

News Release

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Celebrating Cooperative Development Month
--Recognizing the Changing Face of Agriculture

Lincoln, Neb., October 3, 2001— Today's declining ag prices have many producers looking into alternative uses for their products in a quest for greater marketability and higher profit returns.

Producers are finding these alternative product uses through the "value-added" approach. Value-added is the concept of adding value to an existing commodity through processing and marketing activities controlled by the producer's entity. The concept opens up doors to new markets and allows the producer to keep more of the earnings.

Producers have formed Nebraska cooperatives, limited liability companies (LLC) and other organizations to process and market their value-added products of pork, natural meat, perch, wood products, grain for ethanol, and more.

As Cooperative Month is celebrated in October, Rural Development recognizes Nebraska producers for their significant efforts in value-added products and the development of cooperatives.

In Southeast Nebraska, producers have joined together to form the Nebraska Farmers Choice Non-Stock Cooperative; made up of 29 members, which produce and market their own line of pork products under the name of Nebraska Farmers Choice Premium Pork. The members market hogs through the coop and share in the profits from the end product sales. The result is a greater return on the

value of their hogs per head. Marketing efforts of Nebraska Farmers Choice include attending community festivals, farmers markets, and making "Pork Stops"-sales from a refrigerated truck that travels to numerous communities. Product demonstrations in various grocery stores are also held.

Deb Yocum, rural development specialist of USDA Rural Development stated, "Producers are aware that finding alternative ways to use their existing products and developing new value-added products will allow them to have more control of their product and access a greater share of consumer food expenditures." "It is our role as resource providers to assist producers through this development process."

In Western Nebraska, perch producers formed the Nebraska Sandhills Yellow Perch (NSYP) Coop. Created in 1998, this coop is presently comprised of 21 common stock owners, with the anticipation of nearly 10 additional members by year-end. Members of the coop range in location from Gordon to McCook to Osceola. Two recently purchased reefer trailers will serve as mobile collection stations due to the distance between members, thereby simplifying the central collection of the fish. The NSYP has established a local restaurant market, which has significantly impacted the sales of processed yellow perch. Additionally, perch markets in Wisconsin have proven profitable.

Mary Gambill, community outreach specialist of USDA Rural Development stated, "The Nebraska Sandhills Yellow Perch Coop is an example of what local farmers and ranchers can do to provide a supplemental income to their businesses." Gambill added, "Through utilizing their existing natural water resources, farmers and/or ranchers are able to produce a low-maintenance, low-cost product on property that is otherwise denoted as "dead space"."

Assistance in the development of coop and value-added ventures is available from several sources throughout the state including USDA Rural Development. Rural Development offers free

technical assistance including meeting facilitation, business structure advice, strategic planning, and assistance in the development of cooperative legal documents.

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PICTURE ATTACHED

Pictured below: Members of Nebraska Farmers Choice Non-Stock Cooperative



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