Agriculture.” Seeing a need for information the researcher counted a thousand agritourism enterprises in Pennsylvania. Much of the available data is assembled by individual states. Kentucky claims at least 200 agritourism sites. “3.5 million people visited Tennessee agritourism operations in 2002” according to the University of Tennessee.

In Arcadia, Louisiana, Jerry and Pam Simpson have recently moved their dairy farm into agritourism. In looking to increase profits on their farm, they tapped into two assets that their family had. A beautiful location, and Pam’s

experience as a school teacher. After visiting other ventures in the region, and meeting with experts from LA Tech and LSU AgCenter, they launched Papa Simpson’s Farm. They target school groups for tours, a market that Pam knew well.

Not all agritourism ventures are successful, and not every farmer is cut out for the hospitality business. The UCD web site offers a simple classification system of the key factors of success for an agritourism business. Their “Four P’s” system breaks the formula for success into the categories of **Product, Promotion, Place, and Price.**

When considering **Product** the entrepreneur should note that they themselves are one of the most important parts of the product they are selling. “Social skills are very critical to the success of the business,” according to the University of Tennessee (UT) extension service. Persons who entered agriculture because they like to be by themselves should probably stick to regular farming. Farmers, like the Simpsons of Papa Simpson’s Farm, who enjoy contact with the public and working with children will tend to be more successful.

Other product amenities include parking lots, clean restrooms, picnic tables, children’s activities and clear directions. The UCD advises that some of the less pleasant parts of agriculture be scheduled when there are no

visitors. Successful agritourism entrepreneurs don’t muck out the manure in the stalls when a group of paying customers is visiting the farm. The UCD advises entrepreneurs to “ensure that dead or injured animals will not be displayed during the tour.”

The **Promotion** of the agritourism enterprise has to be done carefully. Word of mouth from satisfied customers is a business’s best asset. T-shirts, with the logo of the farm on the front, are advertising that customers pay for. The UT site notes that brochures and websites should be carefully designed,--a sloppy brochure reflects badly on the enterprise--colorful, and not too wordy.

Rural Louisiana is a free publication of the Center for Rural Development at Louisiana Tech University. It is primarily distributed electronically. All issues are available on the Center’s website www.latech.edu/tech/rural. For more information, please contact:

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Agritourism - continued

The Papa Simpson's Farm website <http://www.papasimpsonsfarm.com> is clear and colorful, has a lot of pictures of the family and farm and includes key information.

The **Place** of the farm is critical, according to the UT. They say that "it is important that the farm is located near a significant population center, as urban and suburban residents are more interested in visiting a farm than are rural residents." They also found that 30-45 minutes is the upper limit for driving time for school field trips.

Although Papa Simpson's farm is located in Arcadia, which is not near a large metropolitan area, it is within an hour of Monroe and Shreveport, LA and is located close to the interstate. The Simpsons also get around the problem of location by focusing on school tours rather than drop-in visitors. They have made their tour conform to state education standards so that teachers can use their farm as an educational field trip. This is a good business practice, since a study cited by the UT showed that 61% of the visitors to agritourism businesses were schoolchildren.

The **Price**, which the UT site notes includes the driving costs as well, should be reasonable, since the bulk of the customers will probably be schoolchildren. Papa Simpson's charges eight dollars, and includes a free pumpkin in October. The UT survey noted that the upper price limit teachers

are willing to consider is roughly seven dollars per person.

In spite of the Simpson's success, the future of agritourism is not entirely rosy. Although 63% of agritourism businesses increased

in size, according to a study cited by the UT, there are downsides to the agritourism business. Entrepreneurs complain of interrupted farming, mistreatment of animals, insurance problems, and theft.

Farmer's Markets - Farmers Selling Directly to the Public

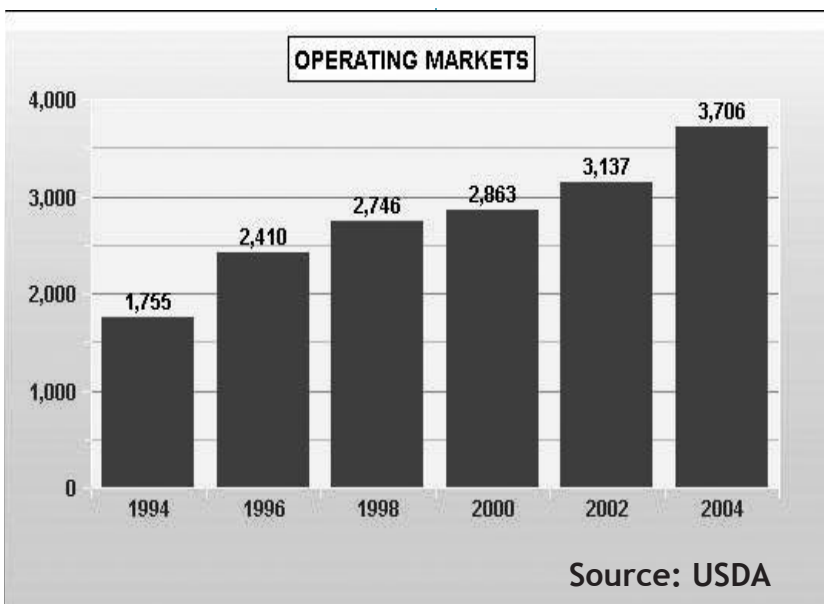
Farmer's Markets are another way that farmers are able to increase their profits by selling directly to the public. They also can provide an ideal venue for farmers to test-market value-added products such as jams, jellies, cheeses, and breads.

Farmer's markets have grown exponentially in popularity in the past 10 years. Many communities have seen that farmers markets can contribute to the overall revitalization of downtowns and are assisting and encouraging the formation of farmer's markets.

A website that useful for finding more about farmer's markets is: <http://www.newm.org/farmersmarkets/index.html>

The purpose of this website is to support the development and expansion of farmer's markets across the United States. The website is targeted to communities, market managers, and organizations seeking to establish or promote farmer's markets. It also provides info about farmer's markets.

The Growth of Farmer's Markets in the United States



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Agritourism - continued

For potential entrepreneurs who want to move into the agritourism field, or for those interested in this area of rural development, here are some resources.

Resources

General Information

ATTRA (Applied Technology Transfer for Rural Areas) has a website and report that is very informative about the techniques and practices of successful agritourism. It is located at: <http://attra.ncat.org/attra-pub/entertainment/html>

The University of California at Davis information about agritourism used in this article is located at: <http://www.sfc.ucdavis.edu/agritourism/definition.html>

A website with links to many ag-extension articles on agritourism is located at <http://www.agebb.missouri.edu/mac/links/index.htm>

When you are at the site click on “A”, and then select “Agritourism.

Pick your own

An excellent source for information on agritourism in the form of pick-your-own farms is: <http://www.pickyourown.org/LA.htm>

The information about the farms is at the bottom of the page, so please scroll down. While you are there, check out the information on cut your own Christmas trees, and pick your own pumpkin patches, if you want to personally pick a peck of pumpkins.

Papa Simpson’s Farm

The phone for Papa Simpson’s Farm, 596 Nicholson Rd., Arcadia LA 71001, is 318-263-2383, their website is at: <http://www.papasimpsonsfarm.com>

Can I legally process it?

One of the most challenging issues facing farmers who want to add value to what they raise is the issue of processing. Farmers (and ranchers) who wish to process their products face local, state, and federal laws and regulations. Most of these are intended to ensure that food is properly labelled and that it is processed in a safe and sanitary manner.

Unfortunately, we have not been able to find an up to date comprehensive guide to laws and regulations facing small-scale farmers for Louisiana. This is a website put out by the Massachusetts Department of Agriculture that goes over many of the issues that a small scale processor should consider. http://www.mass.gov/agr/markets/specfood/food_processor_resource_manual.htm. Just remember that the guide references Massachusetts law which may differ from laws in Louisiana.

Here are a two resources covering Louisiana’s processing laws and processing resources

National Association of State Departments of Agriculture has a wonderful on-line resource book Food Safety: State and Federal Standards and Regulations, which is available at: <http://www.nasda-hq.org/nasda/nasda/Foundation/foodsafety/>.

American Pastured Poultry Association (based in Alabama) has several guides to federal and state law regarding poultry processing for independent growers. They also have a list of processing plants in the south that will custom process poultry <http://www.apppa.org/resources.htm>.

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Resources for Value Added Agriculture

Louisiana Based Resources

Here are some Louisiana-based resources available to growers seeking to move towards value added agriculture.

Resources at LA Tech University

website: www.latech.edu

Center for Rural Development, Elizabeth Higgins, Director, ehiggins@latech.edu or 318.257.2919

Department of Agricultural Sciences, Dr. Gary Kennedy, Department head and professor, kennedy@latech.edu or 318.257.3275

Small Business Development Center, Kathy Wyatt, Director, kwyatt@cab.latech.edu or 318.257.3537

School of Forestry, Dr. John Adams, Director and Professor, jadams@lans.latech.edu or 318.257.4724

Meats Lab and Salesroom, Mr. Doug Smith, manager and instructor, dougs@latech.edu, 318.257.3324

Animal Science, Dr. Mark Murphey, Professor, mmurphey@rans.latech.edu, 318.257.2304

Nutrition/Human Ecology, Dr. Janet Pope, director and professor

LSU AgCenter

P. O. Box 25203
Baton Rouge, LA 70894-5203
Phone: 225-578-4161
Website: www.agcenter.lsu.edu

The LSU Ag center, the largest of Louisiana's two Cooperative Extension Service Systems, provides a wide variety of technical assistance to farmers and food-based businesses across the state.

Every Louisiana parish has a local office which can provide a starting point for accessing the AgCenter's resources.

Southern University Agricultural Research and Extension Center

Ashford Williams Hall
P. O. Box 10010
Baton Rouge, LA 70813
Phone: (research) 225-771-2262
Phone: (extension/outreach) 225-771-2242
Website: www.suagcenter.com

Southern University Extension is Louisiana's second largest Cooperative Extension Service. Southern's Extension service is focused on the needs of small, minority, and limited resource farmers and food related businesses. In addition to the resources at their main Baton Rouge facility, they have staff in the following north Louisiana parishes: Avoyelles, DeSoto, Rapides, Madison, East Carroll, West Carroll, Bossier, Concordia, and Morehouse.

Louisiana Department of Agriculture and Forestry- Office of Marketing

Agri-Business Division
P. O. Box 3334
Baton Rouge, LA 70821
Phone: 225-922-1277
Contact: Carol Castille-
Agricultural Specialist II
E-mail: ccastille@ldaf.state.la.us
Website: www.ldaf.state.la.us

Programs and services of the Office of Marketing are centered around agri-business development, marketing services, market development, promotion of Louisiana food and agricultural products, dissemination of market information, and special events hosted by the department and its staff.

Louisiana Department of Economic Development

P.O. Box 94185
Baton Rouge, LA 70804-9185
Phone: 225-342-3000
Contact: Kelsey Short, AgCluster Director
Website: www.lded.state.la.us

The AgCluster Director can provide information about State of Louisiana Dept. of Economic Development incentive programs that are relevant to ag-based businesses. He can also help connect ag-based businesses to other resources and programs.

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Resources - continued

Better Process Control School, LSU Department of Food Science

111 Food Science Building
Baton Rouge, LA 70803
Phone: 225.578.6304
Contact: Dr. Fred Trappey
E-mail: atrappey@agcenter.lsu.edu

Website: http://www.agctr.lsu.edu/foodscience/food_industry-july_workshop.asp

If you are planning to process food for sale, federal and state law may require you to attend a Better Process Control School. Better Process Control School classes are 2-5 days in length and include information on packaging food, keeping a clean facility, different cooking methods, microbiology, and much more. This class is offered at LSU, and at many colleges throughout the nation. The LSU site is listed above for those interested.

LSU AgCenter's Food Processing and Technology Pilot Plant

LSU – Food Science
Phone: 225.578.5207
Contact: Dr. Michael Moody
E-mail: mmoody@agcenter.lsu.edu
Website: <http://www.agctr.lsu.edu/inst/research/departments/foodscience/>

The LSU AgCenter's Food Processing and Technology Pilot Plant, administered by the Department of Food Science, is a unique facility intended to promote value-added processing

and to assist further processing industries to contribute to economic development within the state and region. It is for use primarily by LSU AgCenter scientist and specialists and by outside companies for the conduct of food science and technology research, evaluations, tests, workshops and similar activities

Federal Resources

Here are some Federal resources available to growers seeking to move towards value-added agriculture

SARE – Sustainable Agriculture Research and Education

Southern Region SARE
University of Georgia and

Fort Valley State University
Agricultural Experiment Station,
Griffin, GA 30223-1797
Phone: 770.412.4787
Contact: Jeff Jordan, Coordinator
E-mail: jjordan@griffin.uga.edu
Fax: 770.412.4789
Website: <http://www.sare.org/>
(national office)
Website: <http://www.griffin.uga.edu/sare/> (southern region SARE)

Since 1988, the Sustainable Agriculture Research and Education (SARE) program has helped advance farming systems that are profitable, environmentally sound and good for communities through a nationwide research and education grants program.

Value Added Producer Grant Program

The Value Added Producer Grant Program is one of the most exciting programs to come out of the USDA in years. It provides matching grant funds to agricultural producers who are interested in adding value to what they produce. The funds may be used for planning and for working capital for marketing value-added agricultural products, and for farm based renewable energy. Applications and more information are located at:

USDA Rural Development Value-Added Producer Grant
USDA Rural Development
3727 Government St.
Alexandria, LA 71302
Phone: 318-473-7960
Contact: Judy Meche
E-mail: judy.meche@la.usda.gov
Website: www.rurdev.usda.gov/rbs/coops/vadg.htm

If you need help, the University of Nebraska Food Processing Center has made applying for the Value-added grant easier than ever before. Templates of how to write the grant are presented on the webpage: <http://fpc.unl.edu/newsworthy/grants.htm>

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Resources - Continued

The program, part of USDA's Cooperative State Research, Education, and Extension Service, funds projects and conducts outreach designed to improve agricultural systems. Farmers and ranchers can apply for grants that typically run between \$500 and \$15,000 for on-farm research to test a new idea.

SARE's Sustainable Agriculture Network (SAN) publishes books, bulletins and online resources highlighting SARE-funded project results and other innovative research. Most of SAN's information is available in print and online.

USDA National Organic Program

Room 4008-South Building
1400 Independence Avenue, SW
Washington, DC 20250-0020
Phone: 202-720-3252
Contact: Barbara Robinson,
Deputy Administrator
Fax: 202-205-7808

U.S. producers are turning to certified organic farming systems as a potential way to lower input costs, decrease reliance on nonrenewable resources, capture high-value markets and premium prices, and boost farm income.

Other Sources of Information

Here are some resources, that are not from Louisiana or the Federal Government, for those seeking to move towards value-added agriculture.

Southern Sustainable Agricultural Working Group (SAWG)

Sewell Lane, SW, Roanoke, VA 24015,
Phone: 540.344.5013,
Contact: Pamela Corcoran
E-mail: ssawgcentral@netscape.net

Website: <http://www.ssawg.org/>

The Southern Sustainable Agriculture Working Group is a network of innovative and entrepreneurial farmers across the South who are committed to farming that is economically and environmentally sustainable and that supports and strengthens their communities.

ATTRA - National Sustainable Agriculture Information Service

P. O. Box 3657, Fayetteville, AR 72702

Phone: 800.346.9140,

Website: <http://www.attra.org/>

ATTRA features in-depth (mostly free) publications on production practices, alternative crop and livestock enterprises, innovative marketing, agritourism, and organic certification, and highlights of local, regional, USDA and other federal sustainable agricultural activities. Many of their reports are available on their website.

ATTRA also provides farmers and technical assistance providers who call their 800 number answers to questions, and can do research on areas in which they do not have publications available.

Missouri Alternatives Center (MAC) Linklist

Website: agebb.missouri.edu/mac/links

MAC has compiled a list of links to Extension Guide Sheets from some of the top university research centers in the world. Simply by clicking on the links, you have immediate access to unbiased, research based, information on exactly the topic you're looking for.

Agricultural Marketing Resource Center (AgMRC)

Website: www.agmrc.org

The Ag Marketing Resource Center is a resource for producers interested in value added agriculture.

Food Entrepreneur Resources for Small Food Processors and Potential Entrepreneurs

Penn State University

Website: foodsafety.psu.edu/processor/resources.htm

This is an excellent resource with links to some of the key resources in processing and marketing.

FoodMAP (Food Marketing and Processing)

Website: www.foodmap.uni.edu/index.asp

A comprehensive clearinghouse of marketing and processing information on identifying new markets, locating processing equipment, and understanding processing requirements and ingredients.

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Announcements:

List your event with us! The Center for Rural Development has updated its website. Changes include a new calendar of events of interest to rural community development practitioners and rural leaders. See www.latech.edu/tech/rural and click on calendar. You may request that your organization's event be included on the calendar.

Do you need a website? The Center has developed website templates that can be used by towns, organizations and others. The designs include instructions for modification and samples of the design in action. See www.latech.edu/tech/rural/website project for more information.



Mt. Lebanon Baptist Church, Mt. Lebanon, LA

2005 Southern Institute for Rural Development (SIRD)

The 2005 SIRD was scheduled for early September in Monroe, LA. Due to Hurricane Katrina we postponed the Institute until late winter-early spring 2006.

If you had not registered for the SIRD, you have another chance to come! There will be sessions on rural economic development, rural education and workforce development, and community development. For more information see the Southern Rural Development Center's SIRD website <http://srdc.msstate.edu/sird05/index.html>