

A pair of white work gloves is shown on a wooden surface. In the background, there are various vegetables including a red tomato, a green bell pepper, and some leafy greens. The text is overlaid on the gloves.

Expanding Your Value Added Business with TAEP

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Who is a Value Added Products Producer?

- Applicants must use agricultural products that have been grown on their farm as primary source of the value added product.
- Products Include:

Farm Fresh Meats	Relishes
Cheese	Salsa
Ice Cream	Crafts
Jams	Clothing
Jellies	

Value Added Producer Cost Share Opportunities

- Standard Producer
 - 35% Cost Share - \$10,000 Maximum
 - All approved Value Added projects are eligible for 35% cost share.
- Master Producer
 - 50% Cost Share - \$15,000 Maximum
 - Must complete special requirements prior to program reimbursement deadline of May 1, 2016
 - Options:
 - Option 1 – Must attend 2 sector eligible educational courses
 - Option 2 – Must attend 1 Value Added Farm Fresh meat eligible course and must attend 1 sector eligible educational course.

Additional Special Requirement Information

- All sector requirements must be completed by applicant prior to program reimbursement deadline of May 1, 2016.
- Registered name for the special requirements must be in the same name as the individual applying for cost share funding
- Events must have been taken between 2013-2016
- TAEP has a calendar available with eligible course requirements by sector.

What Value Added Projects Qualify for TAEP Funding

- Proposed project must encompass quality expansion or improvement to applicant's farm and business.
- Eligible Categories:
 - Farm Infrastructure
 - Specialty Equipment
 - Marketing

Tips for Before Applying

- Focus on what projects are needed for your operation
 - Make notes:
 - Is it eligible?
 - Are they long term?
 - Will this take your operation where you want to go?
 - Will it fit the TAEP Timeline?
 - Can you afford it?
 - How long till this project pays itself off?
 - Is it a part of your business plan to reach your goals?

Project Eligibility

- Projects are competitive within their sectors
 - Priority given to projects that focus on long term public use considerations that increase opportunities for profitability.
 - Producers producing raw food/fiber product(s) are given priority over off-farm sourcing of raw product.
 - Marketing projects are allowed, but not considered as competitive as those involving production.
- Not all eligible and ineligible items are listed
 - Be sure to collect cost quotes, item pictures, diagrams
 - Items **cannot** be purchased **before** the application period!

Project Eligibility

- Proposed activities must:
 - Be market driven and have a viable marketing plan
 - Establish something new, not maintain on-going projects
 - Meet all state and local food safety and regulatory requirements
 - Applicants producing processed foods, meats, dairy and related products must be licensed and inspected by the State of Tennessee if applicable (Retail Meats Permit)
 - For more information, contact Mike Brown, TDA CIS Outreach Coordinator at (615) 837-5177 or Mike.F.Brown@tn.gov
 - Produce long term benefits for the farm
 - Encourage future farm growth

Eligible Value Added Project Item Examples

- Cold Storage
- E-Commerce Development
- Freezers
 - Walk-in
 - Chest
- Handwashing areas (food safety)
- Pasteurizers
- Processing areas
- Processing equipment
- Website development

Eligible Processing Equipment

- Cone Racks
- Kill Cones
- Evisceration Shackles
- Stun Knife
- Scalders
- Plucker
- Eviscerating Table/Trough
- Conveyor System
- Chill Rack
- Ice Machine
- Vacuum Packers

Ineligible Items

- Advertising
- Brochures
- Building
- Chemicals
- Computers
- Containers
- Electrical Service
- Fees
 - Domain
 - Hosting
 - Membership
- Fencing
- Forklift
- Fuel
- Giveaway Items
- Ingredients
- Labels
- Labor
- Land
- Maintenance
- Vehicles
- Permits
- Renovations
- Software
- Livestock Trailers
- Website – Annual or Hosting Fees
- Wells
- Office Equipment
- Tractor

Application and Rules

- Application period – June 1-7, 2015
- Approvals usually occur around September.
- Receipts/Payments made prior to June 1, 2015 will be ineligible.
- Cannot combine projects with other applicants.
- Only 1 reimbursement per cost share approval. Deadline for reimbursement is May 1, 2016.

Application Materials

- Application B – Producer Diversification
- Substitute W-9
- Value Added Proposal

Proposal Instructions

- *The proposal and budget must be typed in requested format. The proposal must be in your OWN words.*
- *Applications will be evaluated on a competitive basis by industry sector. TDA staff will conduct application reviews.*
- *Only applications that are complete and include sufficient information will be considered for evaluation.*
- *The application must merit:*
 - *financial support,*
 - *clearly state objectives,*
 - *provide a sound work plan*
 - *and prove applicant expertise necessary to successfully complete the project(s).*

Project Description and Research

- List and describe **each** proposed project(s)
- Explain individually how **each** proposed project will improve or expand
- How will this impact your future income
- Include estimated cost quotes from potential vendors for each project cost
- Pictures, diagrams, and/or drawings help too

Marketing Plan

- How are you selling your products?
 - Where do you sell them at?
 - Wholesale, retail farm stands, farmers markets, etc
- How do you advertise your products?
 - Brochures, web, radio, flyers, television
- How do you compare your operation to those you compete against?

Application B Submission

- ☐ Fill in all blanks and check appropriate boxes where requested
- ☐ **Complete the W-9**
- ☐ **Attach application proposal**
- ☐ **Attach all written unpaid cost estimates from each vendor/supplier with complete legible contact information (name, address, and phone number) and their business logo/name.**
- ☐ **Attach any drawings, photos, or diagrams of proposed projects**
- ☐ Applications are only accepted by mail (must be postmarked June 2-7, 2014) or hand delivery
- ☐ Applications received before or after the application period are ineligible
- ☐ Applicants may only submit **one Application B** per premises or property, per household, per business, per application period, per family owned land

Questions

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