



# Value-Added Grant Writing Tips How to Get Started

## *Value-Added Producer Grant Program (VAPG)*

January 14, 2009

**Currently, the announcement of the next funding cycle for the Value-Added Producer Grant (VAPG) program is in the clearance process.**

The announcement listing the application requirements and deadlines are likely to be published in the Federal Register sometime between now and the end of March. Updates will follow as more information is available.

The following are suggestions of things you can do now to prepare for the upcoming Value-Added Producer Grant cycle. Taking these steps **now** will give you a good start in preparing your grant application. Because of the short window for applications (usually 30 – 60 days), we highly recommend that you **[begin preparing immediately!](#)**

### **For ALL prospective applicants:**

1. **Review the Notice** published in the Federal Register from this past year and determine your eligibility. If there are any questions, please contact your state representative. Click on the link below for a map that will get you to your state representative. **[http://www.rurdev.usda.gov/recd\\_map.html](http://www.rurdev.usda.gov/recd_map.html)**
2. **Go online to visit the following website:** **<http://www.rurdev.usda.gov/rbs/coops/vadg.htm>**. Click on “Applicants” at the right of the screen to access forms and other information. From here you can access forms, checklists, guides, and templates. The website will be updated with current information when available. You are encouraged to use the template provided which includes a Table of Contents with the required elements. While this may change slightly due to some minor changes in the program, we anticipate it being very similar to last year’s template.
3. **Get a DUNS Number:** A “DUNS” (Data Universal Numbering System) number is required for all applicants other than individuals. This free nine-digit identification number uniquely identifies business entities. This can be obtained online at **<http://www.dnb.com/us>** or by phoning (866) 705-5711.
4. **Prepare a “DRAFT” of your Executive Summary** (No more than 1 typed page): In this summary, you **must** state whether you are applying for a “planning” or

“working capital” grant. Provide an overview of the project to include goals and tasks to be accomplished.

- 5. Prepare an Eligibility Discussion:** You may prepare this ahead of time. The website provides good guidance on how to prepare this discussion at <http://www.rurdev.usda.gov/rbs/coops/eligdisc031407.htm> A template is available for the Eligibility Discussion at this link as well. Tip: Applicants that qualify as a result in a “*physical change*” in state should be able to describe the step-by-step process by which the raw commodity is altered to make the end product. For those that qualify through the “*market differentiation*” definition such as the case with organically-grown or “branded” products, prepare a discussion on how it is unique and reference your business plan and feasibility study. NOTE: Products which only qualify under the “market differentiation” are not eligible for planning grants.
- 6. Obtain Letters of Support:** Ask for letters of support from technical assistance providers (cooperative extension, NCDA, etc.), chambers of commerce, potential buyers, and anyone who has supported your venture or contributed to your business. These would be included in your proposal as an Appendix. You may want to develop a template for each letter you request. The letter of support should explain why the project is important to them and/or the community. Do this **NOW** to avoid this time-consuming process near the application deadline.

## Planning Grant Applicants

- 1. Contact any consultants** that will be used to prepare feasibility studies, business plans, or marketing plans and ask them to provide their qualifications to you in a resume’ format and be able to discuss this within the criteria “Qualifications of those doing the work” The consultant should be able to help with this. If you do not have someone in mind to do the work, be able to describe the qualifications you are seeking.
- 2. Ask your consultant to help you prepare a “workplan/budget”** including task to be completed in connection with the project (i.e. surveying potential buyers, assessing technical feasibility, etc.) Planning grants may also include consultation with attorneys and accountants as it relates to planning for a new enterprise or establishing a new entity.

**Matching Requirements:** Please remember that every dollar in grant funds requested must be matched by one dollar in cash or in-kind contributions.

Starting early is perhaps the most important key to applying for a Value-Added Producer Grant (VAPG). Remember the 6 P’s –

**Proper Prior Planning Prevents Poor Proposals!**