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Value-added agricultural development projects to boost Michigan food and agriculture industry

28 projects selected to receive more than \$1 million in federally-funded state grants for initiatives statewide

Twenty-eight projects have been selected to receive \$1.14 million in federally-funded state grant dollars to create, enhance or expand agriculture development ventures across the state, today announced Michigan Department of Agriculture (MDA) Director Dan Wyant.

“Helping ensure a strong, viable agriculture economy has long been one of the state’s top priorities,” Wyant said. “These selected development projects and grants will help fuel that effort and will be instrumental in developing or expanding value-added agricultural processing and related agricultural production activities in Michigan. They are a testament to Michigan’s tremendous agricultural diversity, innovation and results-driven approaches as well as the success that can be achieved through federal, state and private partnerships.”

Wyant explained the grants were awarded under the state’s Julian-Stille Value-Added Agricultural Development Act, created two years ago with a goal of enhancing the overall value of Michigan-grown commodities through food or agricultural processing activities. Initial funding was made possible due to a one-time federal appropriation from the U.S. Department of Agriculture with the stipulation that the money must be allocated for projects involving Michigan’s specialty crops. (Specialty crops are generally fruits and vegetables, but are specifically defined as any agricultural crop except wheat, feed grains, oilseeds, sugar beets, cotton, rice, peanuts and tobacco. Livestock and poultry were also not eligible for grants this funding cycle.)

Under the Act, there were four categories competitive grants were eligible for: 1) marketing research and technical assistance, 2) detailed business plan development, 3) utilization of innovative technology, and 4) various land, facility, equipment or infrastructure development.

Grant applications were evaluated, scored, and ranked by both MDA and independent, third party review teams according to several criteria established by the Act, including:

- Demonstrated economic and social benefits to both instate producers and local communities;
- Level of innovation and initiative to benefit Michigan producers;
- Financial soundness, credit-worthiness and risk assessment of proposed project;
- Clear project proposal with specific, measurable outcomes and sound analysis of business and market planning;
- Level of experience, expertise and proven results of project’s management team; and
- For Category 4 grants, completion of feasibility study, business and financial plans.

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Wyant reported that 75 applications were received with requests totaling \$4.5 million.

“The response for the competitive grants was overwhelming, highlighting the agriculture industry’s commitment and desire to help develop or strengthen its markets and add value to the commodities Michigan grows,” Wyant said. “All of the projects had merit, but with limited resources only the top proposals could be selected. We encourage those that couldn’t be funded to work with the Department’s agriculture development staff and others to identify potential funding resources.”

Projects selected to receive funding are:

Category 1 - Marketing Research and Technical Assistance

- Michigan Apple Committee, DeWitt - \$47,500 to conduct marketplace research for fermented and distilled Michigan apple beverages.
- Leelanau Fruit Co., Suttons Bay - \$45,000 to develop a brandied cherry product targeted to both the domestic and international baking industry.
- Great Lakes Glads, Inc., Bronson - \$41,500 to conduct market research to determine the potential for flowering potted peonies.
- Michigan Cherry Committee, DeWitt - \$40,000 to determine extended potential for a new Michigan Balaton tart cherry.
- Michigan Grape and Wine Industry Council, Lansing - \$30, 000 to develop web-based resource manual for existing and potential Michigan vintners and wineries.
- Asparagus Enterprises, Inc., DeWitt - \$25,000 to provide technical assistance for launch of new product line, “Chunky Asparagus Salsa.”
- Chateau Chantal, Old Mission Peninsula - \$20,000 to develop a pilot “Great Lakes Wine Academy” to partner with local community college culinary school to teach consumers wine characteristics and pairing with foods.
- SubTerra, LLC, White Pine - \$15,000 to conduct research on potential markets for re-utilizing the White Pine Mine as a biosecure growth chamber for plants.
- Cherry Marketing Institute, DeWitt - \$10,000 to identify positioning strategies for high value, new Michigan Balaton tart cherries.
- Michigan Potato Industry Commission, DeWitt - \$10,000 to conduct comprehensive research on the potential for a potato hydration plant.
- Uncle John’s Cider Mill, St. Johns - \$2,500 to provide technical assistance for the development of a pilot, small scale fermented apple beverage production facility.

Category 2 - Business Plan Development

- 21st Century Alliance of Michigan, Ubly - \$50,000 to develop a business plan for an integrated and coordinated dry bean supply chain.

Category 3 - Utilization of Innovative Technology

- Great Lakes Packing Co., Kewadin - \$50,000 to develop technology capable of recovering and recycling cherry juice lost in the pitting process.
- Michigan Apple Committee, DeWitt - \$50,000 - to apply technology for the production of fermented apple beverages.

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- Sills Farm Market, Lawrence - \$50,000 to adapt technology to enable production of fresh cut apple slices.
- Great Lakes Glads, Inc., Bronson - \$28,925 to utilize software that will allow for partnerships with non-profit fund-raising organizations in the sale of flowering, potted peonies.
- St. Julian Wine Co., Paw Paw - \$28,800 to apply technology for the construction of wine barrels made of Michigan white oak.

Category 4 - Land, Facility, Equipment or Infrastructure Development

- Leelanau Fruit Co., Suttons Bay - \$75,000 for the purchase of equipment and infrastructure to re-open the Buckley, MI sweet cherry processing facility
- Peterson Farms, Inc., Shelby - \$75,000 for the purchase of state-of-the-art equipment to increase value-added fruit juice processing capacity.
- Stokes' Blueberry Farms and Nursery, Grand Junction - \$75,000 to purchase equipment allowing for the grading and sorting of fresh blueberries.
- Honee Bear Canning, Lawton - \$72,750 for the expansion and renovation of the company's fresh asparagus line.
- Rocky Top Farms, Ellsworth - \$71,300 for the expansion of the processing and packaging operations at the family fruit orchards.
- Great Lakes Glads, Inc., Bronson - \$56,250 for the construction of a production facility for flowering, potted peonies.
- Crosby Mint Farms, St. Johns – \$45,000 for the purchase of mint processing equipment.
- JD Farms, Rogers City - \$37,500 for the development and construction of a specialty, edible bean milling and bagging facility.
- Black Star Farms, Suttons Bay - \$33,000 to expand the winery's distillery operations.
- St. Julian Wine Co., Paw Paw - \$30,400 for the purchase of fermenting processing equipment to produce premium wines from Michigan-grown red *Vitis vinifera* grapes.
- Northern Michigan Natural Growers, LLC, Kaleva - \$24,575 for the purchase of equipment to produce premium organic fresh pressed fruit and vegetable juices.

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(This news release can also be viewed at www.michigan.gov/mda.)