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AGRICULTURAL DEVELOPMENT GRANT

**WORK PROGRAM
AND
PROGRESS REPORT**

**MINNESOTA DEPARTMENT OF AGRICULTURE
OFFICE OF THE COMMISSIONER**

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1985

AGRICULTURAL DEVELOPMENT GRANT PROGRAM

WORK PROGRAM
AND
PROGRESS REPORT

SUBMITTED TO:

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MINNESOTA DEPARTMENT OF AGRICULTURE
OFFICE OF THE COMMISSIONER

APRIL, 1985

JUN 8 1985

EXECUTIVE SUMMARY

FY 1984

| | |
|--|-------------------|
| Total Number of Applications Received | 48 |
| Total Amount of State Assistance Requested | \$1,889,915 |
| Total Number of Applications Approved | 16 |
| Total Amount of State Assistance Granted | \$ 500,000 |
| Total Amount of Grantee Contribution | \$ <u>283,229</u> |
| TOTAL - FY 1984 | \$ 783,229 |

FY 1985

| | |
|--|-------------------|
| Total Number of Applications Received | 47 |
| Total Amount of State Assistance Requested | \$1,865,140 |
| Total Number of Applications Approved | 18 |
| Total Amount of State Assistance Granted ^{1/} | \$ 480,000 |
| Total Amount of Grantee Contribution | \$ <u>654,509</u> |
| TOTAL - FY 1985 | \$1,134,509 |
| TOTAL OF ALL FUNDS | \$1,917,738 |

^{1/} The amount shown does not include \$20,000 in FY 85 grant funds. As of the writing of this report, the Department was in the process of making a decision regarding the allocation of those funds,

AGRICULTURAL DEVELOPMENT GRANT PROGRAM

PROJECT CLASSIFICATION

FY 1984/FY 1985

| Market Development Emphasis | Livestock Products ^{1/} | | Major Grain Commodities ^{2/} | | Speciality Crops ^{3/} | | Other ^{4/} | | Total | % of Total |
|-----------------------------|----------------------------------|--------------------|---------------------------------------|--------------------|--------------------------------|------|---------------------|---------------------|-------|------------|
| | 3 Grants \$ 81,462 | 4 Grants \$ 92,500 | 2 Grants \$ 70,000 | 2 Grants \$ 60,998 | 11 Grants \$304,960 | 31% | 2 Grants \$ 60,998 | 11 Grants \$304,960 | | |
| National | 2 Grants \$ 53,750 | 3 Grants \$107,000 | 4 Grants \$135,950 | ----- | 9 Grants \$296,700 | 30% | ----- | 9 Grants \$296,700 | 30% | |
| State | 5 Grants \$107,000 | ----- | 7 Grants \$201,340 | 2 Grants \$ 70,000 | 14 Grants \$378,340 | 39% | ----- | 14 Grants \$378,340 | 39% | |
| TOTAL | 10 Grants \$242,212 | 7 Grants \$199,500 | 13 Grants \$407,290 | 4 Grants \$130,998 | 34 Grants \$980,000 | 100% | ----- | 34 Grants \$980,000 | 100% | |
| % of TOTAL | 25% | 20% | 42% | 13% | 100% | | | | | |

1/ The Livestock/Livestock Products category included grants directed towards market development for Minnesota livestock or livestock products, ranging from analyzing the market potential of exporting dairy stock to an intensive advertising campaign for turkey products in the Chicago area.

2/ The Major Grain Commodities category included grants directed towards promoting or developing markets for major Minnesota grain commodities or commodity products, such as soybean meal and oil and sunflower oil.

3/ The Speciality Crops category included grants to speciality crop organizations for promotion or market development, such as the St. Paul Farmers Market, Christmas Tree Growers Association, and the Minnesota Wild Rice Research and Promotion Council.

4/ The Other category included grants for agribusiness market analysis and promotion, including the development of commodity supply and demand and estimated farm income forecasts, and the publication of an agribusiness directory.

SUMMARY OF APPROVED GRANTS
F.Y. 1984
AGRICULTURAL DEVELOPMENT GRANTS

| <u>APPLICANT</u> | <u>Grant Amount</u> | <u>Applicant Share</u> | <u>Total Project</u> |
|--|-------------------------|----------------------------|--------------------------|
| <u>Minnesota Corn Growers Association</u> | \$ 30,000 | \$ 11,250 | \$ 41,250 |
| <p><u>Project Title:</u> Corn Referendum/Check-Off Program <u>Purpose/Description:</u> To conduct a referendum and establish a corn check-off program. <u>Status:</u> Referendum defeated. <u>Expected Results:</u> Not Applicable.</p> | | | |
| <u>North Central Florists Association</u> | 19,500 | 6,500 | 26,000 |
| <p><u>Project Title:</u> Poinsettia Promotion <u>Purpose/Description:</u> To promote Minnesota Grown poinsettias and other flowers. Promotion campaign consisted of radio advertising and public displays. <u>Status:</u> Project completed. <u>Expected Results:</u> Increased awareness and demand for Minnesota Grown Poinsettias and other flowers. The Association reported a significant increase in sales following the promotion campaign.</p> | | | |
| <u>Dry Edible Bean Research and Promotion Council</u> | 50,000 | 43,300 | 93,300 |
| <p><u>Project Title:</u> Dry Edible Bean Promotion <u>Purpose/Description:</u> To promote the sale of dry edible beans through the preparation of promotional material, recipes and participation in Food Shows and International Trade Shows. <u>Status:</u> A recent promotional trip to the United Kingdom to attend the International Food & Drink Exhibition and make industry contacts was successful. This project will be extended to complete several more promotional activities. Among these is a Food Expo in April, hosting of food editors in June, another Food Expo in June, and an International Food Show in Germany in October. <u>Expected Results:</u> Increased awareness upon the part of industry dealers and canners both domestically and internationally of the availability and high quality of Minnesota's Edible Beans. It is expected this increased awareness will be translated into increased sales and production.</p> | | | |
| <u>Wheat Research and Promotion Council</u> | 47,000 | 47,000 | 94,000 |
| <p><u>Project Title:</u> Promotion of Minnesota Agriculture <u>Purpose/Description:</u> To produce two films to promote Minnesota agriculture. One film will promote the major northern-grown grain commodities such as wheat and barley; the other will provide an overview of Minnesota agriculture. Among other uses, both films will be used by the Northern Crops Institute to brief visiting trade teams. <u>Status:</u> Project completed. <u>Expected Results:</u> Increased awareness of the activities of the Northern Crops Institute, as well as the type availability of northern-grown grain commodities; increased demand for Minnesota grain commodities and greater sensitivity to the importance of agriculture in Minnesota.</p> | | | |

Agricultural Development Grants, (Cont.)
 F.Y. 1984

| | <u>Grant Amount</u> | <u>Applicant Share</u> | <u>Total Project</u> |
|---|-------------------------|----------------------------|--------------------------|
| <u>Minnesota Corn Growers Association</u> | 40,000 | 21,590 | 61,590 |

Project Title: Commodity Supply and Demand Forecasts

Purpose/Description: To develop a comprehensive set of commodity supply and demand forecasts and farm income estimates to aid farm producers in their production and marketing plans.

Status: An extension of this project to June 30, 1985 has been requested. A subcontract has been entered into with the University of Missouri; an econometric computer model containing "impact multipliers" has been obtained and an on-site micro-computer has been acquired. A Minnesota Farm Income Forecasting model has been constructed and will be available for use upon completion of this project.

Expected Results: The econometric modeling and computer capability will enable the forecasting of expected State farm income given various Federal farm program alternatives. This will enable farm producers to better determine the merits of participating, as well as provide them with information with which to develop production or marketing strategies.

| | | | |
|--|--------|--------|--------|
| <u>Minnesota Vegetable Growers Association</u> | 70,000 | 23,300 | 93,300 |
|--|--------|--------|--------|

Project Title: Promote "Minnesota Grown" Produce

Purpose/Description: To increase the sale of Minnesota Grown produce through a promotional campaign, newspaper ads, radio spots, and television commercials.

Status: Project completed.

Expected Results: To increase consumer awareness of the availability of Minnesota grown fresh fruits and vegetables, thereby stimulating increased consumption and production.

| | | | |
|-------------------------------------|-----------|----------|-----------|
| <u>St. Paul Growers Association</u> | \$ 33,080 | \$ 8,930 | \$ 41,930 |
|-------------------------------------|-----------|----------|-----------|

Project Title: Increase visibility of St. Paul Farmers Market System

Purpose/Description: To increase the visibility of the St. Paul Farmers Market system and to increase the sale of Minnesota grown produce through media advertising, distribution of promotional material, and food preparation demonstrations.

Status: Projects that have been completed include the design of a logo, installation of a telephone hotline, preparation of a 30-second T.V. commercial, the preparation and distribution of 10,000 brochures and the sponsorship of 12 canning and freezing demonstrations. Projects to be completed this spring include the distribution of 15,000 shopping bags and the production of a cookbook.

Expected Results: Increased awareness of the existence and location of the St. Paul Farmers' Market and the availability and variety of Minnesota grown fresh fruits, vegetables and speciality products.

Agricultural Development Grants, (Cont.)
F.Y. 1984

| | <u>Grant Amount</u> | <u>Applicant Share</u> | <u>Total Project</u> |
|--|-------------------------|----------------------------|--------------------------|
| <u>Minnesota Calf Feeders, Inc.</u> | 13,500 | 4,500 | 18,000 |
| <p><u>Project Title:</u> Export Market Study of Dairy Stock <u>Purpose/Description:</u> To conduct an analysis of the export market potential of dairy stock. <u>Status:</u> Project completed. <u>Expected Results:</u> An increase in the marketing of dairy stock. The market study identified 10 foreign countries as possible importers of U.S. dairy stock and 12 states that do not raise enough replacement heifers.</p> | | | |
| <u>Minnesota Area One Potato Council</u> | 3,000 | 1,250 | 4,250 |
| <p><u>Project Title:</u> Promote Sale of Chipping Potatoes <u>Purpose/Description:</u> To promote the sale of Minnesota potatoes for chipping. A full color brochure describing the characteristics and qualities of Minnesota potatoes will be distributed to potato processors throughout the country. <u>Status:</u> Project completed. Several hundred brochures were printed and distributed throughout the country. <u>Expected Results:</u> Increased sales of Minnesota potatoes.</p> | | | |
| <u>Irrigators Association of Minnesota</u> | 50,010 | 50,209 | 100,219 |
| <p><u>Project Title:</u> Development of a Mobile Field Cooling Unit for Fresh Produce <u>Purpose/Description:</u> To develop and test a mobile field cooling unit for fresh produce. The objective is to preserve the quality and marketability of fresh produce, such as brocolli and sweet corn, of small scale producers through the use of a field cooling unit. <u>Status:</u> Project nearly completed. A mobile cooling unit was constructed and underwent preliminary testing. Some minor modifications to the unit have been completed in preparation for full scale testing this next spring. <u>Expected Results:</u> The demonstration of the feasibility of a small scale mobile field cooling unit to preserve the quality and shelf life of locally grown fruits and vegetables.</p> | | | |
| <u>Minnesota Farmers Union</u> | 49,962 | 17,910 | 67,872 |
| <p><u>Project Title:</u> Directory of Minnesota Livestock Producers <u>Purpose/Description:</u> To develop a directory of Minnesota livestock producers to be used to assist in international trade promotion. <u>Status:</u> A multi-colored brochure has been prepared - 15,000 copies available for distribution. Questionnaires have been developed and sent to purebred livestock breeders to be included in a purebred livestock directory. To date, 25,000 breeders have been identified and are being placed in a word processor. <u>Expected Results:</u> Upon completion and promotion of the Directory, it will assist in the identification and availability of purebred livestock available for sale and export.</p> | | | |
| Total | \$500,000 | \$283,229 | \$783,229 |

SUMMARY OF APPROVED GRANTS
F.Y. 1985
AGRICULTURAL DEVELOPMENT GRANTS

| <u>APPLICANT</u> | <u>Grant Amount</u> | <u>Applicant Share</u> | <u>Total Project</u> |
|---|-------------------------|----------------------------|--------------------------|
| <u>Minnesota Farm Bureau Federation</u> | \$ 30,000 | \$ 24,683 | 54,683 |

Project Title: Commodity Supply and Demand Forecasts

Purpose/Description: To develop a comprehensive set of commodity supply and demand forecasts and farm income estimates to aid farm producers in their production and marketing plans.

Status: This project will start this spring.

Expected Results: The objectives will be to forecast expected farm producer decisions, in terms of acreage planted, in response to different Federal Farm Program designs. By forecasting acreage response, future commodity supplies, prices, and farm income will be able to be estimated. This will enable individual producers to make both production and marketing decisions based upon up-to-date projections.

| | | | |
|--|--------|--------|--------|
| <u>Irrigators Association of Minnesota</u> | 19,970 | 18,419 | 38,389 |
|--|--------|--------|--------|

Project Title: Development of a Mobile Field Cooling Unit for Fresh Produce

Purpose/Description: To develop and test a mobile field cooling unit for fresh produce. The objective is to preserve the quality and marketability of fresh produce, such as brocolli and sweet corn, of small scale producers through the use of a field cooling unit.

Status: This is a continuation of the F.Y. 84 project. Full scale testing of a Mobile Field Cooling Unit will start this spring/summer.

Expected Results: To demonstrate the feasibility of a Mobile Field Cooling Unit to preserve the quality and shelf life of locally grown fruits and vegetables.

| | | | |
|---|--------|--------|--------|
| <u>Wheat Research and Promotion Council</u> | 20,500 | 17,750 | 38,250 |
|---|--------|--------|--------|

Project Title: Promotion of Minnesota Agriculture

Purpose/Description: To produce two films to promote Minnesota agriculture. One film will promote the major northern-grown grain commodities such as wheat and barley; the other film will provide an overview of Minnesota agriculture. Among other uses, both films will be used by the Northern Crops Institute to brief visiting trade teams.

Status: Project nearly complete.

Expected Results: These two films will be used to increase the awareness of the activities of the Northern Crops Institute as well as the type and availability of northern-grown grain commodities. The films are expected to stimulate demand for Minnesota grain commodities and increase the awareness of the importance of agriculture to the State of Minnesota.

Agricultural Development Grants (Cont.)
 F.Y. 1985

| | <u>Grant Amount</u> | <u>Applicant Share</u> | <u>Total Project</u> |
|---|-------------------------|----------------------------|--------------------------|
| <u>Soybean Research and Promotion Council</u> | 19,000 | 191,854 | 210,854 |

Project Title: Soybean Meal Promotion in Europe

Purpose/Description: To expand the marketing opportunities for soybean meal and focus attention on Minnesota as a high quality, reliable source for this international feed product. International markets for Minnesota soybeans will be expanded through a soybean meal sales campaign conducted in West Germany.

Status: In conjunction with the American Soybean Association, the Council is working with a major firm in Germany, Austria, and Switzerland to promote the economic advantages of utilizing soybean meal in dairy and meat products, as well as the high quality product from the USA. A series of advertisements recommending on-farm mixes have been published and 28,000 leaflets to feed dealers, producers and country elevators in Europe have been distributed.

Expected Results: An increased demand for US soybean meal.

| | | | |
|---|-------|--------|--------|
| <u>Soybean Research and Promotion Council</u> | 6,000 | 38,000 | 44,000 |
|---|-------|--------|--------|

Project Title: Soybean Oil Promotion in Europe

Purpose/Description: To expand the marketing opportunities for soy oil and focus attention on Minnesota as a high quality source for this international food product. International markets for Minnesota soybeans will be expanded through a general soy oil advertising campaign conducted in West Germany.

Status: Working through a public relations firm in Hamburg, editors of food journals and magazines will be publishing articles on the use of soy oil between April and September, 1985. Five (5) soy oil recipes have been developed and distributed with photographs to 350 food editors in Europe.

Expected Results: Increased demand for US soy oil.

| | | | |
|--|-------|-------|-------|
| <u>Minnesota Beef Cattle Improvement Association</u> | 6,000 | 2,000 | 8,000 |
|--|-------|-------|-------|

Project Title: Promote Performance Tested Bulls

Purpose/Description: To promote the use of Minnesota's performance tested beef cattle bulls through the production and use of a video program, publication of brochures and meetings with commercial cattle producers.

Status: Project nearly complete. A 17 minute video tape and 6,000 multicolored brochures to accompany the showing of the tape has been completed.

Expected Results: To increase producer awareness of the profitability of utilizing performance tested sires and to encourage purebred breeders to have their bulls tested before sale.

Agricultural Development Grants (Cont.)
 F.Y. 1985

| | <u>Grant Amount</u> | <u>Applicant Share</u> | <u>Total Project</u> |
|---|-------------------------|----------------------------|--------------------------|
| <u>Minnesota Lamb and Wool Producers</u> | \$ 30,000 | \$ 10,000 | \$ 40,000 |
| <p><u>Project Title:</u> Promote Consumption of Lamb <u>Purpose/Description:</u> To develop a market research and consumer awareness program by identifying the best potential markets within the state and creating a higher level of visibility for lamb and lamb products within these markets. <u>Status:</u> A market survey has been completed and the Rochester area has been selected for a concentrated advertising-promotional campaign. The St. Cloud area has been selected as a control. A professional advertising-marketing firm has been retained to obtain pre- and post-advertising campaign sales data to measure the effectiveness of the campaign. Starting April 1, three different radio commercials will be aired for a six-week period. Twenty-five producers will be providing taste testing demonstrations and retailers will be running store specials during this period. <u>Expected Results:</u> An increased consumer awareness of the benefits and advantages of lamb as a red meat entree and an increased consumer demand for lamb and lamb products.</p> | | | |
| <u>Christmas Tree Growers</u> | 69,750 | 23,250 | 93,000 |
| <p><u>Project Title:</u> Promote Minnesota-Grown Christmas Trees <u>Purpose/Description:</u> To create greater public awareness of Minnesota's Christmas Tree industry and to penetrate additional markets within and beyond state boundaries through a three phase campaign of advertising, promotion and marketing to increase the sale of Minnesota Grown Christmas trees. <u>Status:</u> Have completed the production of two TV commercials which will be aired in the fall; currently working on brochure for retail lots; developing "Minnesota Grown" tags and starting to plan a Retailers Seminar for this summer. The Retailers Seminar, a new initiative, will assist Minnesota growers to better merchandise their Christmas trees. <u>Expected Results:</u> To increase the awareness of the Minnesota Grown Christmas tree industry and to increase the sales of Minnesota Christmas Trees.</p> | | | |
| <u>Minnesota Honey Producers Association</u> | 4,500 | 1,500 | 6,000 |
| <p><u>Project Title:</u> Promote Consumption of Honey <u>Purpose/Description:</u> To increase honey consumption in Minnesota through public displays, printing of promotional material, and advertising. <u>Status:</u> A mobile display booth has been completed; art work, printing material being prepared; media event planned for the fall. <u>Expected Results:</u> An increased consumption of honey in Minnesota.</p> | | | |
| <u>Central Minnesota Vegetable Growers Association</u> | 4,280 | 2,610 | 6,890 |
| <p><u>Project Title:</u> Promote Minneapolis Farmers Market <u>Purpose/Description:</u> To promote the Minneapolis Farmers' Market through the installation of a telephone "Hot Line" information service. <u>Status:</u> Installation of a Telephone "Hotline" is scheduled for mid-April at the Minneapolis Farmers' Market. <u>Expected Results:</u> Increased awareness of the Minneapolis Farmers' Market and increased sales of Minnesota produce.</p> | | | |

Agricultural Development Grants (Cont.)
 F.Y. 1985

| | <u>Grant Amount</u> | <u>Applicant Share</u> | <u>Total Project</u> |
|---|-------------------------|----------------------------|--------------------------|
| <u>Minnesota Beef Council</u> | 38,000 | 16,500 | 54,500 |
| <p><u>Project Title:</u> Promote Consumption of Beef Products <u>Purpose/Description:</u> To promote the consumption of Minnesota Beef products through the production and showing of TV commercials during the state basketball tournaments. <u>Status:</u> Grant monies were used to purchase T.V. airtime during the State Basketball Tournaments (March 14-23); 142 - 30 second T.V. ads were aired during this time. The advertising campaign had statewide coverage. <u>Expected Results:</u> Increase the awareness of beef as a healthy, nutritious food, thereby increasing the demand for beef.</p> | | | |
| <u>Minnesota Calf Feeders</u> | 18,000 | 6,000 | 24,000 |
| <p><u>Project Title:</u> Organize Marketing Cooperative to Export Dairy Stock <u>Purpose/Description:</u> To establish a marketing cooperative consisting of 100 farm operators in Southwest Minnesota to raise and market 20,000 head of dairy heifers annually. <u>Status:</u> Project nearing completion; several trade contacts have been established and agreements with several exporters have been made. Incorporation papers to establish a marketing cooperative are ready to file with the state. <u>Expected Results:</u> Upon completion of this project a marketing cooperative will be formally established to market Minnesota dairy stock in the international market place.</p> | | | |
| <u>Turkey Research and Promotion Council</u> | \$ 50,000 | 85,400 | \$135,400 |
| <p><u>Project Title:</u> Promote Consumption of Turkey Products <u>Purpose/Description:</u> To prepare and distribute "Reference Guide" for the institutional food service industry on the varied uses and preparation techniques of turkey products. <u>Status:</u> Project is just getting underway in cooperation with the National Turkey Federation. <u>Expected Results:</u> Institutional food sales are increasing. This "Reference Guide" will tend to further stimulate the use of turkey and turkey products, benefiting consumers and Minnesota turkey producers alike.</p> | | | |
| <u>Dry Edible Bean Research and Promotion Council</u> | 20,000 | 11,378 | 31,378 |
| <p><u>Project Title:</u> Promote Dry Edible Beans <u>Purpose/Description:</u> To produce a film to promote the sale of dry edible beans. <u>Status:</u> Project nearly completed. A 17 minute film promoting the Minnesota dry edible bean industry was completed in January. The film has been shown in the United Kingdom and local dealers have been showing it domestically to canners and processors. Other showings are scheduled in conjunction with the promotional activities of the Council. <u>Expected Results:</u> An increased awareness and availability of Minnesota Dry Edible Beans, which can be translated into increased sales and production.</p> | | | |

Agricultural Development Grants (Cont.)
 F.Y. 1985

| | <u>Grant Amount</u> | <u>Applicant Share</u> | <u>Total Project</u> |
|--|-------------------------|----------------------------|--------------------------|
| <u>Area One Potato Council</u> | 23,200 | 8,600 | 31,800 |
| <p><u>Project Title:</u> Promote Seed Potatoes <u>Purpose/Description:</u> To advertise and promote the sale of Red River Valley seed potatoes through the production and distribution of a full color seed brochure to 13,000 seed potato growers throughout the United States. <u>Status:</u> Project just getting started with initial layout and art work starting. <u>Expected Results:</u> An increased awareness and sales of Minnesota Red River Valley Potatoes.</p> | | | |
| <u>Minnesota Paddy Wild Rice Research and Promotion Council</u> | 40,000 | 23,660 | 63,660 |
| <p><u>Project Title:</u> Promote Consumption of Minnesota Wild Rice <u>Purpose/Description:</u> To promote the consumption of Minnesota wild rice through the development of a multi-media presentation and the production and distribution of advertising/promotional material. <u>Status:</u> The Council is in the process of defining its promotional objectives and selecting an advertising-marketing firm to produce an audio/visual presentation to meet these objectives. <u>Expected Results:</u> To educate potential consumers on the ease of using wild rice and to stimulate their desire to use wild rice in a variety of ways.</p> | | | |
| <u>Minnesota State Band</u> | 18,800 | 110,300 | 129,100 |
| <p><u>Project Title:</u> Promote Minnesota Agricultural Products in Europe <u>Purpose/Description:</u> The theme, "Discover Minnesota" is to create an awareness of Minnesota with the German and Austrian business communities and consumer population by promoting Minnesota as a trade and tourist partner. <u>Status:</u> Arrangements for a September European Tour are being finalized. An itinerary has been established, a concert schedule has been finalized and the major trade receptions and promotion events have been scheduled. The Minnesota Office of Tourism has contributed funds and private fund raising efforts are continuing. Grant funds will only be utilized for agricultural market promotion activities. <u>Expected Results:</u> Creation of an awareness and better understanding of Minnesota, its people, its products and industries, and to stimulate increased interest in buying Minnesota products and visiting the state.</p> | | | |

Agricultural Development Grants (Cont.)
F.Y. 1985

| <u>Grant Amount</u> | <u>Applicant Share</u> | <u>Total Project</u> |
|-------------------------|----------------------------|--------------------------|
| 62,000 | 62,600 | 124,600 |

National Sunflower Association

Project Title: Domestic Market Development of Sunflower Oil

Purpose/Description: The objective of this project is to gain a larger share of the U.S. vegetable oil market for sunflower oil through utilization of research projects, industry liaison at national professional society meetings, and conducting "hands on" seminars and laboratory work at the Northern Crops Institute.

Status: A publication to be used as a handout - mailout to industry is currently at printers; extensive utilization research is underway in cooperation with the American Baking Institute to test an all-purpose shortening, a cake shortening, and a liquid frying shortening. This research is scheduled to be completed in June or July. The results of this research will be published. Several food show seminars have been conducted along with attendance at National Trade shows.

Expected Results: Increased sales prospects look very promising. The utilization research verifying the superior qualities of sun oil together with current favorable prices should stimulate increased sales of sunflowers, benefiting processors and producers alike.

| | | | |
|-------|-----------|-----------|-------------|
| Total | \$480,000 | \$654,509 | \$1,134,509 |
|-------|-----------|-----------|-------------|

SUMMARY OF ACCOMPLISHMENTS

As with all newly authorized programs, a certain amount of "start up" time is required to fully and completely execute the intentions of the Legislature. However, the initial 18 months of the program resulted in the following major accomplishment:

- The promulgation of temporary and permanent administrative rules governing the program.
- The notification and provision of information about the program to producer groups and associations, agri-businesses, associations, etc.
- The establishment of internal procedures for receiving, reviewing, and processing grant applications.
- The awarding of 34 agricultural development grants - for a combined public/private effort of \$1,917,738 directed toward expanding markets for Minnesota agricultural products.

BIENNIAL WORK PROGRAM

| | <u>FY 1984</u> | <u>FY 1985</u> |
|--|----------------|----------------|
| Objective 1. To promulgate administrative rules governing review of applications and administration of contracts. | | |
| <u>Major Work Tasks:</u> | | |
| 1a. To promulgate temporary rules. | Completed | N/A |
| 1b. To promulgate permanent rules. | N/A | Completed |
| <u>Strategy:</u> The Department actively involved representatives of various farm groups and commodity organizations in the development of the administrative rules. Potential program participants were given the opportunity to comment both at public meetings or through written comments. | | |
| Objective 2. To implement the agricultural grant program by notifying the public of the availability of grants and providing technical assistance. | | |

FY 1984

FY 1985

Major Work Tasks:

- | | | |
|--|---------------|-----------------|
| 2a. To notify the public of availability of grant funds by publishing notice in the state register and mailing notification to persons or organizations on departmental mailing lists of agricultural commodity organizations. | January, 1984 | July, 1984 |
| 2b. To develop and make available a model proposal for applicants to use in writing proposals. | Completed | N/A |
| 2c. To meet and confer with applicants as requested. | On-going | On-going |
| 2d. To review and possibly revise the model proposal upon consultation with past applicants. | N/A | To be Completed |

Strategy: The Department notified the public and interested parties by publishing a notice of availability of grant funds in the State Register. In addition, a master mailing list was developed from existing lists of commodity organizations, groups of potential grantees, and from contacts with persons interested in the program. The same notice was sent to all persons or organizations on the master mailing list. Departmental staff provide assistance on a request basis to potential grantees.

Objective 3. To receive and review grant applications.

Major Work Tasks:

- | | | |
|---|-------------|----------------|
| 3a. To develop internal review procedures to receive and review each application. | Completed | N/A |
| 3b. To review each application and make funding decisions. | April, 1984 | September 1984 |
| 3c. To establish accounting and filing systems for each grant award. | Completed | N/A |

Strategy: Final decisions on grant applications are made by a review committee consisting of the Commissioner, Deputy Commissioner and Assistant Commissioners. Briefing materials are provided through staff reviews of each application.

Objective 4. To make grant allocations and implement proposed projects.

Major Work Tasks:

- | | | |
|---|-------------|-----------------|
| 4a. To notify applicants of acceptance or rejection of grant application. | April, 1984 | September, 1984 |
|---|-------------|-----------------|

| | <u>FY 1984</u> | <u>FY 1985</u> |
|--|----------------|-------------------|
| 4b. To process grant agreements for successful grant applicants. | April/May | September/October |
| 4c. To award initial installments of grant awards. | May | October |

Strategy: To promptly notify applicants of the disposition of their applications and to process grant awards according to State regulations.

Objective 5. To implement a project monitoring system.

Major Work Tasks:

| | | |
|---|------------------------|---------------|
| 5a. To notify grantees of when progress reports are due. | On-going | On-going |
| 5b. To conduct at least two sites project visits and/or consultations for each project award. | September/November | January/March |
| 5c. To make necessary amendments to project work plans. | As Needed | |
| 5d. To receive and review progress reports. | September/November | January/March |
| 5e. To authorize intermediate grant payments upon receipt of progress reports and completion of site visit or project consultation. | According to Contracts | |

Strategy: To cooperate and maintain communication with grantees, to monitor progress in reaching project goals, to provide assistance if needed, and to assure the achievement of project goals.

Objective 6. To close out projects.

Major Work Tasks:

| | | |
|--|-----------------------------------|-------------|
| 6a. To review final financial and project reports. | Specified in Individual Contracts | |
| 6b. To evaluate the effectiveness of each project. | March/April | June/July |
| 6c. To authorize final project payment. | March/April | March/April |

Strategy: Each grantee will receive the final grant payment upon submission of a satisfactory final report. Special emphasis will be given to evaluate the effectiveness of each project.