

NORTH COUNTRY REGIONAL FOODS INITIATIVE

Fact Sheet 4: Regional Food Processing Trends



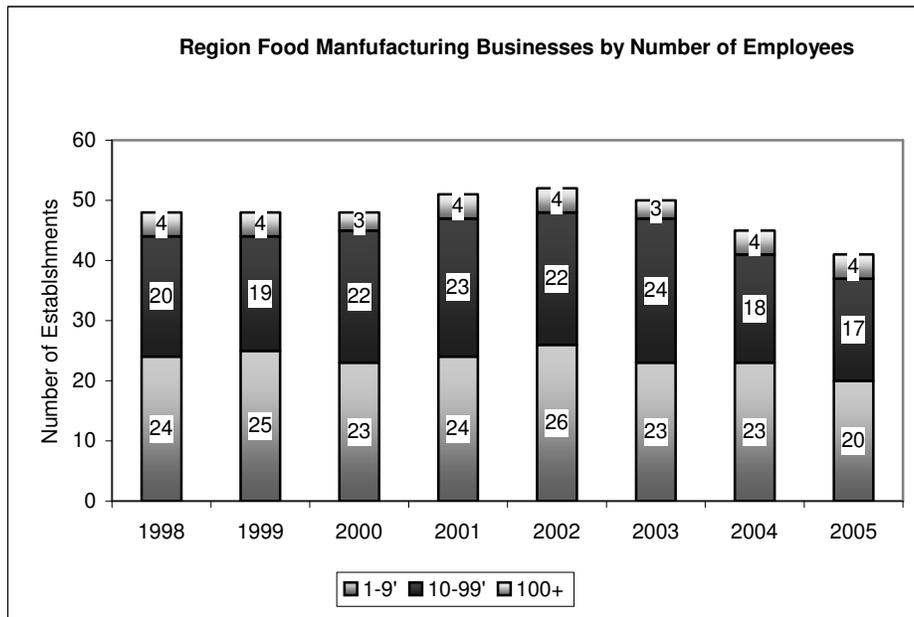
Photo by D. Hickey

Regional Food Processing Trends

Food processing in the Adirondack-North Country region is a significant industry with businesses that range from small bakeries to large milk processing plants. *County Business Patterns* is a database that tracks income and employment over time for many industries including food processing.

Table 1 shows that the total number of food processors declined in the Adirondack-North Country Region between 1998 and 2005 from 48 to 43. All declines in processors during the period were in the 1 to 9 and 10 to 99 employees categories. Meanwhile those processors with 100+ employees stayed very stable. The stability of these large plants is important for the farming community overall in the region since the majority of farms that produce milk and field crops depend on them.

Table 1. Adirondack-North Country Food Processor Trends, 1998-2005



Though they are currently declining, small and medium sized plants constitute the bulk of processors in the region and therefore make an important contribution to the regional economy. However their impact on farms producing food for local markets is to a lesser degree than the large processors since many prepare foods using ingredients which come from outside the region (e.g., a small bakery which imports wheat flour).

There are also many microenterprises which do not have employees so they are not included in *County Business Pattern* data. These may be in a home or in a farm building. Microenterprises may or may not need county health department or NYS Department of Agriculture and Markets Food Safety inspection and licensing. Generally, processed foods that are not made with dairy products and/or that do not need

acidification (pickling) can be produced in the home or on the farm without a separate commercial licensed and inspected kitchen.

Needs of Small-Scale Food Processors

In a 1998 Cornell study,¹ a sample of New York State small-scale processors reported the following as the main challenges to their business:

- Affordable advertising
- Finding technical information
- Getting equipment and supplies at reasonable prices
- Developing markets



The New York State Small-Scale Food Processing Association (SSFPA of NY) was established as a result of these needs.

Adirondack-North Country processors with 10 or fewer employees are encouraged to join the Adirondack or the 1000

Islands Chapters of the association (www.nyssfpa.com). The activities of SSFPA of NY include:

- Conducting joint marketing and having access to specialty food shows
- Accessing regulatory information and participating in decisions about regulations
- Providing mentoring to new processors and those considering starting up businesses
- Negotiating group-rate product liability insurance
- Purchasing cooperatively
- Advertising together and assembling directory information
- Accessing food processing and small business technical assistance
- Initiating a micro-loan program
- Showcasing member products on the SSFPA website

Additional Resources:

New York State Food Venture Center (NYSFVC)

Phone: 315.787.2273

Email: necfe@nysaes.cornell.edu

Website: www.nysaes.cornell.edu/necfe

Food Research Lab

630 W. North Street

Geneva, NY 14456

NYS Department of Agriculture and Markets Division of Food Safety Inspection

For contact information visit the following website to identify the appropriate regional office:

www.agmkt.state.ny.us/fs/general/contactinfo.html

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¹ Results of the study by G. Gillespie and D. Hilchey are found in "Adding Value for Sustainability: A Guidebook for Extension Agents and Other Agricultural Professionals by Kristen Markley and Duncan Hilchey, published by the Cornell University Farming Alternatives Program, 1998.