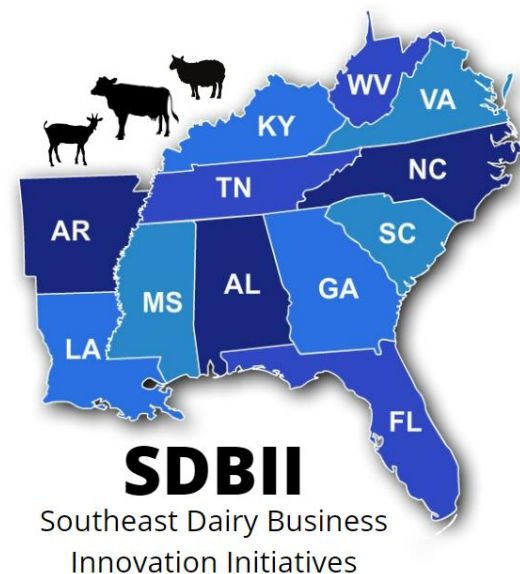


Southeast Dairy Business Innovation Initiatives



National Association of Dairy Regulatory
Officials 2022 Annual Conference
Dr. Liz Eckelkamp, University of Tennessee
July 12, 2022

Southeast Dairy Business Innovation Initiative

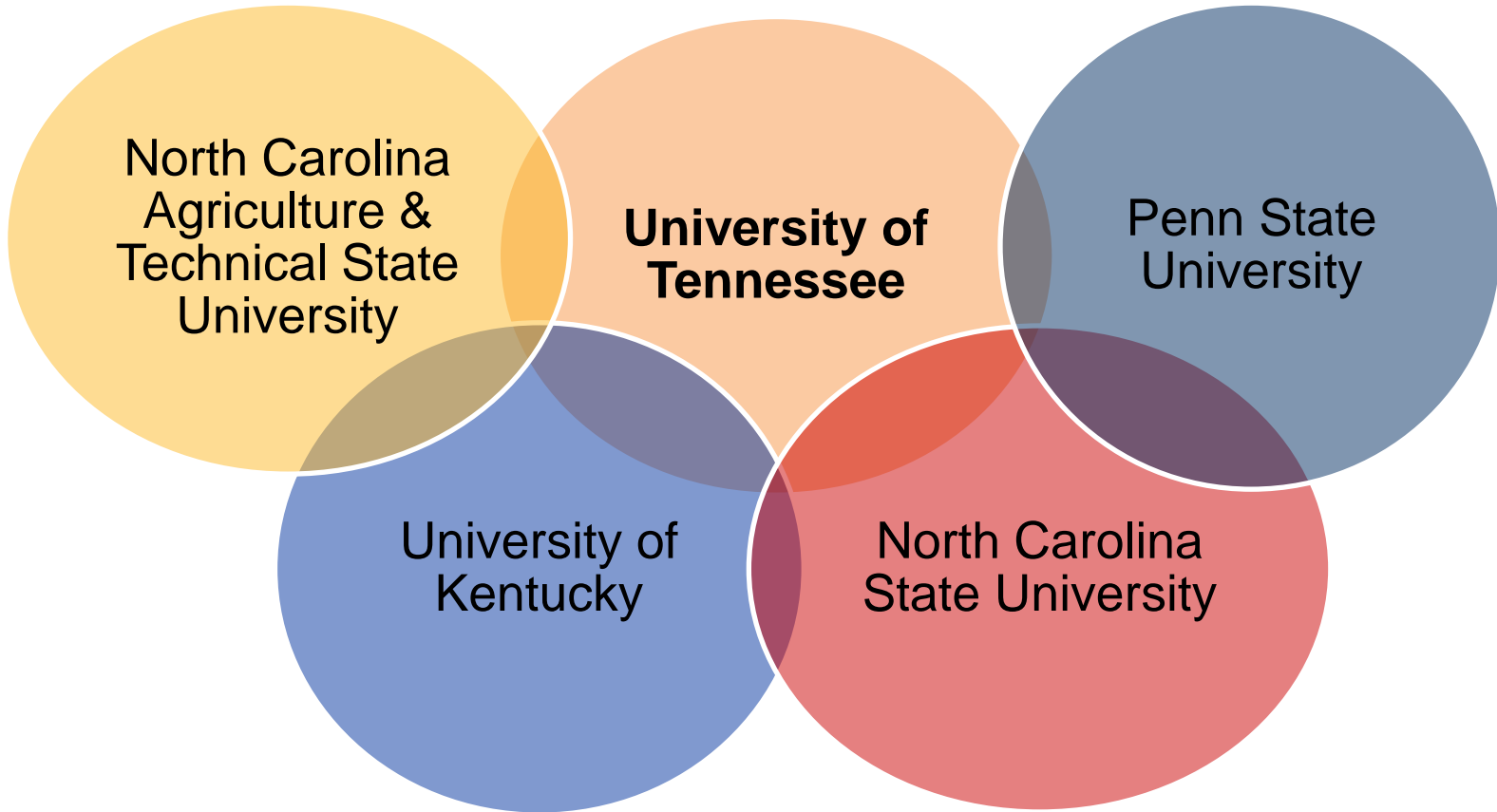
- Flagship program encompassing:
 - Animal husbandry
 - Large ruminant
 - Small ruminant
 - Food safety
 - Food quality & development
 - Economic evaluation and benchmarking
 - Farm
 - Processing
 - Emerging issues (policy, transportation)
 - Marketing and Agritourism



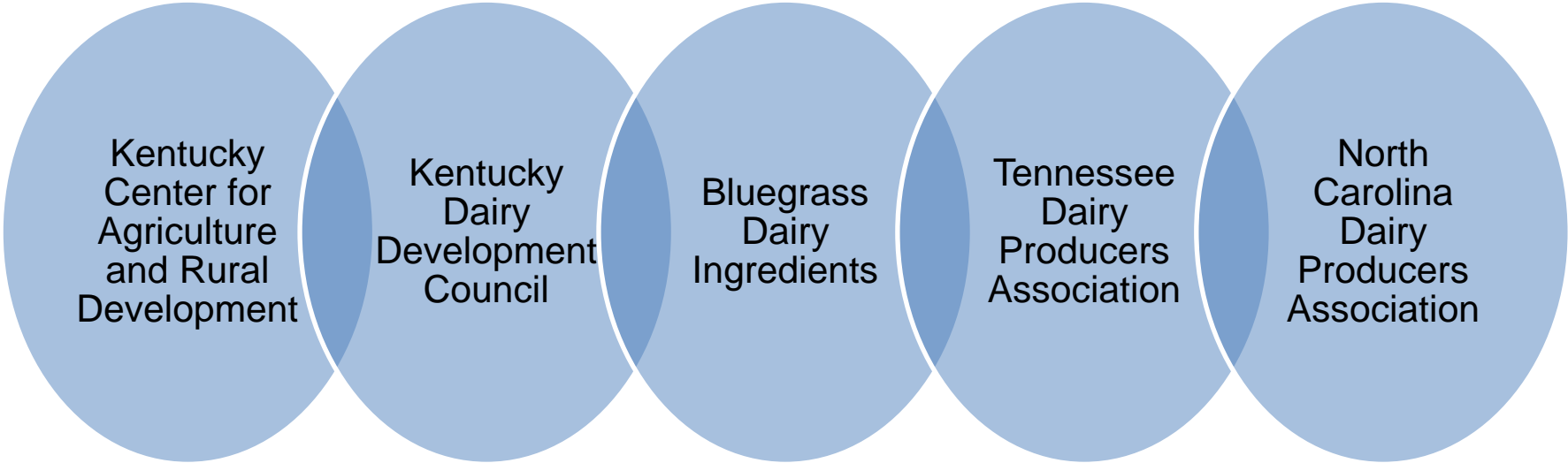
Multi-Disciplinary



Multi-Institutional



Industry Partnerships



Funding Support

- Grants through USDA-AMS Dairy Business Innovation Initiatives:
 - UDSA-AMS 2019: \$450,000
 - USDA-AMS 2020: \$6,133,333
 - USDA-AMS 2021: \$6,133,333
 - USDA-AMS American Rescue Plan 2022: \$19,000,000
 - USDA-AMS 2022 (in progress): \$7,533,333



Returns to Dairy Community


- USDA-AMS 2019:
 - \$227,000 across 11 competitive grants
 - An increase of **34% (\$1,556,000.00)** in annual sales revenues from the 11 businesses
 - An increase of **51% in customers** from the 11 businesses.
 - **16 new jobs** were added as part of these projects and **22 jobs were maintained** as part of these projects
 - Shift from more intensive sales avenues to more stable sales avenues and **increase in total sales avenues (17%)**



Returns to Dairy Community

- USDA-AMS 2020:
 - \$2,817,503 across 23 competitive grants
 - Awards began in March 2022
 - Feasibility studies (3)
 - Cheese plant updates (13)
 - Yogurt plant updates (2)
 - Ice cream plant updates (7)
 - Bottling plant updates (1)
 - Soap manufacturing updates (1)
 - Potential impact:
 - \$19,000,000 in annual sales
 - 472 jobs





"With the Grant from the Dairy Business Innovation Initiative, we will be able to update some of our equipment, add new equipment and relieve some of the physical strain on our employees. The results will be better efficiencies. It will also allow us to offer consistent quality and open new markets."

- Boxcarr Handmade Cheese, NC

"The funding I received from the SDBII grant has been most appreciated and has allowed us to grow our farm in ways we could have not done so without the funding. Now we can keep up with supply and demand. Thank you for allowing me to participate in this program."

- Harmony Lane Farm and Creamery LLC, TN

"The SDBII is so helpful for family farms as they look to bring in the next generation. Thank you to USDA for the vision to start this grant process and for providing a path forward to bring in the next generation to keep our dairy farms pursuing innovative ways to remain sustainable."

- Brush Creek Swiss Farms, NC

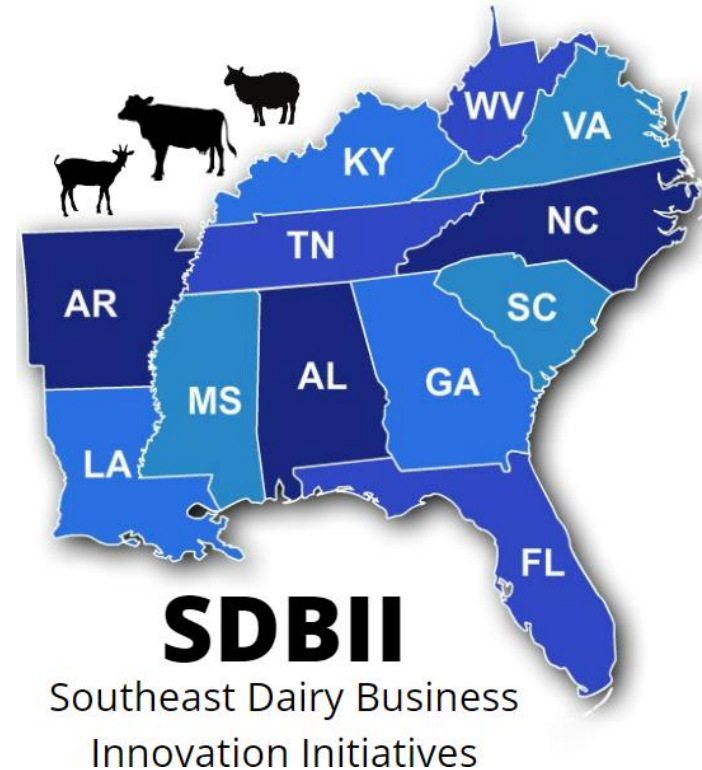
Thanks to the SDBII grant, we are getting a helping hand on these challenges, and we can't wait to pay that forward to our community through milk purchases, a new job opening, and improved food safety and technical product support. We have attended workshops and listened to webinars from home on food safety and HACCP.

- Maid-N-Meadows, KY



Future Grants

- Expected to award **\$16.3 million** in competitive grants
 - **New Investigator Grants:**
 - Up to \$30,000 focused on feasibility studies, business plans, equipment lists, etc.
 - **Specialty Equipment Investment Grants:**
 - Up to \$300,000 for specialty equipment purchases to create, expand, or update dairy processing facilities
 - Additional requirements for applications requesting over \$150,000
 - **Industry Impacts Grants:**
 - RFA is ongoing, more details to come



Outreach Initiatives

- Understanding value-added dairy opportunities:
 - Surveys of existing and potential value-added dairy businesses in TN, KY, and NC
 - Farm| Creamery| Marketing| Finances
 - Consumer surveys
 - Desirable characteristics| Willingness to pay| Ideal customer| Social media and digital marketing
 - Milk| Cheese| Ice Cream| Butter| Cosmetics| Shelf-stable Products
 - Eye-tracking technology (Martinez, Rihn, Eckelkamp)
 - Characterizing milk quality of small ruminant value-added dairies
 - Characterizing greenhouse gas differences between conventional and value-added dairies



Outreach Initiatives

- Dairy finances and decision-support tools:
 - Dairy Gauge program
 - Dairy Gauge Peer Groups
 - Economic impact of beef-on-dairy crosses
 - Value-added Dairy Business Gauge
 - Investment tool for bottling plant
 - Expansion into other opportunities



Outreach Initiatives

- Product innovation projects:
 - Case studies for individual producer-processors (3 to date)
 - Long-term storage of soft dairy products
 - Novel colorants to reduce whey bleaching
 - Sensory property evaluation
 - Niche marketing through natural aging caverns



Overall Initiatives

- Marketing and training tools:
 - MarketReady Curriculum (Dairy Focus) and agent training
 - Food Regulatory Training through PennState
 - State additions for TN, KY, and NC
 - Food safety workshops
 - Marketing and agritourism workshops
 - Creamery feasibility study based on University of Tennessee Research and Education Center – Little River Dairy Unit
 - Annual Value-Added Dairy Conferences

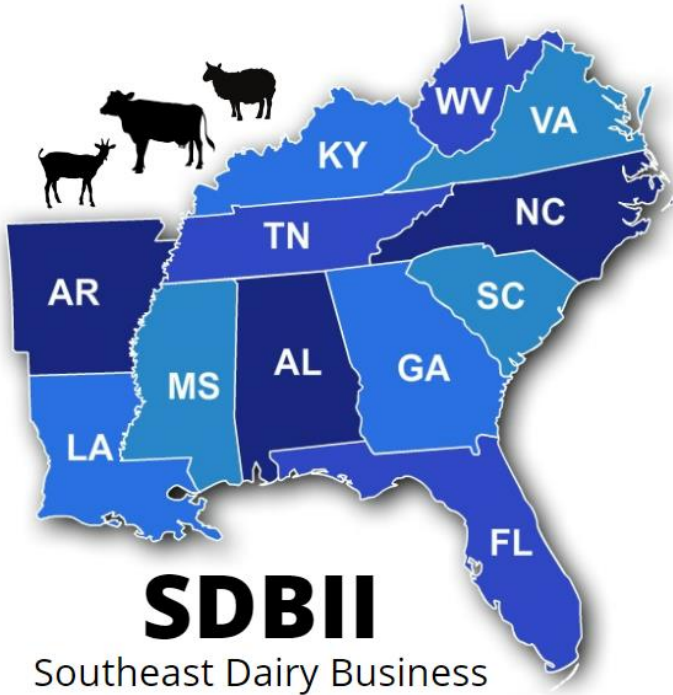


Overall Initiatives

- Leadership and workforce development:
 - Mastering Individual Leadership Knowledge (**MILK**) workshops and cohort development
 - Undergraduate Development and Internship Research Experience (**U-DAIRE**) program
 - Scholarships for leadership programs (producers)
 - Scholarships for conference attendance (producers)
 - Scholarships for in-depth business reviews (processors)



Thank you! Questions?



SDBII

Southeast Dairy Business
Innovation Initiatives

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[Southeast Value-Added Discussion
Group](#)



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