Conduct Robust Research and Planning

Obtaining a planning grant to conduct research and feasibility will improve project success and prevent expensive mistakes.

INTRODUCTION

Pre-proposal research, broadly speaking, is essential to the success of any project. When interviewed, several USDA-funded project directors stated that after starting their projects, they discovered information they should have known before they designed projects that ultimately failed or had to be significantly rerouted. Two particularly crucial areas of pre-proposal research are:

1. Regulatory compliance, and
2. Similar projects in the same region.

Grant programs that provide both planning and implementation funding opportunities are a great value to a project. By offering planning grants, recipients get support to do the initial phases of research and project development instead of jumping straight to an implementation grant that might fund an unviable project. This two-step approach allows recipients to develop projects in a methodical and sustainable manner. The following projects in Virginia and Michigan demonstrated this well.

Virginia: “Planning Study for the Expansion of True & Essential Meats” (LFPP-2014)

The project director of this grant stated that the planning phase allowed them to “look very carefully at our operational processes, and at other industry models, and to very carefully consider numerous functional considerations for workflow, food safety, maintenance, sanitation, customer interface, and so on. Basically, everything about our operations that I took for granted.” Additionally, receiving this grant allowed his plant to qualify for additional funding that was necessary for the remodel and expansion.

Michigan: “Reducing barriers to local poultry production and consumption” (LFPP-2015)

While the hope for planning grants is that they lead to a successful new enterprise, they can also prevent expensive mistakes. The project director of the Mighty Fine Poultry project noted that, “this project kept me from investing in a kind of facility that I now believe would have failed.” She had initially envisioned a stand alone, USDA-inspected fee-for-service poultry slaughter and processing facility for independent producers. Her planning grant research included talking to producers, distributors, and buyers, which led her to realize that her initial model would not work. Rather, a better model would be “one in which the facility takes on the additional role of helping to create value-added products as well as distribution channels, to benefit both farmers and consumers.” Based on this, she successfully applied for a second, significantly larger planning grant (LFPP-2016) to develop and launch this new model. The project director mentioned that receiving two AMS planning grants gave her project the credibility that attracted public and private sector financing for the implementation phase.

Meat and poultry, as highly perishable products, are governed by a web of local, state, and federal regulations. Understanding how these regulations allow or prohibit a project idea is necessary pre-submission homework. The following projects in Massachusetts and Michigan are examples of this.
Massachusetts: "Planning for New Meat Cutting and Processing Services" (FSMIP-2012)

This project aimed to create new processing capacity by working with custom and retail-exempt butchers to provide these services to direct market farmers on a fee-for-service basis. It was only after the project began that project leaders discovered that USDA regulations do not allow exempt butchers to do fee-for-service butchery for farmers.


This project appeared to have the potential to address several important challenges at once: managing the local deer population; providing fresh and nutritious meat to food banks and soup kitchens; and training unemployed people in meat cutting. The project proposed to re-open a state-licensed processing facility to process “wild-harvested” deer. However, this “win-win-win” idea did not get off the ground, primarily because of existing regulations that prohibited the sale of wild-harvested venison.

ACTIONS YOU CAN TAKE WHEN DEVELOPING A PLANNING GRANT APPLICATION

• Make sure that project objectives and activities comply with applicable local, state, and federal regulations. The regulatory realities should not come out after a project is awarded.
• Create a pre-submission checklist based on proposal requirements and prior successful proposals to better plan and avoid costly mistakes or omissions later.
• Reference similar AMS-funded projects, particularly if they are in the same region or using a similar approach, in your proposal and describe how your proposed project will build on previous efforts and add value.
• Have a distinct planning and implementation phase for your project in the event you decide to apply for implementation funding. The planning period should be specific about timeline and actions needed to advance to the implementation phase. This will instill grant reviewer confidence that you have a long-term strategy.

CONTACT INFORMATION

For specific information about these grant projects, please contact AMSGrants@usda.gov.

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