



Nov. 30 deadline for USDA value-added producer grants

By Agri-Pulse Staff

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WASHINGTON, Nov. 23, 2009 - Agriculture Secretary Tom Vilsack is urging farmers and business owners to apply for grants to add value to the commodities they produce. All applications must be received by USDA by Monday, Nov. 30.

“The approximately \$18 million in value-added grants announced by USDA this past year are strengthening rural economies and creating jobs,” Vilsack said. “I encourage farmers and businesses to take advantage of this opportunity to add value to their agricultural products by funding planning activities such as feasibility studies, marketing and business plans, or for working capital.”

For example, in 2004, USDA awarded the Michigan Turkey Producers Cooperative in Wyoming, Michigan, a Value-Added planning grant totaling \$55,000 to prepare a feasibility study and business plan for marketing turkey products to health-conscious customers. In 2005, a second \$150,000 grant was awarded to provide marketing capital in order to increase brand awareness and promote the benefits of the company’s farm-to-table practices. As a result of USDA’s assistance, the cooperative was able to hire 66 new employees and open a new processing plant for new product lines.

USDA will award planning grants of up to \$100,000 and working capital grants of up to \$300,000 to successful applicants. Applicants are encouraged to propose projects that use existing agricultural products in non-traditional ways or merge agricultural products with technology in creative ways. Businesses of all sizes may apply, but priority will be given to operators of small and medium-sized family farms - those with average annual gross sales of less than \$700,000.

Applicants must provide matching funds equal to the amount of the grant requested. Ten percent of the funding being made available is reserved for beginning farmers or ranchers and socially disadvantaged farmers or ranchers. An additional 10 percent is reserved for projects involving local and regional supply networks that link independent producers with businesses and cooperatives that market value-added products.

Paper applications must be submitted to the Rural Development state office in the state where the project will be located. A list of state offices is available at www.rurdev.usda.gov/recd_map.html. Electronic applications must be submitted through

www.Grants.gov. For more information on how to apply, please see page 45165 of the September 1, 2009 Federal Register or visit www.rurdev.usda.gov/rbs/coops/vadg.htm.

Further information on rural programs to increase economic opportunity and improve the quality of life for rural residents is available at a local USDA Rural Development office or by visiting USDA Rural Development's web site at www.rurdev.usda.gov.

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