

Contact: Vicki Schurman (402) 437-5563

USDA Seeks Applications for Grants to Help Agricultural Producers and Small Rural Businesses Develop New Products

Lincoln, Neb. October 2, 2017 – Assistant to the Secretary for Rural Development Anne Hazlett has announced that USDA is accepting applications for grants to help farmers, ranchers and producer-based businesses nationwide develop new product lines.

The funding is being provided through the Value-Added Producer Grant (VAPG) program. VAPG grants can be used to develop new products from raw agricultural products or promote new markets for established products. Veterans, socially-disadvantaged groups, beginning farmers and ranchers, operators of small- and medium-sized family farms and ranches, and farmer and rancher cooperatives are given special priority.

The VAPG program contributes to business creation in rural areas, while also enhancing food choices for consumers. Independent agricultural producers, farmer or rancher cooperatives, and producer controlled entities are eligible. VAPG grants may be used for planning activities or working capital expenses related to producing or marketing a value-added product.

Since the inception of the program, Nebraska's USDA Rural Development has awarded 121 Value-Added Producer Grants totaling \$13.2 million.

Two examples of awards from the Value-Added Producer Grant Program in Nebraska are:

- Schwarz Family Farm, LLC located in Bertrand, Nebraska received a planning grant to complete a feasibility study and marketing plan for developing alternative revenue sources for tomato seconds, such as, salsa and tomato sauces. Often unsold, the Schwarz Family Farm will identify the best use for these tomatoes in an effort to prevent excessive waste.
- Volcanic Peppers located in Bellevue, Nebraska received a working capital grant to increase their customer base by improving individual product branding through a new label design and marketing campaign. This will have a positive impact on their sales and increase customer awareness of their products. The grant will also assist with processing labor cost and will allow them to continue their rapid expansion.

To discuss applicant and project eligibility or for more information on the VAPG program in Nebraska, please contact Business Program Specialist Brant Richardson, brant.richardson@ne.usda.gov or (402) 437-5568.

For additional information on how to apply for these grants, see page 40987 of the August 29 Federal Register. The deadline to submit paper applications is January 31, 2018. Electronic applications submitted through grants.gov are due January 24, 2018. For additional information and assistance, contact the USDA Rural Development Office serving your county.

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