



Kentucky Cooperator

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Jackson Regional Food Center: A Community Mission

The Jackson County Regional Food Center opened its doors in fall of 2010 welcoming local farmers and entrepreneurs to bring their produce, value-added ideas, and dreams to market. While the Regional Food Center is a place to help make value-added ideas come to life, the center itself is a dream come true for the team of community leaders that have dedicated more than ten years to build this state of the art facility in their community.

“We have had the support of local leaders, the local phone company helped fund the project, the rural electric company has given us the property, and of course the support of the agriculture community,” said Beth Tillery, a farmer and member of Appalachian Alternative Agriculture for Jackson County (3AJC). “3AJC might be the non-profit that owns the facility, but it is possible because of the dedication of community leaders like Jeff Henderson and the support from the community that the Jackson County Regional Food Center is open today.”

More than a Community Kitchen

As the years passed, the team behind 3AJC decided they wanted



Family and Consumer Science (FCCLA) and Agriculture (FFA) students from Jackson County High School learn first-hand about the Farm to Consumer process at the Food Center.

to do more than just build a community kitchen. They wanted to provide a fully-equipped licensed facility to eliminate the overhead costs that come with taking an idea and developing that idea into a product that can be produced, processed and packaged locally on a large scale.

“Our goal is to make it possible for producers to get their value-added products ready for the market,” said Greg Golden, Center manager. “To do that we realize we have to be much more than just a traditional certified kitchen.”

“If a client has grandma’s recipe that they want to take to the market, we can work with them to break down the recipe to list all the ingredients and nutritional facts for the product and then

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Save the Date

KCARD Winter Board Meeting

Jan. 19, 2012

Value-Added Grants

Fall 2011

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KCARD

Recently, Kentucky farmers that produce a variety of agricultural products had an excellent opportunity to apply for grant funds through the USDA Value-Added Producer Grant Program (VAPG) to further their efforts and derive greater revenues from the raw commodities that they produce. \$37 million dollars in competitive grant funds were available to help independent agricultural producers enter into value-added activities.

KCARD assisted several Kentucky producers that were interested in applying for the VAPG funds by reviewing with them the Notice of Funding Availability, the eligibility requirements and by providing an application template to simplify the application process for them and providing contacts for skilled grant writers. In addition KCARD staff members were available throughout the application process to answer questions and advise them as they worked to complete the application.

Individual producers could apply for available funds in two areas, but not both. They could apply for planning grants of up to a maximum of \$100,000 for the hiring of a qualified consultant to conduct and develop a feasibility study, business plan and/or marketing plan for processing

and/or marketing of value-added agricultural products. Or they could apply for a maximum of \$300,000 for working capital to provide funds to operate a value-added project, specifically to pay eligible project expenses related to the processing and/or marketing of the value-added products.

Although the deadline for applying for 2011 VAPG funds has passed (August 29, 2011), I am confident that the program will be offered again in 2012. I encourage Kentucky farmers, businesses that have a good idea for a value-added Kentucky based product to begin this fall to investigate and learn about this funding opportunity, to explore and plan for a value-added product that you have in mind or to expand/improve one that you already have started. KCARD will help you understand the requirements of the VAPG and do what we can to assist you with the application process in the coming year.

Several Kentucky farmers/producers submitted VAPG applications this year and we will know in November if they are successful. Hopefully, a large percentage of the producers will be chosen for funding and more value-added products will be produced across the Commonwealth.

KY Ag News

The deadline to complete the **KY Ag Stakeholders survey** is in December, Go to agpolicy.ky.gov to find a link to the survey and make sure your voice is heard for KY's ag future!

The **2011 Kentucky Agricultural Summit** will take place Nov. 18 at the Commonwealth Convention Center, Louisville. A special bio-energy meeting will be held on Nov. 17. For more information, visit www.kyagsummit.com.

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Jackson Food Center *cont...*

work with UK Food Systems Innovation Center to get the product certified,” explained Golden. “Once they have the certification we will help them with the actual processing, packaging and labeling of the product.”

Golden also explained that they work with their clients to full develop ideas they might have for a product including recipe development. The Center coordinates bulk purchasing of packaging supplies to help keep those costs down for their client. They also work with client’s schedules and offer night and weekend hours at the Center, plus staff assistance is available to those that need help making their products. In addition, the Center also provides a co-packing service if an individual wants to hire staff to make their products for them.

“There are farmers out there who have great recipes, but they can’t afford that \$8,000 or \$10,000 steam kettle (they need) or they aren’t able to build a \$25,000 kitchen,” said Jeff Henderson, Jackson County Ag agent. “So we put something in place they can rent to develop their product



State of the art equipment...

at an hourly rate to make it more affordable.”

A Community Commitment

To help develop a plan that would create a financially sustainable operation, promote the Jackson County Regional Food Center, and allow the non-profit to provide services to all their clients, both local and beyond, the 3AJC team contacted the Kentucky Center for Agriculture and Rural Development to get help as they continued to develop their business plan.

“The Jackson County Regional Food Center has the equipment and the capacity to reach out beyond the farmers in the Appalachia region,” stated Nathan Routt, KCARD specialist. “We are working with the team at 3AJC to look for ways in which they can most effectively market the center in order to capture the revenues to ensure that they are creating a sustainable business.”

One way the non-profit group is working to raise awareness and raise money for the sustainability of the center is by creating a specialty line of value-added products made from local produce.

“We experimented this year with different products like strawberry preserves,



Farmers come from four other states and across Kentucky to use the facilities!

a Kentucky bourbon peach preserves, and a chow chow,” explained Tillery. “This winter we plan to have meetings with local growers to source the local product so that we can grow these product lines.”

Farmers growing products, entrepreneurs growing their value-added market opportunities and a non-profit growing to meet the needs of their community and beyond, all of this is taking place in this small Appalachian community in Jackson County.

“It can be a lot harder to get things done in an area like Jackson County,” said Henderson. “But this group is really working together to make it happen for our area farmers and they are doing their best to achieve their mission of assisting family farms and entrepreneurs in the Jackson County community and beyond.”



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Business Planning & Business Plans

Given recent history, it is easy to dismiss planning as an unimportant activity for business owners. However, planning is an ever more critical task for successful businesses in the current economic climate. Business success can happen by random chance, but in most cases, success comes after the careful development of strategies and ideas that are compiled into a business plan.

The financial crisis of 2008 and resulting recession continue to present many small businesses with a variety of challenges. In particular, banks have been less likely to lend to small businesses and have reduced available credit in some cases. Many businesses have closed their doors in the last three years while others are still struggling to keep going, and some have actually experienced growth during the economic downturn. The ones that are experiencing growth have adapted to changes and developed plans to cope with a different economic landscape. With the end of 2011 in sight, now is a good time to start planning for 2012 and beyond.

Business Plan Development

A business plan typically covers the entire scope of a business from an overview of what the business does and its mission, to detailed finan-

cial projections and goals. KCARD assists agribusinesses with the development and updating of business plans. KCARD typically gathers information from owners and business managers in a series of meetings and utilizes industry research to assist with creating the written business plan document. Listed below are the common components of a business plan.

Mission statement and description of the business:

This section of the business plan defines what the business stands for and describes what the business does. It usually includes the objective of the business plan, a history of the business, and lists the strengths, weaknesses, opportunities, and threats currently facing the business. An overview of the industry and its current state is usually included in this section also.

Marketing Plan: This section of the business plan defines who the targeted customers are, describes the products and services provided, lists the prices and pricing methodology, identifies the competition, and describes promotional efforts of the business. The marketing section is basically a plan of its own within the business plan and lists strategies and goals for each of the topics listed.

Management Plan: The man-

agement section describes the legal organizational structure of the business, lists the owners, various jobs and corresponding descriptions of each, and typically includes an organizational chart. This section also includes management strategies and goals.

Financial Plan: This section includes relevant financial statements that show the current financial position of the business and projections for an appropriate amount of time in the future. The statements utilized typically include the balance sheet, income statement, and cash flow statement. Other relevant financial information can be included such as: financial ratios and metrics, enterprise budgets, and projected startup and/or expansion equipment cost estimates.

The end result should be a written plan that will allow someone to easily understand what the business does or intends to do, and how it intends to accomplish a set of defined goals. In the current environment, it is important to convey information as clearly as possible to lenders and granting agencies in order to have the best chance for funding.

Business strategies and goals can vary widely between businesses and often become complex. It is important to ex-

Small Business Tips for Facebook

In managing your facebook page the adage “keep it simple” goes a long way. With that in mind, here are ten ways for small businesses to maximize their presence on Facebook with minimum resources.

Manage expectations: Set realistic goals for your approach to social media and you won't be disappointed.

Make time: Unless you can find an intern willing to plan your media campaigns for free, cultivating a Facebook presence doesn't have to be a full-time job nor something that eats up all your free time. Try to set aside an hour a day to work on your business's page, post updates and communicate directly with customers and fans.

Learn as much as you can: Take notes based on your experiences with Facebook's pages and other business services, write down questions about things you don't understand so you can make a note to look them up later. You'll find just about anything you're curious to know within the site's official help center.

Start with a small budget:

It's possible to promote your business on Facebook without spending anything. At some point you might get the itch to buy advertising, which certainly helps but also presents the temptation to overspend. You're better off starting out doing small test ads to see what kind of performance you get for your money, and then ramp up when you figure out which demographics and key words you want to target.

Create a page, not a profile:

Don't open a second account on the social network to make a profile for your business. Not only does that go against Facebook's rules but it also moves you one degree of separation away from the people who are already on your friend list.

Post cool status updates: Make your profile work for your page by posting witty status updates that encourage your friends to engage with your business page.

Have one-on-one conversations:

Send a thank-you message right after someone clicks “like” on

your page, and make a point of responding to messages and wall posts within 24 hours. Pay careful attention to whatever fans tell you on your page.

Don't spam: People have gotten pretty tired of mass messaging and excessive numbers of posts filling up news feeds — don't contribute to this noise and fans will appreciate it.

Create coupons and promotions: Discounts for first-time customers really work toward generating repeat business. Periodically put things on sale if you can, in order to keep people coming back.

Encourage check-ins: Wherever your business operates, that counts as a place on Facebook. This will put your company's name into people's news feeds every time you punch in.



Posted by Jackie Cohen on February 23rd, 2011

Business Plan *cont...*

press them on paper to serve as a guide for the business.

KCARD can assist with the development of business plans for startup ventures and established agribusinesses alike. Business plans are living docu-

ments such that they must be updated to reflect changes in business operations, strategies, and goals.

KCARD can also help update them as necessary. It is important for businesses to start the business plan development process early, espe-

cially if the goal will be to help secure funding.

Check out the KCARD website at www.kcard.info for a more detailed business plan template and other agribusiness resources.

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growth by developing and
delivering technical
assistance and by providing
Business Advisory services
for agricultural and
rural businesses seeking
to enhance their
economic opportunities
in and around the
Commonwealth of Kentucky.*



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To learn more about KCARD visit our web site at
www.kcard.info

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