



**Agricultural
Marketing
Service**

**Transportation and Marketing
Dairy Business Innovation Initiatives**

Fiscal Year 2019

Description of Funded Projects

Number of Grants Awarded: 3

Amount of Funds Awarded: \$1,363,176.00

For more information, please visit the grant program's website:

<https://www.ams.usda.gov/dbi>

NOTE: The below project descriptions were provided by the grant recipients.

Tennessee

Recipient: The University of Tennessee
Knoxville, TN

Award Amount: \$454,392.00

Project Type: Initiative

Diversifying Income and Adding Value by Manufacturing Dairy Products

The University of Tennessee will provide educational opportunities to help participants manage financial risk by evaluating opportunities to develop and market value-added products. The program will include field audits with dairy producers to provide technical assistance to assess strengths, weaknesses, opportunities and threats associated with the manufacture and marketing of dairy products in a new or existing dairy business. The University of Tennessee will also work in collaboration with the Master Dairy Producer Workshops and the Tennessee Dairy Producers Association to facilitate multiple educational sessions to help dairy producers understand and manage risks associated with adding or expanding a dairy business. Value-Added Dairy Processing Workshops will also be hosted to teach dairy producers and dairy businesses about pasteurization, equipment, food manufacturing, food safety, regulations and related topics. A competitive subaward program for dairy businesses will be conducted and project staff will invite college seniors to create and present concepts for innovative products to dairy producers through three Product Innovation Projects.

Vermont

Recipient: Vermont Agency of Agriculture, Food & Markets
Montpelier, VT

Award Amount: \$454,392.00

Project Type: Initiative

Vermont and New England Dairy Business Innovation Initiative Application

The Vermont Agency of Agriculture, Food, and Markets (VAAFAM) plans to address the most pressing concerns for small farmers and processors across the New England region: consumer relevancy, increased consumption through diversified markets, food safety, business viability, and development of a resilient supply chain. Over the recent past, the dairy industry has been under increased pressure from changing consumer preferences and quickly evolving national and international markets. Innovative, market driven strategies are the critical next step in ensuring the viability of the region's dairy economy. In order to achieve this goal, the outlined objectives take a calculated approach to develop capacity in meeting dairy market demands, with a diversity of projects that will generate outcomes leading to additional income and increased use of regional milk. All objectives build on existing regional work and further develop current state and federally funded projects, positioning VAAFAM to leverage results into cohesive multi-year initiatives. With the highest per capita population of specialty cheese makers, the vast majority of regional farms having fewer than 200 cows, and rural economies that are reliant on a prosperous dairy industry, Vermont and New England are poised to be the national leaders in small scale dairy farming generating innovative, replicable, and scale-sensitive outcomes that will be shared across the nation.

Wisconsin

Recipient: University of Wisconsin
MADISON, WI

Award Amount: \$454,392.00

Project Type: Initiative

Dairy Business Innovation Initiatives

The University of Wisconsin plans to create a formal, regional initiative called the Dairy Business Innovation Alliance (DBIA) that will bring together the diverse expertise needed to drive significant growth to the regional dairy industry including farmsteads and dairy product producers. This region will consist of the following Upper Midwest States: Wisconsin, Minnesota, Iowa, South Dakota and Illinois. The DBIA will formally extend the existing professional relationships between the region's Dairy Groups. The DBIA will be set up as a partnership between the Center for Dairy Research (CDR) and the Wisconsin Cheese Makers Association (WCMA). It will include regional collaborators, working together to optimize expertise, resources and structures to support dairy business innovation. The CDR will act as the host applicant. The time frame for this program will be three years from date of approval. This DBIA is ideally situated to avail of this and future allocations based on its unparalleled network, capabilities and regional scope. For this opportunity, The University of Wisconsin will bring the collective dairy expertise of its partners and collaborators out to communities within the region specified, providing direct technical assistance through workshops and awarding grants that meet the themes of improving on-farm diversification, creation of value-added products and increasing dairy exports. This will result in increased sales and demand for milk products as well as creating a product development template that, combined with knowledge gathered through this process, can be replicated throughout the United States.