

News

North Carolina Research Campus, Kannapolis

April 13, 2010

Media Contact: Leah Chester-Davis, coordinator of communications and community outreach, N.C. MarketReady, 704-250-5406 or leah_chester-davis@ncsu.edu

Local Farmer Awarded Funding from N.C. Value-Added Cost Share Program

From Raw Peanuts to Candy Bars, Value-Added Product has Potential for Sweet Returns

KANNAPOLIS, N.C. – Lee Swinson of Golden Grove Candy Company, in Warsaw, N.C., was one of nine recipients of the N.C. Value-Added Cost Share (NCVACS) awards. Swinson started helping his dad in the tobacco fields when he was only 5 years old. In 1994, at the age of 12, this young farmer rented 20 acres to grow cotton. Over the years he increased his acreage and experimented with various crops. In 2005 he found his niche, growing peanuts. When a nearby candy company came up for sale in 2007, he jumped at the opportunity to grow the peanut business with a diversified, value-added product line by making peanut candies. Peanut farmer and owner of Golden Grove Candy Company, Swinson's cost share award is valued at \$3,500 to defray the cost of a professional grant writer who will help apply for the USDA Value-Added Producer Grant (VAPG), which could provide up to \$300,000 for working capital to grow the business.

NCVACS is administered by N.C. MarketReady, a program of N.C. Cooperative Extension located at the N.C. Research Campus. The cost share program, funded by the N.C. Tobacco Trust Fund Commission, was launched in 2009 to encourage more North Carolina producers to apply for the VAPG federal funds and to generate more competitive applications. The first cycle of NCVACS was designed to provide supplemental funding for producers to work with professionals who provide grant writing services and perform feasibility assessments.

Since purchasing the candy company, Swinson has been working to increase efficiency and expand the market. He moved the candy company to a new facility in Warsaw, N.C., closer to the peanut farm, changed the packaging to reflect the new name and increased production from 900 bars a day to 6,000 bars a day. The foil packaging provides a one-year shelf life for the peanut bars. The Carolina Crisp Peanut Bar is available at Piggly Wiggly, Bo's Foods, Friendly Mart, select convenience stores and the N.C. Farmers Market in Raleigh.

When he began growing peanuts, he found that there was some demand for fresh, raw peanuts. As the field crew harvested the crop, people would stop and ask to buy a bucket of peanuts from the harvest wagon. He started selling by the bucket for \$5 each. To meet the demand, he purchased five-pound bags

(more)

Local Farmer Awarded Funding from N.C. Value-Added Cost Share Program, p. 2

and set up a roadside stand. Business was steady, but no outlet for the volume of peanuts he was growing, up to 10,000 tons.

The move toward a value-added product line allows him to use a few ounces of nuts to create a convenient, affordable sweet treat that generates a higher return for the business. Pound for pound, candy products represent a nearly 400 percent increase in value compared to raw peanuts. From the field, the peanuts must be harvested, shelled and roasted. They are then combined with sugar and corn syrup to produce a variety of peanut-based candy, including the Carolina Crisp Peanut Bar, Carolina Crisp Bites and Peanut Brittle.

Swinson manages the day-to-day operations of the candy company, including nine employees, while his sister, Kathryn Swinson, serves as company president. All of the peanuts used in candy production are produced by the Swinson farming operation. In addition to peanut farming and the candy company, the Swinsons farm almost 6,000 acres in corn, peanuts, tobacco and pasture for livestock.

“We are constantly trying to find new ways to add value to our crops and make our farm as efficient as possible,” Swinson says. “My dad always said, ‘If you don’t keep up, eventually you will be left behind.’” Keeping up takes substantial funding and the NCVACS cost share will help defray the cost of applying for federal funding.

One of the biggest hurdles Swinson is currently dealing with is getting his product into stores. Visitors to the www.goldengrovecandy.com can find the nearest retailer that carries Golden Grove candy products.

N.C. MarketReady, formerly known as the Program for Value-Added & Alternative Agriculture, is a program of N.C. Cooperative Extension, which is an educational outreach of N.C. State University and N.C. A&T State University. N.C. MarketReady’s multidisciplinary team builds partnerships and educational resources to help North Carolina agriculture be more profitable. N.C. MarketReady is a partner of the Plants for Human Health Institute at the N.C. Research Campus in Kannapolis. Learn more at www.ncmarketready.org or www.ces.ncsu.edu.

###

Writer: Megan Bame