

SCIENCE & EDUCATION Impact

Benefits from USDA/Land-Grant Partnership

Spanning the Globe

Land-Grant partnership enhancing international trade.

In today's global political and social environment, international markets are in constant flux. The need to keep trade doors open, overcome trade barriers and find new markets for U.S. commodities has never been greater. The Land-Grant/USDA partnership is working to retain markets and discover new ones.

Payoff

- **Expanding horizons.** Small businesses often have products ideal for export, but don't always have the contacts to identify international markets. **Arkansas** helped create an international trade assistance program for small businesses. Since 1993, more than 90 Arkansas firms received assistance from the program to market everything from gourmet foods to agricultural equipment to skin care products. Land-Grant Universities in many other states offer similar programs. For example, **North Carolina A&T** helped one North Carolina grain processor connect with international trading companies, which resulted in an initial order for 43,200 pounds of corn meal and 43,200 pounds of flour.
- **Fishing for new markets.** Ninety percent of the world's caviar comes from Caspian Sea sturgeons, but supplies are diminishing. American paddlefish produce roe similar to the famed sevruga Caspian Sea sturgeon caviar. **Kentucky State** is developing a way to produce all-female paddlefish offspring, which would increase the supply of paddlefish roe and protect paddlefish populations from exploitation. The potential wholesale value of paddlefish raised in a 1,000-acre reservoir could be more than \$1 million, with a retail value of about \$3 million.
- **"Nu" options.** Sales of nutraceuticals, which include botanical products, health and organic foods and natural dietary supplements, are booming in the United States. In 2000, the global market for these products surpassed \$138 billion. The Land-Grant/USDA partnership is nurturing this industry. For example, **Rutgers** scientists explored trade opportunities to promote a formal botanicals industry and market in West Africa and foster linkages with American botanical companies. The result has been an agreement to form a natural plant products business incubator program in West

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Africa that will link with American botanicals manufacturers.

- **Soy savvy.** Soybeans have many uses on the global market, and Land-Grant Universities are increasing those options. For example, **Illinois** launched the Illinois Center for Soy Foods to develop innovative processing and marketing techniques and educate consumers about the advantages of a soy-enriched diet. A new soy milk processing facility was built on campus, and the center is promoting the use of soybeans in food aid programs for food-needy countries, such as Afghanistan. Researchers in many states also are developing new soybean varieties for the Asian food market. To date, five new varieties of **Virginia Tech**-developed soybeans are being grown on more than 10,000 acres in Virginia. These soybeans are valued at \$1.8 million in the domestic market, and the exported product is worth about \$5.4 million.
- **Grain negotiations.** About a quarter of U.S. grain is sold abroad, and competition for foreign markets is getting stiffer. **Purdue** agricultural economists are looking for new markets and have worked with government officials in Morocco and Tunisia to liberalize their domestic markets and reduce protection on imported feed grains. In 1993, Morocco and Tunisia imported 18.8 million bushels of feed grains. By 1998, these countries imported an estimated 40 million bushels — more than double the 1993 level. Feed grain industry leaders predict this number will double in the next 10 years.
- **Hot competition.** For four centuries, New Mexico chiles have been hot commodities worldwide. But the \$200 million industry is faltering from intense international competition and production problems. Huge slices of the state's chile market have slipped south of the border. To boost the state's chile market, **New Mexico State** helped form a Chile Pepper Task Force. Since it was formed in 1998, several problems have been identified, including the high cost of traditional hand-harvesting. In response, New Mexico State scientists are developing new mechanical harvesting methods that should be ready for field testing this year.

- **Canadian connection.** Being neighborly can be a boon for U.S. agricultural markets, and Land-Grant Universities are doing much to improve neighborly relations with Canada. Michigan was unable to export stone fruit trees to Canada for many years because of the presence of the plum pox virus (PPV) in the United States. **Michigan State** researchers developed PPV management programs and tested some 46,000 samples of stone fruit to verify that the state was PPV-free, thus re-establishing Michigan's \$500,000 Canadian stone fruit nursery industry. **Montana State** researchers found that removing beef trade barriers with Canada could result in costs savings or revenue gains of about \$4.32 million for Montana beef producers. They also collaborated with scientists at the University of Saskatchewan to determine the economic impacts of free trade on the barley malting industry.
- **Certifiable markets.** In today's crowded marketplace, U.S. agricultural products must focus on quality. **Iowa State** Extension helps producers obtain International Organization for Standardization (ISO) 9002 certification, a universal quality certification used in 130 countries. Iowa producers became the first American farmers to gain ISO 9002 certification. One project partner, Colusa Elevator Company, is believed to be the only grain handling facility in the United States that is ISO certified for purchasing, warehousing and delivering grain to international markets.



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