



NEWS RELEASE

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\$28.7 MILLION IN USDA RURAL DEVELOPMENT GRANTS SELECTED TO SPUR ECONOMIC GROWTH IN 40 STATES

Selected Proposals Focus on Agri-Business/ Job Creation

WASHINGTON, Dec. 11, 2003—Agriculture Secretary Ann M. Veneman today announced the approval of 184 value-added agricultural product market development grants in 40 states, totaling over \$28.7 million. The grants will foster the development of new products and markets for agriculturally based products.

"The grants will foster the development of value-added projects to help create the opportunity for economic development and job creation in rural areas," said Veneman. "The Bush Administration is committed to providing the necessary tools to help rural businesses create jobs and improve the quality of life for their communities."

Authorized as part of the 2002 Farm Bill, the Value-Added Agricultural Product Market Development Grants (VAPG) program provides an opportunity to refine agricultural commodities and products to increase their value in the marketplace.

Nebraska received over \$3.5 million of the VAPG announced today providing assistance to 17 producers/producer groups in their value-added endeavors.

In support of President Bush's 2001 energy plan, the following 6 applications focusing on bio-mass and renewable energy were selected to receive \$1,204,350 in grant funds:

Biodiesel Steering Committee Superior, Neb.-\$121,000 to conduct a biodiesel plant feasibility study.

KAAPA Ethanol, LLC Minden, Neb.-\$240,000 in working capital to assist in the payment for ingredient and production inputs for a dry mill ethanol facility in Minden.

CO2 Ventures, LLC Kearney, Neb.-\$128,000 to create added value for producers by identifying and developing business applications for the profitable use of CO2 generated from CO2 Ventures, LLC owned bioenergy-processing facilities.

NEDAK Ethanol Atkinson, Neb.-\$38,500 for an ethanol plant feasibility study, marketing study and business operations plan.

Husker Ag, LLC Plainview, Neb.-\$226,850 for personnel and inventory costs associated with its 20 million gallon per year fuel ethanol plant.

Progressive Producers Nonstock Sidney, Neb.-\$450,000 for working capital to help increase cooperative's membership base, and sustainably produce efficient and profitable oilseed crops for production of clean, renewable, domestic produced, premium bio-diesel fuel.

Additional Nebraska applications receiving \$2,372,562 in grants were:

Nebraska Turkey Growers Cooperative Gibbon, Neb.-\$120,000 for working capital to develop new markets in Missouri and Colorado to generate additional revenue.

United Farmers Cooperative York, Neb.-\$367,500 to explore Identity Preserved or segregated

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grain market potential by working with processors to determine their needs.

Aurora Cooperative Aurora, Neb.-\$309,600 to establish systematic process for adding value to commodity grain products for greater profitability.

Kearney Area Ag Producers Alliance (KAAPA) Kearney, Neb.-\$162,000 will assist in conducting additional research, feasibility study preparation, and business plan creation, of a U.S. farmer majority-owned Mexican entity to facilitate IP grains to the Mexican market.

Ag Processing Inc. Omaha, Neb.-\$499,875 for a feasibility study on the commercial development of soy-based surfactants.

Stateline Bean Producers Bridgeport, Neb.-\$500,000 for working capital to aid in efforts to add value to the producer-owner's dry edible bean crop.

Farmers Co-op Oil Company Newman Grove, Neb.-\$120,000 to assist in the initial operation of a soybean processing facility.

Southeast Nebraska Alternative Crops Association Nonstock Cooperative, Inc. Nebraska City, Neb.-\$96,355 for working capital to assist with marketing efforts and initial operations of Arbor Trails Winery in Nebraska City.

Jim Clark Gothenburg, Neb.-\$17,500 to complete a feasibility study of eight markets for Clark's non-genetically modified white corn and by products, and to develop a business operating and marketing plan.

Nutri-Tech, LLC Marquette, Neb.-\$56,732 for working capital to increase markets and awareness of their vacuum tumbled ostrich steaks.

Energy Grains LLC Kearney, Neb.-\$123,000 for planning funds to research the feasibility, compile a business plan and explore capital raising strategies for the creation of a value added specialty grains origination and marketing system.

Funding of selected applicants will be contingent upon meeting the conditions of the grant agreement. A complete list of the selected grant recipients can be found at the USDA Rural Development web site at: <http://www.rurdev.usda.gov>.

USDA Rural Development's mission is to deliver programs in a way that will support increasing economic opportunity and improve the quality of life of rural residents. As a venture capital entity, Rural Development provides equity and technical assistance to finance and foster growth in homeownership, business development, and critical community and technology infrastructure. Further information on rural programs is available at a local USDA Rural Development office or by visiting USDA's web site at <http://www.rurdev.usda.gov>.

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