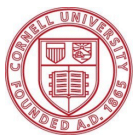


Harvest New York



Cornell University
Cooperative Extension

**HARVEST
NEW YORK!**

HARVEST NEW YORK PROGRAM HIGHLIGHTS **Quarterly Report** **January 2015 — March 2015**



Growing New York's Agriculture and Food Economy
www.harvestny.cce.cornell.edu

Marketing NYS as a Place for Dairy Foods & Food Processing

New York State is an ideal location for new and expanding food manufacturers. With access to abundant high quality raw materials, water, world renowned universities, and within a ten hour drive to 128 million customers, it is no wonder that many food companies are choosing New York as a place to start their business.

Marketing these assets is a goal of the Harvest NY program. Together with Buffalo Niagara Enterprises and the Genesee County Economic Development Center, the Harvest NY Dairy Foods Specialist launched a New York Loves Food Tech Campaign to highlight the support network New York offers to new food businesses. This campaign can be found on the [Harvest NY website](#) and showcases major food manufacturers, academic institutions that have food industry related programs, industry suppliers and entities that support research and development, laboratory testing and incubation activities



Additionally, [reasons why NYS is a place for your dairy foods business](#) was featured in the March national publication of Dairy Foods magazine. As the word continues to be spread about what NY is doing to support industry, we will continue to attract new businesses to the New York area!

Supporting Online Training Programs



Combining online with on-site workshops enables employees to learn at their own pace, save their employer money and obtain necessary knowledge to be successful in their job.

launched partial online workshops in Basic Dairy Science & Sanitation and The Science of Yogurt and Fermented Dairy Products. One day of lectures will be taught through a self-paced online forum, whereas 1.5 days will be taught onsite, involving hands-on activities. This enables attendees to still obtain valuable contact time with instructors, while also saving their employers the time and expense away from the dairy manufacturing facility.

The Cornell University Dairy Foods Certificate program has been building up a wonderful reputation for continuing education for those that will be or that are employed by NYS dairy food manufacturers. In 2014, over 700 individuals went through various workshop programs taught by Cornell Dairy Foods Extension. We continue to evolve our programs to meet the needs of dairy food manufacturers and this involves becoming more accessible to WNY processors as well as processors throughout the state and those looking to start manufacturing in NYS that are currently based elsewhere.

This year, the Harvest NY Dairy Foods Specialist is assisting in the launch of partial online classes to alleviate the cost and time burden of sending employees to Ithaca. Thus far, we have

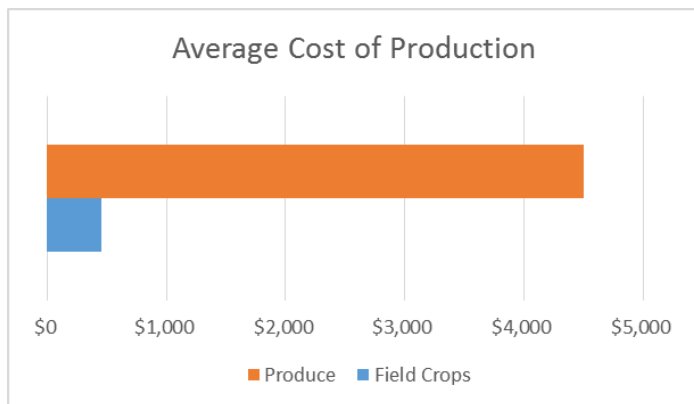
Prosperity through Auction

Produce auctions have a positive impact on the communities in which they are located, as well as, on those who sell and those who buy at the auction. Currently, there are six produce auctions in New York State. These auctions are aggregation points that allow local farmers to sell their produce in wholesale lots to buyers from across the region.

Cornell Cooperative Extension has supported the development and growth of these auctions since their inception. To document the economic impact of produce auctions on agriculture, local businesses, family farms, and produce buyers, CCE interviewed 18 of the top sellers and buyers at the Seneca Produce Auction in Ovid, NY. Interview questions were developed to assess mid and long-term outcomes of a produce auction.

Farm Changes in Response to a Produce Auction

We asked how farming practices had changed as a result of the produce auction and were then able to calculate increased economic activity. The auction serves as a good and ready market that provides growers with the confidence to invest in expansion of their produce acreage. Of surveyed farmers 88% devoted additional acreage to growing produce with 66% citing the existence of the auction as the reason for the shift. Prior to the existence of the auction, this acreage had been devoted to field crops such as hay. The shift in production represents an increase of ten times the input costs, on average a total of \$4,500 per acre. This escalation of economic activity is seen in the farmer's need to purchase additional seed, transplants, fertilizer, and equipment for the production of fruits and vegetables. This, in addition to other costs such as labor, supplies, and packaging are all primarily purchased in local stores and markets, creating a multiplier effect to the local economy from the existence of the produce auction. Also, the auction reduced farmer's time spent on marketing, and allowed them to market a larger percentage of their produce.



Produce Auction Allows Buyers to Expand and Operate Businesses more Efficiently

We asked buyers to tell us why they buy produce through the auction and found that all the buyers value the auction for more reasons than just price. Most important to the buyers is that the auction sells high quality *local* product. 100% of the buyers reported that they label or promote the produce as “local”, from “Seneca County”, or “Grown in NY”. They reported that ‘local’ is important to their consumers. Also, buyers reported that the auction offers access to fresh produce that is of higher quality since most items are picked/harvested within a day of auction. Buyers appreciate the competitive pricing and find that they can often purchase the product considerably cheaper than other sources. Therefore, they can lower retail prices for the customers and maintain the same or better margins. Finally, the buyers report to benefit from the flexibility they have when buying produce at the auction. They are able to pick out exactly what they want since they have the opportunity to peruse the produce before the auction.

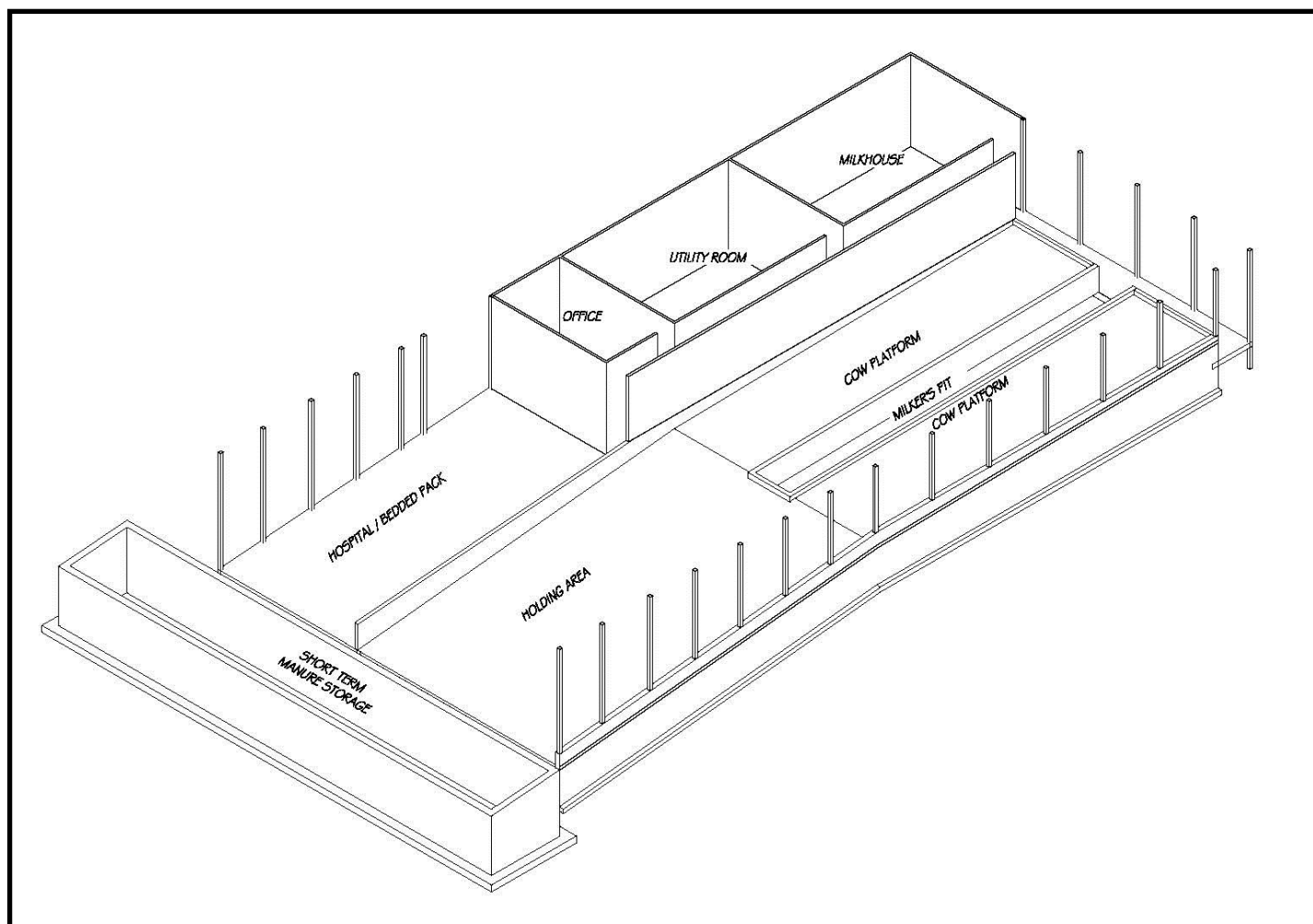
Check out the new produce auction video that highlights this economic impact information and much more. It is now available on the Cornell Vegetable Program's YouTube channel, www.youtube.com/user/cccvp.

Farm Investments Strong

Despite the pervasive cold and relentless snow that kept most, if not all, farmers busy thawing the barn and plowing the driveways 20 individual contacts were made, and most of these were on the farm. The subjects of these visits included expansion, retrofits, and, in one case, total replacement of a facility lost to a fire. The estimated investments in these enterprises ranges from \$50,000 to more than \$250,000. Moreover, several of these investments are to facilitate a long term plan to transfer operations to a succeeding generation, and at least one transfer is to a non-family member. The spring weather will allow for a more in-depth analysis and planning of the facilities and farmstead layout.

As it is the season for meetings, additional support has been provided to the Northwest NY Dairy, Livestock, and Field Crops Team; Pro-Dairy; Central NY Dairy Day; and the Cornell University Dairy Fellows Program. The topics included intensive grazing, reproductive management, dairy cattle nutrition, hydrogen sulfide / manure storage safety training, and a comprehensive analysis of an operating dairy farm.

A special workshop relating to alternative energy options was developed and delivered at the Erie County CCE with Megan Burley taking the lead. This was in response to several requests by dairymen who are rebuilding and/or upgrading facilities damaged in the November 2014 snow storm. Several of the nearly 20 participants are considering investing \$10,000 or more into alternative energy sources such as solar and wind power.



A Look Into Malting Barley and it's Economic Effects on Stakeholders in the NYS Supply Chain

Production of malting barley for the farm-based beverage industry is a potentially large economic opportunity for Northeast farmers. Recent NYS legislation, which mandates the purchase of locally produced beer inputs, coupled with an increasing interest in sourcing local ingredients, are creating demand for NYS grown malting barley. However, the economic feasibility of the market remains unknown. Market information, which is currently lacking and incomplete, is critical to understanding the needs of the industry moving forward.

In response to this emerging market opportunity, Newbold and Thayer are proposing to analyze the economic effects of the craft brewery industry on its different stakeholders (malting barley growers, maltsters, and brewers) both individually and collectively. With assistance from Cornell Specialists, Bill Verbeten, Gary Bergstrom and Brad Rickard and outside agencies, such as Empire State Development, and the NYS Brewers Association, Newbold and Thayer have launched an in-depth survey to growers, maltsters and breweries. Survey results will help inform the study which ultimately intends to analyze the potential supply and demand for each of the individual stakeholders, both current and projected into the future. Critical factors such as price, quality and quantity will be analyzed in depth and bottlenecks and barriers to market growth will be identified. Following completion of this study, a series of actionable recommendations will be presented to Empire State Development.

