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Kentucky Cooperator

Spring 2013

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KCARD

KY Farmers have Value-added Producer Grant Success

Agriculture Secretary Tom Vilsack announced in May that two Kentucky agribusinesses, Fairplay Meat Processing and Kentucky Specialty Grains, were awarded USDA Value Added Producer Grants (VAPG).

“This support will benefit rural businesses and the communities where the recipients are located,” Vilsack said. “These awards also will advance USDA’s goals to develop a bio-based economy and support local and regional food systems.”

VAPG grants may be used to fund business and marketing plans and feasibility studies or to acquire working capital to operate a value-added business venture or alliance. The grants help agricultural producers increase their income by expanding marketing opportunities, creating new products or developing new uses for existing products.

“KCARD worked with both of the recipients on their plans for their businesses and their strategy for seeking this competitive federal grant. These two businesses started early on the process and were able to demonstrate what a great investment they were for USDA. These grant funds will help these businesses grow and create eco-



Chia in the field and seeds harvested

nomie growth in the rural communities where these producers are located,” said Aleta Botts, Executive Director of the Kentucky Center for Agriculture and Rural Development (KCARD).

Fairplay Meat Processing in Columbia was awarded grant funds to assist with the costs associated with the expansion of their value-added line of pork products. Fairplay has a strong customer base in the region and plans to expand market reach with the VAPG assistance.

“KCARD worked with me to find a grant writer and they were there every step of the way to answer questions and provide the business assistance for the project,” said Stevie Graves of Fairplay.

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Save the Date

**KCARD Summer
Board Meeting**

August 1, 2013

Executive Director's Report: Work Worth Doing

Spring 2013

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KCARD

If you are given the “chance to work hard at work worth doing,” – a great phrase of Theodore Roosevelt’s – you have to take it.

That’s exactly how I feel about being named the new Executive Director for KCARD.

I am grateful for the tremendous work of Larry Snell and the KCARD staff over the past decade to build this organization into the leading provider of technical assistance to agribusiness and rural businesses in Kentucky. Through their work and the critical support of the Kentucky Agricultural Development Board and the US Department of Agriculture, KCARD has helped hundreds of clients over the years take the next step with their business.

In that time, dairy farmers have entered new markets for their milk and added value by making cheese. Families have discovered new customers by offering experiences on their farms through growing agritourism businesses. Farmers’ markets across the state have organized and developed policies that will help them deal with future challenges. And producers around the state have explored different marketing arrangements to help them simply keep more of that food dollar back home in their local communities and rural areas.

KCARD has been there helping along the way, asking the key questions,

providing the sounding board, and providing structure to a planning process that helps guide clients to answers they need.

Larry leaves behind big shoes to fill, but his legacy is strong. KCARD’s focus will remain on serving our clients and providing access to resources to help them help their business, which results in more economic growth in their rural communities and benefits the Commonwealth as a whole. We will continue to work with clients big and small, newly formed and mature, on issues ranging from planning to marketing to logistics to recordkeeping. We will be the leading resource for cooperative development in the state, helping with incorporation questions, policy development, and board training.

To keep doing that, KCARD will need to be as “entrepreneurial” and innovative as our clients are. Every week it seems we receive new requests for assistance and encounter different questions that challenge us. Those new demands will make us work harder, but they also mean that Kentuckians are working hard to find new opportunities and are seeking ways to bring value back to the farm. We are honored to be invited to help them in that work.

And for a Kentucky farm kid with dirt in her veins, I cannot imagine work that gets any more worthwhile than that.

KCARD Welcomes



Aleta Botts

“The KCARD board is excited to have Aleta to serve as the next Executive Director for KCARD,” said Derrick Waggoner, KCARD board president. “She has a unique mix of skills and experiences in agriculture, both within Kentucky and nationally, that will allow her to provide the leadership and vision needed for KCARD to continue meeting its mission for the state of Kentucky.”

As executive director Botts will continue KCARD’s dedication to facilitating agricultural and rural business development in Kentucky.

Botts comes to KCARD after working with the organization as the Kentucky Grant Facilitation Program Coordinator. She is a native of Menifee County and a graduate of the University of Kentucky. She spent almost ten years working on agricultural and other issues at the federal level as a policy staffer in the U.S. House of Representatives in Washington DC before returning to Kentucky.



KCARD Client Update: Owens Garden Center

Mark Owens began the greenhouse operation back in 1986 to grow tomato plants for his tomato field operations. His neighbors asked to buy these beautiful, vibrant plants for their own use, and that is when he began looking to the future.

“I would have probably been content to do minor upgrades to my existing greenhouses, but I knew with two boys showing an interest in business I had to begin looking at growing the operation,” said Mark.

Mark knew that the existing farm set-up, with greenhouses on two locations at the farm and no central market for customers, was not the most efficient way to operate the business. He decided if the family business was going to grow he needed to look at how to create a true destination location to expand his customer base.

“It was more than five years ago that I started doing research and then began developing our business plan for the new market and expansion,” explained Mark. “I turned to the team at KCARD to help us with our business planning and they have continued to work with us through the years.”

“Mark came to us with more than just an idea, he had finan-

cial projections and benchmarks for the market,” explained Brent Lackey, KCARD business development specialist. “We were able to work with him to take the information he had and put it into a business plan that he could use to secure grant and loan funds.”

Mark admits the path he has traveled has not been easy. He and his oldest son, Ian Owens, spent countless hours working with KCARD staff and others on financial projections, business plans, and designs for the new market before it opened.

“I had a vision of where I wanted to go and I knew where I was, but I didn’t know the path to get there” said Mark. “KCARD took me by the hand and led me down the path and helped me develop a plan to take me where I wanted to go with my business.”

The hard work and dedication paid off for the Owens family. This spring they are celebrating the 2nd anniversary of the grand opening of the state of the art marketing center and greenhouse on Lanthem Road.

“It has been an amazing two years as we have watched the operation grow and to have the community embrace our family business,” said Ian. “I am



*The Owens Family
Mark, Tyler, Ruth, William, and Ian.*

proud to say that Owens Garden Center received the Somerset/Pulaski County Chamber of Commerce’s 2012 Small Business of the Year award.”

Mark, Ian, and the entire Owens family is dedicated to seeing the operation continue to grow to meet the needs of the community. They have expanded their operation to include landscaping design and installation, special order hanging baskets and planters design, and seasonal design assistance.

“While I am excited to see how we have grown and developed these past two years, what has been the greatest success for me is having the chance to work with my boys to build our family business,” said Mark.

Come out to visit Owens Garden Center at 735 Lantham Road outside Somerset. Customers can also visit www.owensgardencenter.com for directions and more information on the selection of products at the market. Be sure to “Like” Owens Garden Center on Facebook.

Grant Facilitation Program: Christy New Coordinator



Myrissa
Christy

The Kentucky Center for Agriculture and Rural Development (KCARD) has recently named Myrissa Christy as the coordinator for the Kentucky Agribusiness Grant Facilitation Program.

“Myrissa comes to this position with a wealth of experience working with producers and small business on grant preparation,” explained Aleta Botts, Executive Director of KCARD. “I believe she will be a great asset to the Agribusiness Grant Facilitation Program and we are looking forward to working with her in this position.”

As the coordinator for the Agribusiness Grant Facilitation Program, Christy will focus on connecting Kentucky producers and agricultural businesses with funding resources. She will be responsible for identifying available grant and loan resources, bringing these resources to the attention of applicants in Kentucky, and helping applicants better understand the programs’ requirements. She will also work with grant writers in the state to help them connect with interested applicants.

“I am truly excited to be assisting and working with farmers and agribusinesses across Kentucky, helping them further develop our rural economy,” said Christy. “I believe in the work that KCARD does, and I look forward to assisting farmers with grant opportunities.”

Christy comes to the Kentucky Agribusiness Grant Facilitation Program from the Mammoth Cave Resource Conservation and Development where she has assisted producers and communities identify possible grant funding and apply for opportunities. She has a deep interest in the agriculture community in Kentucky, as she is from a farming family. Christy graduated from the University of Kentucky in 2003 with a Bachelor’s of Arts in Anthropology, and worked for UK until attending graduate school at Washington University in St. Louis, Missouri.

KCARD works with rural businesses and agribusinesses across the Commonwealth to provide specialized assistance increasing the chances for success. KCARD provides a range of services to their clients including strategic planning, business management, operations analysis, recordkeeping development, cost analysis, and on-site business consultations.

To learn more about KCARD’s services visit www.kcard.info. To stay up to date on all grant news go to www.growkentuckyag.com and sign up for grant news updates.



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KCARD Services: Cooperative & Business Development

KCARD provides clients assistance in the formation and start-up of a business or organization by offering a diversity of business development activities. We recognize the importance of organizational members taking ownership of any project, so we will work with the group in providing assistance on necessary tasks. This hands on approach during the development process keeps staff involved during each of the following steps:

- **Assessment:** Initial meeting to understand proposed business activity and assess needs of the group;
- **Organization:** KCARD provides assistance in the creation of a steering committee, the development of an action plan, and with the assigning tasks and responsibilities;
- **Pre-feasibility analysis:** KCARD evaluates the market potential for business activity;
- **Feasibility study:** KCARD provides market analysis, identifies opportunities and threats, and performs due diligence services;
- **Business plan:** KCARD develops a comprehensive plan that includes a management plan, marketing plan, financial management plan, and financial projections;
- **Secure financing:** KCARD helps identify legal and accounting counsel, resources for conducting an equity drive, and potential grant funding opportunities;
- **Incorporate:** KCARD assists in the drafting and filing of articles of incorporation and bylaws and with the election of initial board of directors;
- **Organization structure:** KCARD will assist with writing job descriptions, hiring a manager, the development of operating policies, and the establishment of a record keeping system.

KCARD is committed to following sound business development practices in assisting cooperatives and businesses in the development stage to make sure they have the best chance to succeed! Contact us today to see how we can provide assistance to your business.

KCARD Business Development Services

- Creating Steering Committees
- Market Assessments
- Feasibility Analysis
- Researching Comparative Business Structures
- Developing Articles of Incorporation
- Developing Bylaws
- Writing Job Descriptions
- Hiring Managers
- Developing Operational Policies
- Establishing a Record Keeping System
- Planning and Implementing Capitalization Strategy
- Development of Comprehensive Plan

VAPG Success cont...

Kentucky Specialty Grains (KSG), a producer-owned corporation, has licensed new lines of summer flowering chia, the product of groundbreaking plant breeding. KSG was awarded grant funds to conduct a feasibility study of a producer-owned chia processing venture by evaluating the market potential for chia end-

products when compared to the market for raw seed. They will also use the funds to develop a comprehensive business plan for such a venture.

"KCARD was an integral player in the success of our project," said Chris Kummer with KSG. They provided information and guidance to help us through the process."

"We are already working with USDA Rural Development State Director Tom Fern and Kentucky's USDA Rural Development team to identify applicants for the 2013 funding cycle," said Botts. "We encourage any agribusiness that is interested in applying for a VAPG in 2013 to contact us to begin working now on the application."

Grant News Corner

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On-Farm Energy Efficiency & Production Program

The 2013 KADF On-Farm Energy Efficiency & Production program provides incentives for Kentucky farm families to increase energy efficiency and renewable fuel production. Successful applicants may receive up to 50 percent reimbursement of the actual cost of a qualified energy saving item, up to \$15,000. **Deadline is June 28!** For more information visit ag-energy.ky.gov.

USDA Value Added Producer Grant

The USDA VAPG is for producers and producer cooperatives adding value to their agricultural product. Eligible applicants include: Independent producers, farmer cooperatives, agricultural producer groups, and majority-controlled producer-based businesses. Grants may fund planning activities, working capital for marketing value-added agricultural products, and for farm-based renewable energy. The deadline for the USDA VAPG has not been announced yet, but it is a good idea to begin planning now.

Horticulture Advertising Cost-share

The Horticulture Advertising Cost Share Program assists Kentucky producers of horticulture products to market their products through cost-share reimbursement on 50% of advertising costs that meet program criteria up to \$2,000. The selling of Kentucky-grown horticultural products must be the focus of the advertising and promotional efforts. Participants must be members of the Kentucky Proud program. For more information visit www.kyagr.com/marketing/grants.html.

Kentucky Proud Promotional Grant

The Kentucky Proud Promotional Grant matches and reimburses expenses for advertising, marketing, and informing customers about Kentucky Proud products that directly benefit Kentucky farm families. In order to apply for this grant you must be a Kentucky Proud member and your product must have direct farm impact. Not all Kentucky Proud members are eligible. For more information visit www.kyagr.com/marketing/grants.html.



Staff

Aleta Botts

Executive Director

Brent Lackey

Business Development Specialist

Nathan Routt

Business Development Specialist

Rich Laing

Business Development Specialist

Thelma Davis

Staff Assistant

Mission

KCARD fosters growth by developing and delivering technical assistance and by providing Business Advisory services for agricultural and rural businesses seeking to enhance their economic opportunities in and around the Commonwealth of Kentucky.

To learn more about KCARD visit our web site at www.kcard.info

The Kentucky Center for Agriculture and Rural Development does not discriminate on the basis of race, color, national origin, sex, religion, age, or disability in employment or the provision of services. Reasonable accommodations are provided upon request.



Registration Available
Summer 2013

agpolicy.ky.gov

Conference Contact:
Angela Blank
angelag.blank@ky.gov
502-564-4627

Save the Date!

Governor's Office of Agricultural Policy

2013 Conference October 30

**Sloan Convention Center
Bowling Green**