

The logo for the United States Department of Agriculture (USDA), featuring the letters "USDA" in a bold, blue, serif font above a stylized green and white landscape graphic.

**Rural
Development**

Committed to the future of rural communities.

NEWS RELEASE

OVER \$13 MILLION IN USDA RURAL DEVELOPMENT GRANTS SELECTED TO SPUR ECONOMIC GROWTH IN 34 STATES

“Missouri Receives \$1,043,306 for Seven Projects”

Agriculture Secretary Ann M. Veneman announced the approval of 97 value-added agricultural product market development grants in 34 states, totaling over \$13.1 million. The grants will help farmers and ranchers increase their economic opportunities through the development of new products and markets for agriculturally based products.

"The Bush Administration continues to place a high priority on creating new sources of renewable and biomass energy through such grant programs as the value-added producer grant program," said Veneman. "Creating an energy independent nation, through utilization of our nation's natural resources, is a valuable investment in America's future."

In support of President Bush's 2001 energy plan, 16 percent of the proposals selected will support biomass/renewable energy related ventures.

"These grants are critical to assisting America's farmers and ranchers increase markets for their commodities and to increase their profitability," said Agriculture Acting Under Secretary for Rural Development Gilbert Gonzalez. "President Bush is committed to helping more rural families live the American Dream through the creation of new business ventures that employ more rural Americans. This program is a significant investment in the future of rural families and communities."

"This program empowers farmers so they can participate in and respond to the latest opportunities presented in the marketplace," said U.S. Senator "Kit" Bond. "This evolving trend in agriculture permits farmers to have more options and greater control, giving them a greater ability to enhance their share of the food, fiber, and energy dollar."

"This is good news for Missouri's producers," said U.S. Senator, Jim Talent, a member of the Senate Agriculture Committee, who first championed the value-added grant program when he served in the House, persuading then-House Agriculture Committee Chairman to include \$15 million in technical assistance grants in the *Agriculture Risk Protection Act of 2000*. "These grants will help create jobs and economic growth in Missouri's agriculture sector by helping our producers capture more of the consumer dollar by adding value to their commodities."

"As farmers find beneficial ways to add value to their commodities, we must do what we can to support them," said Kenny Hulshof, U.S. Representative. "Rural Development grants are a smart investment for us to make because both producers and consumers benefit when farmers bring these products to the marketplace. It's no accident that Missouri farmers have been awarded a significant number of these grants. I applaud Premium Ag Products and Heartland Farm Foods for their hard work and innovation."

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

Of the \$13.1 million announced, \$1,043,306 million will fund seven proposals in Missouri ranging from working capital expenses for marketing identity preserved grain products, including white corn, food-grade yellow corn, blue corn, natto soybeans, tofu soybeans, and adzuki beans; to working capital expenses associated with expanding domestic and export markets for CAB kosher and non-hormone treated beef products; to the feasibility study, business plan and marketing plan for marketing soy flour for use in premium soyfood products targeting health-conscious American consumers.

“Missouri is very fortunate to receive over one million of the thirteen million or 12.5% of the national funds,” said Greg Branum, Missouri State Director for USDA Rural Development.

The Value-Added Producer Grant program is a highly competitive grant program that garnered nearly 400 applications. An independent review of applications is conducted to ensure that selected proposals are scored based on the criteria established in the announcement of the funding availability. 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>.

The seven projects funded in Missouri include: Allen Farm, Inc. - \$9,500; 1Soy - \$95,000; Missouri Northern Pecan Growers - \$140,000, Premium Ag Products, LLC - \$349,900; Heartland Farm Foods - \$150,000; Green Hills Harvest - \$49,766; and Gateway Beef Cooperative - \$249,140.

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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