State Department of Agriculture Participation in Fresh Produce Marketing in Georgia, Kentucky, North Carolina, and Tennessee

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A continuing challenge confronting fruit and vegetable growers in general, and especially smaller-scale growers, directly relates to market access. Many of these producers are searching for alternative enterprises in order to diversify their operations and increase net returns. Success in these four states, if measured by total acreage of produce crops marketed, varied considerably. While there are some similarities of conditions in these four states, such as large numbers of farmers and the historical influence of tobacco production, fruit and vegetable output has expanded to a much greater degree in North Carolina and Georgia than in Kentucky and Tennessee. Obviously, market development is a complex process, highly dependent on an infrastructure to facilitate mutually beneficial interaction between buyers and sellers. Market development encompasses overcoming the simultaneity of generating adequate volumes of production to meet the needs of commercial-scale buyers and the timely access to such buyers at reliable outlets.

Research conducted as part of a project funded by USDA/AMS/IFAFS investigated ways to overcome access problems encountered by fruit and vegetable producers in their efforts to secure markets for their crops. Growers’ sales to independent wholesalers depend on access, and to facilitate such access, some publicly owned farmers’ markets have expanded from initial retail-only outlets to include wholesale firms. The focus of this Update is to report the types and extent of public sector involvement in produce market development within Georgia, Kentucky, North Carolina, and Tennessee.

Georgia and North Carolina legislatures provide more direct financial support for produce marketing. As a result, there are more large state-supported farmers’ markets in these two states, whereas Kentucky and Tennessee have mostly private and less-organized farmers’ markets. Another important difference is that Georgia’s and North Carolina’s state-supported markets have more intermediate marketing activities at these markets.

The current situation for produce-market development is a reflection of past support. Both Georgia and North Carolina state markets have experienced greater state support than do those in Kentucky and Tennessee. Georgia and North Carolina Departments of Agriculture have larger staffs with produce marketing responsibilities. In addition, their programs tend to have more post-harvest emphasis, whereas Kentucky and Tennessee focus on direct marketing and promoting produce within the state. Growers in Georgia and North Carolina receive state-supported help beginning with the initiation of production decision making and continuing through harvesting, post-harvest handling, and marketing. North Carolina has 16 Department of Agriculture/North Carolina State University stations that have horticultural components. While Kentucky and Tennessee legislatures have provided financial support, it has been in the form of one-time capital appropriations; they have not provided consistent line-item support for the operation of markets. Further evidence of long-run support was noted by Georgia and North Carolina respondents, indicating more farmers’ markets were not needed. Clearly these two states have created larger state-owned infrastructures (critical masses) to support produce production and distribution.

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