

Value Added Agriculture Program

ISU Extension to Agriculture and Natural Resources
College of Agriculture

*Providing leadership in producer-run,
value-added agriculture activities*

The Value Added Agriculture Program (VAAP) continues the tradition started by Iowa State University Extension more than one hundred years ago by providing objective information to farmers. Today, the VAAP emphasis is to help establish or expand farmer-initiated value-added agriculture businesses in Iowa.

Purpose

Agriculture in Iowa is undergoing a period of transformation with changing markets, new products, shifting consumer demand and technological developments. These trends create opportunities to differentiate new agricultural products from traditional commodities. The Value Added Agriculture Program team develops resources and programs for Iowans on topics ranging from organizing a value-added group and starting a business to developing niche markets and enhancing business profitability. The team also provides leadership to developing businesses and assists in determining feasibility of projects such as wineries, cheese plants, meat processing, soy and corn products, agritourism and more. Iowa State University Extension's Value Added Agriculture Program engages in research, education and outreach to:

- Facilitate development of agricultural-related businesses
- Assist clients in making informed decisions on value-added businesses
- Provide vision, leadership, and education for value-added agriculture development
- Conduct and facilitate research to develop value-added agriculture resources

Agricultural Marketing Resource Center

The Agricultural Marketing Resource Center (AgMRC) provides independent producers and processors with critical information to build successful value-added agricultural enterprises. The Center includes an electronic, web-based library with powerful search capabilities to make value-added market, economic and business information and other resources available to producers. Online feasibility and marketing tools aid value-added business and economic analysis.

Information is included on business principles, legal, financial and logistical issues; research and analysis on economic issues facing producers involved in value-added business ventures. Specific information for many market niches, specific state resources, market analysis, consulting contacts and business structure guidelines can be found at the Center's Web site, www.AgMRC.org or email at agmrc@iastate.edu. AgMRC is a collaborative project of the Value Added Agriculture Program and the Center for Agricultural and Rural Development at Iowa State University, Kansas State University, and the University of California, Davis.

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Activities

Iowa's agricultural entrepreneurs are endlessly creative, keeping the VAAP team busy with a wide variety of business development, educational and service projects. Projects assisted include:

Eden Natural Pork

This group of pork producers is lead by Kelly Biensen of State Center, Iowa. The group's niche is Berkshire pork and the company is growing with markets on both coasts and in the Midwest. Members of the VAAP team worked with Biensen's group on plans for marketing, business structure development, networking to processors and strategic planning. The team also assisted in developing and implementing Eden's "USDA Process Verified" quality management system certification.

Greene Bean Project

Commodity farmers near Jefferson in Greene County, Iowa moved to diversify into specialty dry beans, such as adzuki and garbanzo, in 2001. The VAAP staff has worked with the group since its inception. More than 70 growers have been involved with a total product value exceeding \$1.5 million. Beans have been marketed to supermarkets, processors, and through wholesalers to domestic and rapidly growing export markets looking for food safety and traceability. The project members report net returns several times more per acre than with traditional commodity soybeans.

Renewable Energy and Fiber

VAAP is a leader in the future of renewables. The team works to provide accurate information about the current production capacity and potential demand for ethanol and biodiesel production in Iowa and has completed numerous feasibility studies. Research is being conducted through VAAP and ISU on flax fiber and switchgrass to investigate replacement of man-made fibers with plant fibers in several industrial applications. Links and profiles on various sectors within the renewable industry have been profiled on AgMRC and staff representatives participate in various renewable committees and organizations throughout Iowa.

Grape and Wine Industry

Iowa's wine industry has grown from a mere 13 wineries in 2001 to more than 50 in 2005. Support for this expanding industry has been extensively provided by the Value Added Agriculture Program. VAAP has conducted numerous winery and vineyard feasibility studies for individual operations. Because of the rising interest in the wine industry, VAAP created a series of four short videos to give interested individuals a snapshot of the Total Wine Package, from production to the science of a winery to marketing an end product. Staff members also created financial feasibility workbooks available online for producers to input numbers and determine outcomes for a winery and three different types of vineyard production establishments.

Quality Management Systems

Iowans are increasingly interested in utilizing Quality Management Systems (QMS) such as ISO-9000 Certification or USDA Process Verification. VAAP developed QMS training materials and works with producers and producer groups to implement QMS. Quality Management Systems (QMS) developed with ISU VAAP assistance offer a structured and integrated approach to help balance the complexity of managing a dynamic farming operation. A well designed QMS helps producers better manage for profitability whether it is for traditional commodities, niche and specialty or premium markets. Producers see using a QMS as way to differentiate themselves in the increasingly-competitive marketplace.

. . . and justice for all

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