



NEWS RELEASE

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FOR IMMEDIATE RELEASE

USDA Rural Development Announces November 30 Application Deadline for Grants to Assist with Value-Added Agricultural Projects

New This Year Funds Available to Networks that Link Producers with Businesses Marketing Value-Added Products

DES MOINES, Iowa – September 1, 2009 – Bill Menner, State Director for USDA Rural Development in Iowa, announced today that Value Added Producer grants will again be available to assist independent agricultural producers with value-added activities.

Applications for the Value Added Producer Grant program from USDA Rural Development must be postmarked no later than November 30, 2009.

This year the agency is encouraging applicants to submit their materials by an October 1 preliminary deadline. Applications submitted by this date will be reviewed and edited for completeness and eligibility.

“Since 2001, 120 producers and businesses in Iowa have been awarded more than \$20 million through this program to help them add value to the commodities they produce on their farm,” Menner said.

A total of approximately \$18 million will be available through this nationally competitive program in 2009.

The 2008 Farm Bill expanded the Value Added Producer Grant program and makes 10 percent of available funds available to local and regional supply networks linking producers with businesses and cooperatives that market value-added agriculture products.

In addition, 10 percent of available funds will also be reserved for beginning farmers or ranchers or socially disadvantaged farmers or ranchers.

Value Added Producer Grants are available to independent producers, agricultural producer groups, farmer or rancher cooperatives, and majority-controlled producer-based business ventures. Grants are available for planning or working capital purposes.

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Committed to the future of rural communities.

“USDA is an equal opportunity provider, employer and lender.”
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Planning grants can be used for feasibility studies, marketing and/or business plans. Grant funds can be used to pay consultants who guide producers through the development processes. The planning activities must be related to the marketing of a value-added product.

Working capital grants can be used by new or existing businesses to pay the operating expenses of new ventures just starting out.

Examples of previous grant recipients in Iowa include large wind farms, wineries, branded meat marketers, as well as pork, specialty soy oil and cheese and milk processors.

“The Value Added Producer Grant program creates jobs and improves the financial returns for producers and farm families across rural Iowa, and rural America,” Menner said. “I hope producers with interest in starting our expanding their value-added business will give us a call.”

Contact USDA Rural Development

Further information about this and other Rural Development programs is available by at a local Rural Development office or can be found online at www.rurdev.usda.gov/ia.

Eleven USDA Rural Development offices in Iowa serve the 1.9 million Iowans living in rural communities and areas. Office locations include a State Office in Des Moines, along with Area Offices in Albia, Atlantic, Humboldt, Indianola, Iowa Falls, Le Mars, Mount Pleasant, Storm Lake, Tipton and Waverly.

USDA Rural Development’s mission is to deliver quality programs in a way that will support increasing economic opportunity and improve the quality of life of rural residents.

USDA Rural Development is an equal opportunity lender with a variety of direct and guaranteed rural credit programs involving single and multi-family housing, community facilities, water and sewer development and business and cooperative programs.