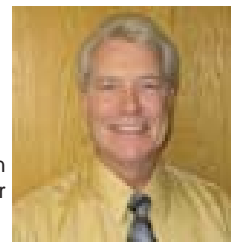


Marketing & Development

Jed Christenson
Director



The Utah Department of Agriculture and Food's principal reason for existence is to "protect and promote Utah agriculture and food." The Division of Marketing and Development plays a vital role in helping the Department fulfill its mission.

Utah agriculture continues to face new challenges of a complex industry, uncertain weather, growing population and greater economic expectations. The Division Staff is fully committed to exemplary marketing efforts and economic success for agriculture and rural Utah to meet those challenges. The staff includes Director Jed Christenson, Deputy Directors Richard Sparks and Seth Winterton, Market News Reporter Michael Smoot and Division Executive Secretary Camille Anderson.

The objectives of the Division of Marketing and Development are to raise the awareness of Utah agriculture and food products; and enhance local, domestic and international marketing opportunities. Division goals include increased profitability for agriculture and related businesses; and, fostering a vibrant and healthy rural economy.

Local Marketing

The mission of local marketing is to increase awareness and demand for Utah food and agricultural products within Utah. The "Utah's Own" Program is the major focus to help accomplish this goal. Utah's Own is designed to create a consumer culture to think of and purchase products made and grown right here in Utah. The economic benefit is obvious as the dollars spent by Utah consumers stay in Utah. Not only does it increase profits for local producers and businesses, but depending on the product purchased, it has a multiplying affect of anywhere from two to six times in stimulating the overall economy. The results include a greater tax base, new jobs and an enhanced environment made possible because of the stronger economic situation of local growers and producers.

The Marketing Division received one-time funding in 2006 and 2007 from the state legislature to promote Utah's Own for which we are very appreciative. Using the appropriations judiciously and appropriately to educate consumers while benefiting the largest number of businesses and producers is our number one priority. To leverage funding we have partnered with many entities including Associated Food Stores and several media groups chosen because they are far reaching and/or meet the criteria for our targeted demographic.

Promotional activities are designed to not only reach and educate consumers about the benefits of buying local, but to allow Utah's Own companies to participate on a voluntary basis. Their products are showcased in ads and sampled at live remotes in grocery stores. This exposure puts a name and face on what are local products and increases sales for those companies. The additional sales means the local company buys more goods and services from other local companies, who in turn then also buy

more goods and services. They hire new employees and expand their facilities and hire other services as they grow their business. The result is a multiplier effect of dollars being spent and re-spent that cause the economy to grow exponentially.

Tremendous momentum has been created in the first year and a half of promoting Utah's Own. To sustain this growth, the Marketing Division will ask the legislature for ongoing funding to continue stimulating and building our local economy through the Utah's Own Program.

In the meantime, Utah's Own will continue to develop new partnerships and new campaigns like the Utah's Own Down-Home Cook-off. An interactive Utah's Own Web site will provide ongoing contacts and links for communication and networking with Utah's Own companies. Consumers will also benefit from the Web site by accessing educational information, introduction of newly produced local products, and directions to Farmers Markets and other direct market opportunities.

Utah's Own is the result of a partnership between the Utah Food Council and the Department of Agriculture and Food to develop food policy and promote Utah agriculture. Another goal of the partnership is to develop policy to include the institutional purchase of Utah products—that state government agencies, institutions and school lunch programs purchase Utah food products when available.

Another focus is to help agricultural producers explore new crops, value added and niche marketing possibilities to their existing operations. This will be accomplished by helping plan and coordinate annual Diversified Agriculture Conferences around the state in conjunction with Utah State University Extension.

We will also be asking the Legislature for one-time monies that can be awarded as grants to fund research, development and marketing to add value to agriculture commodities. Adding value to agricultural commodities or products can help local producers and rural communities build economic sustainability through processing, packaging, marketing and distributing the products themselves. Creating value added jobs can improve the diversity of a rural economy, increase local income, and capture higher profits.

The Division is working with existing Farmers Markets and the Utah Farmers Direct Marketing Association to help foster more direct marketing opportunities from producers to consumers. Utah is the second most urbanized state in the country with close access to over two million consumers along the Wasatch Front that have shown a strong desire to purchase wholesome fresh locally grown produce and value added products. There is also a rapidly growing demand for certified organic and natural products in Utah. The Department's nationally recognized Organic Certification program is complimentary to this growing consumer interest. Meeting this growing market provides new

opportunities for local producers. (See Subsection “Organic Food Program.”)

Wherever possible, the Division will partner with local commodity groups, farm organizations, associations and other agencies to promote Utah’s Own, other local marketing efforts and value added projects.

Domestic Marketing

The mission of the domestic marketing program is to increase awareness and demand for Utah food and agricultural products in regional and national markets. This can be accomplished implementing most of the programs discussed above and adding the opportunities of national food shows and regional advertising to promote Utah’s agriculture and food.

The Department works in partnership with federal agencies and marketing groups to promote Utah’s agriculture and food products. The Division has the responsibility of working with these agencies such as USDA’s Foreign Agricultural Service and the Western United States Agricultural Trade Association. The Division will take advantage of existing programs and matching funds wherever it is feasible and beneficial to showcase Utah’s products at national food shows and events.

The North American Agricultural Marketing Officials (NAAMO) Association was organized to allow state agricultural marketing representatives to share ideas, improve state cooperation and develop new marketing ideas. Utah is a long-time member and has served in leadership roles while participating along with other states and provinces from Canada and Mexico. Valuable information is shared between the states and countries at annual conferences to develop new domestic and international markets. Utah hosted the 2007 NAAMO Annual Meeting in Park City, July 15-19, 2007. Attendees were very complimentary of the meeting content and the beauty of our state as they were able to take several tours and a field trip.

International Marketing

The mission of the international marketing program is to increase the export sales of Utah grown and processed products. Utah companies that are interested in investigating new international markets for their products can work with the Division to access a myriad of helpful programs that are touched on below. The Division works with individual companies as well as developing industry specific marketing efforts by providing access to both the USDA’s Foreign Agricultural Service (FAS) and Western United States Agricultural Trade Associations (WUSATA) programs.

FAS promotional programs include the Foreign Market Development Cooperator Program and the Market Access Program. It also sponsors U.S. participation in several major international tradeshows.

WUSATA services and activities include export promotion, customized export assistance, a reimbursement funding program, international trade exhibitions, overseas trade missions, export seminars, in-country research, and point-of-sale promotions in foreign food chains and restaurants.

WUSATA’s Generic Program supports industry-wide food and agricultural projects that would be managed by the Division. These projects can be designed to promote an industry’s product in foreign markets that would benefit three or more companies that are not eligible for FAS’s Cooperator’s Market Access Program Funds. As a participant in the Generic Program in a tradeshow, a company can receive valuable services without incurring additional costs. Examples include interpreters, freight, trade appointments, arranged market tours and more. A project leader, occasionally from our Division, helps companies get ready for the show and is available during the show to assist with needs.

WUSATA’s Branded Program is a marketing funds program that supports the promotion of brand name food and agricultural products in foreign markets. Made possible by FAS funding, the program provides participants with 50% reimbursement for eligible marketing and promotional activities.

Through the Export Readiness Program, WUSATA and the Division has and will continue to provide face-to-face help for a company asking difficult export questions whether export novice or veteran. Export Readiness sessions provide participating companies with two hours of individualized consultative solutions with an international marketing authority with over 20 years of expertise in market entry strategies, alliance building, brand development and product adaptation.

The Department is also a member of the United States Livestock Genetics Export, Inc. (USLGE). Utah livestock producers have developed some of the finest genetics in the world and the Division can assist in the investigation and development of export markets for those genetics. USLGE offers Utah producers a trade organization that coordinates national and international market development efforts for dairy, sheep, cattle, swine, horses, semen and embryo exports.

Organic Food Program

The organic food program certified over 105,000 acres of production farm and pasture ground in 2007. This includes such commodities as wheat, safflower, barley, oats, corn and grass for organic livestock. Utah continues to certify the organic dairy industry for the production of organic milk and cheese as well as organic lamb and beef. The program continues to certify organic lamb and beef. With the growth of livestock production, there is a need to increase the production of feed grains and forage for both cattle and sheep. Utah has a strong organic process/handling program. The wheat that is grown in Utah is made into high protein organic flour. There is garden produce being sold at farmers markets that is certified organic. There is a need for more organic row crop farmers to fill the slots at local farmers markets with their fresh local products. The demand for organic exceeds the supply and organic products are bringing a premium at the local markets.

Utah was reaccredited in 2006 as a certifying agent for the United States Department of Agriculture National Organic Program, and continues to provide services to the residents of our great state. The organic program continues to offer educational opportunities for the local producers and processors in order to upgrade and modify system plans to meet the requirements of the regulations. There is a growing awareness from consumers and efforts are being made to teach about organic foods and the requirements for organic food production. Persons who raise and process organic food are regulated and monitored to ensure that consumers are protected and receive products that meet the organic standards.

Market News Reporting

Accurate and unbiased commodity price information is critical to agriculture producers and agribusinesses, especially in decision making. To provide this important service and insure the integrity of sales information, the Division monitors livestock auctions in Cedar City, Salina, Ogden and Logan on a weekly basis; and also compiles current hay sales information from alfalfa hay buyers and sellers weekly. The information is disseminated through the Department's Web site, print media, radio broadcast, call in service and summary mailers.

Junior Livestock Shows

The Division administers the legislative mandated and funded program that assists the State's junior livestock shows. Funds are allocated by agreed upon formula to shows that promote youth involvement and offer a quality educational experience. The Utah Junior Livestock Shows Association has developed rules with which shows and youth participants must comply to qualify for State assistance. The funding must be used for awards to FFA and 4H youth participants and not for other show expenses. During the past year, 14 junior livestock shows were awarded funds based on the number of youth participants involved in each show.