



**UNITED STATES DEPARTMENT OF AGRICULTURE  
RURAL DEVELOPMENT**

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**\$27.7 Million Available To Promote Value-Added Ventures**

**Lincoln, Neb.**, September 19—The United States Department of Agriculture (USDA) Rural Business-Cooperative Service (RBS) is accepting applications for \$27.7 million in competitive grants available through the Value-Added Agricultural Product Market Development Grant (VADG) program. The VADG program encourages independent producers of agricultural commodities to process their raw products into marketable, value-added goods, thereby increasing farm income.

Value-added products are those agricultural products, which gain value through processing, production, segregation or other means, or produce renewable energy on a farm or ranch.

The VADG program is open to eligible independent producers, agricultural producer groups, farmer or rancher cooperatives, and majority-controlled producer-based business ventures.

The maximum allowable grant amount is \$500,000, although priority is being given to grant requests under \$500,000. Grant recipients must provide matching funds at least equal to the grant. Other federal grants cannot be used as matching funds.

Grant funds may be used for activities such as 1) developing feasibility studies, business and marketing plans, OR 2) acquiring working capital to operate a value-added business venture; but funds can not be used for both activities. Grant funds may not be used for 1) the development or acquisition of land, buildings, or other facilities or 2) to purchase, rent or install fixed equipment.

For further VADG program information and assistance with grant applications, contact USDA Rural Development representatives Deb Yocum at (402) 223-3125 or Mary Gambill at (402) 387-2242. You may also obtain information from the RBS website at: [www.rurdev.usda.gov/rbs/coops/vadg.htm](http://www.rurdev.usda.gov/rbs/coops/vadg.htm).

Applications for grants must be received in the Beatrice office no later than October 20, 2003, 4 p.m. CDT. Applications are to be submitted to USDA Rural Development, 201 N. 25<sup>th</sup> Street, Beatrice, NE 68310.

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USDA Rural Development is an Equal Opportunity Lender, Provider and Employer. Complaints of discrimination should be sent to USDA, Director, OCR, Washington, D.C. 20250-9410.