

United States Department of Agriculture

News Release

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USDA and Lanier County Development Authority Partner to Advance Georgia's Emerging Olive Industry

LAKELAND, Ga., August 31, 2013, Today, during the Flatlanders Arts and Crafts Show, the USDA Rural Development Agency joined with the Lanier County Development Authority to celebrate the delivery of a \$469,120 Alfa Laval olive oil press. The press is designed to advance the processing capacity of Georgia's emerging olive industry. "The installation of the Alfa Laval equipment will reduce transportation costs and create the fundamental infrastructure to support the Southeast's increasing olive grove acreage," explained Dub Music, Chairman of the Development Authority. The Chairman added, "Georgia Olive Farms is already a regional agri-tourism attraction. This expansion is poised to draw more visitors."

USDA Rural Development, through the Rural Business Enterprise Grant (RBEG) program, contributed \$300,000.00 towards the equipment's overall costs. The purpose of the RBEG program is to assist municipalities, non-profits, and economic development authorities with projects that promise job creation and small business expansion. In fiscal year 2013, the RBEG program created or maintained 154 jobs in small towns throughout Georgia. For more information about the Rural Business Enterprise Grant program, visit <u>http://www.rurdev.usda.gov/BCP_rbeg.html</u>.

"The Lanier grant will help to keep food processing jobs in south Georgia while assisting at least 30 small, rural emerging businesses with connections to the olive oil industry", said Quinton N. Robinson, Rural Development State Director. Lakeland, Georgia is the center of the nation's Southeastern emerging olive industry and now more suitable to support other growers in states such as Florida and Alabama. The area is gaining recognition as the Southern Olive Belt.

The olive press was delivered from Florence Italy on Tuesday this week and will be installed in time for September's harvest. The Georgia Olive Farms (GOF) agricultural cooperative anticipates that olives will be harvested from orchards near Hawkinsville, Lyons, and Jacksonville, Georgia, and Marianna, Florida.

The 2011 harvest from Georgia Olive Farms was the first harvest of olives east of the Mississippi River since the 1800s. That harvest was transported to Texas for pressing and bottling. In 2012, the olives were processed locally, but at a capacity of only 130 pounds per hour. The low capacity limitations of the press meant the crops had to be handpicked in small batches. "The new Alfa Laval represents a substantial upgrade to processing capacity," said Jason Shaw of GOF, "two tons of olives can be pressed per hour on the new equipment. We've had a large number of new growers enter the market this year since we announced expanding operations," Shaw continued.

A 2012 study by industry expert, Paul Miller and Associates, recommended establishing an olive mill central to growers in the Lakeland, Georgia region, and staging it in phases as production

increases. "In order to take the industry forward at the rate necessary to meet market demands and to obtain critical mass, there needs to be investment in state of the art harvesting and milling infrastructure as well as ongoing strategic analysis and advice and technical support," the study says. The study continues, "If this is done, then the industry will have its best shot of becoming a permanent and profitable contributor to the agricultural sector in the south eastern USA on the back of one of the healthiest food products in the world."

President Obama's plan for rural America has brought about historic investment and resulted in stronger rural communities. Under the President's leadership, these investments in housing, community facilities, businesses and infrastructure have empowered rural America to continue leading the way – strengthening America's economy, small towns and rural communities. USDA's investments in rural communities support the rural way of life that stands as the backbone of our American values. President Obama and Agriculture Secretary Vilsack are committed to a smarter use of Federal resources to foster sustainable economic prosperity and ensure the government is a strong partner for businesses, entrepreneurs and working families in rural communities.

USDA, through its Rural Development mission area, has a \$189 billion portfolio of programs designed to improve the economic stability of rural communities, businesses, residents, farmers and ranchers and improve the quality of life in rural America. USDA has made a concerted effort to deliver results for the American people, even as the Department implements sequestration – the across-the-board budget reductions mandated under terms of the Budget Control Act.

USDA has already undertaken historic efforts since 2009 to save more than \$828 million in taxpayer funds through targeted, common-sense budget reductions. These reductions have put USDA in a better position to carry out its mission, while implementing sequester budget reductions in a fair manner that causes as little disruption as possible.

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