



Fiscal Year 2020 Description of Funded Projects

Number of Grants Awarded: 3
Amount of Funds Awarded: \$18,400,000

For more information, please visit the grant program's website:
<https://www.ams.usda.gov/services/grants/dbi>

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

Tennessee

Recipient: The University of Tennessee, Knoxville, TN

Project Type: Initiative

Award Amount: \$6,133,333.33

Diversifying Income and Adding Value by Manufacturing Dairy Products

The Diversifying Income and Adding Value by Manufacturing Dairy Products-Phase 2 project will provide educational opportunities to help participants manage financial risk by evaluating opportunities to develop and market value-added products. Producers wanting to start or expand a dairy business in Tennessee, Kentucky, North Carolina are the intended audience.

The program will include:

- Benchmarking project to collect Dairy Gauge data from 60 southeastern dairy farms that will establish average costs and efficiency measures and 18 workshops to teach producers how to interpret and use the benchmark measures.
- 35 Value-Added Enterprise Assessments with dairy businesses that will describe the current state of value-added dairy processors and serve as a baseline for future farm support efforts.
- 3 annual value-added dairy conferences.
- Southeastern U.S. farmstead creamery survey.
- Development of a MarketReady curriculum for value-added dairy producers.
- 20-24 workshops on topics such as MarketReady, direct marketing, business management, processing and production.
- Development of content for state-specific modules for Tennessee, Kentucky and North Carolina on regulatory, permitting and retail and wholesale marketing to be added to an existing Penn State Extension online course, Introduction to Value-Added Dairy.
- Development of a feasibility study for a University of Tennessee dairy farm wanting to consider a value-added dairy business.

- Value-added dairy processing web page and list serv discussion group.
- Competitive Subaward Program for dairy businesses.
- 7 Extension fact sheets and publications to aid dairy producers in making decisions about whether to add or expand a value-added dairy business.

Vermont

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

Project Type: Initiative

Award Amount: \$6,133,333.33

Vermont and Northeast Dairy Business Innovation Initiative

The Vermont Agency of Agriculture, Food and Markets' (VAAFMM) 2020 DBII application *Vermont and Northeast Dairy Business Innovation Initiative* focuses on three strategic development areas: direct assistance to farmers, consumer engagement, and value-added production and processing. The combination of these three tactics will ensure the broadest representation and widest reach of program-supported efforts. VAAFMM has committed to engaging all of the states as represented by the Northeastern Association of State Departments of Agriculture (NEASDA) and has developed a work plan that has direct partnerships and opportunities for farmers and value-added processors across the 10-state region.

Grant objectives reflect the diverse array of production and processing in the region while underscoring the importance of consumers in a successful dairy economy. Projects range from supporting farmers in a transition to grazing, launching a dairy goat and sheep farm accelerator program, conducting sensory-guided research and development on specialty cheeses, establishing a multi-state farm worker safety program, and hosting a specialty cheese pavilion at SIAL Canada. As the dairy sector continues to be impacted by Covid-19 market fall out and five consecutive years of low milk prices, VAAFMM is dedicated to supporting innovation, education, and research to create a positive environment for dairy businesses to move confidently into the future.

Wisconsin

Recipient: University of Wisconsin, Madison, WI

Project Type: Initiative

Award Amount: \$6,133,333.33

Dairy Business Innovation Alliance – 2020

The Dairy Business Innovation Alliance (DBIA), established in 2019, is a partnership between the Center for Dairy Research (CDR) and the Wisconsin Cheese Makers Association (WCMA). Together with regional collaborators across five states (WI, MN, IA, SD, IL) the DBIA will provide expertise, resources and insights to support dairy business innovation.

The 2020 project goals will be achieved by building on existing programs developed in our previous DBIA application. These 2020 program goals are as follows:

- Provide grants to dairy enterprises to assist them enter and/or expand their markets.
- Provide support staff to work closely with dairy businesses to diversify and develop value-added products. Businesses will have access to product development, manufacturing of prototypes, and the provision of small-scale production to support their efforts to commercialize higher-value products.
- Create and manage a consultant support program to provide these “Artisans/Entrepreneurs” access to business, financial, export and product development expertise.
- Increase sales opportunities for dairy businesses by stimulating the development of value-added products for both the export and domestic markets. Efforts will include consumer/market insights, and sensory product evaluations.

The time frame for this program will be three years beginning 4th quarter 2020 (from award date). The DBIA will work with regional and national collaborators as it develops its programs with the potential for scalable application across the country.