

Network07

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From the Director

Identifying and Creating Value Through Clusters

Stuart Rosenfeld of Regional Technology Strategies describes three watershed periods in recent US economic history. During the 1960s and 1970s, the emphasis was on “making things cheaper” using mass production based on specialization of labor. In this era a region could enjoy a competitive advantage by producing goods at low cost. In the 1980s and 1990s, the emphasis shifted towards “making things better.” In this era firms that could automate so as to produce high quality goods quickly became industry leaders. This was the era of total quality management,

just-in-time inventories and flexible specialization.

Since the turn of the Century, according to Rosenfeld, the focus of firms that want to succeed has been on “making better things.” A premium is placed by consumers on aesthetics and authenticity, and design, innovation and uniqueness. This theme is developed by Dan Pink in his book *A Whole New Mind*. According to Pink, with automation, unprecedented abundance and a low-cost labor force in Asia, only those firms – and regions – will thrive that are able

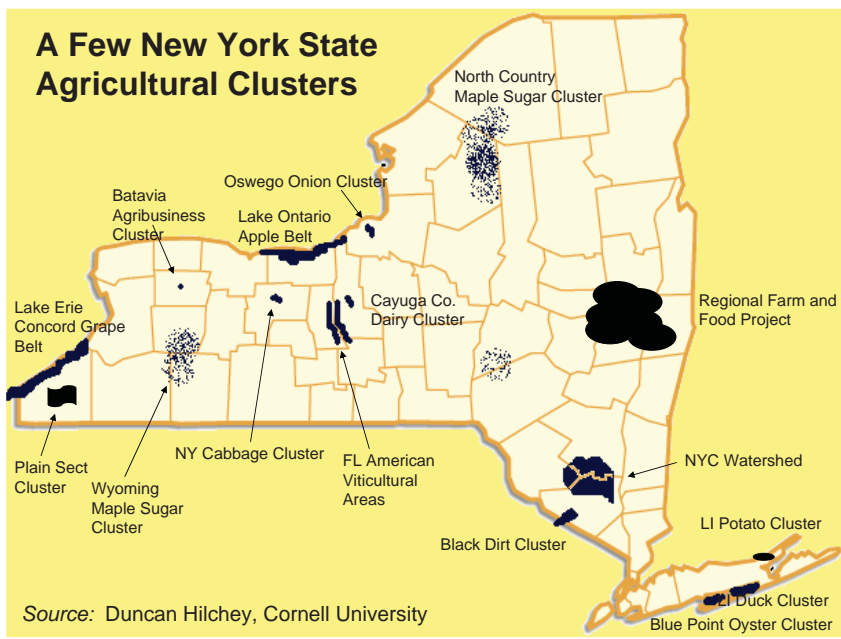
continued on page 2

Conferences

TALUC

The **Transatlantic Land Use Conference on the Science and Education of Land Use**: A transatlantic, multidisciplinary and comparative approach will be held September 24-26, 2007 at the Westin Washington, DC City Center Hotel.

With a primary audience of academic scientists and graduate students, TALUC seeks to promote scientific exchanges among researchers at US and European Universities who are addressing land use-related issues. The event is a joint effort of the Association for European Life Sciences



Universities (ICA), National Association of State Universities and Land Grant Colleges (NASULGC) and The Northeast Regional Center for Rural Development.



Please contact Stephan J. Goetz (sgoetz@psu.edu) if you are interested in becoming a co-sponsor.

Further information on the TALUC Conference is available at: <http://nercrd.psu.edu/TALUC>

to creatively design and produce unique products that also convey meaning to consumers.

At the Northeast Center we are studying clusters of agricultural firms in this context, as one means of ensuring agricultural viability that is based on high value-added, unique niche products. One of our goals is to understand how farmers can move from producing basic commodities to providing consumers with brands and experiences that create product loyalty.

Clusters may be key to creating regional brand identities that in turn establish a unique experience in the consumer's mind. Examples range from wine-tasting events to hosting of rural heritage trails that are organized around basic products. For example, a winery in Napa Valley, California, combines wine tours with artistic photography and music groups from the 1970s that appeal to baby-boomers. This illustrates the creation of an *experience* around what would otherwise be a mere commodity.

A critical initial step in using clusters to achieve brand awareness is identifying latent or functioning clusters, including the basic commodity they produce, and their location and regional scope. No one knows more about the diversity of clusters across the nation than Cornell University's Duncan Hilchey, who is a leading expert on identifying and describing agricultural clusters. Hilchey lists this selection of 25 clusters from across the nation:

1. The Wild Blueberry Barrens of Washington County, Maine
2. Potato Region of Aroostook County, Maine
3. Potato Region of Snake River, Idaho
4. Black Belt Cotton and Catfish Region of AL and MS

5. Cranberry Bogs of Cape Cod, Massachusetts
6. Pennsylvania Dutch Region of Pennsylvania
7. Finger Lakes Wine Region of New York
8. The Drowned Lands (Black Dirt Region) of the Lower Hudson Valley, New York
9. Brandywine Region Mushrooms of Pennsylvania
10. Vidalia Onion Region of GA
11. Indian River Citrus District, FL
12. Atchafalaya River Basin Crawfish of Louisiana
13. Old Mission Peninsula Tart Cherry Region, Michigan
14. Great Lakes Wild Rice of MN
15. Hatch Valley Chilies, NM
16. Raisins of Fresno, California
17. Smithfield Ham production area, Smithfield, Virginia
18. Seminole Pea of Coastal GA
19. Lowland Tea of South Carolina
20. Macadamia Nuts or Pineapple of Hawaii Islands
21. Hops of the Pacific Northwest
22. Hazelnuts of the Willamette Valley, Oregon
23. Long Island Duck, New York
24. Everglades Sugar Cane, Florida
25. Maple Syrup of Northeastern United States

This list shows the tremendous diversity of agricultural or food-related clusters in the US. Hilchey has also mapped some of the key clusters in New York State (see map) and he was instrumental in securing a nationally-recognized Heritage designation for the Concord Grape growers of New York and Pennsylvania. For more information on this work contact Duncan Hilchey at dlh3@cornell.edu or visit the Northeast Center's web-site.

Stephan J. Goetz

Foundations of Practice Community Development Core Competencies for Extension Professionals is being offered via Breeze technology. This seven-part series will be offered four times in 2007. For more information visit:

<http://www.ncrcrd.iastate.edu/projects/corecomp/component1-fall2007.htm>

Foundations of Practice
Community Development
Core Competencies for
Extension Professionals

Save the Date

2007 Urban Extension Conference
"The Future Urban Extension Agenda: Reaching New and Diverse Audiences," May 7-10, 2007 at the Hyatt Regency Hotel in Kansas City, MO. Details are available at: <http://extension.missouri.edu/urbanconf/>

CDS-NRDP

The Community Development Society and The National Rural Development Partnership Annual Conference, **"The Magic of Community: History, Change, and Regional Development,"** will be held in Appleton, WI on June 17-20, 2007. Conference information is available at: www.comm-dev.org



Discover the Magic!
www.foxcities.org

Conferences, continued

E-Commerce Strategies for Small Businesses and Communities national workshop will be held June 4-6, 2007 at the Lied Lodge and Conference Center in Nebraska City, NE. Information is available at: <http://srdc.msstate.edu/e-commerce/07training/index.html>

E-Commerce Strategies for Small Businesses and Communities

A Rollout of New Extension Educational Curricula

June 4-6, 2007
Lied Lodge and Conference Center
Nebraska City, Nebraska

Overview

Agenda

Presenters

Lodging

Registration



The Northeast Center held two workshops in June 2006 that resulted in the formation of working groups/theme areas.

The theme areas from **Building Entrepreneurial Communities in the Northeast** held June 6-7 are Youth and Community Entrepreneurship and Community Supported Entrepreneurship. Working groups that emerged from the **Northeast Land Grant Land Use (NEELUN) Strategic Planning** meeting held October 11-12 are Housing and Land Use and The Local Value of Agriculture. If you are interested in participating in any of these groups, please contact nercrd@psu.edu

Publications

Rural Realities issue number four, **“Starved for Access: Life in Rural America’s Food Deserts”** by Lois Wright Morton and Troy C. Blanchard, is now available at: <http://www.ruralsociology.org/pubs/RuralRealities/Issue4.html>

Collaboration with RUPRI

In 2005-2006, the four Regional Rural Development Centers conducted a series of Rural Entrepreneurship Listening Sessions across the U.S. The meetings helped participants understand what was working in rural entrepreneurship and how to make it work better. As a result of the listening sessions, the RRDCs and the RUPRI Center for Rural Entrepreneurship have formed a collaboration. Information on entrepreneurship and the four Rural Development Centers can be found at: www.energizingentrepreneurs.org



RDPs

RDP 34

The Economic Case for State-Level Land Use Decision-Making, Stephan J. Goetz, December 2006. <http://www.nercrd.psu.edu/Publications/rdppapers/rdp34.pdf>

RDP 35

A Systems Approach to Community Land Use Education, Planning, and Action, Timothy Collins and Stephan Goetz, June 2006. <http://www.nercrd.psu.edu/Publications/rdppapers/rdp35.pdf>

RDP 36

Evaluation Research and Strategy Development for the Tourism Enterprise Development Activities of the Progress Fund, Martin Shields and David Hughes, August 2006. <http://www.nercrd.psu.edu/Publications/rdppapers/rdp36.pdf>

Publications, continued

Rural America at a Glance, 2006 Edition

<http://www.ers.usda.gov/Emphases/Rural/ataglance.htm>

By Lorin Kusmin, editor

Economic Information Bulletin No. (EIB-18) 6 pp, August 2006

Rural America At A Glance, 2006 Edition highlights the most recent indicators of social and economic conditions in rural areas for use in developing policies and programs to assist rural areas. The brochure provides information on key rural conditions and trends for use by public and private decisionmakers and others in efforts to enhance the economic opportunities and quality of life for rural people and their communities.

Biofueling America: Making the Case for Linking Biofuel Production to Rural Revitalization, by Jim Kleinschmit A New Report from the Carsey Institute

Biofuels have emerged as one of the most promising new sectors for rural America. Primarily a Midwestern phenomenon until now, the expected shift to biomass – as opposed to the current grain and oilseed feedstocks – for producing biofuels will expand the biofuel sector’s impact and influence nationwide. Politicians and proponents tout the potential for biofuels to stimulate rural job creation and economic growth and increase energy independence as key reasons for providing public support for the industry. But in the rush to grow the sector, the benefits to rural communities may be muted or lost if federal, state and local policies and programs that help determine the sector’s ownership, scale and structure do not sufficiently support rural development priorities.

The full report is available at: http://www.carseyinstitute.unh.edu/documents/Biofuels_final.pdf

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The Northeast Center is one of four regional rural development centers in the nation that focus specifically on rural challenges and opportunities. The Northeast Center provides support to the experiment stations and extension services of sixteen land-grant institutions in twelve northeastern states and the District of Columbia. The Center receives core funds from USDA-CSREES and the Northeastern Regional Association of State Agricultural Experiment Station Directors.

Journal Article

West Virginia Farm Direct Marketing: A County Level Analysis

Cheryl Brown, Jesse E. Gandee, and Gerard D'Souza

Abstract:

To understand the factors that influence farm direct marketing, a linear regression model is estimated to test the relationships between county-level direct market sales and socio-economic, agricultural production, and location characteristics for West Virginia. The results show that higher median housing value, increased population density, a younger population, a greater number of direct market farms, more diversity of fruit and vegetable production and closer proximity to Washington, DC, increase direct market sales. The results have implications for other states with a large proportion of small and part-time farmers, many of whom are located in close proximity to metropolitan areas.

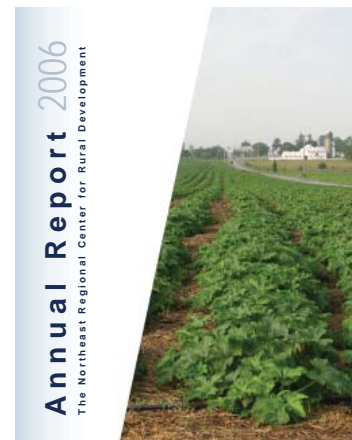
Journal of Agricultural and Applied Economics, 38, 3 (December 2006): 575-584

Annual Report

NERCRD Annual Report 2006

Please contact The Northeast Regional Center for Rural Development if you would like to receive a paper copy.

[http://www.nercrd.psu.edu/
Publications/
Reports/
AnnualReport
2006.pdf](http://www.nercrd.psu.edu/Publications/Reports/AnnualReport2006.pdf)



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