

**KAC Strategic Planning Task Force**  
**Flip Chart Notes – Kickoff Meeting @ Elizabethtown Convention Center**  
2-21-12

***Morning Self-Intro Session: Opportunities and Challenges***  
***“Challenges are opportunities in their work clothes”***

**Education of the non-farm community about Ag**

Educate legislators / consumers / public as to importance of Agriculture to the economy, to the community (6)

Helping consumers understand what we have to do to put food on the table

- Education of non-farmers on the production process

- Educate the public / consumers / youth about “where food comes from” and why Ag is important

- Educate those who are “not with us” that Ag is important: “you can’t live without it”.

- Rural communities are further removed from urban areas

- Consumer disconnect from source of production of food / fiber

- Pop Culture (no understanding of farmers / farming)

- Helping consumers understand how food is produced and gets on our tables

Consumer apathy about Agriculture

- Educating consumers

Education for students / producers

- Educate youth and the public about where our food comes from

- Education in schools – where food comes from

- Getting Ag-oriented education into schools

Education within the industry AND with consumers / public about the importance and impact of agriculture

- Education about Agriculture’s impact on the economy

- Lack of awareness of Ag’s contribution to the economy

- People take Ag for granted and don’t understand or value its economic impact

- Lack of understanding of agricultural economics / of the agricultural economy

Ag education for consumers (e.g. difference between “local” and “organic”); for producers (e.g. opportunities versus limits / constraints)

Ag economics: we need to learn more about where we are headed

Need for public relations to put forth Ag’s message

- Continue to tell our story

Public expectations for food / wood to be cheap, when in reality there is a need to increase farm prices

- Education: The food supply is too cheap >>> people need to understand the importance of Ag in everyday lives

How people view Ag and farming

- Misinformation

- Fighting groups seeking to destroy our way of life and our way of doing business

- Special interest groups influencing public policies and support programs for ag producers

- Education: in the equine industry; and to the general public (and to the Ag community in general)

**Ag as the basis for rural economic development (rural to urban population shifts hurt rural area's in terms of their influence) keep population / youth in rural areas.**

Rural economic development with Ag at the heart of it

Viability of rural communities + role of farms

Small farmers represent the social fabric of small communities

Small farms as the fabric of the rural areas of Kentucky

Declining rural infrastructure

Infrastructure for communication

Broadband for rural communities

There is a growing break between rural community and agriculture

Transfer of wealth [across generations]

Intergenerational transfer of assets over next 5 years

Expanding the role / participation as farmer in community organizations

Kentucky's Ag people are entrepreneurial

Combining community services at the rural community level; regional

New era battleground between rural and urban areas

**Funding / incentives**

Funding of key initiatives may no longer be funded by government – who will pick up the slack?

Replacing dollars for public sector Ag partners

Funding for conservation

Loss of services from state / federal agencies

Finding private credit to match public or grant dollars

Education at all levels – fully funded

Education at all levels – it needs more funding, in general

**Enhancing revenues to farmers by using consumers/ producer based methods**

Market prices

How to increase income from farms.

Doing more with less, but already HAD less!

Ag is “doing more with less”

Increased energy costs of production

Increase proportion of food dollars spent locally / regionally

Capital access for farmers and agribusiness

24 – 30% of net farm income is not from sale of products but from government payments . . . so will these continue as public budgets shrink?

**Labor (2)**

Next wave of retirement from Agribusinesses means new job opportunities will open

Workforce development for agricultural-related careers in the ag industry as a whole

Availability / quality of labor

H2A program

Promote awareness of career opportunities that DO exist in Ag

Getting more young people to chose Ag careers

Educate; lead people to jobs that exist

The myth that Ag has no jobs / careers for the future

Maintaining / finding qualified labor force

Replacement of older / retiring large animal vets

Keep support for large animal vet programs

Continuing Technical Education now has a seat at the [educational] table, and this includes the Agricultural-related programs; careers are out there

### **Sustainability of farms by region**

Distribution of farm income / costs

Two thirds of Ky's farms have sales under \$10,000 and represent only 3% of total Ag output . . .

[the converse is true – a small number of farms account for the lion's share of the dollar value of Ag output >> SAS added] How do we plan for the entire industry?

Rising healthcare costs

Healthcare coverage for full-time farmers

Aging farmers

Rising age of producers

Aging farmer community, especially among African American farmers

Declining numbers of farmers

Continue to provide finance / credit for beginning farmers and farm development

Land transfer: viability for young / new farmers

Risk Management

Need to look at "risk management" tools

### **Protecting / doing positive things for the environment**

Promoting Ag (farmers) as "great stewards of the land"

Restoration / protection of soil health

Importance of promoting "soil health" and "land ethic"

Improve water stewardship

Improve animal care

### **Impact of regulations**

Regulations on farms

Government regulations

Potential changes in child labor laws and effect on farms

Environmental changes affecting Ag production

Protect against environmental regulatory excess

Helping producers meet environmental regulations

Unfettered regulation

Maintaining Kentucky's friendly business structure for Ag

### **Market development and infrastructure**

Lack of slaughter facilities

Access to slaughter facilities

Helping forest industry relate to Ag

Crumbling physical infrastructure for marketing / distribution

Dairy farm infrastructure [has problems] – labor, supplies

Kentucky Proud distribution challenges

## **Market opportunities**

Identifying / pursuing new opportunities

- Develop markets for Kentucky Ag products

- Seeing new opportunities that may be open to us today

- Organic farming needs more growers to meet growing demand

  - Organic farming: consumer demand is incredible

- Agri-energy – move it forward, where it makes sense; how to make it profitable; plus promote energy efficiency.

  - Moving agri-energy forward

  - Development of energy resources on farms

  - Increasing market share (e.g. for wood products, biomass)

- Getting / keeping goat producers

  - Opportunities for goat production on smaller farms

International markets can be further expanded

- International marketing, in particular for the equine industry

Promote value-added aspects

Expanded markets for fruit and vegetables as a diversification approach

The internet as a marketing channel, opportunity to get better prices

- Social media and Kentucky Proud as ways to promote agri-tourism

Education of farmers and diversification opportunities; especially for youth

- Diversification / economic sustainability of small farms

- Opportunities for small farms to add value and capture more share of consumer dollars

- Continue commodity diversification with focus on small farm sustainability

- Wide / diverse make up of Kentucky's farm base

How to develop regional economies: example of farmers markets centered on Louisville [or other urban areas]

- Reaching outside the box: think in terms of regions, not just "my farm".

- Reaching outside of "my" farm / "my county" [to work towards] regional Ag development

- Louisville as a market for Kentucky food products (and other communities)

Expand through value-added processes; export less of the raw material

- Create wealth from Ag

## **How do we speak as ONE?**

Having a single clear message from Ag

- One voice

- Speaking with one voice when the pie is shrinking and was never that big

- How do we speak with one voice to the public about what we do?

- How does the wood products industry fit into the Ag sector?

- Continue to unite as One Voice for Ag

- Speak with One Voice, especially because the pie is shrinking

Public policy supportive of Ag advocated by individual farmers

Not get complacent by the strength of the current agricultural economy [and prices]

- Ag needs to be at the table when the economy improves

## AFTERNOON SESSION

**Question 1: What are the opportunities or challenges for Kentucky agriculture and rural communities in the next 5 years?**

### **Challenges / Obstacles**

#### **Regulations**

Regulations – what is coming; what you are responsible for  
Government regulations related to Agriculture  
Government regulations related to the environment  
Regulatory battles

#### **Increase farm efficiencies**

Cost of everything is too high  
Fuel prices are too unstable  
Energy efficiencies on the farm  
Access to affordable healthcare  
Health care costs  
Enhancing revenue [through x, y, z strategies per Bill McClosky]

#### **Increased competition for federal and state and even local funds for projects that are important and needed**

Funding for research  
Have KAC advocate for research dollars.  
Need funding stream to support Ag initiatives - possibly consider a levy on food purchases to sustain KADF efforts  
Eliminate duplication of programs, consolidate efforts / share resources on common mission  
Lack of funding in industry for key initiatives  
Funding for education / implementation

#### **Rallying around One Message**

KAC take lead in defining message for all organizations to speak  
Communicating a clear message / building on each others' message  
Merit of having "One Voice" to represent all of Kentucky Ag  
Modesty of farmers – fear outcomes if they reveal information about their actual costs and returns  
Capture the good feelings of the phrase "My Daddy is a farmer" and use this to promote positive aspects / image of Ag  
Perceptions can be shaped around "food" as well as "farms"  
Ad campaign to put a face on Kentucky Farm Families  
Finding common ground within Ag as well as with consumers  
-ID one or two key priorities and everyone to support it, completely  
Create a KAC "blog" on Ag  
A united voice communicating / educating policy-makers / consumers to increase revenues to support diversification & education  
PR effort needed to communicate "who are we?", to "put a face on Ag"

Finding a common ground for Ag

**Education in ag-based learning is declining: keep 4-H / FFA strong**

Unwillingness of parents to learn about Ag

Lack of understanding of definitions of key concepts: e.g. biofuels, organic, etc.

“Youth interaction”

“Disconnects” between knowledge of Ag by urban and rural populations

Public perceptions: how we look at them; how they look at us

Social media: use it to overcome how people view Ag

Use social media to connect to non-producers

Use social media to help consumers understand Ag

Education

Education (all kinds):

- in the schools;
- consumers – learn where food comes from / difference between “organic” and “local”;

Reducing “negatives” countering misperceptions: example of negative Yahoo article about lack of career opportunities in Ag, low value of an Ag education

**Access to capital for young farmers**

Current bankers’ lack of knowledge of Ag

Banking sector consolidation

Loss of farm wealth within rural communities

Transfer of wealth

Supporting new entrants to farming

**Multiple barriers to new market entry/ New market opportunities**

Producers need market knowledge and best practices knowledge

Lack of knowledge of value-added opportunities

Getting products to consumers other than through Farmers Markets

Cost ratios / market development of agri-fuels: need success stories to spur further efforts

Local food producers need additional markets and regional coordination

“Local Food” – especially for small producers

Local food

Biofuels: Market development (cost reduction / revenue generation);

Lack of Slaughter facilities

Slaughter facilities

**Full commitment to changing Ag industry’s mindset**

Cooperation among Ag organizations

Ag leadership development programs

Ag leadership: is it committed?

Burn out of Ag leadership

Resistance to change . . . by everyone

Changing the mindset of Ag

**Rural communities and infrastructure**

Rural tax bases declining and influence in policy also declining due to declining population  
Internet communications >>> tool to make rural areas more competitive with urban  
Expanding leadership roles / engagement of farmers in community organizations

**Labor: salaries; work ethic**

Hand-out system / welfare is a real problem

**Other comments**

Oversaturation of markets

This is a great time / positive environment for producers because prices are good

Need a longer-range plan, one that looks 10 to 20 years out to define the mission of Ag

***Group Discussion -- Question 2: What are the obstacles to capturing these opportunities or overcoming these challenges?***

**Government regulations**

Regulations / regulatory environment

Government regs: Local, State, Federal

Regulatory battles

**Costs of production**

Labor: cost / work ethic

Ease of getting “welfare” versus working

Need for stable fuel prices (affects exporting potential)

Healthcare system (cost / administration of)

Banking Sector changes affecting access to capital

**Competition for dollars from outside of Agriculture**

Funding >>> for everything

Cost of programs

Cost of education

**Knowledge of consumers**

Unwillingness of parent to become educated about Ag issues [hence spills over to children]

Education >>> Ag-based learning

Problem of “definitions”: “biofuels”? “Organic”

How to connect to consumers

Different perceptions of “Food” versus “Farms”

Modesty of farmers

**Youth interaction / engagement with agriculture on career opportunities**

Transfer of wealth and knowledge about farming between generations

Knowledge of producers re: barriers to entry to markets

### **Getting behind One Message (like coal industry has)**

Need for united voice to consumers and legislators to increase revenue and support for Ag education and for diversification

- Finding common ground among all groups

- Clear message from all commodity groups

- All member orgs lead by example – one voice

Declining population base means weaker representation for ag from rural areas

Lack of funding for Agriculture to get its message out versus adversary groups

Full commitment of everyone in Ag to new concepts

- Resistance to Change (everyone's!)

- Change in mindsets / breaking tradition

### **Market barriers**

Getting product to consumers

Local foods – identifying available markets

Regional coordination of local food efforts

Avoiding over-saturation of markets

Biofuels concerns: Start-up costs; access to markets

***Group Discussion -- Question 3: Realistically, what can the Kentucky Agricultural Council and its member organizations do to address these obstacles? [2 examples per table suggested]***

### **Marketing campaign**

One message, e.g. Kentucky Proud

- Speak with One Voice

- Unified voice to connect with all Ag producers

- Need some "Feel Good" items to build support for Ag

- We Feed YOU! Message for campaign

- Need an ad campaign, a slogan

- Ag campaigns / more effective marketing

- Create Marketing / PR campaign

Create a coordinating mechanism among Ag groups;

- Coalition to do a PR

- Pool dollars for a common one voice pro-ag campaign

- Find things everyone can agree on, then everyone needs to get behind those items

- Support / connect with other commodity groups

Success stories: capture / disseminate

### **Advertising campaign, using social media etc. to get to "One Voice" – a Pro-Ag campaign**

Social media to create an Ag blog

Share website links among member organizations

Clearinghouse, website with links

Coalition to do all social media, TV ads, together

Need an index of programs etc. that KAC members can access; share resources



### **Need a marketing program to connect with consumers**

A campaign to put “a face on Ag”

Create lesson plans for all Ag youth groups

Help create lesson plans for youth groups – FFA mentoring program / 4H

Educating the public:

- Role of the Council in getting the message out
- Generating a theme
- Coordinating message / clearinghouse
- Disseminate via member groups

KADB fund focus more on consumer programs that expand farm level opportunities

Marketing to personally connect with consumers

Tap agri-tourism as a way to connect with consumers, kids

### **Legislative Task Force to meet with Policy-makers**

When this Task Force is finished, its work needs to be disseminated to ALL of Ag

Proactive committee to meet with legislators

Start with the new Ag Commissioner . . . approach him with recommendations, new programs

Everyone in this room needs to lead by example

### **Other suggestions**

Revenue generating techniques need to be identified to move ag-related initiatives forward

Focus KADF initiatives toward consumers, rather than just on farmers

Access to affordable healthcare that lets people stay on farms

Sharing success stories / how to overcome barriers

Support Ag Leadership programs; need more private funding for them

Export markets – expand

Exporting outside the U.S.

Long range plan that is longer than 5 years

Conduct general research on issues that affect Ag

### **OTHER COMMENTS /// CLOSING DISCUSSION**

Need a clear short message for all to use: “Ag is what feeds your family”

Generate talking points to be used by all

Don’t forget impact of Agri-tourism and its need to be supported by all Ag groups

Need summary of Ag statistics and trends

Definitions behind the numbers (e.g. is “Equine” in the job numbers?)

Assess the economic climate

Inventory existing programs / initiatives / resources: Communicate among ourselves about these

Bring in Non-Ag resource / expert to give perspective to the Task Force deliberations

Deconstruct the “regulatory issues” that everyone is bothered by, get them down to specifics that can be assessed as to their relative individual impact, versus just the problem of a “cumulative effect” of all regulations