

**Plan of Work for the Division of Horticulture and Aquaculture Marketing
Kentucky Department of Agriculture
for the
Kentucky Horticulture Council's Proposal Funded by the Agriculture Development Board**

This plan of work to be funded by the Kentucky Horticulture Council with funds from the Agriculture Development Board reflects the plan of action developed over several years to meet industry needs. The specific objectives to be addressed and the activities to be fulfilled by Kentucky Department of Agriculture's Division of Horticulture and Aquaculture Marketing are outlined below.

Objective 1. Provide **marketing assistance** for Kentucky producers of nursery and greenhouse crops.

KDA will hire a Full-Time Nursery and Greenhouse Marketing Specialist to assist producers and producer groups with product marketing and industry development. The Nursery and Greenhouse Marketing Specialist will assist producers to develop markets and joint marketing arrangements, organize promotions at national trade shows, host special events targeted to wholesale buyers and create brochures, directories, on line data bases and other promotional materials highlighting Kentucky as a source for high quality nursery products.

Action: Hire a Nursery / Greenhouse Marketing Specialist first Quarter of 2002.

KDA will establish a cost-share fund for the purpose of market development. The cost-share will provide matching funds for qualified applicants (individuals and cooperatives) to meet with wholesale buyers and producers located in markets and production areas outside of Kentucky. This activity is essential in order to form the strategic alliances and marketing networks necessary to compete in today's consolidated market place. KDA marketing staff will assist successful applicants with buyer contacts and itinerary arrangements. When prudent KDA marketing staff will accompany applicants on trips seeking to develop volume or particularly promising markets. KDA will not use cost-share funds for staff travel expenses.

Action: Establish Program Guidelines: An application form will be developed and published by Jan 1, 2002 detailing cost-share opportunities for market development trips. Funds will be available on a competitive basis with priority given to producer associations, cooperatives and projects that will impact multiple farms. Funds allocated quarterly with a fifty percent match required.

Objective 2. Promote Kentucky-grown horticultural products and professional services to increase market demand and to raise customer awareness.

KDA will form an inventory and make available at cost product logos, identification materials and point of purchase display materials to qualified producers of KY grown products. (*This is now in place*).

KDA will establish a cost-share program to match (up to a specified amount) the advertising investment of horticultural producers advertising their products to Kentucky consumers or wholesale buyers. Direct marketers, on-farm markets, farmers markets, marketing cooperatives, nurseries, greenhouses and individual produce grower-shippers will benefit from this program. ***Action: Establish Program Guidelines: An application form will be developed and published by Feb. 1, 2002 detailing cost-share opportunities for advertising Kentucky Horticulture Products. Funds will be available on a competitive basis with priority given to producer associations, cooperatives and projects that will impact multiple farms. Funds allocated quarterly with a fifty percent match required.***

Promotional activities for wholesale markets will focus on exhibits at regional, national and international trade shows, buyer tours, special events, and the publication of directories, brochures and on-line databases highlighting the products and services available from Kentucky. Buyer tours will be conducted annually for produce, nursery and greenhouse wholesale buyers. Purchasing executives for major retail and wholesale firms will be introduced to Kentucky horticulture producers and shown the production and processing capabilities within the Commonwealth. Several special events will be organized and designed to specifically target top management and purchasing agents in the produce, greenhouse and nursery plant industries.

Action: Tradeshows and Buyer Special Event Promotions for 2002 & 2003

- Produce Marketing Association (US) Booth & cost-share
- Produce Marketing Association (Canada) Booth & cost-share
- United Produce Convention Attend
- Food Processors Convention Possibly Attend
- International Fresh-cut Produce Association Attend & cost-share
- Ohio Cents (nursery/landscape) Tradeshaw Booth & cost-share
- Southern Nursery Association Tradeshaw Booth & cost-share
- Mid-Am (nursery/landscape) Tradeshaw Attend & cost-share
2003 Booth? & cost-share
- KY Landscape & Nursery Tradeshaw Lg. Booth with growers & sponcer-ship

Special Events:

- Greenhouse Buyers Tour
- Produce Buyers Tour
- Nursery Buyers Tour

Objective 3. Support a unified **network** of produce shipping point facilities that will reduce costs with cooperative purchasing of inputs, jointly promote their products and develop larger markets for fresh and processed produce.

Coordination among produce cooperatives and independent grower/shippers must be formally established. Coordination can be accomplished by instituting a membership organization with representatives of each of the produce cooperatives and qualified Kentucky growers/shippers who have production and facilities capable of selling produce in tractor trailer load lots. This would be a Federation of Kentucky Produce Shippers. A federation could provide the coordination to cooperatively supply large contracts, purchase packing supplies and other inputs in bulk, jointly promote members products and develop larger markets and value-added processing for their produce. The core activities of the federation should be to:

- Purchase inputs supplies together for cost savings
- Conduct joint promotions of federation members produce
- Institute a third party quality assurance program for members
- Develop fresh and processed markets for Federation members to cooperatively supply
- Transition the Federation into an independent, self-funded industry marketing and promotional organization

To assist with market promotion and development the Federation Director will work closely with the KDA Produce marketing specialist to design and carryout special promotions, tradeshow show displays, point of purchase materials and create a Federation website featuring member produce and facilities. The Director as well as the KDA Produce Marketing Specialist will assist the Federation with feasibility analysis and business planning for new markets, products and value-added processing.

Actions:

- ***KDA will assist the Kentucky Produce Cooperatives and independent grower shippers to form a Federation. Federation membership dues will cover an estimated 50% of the costs for the first two years of operation.***
- ***Federation Board will hire a Director by April 1, 2002.***
- ***KDA Produce Marketing Specialist will be available to provide assistance to the Federation with promotions, tradeshow show displays, point of purchase materials and creation of a Federation website.***
- ***Federation Director will institute a third party quality assurance program for Federation members beginning in 2002.***
- ***Federation Director will organize joint input supply purchases and market development activities.***
- ***Federation Director along with the KDA Produce Marketing Specialist will assist the Federation with feasibility analysis and business planning for new markets, products and value-added processing.***

Reporting

The Kentucky Department of Agriculture will report on marketing assistance and market development activities and progress at the Kentucky Landscape Industries Conference and Trade Show and the Fruit and Vegetable Annual Meeting. Results will also be summarized annually at a Kentucky Horticulture Council meeting and feedback gained for project adjustment and continuation. Summaries of project results will also be posted on the Kentucky Department of Agriculture's web site.