

Value Added Producer Grant Program

The Value-added Producer Grant program is expected to be announced much earlier this year, around March first. We have been advised that once again there will be some minor changes to the program. These changes involve the objective criteria, that is the ones dealing with fixed values such as cost per producer or size of the grant. These are relatively easy to contend with on short notice since there really is little that can be done to change the score that would be assigned anyway. Also the Grants are expected to be limited to \$100,000 for Planning and \$150,000 for Working Capital with a 1 to 1 match of non federal funding. Remember, with only \$14,000,000 available nationwide, a cash match is preferred over an in-kind match and will score better. Based on 2004 applications there will be in excess of 500 applications submitted nationwide and only about 100 to 150 will be awarded.

However, the subjective criteria, the ones dealing with the business viability, measurement of the increase in customer base and increased returns, Commitments and support of members, suppliers, and buyers; the management team and work force or the qualifications of third party professionals; and the level of commitment and support from the community and business are harder to write and require substantial effort to develop both a good work plan and strong realistic financial statement and projections. This is where extra effort will be rewarded and interested potential applicants should not wait for a grant seminar to start writing this portion of the Grant.

Assistance can be obtained from a variety of sources, such as the Institute for Rural Innovation and Stewardship (IRIS) at Wenatchee Valley College, perhaps the Washington Technology Center; the Agriculture Marketing Resource Center (AgMRC.org); the IMPACT Center at WSU in Pullman; The Food Innovation Center at Oregon State University in Portland; your local Small Business Development Center or Economic Development District; possibly the local Resource Conservation and Development Council, and of course your USDA Rural Development Business Specialist.

The following Business Specialists are available to advise and assist with forms and to counsel on content of the application to improve the potential score:

Linda Knight, serving NW Washington and Clallam and Jefferson Counties. 360-428-4322 ext 159 or email at linda.knight@wa.usda.gov

Don Wagoner serving SW Washington 360-704-7724 or e-mail at don.wagoner@wa.usda.gov Don will be offering a seminar at Pacific County EDC on March 24th from 9-12 A.M..and at The Lending Network, Lewis County EDC in Chehalis on March 29th from 9-12 A.M.

Dan McNeley serving SE Washington 509-454-5743 ext 134 or e-mail to daniel.mcneley@wa.usda.gov

Leroy Debes serving NE Washington 509-924-7350 Ext 115 or e-mail leroy.debes@wa.usda.gov Le will be offering a value added seminar in Spokane, WA on March 2 and at Wenatchee on March 3

Clint Kaasa, State Business Specialist, 360-704-7762 or e-mail
clint.kaasa@wa.usda.gov

John Brugger, State Cooperative Development Specialist, 509-924-7350
Ext
114 or e-mail john.brugger@wa.usda.gov

Each of the four area specialists will be offering an assistance seminar in their respective areas of responsibility between March 1 and April 15th, 2005. Please call them directly to learn the precise location and schedule.

John J. Brugger
State Cooperative Business Specialist
USDA Rural Development
Rural Business - Cooperative Service
1908 North Dale Lane
Spokane, WA 99212-2445

509-924-7350 EXT 114
509-924-7787 FAX
john.brugger@wa.usda.gov