

Montana Food and Agricultural Development Centers

FIRST-YEAR PROGRAM REPORT FY2010

for the Montana Board of Research and Commercialization Technology

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*Prepared by Nancy Matheson, Special Projects Coordinator
Marketing and Business Development Bureau
Agriculture Development Division
Montana Department of Agriculture
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Scope of Report

This report covers the first 12 months of operation of the Food and Agricultural Development Center program: July 1, 2009-June 30, 2010 (FY2010). The report is drawn from the centers' four quarterly reports and their annual evaluative report.

Introduction

In 2009, the Montana Legislature funded a new generation of food and agricultural development centers equipped to help Montana's entrepreneurs capitalize on significant new agricultural market trends, particularly those in regional food systems development and farm-derived renewable energy development. The latter includes wind, biofuels/biogas, solar, small-scale hydro, geothermal. These are trends in which most of the jobs created and the value added through commercialization will stay in Montana's communities.

The Montana Food and Agricultural Development Center program, administered by the state Agriculture Department, is a coordinated network of centers located across the state and housed in existing regional development organizations. The centers are in 1) Havre at Bear Paw Development Corporation; 2) Joliet at Beartooth RC&D¹, with a satellite center in Glendive at Community GATE; 3) Ronan at Lake County Community Development Corporation; and 4) for FY2011, Lewistown at Snowy Mountain Development Corporation. The Glendive center was a stand-alone center in FY2010 and became a satellite of Joliet in FY2011.

First year results – a quick summary

Food and Ag Development Center Network FY2010

Clients served—start-up and expanding businesses	100
Jobs created/retained	132.5
Self-employment created/retained	40
New products introduced	39
Client training (FY2010 to-date)	20 trainings - 300 participants
Funds leveraged, public & private loans and grants	\$ 9,382,027

More detailed results are in the "Program Milestones" section below on page 6.

Program Description

The organizations that house the centers were selected through a competitive process conducted by the Department of Agriculture in June of 2009. As a statewide network the centers provide a complement of technical assistance services to all parts of Montana. The centers have developed special technical capacity in food and renewable energy-product development and testing, production, labeling, regulatory requirements and marketing, as well as in other value-added agriculture specialties.

¹ RC&D stands for Resource Conservation and Development area

Working as a network, these regional centers provide training, coaching and technical assistance to expanding and start-up value-added agricultural businesses in Montana. The program targets its services to those businesses that are turning Montana's raw agricultural products and natural resources into finished products for market, with a special emphasis on food manufacturing and farm-derived renewable energy.

The centers provide the following general categories of services:

- Product development, testing and analysis
- Regulatory compliance training and assistance
- Food processing
- Business planning and development
- Market research
- Business networking
- Access to financing
- Cooperative development
- Education on industry dynamics and technologies

Purpose of the program:

1. To increase Montanans' capacity to produce and commercialize food, farm-derived renewable energy, and other value-added agricultural products, and
2. To retain in Montana the value that's added to the state's raw agricultural products and resources through the local production of food, energy, and other value-added agricultural products, and
3. To make those products derived from Montana agriculture available to Montanans and other markets.

The enabling legislation includes in the program purpose, "To support infrastructure development," specifically, the production, processing and distribution infrastructure to serve markets for home-grown food and renewable energy. Infrastructure development requires sector-specific know-how and capital, both in short supply in many Montana communities.

The needs are specifically for:

- Capital - many Food and Ag Development Center clients are microenterprise level in capital needs. The centers in the network offer revolving loan funds, as well as assistance to clients applying for other, what are often complicated, loan programs.
- Food science resources are limited when it comes to food product development in the state. Recently the Food and Ag Development program subcontracted with WSU's food science faculty for the necessary services.
- Distribution continues to be a significant challenge in Montana.
- Business skills and networks are lacking in food and renewable energy. More training and mentoring opportunities are needed to increase the capacity of clients in regulatory requirements, bookkeeping, inventory management, marketing and other technical business skills.

In response to these needs, the Food and Agricultural Development Center program provides the following service specialties:

1. Ronan Center: Mission Mountain Food Enterprise Center – specializes in food processing assistance (state licensed food manufacturer, federally inspected meat processing) including hazard analysis and critical control points plans (HACCP), food product development, food business licensing and regulations, and product labeling, including nutritionals.
2. Havre Center: Bear Paw Development Corporation – in partnership with MSU-Northern’s Bioenergy Testing Center, specializes in renewable energy and biomass development, with growing capacity in food business development.
3. Glendive Center: GATE (Giving Assistance Towards Employment) – specializes in food product development and marketing, and culinary arts.
4. Joliet Center: Beartooth RC&D –specializes in food and renewable energy product development and marketing.

First-Year Centers and their Specialties - FY2010

Center Specialties FY 2010	Bear Paw	Beartooth RC&D	Community GATE	Lake Co. Mission Mtn
Renewable energy—wind, biofuels, biomass	X	X		
In-house food processing			X	X
Access to food scientist, food product development	X	X	X	X
Educational workshops	X	X	X	X
Mobile meat processing education, training				X
Revolving/micro loan funds	X	X		X
Access to federal contracts				X

Clearly, the centers have different capacities among them, and because they work together as a network a client can fairly seamlessly utilize the whole range of services.

How the program works

Montana’s Food and Agricultural Development Network targets technical assistance and financing specifically to new and expanding businesses in the fast-growing regional food, farm-derived renewable energy, and other value-added agricultural categories.

Because food and farm-based renewable energy businesses present extra challenges in terms of product development, labeling and regulatory compliance, the food and ag center program has developed specific food and renewable energy capacity not typically available at most other business and economic development technical assistance agencies, or in previous, similarly targeted federal programs.

In terms of capital access, the network helps businesses acquire loans, loan guarantees, grants, and business investments. The centers offer their own revolving loan funds, as well.

Following is an example of how the centers function as a network: A local food entrepreneur uses the food product development services of the food innovation center in Ronan, gets help determining the feasibility of using a biomass energy source for its food processing plant from the center in Joliet, and receives assistance from the Havre center with applications for a grant or loan from the federal Rural Energy for America Program.

Program Administration

The Department of Agriculture has a professional services contract with each center. The contracts contain specific scopes of work according to the capacities of each center and the history and context affecting each centers' client load and service capabilities. The budget allocation for each center is directly related to its scope of work. Some centers are in more densely populated regions with more economic activity and some in less. Some centers have special physical facilities and others don't.

For example, the center at Lake County Community Development's Mission Mountain Food and Cooperative Development Center has a test kitchen and a food manufacturing and meat processing center that serves business clients from across the state, and is located between the significant population centers of Missoula and Kalispell. On the other end of the state is the Glendive satellite of Beartooth RC&D. GATE, the organization that houses the satellite office, is in the most sparsely populated, albeit largest region.

The centers receive the first half of their annual contract allocations upfront. After that they invoice the department at the end of the third and fourth quarters of each year of the biennium for the actual services they provided, up to their contract amount.

Program funding

The Food and Agricultural Development network was one of several one-time-only funded programs enacted by the 2009 Montana Legislature. The cost of the program for the biennium is \$500,000, or \$250,000 per year. This funding comes from a portion of the Department of Commerce - Research and Commercialization program mandated 20% set-aside for agricultural projects.

In just its first year, the Food and Ag Center program leveraged its annual \$250,000 appropriation into \$9,382,027 in funds invested directly in Montana value-added agricultural businesses. This means that the program helped the businesses it served acquire nearly 40 times the dollar amount it costs to operate the program for one year. Stated another way, for every \$1 spent supporting this program, \$40 went to work directly in Montana's start-up and expanding value-added agriculture businesses in the form of private and public grants and loans. Most of these businesses are in rural communities. These businesses, by utilizing the raw agricultural resources available in their communities and adding value to them, are plugging some significant economic leaks while generating new value and jobs.

In addition to actual dollars generated for small businesses by this program, the \$250,000 in program funding was used to build on the entrepreneurial capacity of Montanans through extensive training and coaching provided by the centers. For a list of these trainings, their topics, locations and attendance, see the “Training Activities” section on page 9.

Funding structure

The Research and Commercialization Technology program dollars that fund the Food and Ag Development Centers do not fund the basic operations of the organizations that house the centers. Rather, they fund the specific capacity needed to provide those center services that Montana’s food, farm-derived renewable energy and other value-added agricultural entrepreneurs are using. The most significant line items in the centers’ budgets are:

- 1) staff time, proportional to the percent FTE the value-added agriculture specialist and other staff devote to the organization’s Food and Ag Center clients. Each center’s value-added agriculture specialist manages the food and ag center activities;
- 2) client training specific to food, ag-energy and other value-added agriculture business, and
- 3) travel to client business locations as necessary to deliver services, and to trainings located centrally to the target clients.

Each center’s budget is proportional to the demand put on its technical assistance resources and the nature of those resources. This means that not every center receives the same amount of funding. The centers by design are located in diverse locations and settings, and have different capacities and varying levels of demand for those capacities. When the centers applied to participate in the program, their applications included proposed budgets to go along with their proposed scopes of work. During contract negotiations with the selected centers, those proposed budgets were modified somewhat, but are reflective generally of the scope of work each committed to.

First-Year Program Budget Allocations

	<u>FY2010</u>
Ronan Center at Lake County Community Development Corp.	\$95,000
Joliet Center at Beartooth RC&D	\$32,000
Havre Center at Bear Paw	\$37,000
Glendive Center at Community GATE (Giving Assistance to Employment)	+\$76,000
	\$240,000
Montana Department of Agriculture: for program capacity-building	+10,000
	\$250,000

The lesser amounts allocated to the Joliet and Havre centers reflect the fact that Bear Paw Development Corp. and Beartooth RC&D each had two quarters of federal BioProduct Innovation Center (BPIC) program funding at the time the Food and Ag Development Center program began. The BPIC program ended with the 2009 calendar year, which was half-way through FY2010. The Ronan and Glendive centers have physical processing facilities that require specialized staff and additional services, which is why those centers’ allocations were higher.

Of the \$250,000 in annual program funding, the Department of Agriculture's "administrative" allocation of \$10,000 is used, not for administration, but for ongoing capacity-building of the centers to assure their specialized skills, knowledge and other resources remain current and build over time. None of this funding has been used for department operations.

Program Developments

The program developed an outreach program for both reaching potential clients and connecting to other business support providers and programs, such as the Montana Manufacturing Extension Center, the Montana Community Development Center, parts of the Montana university system, industry regulators, and other important network partners. The program also has organized business mentoring relationships and networks. Outreach tools and activities developed include a [program website](#), a brochure, formal and informal presentations, one-on-one meetings. Outreach to potential clients includes, additionally, referrals between centers and from regional SBDCs and local economic development organizations, from strategic partners, and local and state industry regulators. In addition, business training opportunities provided by the program and individual centers have become an important outreach tool.

One result of the program's outreach efforts is that the Small Business Development Centers and other general economic development assistance entities across Montana increasingly are referring their food and agricultural clients to the Food and Ag Development network for its ability to serve those clients' unique needs. In this way, the Food and Ag Development program benefits the SBDCs by reducing their client loads while providing the specialized service these targeted types of clients need.

Another important relationship has developed between the Food and Ag Development network and the Department of Agriculture's Growth Through Agriculture grant and loan program. The center network, through its assistance to clients with business planning and capital access, has improved the quality of applications to the GTA program and is helping assure the subsequent success of GTA-funded projects. The Food and Ag Centers help clients prepare their cash-flow and other financial statements required by GTA and other grant and loan programs.

The center managers participated in an all-day workshop on food safety compliance with the Montana Environmental Health Association (of county sanitarians) through DPHHS, which was valuable both for the content of the workshop and for the relationships developed.

The network aspect of the program has turned out to be among its most important attributes. The coordinated approach among the centers prevents duplication of service while expanding the range of assistance available and the geographic scope of that assistance.

Program Milestones for FY 2010—Detail

This section breaks down the program milestones tracked by all the centers into the three predominant business types targeted by the program: 1) food manufacturing; 2) farm-derived renewable energy production, and 3) other value-added agricultural enterprise. Because the centers operate as a collaborative network, providing clients with access to the full spectrum of

resources the program offers, clients often receive services from multiple centers cooperating with each other. For this reason the milestones are not broken down by individual center.

- The network served 100 clients in FY2010. About half were existing businesses looking at expanding volume or adding product lines, and about half were start-ups, or new businesses. Seventy-three percent of those 100 clients were food-related projects or businesses; 15 percent were in the category of “other value-added ag,” and the remaining 12 percent were farm-based energy businesses or projects.
- 21 percent of clients went on to complete business plans. This exceeds the 15% typical for business innovation center clients.
- Training: The centers have worked hard to provide opportunities to build the capacity of agriculture-related entrepreneurs, not just of individual clients. Three hundred people participated in 20 trainings put on by the centers from August 2009, through December 2010. For a detailed list of the program’s trainings for entrepreneurs, see the “Training Activities” section on page 9 below. That section also contains a list of trainings the program provided to the staff of the centers.

The table below provides a further break-down of the primary milestones:

Milestones FY2010 (12 months)	Food	Ag Energy	Other Value- Added Ag	TOTAL
Clients served	73	12	15	100
Funds leveraged total	\$5,350,000	\$1,626,027	\$1,986,000	\$ 9,382,027
Public grants	\$ 525,000	\$ 626,458	\$ 178,000	\$ 1,329,458
Public loans	\$ 650,000		\$ 680,000	\$ 1,330,000
Private grants	\$ 100,000			\$ 100,000
Private loans	\$ 3,763,000		\$ 1,128,000	\$ 5,311,000
Private investment	\$ 312,000	\$ 999,569		\$ 1,311,569
Jobs created/retained	99.5 (34 seasonal)	3	30	132.5
Self-employment created/retained	37	6	7	40
New products introduced	35		4	39

Evaluation Results for FY 2010

A requirement of the centers’ contracts with the Montana Department of Agriculture is an evaluative narrative as part of the centers’ annual year-end reports. (The quarterly reports are more quantitative in nature). In their first annual narrative, the centers reported that the food and ag development program exceeded their expectations based on the experience most of them had

as centers in the Montana Agricultural Innovation Center program and the Bio-Product Innovation Program. They attributed the difference in this program's effectiveness to its collaborative network structure, the ongoing program and professional development provided by the Agriculture Department, and its flexible and responsive program design.

Recommendations from Year 1 for program improvement

The following recommendations were made by the centers and the Department of Agriculture based on the first annual evaluative reports to the department.

1. Subcontract with a Washington State University food scientist (there is no food science program in Montana) to provide program clients with better access to food safety and regulatory compliance training for food manufacturing, and to provide process control authority needed for food product and label approval. (Implemented in FY2011)
2. Continue the department's role supporting ongoing capacity-building of the center network needed for the program to keep pace with complex food manufacturing regulations, changing food and energy market trends, and growing interest in a whole new range of value-added agricultural opportunities driven by a diversifying production agriculture in Montana. (Planning underway)
3. Further build the centers' ability to function as a network in service to the diverse needs of food, energy and other value-added agricultural businesses. This recommendation includes continuing to broaden the network's strategic partnerships to make it—and the partners' programs—better connected in order to multiply the services and other resources available to Montana's agricultural entrepreneurs while reducing the chance of duplication. Connecting the Food and Ag Development program and related opportunities for research and commercialization that the MBRCT offers is just one of several additional networking opportunities that the Food and Ag Development Center program will pursue in the coming months. (Underway)
4. Shift all the centers to a customized WebCATS client database for ease and consistency of tracking and reporting program milestones and client activity. The shift to WebCATS began with the start of the second year of the biennium and will be used to produce the final report at the end of the biennium. (Implemented in FY2011)
5. In response to client demand and the differing capacities of each center, shift the Glendive center at Community GATE—for which food product and business technical assistance is a new and still-developing function, and which encompasses some of the most sparsely populated areas of the state—from a stand-alone center to a satellite of the center at Beartooth RC&D that has a larger client base and strong experience as a Bio-Product Innovation Center. This new relationship offers the biggest bang for the buck while the Glendive Center finishes the eastern Montana food innovation center. Construction delays have slowed completion of that facility, but completion is imminent. NOTE: Program funds have not been used for the development of the commercial kitchen or equipment. Again, these funds are used for direct center staff services to clients. (Implementation complete)

6. As the Glendive center shifts to a satellite of the Joliet center in program year two, in response to client demand utilize the capacity at Snowy Mountain Development Corporation in Lewistown to serve the Food and Ag Development network's need to support central Montana's growing entrepreneurial activity in food and other value-added agricultural enterprises. The centers and the Department of Agriculture strive to keep the program flexible and responsive to the needs of and trends in Montana's agricultural business sector. (Implementation complete)

7. Undertake a five-year strategic plan to develop a) an ongoing program of evaluation to keep the network responsive to the changing opportunities and needs of Montana's agriculture-related businesses, and b) financial sustainability of the program. (Planned for the first quarter of the 2011 calendar year)

Training Activities

Training conducted for entrepreneurs - FY2010 through first half FY2011

<u>Training Topic</u>	<u>Location</u>	<u>No. Participants</u>
a. e-Commerce:	Billings	18
b. Quickbooks:	Hardin	6
	Big Timber	8
c. FastTrack:	Columbus	8
d. Concept to Consumer:	Ronan	12
	Missoula	13
	Havre	8
e. Process Control School:	Ronan	13
f. HACCP Training:	Ronan	17
g. Mobile Poultry Unit Use:	Glendive	14
	Livingston	12
	Conrad	14
	Ronan	9
h. Biofuels business resource:	Havre	15
i. REAP (Renewable Energy for America Program):	Havre	42
k. Good Agricultural Practices (GAP) for food safety:	Bozeman	38
	Missoula	28
l. Assessing Your Business	Lewistown	11
m. Pricing Your Product	Lewistown	8
n. Finding Your Customer	Lewistown	6
	TOTAL	300

Training for Food and Ag Development network staff - FY2010

- a. Food safety regulations and compliance - with Montana Environmental Health Association (county sanitarians) through DPHHS Food and Consumer Safety Section; Helena
- b. WebCATS training (software for tracking clients, services, and milestones; allows for tracking clients served by multiple centers in the network); Helena. All centers began sharing this software at the beginning of FY2011, and have customized it to fit the program.
- c. Training in Client Mentoring/Coaching, dealing with difficult clients; Helena

Success Stories: A sampling from the program

Earl Fisher Biofuels LLP of Chester recently entered into a year-long partnership with BNSF Railway and the MSU-Northern Bio-Energy Center to test the company's B-20 biodiesel year round in a locomotive switching engine at the BNSF Havre yard. The Havre Food and Agricultural Development Center operated by Bear Paw Development Corp. has worked closely with the firm, which also received Growth Through Agriculture funding in 2004 and 2007 for equipment and product promotion. The company produces biofuels from canola and other Montana-grown oilseeds.



Tipu's Chai of Ronan has "graduated" from the Mission Mountain Food Enterprise Center and now has its tea products made at a co-pack facility in Colorado. Company President Bipin Patel credits the center with having the facilities that enabled him to grow his business and providing information to surmount labeling and regulatory hurdles. The Ronan Food and Agriculture Development Center assisted him with a business plan and in receiving a large venture capital investment to expand the business.

Cream of the West, founded in 1914 and moved to Harlowton by the current owners in 2002, has received technical assistance from all of the Food and Agricultural Development Centers. It also received Growth Through Agriculture funding in 1990, 2004 and 2009 totaling \$54,200 for the development and marketing of new products. Currently, *Cream of the West* employs 3 full-time and 3 part-time employees, has annual sales of approximately \$500,000 and serves markets that include all 50 states and 5 foreign countries.



Harwood Enterprises offers commercial pesticide application and vegetation management services in the Joliet area. Owner John Harwood received business and marketing assistance from the Joliet Food and Agricultural Development Center at Beartooth RC&D, including help preparing a successful application for a Rural Business Enterprise Grant for a marketing plan for his business.

Montana Mobile Poultry Processing Unit, based in Ronan, is capable of slaughtering 300 chickens per day on-farm. The Ronan Food & Ag Development Center of Lake County CDC has conducted trainings on the unit at several of the centers. Mobile processing



with approved facilities and equipment enables farmers to sell processed poultry to grocery stores and restaurants under USDA's Food Safety Inspection Service 1000-bird or 20,000-bird slaughter exemption. In 2007, the Montana Poultry Growers Cooperative received a \$16,000 loan and a \$17,900 grant from the Growth Through Agriculture Program to help build and market the unit.

Becky's Berries of Absarokee makes and sells a high-quality line of jams, jellies and syrups made from wild berries. The business received start-up business assistance from the Snowy Mountain Development Corporation and additional help and training from the Snowy Mountain Food & Ag Development Center in Lewistown as well as from training events coordinated by the Ronan and Joliet Food and Ag Development Centers. Becky's sells products and gift boxes via the company's website, as well as at area farmer's markets and fairs. Becky's Berries received a grant of \$4,994.36 in 2008. The grant helped purchase business equipment and pay for tradeshow costs in order to increase sales into larger markets.



Silent Creations of Ronan recently expanded its buffalo products line to include more jerky flavors and sausage snacks. Owner Matthew Silent Thunder credits the Mission Mountain Food Enterprise Center and the associated Ronan Food and Ag Development Center for providing a USDA-approved meat facility and help with labeling and a required hazard analysis and critical control points plan. Both are needed to allow marketing the company's products nationally and globally. He also received a Growth Through Agriculture grant in 2009 for website development and promotions.

LTL Inc. of Reed Point received a combined \$48,000 grant and loan from the Growth Through Agriculture program in 2009 for its Goddard Manure and Compost project. Goddard Land & Cattle operated a custom manure spreading operation in Stillwater and Yellowstone counties for eight years before expanding into manure composting. The Joliet center at Beartooth RC&D has assisted the new business in several ways, including business planning, grant writing and information regarding environmental regulations for the new venture.



Delivery of Services

This section gives a brief rundown of what the centers actually do with clients. It is intended to illuminate the briefer lists of program services and center specialties that appear above.

- Business grant research, writing assistance and administration
- Credit counseling
- Connecting clients and businesses to additional resources (marketing, consultants, funding & regulatory agencies, etc.)
- Business plan training and assistance - steps to writing a business plan, necessary components, draft reviews
- Cash flow projections and cash flow statement preparation assistance (many clients cannot afford a professional accountant to assist with these services and do not understand many forms/concepts)
- Direction to and clarification of regulatory requirements for food safety, alternative energy development and other ag-related issues
- Access to capital - referrals to local banks, economic development loan funds, grant facilitation
- Assistance in preparing financing packages and applications for grants and loans, including help with grant writing and loan applications for revolving and microloan programs, small business and conventional lenders
- Training (Concept to Consumer, Core Four, Renewable Energy for America, and others to name a few) – hold and put on trainings and refer clients to others’ trainings specific to their product/industry and find funding assistance
- Feasibility – assist clients in looking at their overall objectives and feasibility to aid them in their decisions before large amounts of start-up capital are invested. Sometimes the hardest thing to help a client understand is that their project isn’t really feasible.
- Renewable energy development – assist in navigating the complicated regulatory environment that comes with the renewable energy sector, aid in financing alternatives and grant opportunities specific to alternative energy
- Assist in business name registration, company structural formation, comparison of different business structures
- Cooperative development education and assistance in forming businesses using the cooperative business model, an effective tool in successful agricultural businesses
- Food science assistance and training through a contract with WSU’s Dr. Richard Dougherty
- Food regulatory assistance - licensing, label requirements, HACCP planning, process control authority, USDA and FDA regulatory compliance
- Marketing assistance with market plan and strategy development
- Strategic planning training and facilitation
- Nutritional analysis conducted using NutraCoster software
- Food product processing - sharing expertise in production layout and costing
- Processing training in equipment setup, use, cleanup and maintenance

Organizational and Staff Capacity of Administering Organizations

1. North Central Montana Center: Bear Paw Development Corporation (BPDC), Havre

BPDC was established as a Certified Regional Development Corporation in 1968, and has been serving the Bear Paw District for 41 years. Bear Paw Development Corporation is a multi-faceted organization, with a nine-member staff that includes an Executive Director, Operations Director, Community Planner, two Infrastructure Directors, a Director of loan services and loan technician, a Small Business Development Center director, and Value Added Agriculture Coordinator. By staffing in these areas, Bear Paw has been able to provide a very wide array of services, including small business development, financing options, infrastructure projects, community planning, cooperative development, and assistance with food, value-added agriculture and renewable energy projects.

Pam Lemer, Manager, Food and Agricultural Development Center

Pam has served as Bear Paw's value-added agriculture coordinator for three years, and brings over six years of knowledge in business development and financing to the position. She provides expertise to the Havre center in areas specific to alternative energy development and biofuels production. In addition, she has nearly completed her Certified Business Advisory Training, and holds Series 6 and 63 NASD Securities licenses, as well as a State of Montana Life, Health, and Disability Insurance licenses. Pam also serves as a Cooperative Development Specialist for the Montana Cooperative Development Center, assisting businesses and individuals in cooperative development and education.

Paul Tuss has been serving as Executive Director of Bear Paw Development Corporation for 10 years. During that time, he has overseen Bear Paw's program as a Montana Agricultural Innovation Center, Bio-Product Innovation Center, and the current Food and Agricultural Development Center. Mr. Tuss has worked in economic development for the past 14 years, also serving as Director for GAIN Inc., Glacier County's Economic Development organization based in Cut Bank. Mr. Tuss brings with him a wide range of experience in state and local government.

In addition to these staff members that will devote exclusive time to the Food and Agriculture Development Center, Bear Paw Development also has staff capacity to provide loan services from their loan department, and training opportunities through their Small business Development Center. Bear Paw Development Corporation also employs a staff member with degrees in graphic design, for assistance with promotional materials when needed.

2. Western Montana Center: Lake County Community Development Corporation's (LCCDC) Mission Mountain Food Enterprise and Cooperative Development Center, Ronan

LCCDC is a nonprofit, economic development organization incorporated in March 1995. In 2004, LCCDC became a Certified Regional Development Corporation, providing leadership and support to its regional partners in Lincoln, Mineral and Sanders Counties. LCCDC provides a

full range of business services, including assistance writing business plans, conducting business development workshops and classes, procuring specialized assistance in government procurement, manufacturing technology and regulatory requirements related to food processing, and helping with loan packaging. The organization also operates a business development revolving loan fund that provides lower interest loans to companies that are expanding and creating new jobs.

Part of LCCDC, the **Mission Mountain Cooperative Development Center**, begun in 1999, provides technical assistance to developing and existing cooperatives in western Montana. The center is housed with the **Mission Mountain Food Enterprise Center**, a statewide resource since 2000 that is a food business incubator and processing center that assists in food product development and batch processing for specialty foods and value-added agriculture enterprises across Montana.

Jan Tusick, Food and Ag Development Center Manager, has a strong background in agriculture, finance and capitalization, networking and marketing. She is presently the Program Manager of the Mission Mountain Market Cooperative Development Center and the Mission Mountain Food Enterprise Center. Jan has effectively facilitated cooperative groups and value-added agricultural ventures in their business development and assisted with business and market planning, capitalization, and feasibility analysis. Jan has been active in Montana's local and regional food system development for 20 years.

Ms. Tusick's dedication to food system development has cultivated strong partnerships with non-profit organizations, state agencies, MSU and Tribal extension, MSU-Bozeman, and the University of Montana - Missoula. She is a member of the Montana Economic Development Association. Her agricultural background of 30 years gives her a solid foundation in understanding the ag economy and the challenges it faces. Jan holds a B.S. degree in Agricultural Science from California Polytechnic State University, San Luis Obispo.

Karl Sutton, Food and Agriculture and Cooperative Development Project Coordinator, has a strong background in education, networking, community-based participatory research and food system development. Karl earned a B.A. degree from the University of Montana and a Master's degree emphasis in food system development through Prescott College. He is a certified middle school and high school teacher. Karl was the principle investigator for a community food assessment (CFA) project in Fremont County, Wyoming, which was funded by a USDA CSREES project planning grant. In addition to his research and community organizing work, Karl served as a working member of the Community Food Security Coalition redesign of the Center for Whole Measures assessment and community organizing tool. The tool, Whole Measures for Community Food Systems Values Based Planning and Evaluation, is designed to engage organizations and communities in dialogue and story while evaluating their food system work.

Roland Godan, Operations Manager Mission Mountain Food Enterprise Center (MMFEC), brings engineering and small business ownership skills to MMFEC. Roland is certified in ServeSafe Food Handling, has a certification from Washington State for Acidified

Food Processing, is qualified in Montana for HACCP planning and implementation, and holds sanitarian licenses for Lake and Flathead Counties.

Yvette Rodriques, Lead Food Processor for LCCDC's Mission Mountain Food Enterprise Center, has been at MMFEC for six years. She brings to the center 20 years of food production experience, most of which has been in meat processing. Her extensive knowledge and experience here in the facility coupled with her certifications in ServeSafe Food Handling, Acidified Processing and HACCP planning makes her an excellent resource for the center's food business clients.

3. South Central Montana Center: Beartooth RC&D, Joliet

Beartooth Resource Conservation & Development Area, Inc., provides a means to focus the resources of citizens working together to build stronger communities. Established in 1969, the Beartooth RC&D serves as a regional entity for the cooperative efforts of five counties in south central Montana in rural and economic development. The leadership of this non-profit corporation is comprised of elected officials and community leaders from the counties, incorporated towns and cities, conservation districts and tribal reservations. In February of 1996 the Economic Development Administration of the US Department of Commerce designated Beartooth RC&D as the Economic Development District for the region.

Beartooth RC&D helps to secure technical, financial, educational, and other assistance required to develop and carry out its goals. The RC&D cooperates with other organizations whose purpose and goals parallel those of this organization. Beartooth houses several programs for assisting clients including a revolving loan fund, the Economic Development District, a Certified Regional Development Corporation and the Food and Ag Development Center.

Joel Bertolino, Food and Agricultural Center Manager, and Ag Program Technician, received a BA in Political Science/Public Administration from Montana State University-Bozeman and has worked with vested interests in the family cattle ranch near Roberts, Mont. Prior to coming to his current position, Joel worked for seven years as a program technician for the Farm Service Agency in Carbon County assisting producers with loan deficiency payments, and administering the non-insured crop assistance program, and numerous emergency disaster programs. Joel also worked for six years as a Certified Local Government - Historic Preservation Officer for Carbon County. Through this position he administered the Certified Local Government grant program and coordinated heritage and preservation efforts including securing funding through public and private sources. Joel has attended and participated in many educational opportunities including a 2008 Risk Management Education course, numerous renewable energy conferences, and professional development courses through the International Economic Development Council, including Real Estate Development and Reuse, and Economic Development Finance. Joel has assisted businesses in the writing of successful Montana Growth through Agriculture grants, assisted in the administration of the Brownfields program and the coordination of the Montana Cooperative Development Center program, as well as assisted with several successful RBEG grant applications for local agricultural projects.

Chris Mehus, Economic Development Director, came to his current position after serving on the Beartooth RC&D board for several years. Chris's holds a B.S. degree in Wildlife Biology

and a Masters of Science degree in Range Management from Montana State University-Bozeman. Prior to his position at Beartooth, Chris worked for 10 years in the livestock industry in various ranch positions, and 7 years in natural resource and agricultural coordination and development. Chris has attended numerous continuing education seminars in renewable energy, and taken a wide range of professional development courses from the International Economic Development Council. His recent experience in the bio-products industry includes assisting a Red Lodge business in successfully obtaining a Rural Development grant for the installation of a hot water heating system utilizing biodiesel and solar power. Chris has also worked on the National Carbon Offset Coalition (NCOC) program for Beartooth, which is one of the leading carbon trading efforts in the nation. Through the fuels reduction program, he is also working to develop more business activity around the by-products of these projects, including composting, shavings, chip and mulch, and other value-added wood products.

**Beartooth RC&D's eastern MT satellite center:
Community Giving Assistance towards Employment (GATE),
Glendive**

GATE is a 501(c)(3) nonprofit organization formed in 1998 by a community advisory council to address welfare reform in eastern Montana's Dawson County. The eastern Montana Food and Agricultural Development Center is a Community GATE program serving a sparsely populated 16-county area designed to expand training opportunities for clientele; provide more jobs in the regional food sector and avenues through which regional producers and food entrepreneurs can market their products, and expand small business opportunities for on- and off-farm entrepreneurs.

Garth Clingsmith, Food and Ag Development Center Manager, has his Culinary Arts Degree from the New England Culinary Institute. He has served as a Test Cook for Boston Common Press, Publishers of *Cook's Illustrated Magazine* and the home of public television's "America's Test Kitchen", Brookline, MA. Garth has moved to Glendive to become a key ingredient of the Food and Ag Development Center and the Farm to Table project and be Head Instructor/Chef for the culinary arts program sponsored with Dawson Community College. The commercial kitchen will be part of the culinary arts training program and the Food and Ag Development Center.

In conjunction with the Farm-to-Table Project, the development center is setting up a shared-use, commercial kitchen to serve eastern Montana clients' food product development needs. There are no other commercial-grade food facilities within this region that would allow producers and food entrepreneurs to access the value-added niche markets where they could develop their businesses.

Bruce Smith, Dawson County Extension Agent, has been active in agriculture and economic and community development since becoming extension agent in 1994. He has eight years of production, quality control, and management experience in vegetable processing and food manufacturing. Bruce's educational background includes two B.S. degrees from Montana State University, one in Agricultural Production and the other in Agricultural Business. He also holds an MBA from Cal

Poly – San Luis Obispo, CA. As a member of Montana State University's teaching staff, he is a technical assistance provider with the Montana Cooperative Development Center, and a certified Northwest Area Foundation's (NWAFF) Horizons Leadership instructor.

Bruce currently serves on the Board of Directors of the local Ag Committee of the Chamber of Commerce, the Glendive Agri-Trade Exposition Committee, the Montana/North Dakota Gateway to Opportunity Committee, and the Montana Association of Community Developers and Extension Professionals.

Peggy Iba, Community GATE Board Chair and long-time Glendive resident, has a bachelor's degree in Home Economics from Montana State University and has continuing education credits from Dawson Community College and the University of North Dakota. She demonstrated and instructed kitchen appliance use, recipe and food preparation, and energy conservation with Montana Dakota Utilities.

Through the MSU Extension Horizons program she has taught community leadership programs and administered funds for several communities, serving as coach and coordinator. As part of Glendive's Horizon project, Farm to Table, she has served as the manager of Western Trails Food, a dry food manufacturer of barley and bean products since 2006. This has included but not limited to label design, inventory management, quality control, supervision, packaging, shipping and accounting.

New in FY2011:

4. Central Montana Center: Snowy Mountain Development Corporation (SMDC), Lewistown

SMDC was formed in 2001 to improve the economic vitality and expand the economic base of a six-county region located in central Montana. It is a Certified Regional Development Corporation, and an Economic Development District with the Economic Development Administration. The staff of four is well-equipped to assist this project, having managed multiple planning efforts and administered a variety of federal grants.

Kathie Bailey, Food and Agricultural Development Center Manager, and Executive Director of SMDC, has been with the organization since its formation. She has a B.S. in Human Services; a Master's of Education in Adult, Community and Higher Education; and has completed extensive economic development and finance training including certification from the National Development Council. Kathie has previous work experience with MSU-Extension Service and she was also a Fergus County Commissioner, and was responsible for the management of a \$6 million county budget. She has completed several International Economic Development Council (IEDC) courses in economic development. Under Kathie's direction, SMDC administers the Fergus County Revolving Loan Fund and a regional revolving loan fund for Fergus, Golden Valley, Judith Basin, Musselshell, Petroleum and Wheatland Counties. Kathie and SMDC staff have collectively administered millions of dollars in grants and worked with small and large businesses on manufacturing, entrepreneurial and other projects. She has been a provider of technical assistance to businesses through her work at SMDC and as the supervisor of the Bio-

Product Innovation Center (BPIC) program located in the SMDC office. Most recently, SMDC became a satellite provider of services for Montana Procurement Technical Assistance Center (PTAC), which assists businesses interested in government contracting. Kathie and her staff are working one on one with businesses to help them understand the ins and outs of government contracting.

Bob Giese, Business Development Director, administers the regional and county revolving loan funds, provides technical assistance to businesses, including services offered through PTAC. Bob is also a NxLevel instructor. Bob has a degree in Business Administration and extensive previous work experience in bank management, where he worked closely with business owners and agriculture producers as a lender and provider of technical assistance. He also has work experience in agriculture, construction and retail industries and is a former business owner.

Carrie Mantoath, Planning and Marketing Director, has worked with SMDC since its inception. She is also the Assistant Coordinator with Central Montana Resource Conservation and Development (covering the same six counties as SMDC). She administers the Central Montana BEAR program and the monthly workshops for businesses. Her previous work experience includes agricultural editor of the Lewistown News-Argus, management of a shopper newspaper and director of the Central Montana Medical Center Foundation. She has a bachelor's degree in English, with a journalism concentration. Carrie is also a small business owner and also assists in providing technical assistance to businesses.