

ADDED VALUE PRODUCTS I

Date: 05/07

(1 HOUR)

- OBJECTIVES:**
1. Participants will begin to understand the principles of adding value to products
 2. Participants will be challenged to think beyond commodity agriculture products
 3. Participants will begin to think creatively about possible products

OVERVIEW FOR TRAINERS: This is the first lesson in a series on Added Value Products.

METHOD	TIME	KNOWLEDGE
<p>Role Play:</p> <p>1st Hello Chung – What is wrong? 2nd Oh, I have so many apples and I can't sell them all. There are too many competitors.</p> <p>1st Did you try the bazaar? 2nd Yes and the price is really low. How am I going to support my family?</p> <p>1st I don't know. Maybe you will just have to stop growing apples. 2nd But it is what I know how to do best. I wish I could do something else with all these apples.</p> <p>----SHOWD questions---- S = What do you See? H = What is Happening? O = Does this happen in Our place? W = Why does this happen? D = What will we Do about it?</p>	10"	
<p>I. What does it mean to add value to an agriculture product – i.e., crop, fruit or animal product? Discuss in large group.</p>	5"	<p>I. <u>What does "Added Value" Mean?</u></p> <ol style="list-style-type: none"> A. Takes a raw agriculture product to the next stage of processing B. Added Benefits to the customer C. Open new markets D. "Market driven" rather than "Supply driven" E. Opposite of a commodity.
<p>II. What creates added value in a product?</p>	10"	<p>II. <u>What Creates Added Value in a Product:</u></p> <ol style="list-style-type: none"> A. Useful function B. Useful form or shape C. Right place D. Right time E. Ease of possession F. Right package G. Right size H. Quality meets or exceeds expectations I. Providing health benefits J. Providing convenience K. Providing variety of choice
<p>III. What benefits does value added</p>	10"	<p>III. <u>What Benefits Does Value Added to</u></p>

ADDED VALUE PRODUCTS I

to processing bring to a community? Break into twos and threes to discuss. Report back.

Processing Bring to a Community?

- A. New markets for traditional commodities
- B. More jobs for local labor
- C. Secondary jobs for suppliers to processor
- D. Business profit stays in community
- E. Other businesses attracted to community
- F. Hope
- G. Develops local resources
- H. Develops a unique community reputation
- I. Higher returns to farmers

IV. What types of processes add value to agriculture products? Use one word verbs such as “dry”, etc. Discuss in small groups. Write words on strips of paper as these will be used later when brainstorming new ideas. Can report back if desired.

15”

IV. What Types of Processes Add Value to Agriculture Products? Use one word verbs such as “dry”, etc.

- A. Clean
- B. Cool
- C. Cook or Bake
- D. Combine
- E. Churn
- F. Ferment or culture
- G. Grind
- H. Hull
- I. Extract
- J. Dry
- K. Smoke
- L. Fry
- M. Juice
- N. Preserve
- O. Slice or Chop
- P. Peel
- Q. Label
- R. Package
- S. Distribute
- T. Spin
- U. Weave
- V. Organic

V. What steps are involved in developing a value added product? Prepare strips of steps and have the participants put them in chronological order. Some steps will be happening concurrently. This activity is to help participants see the steps involved in getting a product to market. Distribute *Added Value Process Steps* strips.

15”

V. What Steps are Involved in Developing a Value Added Product?

- A. Identify the possible customers
- B. Determine customer needs
- C. Assess resources (labor, time, finances) available.
- D. Access strengths and weaknesses of your community.
- E. Assess uniqueness of your community
- F. Brainstorm a product that could meet the needs of the potential market.

ADDED VALUE PRODUCTS I

- G. Assess raw material availability (quantity, season, costs)
- H. Prepare a product in response to customer needs
- I. Ask customers to evaluate product and package
- J. Refine the product and package
- K. Develop package and label for product
- L. Find suppliers and order raw materials and packaging
- M. Determine process operating steps
- N. Determine product and package specifications
- O. Develop and test processing equipment
- P. Determine Layout for processing area and install and test the equipment.
- Q. Produce commercial scale of product
- R. Evaluate safety, shelf life and hygiene of product – quality assurance
- S. Distribute to selected markets in final package at competitive price
- T. Evaluate market response
- U. Refine process, product, package, and marketing if needed.

ATTITUDE:

SKILL: Participants will understand the principles of adding value to products. They will think beyond commodity agriculture products and will be creative about possible products.

EVALUATION: Facilitators will know the participants have learned the content of this lesson when they begin adding value to products, create commodity value to their own community's products, and add value to new possible products for their community.

MATERIALS:

- Newsprint
- Marking pens
- Masking tape
- Strips of paper for brainstorming exercise
- *Added Value Process Steps* strips
- *Steps in Getting an Added Value Product to Market* handout

Steps in Getting an Added Value Product to Market

- A. Identify the possible customers
- B. Determine customer needs
- C. Assess resources (labor, time, finances) available
- D. Assess strengths and weaknesses of your community
- E. Assess uniqueness of your community
- F. Brainstorm a product that could meet the needs of the potential market.
- G. Assess raw material availability (quantity, season, costs)
- H. Prepare a product in response to customer needs
- I. Ask Customers to evaluate product and package
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Added Value Process Steps

See Page to Follow

Identify the possible customers

Determine customer needs

Assess resources available
(labor, time, finances)

Assess strengths and weaknesses of
your community

Assess uniqueness of your community

Brainstorm a product that could meet
the needs of the potential market

Assess raw material availability
(quantity, season, costs)

