

NEW JERSEY DEPARTMENT OF  
AGRICULTURE

2006

ECONOMIC DEVELOPMENT  
STRATEGIES

**NEW JERSEY DEPARTMENT OF AGRICULTURE**  
**ECONOMIC DEVELOPMENT STRATEGIES**

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## **PRODUCE INDUSTRY ECONOMIC DEVELOPMENT STRATEGY**

### **BACKGROUND**

New Jersey's growers annually harvest over \$200 million worth of fresh fruits and vegetables. In 2003, New Jersey's top 17 vegetable commodities were valued at \$125 million and New Jersey's fruit production of apple, blueberry, cranberry, peach and strawberry production was valued at \$92 million. New Jersey's produce industry supplies our residents with some of the healthiest and freshest fruits and vegetables available anywhere.

Local access to large affluent markets has long been an advantage for the marketing of those products. While our markets are still there, competition for those markets has become tougher. New Jersey's produce industry must continually work to rediscover its competitive advantages – access to nearby markets and consumer loyalty.

In 2005, over 2,500 retail supermarkets, community and farmer's markets received Jersey Fresh point of sale advertising materials. On a national level, the Department began working with such national organizations as Wal-Mart, Dole, Melissa's Produce, Ready-Pac and Fresh Express to explore ways for New Jersey to improve its position within the national 52-week supply cycle dominated by an increasingly consolidated produce industry. Working with partners like the Produce Marketing Association the department is also expanding its focus on the foodservice market for fresh produce.

In 2006, working with the Department of Corrections, and the School Lunch Program, government purchases of New Jersey produce are targeted to increase for the fifth straight year. The Department will also continue working to open new community markets, providing growers greater direct access to consumers. As a cornerstone to quality assurance, the Department will be continuing to provide affordable third-party farm certifications.

## **1. PRODUCE STRATEGIES**

### **1.01 Jersey Fresh Hospitality Industry Program**

1) **STRATEGY** – Continue to develop and strengthen the *Jersey Fresh* Hospitality Industry Program.” The program will work closely with the industry and include many elements to strengthen the marketing of *Jersey Fresh* produce to hotel, restaurant and the institutional food service industries. The program will;

- 1- Involve members of the N.J. Restaurant Association, Slow Food of Central New Jersey and local chapters of the Professional Chef's Association.
- 2- Promote participating restaurants to the public via the Internet and other means, including the NJDA website.
- 3- Provide suppliers directories and point of sale advertising to the industry.
- 4- Promote *Jersey Fresh* produce and menu themes to restaurants and culinary contests.

### **1.02 Increase Produce Branding**

2) STRATEGY – Through the distribution of *Jersey Fresh* twist ties and other packing materials to growers and marketing cooperatives, the department will continue to expand the branding of *Jersey Fresh* produce at the point of sale

### **1.03 Promote Vertical Integration**

3) STRATEGY - Encourage attendance at national produce industry trade shows, continue to work with representatives of nationally marketed produce brands and seek new methods to better integrate New Jersey's produce industry into the year-round supply model.

4) STRATEGY - Promote centralized packing and increased participation in marketing cooperatives. This will provide better economies of scale to meet the packing, storing and regulatory requirements of big buyers, seeking quality standardization and better customer service.

### **1.04 Continue to Seek New Markets**

5) STRATEGY - Continue working with the Department of Corrections to facilitate state Treasury purchases of over-produced and under-valued New Jersey farm products. Continue to increase New Jersey farm products purchases for school lunch and school breakfast programs.

6) STRATEGY - Continue supporting fresh exports of New Jersey agricultural products to Canada. Maintain industry contacts and promotion of the *Jersey Fresh* brand through displays at produce industry trade shows in Canada.

7) STRATEGY - Support New Jersey's small and medium sized food processors. Help processors to find local sources of food and agricultural products, provide outreach and education about government grants and services, organize and support New Jersey State pavilions at regional and national trade shows such as the Fancy Food Show in New York City and the Food Export Showcase in Chicago, Illinois.

8) STRATEGY - Secure federal grant funding for an export development intern position responsible for the development and management of a food processor company database to provide outreach, export education and to promote the federally funded export development programs of Food Export USA.

### **1.05 Strengthen Existing and Seek New Community Markets**

9) STRATEGY – Promote Community Market opportunities to growers. Maintain a current list of existing and new community farm markets seeking increased farmer participation. This list will be made available on the department website, distributed at grower meetings and printed in grower oriented publications.

10) STRATEGY - Promote the existence of community farm markets to the public. Maintain an interactive directory of community farmers markets on the department's website and continue to offer community farmers market lists for publication in local papers. Distribute community farmers' market lists to agencies responsible for distributing Farmers Market Nutrition coupons to seniors and participants in the Women, Infants & Children (WIC) nutritional program.

11) STRATEGY - Seek a rural business enterprise grant to fund research to find ways to strengthen the direct marketing practices and infrastructure in New Jersey. The goal of the study will be to determine the best practices to attract consumers and growers to community markets.

#### **1.06 Expand Jersey Fresh Program**

12) STRATEGY – Continue to strengthen the appeal of the *Jersey Fresh* brand to supermarket chains and all other retailers. Increase use of the *Jersey Fresh* brand name. Discourage the use of the “Locally Grown” product claim. Promote the third-party food certification program as part of the renewal of the *Jersey Fresh* brand.

13) STRATEGY - Implement the findings of the strategic evaluation of the *Jersey Fresh* program due to be released in January 2006.

14) STRATEGY – Award Jersey Fresh matching-funds grants to applicants with the best past performance and greatest potential industry impact.

15) STRATEGY – Continue to broaden the *Jersey Fresh* promotional program to be more inclusive of all New Jersey produced fruits and vegetables, especially herbs, hydroponics and greenhouse produced fruits and vegetables and update *Jersey Fresh* Quality Grading standards to include non-traditional produce items if necessary.

#### **1.07 Continue Third Party Farm Certifications**

16) STRATEGY – Continue providing affordable third-party farm certifications. As consolidation continues in the retail produce industry, the importance of third-party farm certifications will continue to grow, as retailers require the improved trace-back ability third-party certifications offer.

#### **1.08 Improve Retailer and Processor Coordination**

17) STRATEGY – Continue weekly dialogue, including weekly updates, involving Department representatives, growers, producers, wholesalers and retailers of New Jersey agricultural products. Conduct farmer and buyer meetings to bring retailers, processors and growers together. Assist growers in identifying local and regional fresh market processors and determining the needs of those processors.

#### **1.09 Explore Contract Growing**

18) STRATEGY – Continue working to identify contract growing opportunities to enable growers to establish a market price prior to production thereby reducing their exposure to market and price volatility. Continue the search for opportunities for New Jersey growers to better integrate into the 52-week demand cycle of large distributors and processors.

#### **1.10 Identify Alternate Crops**

19) STRATEGY – Implement the search for alternate crops that can be produced in New Jersey and identify channels of distribution for those crops. Complete the “Demographics and the Marketing of Ethnic Produce in the Mid-Atlantic States” research project that will identify new and existing crops that can be grown in New Jersey and the communities where they are preferred.

### **1.11 Value-Added Produce**

20) STRATEGY - Evaluate Co2 flash freeze applications for a Value-Added Products Grant to study a possible ethanol plant flash freeze facility and conduct marketing research to evaluate flash freeze applications for vegetable & fruit products. In particular, marketing research will be conducted to evaluate the implications of flash freezing products for the school, institutional and foodservice markets.

21) NEW STRATEGY - Seek to determine the best practices common to New Jersey's successful direct marketing, value added and agricultural tourism operations. Communicate those practices to the agricultural community.

### **1.12 Vegetable Marketing Taskforce**

22) STRATEGY - Create a vegetable marketing taskforce whose charge would include new ways to reposition and market *Jersey Fresh* branded produce, a review of the *Jersey Fresh* grade standards, possible changes to the packaging of *Jersey Fresh* product, and a review of current communication efforts with retailers, buyers and growers.

## **ORNAMENTAL HORTICULTURE INDUSTRY ECONOMIC DEVELOPMENT STRATEGY**

### **BACKGROUND**

Ornamental horticulture, including greenhouse, sod, nursery and floriculture operations, is New Jersey's leading agricultural sector, representing almost 40 percent of the state's agricultural production with more than \$370 million in cash receipts. In 2004 New Jersey had 19 million square feet of greenhouse. New Jersey's horticultural products offer esthetic value, providing shade and a cooling effect, re-charging the air with oxygen.

Since 2004 the television advertising of New Jersey horticultural products has greatly expanded through the Department of Agriculture's marketing program. The year 2005 saw the development of the *Jersey Grown* quality-grading program along with an upgraded retail nursery and garden center listing on the *Jersey Grown* website.

To increase demand for New Jersey nursery stock, the New Jersey Department of Agriculture is continuing to expand its marketing program to include more horticultural crops. In addition to cut flowers, the Department is currently seeking to expand the developing *Jersey Grown* quality inspection program to a wider range of ornamental horticultural products.

The Department will continue to inspect and certify nurseries, enabling growers to sell certified disease-free material in and out of state, and conduct seed certification and seed control testing programs to ensure high quality turf grass seed for New Jersey sod growers.

In 2006, the Department's ornamental horticulture economic development strategies will be focusing on implementing the *Jersey Grown* brand program. The *Jersey Grown* website will continue to expand, and inspections for harmful pests and certifying seed will be continued.

## **2. ORNAMENTAL HORTICULTURE STRATEGIES**

### **2.1 Ensure Plant Health**

**23) STRATEGY** – Work to have a comprehensive approach to ensuring plant health. The following methods to be employed include:

- Continue inspections for harmful pests and disease.
- Seek ways to increase use of new methods of pest control and beneficial insects
- Inspect and certify nurseries, enabling growers to sell certified disease-free material in and out of state.
- Conduct seed certification and seed control testing programs to ensure high quality turf grass seed for New Jersey sod growers.
- Encourage the New Jersey Agricultural Experiment Station to continue its research in identifying new varieties of agricultural products resistant to pests, diseases and new plant introductions.

**24) STRATEGY**- Work toward establishing a drought emergency protocol for implementation of predictable, effective and sound restrictions for future emergencies. Work with the Nursery and Landscape Industry, the NJ Dept. of Environmental Protection, and the Department's Agricultural Water Working Group prior to future drought emergencies, to develop drought emergency water use restrictions.

## **2.2 Increase Consumer Awareness**

25) STRATEGY - Continue work to strengthen the *Jersey Grown* brand name to enable the industry to benefit from a common trademark identifying locally produced horticultural products.

- Work with growers and independent garden centers and nurseries to strengthen their efforts to promote *Jersey Grown* products with advertising such as point of sale materials.
- Continue to include horticultural crops in the department's marketing program.
- Maintain the retail nurseries and garden center listings on the *Jersey Grown* website.

26) STRATEGY - Develop fact sheets and/or articles of interest to educate and inform consumers about the availability, variety and use of "Jersey Grown" horticultural products. Work with the New Jersey Nursery and Landscape Association and others to distribute fact sheets and horticultural articles of interest.

## **2.3 Improve State and Public Contract Requirements**

27) STRATEGY- Continue to work with state agencies, including the Department of Transportation, through its highway planting program, and the Department of Environmental Protection, through its forestry program, to use New Jersey produced products whenever possible and ensure that all products meet the pest-free standards of the New Jersey Nursery Law and satisfy the quality standards set by the *Jersey Grown* Rule as established by the Department.

28) STRATEGY - Promote the use of Jersey produced plant material in bioengineering and cost share projects supported by the Soil Conservation Service.

## **2.4 Develop an Industry Recognition Program**

29) STRATEGY – Continue to work with municipalities to recognize outstanding uses of *Jersey Grown* nursery material grown and used in the state. The newly introduced comprehensive award program that focuses on municipalities that promote both growers and end users of *Jersey Grown* nursery products will create increased awareness of the ornamental horticulture industry in the state.

## **2.5 Strengthen Communications with Industry Leaders**

30) STRATEGY - Meet at least once annually with horticultural producers to discuss items of mutual interest, and meet at least once annually with floriculture leaders to address challenges in their industry.



## **NEW JERSEY SEAFOOD INDUSTRY ECONOMIC DEVELOPMENT STRATEGY**

### **BACKGROUND**

As the world's leading supplier of surf clams, ocean quahogs and mackerel, New Jersey's commercial fishermen have been supplying the world's finest seafood for over 300 years. The variety of New Jersey seafood is impressive: clams, scallops, blue crabs, squid, monkfish and flounder, and many others. New Jersey's ideal seaboard location allows for ready access to over 100 Northern and Southern species which are in demand all around the world. In 2004, over 187 million pounds of seafood valued at \$145.7 million was landed in New Jersey's six thriving ports, Cape May, Atlantic City, Belford, Point Pleasant, Point Norris and Barnegat Light. In 2004, Cape May was the fifth largest port in the nation landing \$68.1 million dollars of seafood. With annual retail, import and export sales in excess of \$2 billion, New Jersey Seafood is important to our state's economy

Our state's more than 150 aquaculture farms' total sales were estimated to be \$6.0 million in 2004. This includes 86 hard clam farms, 34 oyster farms and 14 finfish farms that include trout, koi, hybrid striped bass, sport fish species, and tilapia. Four farms also produce hundreds of species of aquatic plants. New Jersey has the second highest number of molluscan farms in the Northeast. The total acreage of aquatic farms in New Jersey is 1,466 of which 1,402 are saltwater and 64 are fresh water. The USDA 2006 Census of Aquaculture will provide updated statistics that document the rapid growth of the industry over the past five years.

New Jersey is strategically located in one of the nation's largest, and culturally diverse, upscale consumer seafood markets. But stiff competition from other states is resulting in lower prices and lost markets for New Jersey' seafood and farm-raised products, especially shellfish.

In 2004, the Department embarked on a program to brand locally harvested seafood. The *Jersey Seafood* branding program allows consumers to identify local seafood while also meeting new country of origin label requirements. Through promotional materials, point of sale advertising, an enhanced website, and work with strategic partners, awareness is expanding for the *Jersey Seafood* brand name. With 70 percent of seafood consumed in restaurants, the *Jersey Seafood* brand promotion is also heavily targeted at chefs who are the opinion leaders in the industry.

Coastal tourism contributes \$15 billion annually to our state's economy. Restaurants play a key role in a successful tourism industry in New Jersey. Recognizing this, our program identified strategic partnerships and a comprehensive promotional plan to support the positive branding of the New Jersey Shore along with *Jersey Seafood*.

### **3. SEAFOOD STRATEGIES**

#### **3.1 Promote the "Jersey Seafood" Brand**

**31) STRATEGY-** Continue to promote locally grown and harvested products as distinct from, and of higher value, than competing products by establishing the *Jersey Seafood* brand.

32) STRATEGY – In order to develop a high quality brand image for New Jersey Seafood, as well as maintain a safe and high quality supply of *Jersey Seafood* products for New Jersey residents:

- 1 NJDA staff and seafood industry members will implement a new grading and quality assurance program to support the branding and marketing of farm-raised New Jersey shellfish.
- 2 Twenty farmers will adopt a quality grading program for farmed clams & oysters that will allow the use a *Jersey Seafood* logo on packaging and promotional materials.
- 3 Five farmers will participate in a Shellfish Quality Assurance Program.
- 4 Seafood handling programs for supermarket retail personnel will be held twice yearly.
- 5 One hundred farmers will adopt the Recommended Agricultural Management Practices and Aquatic Organisms Health Management Plan.
- 6 Ten Agricultural Extension Agents will be trained to assist current and potential aquatic farmers.
- 7 An additional 100 acres of bottom will be available for aquaculture lease.
- 8 Signage and outreach materials will be developed to protect shellfish farmers from vandalism.

It is estimated that this support of the orderly growth of New Jersey’s aquaculture industry will increase farm gate sales by approximately 10 percent annually.

33) STRATEGY –Continue to identify strategic partnerships to support the positive branding of the New Jersey Shore and *Jersey Seafood*. Work to align with Jersey Shore branding strategies and the promotional opportunities of the Casino Redevelopment Authority (CRDA), NJ Travel & Tourism/Department of Commerce and targeted seafood festivals.

34) STRATEGY- NJDA seafood marketing programs will continue to promote locally grown and harvested fish and shellfish as an integral part of a healthier, more active lifestyle. The NJDA will continue to support the branding of *Jersey Seafood* through our *Jersey Seafood* Website as well as point of sale materials developed and distributed to *Jersey Seafood* retailers, community markets and restaurateurs.

### **3.2 Developing Restaurant Promotions & Branding**

35) STRATEGY- NJDA will continue to establish promotional relationships with professional culinary organizations such as the New Jersey Restaurant Association, Professional Chefs’ Associations, and Slow Foods Organizations of New Jersey. Through these relationships, the newly updated *Jersey Seafood* Suppliers Directory, our *Jersey Seafood* website information designed to connect buyers with sellers will be distributed.

36) STRATEGY- In conjunction with the members of the NJDA *Jersey Fresh* marketing staff, Garden State Seafood Association, New Jersey Restaurant Association and Professional Chefs Associations, continue to develop a Jersey Fresh Seafood Culinary event to showcase our local produce and seafood products. This will be implemented to highlight the quality of these items to our region’s consumers, tourists and seafood buyers. Winning recipes and participating chefs and restaurateurs will be posted on the *Jersey Seafood* web site as well as considered for inclusion in future cookbooks.

### **3.3 Facilitating Retail Promotion & Sale of Jersey Seafood**

37) STRATEGY- Ten new retail markets will feature locally harvested New Jersey fish and shellfish. Consumer friendly *Jersey Seafood* point-of-sale materials will be provided to targeted retail markets. The newly updated Seafood Suppliers Directory will be distributed to seafood buyers of New Jersey's major supermarket chains. Visits will be made to major retail buyers to promote New Jersey seafood, distribute the seafood suppliers directory and encourage use of the point of sale materials and.

### **3.4 Supporting Direct Marketing Opportunities**

38) STRATEGY –NJDA will continue to support and assist in expanding the sale of aquaculture products at community farm markets. Surveys of farm markets will be conducted to identify potential markets for seafood products. Promotional and packaging materials will also be developed to support the branding and sale of New Jersey's seafood products in targeted upscale farm markets.

### **3.5 Development of Value-Added Seafood Products**

39) STRATEGY – In 2006, through the USDA Value Added Grant Program, a comprehensive business plan will be developed by the New Jersey Seafood Marketing Group. Department staff will continue to work with and inform agricultural and seafood industry members about the availability of grants to promote value added product development and product innovation.

### **3.6 Export of New Jersey Seafood Products**

40) STRATEGY – In partnership with USDA and Food Export USA programs for 2006, promote the development of export marketing opportunities for New Jersey's seafood products.

**DAIRY INDUSTRY**  
**ECONOMIC DEVELOPMENT STRATEGY**

**BACKGROUND**

In 2004, New Jersey's Dairy industry produced a total of 187 million lbs. of milk valued at \$30.8 million and an additional 44 million in estimated live animal sales. Milk production in 1991 totaled 349 million lbs. valued at \$54 million. New Jersey's estimated 11,000 milk cows are primarily located in the counties of Salem, Sussex, Warren, Burlington and Gloucester. Those five counties produce 87 percent of New Jersey's milk. New Jersey's Dairy industry provides a fresh and healthy source of dairy products to all New Jersey residents young and old.

Over the past decade, New Jersey witnessed the closure of more than half its dairy farms. Today, the number of commercial dairy farms statewide totals approximately 113. Farmers' decisions to abandon dairy farming are largely attributable to the high cost of doing business, coupled with volatile pricing in the federal milk marketing system, which results in low profits. Though the number of farms has rapidly decreased, milk production has declined at a slower rate due to herd expansion and improved dairy herd production and management.

In 2005 the Department, Rutgers Cooperative Research and Extension, and New Jersey Farm Bureau created the Garden State Dairy Alliance in an effort to help sustain a viable and thriving dairy industry. This multi-disciplinary team along with other state and federal programs will cooperatively address issues related to animal health, milk quality, nutrient management, bio-security, economic stability, marketing, dairy industry development, as well as impacts of legislation and regulation affecting the industry.

In 2006 the Department, through the efforts of the Garden State Dairy Alliance, will provide technical assistance to further advance programs in support of farm profitability, infrastructure redevelopment, animal health, bio-security and food safety. Working with the Garden State Dairy Alliance the Department will also be supporting the development of value-added products through the *Jersey Fresh* Quality Grading Program and promoting the nutritional benefits of milk and milk products through programs such as "Healthy Choices; Healthy Kids." The same team will also be working on education programs for the general public and elected officials. A common, clear, and consistent goal and focus will be developed for the dairy industry.

**4.0 DAIRY STRATEGIES**

**4.1 Evaluate Legislation and Regulation**

**41) STRATEGY** – Continue tracking possible federal legislation that encompasses the Milk Income Loss Contract (MILC) program to ensure more stable short-term on-farm milk prices. Work with the State's Ratification Committee to continue moving that process forward while considering other new options. Explore any additional federal legislation that might affect the milk industry.

**42) STRATEGY** – Monitor options related to creating unified New Jersey Dairy Council to meet the needs of both North and South Jersey producers and allow for greater local control over advertising budgets.

#### **4.2 Increase Demand for Milk**

43) STRATEGY- Develop a campaign to promote *Jersey Fresh* dairy product sales at community and retail markets throughout the State.

44) STRATEGY – Explore value-added products and the market potential for flavored milk, yogurt and other dairy products. Evaluate the concept of marketing low-fat flavored milk in New Jersey’s schools. Pursue a value-added grant for this project.

45) STRATEGY – Continue to work with the Garden State Dairy Alliance to support the dairy industry with technical assistance to coordinate a multi-disciplinary team of State and Federal partners to cooperatively address issues related to animal health, milk quality, nutrient management, bio-security and dairy industry development. The alliance will work to help sustain a viable and thriving dairy industry in New Jersey. Continue to work with Pennsylvania and other states to develop relationships beneficial to New Jersey’s dairy industry.

46) STRATEGY – Continue to support the distribution of milk as “*Jersey Fresh*,” “Made with Premium *Jersey Fresh* Milk,” “Made with Jersey Fresh Milk”, “*Jersey Fresh* Flavored Milk” and “*Jersey Fresh* Milk.”

47) STRATEGY – In conjunction with the Healthy Choices, Healthy Kids initiative, continue to promote the nutritional benefits of drinking milk at a young age. The Department and producers will work with the North Dairy Council to promote the initiative.

48) STRATEGY - Work with producer groups to market fluid milk products to co-packers and establish a processing facility to produce high-end soft cheeses and other products.

#### **4.3 Ensure Quality Production and Food Safety**

49) STRATEGY - Continue working to protect the health of the dairy industry from the threat of devastating and economically damaging diseases. Seek to secure funding for Garden State Dairy Alliance Milk Quality Program to document the quality of raw and processed milk and milk products to assure the safety and wholesomeness of dairy products. Continue working with Rutgers and NJ Farm Bureau to promote the FIN Pak Program, a software program for dairy farmers that promotes good business practices through financial management analyses.

## **FIELD AND FORAGE CROPS INDUSTRY ECONOMIC DEVELOPMENT STRATEGY**

### **BACKGROUND**

In 2003, New Jersey harvested more than 319,000 acres of field crops worth an estimated \$83 million. The leading field crops harvested were 120,000 acres of hay, 88,000 acres of soybeans, 79,000 acres of corn for grain and silage, 26,000 acres of winter wheat plus additional acreage of barley. Contributing to the State's agricultural economy, field crops provide animal feed and help to maintain New Jersey's working agricultural landscape.

Due to the state's high land values, property taxes and labor rates, production costs in New Jersey are higher than in most other production areas. With commodity prices based on national production costs, yields and demand, it is less profitable to produce commodity items in New Jersey than elsewhere.

One area that offers opportunity for field crops is the emerging prospects for renewable fuels as part of the Green Energy sector. Both corn, for ethanol production, and soybeans, for bio-diesel production, would be in higher demand should plans for an ethanol plant and a bio-diesel production facility come to fruition. Those facilities will need a readily available, local source of these feedstocks for their operations.

One of the impediments to construction of an ethanol production facility in New Jersey had been the state's prior reluctance to end reliance on methyl tertiary-butyl ether, or MTBE, as the sole oxygenate for gasoline sold in New Jersey. With MTBE, a petroleum refinery by-product, not phased out as it had been in New York and Connecticut, the impetus for producing ethanol in the state was muted. However, in 2005, the state Legislature passed, and the Governor signed, a bill that would phase out MTBE by 2009, providing an increased need for ethanol production in the state.

In 2005 market opportunities links between organic growers and processors were developed, edible soybeans were investigated, progress toward the construction of an ethanol plant continued and a list of organic hay producers was created.

In 2006 efforts to support organic crop production, farm income diversification, the establishment of an ethanol plant, the prospect of commercially produced edible soybeans, and grower education about agri-tourism opportunities will be continued.

### **5.0 FIELD CROPS STRATEGIES**

#### **5.1 Support Organic Field Crop Production**

**50) STRATEGY** – Encourage the production of certified organic soybeans, corn and wheat to increase the value of these crops.

**51) STRATEGY** – Assist in linking growers with organic food processors to help identify new market opportunities and take advantage of the growing demand for processed food products made from organic ingredients.

### **5.3 Support Plans for a Green Energy Initiative**

52) STRATEGY – Continue to facilitate and support efforts to construct an ethanol plant in New Jersey. The plant will create a major new market for the state’s grain growers, and has the potential to elevate the price paid for regionally produced corn. A market for distiller’s grain, a by-product of the manufacturing process, will also be promoted.

53) STRATEGY – Continue to support and facilitate efforts to construct bio-diesel production facilities in New Jersey, and continue exploring the establishment of a soybean crusher in the state to provide a local source of soybean oil to bio-diesel production facilities. These efforts will create major new markets for the state’s soybean growers, and have the potential to elevate the price paid for regionally produced soybeans.

### **5.4 Seek New Markets for New Jersey Grain Crops**

54) STRATEGY – Continue to support New Jersey production research into edamame, a variety of vegetable soybean. Edamame does not require processing to be ready for human consumption, can be consumed fresh or frozen, and is high in protein and low in cholesterol and fat. Continue to investigate marketing opportunities and channels of distribution to capitalize on edamame’s increasing popularity among all ethnic groups.

## **LIVESTOCK AND POULTRY INDUSTRY ECONOMIC DEVELOPMENT STRATEGY**

### **BACKGROUND**

With an estimated value of \$ 45.5 million, New Jersey's livestock and poultry sector is a significant contributor to the state's agricultural economy. The competitive pricing of the U.S. commodity market structure combined with New Jersey's higher than average feed and production costs can be disadvantages for our state's livestock industry. New Jersey's livestock industry is currently approaching a new marketing era with fewer commercial size operations and a trend toward alternative livestock and production methods. Direct or value-added marketing will be a driving factor for the livestock industry in New Jersey. The Department has worked to ensure that the existing structure of the industry is maintained and has facilitated growth in the emerging market structure.

The Department continues to work to protect livestock and poultry from disease. A healthy industry is also largely dependent upon well cared for animals. The New Jersey Department of Agriculture administers numerous disease control programs to ensure the health of livestock and poultry throughout the state. As a part of the Garden State Dairy Alliance, the Department offers voluntary animal health programs such as, "New Jersey Cattle Health Assurance Program" and the "New Jersey Sheep and Goat Health Assurance Program." These programs improve the management of livestock operations as well as assuring a safer food product for the consuming public.

Through education and inspections, the Department is active in avian influenza surveillance and eradication, periodically testing the live poultry markets, livestock auctions, and backyard flocks while helping owners to limit the risk of avian influenza in the markets.

The successful *Jersey Fresh* brand has been extended to the livestock industry with the promotion of the *Jersey Bred* brand in 2005. The Federal-State Marketing Improvement Program grant to study the economics of raising and marketing goats was completed in 2005. As a result of this project marketing and educational programs will be continued to support the significant new industry.

In 2006 the Department will continue working to ensure animal health, enhance industry marketing, and encourage production while examining new and non-traditional New Jersey livestock products and markets for those products.

### **6.0 LIVESTOCK AND POULTRY STRATEGIES**

#### **6.1 Ensure Animal Health**

55) STRATEGY – Through the implementation of best management practices for bio-security, the department will continue working to protect the health of the livestock and poultry industry from the immediate threat of devastating and economically damaging diseases. Work with owners of livestock to assure awareness of disease threats and general animal safety measures.

#### **6.2 Enhance Marketing Efforts**

56) STRATEGY- Evaluate and expand the branding of meat products under the *Jersey Fresh* program.



### **6.3 Encourage Production of Goat Products**

57) STRATEGY – Implement the results of the study of meat goats to identify markets for their products. Complete the marketing component of the Federal-State Marketing Improvement Program grant to study the economics of breeding and marketing meat goats. Work with dealers to coordinate the sale of goats to major retail distributors.

58) STRATEGY - Work to match the farm management practices of the new and beginning farmers in New Jersey to include the feed out of goats on a seasonal basis to maximize inputs and reduce costs associated with feeding these ruminant animals. This will also aid in maintaining the open space benefits of rougher grasslands.

### **6.4 Encourage Production of Grass-Fed Animals**

59) STRATEGY – Investigate grants to help develop marketing and distribution programs for fresh and frozen grass-fed and organic grass-fed livestock products throughout the state.

60) STRATEGY – Work toward expanding the numbers of farmers markets that offer fresh meat products.

### **6.5 Work With Markets**

61) STRATEGY – Continue the progress being made with the state’s livestock markets to upgrade their facilities and adapt their operations to better meet the particular needs of both traditional and ethnic markets. Initiate a dialogue with the auction markets to conduct graded sales.

62) STRATEGY – Support the marketing of locally produced poultry meat and eggs. Review the laws and regulations that affect this industry to ensure that they address current industry models of production and distribution.

### **6.6 Promote an Annual Market for Sheep, Goats**

63) STRATEGY – Continue to develop and promote livestock sales at several locations throughout the State.

64) STRATEGY – Continue to enhance support for the sale of market lambs and 4-H animals.

## **ORGANIC INDUSTRY ECONOMIC DEVELOPMENT STRATEGY**

### **BACKGROUND**

Organic foods continue to be the fastest growing and very profitable segment of agriculture in America, Europe and Japan. In the United States in 2003, sales of organic agricultural products exceeded \$10 billion dollars. The US market for organic agricultural products is projected to reach a value of \$30.7 billion by 2007.

To make an organic claim, producers (farmers) and food processors (handlers) must follow regulations published by the USDA, and if making over \$5,000 in sales, must be certified by a USDA accredited certifier. Currently, there are 54 certifying agents throughout the country comprising various state and private entities and 41 foreign certifying agents.

In October 2002, the U.S. Department of Agriculture implemented these new regulations mandating that any organic agricultural product meet the USDA National Organics Program requirements, guaranteeing consumers purchasing organic products the highest quality organic agricultural products.

For more than a decade, the New Jersey Department of Agriculture has worked with the Northeast Organic Farming Association of New Jersey (NOFA-NJ) to certify organic producers and handlers. In September 2003, NJ legislation passed allowing the Department to establish rules and regulations for a New Jersey Organic Certification Program. The certification program incorporates all of the USDA's National Organic Program regulations, and also provides farmers who are transitioning to organic production the ability to market their products under the new "Transitional Sustainable" label. In doing so, farmers will not have to wait the required 36-month "free of prohibited materials" requirement to realize the increased prices this niche market supports. Under the National Organic Program, States also have the option to establish State Organic Programs separate from certification programs. State Organic Programs are required to conduct enforcement actions of the organic regulations at the state level.

In support of the marketing of organic products, the Department's *Jersey Organic* proposed rules are awaiting publication and public comment. Organic price cards will be distributed to help promote New Jersey's organic products directly to area retailers.

Over the last several years the Department received USDA funds to help offset the costs of organic certification. In 2006, the Department will continue to promote and administer cost sharing of organic certification fees for eligible operations, preparing informational brochures and fact sheets, and fully integrating organics into the Department's promotional program. The proposed regulations for the State Organic Certification Program and the *Jersey Organic* marketing program are targeted for simultaneous publication in the near future.

## **7.0 ORGANIC STRATEGIES**

### **7.1 Promote Cost-Sharing**

**65) STRATEGY** – Continue outreach efforts to educate growers and handlers about federal funds available to help offset organic certification costs. Through a cost-sharing agreement with the Department and USDA, each operation is eligible for a reimbursement of up to 75 percent of its certification costs, not to exceed \$500.

### **7.2 Improve Marketing**

66) STRATEGY – Continue to promote New Jersey grown organic products as distinct from, and of higher value, than competing products by establishing the *Jersey Organic* brand. Continue to integrate organic products into the Department’s *Jersey Fresh* Marketing Program using a *Jersey Organic* logo.

67) STRATEGY –The NJDA will continue to support the branding of *Jersey Organic* through our website as well as point-of-sale materials developed and distributed to *Jersey Organic* retailers, community markets and restaurateurs.

68) STRATEGY – Strengthen and coordinate existing efforts of the marketing program with the promotion of organic products to area restaurants.

### **7.3 Educate Growers About Regulatory Requirements**

69) STRATEGY – Distribute fact sheets outlining the legal and regulatory requirements for production and sale of organic products, including livestock and livestock products. Make the fact sheets available on the NJDA website and distribute to handlers and retailers of organic produce.

70) STRATEGY – Continue working toward USDA accreditation of a State Certified Organic program to guarantee consumers the highest quality organic agricultural products. The program also provides farmers who are transitioning to organic production and are in the process of completing the three-year qualifying period the ability to market their products as transitional sustainable.

## **EQUINE INDUSTRY ECONOMIC DEVELOPMENT STRATEGY**

### **BACKGROUND**

During the past 25 years, the region's horse racing industry has faced many challenges including the advent of casino gambling, an increasingly popular state lottery, the 2001 closure of Garden State Park, the loss of racing days at Atlantic City Racetrack and declining audiences at live races due to simulcasting. To compensate, states neighboring New Jersey are combining different wagering technologies with horse racing. Delaware, Pennsylvania, and New York already have either slot machines or video lottery terminals installed at tracks or they have recently passed legislation permitting them. These efforts are attracting larger racetrack audiences and enhancing revenues.

Based on the most recent data, New Jersey's equine industry, composed predominately of pleasure breeds, accounts for an estimated 81,000 acres of farmland across the state. The state's breeding stock alone has an overall value in excess of \$600 million. Equine related assets including feed, bedding, fencing, equipment, transportation, insurance, blacksmith and veterinary services contribute \$672 million to the state's economy annually.

As part of its efforts to support the equine industry, the New Jersey Department of Agriculture administers numerous disease control programs to help keep horses healthy. The Department is a leader in the research on West Nile Virus and its work has been used throughout the world to develop programs that address the disease.

Since 2003 a new breeder program has been advertised for standardbreds and work is continuing toward a thoroughbred-breeding program. The Equine Science center continued its research, and the NJ Equine Advisory Board continued its efforts to bolster promotion and education efforts to stimulate interest, attract new owners, and create career opportunities in the equine industry.

As one of the most progressive equine states New Jersey offers racing as well as riding trails, rodeos, active 4-H and handicapped riding programs as well as many horse shows and competitions. In 2005 the FFA Horse Team received an individual silver medal at the National Level in the Career Development Event and one of the members.

In addition to continuing the Department's programs to ensure horse health and promote the industry, in 2005 income from casinos will be increasing purses and supporting breeding programs. Major improvements are also being considered for Monmouth Park in preparation for the upcoming Breeder's Cup scheduled in 2007.

### **8.0 EQUINE STRATEGIES**

#### **8.1 Ensure Horse Health**

**71) STRATEGY** - Work with horse owners to assure awareness of disease threats and animal safety. Continue working to protect the health of horses from the immediate threat of devastating and economically damaging diseases.

72) STRATEGY – Work with Rutgers University’s Cook College to continue development of a state-of-the-art research facility for its Equine Science Center. The Center is developing cost-effective techniques for nutrient and waste management to ensure the compatible co-existence of horse farms in urban and suburban environments.

73) STRATEGY - Work to implement the recommendations of the Department’s “Focus on New Jersey’s Horse Racing Industry” report and seek to augment purse values, increase track attendance, and improve the industry’s supportive infrastructure.

### **8.3 Promote the Industry**

74) STRATEGY – Continue working with the Horse Park to explore the possibility of hosting future Olympic equestrian events and other prestige events.

75) STRATEGY – Seek increased funding of the Equine Advisory Board through the legislative process.

76) STRATEGY – In 2006, in addition to training clinics, horse shows, festivals and industry meetings the Horse Park of New Jersey will continue to host auction sales.

77) STRATEGY – Continue to improve the website highlighting the sectors of New Jersey’s Equine Industry activities. The website will feature schedules of events, horseback riding trails and other industry related activities. Use the website to link New Jersey Equine breeders to racing sites.

78) STRATEGY - Bolster promotion and education efforts to stimulate interest, attract new owners and create career opportunities.

79) STRATEGY - Support the development of New Jersey's off track betting industry and the out of state breeder awards program for New Jersey bred horses racing outside of New Jersey.

### **8.4 Improve Facilities**

80) STRATEGY – Continue to grow the Horse Park and expand the types of services it can offer New Jersey’s equine industry.

81) STRATEGY - Develop, propose and adopt the Equine AMP (Agricultural Management Practices) to allow for increased right-to-farm protection for New Jersey’s equine industry.

## **WINE INDUSTRY ECONOMIC DEVELOPMENT STRATEGY**

### **BACKGROUND**

With more than 20 wineries, occupying an estimated 500 acres, New Jersey wines are becoming more and more sophisticated, and the results are showing in their award-winning wines. The state's wine industry has received countless awards locally, nationally and internationally. New Jersey's wine industry adds an important diversification to New Jersey agricultural sector offering agri-tourism opportunities while providing a value-added product.

Grape production continues to expand in New Jersey, but it is not keeping pace with increased wine production. New Jersey's wine industry ranks fifth in production behind California, Oregon, Washington and New York. This means the industry is becoming less dependent on New Jersey grapes and more dependent on out-of-state grapes, and risks losing its legitimate claim as an agricultural concern in the state.

The New Jersey Department of Agriculture administers a promotion and research fund for the wine industry supported by per-gallon tax refunds collected by the New Jersey Wine Industry Advisory Council. The Council prints promotional materials, conducts publicity programs, funds promotional festivals and conducts varietal and production oriented research with the funds.

In 2005 the New Jersey Department of Agriculture introduced a *Jersey Fresh* quality guarantee for wines. Wines must pass a rigorous quality test and be produced from grapes grown in New Jersey can now put a *Jersey Fresh* quality guarantee on their wines. In order to quality the wines are tested for appearance, color, aroma and bouquet, acesence, total acid, sugar, body, flavor, astringency and general quality.

In 2006, efforts will be made to increase New Jersey grape production and expand the *Jersey Fresh* Wine Festival to include more restaurants and farmers markets. The industry will be supported as it seeks additional retail outlets and licenses to produce fruit based spirits. Opportunities will be created to support New Jersey wines at domestic and international trade shows. Support for federal export development funding of New Jersey fruit wines will be continued. .

## **9.0 WINE STRATEGIES**

### **9.1 Increase New Jersey Grape Production**

**82) STRATEGY** – Encourage support for new production research to increase the state's grape production to expand the locally grown content of New Jersey wines.

**83) STRATEGY** – Consider increasing the minimum acres required to establish a plenary winery from three to five acres.

### **9.3 Support the Wine Industry at Trade Shows**

**84) STRATEGY** – Seek opportunities at domestic and international trade shows for New Jersey's wine industry to expand the marketing and promotion of its wines. Support these efforts with any available state, regional or national cost sharing programs such as the USDA Market Access Program.

#### **9.4 Expand the Jersey Fresh Wine Festival**

85) STRATEGY - Support the expansion of the *Jersey Fresh Wine Festival* to combine both the wine industry and the seafood industry making it the “*Jersey Fresh Wine and Seafood Festival*.” The restaurant industry and New Jersey farmers interested in direct sales of produce, or other agricultural products, will also be encouraged to participate.

#### **9.5 Promote Product Categories**

86) STRATEGY - Consider the development of a joint marketing opportunity for New Jersey fruit wines such as raspberry, blueberry and cranberry. Promote them as a product category unique to local New Jersey fruit production.

87) STRATEGY - Support the wine industry’s effort to obtain licenses to distill fruit based spirits such as fruit brandies and grappa which is an Italian brandy made from distilling grape skins that remain after wine production.

#### **9.6 Expand Retail Outlets**

88) STRATEGY – Support the wine industry’s effort to expand it’s number of eligible retail outlets and also the ability to sell their wines at farmer’s markets.

## **AGRI-TOURISM INDUSTRY ECONOMIC DEVELOPMENT STRATEGY**

### **BACKGROUND**

With New Jersey farmers facing rising costs and stagnant commodity prices, agri-tourism offers an important opportunity to generate additional farm income and keep farms economically viable. Agri-tourism presents opportunities for New Jersey growers seeking to add value to their crops and/or capture more of the market price of their products by directly accessing consumers. Many residents consider agriculture a novelty and something to be explored and enjoyed. They desire to share the agricultural experience while increasing farm income at the same time. New Jersey's agri-tourism industry provides for a great introduction to the agriculture of the Garden State. The educational and economic contributions of agri-tourism to the state's agricultural economy are many.

Other states have comprehensive agri-tourism programs that will be studied as work moves forward to more closely cooperate with the various agencies that share a common interest in promoting tourism in New Jersey. An example of another state success is Vermont, where \$19.5 million of farm income was created by agri-tourism in 2002.

To assist in the development of the agri-tourism industry, the Department will be focusing on three major objectives: developing Strategic Partnerships, Consumer Promotion and Industry Education.

### **10. AGRI-TOURISM STRATEGY**

#### **10.1 Develop Strategic Partners**

89) STRATEGY – Continue to support the newly formed New Jersey Agri-Tourism Industry Advisory Council in their charge to develop, support, and market this sector of the agricultural community

90) STRATEGY – Continue working with the Office of Travel & Tourism to incorporate agri-tourism research into their established travel industry research program. The study could identify existing agri-tourism and the current impediments and opportunities for future growth.

91) STRATEGY - Promote agri-tourism to the travel and tourism trade through participation in the annual Governor's Conference on Tourism.

92) STRATEGY - Coordinate an agri-tourism press familiarization tour to acquaint the regional travel and tourism media with New Jersey agri-tourism. This is a standard tourism practice and it should result in trade and consumer press.

#### **10.2 Consumer Promotion**

93) STRATEGY - Promote agri-tourism through the New Jersey Office of Travel and Tourism, an enhanced agri-tourism component on the *Jersey Fresh* website, and through consumer oriented printed materials, press releases and cooperative advertising. Seek funding for an inexpensive Agri-Tourism brochure with website and contact information to be distributed at "Tourist Welcome Centers" and through other special events such as festivals. The brochure would promote seasonal events and special attractions.



94) STRATEGY- Promote the list of agri-tourism activities highlighting the various events throughout New Jersey. The agri-tourism listing on the *Jersey Fresh* website will include farm markets, agricultural festivals and special attractions like the New Jersey Museum of Agriculture. The locations, dates and a short description of the activities and events could be cross-referenced on an agri-tourism map.

### **10.3 Industry Education**

95) STRATEGY - Coordinate an Agri-Tourism symposium at the Agricultural Convention or some other venue to address common opportunities and challenges while providing some basic tourism and hospitality training. Conduct outreach activities for agri-tourism operators to promote listings on the Travel & Tourism Calendar of Events. Promote the “Tourism Cooperative Grant Program” to New Jersey’s agri-tourism industry.

96) STRATEGY – Continue to seek funding for a farmer survey to assess the variety of activities, the size of industry, and the current challenges and opportunities and review municipal ordinances that might affect the agri-tourism industry in New Jersey.

**GENERAL STRATEGIES**  
**ECONOMIC DEVELOPMENT STRATEGY**

**BACKGROUND**

Many different agencies, councils, and organizations working through a variety of programs, have the common goal of assisting New Jersey's agricultural community. Strengthened communication and coordination between agencies and programs can result in multiple benefits for the agricultural community.

In 2006 the Department will continue working on broad strategies and reaching out to better coordinate efforts with other agencies. In keeping with the goals outlined in its strategic plan; the Department continues to identify strategies to ensure the economic viability of the state's agricultural industry.

**11. GENERAL STRATEGIES**

**11.1 Inter-Agency Coordination**

97) STRATEGY – Strengthen communication between the NJDA, County Agricultural Agents, 4-H staff, USDA personnel to improve program coordination.

98) STRATEGY – Work to strengthen the marketing and promotional coordination of the State Agricultural Commodity Councils. Evaluate the benefits of shared resources, such as cooperative advertising or other shared resources.

99) STRATEGY – Invite representatives from other agencies to Economic Development Work Group meetings. Guest representatives could be invited from such agencies as Rutgers, Division of Travel & Tourism, Economic Development Authorities, the Commerce and Economic Growth Commission, state agency web masters etc.

**11.2 New Market Opportunities List**

100) STRATEGY – Maintain a current list of “New Market Opportunities.” The list could be drawn from projects within the Economic Development Work Group and disseminated directly to growers through Rutgers’ plant and pest advisory.

**11.3 Assist in Addressing Labor Issues**

101) STRATEGY - Continue the commitment to programs that support worker training, worker health and safety, and farm labor housing. Support reform of policies and procedures addressing temporary agricultural worker visas at the federal and state level.

102) STRATEGY - Seek to establish a training program for new farmers and to provide education to semi-skilled labor and middle management farm employees.

**11.4 Farmland Assessment and Crop Insurance**

103) STRATEGY – Provide support, policy analysis, and information on farmland assessment to the Farmland Evaluation Advisory Committee, the Director of Taxation’s Farmland Assessment Committee, agricultural organizations, municipal tax assessors and to landowners. Update the document – New Jersey’s Farmland Assessment Act – A Primer on Basic Requirements.

104) STRATEGY - Implement the New Jersey Crop Insurance Education Initiative in partnership with the Risk Management Agency USDA and Rutgers Cooperative Extension to improve the financial health of all farmers, increase their skill and knowledge in using crop insurance, and to increase crop insurance participation as additional products and programs become available.

105) STRATEGY- Actively assist farmers as an advocate with issues related to agricultural production, taxation, regulations, economic development, value-added opportunities as well as a variety of other matters that impact the long-term viability of New Jersey agriculture.

#### **11.5 Value Added Grants**

106) STRATEGY – Continue to promote the availability of value-added grants and develop new proposals for the Value-Added Grant Program.

#### **11.6 Improve Roadside Signage**

107) STRATEGY – Advocate a statewide standard for directional signage on New Jersey’s roadways to heighten consumer awareness and provide a more visible marketing profile for the industry. Seek industry specific exemptions and changes in existing signage regulations to increase signage opportunities.

#### **11.7 Intra-Agency Cooperation**

108) STRATEGY - Link together the internal plans and initiatives of the New Jersey Department of Agriculture. Strive to consistently implement the Economic Development Strategies with the Smart Growth, Green Energy and Garden State Development Initiative.