

SCIENCE & EDUCATION Impact

Benefits from USDA/Land-Grant Partnership

Small Towns, Big Opportunities

Helping America's communities and rural quality of life.

Living in rural areas or small communities has its rewards – and its problems. Many of the agribusinesses and industries that once supported rural areas are no longer there. The USDA and Land-Grant universities are working to create new jobs and diversify economic opportunities to help maintain America's communities and quality of life.

Payoff

- **Food feats.** Nebraska's Food Processing Center provides food safety, problem-solving, product development and technical and business information for entrepreneurs and existing food processors. The center's Custom Processing Network, which matches Nebraska food processors that have excess capacity with companies that need custom or contract production, has generated more than \$11 million of additional business for Nebraska processors and contributed to 11 plant expansions and four plant relocations to Nebraska. One company manager said the center's expertise helped the company increase sales by \$250,000, reduce operating costs by 7 percent, create 12 new jobs and invest \$100,000 in new capital projects. The center's Food Entrepreneur Assistance Program, which saves participating new food businesses about \$20,000 each in startup costs, has helped launch 101 new enterprises, 73 percent of which remain in business.
- **Rural health.** Losing a local hospital, often among a small community's largest employers, is a terrible blow that can begin a downward economic spiral with the subsequent loss of physicians and nursing homes. **Oklahoma State's** Community Health Planning Resource Team worked with key leaders in 15 communities to help them avoid losing their rural hospitals. They provided information about the health care sector and the specific, local economic effects each county's health care sector provides. They also detailed how to convert a rural hospital to a Critical Care Access Hospital. Thanks to this effort, several hospitals moved from large budget deficits to surpluses up to \$250,000 per year. Community leaders also can plan ways to strengthen and increase the use of local health care services.

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<http://www.reeusda.gov/success/impact.htm>

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- **Home run.** Alcorn County, Miss., farmers had a tough time making money with traditional crops. **Mississippi State** Extension partnered with two local groups on an alternative/home-based agriculture expo. They offered grants of up to \$1,000 to help develop home-based agricultural enterprises. A local landowner used one grant to start a greenhouse business. With the help of extension economists, she put her own knowledge of herbs to use in what has become a four-greenhouse operation with sales of \$50,000 in 2000.
- **It's on the Web.** Or it better be. If a business doesn't have a Web site, it's losing potential customers every day. Yet only 28 percent of Nebraska rural businesses use the Internet as a marketing tool. To get rural businesses online, **Nebraska** Extension uses two community Internet training programs in which participants learn about the Internet and agree to spend time teaching others. In two years, nearly 500 Nebraskans have completed the first of the programs. In one county, government, schools and businesses teamed up to post all 140 community businesses on the Web, opening a new era of rural marketing.
- **Farmers' markets.** Many Oregon farmers can't survive by selling their products in conventional markets. Many of the state's shoppers aren't happy with the food at conventional stores. And many communities are looking for new businesses. **Oregon State** researchers have documented factors that support the value of farmers' markets. They found that, among other things, shoppers are willing to pay only about a 5 percent premium for food products at conventional stores, but will pay premiums of 25 percent or more at local farmers' markets, and that nearby businesses get spillover sales as high as 80 percent of farmers' market sales.
- **How now?** Times are hard in rural Utah. In Iron County, **Utah State** Extension rural development specialists worked with the local extension office to attract a 1,500- to 3,000-cow dairy to the county. The dairy expects first-year economic activity of \$9.42 million. It will create a new local market for replacement heifers, alfalfa hay, silages and other products.
- **Packing peppers.** Most of the Georgia vegetable crop is grown for fresh markets. After the harvest peak, though, much of the crop is wasted because the quality is not quite good enough to meet fresh-market demands. A **Georgia** food scientist helped a jalapeño pepper grower secure a grant and build a small, on-farm facility to process a brine-pack jalapeño product. The farmer/processor sells the product by the barrel as a food ingredient, with 2000 sales of \$145,000, or \$4,897 per acre. He projects sales of more than \$750,000 for his 2001 peppers.
- **Millionaire community.** In Indiana, Martin County's low tax base makes it hard for the county to meet community needs. The **Purdue** Extension educator there helped set up a community foundation that applied for, and received, grants totaling \$1 million that will be used to support human services, youth, education, arts, culture, citizenship and the environment.



**Cooperative State Research, Education,
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