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Agricultural Utilization Research Institute

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AT A GLANCE

The Agricultural Utilization Research Institute (AURI) helps create a thriving economic environment by developing new food and agricultural business opportunities in Minnesota. Minnesota clients served between state fiscal years 2014 and 2019 reported the following impacts resulting from AURI programs and services:

- Created and retained 702 jobs
- Over \$133 million of capital investment in new plants or equipment in Minnesota
- Increased gross sales revenue for client businesses by \$261 million annually

These results are reported by clients of AURI-assisted projects between state fiscal years 2014 and 2019, which represents 43 percent of AURI’s client projects and 60 percent of total client project hours during this 5-year timeframe.

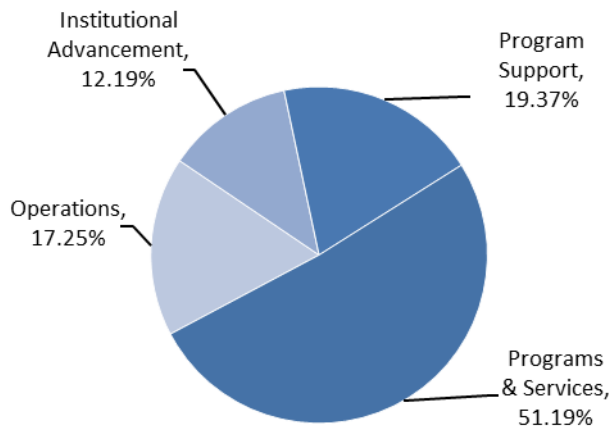
PURPOSE

The purpose and mission of the Agricultural Utilization Research Institute (AURI) is to foster long-term economic benefit for Minnesota through value-added agricultural products. It accomplishes this by offering a unique mix of applied research and development, hands-on scientific assistance, and opportunities for creating or expanding professional networks.

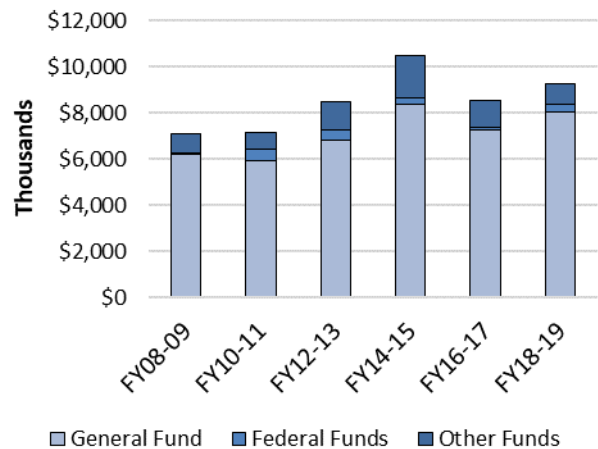
AURI helps Minnesota producers, businesses and entrepreneurs identify and develop new markets for agricultural commodities and byproducts. This, in turn, strengthens Minnesota’s agriculture industry and economy.

BUDGET

**Spending by Category
FY 2019 Actual**



Historical Spending



Source: AURI Microsoft GP Accounting System and Annual Audited Financial Statements

Past funding came from three general sources:

- Minnesota’s General Fund
- Federal funds such as U.S. Department of Agriculture and U.S. Department of Energy grants.
- Other funds including matching project funds from commodity research and promotion councils, grants from Minnesota initiative foundations and an Xcel Energy Renewable Development Fund grant in FY08.

AURI utilizes its funding to provide Minnesota agricultural producers, entrepreneurs and agribusinesses with the following resources and services:

- **Applied research and development** identifies opportunities for innovation and commercialization in collaboration with commodity organizations, industry, higher education institutions, federal agencies, and research organizations. This public-domain research de-risks emerging opportunities and spurs innovation in new uses and value-added agriculture.
- **AURI Connects** develops and enhances professional, innovation-based networks by convening in-person and online events for a variety of groups, including producers, entrepreneurs, business representatives, industry leaders, and academic researchers. This program offers access to extensive knowledge and insight into Minnesota’s agricultural industry, commercialization pathways and business development resources. AURI Connects is a valuable platform to disseminate early-stage value-added opportunities to a wide audience. AURI Connects provides participants with techniques to manage innovation and support entrepreneurship, while considering the dynamics and challenges faced by rural and urban communities.
- **Hands-on scientific assistance** provides entrepreneurs and small- to medium-sized businesses access to laboratories, equipment and scientific expertise, which are critical aspects of product and process development that may otherwise be prohibitively expensive.
- **Commercialization services** help producers, entrepreneurs and businesses prepare their product or service for market launch. This includes economic or feasibility assessments and providing counsel on how to best position innovation ideas and to scale opportunities.

STRATEGIES

AURI utilizes five primary strategies to spur innovation and grow Minnesota’s economy when working with producers, entrepreneurs and agricultural processors. The following proven strategies support organizational goals and are effective to successfully bring new and enhanced agricultural products and processes to market:

- **Generate ideas for new agricultural innovations for the marketplace.** AURI utilizes applied research and development to grow the economy and create new jobs.
- **Select the best ideas for agricultural innovation.** AURI works with producers, small businesses, entrepreneurs, stakeholders, industry thought leaders, and other research leaders to select ideas most likely to succeed in the marketplace.
- **Connect the best ideas to the marketplace.** Staff assist small businesses and entrepreneurs with hands-on scientific assistance and to leverage resource networks to bring ideas to reality.
- **Build professional and innovation-based networks.** AURI Connects events bring together interested parties to build synergy and capacity to accelerate innovation and support ecosystem development.
- **Conduct public initiative research.** AURI conducts multiple public domain research projects each year to mitigate risks around new opportunities and advance commercialization potential.

RESULTS

<i>Type of Measure</i>	<i>Name of Measure</i>	<i>Previous</i>	<i>Current</i>	<i>Dates</i>
Results	Percent of clients who agreed that “AURI’s programs and services have been vital to growing my business.”	74%	78%	2015; 2020
Results	Percent of clients who agreed that “Because of your work with AURI, your business is more successful.”	79%	81%	2018; 2020
Results	Percent of affected clients agreed “AURI connected you to valuable resources/organizations.”	79%	81%	2018; 2020
Quality	Percent of affected clients who agreed that “AURI improved your product/process significantly.”	73%	72%	2018; 2020

Type of Measure	Name of Measure	Previous	Current	Dates
Quality	Percent of clients who agreed that "AURI significantly helped in addressing business needs."	89%	92%	2018; 2020

M.S. 116V.01 provides the legal authority for AURI.

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base	
					FY22	FY23

Expenditures by Fund

1000 - General	3,793	3,793	3,893	3,893	3,893	3,893
Total	3,793	3,793	3,893	3,893	3,893	3,893
Biennial Change				200		0
Biennial % Change				3		0

Expenditures by Program

Agricultural Utilization Research Institute	3,793	3,793	3,893	3,893	3,893	3,893
Total	3,793	3,793	3,893	3,893	3,893	3,893

Expenditures by Category

Grants, Aids and Subsidies	3,793	3,793	3,893	3,893	3,893	3,893
Total	3,793	3,793	3,893	3,893	3,893	3,893

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22 FY23	
1000 - General						
Direct Appropriation	3,793	3,793	3,893	3,893	3,893	3,893
Expenditures	3,793	3,793	3,893	3,893	3,893	3,893
Biennial Change in Expenditures				200		0
Biennial % Change in Expenditures				3		0

(Dollars in Thousands)

	FY21	FY22	FY23	Biennium 2022-23
Direct				
Fund: 1000 - General				
FY2021 Appropriations	3,893	3,893	3,893	7,786
Forecast Base	3,893	3,893	3,893	7,786