

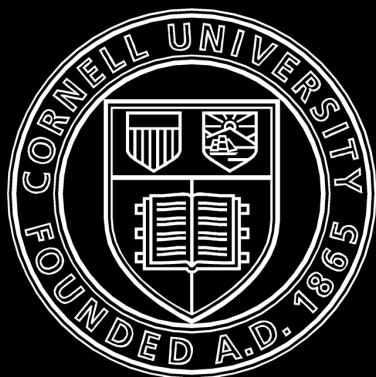
HARVEST NEW YORK GROWING NEW YORK'S AGRICULTURE & FOOD ECONOMY

HARVEST NEW YORK

An innovative Cornell Cooperative Extension team that focuses on workforce development and business expansion projects that increase profitability and investment in key sectors of New York's agriculture industry.

MAXIMIZING CONNECTIONS

Harvest New York Specialists respond to emerging issues and develop new opportunities using the research of Cornell University, the resources of Cornell Cooperative Extension and relationships with partnering organizations statewide.



QUARTERLY HIGHLIGHTS October- December 2018

FARM STRATEGIC PLANNING

LEAN-ing Into It

With the protracted downturn in farm gate prices for both beef and dairy products there has been little interest in expansions or new construction. However, there has been increased attention to LEAN practices and management philosophies in order to capture some internal efficiencies to save time, labor, capital, etc.

With the assistance of Harvest NY's Farm Strategic Planning Specialist, options are discussed, SOP's (if available) are reviewed, and plans for any retrofits to existing physical facilities are developed. Where appropriate, budgets are created based on preliminary designs to test their economic

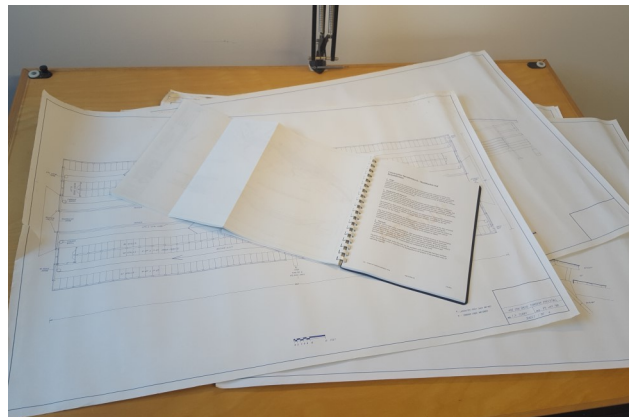


Photo Credit- Tim Terry

viability. Unfortunately, this is where "sticker shock" usually sets in. Long term, the projects typically produce a positive result. Short term, however, they often require a significant up-front investment or a period of negative cash flow (i.e.- a new calf raising facility that reduces labor, mortality, and morbidity, and increases growth rates does not contribute to the bottom line until the heifer enters the production herd two years later).

Even if the results of the planning efforts are negative, Harvest NY's facilitation of the process has helped the farm make an informed decision to scale back, table, postpone, and/or seek cost-share funding (EQIP, Farm Credit grants) for the project. In some cases it has given them guidance to focus on projects with more immediate returns, such as updating a production facility.

Such activity has not been limited to western NY. Working through other regional specialists and local CCE educators, requests for assistance from the eastern southern tier, central NY, and even as far away as Plattsburgh have been answered. These include issues of ventilation, parlor retrofits, and cow comfort.

Harvest NY Co-Hosts the 2nd Empire State Barley and Malt Summit

12, 32, and 100. Those were the respective number of educational presentations, industry speakers, and network opportunities afforded through the second Empire State Barley and Malt Summit, hosted by Harvest NY and Cornell CALS, on December 12-13. True to our goals, the Summit succeeded in: (1) providing research-based technical updates (2) sharing successes and best practices and (3) providing networking opportunities throughout the supply chain. Over 110 people gathered in Liverpool NY, to include a strong representation of malting barley growers, maltsters, and brewers. Day one was devoted to updates from State government and trade associations, as well as presentations on economics and crop insurance. Signature to our Summit, we hosted a tasting at the end of day one, highlighting exemplary brewers and distillers from across New York, dedicated to using New York grains and malt. The growers were flowing, the chatter was deafening, and the energy throughout the supply chain was buzzing. Day two kicked off with a stellar keynote, delivered by Christopher Shepard, Senior Editor for Craft Brew News. Entitled “Nicer in Niches: Placing Local Ingredients within Craft and Broader Beer Biz Trends”, Christopher wowed us with both a macro and micro perspective on craft brew trends in the United States. Key takeaways included:¹

Negative national trends for craft beer	Positive trends for local craft operators
Craft volume, where in previous years experienced double-digit growth, slowed to single digit by the end of 2017, and expected to slow even more through 2018.	“Local” continues to be a massive driver within craft: <ul style="list-style-type: none">• Brewers over 100K bbls last yr collectively -1% Brewers under 100K bbls collectively +11.2%• On-site sales at taprooms & brewpubs grew >500K bbls Topped 11 share of craft volume, +3 share in 2 yrs
Health & wellness-driven innovation leads away from beer, as we’ve historically known it to be. e.g. the introduction of alcoholic seltzers, which more than doubled to ~2 mil bbls in 2018, alcoholic coconut water, and non-alcoholic & alcoholic cannabinoid drinks.	Brewers are using ingredients to target drinkers, e.g. gluten free, organic, electrolytes...local agricultural inputs could fit right in there! Also noted were efforts at brand differentiation, highlighting local ingredients, e.g. Colorado Native & Allagash’s 16 counties.

Day two followed with a series of presentations focused on lessons learned in 2018 in barley production and malting and wrapped up with a series of afternoon panels intended to guide supply chain stakeholders forward. The Summit was made possible through the dedication of our conference planning committee, comprised of Extensions Specialists from across the state and key industry stakeholders. All told, a tremendous success in which ideas were planted, relationships were cultivated and next steps were germinated.



Pictured: Relationships cultivated throughout the supply chain. From L-R: Jon Paul Partee, Fleur De Lis Brew Works; Judd Hallett, Mumuration Malts; Jeff Trout, Poormon Farms, all of whom work together to create a pint of New York grown, malted and brewed beer.

Photo Credit: R.J. Anderson/Cornell Cooperative Extension



From Farm to Pint: supply chain stakeholders guide our discussion on the importance of communication and relationship building. Pictured from L-R: Dennis Nesel, Hudson Valley Malt; Corey Mosher, Mosher Farms; Rachel McDermott, WestWind Ag; Anthony Caggiano, Jamesport Farm Brewery; Noel McCarthy, 1886 Malt; David Katleski, Empire Brewing Company; and Christian Malsatzki, CCE Ulster County.

Photo Credit: R.J. Anderson/Cornell Cooperative Extension

¹ Note, all data in the table was extracted from Christopher Shepard’s presentation.

DAIRY FOOD PROCESSING & MARKETING

2018 Quarter 4 Updates

During the last quarter of 2018, the Harvest NY Dairy Processing Specialists conducted 4 workshops that had a total of 117 attendees. The workshops included dairy science and sanitation (HP Hood, Batavia, NY), vat pasteurization, high-temperature short time pasteurization, basic cheese making, and advanced cheese making. These courses not only assist processors in meeting regulatory requirements but also help ensure that New York State dairy processors understand how to produce safe dairy products.

In 2018, there were 4 recalls due to improper vat pasteurization in New York State, and several New York State cheese recalls. During the above-mentioned workshops, participants learn about these recalls and other common food safety and food quality pitfalls in order to reduce the likelihood of repeating these events. This practical information is crucial for the continued improvement of New York State Dairy Processing.

Harvest New York specialists also connected Northern and Western New York facilities with campus-based resources, including Black River Natural of Lewis County, who has been working with the Cornell Dairy plant on developing their product. This connection has allowed Black River Natural to work on their product and begin marketing while their plant is becoming approved by NYS. Specialists also worked with a number of regional plants on troubleshooting certain quality and technical issues. Some of this troubleshooting has resulted in scheduled in-plant training to address specific areas for improvement.

Connections such as these are critical for continued economic development and knowledge exchange. We are developing new materials to take to the plants based on industry need. We look forward to continuing our work with western and northern New York dairy plants in 2019.



Figure 1. October's vat pasteurization course. Participants learned about crucial pasteurization components and Cornell's Food Processing Development Laboratory



Figure 2. Batavia, NY. Genesee Valley BOCES Culinary students learn the science of making ice cream.



Figure 3. James and Bethany Munn from Black River Valley National utilizing the Cornell Dairy Plant to get their new butter business off the ground.

URBAN AGRICULTURE PROGRAM

Peer-to-peer Farmer Training in NYC

Despite the increasing number of commercial farms in New York City, farm workers (including both interns and apprentices) can easily spend the whole season working at one operation without learning about the other agricultural systems employed around the city. In the Hudson Valley and several other regions around the country, groups of farms have addressed this issue by forming CRAFT groups, an acronym for "Collaborative Regional Alliance for Farmer Training." Through CRAFT, participating farms and partners take turns hosting evening events to provide networking and peer-to-peer learning opportunities for apprentices and interns.

The Harvest NY Urban Ag team participates as a partner in the recently formed New York City CRAFT, adapting the model for the urban agriculture community. In 2018, over 60 attendees participated in monthly CRAFT events covering topics such as irrigation systems, mushrooms, rice cultivation, beekeeping, and microgreens production.

On November 1, Urban Agriculture Specialists Yolanda Gonzalez and Sam Anderson coordinated and moderated the concluding event of the CRAFT season, the "Next Steps Farmer Panel." The purpose of the event was to learn about career options for urban farmers, with panel and small group discussions on different paths, approaches, and specific resources and opportunities. The panel

consisted of five farm service providers and experienced farmers with backgrounds in both urban and rural agriculture. Twenty-four apprentices, interns, and other staff from urban farms across NYC gathered to hear how others have successfully navigated careers in urban agriculture and the challenges that they encountered along the way. Attendees networked amongst each other and learned about the importance of hands-on learning through internships and apprenticeships, as well as professional development events such as new farmer conferences.



Pictured: Farm workers gathering to attend "Next Steps for New Farmers" panel hosted by Harvest NY Urban Ag team on November 1st, 2018

AGRICULTURAL BUSINESS DEVELOPMENT & MARKETING

Strategic Marketing Conference 2018 Recap

On November 7 and 8, CCE Harvest NY and Cornell University's Charles H. Dyson School of Applied Economics and Management hosted the Strategic Marketing Conference: Developing Your Brand and Marketing Strategies to Increase Sales in Lake Placid, NY. In the past, the Strategic Marketing Conference has been hosted in many parts of NY with various topic areas based on farmer's needs. This conference focused on brand development for a competitive market, collaborative approaches to marketing, multi-channel selling strategies, and technology adaption with your brand. Topics Included:

- Developing a Brand for a Competitive Market
- NYS Grown and Certified Program
- Exporting
- Marketing and Finding Additional Markets
- Legality Issues to Consider
- Multi-Channel Selling Strategies
- Technology Adaption with your Brand
- Collaborative Approaches to Marketing

The event was sponsored by CoBank, Adirondack Harvest, Farm

Credit East, and Agricultural Marketing Community Economic Development Program Work Team at Cornell University with over \$7,000 in sponsored funds. The Strategic Marketing Conference brought in farmers and partner agencies from northern NY, VT, and CT with a total of 35 attendees and 12 presenters. "Cornell events are always packed with great information for producers. As a state agency that trains our producers/farmers. I appreciate learning from Cornell educators! Thank you!!" –Anonymous



Pictured: Yolanda Gonzalez Marketing and Finding Additional Markets NYC

Photo Credit Barb Williams

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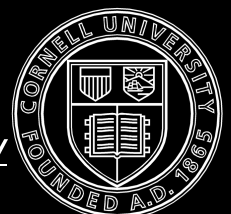
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