



MARKETING MATTERS

**Kentucky
Department
of Agriculture**

**A Consumer
Protection And
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Entrepreneur Creates A Stir With Salsa

By Bill Holleran

One of the many challenges farmers face involves marketing products that don't fit the "industry standard." Products that don't fit the mandatory standard for size, shape, and weight to be a premium #1 grade product are often culled or discounted.

Processing these products is one way to increase profit and add value to an otherwise inferior product. How many of us really care about the size the pumpkin that makes up the filling for our Thanksgiving dessert, or the size and weight of the apples in our applesauce? If you're like me, taste is the deciding factor. Many old-timers will tell you the smallest fruit is the sweetest, but small is often considered inferior according to industry expectations.

There is now a marketing option for those #2 grade tomatoes that just might add value to the rest of your crop, and most would agree the key to increasing profitability on the farm is adding value to those products the "industry" considers inferior.

Millard Long, a Burlington-based entrepreneur with a career in the food industry, is doing just that, and is taking custom food processing to a new level. Long, who at one time had 2,000 bee hives, still bottles his own "Katelyn's Honey," named for his daughter. He has branched out into custom processing, and he now purchases tomatoes from Kentucky farmers or processes salsa for them to sell at their roadside and/or farmers' market stand. He even fills custom recipe orders that he tailors for large-batch processing. Long recently added 15-20 different tomato-based products purchased by grocery stores, for fund-raisers, and for restaurants across Kentucky. His clients include churches, 4-H clubs, high school bands and most recently Ale-8-One, a soft drink manufacturer in Winchester, Ky., that contracted



Millard Long is turning tomatoes into salsa and other value-added products.

Long to produce an Ale-8-One salsa. Its custom recipe made with the soft drink concentrate was launched at Mt. Sterling Court Days in October and sold 90 cases on opening day.

Long also processes a custom recipe for seven Remke supermarkets in northern Kentucky. The Remke Salsa has become its top-selling brand. Eric Rabe, president of Remke, said, "Within 10 days to two weeks of talking with Millard, we had product sitting on our shelves, and our customers love it."

Remke launched a Kentucky Proud campaign last December and has enjoyed great success with it.

"Kentucky Proud is a positive image to people in other states as well. The key is the customers love it, and folks identify Kentucky with down-home cooking," said Rabe. Remke supermarkets have sold \$4 million worth of Kentucky Proud products to date, a trend Rabe believes will continue due to the demand for Kentucky Proud products.

From Long's first launch of salsa products in January, he's processed 43,750 pounds of tomatoes producing 50,000 jars of salsa. His 100-gallon kettles make 500-pound batches of salsa, and he is able to print custom labels contracted for his clients. With help from the Governor's Office of Agricultural Policy, he's expanding his processing capacity from 1,000 pounds of tomatoes per day to 5,000 or 6,000 pounds per day by year's end. "We have purchased tomatoes from 12 farms across Kentucky, and we offer the ability to custom process and label for less than \$2 per jar for minimum batch orders of 450 pounds of tomatoes. A 450-pound batch will yield 60 cases of 12 jars per case," said Long. His business is also unique because he can deal directly with farmers.

For more information about KDA's Kentucky Proud program, visit www.kyproud.com. To contact Millard Long call (859) 586-5283 or e-mail at millong@fuse.net.

Partners For Family Farms Receives \$100,000 for Restaurant Rewards

By Sara Williamson

Restaurant Rewards, an incentive program for food services and restaurants to purchase Kentucky Proud products, will continue thanks to the efforts of Partners for Family Farms and \$100,000 from the Kentucky Department of Agriculture through a continuation of Kentucky Proud funding from the Agricultural Development Board.

Restaurant Rewards is a cost share program that offers 20 percent cash back on Kentucky Proud products in exchange for promotion and advertising of the Kentucky Proud brand. "This program is a win-win proposition for farmers and restaurants and 'eaters'. Kentucky farmers sell more products, and the restaurants receive more business by accommodating the consumer's demand for fresh and locally grown food," said Sue Weant, executive director of Partners for Family Farms.

The program began in July 2002 with a grant for \$50,000 from the KDA and four participating restaurants. Today, there are 38 participating restaurants with more than 200 supplying farmers.

Almost \$250,000 has been distributed to help participating restaurants and food services promote local food to their patrons.

Mac Stone, director of the Division of Value-Added Plant Production for the KDA's Office of Agriculture Marketing and Product Promotion, is excited about the program. "KDA is assisting the chefs who are actively seeking and using locally grown meat, produce, and value-added agriculture products," Stone said.

Anyone interested in this program can contact Sue Weant with Partners for Family Farms at (859) 233-3056 or Sara Williamson with the Kentucky Department of Agriculture at (502) 564-4983.

"When customers see the Kentucky Proud logo at their favorite restaurants, they will begin to encourage others to support Kentucky farmers as well," said Stone.



Michael Judge, executive director of KDA's Office of Agriculture Marketing and Product Promotion, presents a check to representatives from Partner's For Family Farms.

Division of Show and Fair Promotion Update

Staff Report

Summer has come to a close, but the livestock show season is still going strong. Although the Kentucky State Fair is over, the Division of Show and Fair Promotion continues to provide youth and adults the opportunity to exhibit and market their livestock.

During October, exhibitors were offered the opportunity to show and sell their livestock at the Kentucky Classic Boer Goat Show and Sale in Harrodsburg, Kentucky, and the Kentucky Fall Classic Junior Beef Show in Stanford, Kentucky. The Kentucky Classic Boer Goat Show offered a unique opportunity for exhibitors and breeders to show and market their animals all at one place. The Division of Show and Fair Promotion is also hard at work planning for the upcoming

2007 show season. Advisory meetings for each livestock species were held throughout September and October. Revisions and updates are being made to all informational handouts and rule booklets.

December will be an exciting month for the Show and Fair Promotion staff and for exhibitors across the Commonwealth as well. On December 2, the third annual Kentucky Proud Points Program Banquet will be held at the Frankfort Civic Center. Awards will be presented to those individuals who excelled with their market animals, breeding stock and in showmanship.

If you are a producer, a 4-H or FFA member, or are interested in becoming involved in the livestock industry, please contact the Division of Show and Fair Promotion at (502) 564-4983.

Replacement Heifer Sales Statistics

The Bourbon County Elite heifer sale was held Nov. 6 at the United Producer stockyard in Paris. 639 bred heifers averaged \$1,150.

The Bluegrass Blue Ribbon heifer sale was held Oct. 21 at the Bluegrass stockyard in Lexington. 574 bred heifers averaged \$1,192.

The Capital Classic heifer sale was held Oct. 27 at the United Producers stockyard in Owenton. 337 bred heifers averaged \$1,118.

The Central Kentucky Premier heifer sale was held Oct. 28 at the Marion County fairgrounds. 180 bred heifers averaged \$1,230.

The Herd Builder Beef Heifer Sale was held Nov. 8 at the Bluegrass Maysville stockyard in Mason County. 126 bred heifers averaged \$1,064.

The Gateway Regional heifer sale was held Oct. 30 at the New Gateway stockyards in Mt. Sterling. 391 bred heifers averaged \$1,113.

The Purchase Area Premier heifer sale was held Nov. 11 at the Livingston County livestock market in Ledbetter. 144 bred heifers averaged \$1,087.

The Top of the Crop (Madison and Scott County heifer sale) was held Nov. 4 at the Madison County stockyards. 245 bred heifers averaged \$1,109.

KDA Attends Produce Marketing Association Tradeshow in San Diego

Staff Report

Kentucky Department of Agriculture staff traveled to San Diego for an unveiling of the produce industry's newest ideas. More than 2,400 booths and more than 50,000 visitors were at the San Diego Convention Center October 21-24 for the Produce Marketing Association's *Fresh Summit*, an international tradeshow for produce and related products.

Anna Kindrick, director of the Division of Agriculture Marketing and Agribusiness Recruitment for the Kentucky Department of Agriculture, considers the tradeshow to be a necessary part of advancing the Commonwealth's farmers and their businesses. "Kentucky is home to several food companies who are successful on a national and international level, and there are additional Kentucky Proud products that have the potential for widespread success," Kindrick said. The PMA Tradeshow is an excellent opportunity for KDA to gather information



Pictured from left, Mac Stone, Sara Williamson, Alisha Morris and Anna Kindrick.

and prepare our vendors to display their products at next year's show in Houston."

Tradeshow visitors included wholesalers, distributors, restaurant chains and many other food buyers. Booth vendors ranged from state agriculture departments to international fruit companies to equipment and marketing organizations.

Mac Stone, director of the Division of Value-Added Plant Production for the KDA's Office of Agriculture Marketing

and Product Promotion, met with a national grower/shipper of lettuce to discuss "east coast" production. University of Kentucky crop researchers are assisting in the evaluation of feasibility and climate conditions for the crop. Stone is organizing equipment availability and location of growers. "Due to the numerous direct marketing initiatives of the KDA, several packaging and software companies are engaged to assist in various projects," said Stone.

The KDA will continue its efforts to assist Kentucky farmers with production of produce and value-added products. "This event is a strong link in the produce industry network. It is our hope that we can help increase awareness of the quality food products Kentucky has to offer," said Sara Williamson, the local produce marketing specialist for KDA.

The next PMA tradeshow will be in Houston on Oct. 13-15, 2007.

Kentucky Farmers' Markets Show Their Strength

Staff Report

Consumers enjoy buying fresh produce from their neighbors, and there is no better place than your local farmers' market to find it. Whether big or small, Kentucky farmers' markets are experiencing increasing sales and market growth.

Large and small communities all over Kentucky want to cash in on this low-input marketing option. The number of markets in the commonwealth grew to 109 by the end of this season. Most of the new markets are using the Kentucky Department of Agriculture's technical assistance to start off on the right foot.

"When you look at the factors that make markets successful, one factor seems to be constant. Successful markets open their membership to producers outside their own county," said Janet Eaton, farmers' market specialist for KDA. "Successful markets offer a wide variety of products to choose from, and more variety is available when you open your borders to quality producers within driving distance."

Other factors for success include having access to customers who don't garden, having a location with lots of traffic and the

willingness of the market to promote itself continually over the season.

Successful markets also sponsor events and activities, making the market a strong

The Kentucky Farmers' Market Association, a non-profit organization organized and run by Kentucky farmers' markets and their producers, will hold its first annual meeting on January 7, 2007, at 6 pm at the Holiday Inn North in Lexington. The meeting will begin with a reception for all interested in the association during which there will be an opportunity to ask questions of the board and other members.

part of the community. Community partners interested in wellness, good food, economic health and local promotion make great promotional partners for markets.

Small farmers across Kentucky have taken advantage of recent legislation that allows them to home process their products into value-added products. House Bill 391, as it is commonly referred to, has been a great boost to farmers' bottom lines.

Ingenious producers have frozen product to make breads and jellies when their fresh produce is between seasons.

One common struggle for markets is whether to allow reselling at the market. There is no best answer to this dilemma, according to Eaton. The annual report shows that more than 50 percent of the markets do not allow any reselling.

Those that allow limited reselling do so to get more variety at the market when producers of a particular product are not available. Some allow reselling when producers are between crops or have crop failures.

Kentucky is a state of strong loyalties and a strong sense of community. Farmers' markets fit nicely by providing fresh products grown by neighbors for neighbors.

Kentucky farmers' markets generated some \$7 million in sales in 2005, according to a KDA report issued in September. By far the most prosperous market is the Lexington Farmers' Market which reported \$1.8 million in sales. Vendors there come from up and down the I-75 corridor.

To view the entire report, visit www.kyagr.com and click on "Farmers' Markets" in the pull-down menu.

Kentucky Women in Agriculture Hold Annual Conference

By Sara Williamson

The Kentucky Women in Agriculture held its seventh annual conference Nov. 1-3 at the Clarion Hotel in Louisville. More than 140 women (and a few men!) attended the 2 1/2-day educational and networking event.

Guest speaker Danya Lester gave a fascinating narrative of life with her husband, who farms 2,700 acres in Indiana and is paralyzed from the waist down. During her presentation, Lester said, "The consumer doesn't need to know where our food comes from. We need them to know where our food comes from."

Sessions were based on four topics: Heritage, Agri-tourism, Farm Safety & Security, and "Telling Your Story." There were roundtables about grape and wine production, community supported agriculture programs, Internet marketing, meat and vegetable production, organic production and more.

The conference highlight was the "Taste of Kentucky," an evening event open to the public, displaying Kentucky's finest food products. More than 25 Kentucky food and wine vendors brought their products to the Clarion for sampling and sales. The Kentucky Department of Agriculture served a light meal based on the four seasons to show consumers that Kentucky food is available year-round. The menu included fresh Kentucky prawns, mixed greens, lamb meatballs, vegetable and chicken noodle soup and apple cider.

The KWIA's new president, Jenny Inman, invites women to join the organization and participate in events for 2007. "Both the organization and the conference are wonderful networking opportunities. It is so important to have a support network like this group as we move agriculture forward," said Inman.



Angela Caporelli, right, the Kentucky Department of Agriculture's aquaculture coordinator and marketing specialist, serves Kentucky Proud freshwater prawn at the Taste of Kentucky reception during the Women in Agriculture Conference at the Clarion Hotel and Conference Center in Louisville. The prawns were raised in Woodford County by Nat Henton.

Kentucky Women in Agriculture was founded in 1999 as the Kentucky Agricultural Women's Leadership Network and became an official non-profit organization in 2003. The objective of the KWIA is to provide education, networking, and leadership development to women in agriculture and to serve as a liaison between members of the organization and entities interested in sustainability.

For more information about Kentucky Women in Agriculture, visit its Web site at www.kywomeninag.org.

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