

CAPITOL RESEARCH

● ● ● AGRICULTURE

States Creating Their Own Agricultural Brands

State agriculture departments increasingly are branding produce and goods to guide a variety of purchasing choices. Whether influencing state residents to buy local produce or promoting exports to other states and countries, states are increasing their agriculture markets.

USDA Sets the Example

The U.S. Department of Agriculture has set an example for states since 1966 with its successful agricultural branding program. Industry-specific research and promotion programs began with the Cotton Research and Promotion Act¹ and the creation of the Cotton Board.² To stay focused on the oversight of the cotton industry, the Cotton Board began contracting with a separate organization, Cotton Inc.,³ which conducts the promotional activities for cotton, including creation of *The Fabric of Our Lives* campaign.

Subsequent national research and promotion programs have followed since the 1960s under the USDA's direction as part of the Agriculture Marketing Service. The marketing service promotes five major commodities produced in the U.S.: dairy, fruits and vegetables, livestock and seed, poultry, and cotton and tobacco. The programs "provide standardization, grading and market news services for those commodities. They enforce such Federal Laws as the Perishable Agricultural Commodities Act and the Federal Seed Act."⁴

According to the USDA, the research and promotion programs "are designed to strengthen the position of a commodity in the marketplace, maintain and expand existing domestic and foreign markets, and develop new uses and markets for specified agricultural commodities."⁵

Successful campaigns by USDA research and promotion programs, through the program boards or their contractors, have included:

- Beef: It's What's for Dinner (see <http://www.beef-board.org> and <http://www.mybeefcheckoff.com>)
- The Incredible Edible Egg (see <http://www.aeb.org>)



- Got Milk? (see <http://www.whymilk.com>)
- Pork: The Other White Meat (see <http://www.pork-beinspired.com> and <http://www.pork.org>)
- Potatoes: Goodness Unearthed (see <http://www.uspotatoes.com> and <http://www.potatoegoodness.com>)

The USDA has created research and promotion programs for other popular commodities such as blueberries, dairy products other than milk, Hass avocados, honey, lamb, mangos, mushrooms, peanuts, popcorn, sorghum, soybeans and watermelons.

Creating Brands in the States

States began to establish research and promotion programs starting in 1983, when New Jersey started *Jersey Fresh*.⁶ Ranging in success, states have gone two routes: general state promotion or product-specific marketing. In state promotion, the state's department of agriculture generates a brand and individual companies can apply to sell under that brand, such as *Connecticut Grown*, *Illinois... Where Fresh Is*, *Kentucky Proud* or *West Virginia Grown*. With specific products, the state is used in the promotion, such as *Florida Oranges* or *Vermont Cheddar*, whether or not the state agriculture board is marketing the products.



State Agricultural Brands

Brand Oregon

Established in 2003, the *Brand Oregon* initiative was a top economic priority by former Gov. Ted Kulongoski as one of 12 key initiatives in the Oregon Business Plan. This multi-faceted marketing program was developed to focus on the wide variety of Oregon industries and businesses. The first years of the campaign focused on agriculture, tourism and business recruitment.⁷

Oregon Bounty was created in 2004 to feature Oregon wines, pears, hazelnuts and cheeses. As part of the state's tourism push, the *Oregon Bounty* program has purchased more than 109 million advertising spots on a relatively small \$500,000 annual budget. In 2008, more than 100 wineries hosted events, more than 65 restaurants offered *Oregon Bounty* menus, and several craft beef and spirits events were held by breweries and distilleries. The program has expanded to include specific industry brands such as *Oregon Wine*, *Oregon Brewed*, and *Oregon Distilled*.⁸

Pride of New York

Similar to other states agriculture brands, *Pride of New York* was established to provide a membership and promotional program, touting “wholesome, quality New York State products.”⁹ *Pride of New York* promotes not only agriculture and farming communities, but also the connection between agriculture and the culinary world, including retailers, restaurants and culinary programs in its membership program.

Pride of New York may differ from other state initiatives with its extensive Farm-to-School program.



The New York State Farm-to-School Program was created to connect schools with local farms and food producers to strengthen local agriculture, improve student health and promote regional food systems awareness.¹⁰ In the New York Department of Agriculture and Markets' annual Farm to School Survey, more than 60 percent of the state food service directors said they had purchased local foods and an additional 32 percent said they were interested in purchasing more foods from New York farms.¹¹

Product-Specific Brands

Grown in Idaho— Idaho Potatoes

The Idaho Potato Commission created the *Idaho Potatoes* brand more than 74 years ago. The commission and the *Grown In Idaho* brand represent a significant market for a single agricultural product. The latest statistics from the Idaho Potato Commission and the USDA show that in 2007, Idaho produced 13 billion pounds of potatoes and annually produces one-third of the U.S. potato crop.¹²

The *Idaho Potato* branding program hosts more than 28 varieties of potatoes, ranging from the popular Russet and Yukon to more exotic varieties like the Purple Peruvian and Russian Banana.¹³ Individual farms and producers can apply to be listed as an official *Idaho Potato* licensee. The Idaho Potato Commission licenses more than 190 shippers, processors, growers, organic suppliers and exporters of *Idaho Potatoes*.¹⁴

Real California Milk and Real California Cheese

An early adopter of a state agriculture brand, California created the *Real California Cheese* seal in 1984,¹⁵ enjoying more than 27 years of marketing strength. In 2007, the California Milk Advisory Board introduced the *Real California Milk* seal to build upon the success of the cheese brand and support the entire California dairy industry.¹⁶

The milk advisory board supports more than 1,750 dairy farms in California, promoting all dairy products and those under the *Real California* brand.¹⁷ The board is funded by an assessment of 10 cents per 100 pounds of milk produced in the state, with California providing 10 percent of the nation's milk supply.

AdWeek recognized the *Real California Cheese* brand in 2001 as a “Creative Best Spot.” The *Real California Cheese* campaign won the advertising world's most noted awards (Addy, Shoot and Beldings) for its television spots. Because of the *Real California Cheese* brand, cheese production increased 609 percent from 1983 to 2004, reaching 1.99 billion pounds.¹⁸ The California Milk Advisory Board released a study in 2010 that found that the state's dairy industry is responsible for more than 443,000 jobs, generating \$33.1 million in economic activity and accounting for 3 percent of the state's job production in a time of high unemployment.¹⁹

Sweet Georgia Peaches

Managed by the Georgia Peach Council, the *Sweet Georgia Peaches* brand carries a history of peach harvests dating to the late 16th century and now produces 2.6 million cartons of peaches annually.²⁰ The Georgia Peach Council relies on this strong history to remain one of three top peach production states. Even after being recognized as the official state fruit in 1995, however, Georgia has fallen behind North Carolina and California in production. To counter this trend, the Georgia Peach Council created the *Peach Promise* program, recruiting Georgians to pledge to purchase only Georgia peaches.²¹ To promote the *Sweet Georgia Peach* brand, the council is relying on social media tools such as Twitter and Facebook for marketing.

Exports to International Markets

States exports to international markets have expanded as well. Federal subsidies for U.S. product export promotion between 2000 and 2004 rose from \$114 million to \$157 million.²² Agricultural exports accounted for 10 percent of the total U.S. merchandise exports in 2009.²³

Several regional membership associations have been established to assist states in promoting their agriculture products to other counties. These include Food Export Midwest, Food Export Northeast, Western United States Agricultural Trade Association and Southern United States Trade Association. These organizations provide states and agriculture producers within them extensive services and assistance to export agricultural products.

In 2009, the Southern U.S. Trade Association assisted companies, growers and producers with more than \$100 million in export sales, showing a return on investment of \$38 for every \$1 spent on export promotion.²⁴ Participants in the Food Export Midwest Branded program reported more than \$117 million in projected export sales to worldwide markets in 2009. For every \$1 billion in U.S. agricultural exports, 8,000 American jobs are supported.²⁵

The biggest responsibility in each regional organization is managing the federal Branded Market Access Program, funded by the USDA through the Foreign Agriculture Service. This program provides 50 percent cost reimbursement to small businesses for a variety of international marketing activities and expenses, such as product literature, point-of-sale materials, advertising, demos and tradeshow. If a company does not qualify to participate under the branded program, it can participate in the generic programs, which promotes industry wide rather than a specific business.

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