

Getting Started in Value-Added Products

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This is a how-to workshop addressing the steps necessary to develop a value-added enterprise on the farm. After consideration of issues discussed, the participant will 1) analyze their operation for potential value added products, and 2) understand the process required to develop those products.

Value-added means making something more valuable. This is done by applying a craft or specialized knowledge to an existing element. It is not a new idea: wine is always worth more than grapes. By adding value on the farm, more money is made for the farmer and kept in the community.

For farmers to move into value added products, several steps must be taken:

1) Choose a Product or Service

- Do what you love and start with what you have.
- Make it the highest quality in your market.

2) Research Your Market

- § Study your competition, research history, do market research yourself if possible.
- § Buy competitors' products and try them for comparison.
- § Visit others doing something similar for networking and information.

3) Write a Business Plan

- § Value-added is a new business added to the existing enterprise.
- § How will new ventures integrate into present circumstances, including seasonal nature, availability of

labor and raw materials?

- § A basic plan will help you navigate through the process.

4) Market Your Product

- § Define your market and research sales and distribution channels (wholesale, retail, co-op, mail order etc.).
- § How will your product/service be delivered (UPS, common carrier, etc.)?

5) Design Production and Packaging

- § Production design, manufacturing process, costs, selling price, labor needs must be planned.
- § Design of finished product, packaging, and sales literature (graphic artist?).
- § Good record keeping is essential to perfecting craft and use for analysis of success.

6) Ideas to Consider

- § Ideas should be tried in a small way first to minimize risk.
- § Use local labor over machines where desired/possible/practical.
- § View your product/service with an eye towards beauty and art to make the quality include all aspects of a desirable end.
- § Use as many local raw materials as available, keeping your money in your local economy.
- § Be diversified - have at least three areas of income. Sell to many, not to a few.