Agriculture Secretary Tom Vilsack recently invited agricultural producers to apply for grants to increase the value of their products.

"Producers can greatly enhance the bottom line of their businesses and improve their economic prospects when they improve the value of their products, thus expanding their markets and customer base," Vilsack said. "The Value Added Producer Grant program (VAPG) has a proven track record of doing just that and I am pleased to announce that we are inviting producers to apply for these grants by the deadline."

Applicants have until Oct. 15 to apply.

Vilsack emphasized that far too many producers are missing out on significant economic opportunities when their products are enhanced further away from the farm.

USDA Rural Development is making up to $14 million in grants available for projects that help farmers and ranchers produce bio-based products from agricultural commodities. The grants, which are competitively awarded, are available for planning activities or for working capital expenses, but not for both.

The maximum grant amount is $100,000 for planning grants and $300,000 for working capital grants. Generating new products, creating and expanding marketing opportunities and increasing producer income are the goals of the program.

For example, Dave and Bonnie Jisa of David City, Nebraska own a dairy herd and when the milk prices had dropped they decided to make cheese. They received a grant to explore processing farmstead cheeses. They built a specialty cheese manufacturing facility and today provide products to three major food distributing companies along with several independent stores and wineries.

Businesses of all sizes are encouraged to apply, but priority will be given to operators of small and medium-sized farms or ranches. Grants are available for projects up to 36 months in duration.

For more information contact Marla Marx, marla.marx@ne.usda.gov or 308-632-2195 extension 1132–panhandle including northwest and southwest counties, or Joan Scheel, joan.scheel@ne.usda.gov or 402-437-5594–State Office.

President Obama's plan for rural America has brought about historic investment and resulted in stronger rural communities. Under the President's leadership, these investments in housing, community facilities, businesses and infrastructure have empowered rural America to continue leading the way–strengthening America's economy and strengthening small towns and rural communities.

President Obama and Agriculture Secretary Tom Vilsack are committed to a smarter use of federal resources to foster sustainable economic prosperity and ensure the government is a strong partner for businesses, entrepreneurs and working rural families.