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Northern Nevada  
Economic  
Development  
Report

2012

Agriculture Cluster Study  
for Nevada



As prepared by:

Carson City Library - Business Branch and  
Northern Nevada Development Authority

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## Executive Summary

Nevada's agricultural industry has been the consistent, baseline industry in the state. While other industries have had their boom-and-bust cycles or bubbles that have burst, agriculture has been steady and reliable. The producers have learned how to produce crops and livestock that are compatible with the high desert environment. That consistency and reliability has been an asset and a liability to the industry. While agriculture, or Ag, provides a steady job base, it is overlooked due to the comparison to the size of the Ag industry in California and the size and perceived economic impact of other industries in the state.

This study looks at the Ag industry in a new light. Through innovation that comes from within the industry and a look at the bigger picture of the influence of Ag on the rest of the state, it is hoped that others will see new business opportunities to create jobs.

The prevailing view of agriculture is usually limited to crops and livestock production. In expanding this view, this study looks at other direct and indirect impacts from within the industry and influence on other industry clusters.

With the total direct and indirect influence on the Nevada economy of approximately \$40 billion, the Ag industry still has significant opportunities through two key concepts: the value chain and food hubs. With growing competitive pressures, both domestically and internationally, and with enterprises from multinationals to micro enterprises, the concept of value chain will be a useful tool in identifying opportunities in farming new crops, exporting, gaps in food processing, support services, wholesale/distribution and retail.

While the recent Brookings Institute study on the overall economy in Nevada did offer some thoughts about the Ag industry, its importance related to other clusters and industries was minimized, especially when referring to growth opportunities. For this reason, representatives of the Ag industry have wanted to portray its industry as being more integral to the overall economy of the state of Nevada.

The federal government has also identified agriculture as an economic engine that will continue to have a significant impact on a global scale. With populations continuing to increase, there is an understanding that a multi-faceted approach to agriculture is necessary to provide sustenance to citizens of the United States as well as the world.

Other states, universities, farmers, ranchers and entrepreneurs are not waiting for a grand policy or funding program to bring salvation. Bringing innovative thinking to bear, new technologies are being implemented to extend growing seasons, plant new regional crops and create local hubs of food production, processing and consumption. With all the pressures of fuel costs, regulations, finding qualified employees and competition, there is movement to increase productivity and food quality.

To bring the conversation full circle, as stated in many studies, the sustainability of rural communities is at stake. The keys to the preservation and prosperity of a valuable part of the American landscape will be based on a community-wide scale. Understanding that the community is much larger than the local county is necessary to ensure that food continues to be plentiful, available and at a reasonable price.

With the foundation described above, this three month study draws a number of conclusions about the agriculture industry in Nevada:

1. There is a necessity to consider this study as a beginning. There will be a number of resources that are brought together for the first time in this study and it will be necessary to continue refining the work that has been done here. With a short timeframe to gather information, conduct two surveys and analyze the data, this study will point others in the right direction when refining strategies, identifying business opportunities and accessing needed information for making tactical decisions.
2. Hoop house or high tunnel construction is a viable option in extending growing seasons in Northern Nevada and cooling crops during summer time in Southern Nevada. Diversity in construction, soil condition, planting choices and technology all play a part in determining the financial feasibility for the individual producer. Initial studies have been conducted locally and extensive studies have occurred in other states with varying levels of success. Understanding all the variables will be key to achieving anticipated economic benefits.
3. Opportunities in growing new crops have been thoroughly tested yet the local food movement, transportation costs and other unknown external factors will influence the ability to find a market that is economically viable. An example would be the cost of producing biofuel stock would be compared with the market prices for conventional fuels.
4. Approximately 56% of all food processing is concentrated in soft drink manufacturing, distilleries, meat processing and packaged frozen foods. While many of the food processors in the southern part of the state provide for the tourism industry, opportunities in Northern Nevada exist to participate in local food hubs as well as exporting out of state. Farm-to-fork connections will be a key to creating economies of scale needed to recruit or create new regional food processing opportunities.
5. Organic options and technology will dominate the opportunities for providing manufacturing support to the core Ag producers. Manufacturers of fertilizers, pesticides, equipment and technology can provide a boost to state-based producers as well as service other neighboring states in a business-friendly environment.
6. With a recognized presence as a favorable location for distribution operations, the state is poised to take advantage of locally produced Ag product. With \$7 billion of food distribution in the state, constant pressures on transportation costs and hoop house technology, there are opportunities that need to be explored.
7. While many producers are already exporting products out of the state and out of the country and others are choosing not to ship internationally, there are still additional producers that are expressing a desire to export. Making information on exporting accessible should continue to be a strategy for growing the Ag industry in the state.

### **The Survey of Existing Agriculture Business and County Officials**

The focus of the survey was to assess the full economic impact of agriculture and directly related activities in Nevada. Each completed survey provided valuable information on the state of agriculture in

the state as well as a look into the aspirations in key regions as well as from parts along various value chains in the industry.

100 surveys were submitted via Centerpoint Community website as well as completed offline manually. General demographic information was collected along with specific questions about projected employment, impediments to business growth, connections along the supply chain, feedback on government performance, growth opportunities, workforce skills assessment, taxes & regulations, expansion & exporting plans, the value of local products and more.

Due to the relatively small sample size, it is difficult to draw any statistically significant conclusions, particularly at the county level. That being said, in the aggregate, results most likely follow what industry insiders would anecdotally find to be true due to recent difficult economic times, perceived unnecessary bureaucracy or cost pressures. While some issues are systemic to Ag, other issues will have either short-term or long term solutions. The key to any solutions will be to create an action plan for their implementation. The content of the survey can be found in Appendix A – Survey. The following is the summary of the results:

- Employment levels are projected to grow slightly over the next 12 months
  - 22% will add employees in the next 12 months and 70% will keep staffing levels constant.
- The biggest impediments to business growth were transportation costs, reduced consumer spending and laws & regulations.
- Over half of all products offered are purchased by consumers, processors or brokers with 100 miles. Nearly a quarter of all products and services are sold within the region but not local. The remainder is sold to brokers outside the region or is exported.
- Nearly 80% of all purchases are made from local suppliers.
- Of the government entities, the federal government costs the most time and money.
- Of the government entities, the counties are the most helpful.
- Financing and marketing were cited more often as areas that would help the business grow.
- Skills that are found lacking in the workforce were primarily in customer relations and reading comprehension. Honesty and punctuality also were considered to be lacking.
- Environmental laws cost the most in time and money.
- Payroll and property taxes are the largest burden.
- One-third of all respondents have plans to expand or to relocate.
- One-third of all respondents have an interest in exporting.
- Over half of all respondents would pay up to 10% more in order to support local businesses.
- Approximately 12% of producers are producing crops in a hoop house.
- Of those not using hoop house technologies, one-third are interested in learning more.
- Only one-quarter of producers feel that food safety laws are an impediment.
- Over half of the producers would grow other crops if there was a market demand.
- Only one-quarter of producers feel that their business would grow by having access to wholesale distribution.

It is recommended that the Ag industry continue to survey itself as part of an ongoing program of listening and monitoring trends that would require action by supporting agencies or organizations.

### **Target Opportunities**

#### **Hoop House or High Tunnel Construction**

Many recent university studies have tested the feasibility of hoop houses in the production of vegetables and fruit in areas where growing seasons are short or limited by the ecology. Michigan State University, Utah State University and The Samuel Roberts Noble Foundation have produced multiple studies focusing on style of construction, materials, soil preparation and crop choice. While tomatoes have been the crop of choice to test, many other crops have been tested including salad greens, strawberries, herbs and flowers.

The key study for local application is by University of Nevada, Reno's Cooperative Extension. "Small Farm Hoop House Production of Vegetables in Desert Climates Cost & Returns, 2010" applies local conditions, materials, labor costs and overhead to determine that if higher return crops are chosen, the project can be feasible.

Clearly in each of the studies, variables at each construction location contributed to the varying levels of success. Since much of the feasibility in the studies mentioned above have been conducted in small farming operations, the results are based on getting more product to market over a longer harvesting period of time. With it being proven on a smaller scale, we have yet to see the concept studied on a large scale in the United States.

The advantage of hoop house construction is that it can work on a small scale for the farmer that wants to try out the concept or the home gardening enthusiast. If a farmer has available land that is currently not producing crops, this can be a significant advantage in determining the feasibility. Another major variable is the choice of house style and amenities. Depending on the size of the available land, the choice of crop and planned yields and local seasons, many different house styles can be chosen. A thorough business plan is needed regardless, as described in "Model Business Plan for Season Extension with Hoophouses" by David S. Conner at Michigan State University. Because all of the variables in the plan can be specific to the individual farm situation, it is important that post-harvest waste, as well as estimates for costs, yields, market identification and market prices be rigorously considered.

Critical to the success of the growth of hoop house construction in the state will be education and financing. The Specialty Crop Institute at Western Nevada College has held local classes on hoop house construction and it is recommended that additional training be offered throughout the WNC network. Through a best practices focus, new applications of hoop houses will have a better chance to be successful.

Access to financing is critical in today's economic environment and there is discussion of the many loan and grant opportunities in the section devoted to funding opportunities.

Another factor that needs additional research outside of this study is the creation of local food hubs. Finding markets for new crops grown in hoop houses will need to be a coordinated effort on a local and

regional basis. While farmer's markets and roadside stands will be two ways to get product to consumers, there may be a need for central distribution points to reach larger markets.

Additional information can be found in Appendix B – Hoop House.

### **New Crop Opportunities**

Even with the geographical restrictions due to extreme temperatures and lack of precipitation, many crops have naturally done well in this area and some have needed a little bit of help. The University of Nevada, Cooperative Extension (UNCE) has conducted a number of trials over the past 14 years addressing new crop opportunities and their comments are below:

Tested crops in the northern part of the state have included: soybeans, poplars, warm season grass forages, perennial grasses as biofuels, poplars as biofuels, numerous trees and shrubs for landscape use (nursery crops), amaranth, millets, malting barley, wine grapes, teff, buckwheat, native crop seed production, canola and seaberries.

In the southern area tested crops include orchard crops, grapes and vegetables.

Currently, teff and wine grapes are being produced commercially in Nevada. Malting barley was grown for several years until transportation costs changed. Future work is planned on crops that are important to ethnic markets or non-gluten crops and we are investigating hops as a crop this year. The results of the studies so far, indicate that generally all of these crops can be produced in commercial quantities but at the time of testing, the economics of the production schemes did not support further work.

However, the economic climate is always changing and it is almost impossible to predict what will happen in the future. For example, typical vegetable production farming is a very dicey proposition but, with the emergence of high value restaurants and the growing local food movement, small scale vegetable production looks to be a very economically viable production system.

Another example may be the emerging biofuel/biodiesel markets. If fuel prices continue to rise and/or Government subsidies increase many of these crops may be a viable option.

A further example is with nursery crops. If the housing markets rebound and our economy begins growing rapidly as in the past then nursery crops appear to be another viable option.

The general point to understand is that Nevada has a growing potential of new crops depending on future economic conditions. Current crop patterns are not the only option for future farming due to geographic advantages such as lack of established diseases, insects and weeds that negatively impact other regions.

All of the above being said it must be understood that Nevada has no local food supply. The urgency to create local food systems is based on the probability of rising fuel prices or ecological catastrophe that could threaten the current price structure that the state enjoys. According to the Specialty Crop Institute at WNC, the state may have the ability to raise certain crops via hoop houses, yet we need

slaughterhouses to process local beef, to attract processors to create value-added products and to take advantage of the climate to produce organic seeds and specialty crops.

We are recommending that the Specialty Crop Institute continue to be the central point for education and consultation on developing and facilitating new crop opportunities in Nevada.

#### **Directory of “best case” Exporters**

Staff at the Global Trade and Investment office of the Governor’s Office of Economic Development (GOED) provided a list of current and potential best case agriculture exporters in Nevada. The list can be referenced in Appendix EX – Best Case Exporters. As this study is meant to be a living document, this list is a beginning to help provide assistance to those that want to start exporting and those that want to export more product and services. There are specific businesses that have chosen to not be exporters and their information is not shown here.

It must be understood that this list is by no means representative of changing business strategies, information sources or influence of this or other reports. It is the desire to provide a starting point for all support organizations and agencies to provide training and assistance to those that show an interest.

The recommendation to help link producers to export markets is to utilize the Nevada Investment and Trade Organization (NITRO). A strategic initiative by the State of Nevada in cooperation with the Small Business Administration (SBA), NITRO’s objective is to get more companies, particularly small and medium-sized enterprises, in Nevada to export. Through its export expertise, this organization is properly positioned to help with the export information and training needs of the Ag industry.

#### **Local Connections – Farm to Fork/Chef/Restaurant**

One of the key marketing strategies going forward is creating additional distribution channels that will connect local producers (especially those using hoop houses and planting new crops in the state) to new markets.

The Farm-to-Fork movement has been well documented and implemented nationally primarily through the explosion of farmers markets (as well as restaurants sourcing local products). With reduced transportation costs, fresher products and keeping the local economic engine running, this is not a surprising phenomenon. The newer strategies are defined as food clusters or food hubs. As defined in the Compendium of Food Clusters 2009 (see Appendix L), a cluster is “a geographically limited critical mass (i.e., sufficient to attract specialized services, resources, and suppliers) of companies that have some type of relationship to one another—generally complementary or similar products, processes, or resources.” Locally an example of this is the support given by the Healthy Communities Coalition in promoting connections between local farmers and under-served communities in a three county area in Northern Nevada. The goal of this hub is to create “a system of mutual support that increases sustainability and profitability”. The key to creating success in this strategy will be the free exchange of information and working together to create common goals.

While connecting directly to end consumers is one method of creating a food cluster, another strategy is creating distribution centers where there are markets that can support them. One of the key

components of the development of food clusters in the future will be the development of a state-wide crop map to identify concentrations of the use of existing agriculture property (similar map is shown in Appendix L – Local Connections – “Rural-Urban Connections Strategy by the Sacramento Area Council of Governments). This map will also provide assistance in identifying opportunities for another key component of food clusters - food processors.

One example of a model to follow is described in “The Food Chain Cluster, Integrating the Food Chain in Solano and Yolo Counties to Create Economic Opportunity and Jobs” by Collaborative Economics. This study’s approach focused on the interrelationships in the Ag industry cluster including emphasis on the definition of the diversity of industries, the potential markets and the connection to the other industry clusters in the area. While the size of the direct Ag industry in Solano-Yolo is similar to Nevada, it has achieved a better integration into other local industries and have been practicing innovation for a number of years.

### **Gaps in Food Processing**

The focus of the Nevada Agriculture Study is multi faceted in the respect that many angles have been taken to not only identify what Nevada presently has in terms of producers, processors, and other agriculture related businesses, but just as important is to look at what Nevada is lacking, so a focus can be on new crop opportunities and bringing the right manufacturers and processors to the state. The Next Steps portion of the study really outlines what must be done with the study results that can aid in a more prosperous Nevada. It is taking what has been discovered and creating strategies and actions that will help sustain and grow the agriculture industry.

When focusing on what Nevada does not have, in determining the gaps, it is apparent a more in-depth look needs to be taken, but here are a few of the study gap discoveries.

Nevada needs meat processors and slaughter houses. Stewart Custom Meat Processing states that northern Nevada truly lacks meat processors. Mike Stewart turns away processing opportunities weekly and says it is only going to get worse after her retires in less than a year. He has made huge efforts to hire and train employees, but he can’t seem to keep the employees long enough to teach them the trade and skills necessary. What was at one time an opportunity for their company to be a big meat processing plant with the hopes of having many employees all processing beef, lamb, chickens, and wild game, he now does less than 100 head of beef a year, does not process any chickens and turns away wild game processing continuously.

Another example showing revenue leaving Nevada and making another state hundreds of thousands of dollars is the Food Commodities Program, through USDA. Around \$100 million comes into the state for child nutrition and commodity foods programs via the USDA. Almost zero of these funds hit the ground in Nevada because of the lack of agriculture processors. The Food Commodities Program will purchase a million dollars of USDA frozen chickens and pay to ship them to California for around \$500,000 to have them processed into burritos and chicken nuggets. Then they are shipped back to Nevada and dispersed through the school system. This is an example of federal funds that Nevada receives that result in little

to no local economic benefit. If we develop more food processing in Nevada, we can start to capitalize on these funds.

Another opportunity we have in the state is to attract and recruit Agriculture Equipment Manufacturers. Nevada is surrounded by states with agriculture. Nevada have low tax, no inventory tax, cheap freight (compared to manufacturing in the east), available work force, friendly regulations, a desire to diversify, a great place to live, etc. Any company that manufactures equipment for agriculture should be on Nevada's hit list.

Teff has already been determined to be an existing and New Crop Opportunity, but it is another perfect example of Nevada losing revenue, due to not having a processor in the state. Teff is gaining popularity due to its high yield capabilities, no special hay equipment needs and minimal water requirements, but as teff gains this popularity and more acres are being produced, a need for a processor increases. Alpine Farms in northern Nevada send their teff over to Fresno, CA and Bakersfield, CA for processing resulting in a \$5,000-\$12,000 freight impact. Itronics Metallurgical, a liquid specialty fertilizer manufacturer, located in Reno, Nevada, is considering as a future project building a Seed Mill/Seed Grinding and Packaging plant, which would result in the 1<sup>st</sup> teff Processor in the state.

Another discovery in the processing gap is alfalfa seed processing. All the seed is being sent out of the state for processing because Nevada does not have an alfalfa seed processor. Brinkerhoff Ranches in Lovelock, NV, send all of their seed to Idaho, resulting in a \$10,000-\$25,000 freight impact. Val Brinkerhoff stated Nevada used to have several alfalfa seed processors in the state, but it became more economical to be in other states where the demand was greater, leaving Nevada vacant.

Nevada needs to make attracting and recruiting major, large processing and packaging companies a state economic development goal. There are many Nevada companies that do all of their packaging and processing out of state, resulting in yet another revenue deficit for Nevada and another revenue increase for states such as California, Idaho, and Utah. A perfect example is with Raley's and their affiliated stores. The George Avanzino Family in Nevada grows produce for Raley's, but all of the processing dollars go to Sacramento, CA.

An even greater example of this is with Campione D'Italia Foods, in Henderson, NV. If you have ever flown United or Delta, more than likely your packaged meal came from this company. However due to not having a major, large packaging company in Nevada they send most of their business to California. He has tried a few of the smaller packaging plants in NV, but none could keep up with the demand needed to package these airline meals, resulting in a freight impact of around \$250,000 per year.

These are just a few examples of processing and packaging gaps in Nevada. It is recommended that a specialty economic development team be formed to tackle this obvious need in the state. This effort will undoubtedly result in millions of dollars in revenue staying in Nevada.

### **Federal and local programs**

This section is meant to be a resource guide for those looking for financing or other financial assistance. There are many federal and local programs that provide a myriad of funding and education

opportunities. The key points of contact are primarily the local USDA offices, UNR's Cooperative Extension, the Rural Nevada Development Corporation (RNDC) and the Specialty Crop Institute at Western Nevada College (WNC).

The key document to review in Appendix F – Financing & Government-University Programs is "Federal Loans, Grants & Incentives". This document provides an overview of a myriad of programs that provide different types of assistance to organizations directly and indirectly connected to the Ag industry. Grants, loans and cost share programs cover needs in research, access to capital, promoting community development, planning, conservation practices, operating funds, export assistance, renewable energy systems, organic certification, assistance to minorities and women, youth programs and beginning farmers.

Another key document in Appendix F is a list of websites provided by UNCE office. With nearly 100 years of history in working with the Ag industry in the state, the programs they oversee "include food safety concerns, containment of noxious weeds, resolution of public-land disputes and testing of alternative crops". They are an excellent point of contact for a variety of issues especially to someone looking to plug a gap in food processing.

If you are representing investors or a financial institution, then please read the "Community Investing Guide" written by Green America. This guide focuses on the ability of community development financial institutions to provide a source of funding by people that have been overlooked by traditional lenders. Additional education in this area can be found in "Local Foods: A Guide for Investors and Philanthropists" by California Environmental Associates. This guide provides a good overview of the investing options throughout the Ag industry supply chain including production, processing, distribution, sales & marketing and retail.

Many of the programs also have strict guidelines as to the types of projects and organizations that can get assistance. After reviewing this document, it is strongly urged that you contact the local USDA office or the State Department of Agriculture to get more information.

## **Industry constraints**

### **Regulations**

In the survey, there was an opportunity for respondents to give general comments as well as comments specifically about food safety and other regulations. While most respondents did not offer comments, there were a few that spoke their minds with conviction and passion. It is most likely safe to assume that there are others that have the same viewpoints and chose not to be vocal. It also must be understood that due to the low numbers of comments received that this information should be treated as anecdotal and not statistically significant.

Recurring themes were focused on relationships with federal agencies, such as the BLM, and perceived misplaced antagonism from environmental organizations. Regarding federal agencies, the issues are based in excessive fees, permits and the lack of empathy in dealing with real world issues. The length of time it takes to get issues resolved is also another sore spot.

Regarding environmentalists, delays related to issues such as sage grouse protection creates an antagonistic relationship when producers are feeling pressure from many other areas such as lack of financing, looming water issues due to climate change and the prospect of higher fuel costs.

#### Taxes

Payroll and property taxes dominated the survey as creating the biggest burden on businesses. To a lesser extent, federal income taxes and annual business taxes also scored high in the survey. In the general political climate in the state and across the nation, these results were not surprising. Only about 6% of the surveys did not list any taxes as creating a burden.

#### Next Steps – The Future

- Continue surveys in key areas

While the timeframe for conducting surveys for this study was relatively short, the surveys taken established a starting point for further analysis. In order to understand trends in the industry, additional surveys will have to be conducted in the future. With the number of responses being relatively low for the general survey, with a longer lead time and additional marketing, the responses will no doubt be higher, more representative and possibly statistically significant.

To maximize the survey to its greatest capacity, Agriculture Survey booths will be set up at NACO's and the Cattleman's Association conferences at the end of 2012, continuing to gather survey results.

Only four counties submitted responses to the county survey and only one provided economic data related to events. It is highly recommended to get the remaining counties to do the appropriate legwork needed in order to get a better sense of the economic impact of Ag-related events. With the lack of county data, we did not include event economic impact in the overall direct and indirect influence of the Ag industry in the state (currently at \$40B annually).

- Educate the industry about the benefits of hoop houses

In order for other strategies to be successful (food processing, local connections, distribution), the industry needs to continue on the path of education about construction, benefits and financial impact of hoop house construction. The University of Nevada, Reno has undertaken the research side of the equation and been very successful with working with producers that are willing to be guinea pigs and with documenting the local issues in order pass on best local practices to the next round of producers. The Specialty Crop Institute of Western Nevada College has been instrumental in getting initial curriculum developed and taught. Working with producers that have hoop house installations and encouraging producers that are new to the technology will be a key to future success of this strategy and others.

- Develop new crop opportunities and new markets

While there has been plenty of analysis on potential new crops for the state and the benefit of extending growing seasons with hoop houses, the key to success will be finding new markets for new

crops. Some successes will also be dependent on properly locating a processor and a distributor. So we have a little “chicken and the egg” (pun intended) situation. Who will commit first? The producer who is looking to grow his business or the processor/distributor that doesn’t exist today or have the capacity to handle additional business? Each new crop will have to be seen in the full spectrum of the value chain or the local food hub. Analysis of capacity requirements to provide the proper profit incentive for all along the value chain will be necessary.

- Identify new export opportunities

The mere effort of asking who would be interested in exporting is a big step in the right direction. The next step will be to follow through with each organization to determine the size and nature of possible overseas and out-of-state markets. This will be up to the NITRO group and global business development team with GOED as well as the State Department of Agriculture and the local USDA representatives.

Export interest already discovered through this study has resulted in a WUSATA WORKSHOP scheduled for JULY 24, 2012 in Las Vegas, Nevada and AUGUST 21, 2012 in Carson City, Nevada. A Live Feed will also be available for those that cannot make the workshop in person, but want to attend.

- Create new local connections

With the markets for fresher food products that are not quite so road weary and the ever increasing popularity of farmer’s markets, the strategy of selling direct to consumers will continue to support local producers. As food sophistication levels increase in the region, restaurants will also be bolder with choosing menu items that call for local ingredients.

The key to success in exploiting local connections will be the integration of multiple opportunities discussed in this study. New crops will provide a new source of ingredients for local menus. Hoop houses will make it possible to grow new crops over a longer period of time. New distribution points will make it easier to get products to larger markets, therefore making it possible to grow larger quantities that are scalable and/or can be exported. The trick will be to estimate the future demand of new markets to develop food hubs and farm to fork concepts, in conjunction with food coops.

The Ag Committee of NNDA, with its representation from across the Ag industry, should be a key central point of contact to ensure that all needs are being met when creating value chains or food hubs.

- Filling the gaps in food processing

More data and more personal contact are needed within the industry to see where collaborations and synergies need to occur in order to determine the feasibility of starting up or relocating a food processor in the state. The Feasibility committee with NNDA and the Nevada Small Business Development Center (NSBDC), in conjunction with NNDA’s Ag committee, can play a significant role in helping to identify when a need exists and oversee the creation of business plans. Detailed review of all the transportation costs in each instance will be required as well as the capital costs associated with creating a new facility. The Banking and Finance committee can help with finding the appropriate funding source as well as the using Appendix F in this document.

The Ag industry has extensive assistance available through grant, loans and cost share programs. All of these will need to be brought to bear when multiple organizations are working together to help fill a food processing gap.

- Get the word out about funding and programs

With all the funding programs available to the Ag industry, it is probably safe to say that outside of the USDA and the state's Department of Agriculture staff, many in the industry are not aware of the all the possibilities.

Grouping, classifying and getting the word out in an easily read format will be necessary to make sure that Nevada is getting its fair share of funding from all programs. It is recommended that the USDA and the Department of Ag get together to create an information campaign that makes it clear to those who have a funding need and continue to assist with providing direction to producers, processors and those in service to the Ag industry.

- Politics and industry constraints

The clear message here in reading the survey's comments and looking at their answers is that certain agencies of the federal government needs to provide better customer service to the Ag industry. Review of regulations and the time it takes to enforce them will bring more opportunities to create jobs and grow local, rural economies. With the BLM being the prime culprit in lack of responsiveness to members of the Ag industry and with their sheer dominance in land ownership in the state, this is an issue that needs to be taken up with those in the highest of political offices having the most potential influence with the BLM and the Department of Interior.

Taxes, on the other hand, are probably harder to change than regulations. The best recommendation would be for industry associations to continue to fight the good fight in local, state and federal jurisdictions.

- Resource Directory

As stated by Jim Barbee, Director, Nevada Department of Agriculture:

*"This study has been long overdue. From my time as a high school student in Douglas County I have heard that agriculture is the third largest industry in the state, but no one could tell based on what source. This is the first time that we will have a comprehensive industry study that includes all of the agriculture sectors including production, nursery, turf management and associated service".*

Using this information as a foundation to grow and groom this industry is key. This living, breathing document has room to keep growing, continue being updated, and the available resources to create strategy and action plans for future implementation. The wealth of knowledge housed in one study, all in one location for both present and future uses must be acknowledged and properly administered.

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Tony Macaluso, REHS, Environmental Health Specialist Supervisor, Washoe County Health District  
Tory Friedman, Dr. Grow It All  
All Nevada Agriculture Producers, Processors, Retailers, Wholesalers, and Manufacturers

Sincerely,

Michael Salogga, BRIC Manager, Carson City Library - Business Branch

Jojo L. Myers, CEO, Matrix Leadership, LLC

Rob Hooper, Executive Director, Northern Nevada Development Authority