



NEWS RELEASE

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USDA ANNOUNCES \$19.7 MILLION IN VALUE-ADDED GRANTS *Rural Enterprises in 37 States, Puerto Rico to Benefit from USDA Funding*

WASHINGTON, September 4, 2008 — Agriculture Secretary Ed Schafer today announced the selection of 144 recipients in 37 states and the territory of Puerto Rico to receive more than \$19 million in USDA Rural Development assistance under the Value-Added Producer Grant program.

“These grants will improve financial returns and help create jobs for agricultural producers, businesses and families across rural America,” Schafer said. “With these grants USDA is investing in farmers and ranchers and the economic integrity of rural America. Additionally, these funds will provide for the further development of renewable energy sources, which is a major goal of President Bush’s national energy policy.”

Value-Added Producer Grants may be used for feasibility studies or business plans, working capital for marketing value-added agricultural products and for farm-based renewable energy projects. Eligible applicants include independent producers, farmer and rancher cooperatives, and agricultural producer groups. Value-added products are created when a producer increases the consumer value of an agricultural commodity in the production or processing stage.

Businesses and producers in Arkansas, Colorado, Florida, Georgia, Idaho, Iowa, Kansas, Maine, Minnesota, Mississippi, Missouri, North Carolina, North Dakota, South Dakota, Texas and Wisconsin have been selected to receive grants to assess the feasibility of marketing ethanol and bio-diesel, cooking oil, wind and other types of renewable energy.

For example, G. David MacGregor in Cascade, Idaho, has been awarded a \$100,000 grant to determine the feasibility of converting a geothermal resource into renewable electricity to use in aquaculture, greenhouse heating and to develop a marketing plan for other geothermal uses. Maple River Energy, LLC, in Holstein, Iowa, was selected to receive a \$300,000 grant for working capital to market bio-diesel from soybeans. In Rocky Mount, N.C., the Canola Farmers Group has been selected to receive a \$100,000 grant to develop a business plan to process canola into bio-diesel products.

In Kindred, N.D., Ag Plus Cooperative has been awarded a \$100,000 grant to determine the feasibility of marketing bio-diesel, edible oil, soy meal and other by-products from soybeans. Evergreen Dairy and Energy has been awarded a \$100,000 grant to determine the feasibility of implementing anaerobic digesters in a closed loopy system consisting of a 10 million gallon ethanol plant, four anaerobic digesters, and a 12,000 cow dairy herd in the rural area of the North Dakota Griggs-Steele Empowerment Zone. More than \$4.2 million were awarded for 32 alternative energy projects

USDA Rural Development also is funding several non-energy business ventures. For example, 1 Soy, based in Jefferson City, Mo., will use a \$49,000 grant to determine the feasibility of exporting high-value soy proteins to Singapore. The Chef’s Garden, Inc., in Huron, Ohio, will receive a \$97,500 grant to explore the feasibility of marketing products made from locally-grown produce. Cultivos Larenos, Inc., in Lares, Puerto Rico, will receive a \$150,000 grant to fund operating and marketing expenses for hydroponics commodities such as romaine lettuce and coriander. Deep Root Organic Cooperative, in Johnson, Vt., will receive a \$33,440 grant to conduct a feasibility study, business and marketing plan to provide Vermont-grown, ready-to-use fruits and vegetables to Vermont schools throughout the year.

Funding of individual recipients is contingent upon their meeting the conditions of the grant agreement. For a complete list of Value-Added grant recipients please go to: <http://www.rurdev.usda.gov/rd/newsroom/2008/09-2008-VAPG.pdf>.

USDA Rural Development’s mission is to increase economic opportunity and improve the quality of life for rural residents. Rural Development has invested more than \$90 billion since 2001 for equity and technical assistance to finance and foster growth in homeownership, business development, and critical community and technology infrastructure. More than 1.7 million jobs have been created or saved through these investments. Further information on rural programs is available at a local USDA Rural Development office or by visiting USDA Rural Development’s web site at <http://www.rurdev.usda.gov>.