

State of the State of Agriculture – Address by Secretary Douglas H. Fisher
at the 96th Annual State Agricultural Convention – Cherry Hill, NJ –
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No one can deny how tough the past few years have been.

An American economy dragged down by high unemployment has kept the engine that normally drives our nations' industries –consumer spending – from running anywhere near top speed.

Sometimes it has seemed the best we could do over the past couple years was to hold on tight and hope to come out the other end, ready to make the most of any opportunities.

There are always opportunities, and New Jersey agriculture is as well-positioned as any state to make the most of them.

To start, commodities are THE hot topic in the financial markets. As you know, commodities are never guaranteed to move the way we'd like them or expect them to.

But Bloomberg is reporting that commodities are enjoying their strongest sustained showing since June 2008.

And MSNBC is projecting grain and other commodities prices will reach and remain near their 2008 record prices throughout 2011.

Combine that with some signs of rebounding economies in Asia and Europe, and the resulting higher demand for food, and the puzzle starts to come together that this year could continue to bring some very good prices for many agricultural sectors.

New Jersey's Opportunities

So, how does New Jersey agriculture make the most of our strengths as growers and producers?

When I asked the Dean of Rutgers Business School why they had a campus in Chinas, he said, "Because all business is global." And while it is true that business is global, especially in commodities, there's also a huge upside to being "hyper-local."

That's a term we're hearing more of, partly because "local" has been so loosely defined as to be confusing to the consumer. But "hyper-local" is, simply, being "THE person" in your community for your particular specialty. Maybe you're "THE tomato guy" or "THE strawberry woman," but in your community, you're the one everyone associates with that product.

For a long time, our strength has been the high quality and consistent output of our crops and other agricultural products.

We've been able to squeeze the most from our limited Jersey Fresh and related brands promotional budgets over the past several years. We will continue to do so, by developing synergies with partners that further agriculture's interests, such as the introduction and expansion of the "Made With Jersey Fresh" brand.

This ability to merge the great reputation of Jersey Fresh with the expanded shelf life and extended season of processed products makes the most of both sides of that coin.

I just recently spoke to the New Jersey Food Processors Association, and I can report to you that there was real excitement in that group about the possibilities for bringing much more of New Jersey's agricultural output into a nearly year-round market.

We want to make these *your* success stories too. Take a minute to think about the family recipes and the special products you make from your agricultural output and see if there isn't a "Made With Jersey Fresh" niche *you* could fill.

The Department's Division of Marketing staff can help you make connections with partners in all areas of agriculture.

Equine Sector

Not all the opportunities for agriculture are in the food sector.

For the first time in years, we are encouraged by developments related to the horseracing industry.

Later today, you will consider a resolution that supports a package of ideas being discussed in the Legislature to help the horseracing industry get back to a more level playing field with our surrounding states.

It's our great hope that these steps will reverse the trends for horseracing and be sufficient to keep our excellent breeders in New Jersey and on their farms.

Dairy Challenges

There's no question one of our most challenged sectors is Dairy.

High production costs and decreased Federal Market Order prices for their milk have forced many to scale back or suspend production.

There has been no more complicated and frustrating problem to wrestle with in my two years as Secretary. Just when we think we have a clear path to a solution, there always seems to be a legal challenge or constitutional issue standing in our way.

But we MUST find a way to improve the viability of our dairy farmers. There are some very promising new approaches on the table, and some very interesting new ideas regarding opportunities for in-state processing of specialty milk products that will be discussed publicly very shortly.

Agri-tourism, Organics and other opportunities

With somewhat improving economic conditions for our state's and nation's residents, we are seeing more opportunities in two areas.

There's extraordinary interest from retailers and restaurants in meeting their customers' demand for organic products. They'll typically tell us, "If you grow it, we'll feature it."

Just as the commodities markets are always a risk, the same can be said for the areas of agri-tourism and organics. However, those who succeed will do handsomely, as these are two areas that are relationship-driven and sustainable.

The transition isn't easy. But the demand is there if you're willing to meet it. Again, the Department can be an important tool in helping you move into that market.

The same goes for agri-tourism. Pick-your-owns, pumpkin patches, hayrides, whatever way you think you're most comfortable with in terms of inviting the public onto your farm. The Department will work with you to promote agri-tourism through www.visitnjfarms.org so the task of advertising your agri-tourism efforts isn't all on you.

These are also areas where the media and the public have great interest, so share with us anything specific at your farms you'd like us to convey to the public.

Our wine industry has long benefited from a strong agri-tourism component. And we're also making strides to open up other opportunities for our vintners. Of course, the discussions surrounding direct shipping and outlets continue to be a high priority for us in that sector. And we CANNOT lose our winery outlets, which are the most vital aspect for our wine operations.

One other opportunity I'd mention is the increased capability for integrating solar, wind and biomass into your farm operations, not just to reduce your own costs, but to earn some additional income from selling excess capacity back to the grid.

There are, of course, some issues related to preserved farmland that must be considered when we're talking about these energy projects. The Department wants to see agriculture as a whole be careful to facilitate some level of energy production on a viable farm than to see land with prime soils be lost to large-scale, industrial-style energy projects.

Issues Facing New Jersey Agriculture

As usual, there's no shortage of issues facing New Jersey agriculture. One that drew considerable attention last year, and will again this year, is food safety.

It's another of New Jersey's strengths – whether we're talking fresh market or processed food – our reputation in the area of food safety.

With all the attention paid to produce-related foodborne illnesses over the past five years, you as farmers have a phenomenal track record.

New Jersey, therefore, is not threatened by the new Food Safety Modernization Act just passed in Washington.

Our record speaks for itself. You're doing the right things. It's going to be a matter of keeping the appropriate records to document those good practices.

But I know there are some of you who expect the new requirements will be onerous and could place a huge burden on you financially to get the right systems in place.

That's why we are reaching out to the FDA through our Congressional delegation to stress that the regulations crafted to enact the legislation **MUST** provide our smaller, family farm operations with the time and resources to meet the new requirements.

Fortunately, we've been proactive in this area as well, starting several years back when the Produce Safety Task Force was formed at the Department.

That group has continued to work to train farmers in the basics of food safety, communicate to the public about the safety of New Jersey ag products when foodborne illnesses break out elsewhere in the country, and generally keep the industry updated on food-safety developments.

On top of that, this past year the Department joined with the Office of Homeland Security and Preparedness, Department of Health & Senior Services and NJ Farm Bureau to form a group reaching out to the food and agriculture sector on the issue of *intentional* contamination of food.

I know there are some people here today who participated in the first meeting of that group in December (Ed Wengryn, Pegi Ballister Howells, Phil Neary) and agriculture's participation is greatly appreciated by the retail, restaurant and other sectors involved in that effort.

Again, please never hesitate to call the Department with ANY questions you may have regarding food-safety practices on the farm or anywhere along the marketing chain.

Farmland Preservation and Assessment

Public support continues to be high for our industry. Two of the ways we can continue that trend are through well-planned efforts at Farmland Preservation and well-reasoned discourse about the issue of Farmland Assessment.

If you're considering farmland preservation, I believe you should seriously consider leaving at least some "exception area" in case you want to move into some endeavors that would not be permitted on preserved farmland.

This is as much for the future generations in your farm family as it is for you. Leaving an exception area could facilitate you having a small business that otherwise might not be allowed on preserved farmland, and that business could help increase your overall income and fund the farm operations you love.

So, do some deadly serious planning and think about what you and your successors want your farm to look like in the future.

Likewise with farmland assessment. We've all seen the press coverage over the past year, where they try to make some distinction about who is a "real farmer."

We can never take for granted the support agriculture enjoys among our state's residents. It doesn't do that public-relations message any good to be squabbling amongst ourselves as to what constitutes "true agricultural activity" on preserved land.

I've been careful to point out whenever I'm interviewed on the subject of farmland assessment that a cookie-cutter vision of what a "real farm" should look like is not a realistic approach in a heavily

urbanized state like New Jersey. There are so many examples of how different an agricultural operation can be. They're as diverse as the people in this state.

The main thing to keep in mind on this issue is not to be perceived as "taking advantage" of the opportunity that farmland assessment presents. We know we need the land, be it owned or rented, and the agricultural operations on them, and we need them taxed at a level that can sustain productive farm activity.

Strong Public Image

The biggest thing New Jersey agriculture has going for it is immense public support.

Year after year, we see the New Jersey Farm Bureau polls that show upwards of 80 to 85 percent of our residents support New Jersey farmers.

Late in 2010, one such poll showed 85-percent support for including more New Jersey farm products in our school feeding programs.

That same poll showed nearly three out of every four people had strong confidence in the safety of New Jersey produce.

And let's not forget that the only bond referendum to pass in the 2009 election was the one to fund farmland and open space preservation.

One of the main functions the Department concentrates on throughout the year – telling New Jersey agriculture's story – is aimed squarely at maintaining that public goodwill. We're not just "selling the sizzle" anymore. Using social media like Facebook, and applying the tenets of "relationship marketing" and "emotional marketing," we're connecting farmers to our residents on a deeper level.

As Pauline Hammerbeck of BNP Media said in a recent article: "It's no longer enough for people to believe your product does what it says it does. People want to believe in *you* and what *you do*."

The story of New Jersey agriculture is always told best when we simply set the stage and then let you, our farmers, talk about what it is you do. It's you they trust, your operation. Don't lose that when you have the chance to tell your story by getting into tangents about societal ills or political struggles in Washington. It's about your operation. You love it, you can control it and people love you for it.

I'm reminded of the old saw that farmers talk a lot about farming, but only to other farmers.

I encourage you to be ambassadors for your industry to those who aren't so familiar with it. Whether that's through Department press and public outreach efforts or just by talking to residents one-on-one in the towns where you live.

These are the stories that I encounter. When I tell a room about them it lights up. When *you* tell the room, the glow is even greater. It's a true partnership between the Department and the ag community to continually and consistently tell your story.

Conclusion

If you're looking for a bottom line, it would be that the state of agriculture in New Jersey is strong – in fact remarkably strong given the economic conditions we've endured as a state and nation the past few years. The strength comes from your abilities and willingness to adapt to tough conditions.

It's a testament to your hard work, self-sacrifice and dedication to agriculture that you are as well-positioned as you are to seize the opportunities that will arise as economic conditions begin to improve.

As always, this Department, whether it was under Art Brown or Charlie Kuperus or now myself, stands ready to assist you in any way we are able to maximize your efforts to rebound in this year and the years to come.

As we now move into this convention, I'm reminded of the listening sessions and the resolutions discussions of last year. As we did last year, we aim to learn as much from your listening-session input as we can, and to act according to the policy directions we are given in the resolutions

With that said, let us move forward with the business of New Jersey agriculture.