

## ***Creating Business Opportunities***

***Multidisciplinary expertise produces the blooms cultivated in the College's floriculture program, the nation's third-largest.***

***By Natalie Hampton***



**Guilford County agent Wick Wickliffe (left) helped Deborah Bettini (center) create a business plan for her shiitake mushroom operation. Theresa Nartea (right) of N.C. A&T State University helped establish a statewide mushroom growers association.**

**Photo by Becky Kirkland**

**W**ith the tobacco buyout and a competitive market for agricultural products, producers are turning to North Carolina Cooperative Extension agents to help identify new opportunities to make money. But armed only with production knowledge, agents often find it difficult to help producers make informed business decisions.

To help agents obtain the skills and resources they need to assist these clients, Dr. Gary Bullen, Extension associate in the Agricultural and Resource Economics Department, and a group of six colleagues developed the workshop "Creating Business Opportunities." The workshop and activities were funded by Golden LEAF and the **N.C. Tobacco Trust Fund Commission** and involved

partnerships with the N.C. Farm Bureau, N.C. Department of Agriculture and Consumer Services' Agricultural Marketing Division and the N.C. Rural Economic Development Center.

Bullen said the workshop was an effort at capacity building in the area of business opportunities. The idea was to bring together professionals from Cooperative Extension, community colleges, NCDA&CS, small businesses and non-government organizations to form regional groups that could help entrepreneurs develop successful businesses. It is one way the university and its partners can get involved in helping achieve economic development for North Carolina, a priority of N.C. State University Chancellor James Oblinger and College of Agriculture and Life Sciences Dean Johnny Wynne.

"This was not just for Extension, but to establish a network of people who could work on business-development ideas," Bullen said.

The program helped participants, 70 percent of whom were Extension professionals, expand their knowledge of business development and provide them with business-development tools to use with clients. The training was held in four two-day sessions from February to September 2005 and included about 90 participants.

"We approached the training with the idea if someone walks into the office with a business idea, how do you help that individual get started?" Bullen said.

The first session covered evaluating business ideas. The group heard from several farmers with successful enterprises who described how they got started. The second session dealt with finance and legal issues, and the third with market research and strategies.

Through the summer months, the regional groups were charged with evaluating a real business idea from their geographic area and developing a real market plan for that business. In September, all the groups presented their business plans.

The business ideas were diverse, ranging from a bed and breakfast for riders and their horses to a greenhouse for raising hydroponic greens. Other business ideas included an ecotourism site at a farm on the New River, a community market, a vineyard, an African-American farm co-op for selling roasted peanuts at sports events at historically black college and universities, and businesses for raising and selling freshwater prawns, organic produce and shiitake mushrooms.

Each group had to conduct appropriate market research to evaluate the business proposals.

Wick Wickliffe, Guilford County agricultural Extension agent, and his group developed a market plan for the shiitake mushroom business. The group members discussed area businesses they know of and decided to work with the Guilford County enterprise that raises mushrooms and organic produce.

The project was important for another group member, marketing specialist Theresa Nartea of N.C. A&T State University. Nartea helped establish a new statewide association for mushroom growers.

Wickliffe said the family that owns the business has already adopted many of the things recommended in the market plan. "They're actually moving ahead," he said. "They're doing some value-added products, as suggested in the business plan," he said.

The workshop group approached the market plan by examining the product and how to market it, Nartea said. They analyzed the potential customers for shiitake, who they were and where they were most likely to buy mushrooms. They explored competitors and potential markets as well.

Based on their findings, the group recommended selling mushrooms three ways: through a roadside stand, to targeted groups and at local farmers' markets.

"Extension agents are called on to help stimulate business," Nartea said. "Gary's class provided the tools necessary to do that."

Wickliffe said the class made him aware of the tremendous resources - some within the regional team - available to help small businesses.

"Ag agents are production-oriented and can get out of our comfort zone real fast," he said. "I probably won't write a business plan - I'm not totally qualified. But through the course, I know one of my team members that I can refer new entrepreneurs to: Lonnie Hamm at Randolph Community College-Small Business Center."

Nartea agreed and said, "Most North Carolina community colleges have a small business center. In Extension, we strive to work together as a team with other community agencies in all things related to helping the people of North Carolina. Extension is strongest when we make the right connections and when we collaborate to provide resources to help clients reach success."

Taylor Williams, Moore County agricultural agent, worked with the team that developed a market plan for Oak Bluff Farm, a hydroponic greenhouse operation that produces mixed greens. He said the course has given him the tools necessary to help guide entrepreneurs.

"The class has already helped quite a bit," Williams said. "There probably isn't a day that goes by that I don't talk with someone who needs help starting a business."

Williams now knows where to point people for help with those decisions, he said. He has even talked people out of starting things. And he has a better understanding of regulations, business plans and small business resources.

"I started out as an area alternative agriculture agent, with lots of production information," he said. "But to get someone started in a new business, you probably need a master's degree in business administration."

Bullen said all the groups worked well together in developing their market plans. Now they have a group of peers they can turn to in their region to help new small businesses get off the ground.

"Extension agents recognize that we need to help businesses develop by following the economic-development direction of our state's land-grant universities," Bullen said.