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ROLL NUMBER

DESCRIPTION

1375

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Deanna Halliwell
Operator's Signature

10/3/03
Date

2003 HOUSE FINANCE AND TAXATION

HB 1375

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Donna Halliwell
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10/3/03
Date

2003 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1375

House Finance and Taxation Committee

☐ Conference Committee

Hearing Date January 27, 2003

Tape Number	Side A	Side B	Meter #
1	x		52.5 to side B
Committee Clerk Signature <i>Jamie Stein</i>			

Minutes:

REP. DROVDAL, VICE-CHAIR Called the hearing to order.

REP. ROD FROELICH, DIST. 31 Introduced the bill. See attached written testimony plus information relating to beginning farmers, and amendments to the bill, however, the amendments he presented to the committee weren't quite what he wanted. He stated he would have more amendments drafted.

REP. IVERSON Is there an acreage requirement for this?

REP. FROELICH No, there is not. This bill is still in the making. It is hard to determine, we could adjust that, we can't go by acreage. The bill does have a maximum limit per year.

REP. IVERSON You are talking about property taxes? In my district, which is comprised of southwest Fargo, I have lots of retail in the northern part of my district, and in the south I have some farms, what is to stop someone owning a business up there, and buying ten acres and starting a farm and saying he is now a farmer and not paying his state income tax?

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10/3/03
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Page 2
House Finance and Taxation Committee
Bill/Resolution Number HB 1375
Hearing Date January 27, 2003

REP. FROELICH I believe there is certain criteria to be considered a farmer. I believe fifty one percent of your income has to be from agricultural business.

REP. BELTER You are using the same definitions of beginning farmer that was used for all other beginning farmer programs?

REP. FROELICH That is what the amendment does, it redefines that.

REP. KLEIN What is the Ag Utilization's definition?

REP. FROELICH I believe it is the dollar limit. He stated he didn't have time to check the amendments, but would have like to say that fifty percent of APUC would go back to this program.

REP. JAMES KERZMAN, DIST. 31 Testified as the co-sponsor of the bill. He felt we have to do something for ag. This bill provides a little incentive. He stated he didn't think it is a cure all, but APUC has done a good job in other areas. He felt we need to put some emphasis back to where things start, which is to keep people on the land. The cost of land has escalated, land has been sold for recreation purposes, or whatever, and the price has gone way above the agricultural value. This is the dilemma. This would be one way to make a little adjustment for that. It would also allow people to rent to a beginning farmer.

REP. HEADLAND Did I hear you say the landowner will be able to receive the property tax reimbursement if he rents to a beginning farmer?

REP. KERZMAN Indirectly he would.

JOE BECKER, STATE TAX DEPARTMENT Testified in a neutral position. Commented on a number of technical items which would need to be worked out. He stated he would work with anybody on that.

Page 3
House Finance and Taxation Committee
Bill/Resolution Number HB 1375
Hearing Date January 27, 2003

LU ELLA WEDGE, PROPERTY TAX SPECIALIST, STATE TAX DEPARTMENT.

Testified in a neutral position. See written testimony.

BOB HUMAN, SENIOR VICE-PRESIDENT OF LENDING, BANK OF NORTH

DAKOTA Clarified what the Bank of North Dakota uses for a definition for the beginning farmer. The beginning farmer definition can be confusing. They look at a beginning farmers that has a networth less than \$200,000. They have a beginning farmer real estate program and a beginning farmer chattel program. For the real estate program, the beginning farmer has to own less than thirty percent of the median farm size in that county where they are located. For the chattel program, the beginning farmer cannot have received more than fifteen years of FSA farm payments. We give them the three test, we look at three different things, such as, how much time they spend on the farm, how much time could be spent at another job, what kind of mix of assets do they have on their balance sheet, do they have cattle, farm equipment, what kind of payments, and the third thing is, where does this beginning farmer going to get his actual income from, from the non farm job or from the farm. We are very lenient there.

REP. BELTER You made the comment that you can't own more than thirty percent of the average farm, is that in your county, or on paper?

BOB HUMAN That is in the county where the land purchase will take place.

REP. BELTER Asked if he could provide those kinds of figures for the committee.

BOB HUMAN Stated they use the 1997 farm census for those figures.

With no further testimony, the hearing was closed.

Deanna Hall Smith
Operator's Signature

10/3/03
Date

Page 4
House Finance and Taxation Committee
Bill/Resolution Number HB 1375
Hearing Date January 27, 2003

COMMITTEE ACTION 2-3-03, Tape #1, Side A, Meter #

REP. FROELICH Presented amendments, which would take out the words, "or rented" and "or operator". The amendments would also take out one half of the funds available for reimbursement for the biennium. Page 2, line 11 would clarify definitions of "beginning farmer"

Page 2, line 15, is an amendment the tax department wanted in there.

Page 2, line 18, is "beginning farmer" definition as established by the industrial commission.

Stated the reason he introduced the bill is because he has seen how some of APUC money is being expended and he feels it can be better utilized by putting it into the hands of the beginning farmer.

REP. FROELICH Made a motion to adopt the amendments as presented.

REP. WINRICH Second the motion. Motion carried by voice vote.

REP. CLARK Made a motion for a **DO NOT PASS AS AMENDED.**

REP. IVERSON Second the motion **MOTION CARRIED**

9 YES 4 NO 1 ABSENT

REP. CLARK Was given the floor assignment.

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Deanna Ballantyne
Operator's Signature

10/3/03
Date

FISCAL NOTE
Requested by Legislative Council
02/05/2003

Amendment to: HB 1375

1A. State fiscal effect: Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.

	2001-2003 Biennium		2003-2005 Biennium		2005-2007 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues						
Expenditures						
Appropriations						

1B. County, city, and school district fiscal effect: Identify the fiscal effect on the appropriate political subdivision.

2001-2003 Biennium			2003-2005 Biennium			2005-2007 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts

2. Narrative: Identify the aspects of the measure which cause fiscal impact and include any comments relevant to your analysis.

Section 1 of Engrossed HB 1375 provides property tax reimbursement for qualifying beginning farmers. Sections 2 and 3 provide income tax deductions for certain income earned by qualifying beginning farmers. The negative fiscal impact is unknown.

3. State fiscal effect detail: For information shown under state fiscal effect in 1A, please:

A. Revenues: Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.

B. Expenditures: Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.

C. Appropriations: Explain the appropriation amounts. Provide detail, when appropriate, of the effect on the biennial appropriation for each agency and fund affected and any amounts included in the executive budget. Indicate the relationship between the amounts shown for expenditures and appropriations.

Name:	Kathryn L. Strombeck	Agency:	Tax Dept.
Phone Number:	328-3402	Date Prepared:	02/05/2003

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10/3/03
Date

FISCAL NOTE
Requested by Legislative Council
01/20/2003

Bill/Resolution No.: HB 1375

1A. **State fiscal effect:** *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	2001-2003 Biennium		2003-2005 Biennium		2005-2007 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues						
Expenditures						
Appropriations						

1B. **County, city, and school district fiscal effect:** *Identify the fiscal effect on the appropriate political subdivision.*

2001-2003 Biennium			2003-2005 Biennium			2005-2007 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts

2. **Narrative:** *Identify the aspects of the measure which cause fiscal impact and include any comments relevant to your analysis.*

Section 1 of HB 1375 provides property tax reimbursement for qualifying beginning farmers up to an annual total of \$750,000. Sections 2 and 3 provide income tax deductions for certain income earned by qualifying beginning farmers. Although the property tax reimbursement component is limited to a \$1.5 million appropriation for the 2003-05 biennium, it is unknown how much of the appropriation will actually be needed. The negative fiscal impact from the income tax deductions provided in Sections 2 and 3 is dependent upon the existing farmers who may qualify, any new farmers who start operations in the biennium, and the amount of qualifying income subject to the deduction, all of which are unknown.

3. **State fiscal effect detail:** *For information shown under state fiscal effect in 1A, please:*

A. **Revenues:** *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

B. **Expenditures:** *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

C. **Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, of the effect on the biennial appropriation for each agency and fund affected and any amounts included in the executive budget. Indicate the relationship between the amounts shown for expenditures and appropriations.*

Name:	Kathryn L. Strombeck	Agency:	Tax Dept.
Phone Number:	328-3402	Date Prepared:	01/23/2003

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10/3/03
Date

Date: 2-3-03
Roll Call Vote #: 1

2003 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. HB 1375

House FINANCE & TAXATION Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken

Do Not Pass as amended

Motion Made By

Rep. Clark

Seconded By

Rep. Iverson

Representatives	Yes	No	Representatives	Yes	No
BELTER, CHAIRMAN	✓				
DROVDAL, VICE-CHAIR	✓				
CLARK	✓				
FROELICH		✓			
GROSZ	✓				
HEADLAND	✓				
IVERSON	✓				
KELSH	✓				
KLEIN	✓				
NICHOLAS		✓			
SCHMIDT		✓			
WEILER	✓				
WIKENHEISER	✓				
WINRICH		✓			

Total (Yes)

9

No

4

Absent

1

Floor Assignment

Rep. Clark

If the vote is on an amendment, briefly indicate intent:

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Dorinda Hallmark
Operator's Signature

10/3/03
Date

REPORT OF STANDING COMMITTEE (410)
February 4, 2003 9:41 a.m.

Module No: HR-21-1589
Carrier: Clark
Insert LC: 30332.0102 Title: .0200

REPORT OF STANDING COMMITTEE

HB 1375: Finance and Taxation Committee (Rep. Belter, Chairman) recommends AMENDMENTS AS FOLLOWS and when so amended, recommends DO NOT PASS (9 YEAS, 4 NAYS, 1 ABSENT AND NOT VOTING). HB 1375 was placed on the Sixth order on the calendar.

Page 1, line 5, replace "an appropriation" with "a directive to the agricultural products utilization commission concerning use of appropriated funds"

Page 1, line 12, remove "or rented"

Page 1, line 14, remove "or operator"

Page 1, line 18, replace "First" with "first"

Page 2, line 7, after "section" insert "In a taxable year" and replace "seven hundred fifty" with "one-half of the funds available for reimbursements for the biennium"

Page 2, line 8, remove "thousand dollars for any taxable year" and replace "are payable in the order in" with "must be prorated among qualified applicants if"

Page 2, line 9, remove "which" and after "applications" insert "for reimbursement"

Page 2, line 10, after "commission" insert "which exceed funds available for reimbursement"

Page 2, line 11, replace "has the same meaning as in" with "means an individual who is a resident of this state and meets the qualifications for a beginning farmer as established by the industrial commission for Bank of North Dakota loan programs."

Page 2, remove line 12

Page 2, line 15, replace "federal taxable income" with "net income as determined on schedule f of the federal income tax return" and remove "from farming or ranching as a"

Page 2, line 16, remove "beginning farmer"

Page 2, line 17, remove "or operator"

Page 2, line 18, replace "has the same meaning as in section 57-38-67" with "means an individual who is a resident of this state and meets the qualifications for a beginning farmer as established by the industrial commission for Bank of North Dakota loan programs"

Page 3, line 17, replace "federal taxable income" with "net income as determined on schedule f of the federal income tax return" and remove "from farming or ranching"

Page 3, line 18, remove "as a beginning farmer"

Page 3, line 19, remove "or operator"

Page 3, line 20, replace "has the same meaning as in section 57-38-67" with "means an individual who is a resident of this state and meets the qualifications for a beginning farmer as established by the industrial commission for Bank of North Dakota loan programs"

Page 3, replace lines 21 through 25 with:

(2) DESK, (3) COMM

Page No. 1

HR-21-1589

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Dennis Halliwell
Operator's Signature

10/3/03
Date

REPORT OF STANDING COMMITTEE (410)
February 4, 2003 9:41 a.m.

Module No: HR-21-1589
Carrier: Clark
Insert LC: 30332.0102 Title: .0200

"SECTION 4. USE OF AGRICULTURAL PRODUCTS UTILIZATION COMMISSION APPROPRIATED FUNDS. The agricultural products utilization commission shall provide beginning farmer property tax reimbursement under section 1 of this Act for the biennium beginning July 1, 2003, and ending June 30, 2005, in an amount not exceeding fifty percent of the total funds appropriated to the agricultural products utilization commission for all purposes for the biennium beginning July 1, 2003, and ending June 30, 2005."

Renumber accordingly

(2) DESK, (3) COMM

Page No. 2

HR-21-1589

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10/3/03
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2003 TESTIMONY

HB 1375

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Rep. Froelich
#B 1375

Chairman Belter

Members of House Finance and Tax Committee

APUC – has approximately 2.5 million dollars in its funds. Approximately 1 million is from gas tax, 1 million from general funds, and about 500 thousand from Federal Funds. From the handouts I have presented, you can see where this money has been spent. This bill would redirect some of these funds.

Mr. Chairman, as you are well aware of, farming requires a large investment and considerable time and energy. This piece of Legislation is an attempt to help beginning farmers get reimbursed on all or part of their property taxes and all of their state income taxes. Not many beginning farms are concerned with income taxes because of the huge capital investment!

Mr. Bob Human has informed me of the Bank of North Dakota real estate loans:

126 from 1999-2000

115 from 2001-2002

F.S.A. of Fargo has furnished me the following information:

Beginning Farmers	2002 – 155
	2001 – 142
	2000 – 138
	1999 – 136
	1998 – 83

F.S.A average – 131 per year

B.N.D. average – 120 per year

Mr. Chairman, committee members; this piece of Legislation does not add any additional cost to the taxpayers of North Dakota.

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10/3/03
Date

DEC -10 02 (MON) 10:59

TEL: 701

P. 002

FILE: PLPLR (ND1)
DATE: 12/16/02

FSA - FARM LOAN PROMS - NORTH DAKOTA
BORROWERS RECEIVING INITIAL BEGINNING FARMER LOANS
IN FISCAL YEAR 2003
DATA AS OF: 12/15/02

COUNTY NAME	NUMBER OF BORROWERS
ADAMS	2
BARNES	3
BILLINGS	1
BOTTINEAU	2
BOWMAN	1
BURLINGHAM	1
CASE	4
CAVALIER	6
DIVIDE	2
DUNN, PT	3
EMMONS	3
GOLDEN VALLEY	1
GRAND FORKS	7
GRANT	2
HETTINGER	3
KIDDER	2
LAMOTHE	1
MCHEMERY	1
MCINTOSH	1
MCLEAN, PT	1
MERCER, PT	2
MORTON	2
NELSON	2
OLIVER	1
PEMBINA	4
RANSOM	1
REDVILLE	1
RICHLAND	2
ROLETTE	2
STARK	1
TOWNER	2
TRAIL	8
WALSH	8

TOTAL

83

SOURCE: FSA - NCMO FOCUS *OBFN* DATA BASE.
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Date

10/3/03

DEC -10 02 (MUN) 13:59

TEL: 701

P. 003

FILE: FLP1R (ND1)
DATE: 12/16/02

FBA - FARM LOAN FROMS - NORTH DAKOTA
BORROWERS RECEIVING INITIAL BEGINNING FARMER LOANS
IN FISCAL YEAR 2002
DATA AS OF: 12/15/02

COUNTY NAME	NUMBER OF BORROWERS
BARNES	2
BENSON	1
BILLINGS	1
BOTTINEAU	8
BOWMAN	2
CASS	7
CAVALIER	6
DICKEY	2
DIVIDE	1
DUNN, PT	3
EMMONS	3
GOLDEN VALLEY	2
GRAND FORKS	14
HETTINGER	3
KIDDER	1
LAKE	3
LOGAN	2
MCHENRY	2
MCLEAN, PT	5
MERCER, PT	4
MORTON	7
MOUNTRAIL, PT	2
NELSON	4
PEMBINA	7
PIERCE	1
RENVILLE	8
RICHLAND	1
ROLETTE	2
SARGENT	1
SLOPE	1
STEELE	1
STUTSMAN	1
TOWNER	1
TRAILL	13
WALSH	7
WARD	3
TOTAL	136

SOURCE: FBA - KCMO FOCUS *OFEN* DATA BASE.
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Operator's Signature

Date

10/3/03

DDO - 10 02 (MUN) 10:09

TEL: 701

P. 004

FILE: FLPLE (ND1)
DATE: 12/16/02

FBA - FARM LOAN PRGMS - NORTH DAKOTA
BORROWERS RECEIVING INITIAL BEGINNING FARMER LOANS
IN FISCAL YEAR 2000
DATA AS OF: 12/15/02

COUNTY NAME	NUMBER OF BORROWERS
ADAMS	2
BARNES	4
BOTTINEAU	6
BURLINGTON	1
CASS	4
CAVALIER	7
DICKER	4
DUNN, PT	3
EMMONS	2
GOLDEN VALLEY	1
GRAND FORKS	8
GRANT	4
HETTINGER	3
LAMOTHE	1
LOGAN	1
MCHENRY	2
MCKENZIE, PT	1
MCLEAN, PT	5
MERCER, PT	1
MORTON	10
MUNTRAIL, PT	2
NELSON	4
OLIVER	1
PENNINGTON	9
PIERCE	5
RENVILLE	1
SARGENT	3
STARK	1
STUTSMAN	5
TRAILL	17
WALSH	7
WARD	9
WELLS	2
WILLIAMS	2

TAL

138

SOURCE: FBA - KCMO FOCUS "ORFN" DATA BASE.
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Date

10/3/03

DEC -10 02 (MON) 14:00

TEL: 701

P. 005

FILE: FLPLS (ND1)
DATE: 12/16/02

FSA - FARM LOAN PROMS - NORTH DAKOTA
BORROWERS RECEIVING INITIAL BEGINNING FARMER LOANS
IN FISCAL YEAR 2002
DATA AS OF: 12/15/02

COUNTY NAME	NUMBER OF BORROWERS
ADAMS	3
BARNES	3
BENSON	1
BOTTINEAU	4
BURKE	2
BURLINGHAM	4
CASS	2
CAVALIER	12
DICKINSON	8
DIVIDE	1
DUNN, PT	2
EDMONS	1
GOLDEN VALLEY	1
GRAND FORKS	6
GRANT	5
HETTINGER	5
LAMOUR	4
MCINTOSH	1
MCKENZIE, PT	1
MCLEAN, PT	6
MORTON	7
MOUNTAINTOP, PT	4
NELSON	4
OLIVER	1
PEMBINA	8
PIERCE	2
RAMSEY	3
RENVILLE	2
RICHLAND	1
SARGENT	1
SLOPE	1
STUTSMAN	2
TRAILL	12
WALSH	13
WARD	10
WELLS	2
TOTAL	142

SOURCE: FSA - KCMO FOCUS "OFBN" DATA BASE.
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Deanna Halliwell
Operator's Signature

10/3/03
Date

DEC 10 02 (MON) 14:00

TEL: 701

P. 006

FILE: FLEPLS (ND1)
DATE: 12/16/02

FSA - FARM LOAN PRGMS - NORTH DAKOTA
BORROWERS RECEIVING INITIAL BEGINNING FARMER LOANS
IN FISCAL YEAR 2003
DATA AS OF: 12/15/02

COUNTY NAME	NUMBER OF BORROWERS
ADAMS	1
BARNES	6
BENSON	3
BOTTINEAU	10
BURLINGHAM	7
CASS	3
CAVALIER	8
DICKINSON	7
DUNN, PT	2
EMMONS	1
FOSTER	5
GRAND FORKS	3
GRANT	3
HETTINGER	4
KIDDER	1
LA MOURE	2
LOGAN	1
MC HENRY	2
MCINTOSH	2
MC KENZIE, PT	1
MCLEAN, PT	2
MORTON	7
MOUNTAINTOP, PT	3
NELSON	3
DEMBINA	15
PIERCE	8
RANSBY	3
RICHLAND	3
STARK	2
STEELE	1
STUTSMAN	3
TOWNER	3
TRAILL	14
WALSH	8
WARD	6
WELLS	1
WILLIAMS	1
TOTAL	155

Bob Human

99-01 RE LOAN 126
01-02 RE LOAN 115

SOURCE: FSA - KCMG FOCUS "ORFM" DATA BASE.
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10/3/03

APUC Projects Sorted by Year and Grant Type

Year: 1999

Grant Type: Basic and Applied

Company Name	City	Start Date	End Date	Project Title	Project #	Status	Requested	Approved
Fusarium Head Blight II	Max	5/1/1999	10/31/1999	Fusarium Head Blight in Durum	06600-67	Completed	\$11,500	\$11,500
The Dakota Growers Pasta Company received an \$11,500 grant to determine if specific microbial antagonists are effective in reducing Fusarium Head Blight on durum wheat. Status Notes: The potential that all of the biocontrol agents tested have shown for reducing FHB disease in durum wheat as evidenced by the results seen in the greenhouse with both Remville and Ben and some of the trends seen in reducing FHB on durum wheat in field trials.								
Mercer County Water Resource Board	Hazen	9/15/1999	3/1/2001	Mercer/Oliver Irrigation	07700-02	Completed	\$52,500	\$52,500
The Mercer County Water Resource Board received a \$52,500 grant to study the feasibility of irrigating up to 80,000 acres in Mercer and Oliver counties for growing high-value, alternative crops with the potential of local food processing plants in the area. Status Notes: Based on the analysis, the base crops considered as most feasible for irrigation with this project are alfalfa, potatoes, corn grain, and dry beans.								
Mountrail County Water Resource Board	Stanley	5/1/1999	12/31/1999	Mountrail County Irrigation Feasibility Study	06600-61	Completed	\$0	\$30,000
The Mountrail County Irrigation Task Force received a \$30,000 grant to determine the feasibility of irrigating land in Mountrail County. Status Notes: The project consists of 12,486 irrigated acres which includes all of the irrigable and conditional soils signed up by interested farmers.								
NDSU Department of Agricultural Economics	Fargo	5/1/1999	1/30/2000	NDSU-Bison Industry Study	06600-65	Completed	\$0	\$5,560
North Dakota State University received a \$5,650 grant to research the impact of the bison industry on the state's economy. Status Notes: The bison industry has become a major livestock sector within ND. A comparison of ND bison production to other ND livestock industries reveals that, in terms of farm receipts in 1998, the bison industry ranks 4th below beef, dairy, and swine, but above poultry and sheep and lambs. The bison industry is continuing to expand production, as evidenced by the use of female animals. Most females are more valuable as brood stock than for processing.								
NDSU Dickinson Research Extension Center	Dickinson	9/1/1999	12/31/2001	Barley Production for Forage ND	07700-03	Completed	\$7,063	\$7,063
The Dickinson Research Extension Center received a \$7,063 grant to determine if barley hay is nutritionally superior to oat and grass hays, resulting in higher quality forage and expanded marketing opportunities for producers. Status Notes: Higher quality forage was produced by barley than oats in this study. Yields are lower when barley is grown. These factors offset one another & explain why there may be little difference in the amount of crude protein produced per acre when conventional barley & oat cultivars are grown. Conversely, crude protein yield may be enhanced if a forage barley cultivar is grown compared with both conventional or forage cultivars. Additional analyses of the data collected in this study are needed to confirm these preliminary results.								

Tuesday, January 07, 2003

Page 1 of 36

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10/3/03

NDSU Dickinson Research Extension Center	Dickinson	3/1/1999	12/31/1999	Hull-Less Oats for Horse Feed	06600-58	Completed	\$0	\$14,550
Status Notes: The Dickinson Research Extension Center received a grant for \$14,550 to study the feasibility of using North Dakota-grown, hull-less oats as a feed for growing and developing yearling horses. In summary, the fillies fed hull-less oats did gain more and exhibited a longer body than those fed an isocaloric, not isonitrogenous diet containing conventional oats. There were no significant differences in the other measurements taken at the end of the trial.								
NDSU Research Administration	Fargo	5/1/1999	6/30/2000	Enhancing ND Dairy Industry II	06600-63	Completed	\$0	\$65,000
Status Notes: The North Dakota Dairy Strategic Planning Task Force received a \$65,000 grant to develop an individualized diagnostic team to retain and expand the state's dairy industry by assisting producers and processors. Key outcomes taken from the evaluations provided by the program users include: the value of setting goals and monitoring progress, developing trust between the farm and their service providers, reducing professional barrier among advisor, learning to communicate more effectively, the value of hearing others acknowledge success and more importantly, the synergism that results from collaborative farm business efforts. 51 farms have been introduced to the NDSP concept by the end of this portion of the project.								
NDSU Research Administration	Fargo	5/1/1999	4/30/2001	Food Safety Testing and Training	06600-64	Completed	\$0	\$23,935
Status Notes: The North Dakota Manufacturing Technology Program received a \$23,935 grant to test and evaluate the pH and water activity levels of North Dakota-grown and processed foods and to inform producers about FDA regulations and best-practice safety methods. Submitted a book "Starting Your Food Business in North Dakota", the book was also distributed to every county extension office in ND.								
NDSU Williston Research Center	Williston	3/1/1999	3/1/1999	Potato Pivot Irrigation	06600-55	Completed	\$0	\$40,000
Status Notes: The NDSU Williston Research Extension Center was approved for \$40,000 to demonstrate a second year of successful irrigated potato production under varying soil textures in northwest North Dakota to promote irrigation development and a potato processing industry in the region. The 1999 yields and quality of the Shepody variety of potatoes under overhead pivot were favorable regardless of soil texture. The yield, tuber size and solids content of the Russet Burbank potatoes under sprinkler irrigation were also significantly greater than flood irrigation.								
R-Calif	Columbus	9/25/1999	9/27/1999	R-CALF	07700-09	Completed	\$1,775,000	\$100,000
Status Notes: R-CALF is a legal fund set up to file 'import relief petition' cases with the Department of Commerce and the U.S. International Trade Commission. R-CALF hopes to implement duties and penalties on cattle imports equal to the margin of dumping and Subsidies. Funds will be used by attorneys to collect and analyze information from domestic cattle ranchers, U.S. government sources, the International Trade Commission, Canadian and Mexican government sources, and trade associations: for research, and their legal fees.								
US Durum Growers Assn	Fargo	1/14/1999	12/31/1999	Scab Research	06600-30	Completed	\$40,000	\$40,000
Status Notes: An urgency exists to provide producers with resistant durum varieties, and this project proposes to get a Fusarium Head Blight (FHB) or scab-resistant durum variety into producers' hands as quickly as possible. Grant funds will be used to fast-track FHB resistance into the NDSU durum-breeding program. Identified several accessions of wild emmer, Triticum Turgidum var. dicoccoides (T.dic), with useful levels of Fusarium head blight (FHB) resistance and proved that genetic resistance from T.dic can be transferred to durum wheat. With the study completed hope to release a FHB resistant-strong gluten durum germplasm by the end of 2002.								
Summary for "GrantType" = Basic and Applied (11 detail records)								
Sum							\$1,886,083	\$390,108
Avg							\$171,462	\$35,464

Tuesday, January 07, 2003

Page 2 of 36

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10/3/03

Grant Type: Cooperative Marketing

Company Name	City	Start Date	End Date	Project Title	Project #	Status	Requested	Approved
Cloverdale Growers Alliance	Mandan	9/1/1999	6/1/2001	Cloverdale Growers Alliance	07700-01	Completed	\$78,425	\$76,325

The Cloverdale Growers Alliance received a \$76,325 grant to expand its current producer/packer contractual agreement with Cloverdale Foods and develop an integrated pork processing entity that will provide alliance members with greater access to profits from value added processing.

Status Notes: requested at the 10-25-00 full commission meeting they be given the ok to change their scope of work. Request was granted

To supply Cloverdale immediate need for slaughter hogs the Alliance's consultants developed a One-year futures-based contract to the region's hog producers. More than 50 contracts were issued. Since April about 14,000 finished hogs have been delivered to for slaughter at the Minot facility.

Dakota Beef Development Corp Mandan 3/1/1999 3/1/2001 Dakota Beef Development Corp. 06600-59 Completed \$0 \$20,000

The Dakota Beef Development Corporation in Mandan received a grant for \$20,000 to conduct a marketing study and develop a marketing plan to provide North Dakota cattle producers with access to more stable markets and additional revenues by supplying high-quality, source-identified beef products.

Status Notes: Food & Livestock Planning of Mandan conducted the marketing study, test market and business plan. Market research found sufficient interest in the market place for high quality, source identified beef products owned or represented by beef producers. There is a limited value in these markets to development of a special brand. The meat company, retail company, or restaurant prefer to represent the product with their own name and identity.

Western Star Dairy Cooperative Williston 3/1/1999 7/1/1999 Western Star Dairy Cooperative 06600-54 Completed \$0 \$10,000

The Tri-County Regional Development Council in Williston was approved for \$10,000 to establish a cooperative of investors/producers to finance the development of a large dairy in northwest North Dakota.

Status Notes: Kelly Hummel from Hubbard Feeds was hired as the consultant. The business plan has been completed. The prospectus should be completed in February or March 2001.

Looking at possible sites for the dairy in the Williston area.

Summary for 'Granttype' = Cooperative Marketing (3 detail records)

Sum

Avg

Grant Type: Farm Diversification

Company Name	City	Start Date	End Date	Project Title	Project #	Status	Requested	Approved
Crane Creek Gardens	New Town	5/15/1999	10/1/1999	Fresh Cab	06600-73	Completed	\$5,000	\$5,000

Crane Creek Gardens turns common agricultural ingredients into an uncommon blend that helps keep mice out of enclosed areas. Funds will be used for marketing expenses, promotional advertising and marketing intern who will keep financial records and develop a business model.

Status Notes: Increased brand awareness, customer support, and national image of product. Increased sales. Added one full time employee and several parttime employees.

Tuesday, January 07, 2003

D & C Ova Elk Ranch	Cleveland	9/1/1999	12/15/1999	D & C Ova Elk Ranch	07700-07	Completed	\$5,000	\$5,000
To raise elk calves for sale and breeding stock. To maintain a velvet herd and eventually expand to a limited hunting area.								
Status Notes: Purchased 4 bred elk cows in December 1999. These elk all velveted this spring (bull calves, which will provide a good start to the "velvet herd") and bred back (A/R) to elk bulls with superior genetics. The elk are all gold and/or silver registered with North American Elk Breeders Association. Purchased a yearling bull February, 2000.								
Douglas Ova Elk Ranch	Cleveland	9/1/1999	11/30/1999	Douglas Ova Elk Ranch	07700-08	Completed	\$5,000	\$5,000
To raise elk calves for sale and breeding stock and maintain a velvet herd. The plan is to do this in cooperation with Dennis & Connie Ova.								
Status Notes: Purchased 2 bred elk cows in February, 2000. These elk calved this spring (bull calves, which will provide a good start to the "velvet herd") and bred back (A/R) to elk bulls with superior genetics. Anticipating excellent returns from this investment and expecting to profit not only from the breeding market and velvet market but also from the rising demand for elk meat.								
Dusty Willow Dairy, LP	Lakota	6/25/1999	11/15/1999	Dusty Willow Dairy, LP	06600-76	Completed	\$10,500	\$9,500
Dusty Willow Dairy will be located in northern rural Nelson County. The dairy will produce approximately 130,000 cwt of raw milk per year. The 550 cow dairy will employ 10 full-time employees.								
Status Notes: Dairy Business Services, known as Land of Lakes developed a financial and business plan. Dairy is up and running.								
Enger's Farm	Halton	5/15/1999	3/31/2000	Enger's Specialty Crop	06600-72	Completed	\$5,000	\$5,000
Seeking new ways to increase farm income, from the production of alternative crops to combining alternative crop research, education and entertainment. The proposal is a novel way to build upon the knowledge gained in the production of vegetables. To help educate youth about the food supply and how it is produced, all within the theme of agriculturally related activities and entertainment on a working farm. The APUC grant will aid us in purchasing seed for planting produce, seed for the mazes, drip irrigation, fertilizer, building a hydroponics greenhouse, materials to build a miniature golf course, "Black hole" signs, crop displays, labor in caring for the growing crops, preparation for fall activities and during the fall festival. It will also provide funding for advertising.								
Status Notes: Taught school students about soils in the state, the importance of plants, animals and insects in the circle of life as crops evolve in a growing season. Traditional crops was well as carrots, onions, pumpkins and other fall produce. 1,500 students and estimated 2,350 guests. Total income \$23,373.65 expenses were \$14,936.61 plus labor.								
Hamilton Greenhouse	Killedeer	11/15/1999	4/30/2000	Hamilton Green House	07700-10	Completed	\$0	\$5,000
This project will provide a new revenue source for an existing farm operation and will help answer the questions of demand, costs and the potential to create additional on-farm income through the production of organically grown farm fresh vegetables year round in SW North Dakota.								
Status Notes: Constructed a 21' X 32' greenhouse on farm. Planted Tomatoes and cucumbers will sell at area supermarket, restaurants, retirement home and area people.								
Mc-Jecka Cattery	Martin	12/1/1999	10/31/2000	Mc-Jecka Cattery	07700-15	Completed	\$5,000	\$5,000
The animals that are produced are unique and their appeal is to animal lovers looking for something different. It is important to reach outside of North Dakota in looking for customers. A huge market is intended to be reached on the World Wide Web.								
Status Notes: One litter of pups but they are too young to sell. Two litters of cats, will be for sale for Christmas. Sales from web site have been good. Lots of inquiries from web site and feel that sales will increase.								
Nelson Elk	Kenmare	1/1/1999	12/31/2000	Nelson Elk	06600-51	Completed	\$0	\$5,000
The strategy for this project is to give other ranches a chance to relieve pasture pressure of their own, which enables them to increase room for their breeding stock to improve bloodlines of their herds. To market this program, animals from different bloodlines will be placed on the same feed program, husbandry management, water, grass and browse. This will determine which bloodlines produce best body size, velvet production and conformation.								
Status Notes: Boarding animals starting June 15, 2002, this pasture will be used from June to December. Will board 30 animals at \$1.75 per day per animal with a monthly return of \$1,575.00 per month. The project expenses for boarding the animals is \$.75 per day per animal.								

Tuesday, January 07, 2003

Page 4 of 36

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10/3/03

Northwestern Dairy LLP Parshall 6/1/1999 1/31/2000 Northwestern Dairy, LLP
 Based on preliminary figures, a 1,500 head dairy in NW North Dakota could generate up to \$2,000,000 of new wealth, create 15 to 20 new jobs, and build a market for 6,000 acres of hay silage and corn silage. The funds are needed to complete site specific research on the concept to solidify whether or not a dairy can profitably operate in the area; to identify the best market opportunities, and to identify potential joint partners, and also to assist with the completion of the business plan to raise the needed funds to finance the operation.

Status Notes: Dairy has become LLP. Mountain Dairy LLP will join Northwestern Dairy as the general partner. Site for dairy has been chosen. Two barns are planned. Three classes of stock will be offered Class A stock represents rights for delivery of feed to the dairy. Class B stock will be offered to any individual and is not limited to agricultural producers, Class C stock may be purchased by government sponsored economic development agencies, cooperatives and like organizations.

Sandvick's Trail Ride Service Killdeer 7/1/1999 6/30/2000 Sandvick's Trail Ride Service
 The purpose is to diversify a cow-calf operation, expanding to a trail riding business, with 5 log cabins to accommodate guests.

Status Notes: Purchased a computer for a website which generated numerous contacts and reservations. Update brochures, participated in trade shows. As of September 23, 2000 had a 6% increase in income.

Summary for 'GrantType' = Farm Diversification (10 detail records)
 Sum \$50,400 \$58,150
 Avg \$5,040 \$5,915

Grant Type: Marketing and Utilization

Company Name	City	Start Date	End Date	Project Title	Project #	Status	Requested	Approved
Carlisle Dairy LLP	Bathgate	3/20/1999	12/1/1999	Carlisle Dairy LLP Phase 2	06600-71	Completed	\$77,500	\$10,000
Status Notes: The site for the proposed dairy has been secured. Soil borings have been completed, topographical maps developed, drawings of the actual layout of the dairy have been completed, and the location of the proposed lagoon completed.								
Central Dakota Cattle Association	Maddock	12/1/1999	9/1/2000	Central Dakota Cattle Association	07700-14	Completed	\$20,000	\$20,000
Status Notes: Beef producers desire to integrate into producing fresh meat and processed meats for Halal markets by buying into Dakota Halal Processing Company. Central Dakota Beef Association owns 60% of the Dakota Halal partnership and will supply the animals for slaughter.								
Central Dakota Growers	Grand Forks	5/1/1999	12/31/1999	Central Dakota Growers	06600-62	Completed	\$0	\$38,925
Status Notes: Strategic Performance Group conducted the study. Michel Caugant products were tested and the intent to purchase was considered low for all of the products.								
Dakota Halal Processing	Harvey	5/1/1999	10/31/1999	Dakota Halal	06600-70	Completed	\$47,500	\$25,000
Status Notes: The processing plant is up and running in Harvey. APUC commission members toured the plant 5/31/01.								

Tuesday, January 07, 2003

Page 5 of 36

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Deanna Hall Smith
 Operator's Signature

10/3/03
 Date

Dakota Lamb Growers Cooperative	Northwood	9/1/1999	7/31/2000	Niche Market for ND Lambs	07700-04	Completed	\$58,500	\$58,500
The Dakota Lamb Growers Cooperative received a \$58,500 grant to develop business and marketing plans for selling North Dakota-grown and processed lamb to niche markets nationwide including upscale, ethnic restaurants in high population areas.								
Status Notes: Developed bylaws and prepare necessary equity drive documents. Developed brand name Dakota Lean Lamb and logo. Marketing & business plan completed. Identified 3 primary areas that can be profitable for shareholders, resulting in stabilization of prices; Natural Lamb, Premium Lamb & to further processed products.								
Dakota Prairie Beef Feeders	Rhame	5/1/1999	10/31/1999	Dakota Prairie Beef Feeders	06800-69	Completed	\$0	\$18,333
Dakota Prairie Beef Feeders received an \$18,333 grant to hire a professional feedlot development consultant to oversee the building stages of a finishing facility for locally-produced feeder calves.								
Status Notes: Randall Christensen was hired as the feedlot operator.								
Enoch Schultz Creamery Inc	Bismarck	10/1/1999	1/31/2000	Schultz Creamery, Inc.	07700-06	Completed	\$160,000	\$160,000
Enoch Schultz Creamery in Bismarck received a \$160,000 grant to fund marketing activities necessary to change the image of the creamery's products and compete with the company's larger counterparts already established in the industry.								
Status Notes: Laying the foundation for an image makeover began with the rebuilding of our infrastructure through the investment made in the plant and equipment. But equally important was our marketing investment, not just in advertising but in the name, graphic design and packaging. The media budget outlined in the business plan was spread over 18 months. Schultz Creamery business plan has spent over \$340,000 in marketing related activities.								
Golden Valley Elk Ranch	Portland	3/1/1999	4/30/2000	Golden Valley Elk Ranch	06800-56	Completed	\$0	\$25,000
The Golden Valley Elk Ranch in Portland received \$25,000 to form a partnership among 50 North Dakota elk ranchers to market elk velvet and green antlers in Taiwan and other Asian countries. and develop a private elk-hunting ranch in the state.								
Status Notes: Due to improving factors in the Asian economy, we believe that our private label program directly with a major company in Taiwan will become very successful. We anticipate shipping of product will begin by August of this year. The elk hunting has made great progress, 16 hunts had been booked and anticipate approximately a total of 45-60 by the end of the 2001 season.								
Lewis & Clark Bean & Pea Growers	Garrison	5/1/1999	10/31/1999	Lewis & Clark Bean Growers	06600-68	Completed	\$0	\$35,000
The Lewis and Clark Bean Growers Association received a \$35,000 grant to study the feasibility of developing a locally-owned bean cleaning, grading and bagging facility in central North Dakota.								
Status Notes: TEAM Marketing conducted the Market study. It was the finding that the pursuit of a new cleaning and bagging operation, dehydrating and flaking process, refined and canning plant or finished food product operation would not at this time be in the best interest of the association.								
Master Potatoes Inc	Hatton	11/10/1999	5/31/2001	Master Potatoes	07700-11	Completed	\$39,000	\$39,000
Master Potatoes, Inc. in Hatton received \$39,000 to pursue new markets for its fresh potato products by targeting food service distributors, brokers and consumers.								
Status Notes: Gross sales at the beginning of the project in the month of October 1999 were \$39,103.42, as of April 2001 gross sales totaled \$60,865.20. A 56% increase in sales. Are shipping products into two new states, plus a new location in Minnesota, and four new accounts.								
ND Barley Feeders	Carrington	1/1/1999	6/30/2001	ND Barley Feeders	07700-12	Completed	\$12,500	\$12,500
North Dakota Barley Feeders received a \$12,500 to establish a member organization and develop a business plan with the mission of adding value to North Dakota produced feedstuffs by custom feeding cattle at existing or newly constructed feed yards.								
Status Notes: Completed business plan, filed offering memorandum with the Secretary of State, and essentially have become a legal LLP business. Planned equity drive for mid June. March 1, 2001 press release states they are up and running and have purchased its first cattle.								

Tuesday, January 07, 2003

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North American Bison Cooperative
 Farmers Choice Specialty Foods in Leeds and the North American Bison Cooperative in New Rockford are teaming up to develop bison pasta products, and received \$152,285 to develop these niche products and market them nation-wide.

Status Notes: Production to date of the breaded ravioli & plain ravioli have been approximately 15,000 pounds. A number of independent restaurants are utilizing these products. The Board of Governors of Farmers Choice regrets to inform you that the company has been served with notification of forclosure. The Board, at the time of this report cannot say with certainty what the final disposition of the company will be. The Board continues to explore alternative courses of action including reorganization that may allow the company to survive.

ProBeef Producers
 ProBeef Company received a \$43,501 grant to further enhance and market its beef products provided by ranchers in the Northern Plains region, including several from North Dakota.

Status Notes: Customized Access-based computer program that currently houses performance data on over 31,000-plus animals from 156 different producers. Have the capability to sort this information a myriad of ways to return information to our producers that shows not only how their herd is performing. So detailed is the information that we can generate and send to the producer, that we are presently converting our analysis and communication of this information to be web-based.

Schepps Dakota Deli Inc
 Schepps Dakota Deli in Lansford received a grant for \$15,000 to fund an aggressive marketing campaign to expand sales of its meat and salad products nationwide.

Status Notes: 3 new customers in South Dakota, 6 in Minnesota and 8 in southeastern ND. Gross sales for 1999 were \$336,660.63 compared to 1998 gross sales of \$281,000.00.

Summer's Harvest
 Summer's Harvest Flour Mill in Hope received an \$18,000 grant to develop a business, operating and marketing plan for a new flour mill to be located in Finley.

Status Notes: Identifying markets, developing a business plan, and outlining operations have been the focus of the company in preparing for expansion. Based on the work done, the mill is preparing for the financing, equipment and facility expansion, and additional marketing efforts.

Upper Great Plains Transportation Institute
 Fargo 11/22/1999 12/31/2000 ND Biennial Strategic Transportation Analysis 07700-13 Completed \$27,000

The Upper Great Plains Transportation Institute received \$27,000 to conduct a strategic freight transportation study analyzing the role transportation plays in producing and marketing North Dakota agricultural commodities and processed products.

Status Notes: Partnering between private and public sectors for building and operating an intermodal transloading facility has been done in other states. Costs of a facility may be offset by those considering a value added venture.

Summary for 'GrantType' = Marketing and Utilization (16 detail records)
 Sum
 Avg

Grant Type: Prototype
 Company Name City Start Date End Date Project Title Project # Status Requested Approved

\$442,000 \$698,044
 \$27,625 \$43,628

Tuesday, January 07, 2003

Page 7 of 36

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10/3/03
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Aggridata Inc Grand Forks 2/12/1999 12/31/1999 AIM System 06800-57 Completed \$125,150 \$50,000
 AgriData, Inc. in Grand Forks received a grant for \$50,000 to develop an automated Agricultural Insurance Mapping (AIM) system that will allow farmers to attach risk management selections and field information to field maps for easy-to-read crop insurance forms.

Grant funds will be used for computer programming, marketing plans, printing, production, software, digital land information, leasing of computer equipment and salaries.

Status Notes: AgriData has completed the prototype of the project ahead of schedule. Beta tested it on 1.5 million acres and sold the first system.

Bandy Technology Systems Fargo 9/1/1999 1/31/2001 Bandy Technology 07700-05 Terminated \$30,000 \$25,000
 Bandy Technology Systems in Wahalla received a \$25,000 grant to modify its Sample Preparation Unit (SPU) to include the analysis of DON (deoxynivalenol) in wheat and barley, allowing grain handlers to test incoming and outgoing shipments more accurately and efficiently.

Status Notes: This contract was terminated, no longer at the address, no phone have not been able to contact. Dec. 2001

Summary for 'GrantType' = Prototype (2 detail records)

Sum	\$155,150	\$75,000
Avg	\$77,575	\$37,500
Summary for 'Year' = 1999 (42 detail records)		
Sum	\$2,612,058	\$1,328,627
Avg	\$62,192	\$31,634

Year: 2000

Grant Type: Basic and Applied

Company Name	City	Start Date	End Date	Project Title	Project #	Status	Requested	Approved
National Sunflower Association	Bismarck	3/1/2000	10/1/2000	NuSun Research	07700-24	Completed	\$33,900	\$24,000

The National Sunflower Association received \$24,000 to conduct a feeding trial to determine the long-term health benefits of NuSun sunflower oil. The results will be used to build awareness and create market opportunities for the product.

Status Notes: LDL cholesterol is lower than other vegetable oils and slightly lower than olive oil. Early indications show slightly less aortic artery buildup with NuSun diets as well.

National Sunflower Association	Bismarck	10/25/2001	12/31/2001	NuSun Human Nutrition Study	07700-55	Approved	\$50,000	\$25,000
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The National Sunflower Association was awarded \$25,000 for a NuSun sunflower oil human nutrition study. The research will be conducted to determine if NuSun in a diet has a positive effect on cholesterol levels. NuSun has a heart-healthy fatty acid profile that is high in monounsaturates and low in saturated fat. NSA seeks to prove the health benefits of NuSun in comparison to olive oil. NSA will use the results in a promotion campaign to continue the introduction of NuSun and build domestic sunflower markets.

Status Notes: This is Phase II, Phase I was granted \$24,000.00 of \$33,900.00 requested for testing on hamsters. Final report has been submitted, waiting approval, final disbursement is \$5,000.00.

- 6-3-87 study of sunflower oil on blood cholesterol - can't find if it was funded
- 7-1-87 Natural Antioxidants as food ingredients sunflowers & other crops - funded at \$9,500.00
- 7-1-87 Pectin from Sunflower - funded at \$5,000.00
- 2-4-93 Structure & Functional properties of Pectin from sunflower heads - funded at \$18,000.00

Tuesday, January 07, 2003

Page 8 of 36

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Dennis Hallmark
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NDSU Carrington Research Extension Center Carrington 4/27/2000 11/1/2001 Protein Sources for Yellow Perch 07700-44 Completed \$20,000 \$10,000

The Carrington Research Extension Center received \$10,000 to develop a commercial fish feed that contains soybean meal and field pea meal as a substitute for more expensive fishmeal protein sources.

Status Notes: Both field peas & soybean meal appear to have bright futures as key feed ingredients for carnivorous fish diets. Problems associated with animal based feeds such as higher prices and mad cow disease create concerns, which have urged researchers to search for vegetable based fish diets. Diets that include a 20% introduction of these plants proteins tended to perform the closest to the control diet. Introduction of 40% or 60% soybean or field peas generally resulted in less weight gain & poorer feed conversion ratio.

NDSU Department of Cereal Science Fargo 4/27/2000 4/1/2001 Flax/Durum Pasta 07700-35 Completed \$21,200 \$21,200

The Department of Cereal Science at NDSU received \$21,200 to develop a functional food, such as pasta, using durum wheat and flaxseed, and to research the feasibility of using flaxseed components in pasta.

Status Notes: This grant was for 21,200 money spent was 21,040.

The stability of flaxseed components was demonstrated by the lack of a significant increase in the oxidative markets. The level of flaxseed components measured initially and after 9 months of storage remain consistent, thus supporting their stability & presence in the final pasta product. A 20% flaxseed pasta was considered the most appropriate functional food pasta evaluated in this study.

NDSU Williston Research Center Williston 4/27/2000 3/1/2001 Potato Pivot Irrigation Russet - Burbank 07700-42 Completed \$40,000 \$20,000

The NDSU Williston Research Extension Center received \$20,000 to demonstrate successful irrigated Russet Burbank potato production in northwest North Dakota to promote irrigation development and potentially locate a processing plant in the region.

Status Notes: No executive summary with final report.

Summary for 'GrantType' = Basic and Applied (5 detail records)

Sum \$165,100 \$100,200

Avg \$33,020 \$20,040

Grant Type: Cooperative Marketing

Company Name	City	Start Date	End Date	Project Title	Project #	Status	Requested	Approved
Ag Information Technology Cooperative	Fargo	4/27/2000	12/1/2000	Ag Information Technology Cooperative	07700-36	Completed	\$32,000	\$32,000

The Ag Information Technology Cooperative received \$32,000 to determine the feasibility of providing interactive, state-of-the-art agricultural information and management tools via the Internet to help producers improve their economic viability.

Status Notes: Final report was approved by Schneider 11-16-01 based on the additional info provided and the review of the feasibility study.

Grant accomplished 6 tasks; Industry research feasibility study, competitive analysis, primary research with potential market, market strategies, farmer assessment, and recommendations.

Tuesday, January 07, 2003

Page 9 of 36

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Operator's Signature *Deanna Hall Smith*

Date 10/3/03

Bushel 42 Pasta Company Crosby 4/27/2000 3/1/2001 Semolina Specialties
Semolina Specialties in Crosby received \$50,000 to conduct a study to determine the feasibility of forming a growers cooperative and building a pasta plant that produces organic and value-added products, including specialty shapes and flavors.

07700-48 Completed \$166,500 \$50,000

Status Notes: 4-27-00 Semolina approved \$50,000 to conduct a study to determine the feasibility of forming a growers cooperative & building a pasta plant to include specialty shapes & flavors. The study was completed in March and a forwarded to APUC with a final report.

January 2001, Semolina Specialties announced a working agreement with Dakota Growers Pasta, including preferred stock, marketing assistance, contracting for long goods and organic pasta production and the purchase of assets from DGPC Minnesota facility.

April 2001, Semolina Specialties announced that it had reached its producer investment equity goal of \$2.5 million and would break escrow. The equity-offering deadline is open until May 15.

April 2001, ND Development Fund invested \$75,000 in preferred stock in the cooperative.

China Trade Mission Bismarck 6/30/2000 Asia 2000 07700-52 Completed \$35,000 \$35,000

The Asian trade mission being organized by Governor Schafer, Asia 2000: Opening doors to the world's largest emerging market, received a grant of \$35,000. The money is designated to underwrite the travel costs of ag industry participants on the trade mission. The September visit to China and Taiwan is being organized to strengthen North Dakota's economic, educational and cultural ties with East Asia and introduce North Dakota's businesses and food producers to China's landscape and the opportunities that exist in this emerging world economy.

Status Notes: 7 company: RDO Foods, American Loala, Northern Grains Institute, High Plains Beef, Red River Commodities and Cooper Kettle Corn 2 state employees, Lance Gaebel-APUC Executive Director and Shanien Bornsen-AG Dept. traveled to Beijing, Shanghai, Hong Kong and Taipei, Taiwan. All parties found the trip to be very educational, and worth while. This was an excellent first step for companies looking for new market opportunities in Asia.

APUC paid half of the travel expenses so the trip cost \$26,803.35 and \$8,196.65 was returned to APUC.

Great River Dairy Alliance Mandan 3/1/2000 12/1/2002 Great River Dairy Alliance 07700-28 Approved \$63,000 \$40,000

The Great River Dairy Alliance received \$40,000 to develop a business plan and hire a coordinator to operate this partnership of four large dairies in North Dakota.

Status Notes:

Natural Meat Project Mandan 10/25/2000 9/1/2001 Natural Meats Cooperative Project 07700-57 Approved \$5,000 \$5,000

The Natural Meats Cooperative Project was awarded \$5,000 to help fund the initial organization of a multi-state regional cooperative of all-natural meat producers. The group plans to investigate the potential profitability of acquiring an existing natural meat processing and marketing company.

Status Notes: Many positive market contacts have been made through the technical assistance work with livestock producers. Dakota Lamb Cooperative is now in the process of exploring the number of lambs the cooperative will deliver to Coleman Natural Meats Company.

Tuesday, January 07, 2003

Page 10 of 36

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Deanna Hallmark
Operator's Signature

10/3/03
Date

Walton Bean Growers Cooperative
Fargo
3/1/2000
11/1/2001
Walton Bean
07700-21
Completed
\$98,500
\$68,500

Status Notes: The cooperative received \$68,000 to form a multi-state consortium of small grower groups and cooperatives to collaboratively and strategically market their products. with Walhalla Bean Company, the cooperative owns 65% of United Bean Growers USA to market its commercial dry edible beans. The company partnered with Harlow Farmers Elevator Company in Harlow and Maddock ND.

Summary for 'GrantType' = Cooperative Marketing (6 detail records)
Sum
Avg

Grant Type: Farm Diversification

Company Name City Start Date End Date Project Title Project # Status Requested Approved
\$400,000 \$230,500
\$66,667 \$38,417

Diamond Llama Ranch Cathay 6/1/2000 12/1/2000 Diamond Llama Ranch 07700-50 Completed \$5,000 \$5,000

Status Notes: The gift shop and petting zoo will expand to include a gift shop and petting zoo.

A current llama operation in Cathay officially opened the weekend of May 26, 2000, closing date for the season is September 4, 2000. Over 500 people visited and total revenue for the summer including sales and donations was only \$1900.00. Attended craft fairs showcasing the alpaca fur rugs, pillows, teddy bears and jackets which resulted in revenue totaling \$6,092.80. Attending these events proved to be a excellent marketing opportunity.

Donald Uglem Mint Farm Northwood 2/15/2000 7/31/2001 Donald Uglem Mint Farm 07700-20 Completed \$19,268 \$5,000

Status Notes: The mint diversification is to spread the operations risks and to diversify into a crop that has a more profitable outlook than the current cropping practices. The number one recommendation to other producers is to develop a relationship with a current mint producer. Mint is a high maintenance, high input crop, and growing it successfully takes experience. Also recommend starting small which allows for mistakes & learning, without as much risk. A large cost of setting up a still system & the perennial nature of mint, the producers must be sure they are going to continue to grow mint for the long term. (see 07700-18 & 19)

Feland's Organic Garden Almont 2/15/2000 11/1/2000 Feland's Organic Garden 07700-16 Completed \$5,000 \$5,000

Status Notes: A Certified Organic garden using non-conventional methods as, "weeder geese", and chickens for a weed and pest control. Product will be sold at a farmers market and retail store in the Almont area.

Hamilton's Mechanic Shop Killdeer 2/15/2000 5/31/2000 Hamilton's Mechanic Shop 07700-17 Completed \$6,262 \$5,000

Status Notes: Experienced mechanic supplementing farm income during the winter months when the farm operation requires less intensity. Farmers in the Killdeer are in need for this service. The shop is ready for mechanic work in the winter after farming is done. As of October 10, 2002 had completed 5 jobs for a profit of \$893.00.

In the Potter's Hand Inc Wildrose 8/2/2000 8/1/2001 Gillund Mosquito Repellent 07700-51 Completed \$5,000 \$5,000

Status Notes: The project will develop an all natural mosquito repellent, for people that have allergies to on the market products, using mint and creating a new business with crop diversification impact.

In the Potter's Hand Inc. is a fledgling business that as yet does not provide employment opportunity to any one other than ourselves. They believe that the potential is there for much growth. The 3 products developed are effective & high quality ones that have been well received by local consumers & now need to focus on marketing beyond our local region.

Tuesday, January 07, 2003

Lawler Elk Ranch	Hansboro	4/1/2000	2/1/2001	Lawler Elk Ranch	07700-30	Completed	\$5,000	\$5,000
To supplement current operation, elk will be raised for the velvet antlers, shooter bulls, breeding stock and possibly meat.								
Status Notes: Purchased a squeeze chute to help with the cutting of horns and necessary health procedures. Herd has grown from 9 females and 1 bull to 40 head, includes 8 bulls for weaning age and 7 bull calves.								
Nesson Valley Gardens	Ray	5/1/2000	1/1/2001	Nesson Valley Gardens	07700-49	Completed	\$5,000	\$5,000
There is no competition in the immediate area for local varieties of fresh produce at local grocery stores. There are local producers who do produce for roadside markets. Nesson Valley Gardens located in Ray, will be the only growers with a washing facility, packing shed, and a cooling facility.								
Status Notes: Initial goal was to provide a convenient way for local consumers to buy fresh quality produce. At this time it is not a real lucrative endeavor, but they are establishing, improving, and continuing to pursue a method to enhance the business.								
Randy Uglem Mint Farm	Northwood	2/15/2000	7/31/2001	Randy Uglem Mint Farm	07700-18	Completed	\$19,268	\$5,000
The objective for the mint diversification is to spread the operations risks and to diversify into a crop that has a more profitable outlook than the current cropping practices.								
Status Notes: One advantage of growing mint in our area is a lower cost of production than the traditional mint growing areas. The price of mint oil has dropped in the last year, however, unexpected 1st year harvest of the mint will make up for some of the price decrease. The grant for the mint planter has provided a strong foundation for our mint operation, while also helping others to start. With 4 other producers starting to grow mint in the area, the amount of shared knowledge is growing. (see 07700-18 19 & 20)								
Ray Fuglestad Family LLP	Luverne	4/1/2000	12/1/2000	Ray Fuglestad Family LLP	07700-33	Completed	\$5,000	\$5,000
A pheasant hunting preserve is a natural fit for this land. 5000 pheasant chicks will be purchased this spring and 1000 breeder birds will be ready by August 1, 2000. The Fuglestad's are researching the possibility of cooperating with the ND Wetlands Trust, Environmental Quality Incentives Program (EQIP) and US Fish and Wildlife Service to develop a plan to operate the pheasant hunting enterprise efficiently and at the same time to benefit the native grasslands and wildlife in the area. Grant funds will pay for start up costs.								
Status Notes: Purchased 3000 birds, moved a two story house on the property to use as cook shack and meeting room. The best form of advertising so far has been brochures, will be attending trade shows and will only advertise on radio stations that have a proven audience of hunters.								
Scheresky Custom Spraying	Max	4/1/2000	2/1/2000	Scheresky Custom Spraying	07700-31	Completed	\$5,000	\$5,000
The sprayer will supplement the farm in a time of low farm commodity prices. The sprayer will give the benefit of having off-farm income while still allowing time to plant and harvest their own crops. It will eliminate the need for hiring custom spraying for row crops.								
Status Notes: Projected goal was spraying 20,000 acres 1st year did 26,000 acres plus 3,000 of his own. Could have sprayed more acres if equipment had less breakdowns, during the peak season turned away several thousand acres. Next year plan on upgrading the equipment to reduce the down time and provide faster service to customers.								
Shenenne Valley Hide Away	Valley City	10/25/2000	11/1/2001	Shenenne Valley Hide Away	07700-64	Terminated	\$5,000	\$3,750
To establish a lodging facility on the owners' farm south of Valley City, that caters to wildlife watchers, cross country skiers, hunters, canoeists, campers, hikers and other who are seeking natural recreation and eco-tourism opportunities. Funds will be used to purchase materials to build the lodge.								
Status Notes: Project terminated due to illness. 10-25-01 - jfs amount remaining \$1250.00								
Troy Uglem Mint Farm	Northwood	2/15/2000	7/31/2001	Troy Uglem Mint Farm	07700-19	Completed	\$19,268	\$5,000
The mint diversification is to spread the operations risks and to diversify into a crop that has a more profitable outlook than the current cropping practices.								
Status Notes: The planter was used in 2000 to plant 65 acres of my mint and 7 acres for 2 neighbors. Next year the planter will be used to plant 118 acres of my mint plus 40 acres for the neighbors. (See 07700-18 & 20)								

Tuesday, January 07, 2003

Turtle Mountain Dairy Bottineau 4/17/2000 11/1/2000 Turtle Mountain Dairy 07700-32 Approved \$10,000 \$10,000

Ten farmers from the Rolette County area have banded together to form an entity called the Turtle Mountain Dairy. Work is currently underway to incorporate as a Limited Liability Partnership. This project represents an effort to build a large-scale dairy to foster new wealth and jobs creation in the area. The plan is to build a 1,600 head facility creating about 30 new jobs in the area. In addition to the jobs, spin off business in the areas of raising heifer replacements, pasturing dry cows, raising feeds, manure applications and transportation would be created.

Status Notes: final report turned in 6-15-01. requested more info budget had changed, no receipts had not spent the money.
John contacted them 11/26/01

Summary for 'GrantType' = Farm Diversification (13 detail records)

Sum \$114,066 \$68,750

Avg \$8,774 \$5,288

Grant Type: Marketing and Utilization

Company Name	City	Start Date	End Date	Project Title	Project #	Status	Requested	Approved
American Loala Mgmt. LLC.	Bismarck	4/27/2000	12/1/2000	American Loala Mgmt LLC	07700-38	Completed	\$86,110	\$9,600
American Loala Management in Bismarck received \$9,600 to develop and market Loala beef products, a trademarked brand of miniature cattle that provides high-quality beef in moderate portions.								
Status Notes: Attended World Dairy Expo in Madison, Wisconsin, 69,575 people attended added 257 names of interested contacts. Attended the National Cattlemen's Beef Association in San Antonio, Texas contacts were made with a number of potential international clients.								

Central Dakota Shippers Hurdtsfield 4/27/2000 5/1/2002 Central Dakota Shippers Assoc. 07700-39 Approved \$10,000 \$10,000

The Central Dakota Shippers Association received \$10,000 for marketing to end-users and develop a list of viable customers based on particular crop specifications that will be provided to North Dakota growers.

Status Notes:

Commercial Vegetable Fargo 10/25/2000 12/1/2001 Executive Vegetable Marketer Consulting for ND 07700-54 Completed \$100,000 \$65,000

Commercial Vegetable Growers Task Force was granted \$35,000 to assist with the hiring of an executive marketer for the North Dakota vegetable industry. The professional will work with vegetable producers, economic development professionals, the Irrigation Caucus, the High Value Irrigated Crop Task Force and the collective agriculture industry in the state to market high value crops from North Dakota.

Status Notes: Mike Kirby was hired as the marketer. He has been working with onions and pumpkins.

Dakota Country Meats Jamestown 10/25/2000 11/1/2001 Marketing ND Produced Bison 07700-60 Completed \$50,000 \$5,000

Dakota Country Meats of Jamestown was granted \$5,000 to assist with marketing North Dakota produced bison. Fresh bison portion cuts and frozen bison patties will be marketed throughout the region. Grant funds will be used for a marketing consultant and marketing costs.

Status Notes: 10-2001 processed & delivered 10 ND grown bison bulls to Amsterdam for fresh retail sales. Anticipates delivering 45 to 90 head to the European market in the near future.
Processed ND bison bulls into patties, chopped steaks and jerky for retail & food service markets.

Tuesday, January 07, 2003

Page 13 of 36

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Date

10/3/03

Dakota Heritage Beef Arndson 4/27/2000 11/1/2000 Dakota Heritage Beef 07700-34 Completed \$19,939 \$19,939

Dakota Heritage Beef received \$19,939 to market high-quality beef products that are ranch sourced and process verified with a satisfaction guarantee through meat markets or direct to consumers.

Status Notes: Having a relationship with an established meat marketing business that has shared risk and ownership of the product would help with many of the obstacles. The most frustrating thing of this test market experience is that DHB did define a beef product line that over 98% of consumers surveyed would recommend to friends and continue to purchase, however getting that product from the ranch to the consumer remains a major obstacle of which DHB has yet to overcome.

Dakota Lakes Products Inc Kensal 4/27/2000 9/1/2001 Dakota Lakes Products 07700-43 Completed \$10,000 \$10,000

Dakota Lakes Products in Kensal received \$10,000 to fund a marketing campaign and new package development to expand its sales through private labeling and entry into the East Coast kosher market.

Status Notes: Obtained verbal permission to change original kosher objective and utilize the funds to construct hutchers for marketing in Cabela's and other national outlets. 8 hutchers have been placed in Cabela's K-Mart and Scheels Stores. To date, paperwork is pending for placement in 9 Wal-Mart stores in North Dakota and Minnesota.

Goldboard Dakota LLC Fargo 4/1/2000 9/1/2000 Goldboard 07700-29 Completed \$150,000 \$88,000

Goldboard Dakota LLC is a joint venture with Iso-Straw Cooperative in Finley, North Dakota. The groups are working to build a straw processing plant to convert 400,000 tons of straw into 208,000,000 ft 2 (34IN basis) of strawboard and value-added products.

Grant are being used for production of quality test samples, product optimization/development work, and negotiations to secure long-term agreements from customers for strawboard and value-added products.

Status Notes: Home Depot stores will be the major outlet for both "rawboard" and "value-added", signed an Agreement in Principal. Developed relationship with Taubert/ELESGO in Germany. Continues to work with other major industry leaders for products including shelving, cabinets and furniture.

Heart Of The Valley LLC Mayville 4/27/2000 2/1/2001 Heart of the Valley Cooperative 07700-47 Completed \$56,800 \$35,000

The Heart of the Valley Cooperative in Mayville received \$35,000 to produce and market natural bean pastas for distribution through national health food companies and natural food distributors.

Status Notes: Company has achieved the objective of developing a market for edible bean powder in the production of gluten-free pastas. Mrs. Leeper's Pasta of Poway, CA has issued a letter of intent to produce the product, estimating that volumes will exceed 250,000 within three years of introduction.

1990 Biennium - Pinto Bean Plant I \$15,000.00 for a feasibility study.

1993 Heart of the Valley I \$44,700.00 for product development & marketing

1994 Heart of the Valley II \$70,000.00 for Business Planning

1995 Heart of the Valley III \$30,000.00 Process Development Research

03300-11 1997 Heart of the Valley \$13,375.00 packaging & promotional materials development.

1999 Heart of the Valley \$124,200.00 unsuccessfully new development & test market.

APUC request a short summary of difference between that application & this one, no summary was given.

KIP Farms Grand Forks 10/25/2000 Pre-Processed Vegetable Study 07700-59 Completed \$5,000 \$2,000

APUC granted \$2,000 to KIP Farms of Grand Forks for a Pre-Processed Vegetable Study. The project is to study the markets for pre-processed vegetables in the United States. The pre-processed vegetables could bring new markets for the high-value vegetables to North Dakota.

Status Notes: Foodservice may offer the better channel of distribution since product can be introduced without paying large slotting fees as is customarily required for retail distribution. Several attempts have been made at shelf stable products in packaging other than canned in the U.S., in each case shelf stable products other than in canned form have not had great acceptance. In fact, the product has failed in the marketplace after significant investments.

Tuesday, January 07, 2003

Page 14 of 36

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Operator's Signature

Date

10/3/03

Lewis & Clark Bean & Pea Growers Garrison 10/25/2000 6/1/2001 Bean Growers Phase 2 07700-61 Completed \$65,000 \$10,000

Lewis & Clark Bean Growers of Garrison was awarded \$10,000 for the organizational costs for the second phase of a project to establish a bean and field pea processing facility. The funds will be used to assist with financial and legal costs for the start-up of Lewis & Clark Bean Growers group.

Status Notes: This is Phase II of the project. Phase I was granted \$35,000.00 to determine the feasibility of developing a locally owned bean cleaning, grading and bagging facility. Project started 5/1/99 was completed 2/28/00.

Throughout the organizational processes for the entire project the size and scope have changed and expanded. Lewis & Clark entered into a joint venture with Fiberich Legume Technologies and will focus on product management and marketing. Lewis & Clark will focus on the growing and value-added processing capabilities.

ND Corn Growers Association Fargo 10/25/2000 12/1/2002 Mkt. Plan to Increase Utilization of ND Ethanol 07700-56 Completed \$100,000 \$10,000

The North Dakota Corn Growers Association was granted \$10,000 for assistance with a marketing campaign to increase the use of North Dakota produced ethanol. The NDCGA, in cooperation with Alchem, Ltd. and the ND Corn Utilization Council, is initiating the marketing effort to increase demand for ethanol-blended gasoline from the current 13% market share to 30% of the gasoline sold in the state. North Dakota's two ethanol plants currently utilize 12 million bushels of corn per year to produce 35 million gallons of ethanol. North Dakotans utilize only 1/4 million gallons per year.

Status Notes: Did a survey of 802 households finds are 9 out of 10 were aware that some gas stations sell ethanol, respondents were less likely to agree that they will personally benefit from using ethanol. The largest share of respondents prefers using non-ethanol gasoline for most types of gas powered engines and less than one of every four reported they have purchased ethanol in the past week. Ethanol sales did go up to 22% from last month's total of 17%. A marketing campaign started in March of 2002 with regular radio ads using 3 different advertising outlets and a marquee in Fargo. The marquee will be up for 3 years.

ND Department of Agriculture Bismarck 4/27/2000 11/1/2001 MAP 2000 07700-37 Completed \$10,000 \$10,000

The North Dakota Department of Agriculture received \$10,000 to provide financial assistance to North Dakota companies attending national and international trade shows.

Status Notes: This MAP round of funding assistend 14 North Dakota companies with their travel expenses. These companies requested a total of \$9,139.86 from the program, and in return, generated \$2,045,000 in sales. They also have projected \$5,534,000 in increased sales will result from these activities.

ND Department of Agriculture Bismarck 4/27/2000 5/1/2001 www.shopnd.com 07700-41 Completed \$50,000 \$25,000

The North Dakota Department of Agriculture received \$25,000 to promote its Pride of Dakota Internet shopping mall and to offer the service to its members at a lower rate.

Status Notes: 400 products are on line, from 60 companies. Sales increased 17% from last year's December figures. Sales tracking show the percentage of out-of-state sales is currently 90%. The site currently averages 4,453 hits per day.

ND Elk Growers Association Cando 4/27/2000 4/1/2001 ND Elk Growers 07700-46 Completed \$49,350 \$15,000

The Elk Growers in North & South Dakota are planning to assess the opportunity to market velvet, meat and trophy hunts. Should these opportunities be verified, they intend to find the most appropriate organizational structures to maximize them.

Funds will be used to hire a professional consultant to conduct the opportunity assessment.

Status Notes: Feasibility study indicat there is good potential for a cooperative effort to market both meat and velvet. ND & SD should consider pooling our velvet production and possibly consider having some of it processed for further value-added marketing. Steering committee has been formed. Next step would be to develop a business plan and look at a marketing coop.

Tuesday, January 07, 2003

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Operator's Signature Deanna Hall Smith Date 10/3/03

NDSU Research Administration	Fargo	5/1/2000	9/1/2001	ND Beef Quality Assurance II	07700-25	Completed	\$25,500	\$25,500
The North Dakota State University Extension Service received \$25,500 to identify and develop strategic marketing channels for North Dakota beef products certified through the Beef Quality Assurance (BQA) program.								
Status Notes: ND Beef Quality Assurance program held 24 training meetings across ND, with 255 people attending, that market 36,225 cattle. The training meetings are in regulatory issues related to verifying status of meat and bone meal feeding, and recording keeping forms which allow producers to document feeding and animal health practices.								
North Dakota Irrigation Caucus	Bismarck	3/1/2000	3/1/2001	North Dakota Irrigation Caucus	07700-23	Completed	\$40,000	\$20,000
The North Dakota Irrigation Caucus received \$20,000 to hire a coordinator and implement the caucus' strategic plan, created to capitalize on the state's potential for irrigation development and agricultural processing.								
Status Notes: Much of the work is carried out by subcommittees, and policy positions are established by the members at the annual meeting. Staffing of the caucus includes a part time field representative, a part time communications director, a part time executive director, and a consultant for federal hydropower issues.								
PDM International	Northwood	3/1/2000	2/1/2001	PDM International (Northwood Bean Company, Inc.)	07700-27	Completed	\$20,000	\$20,000
Northwood Bean Company received \$20,000 to determine the feasibility of enhancing the value of bean by-products for sale to food-aid markets worldwide.								
Status Notes: Initially a 3 point market. Federally funded PVO's non-government funded PVO's & domestic food pantries/missions. Currently have established relationships with both PVO's & have received a firm offer from Save the Children to do in field trials in either Guatemala or Nicaragua.								
Rural Energy Resources	Mayville	4/27/2000	2/1/2001	Rural Energy Resources	07700-45	Completed	\$29,200	\$15,000
Rural Energy Resources in Mayville received \$15,000 to conduct a feasibility study for a waste management system for large, confinement livestock operations utilizing technology new to North Dakota.								
Status Notes: Findings suggest a number of areas for future research. From a marketing perspective, its doubtful that existing dairies would realize much value of thermal energy, basically waste heat from generation. New dairies can utilize this waste heat by circulating heated water through tubes in the floors, particularly in areas where manure buildup might be a problem. To be practical in existing dairies, new ways must be identified to extract value from waste heat produced through biogas fired electrical generators.								
South Central Dairy	Hague	10/25/2000	6/1/2001	Organic Dairy Production in ND	07700-62	Completed	\$20,000	\$10,000
\$10,000 was granted to South Central Dairy of Hague, ND for consultant fees and organizational costs for an organic dairy production project. The dairy producers in south central North Dakota will commission a market feasibility study to determine whether organic dairy production is viable for the state, and to investigate entry strategies into the market.								
Status Notes: The feasibility study has identified several marketing options. 1. Function as a preferred supplier of organic fluid milk to Cass Clay in their test market. 2. Deliver raw organic milk every other day to an Organic Valley co-packer in the Twin city area. 3. Arrange for the manufacture of organic milk powder and cheese products through Dakota Country Cheese with contractual sales to an organic dairy manufacturer located elsewhere. 4. Attempt to develop a producer-owned and operated branded organic milk & dairy products company with all dairy products custom processed & packaged. 5. Attempt to develop a producer-owned and operated branded organic milk company by bottling milk on farm.								
The Juneberry Patch	Valva	10/25/2000	10/1/2001	The Juneberry Patch	07700-58	Completed	\$11,750	\$5,000
The Juneberry Patch in Valva will receive \$5,000 to assist in their efforts in establishing a commercial market for Juneberry production in North Dakota. Grant funds would be used to pay for advertising, travel, and product promotion.								
Status Notes: Sold approximately 11,000 Juneberry shrubs to 46 individuals in 2001. Harvested 100 gallons of Juneberries. Have demonstration area in the orchard with 350 shrubs, 7 different varieties. The purpose is to evaluate the different varieties to determine which are best suited to this area. Continue working with NDSU and the ND Forest Service towards getting chemicals approved to be used to control weeds and aphids.								

Tuesday, January 07, 2003

Page 16 of 36

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10/3/03

Top Taste Inc
 Top Taste Inc. of Finley was awarded a \$17,500 grant to assist with a market and feasibility analysis of their proposed expansion project. The company produces frozen dough products utilizing North Dakota commodities. Top Taste's products are sold in niche markets in more than half of the country. The proposed expansion would allow them to serve markets throughout the nation and increase their Finley workforce from 45 to 65 employees.
 Status Notes: The favorable growth projected for this industry segment lends credibility and potential to the proposed Top Taste expansion. Growth is expected to occur at an annual rate of 2.7% from 1998 to 2006. To effectively deal with the on-going changes and to be successful in the future, wholesale bakeries will be required to successfully provide quality products in a timely and efficient manner.

Walton Bean Growers Cooperative
 Walton Foods received \$40,120 to further develop value-added dry edible bean products, implement a comprehensive marketing strategy and secure a partnership with a major food service company.
 Status Notes: Due to financial problems Walton Bean Company has closed its doors.

West Dakota Feed & Seed
 Ross
 West Dakota Feed & Seed in Ross received \$4,000 to develop and market a branded birdseed produced from North Dakota-grown sunflowers.
 Status Notes: Had a broker in Minnesota and shipped 5 loads company was satisfied with quality, but freight rates were higher than our competition from SD so shipments slowed down. Started shipping through R. J. Commodities, for Spokane but the usage is about 1/20 of that to the east and south, but are still selling to them. Company is clearing for local farmers, scalping scab and midge damage from farmers grain, cleaning and bagging peas and lentils and cleaning and shipping organic crops to various customers. Plan to continue to stay in the sunflower market, and hope to build up the volume.

Whispering Spirit Meats
 Manning
 Whispering Spirit Meats of Manning, ND received a \$5,000 grant to assist in marketing and distribution of buffalo and elk meat products for home and retail.
 Status Notes: Project is moving forward, as of December 2000, sales totaled \$6,204.07. No growth stimulants, hormones, or antibiotics are used insuring a pure product. Snack products are in convenience stores, also prime cuts are sold on www.spiritmeat.com website.
 Summary for 'GrantType' = Marketing and Utilization (24 detail records)
 Sum
 Avg

Grant Type: Prototype
 \$1,086,489 \$476,659
 \$45,270 \$19,861

Company Name	City	Start Date	End Date	Project Title	Project #	Status	Requested	Approved
Equidistant Planter Group	Cogswell	4/27/2000	2/2/2002	Equidistant Planter Group	07700-40	Completed	\$25,000	\$25,000
The Equidistant Planter Group in Oakes received \$25,000 to build a prototype of a planter that utilizes state-of-the-art technology developed and patented by the group to increase yields with no additional inputs.								
Status Notes: This planter device uniformly places corn seeds within a furrow for increasing crop yields. No data has been collected other than row crops (sugar beets, beans, etc) laboratory tests have demonstrated the planter appears to deliver these seeds as accurately as it does corn. The unit has successfully planted sugarbeets and they have emerged.								
Summary for 'GrantType' = Prototype (1 detail record)								
Sum							\$25,000	\$25,000
Avg							\$25,000	\$25,000

Tuesday, January 07, 2003

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Operator's Signature Deanna Hall Smith Date 10/3/03

Summary for 'Year' = 2000 (49 detail records)

Sum
Avg

\$1,790,855 \$901,109
\$36,544 \$18,390

Year: 2001

Grant Type: Basic and Applied

Company Name	City	Start Date	End Date	Project Title	Project #	Status	Requested	Approved
NDSU Department of Plant Sciences	Fargo	12/19/2001		Flour Tortillas w/Red & Spring Wheat	08800-10	Approved	\$33,800	\$9,500

A standardized process for evaluating ND spring wheat quality in flour tortillas will be developed to demonstrate a new use for spring wheat. Information will be shared with domestic and international commercial millers and bakers in an effort to open emerging markets for ND spring wheat producers. Grant funds will be used to develop a standardized method of evaluating ND hard red and white spring wheat in the production of flour tortillas and to promote the new use of spring wheat in tortilla manufacturing.

Status Notes: commission agreed to pay for travel up to \$8,500 and publication cost of \$1,000.

NDSU Department of Plant Sciences	Fargo	11/15/2001	12/31/2003	Weed Mgt. for Juneberries	08800-13	Approved	\$10,500	\$10,500
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ND growers considering Juneberry production need weed management and production information in order to optimize their income opportunity. The objective of the proposed field research will evaluate the effects of various weed management systems on Juneberry establishment and growth. Grant Funds will purchase and plant shrubs for the 2 experiments, apply weed control treatments, maintain plots and collect data.

Status Notes:

NDSU Department of Plant Sciences	Fargo	11/15/2001	12/1/2003	Woolly Elm Aphid Mgt in Juneberries	08800-15	Approved	\$2,040	\$2,040
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A survey of Juneberry insect and disease problems in ND during the summer of 2001 found that Woolly Elm Aphids is present across the state. Six treatments will be evaluated for the control of woolly elm aphids on Juneberry. These treatments will include a non-treated control, imidacloprid, 2 other insecticides and 2 cultural practices. Grant funds will pay for supplies and salary to do the research

Status Notes:

NDSU Department of Plant Sciences	Fargo	11/1/2001	12/31/2003	Annual Herb Production in ND	08800-16	Approved	\$9,250	\$9,250
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Herbs produced for the herb/spice industry or the essential oils industry can provide a complementary enterprise to ND growers. Herbs would be grown for the culinary, fragrance, and medicinal markets. Herbs would be marketed directly to restaurants grocery stores, etc, or contracted with an herb/spice company. Ideally a cooperative would form and with time develop into a company. Funds will be used to establish, maintain, and harvest plots and research associate salary.

Status Notes:

Summary for 'GrantType' = Basic and Applied (4 detail records)

Sum
Avg

\$55,590 \$31,290
\$13,898 \$7,823

Tuesday, January 07, 2003

Page 18 of 36

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Dennis Halliwell
Operator's Signature

10/3/03
Date

Grant Type: Cooperative Marketing

Company Name	City	Start Date	End Date	Project Title	Project #	Status	Requested	Approved
Bushel 42 Pasta Company	Crosby	5/25/2001	3/1/2002	Semolina Specialties Phase 2	07700-75	Completed	\$80,000	\$80,000
Semolina Specialties is a start up dry pasta company that will include a growers co-op. It will make specialty shapes & flavors & higher margin items such as organic & value added products. The company will use, the best durum available & experienced personnel to make the best specialty pasta currently available in the world.								
Funds will be used for legal research for further developing grower & delivery contracts, & hiring a sales & marketing professional for entry into the pasta market.								
Status Notes: Company is up and running had a grand opening in August of 2002.								
Summary for 'GrantType' = Cooperative Marketing (1 detail record)								
Sum								
Avg								

Grant Type: Farm Diversification

Company Name	City	Start Date	End Date	Project Title	Project #	Status	Requested	Approved
Big Flat Weigh Station	Halliday	6/25/2001	1/1/2001	Big Flat Weigh Station	07700-83	Completed	\$5,000	\$5,000
To build a convenient livestock weighing facility, for easy access near a highway. The station will provide convenient cattle weighing and processing with limited stress on livestock & handlers, in the shortest time-frame possible.								
Status Notes: Weigh station was completed in October 2001 and weighing for cattle and sheep begin. Have received numerous compliments from fellow livestock producers and significant encouragement from the community in general.								
High Point Kennel & Gamebird	Cando	9/5/2001	12/31/2001	High Point Kennel & Gamebird	08800-06	Completed	\$5,000	\$5,000
A hunting preserve on a family farm. This new business will include pheasant, Hungarian partridge and chukkar gamebirds. Dogs will be furnished for hunters.								
Status Notes: The results of these additions and changes were outstanding, no birds were lost to disease in the 2001 entire season. This is a direct result of the installation of the gas brooders and closed watering systems.								
Hungarian partridge cannot be purchased by any other means than as eggs, therefore necessitating the continuation of incubating this species.								
Largest hurdle to overcome will be in advertising. Out of state hunters were expected to be the target consumer priority. The results were disappointingly below expectations for this group but higher than expected for local hunters.								
Johnson Ranch	Luverne	4/20/2001	12/1/2001	Sunrise Poultry	07700-72	Approved	\$4,625	\$4,625
Low investment & small area required to raise a flock of poultry makes it an ideal venture. Domestic & rare poultry can supplement farm income by selling eggs - both for consumption & hatching to several niche markets. There is also the option of selling feathers from rare breeds on-line at our own website and other auction sites.								
Funds will be used Brooder House and equipment.								
Status Notes:								

Tuesday, January 07, 2003

Land Cattle Company	Kulm	11/15/2001	12/1/2002	Added Value Beef	08800-17	Approved	\$18,000	\$5,000
Land Cattle Company project is Natural Beef from the ranch to the plate. We are filling a need for consumers demand for unpolluted beef. No added Hormones or antibiotics, processed one at a time and marketing directly to restaurants and supermarkets.								
Grand funds will be used for advertising, promotional events, brochures all to build product recognition. Also legal fees and miscellaneous.								
Status Notes: In July 2001 they were unsuccessful in being awarded a grant. One reason was the small herd of cattle they had at the time.								
The commission decided this was a FD and approved \$5,000.								
Merck's Farm	Granville	5/7/2001	5/1/2002	Juneberries	07700-74	Completed	\$5,000	\$5,000
The plan is to plant 2 acres of Juneberries in May of 2001 with the first harvest coming in July of 2004. Intend to increase acreage to 5 acres by May of 2003. Average yields usually run about 4000 lbs per acre.								
Grant funds will be used to purchase and plant Juneberry seedlings.								
Status Notes: In May of 2001 planted 1800 shrubs. Weed control was a problem. 95% winter survival rate. Although this project was very labor intensive with the planting, spraying, weeding, and monitoring for insects, very optimistic with what looks like an excellent survival rate on the trees. Plan on increase acreage by 5 acres by May of 2003.								
Miller Hydroponics Lettuce Production	Manning	4/20/2001	9/1/2001	Hydroponics Lettuce	07700-73	Completed	\$5,000	\$5,000
Produce Bib Lettuce Hydroponically in a 68 X 27 ft. greenhouse. Plans are to produce 2,500 plants per month in weekly harvesting intervals. Will market to restaurants in the Southwest North Dakota, local grocers and individuals will be second priority.								
Grant money will be used to get greenhouse up and running.								
Status Notes: Project is up and running can produce 16 crops but only with grow lights & CO 2. Marketing continues and more lettuce is reaching the grocery stores as sales continue. Individual sales are good.								
Simundson Lingonberry	Walhalla	2/7/2001	6/1/2002	Simundson Lingonberries	07700-65	Terminated	\$5,000	\$5,000
To develop a 1/2 acre plot of lingonberries that will be used for plant studies, to develop management techniques for growing these plant and later commercial production.								
Grant funds will be used to purchase the lingonberry plants, the number of plants needed for the 1/2 acre plot would be approximately 4,326 plants.								
Status Notes: Due to problems with the plants Mr. Simundson submit a final report and asked that the grant be terminated and returned \$2,681.94 from the first disbursement.								
Varnson Resort	Brocket	4/20/2001	11/1/2001	Varnson's Cabin	07700-71	Completed	\$5,000	\$5,000
Establish a business based on the potential market for waterfowl hunters and nature based tourism. Build a facility to provide all services required by these hunters. This would include sleeping quarters with a kitchenette and a game cleaning facility.								
Grant funds would establish the resorts.								
Status Notes: Project is completed at a cost close to \$30,000. Did get started on a small scale first year but customers are happy and next year is looking fast. One thing they learned is none of these adventures are or will be easy, it takes a lot of time and pride to be successful.								

Tuesday, January 07, 2003

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10/3/03
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Wellman's Bakery Cavalier 6/11/2001 12/1/2001 Mrs Wellman's Homemade Juneberry Pies 07700-84 Completed \$5,000 \$5,000
The objective for this project would be to develop a market for Juneberry products; pies, muffins, turnovers, jams, synops. Currently have 1 1/2 acres (1,600 plants). About one pound of berries is used per pie, therefore one acre of Juneberries could produce 5,000 pounds of berries.
Status Notes: Constructed a commercial kitchen. Demand for fresh & frozen pies have increased. Set up at Rendezvous Festival, Grand Forks Farmers Market, Pembina County Fair, and the Pembina County Machinery Show & the Stump Lake Threshing Show. Sold out of pies at each event. Income for 2001 total \$7,720.00

White Rock Dairy Towner 10/1/2001 1/2002 White Rock Dairy 08800-08 Completed \$10,000 \$5,000
Currently farm 6,300 acres, raising corn, sunflowers, wheat, barley, oats, canola & Alfalfa, and 380 head of cattle. Plans are to construct and operate a 4,000 head dairy in Denbeigh, ND. Have borings & obtained a water permit. Plans are for a rotary-style parlor with curtains barns.
Status Notes: DeHann, Grabs and Associates are the engineers for the project, completed the soil borings & finalized waste management. Completed the feasibility study, and business plan. Anticipated milking could be sometime in June or July of 2003.
Summary for 'GrantType' = Farm Diversification (10 detail records)
Sum
Avg

\$67,625 \$49,625
\$6,763 \$4,963

Grant Type: Marketing and Utilization

Company Name	City	Start Date	End Date	Project Title	Project #	Status	Requested	Approved
Commercial Vegetable Growers	Fargo	10/1/2001	1/1/2002	Executive Marketer	08800-07	Completed	\$0	\$35,000
This is a add on to project 07700-54.								
Status Notes: See Project 07700-54								

Commercial Vegetable Growers Fargo 7/16/2001 12/31/2002 Whole Peeled Onion Study 08800-05 Approved \$23,000 \$12,000
Hiring a consultant to bring up to date information to the Commercial Vegetable Growers of ND concerning the market for whole peeled onions to be processed in ND and sold to several different markets. The CVG of ND group has indications that this is a growth market in processed vegetables.
Grant funds will be used to hire a marketing consultant to bring fresh information on the markets for Whole Peel Onions.
Status Notes: October 2000, Commercial Vegetable Growers Task Force was granted \$35,000

Tuesday, January 07, 2003

Page 21 of 36

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Date

10/3/03

Operator's Signature

Date _____

Page 22 of 36

Tuesday, January 07, 2003

Dakota Halal Processing	Harvey	5/3/2001	Dakota Halal Poultry II	07700-76	Terminated	\$75,000	\$75,000
Dakota Halal Poultry intends to recommission the ex-poultry plant at the city of Tolna.							
Funds will be used to charter bus.							

Scrutiny Notes:

- 5-1-99 approved \$25,000 for market meat for Muslim trade
- 1-30-01 approved \$68,500 canning facility in Harvey
- 1-30-01 approved \$20,000 of a \$95K request, to recommission the existing poultry plant in Toluca Grande, but not approved.

Moved the balance of \$37,500 to 08800-24

Project Name	Contractor	Start Date	Completion Date	Amount
Dakota Halal Processing	Harvey	1/30/2001	7/1/2001	\$20,000
Dakota Halal Poultry intends to recommission the ex-poultry plant at the city of Tolna			Completed	\$95,000

Status Notes: Tolra plant has been inspected to project the cost for refurbishing and reactivation. Turn around time for the procurement of a business plan, blue prints, secure government certification, develop market material, legal and consultant services, value added plant and the work scheme for reactivation. Turn around time for reactivation is 12 months.

Dakota Halal Processing	Harvey	1/30/2001	10/1/2001	Dakota Halal Processing
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Funds will be used for the development of	Terminated	\$68,500
Funds will be used for the development of	07700-66	\$68,500

	Month
Dakota Lamb Growers	Moved the Balance of \$8,500 to 09800-24

Status Notes: Moved the Balance of \$8,500 to 09800-24

development or business plan, blue prints, secure government certification, development marketing material, legal services, and for consultant services.

	Northwood	11/15/2001	2/1/2003	Sausage & Equity Drive	08800-14	Approved	\$98,000	\$37,000
Dakota Lamb Growers Cooperative								

The Dakota Lamb Growers Cooperative is attempting to add value to the entire carcass of the lamb.

Status Notes: Sept. of 99 awarded grant from NIAH to conduct a feasibility study, business plan, matching funds and equity drive.

\$37,000 was approved \$22,000 is for feasibility study and

Dakota Renewable Fuels LLC	Fargo	7/17/2001	11/1/2003	Dry Mill Ethanol Plant	Dakota Ethanol Steering Committee in concert with Dakota Renewable Fuels LLC
Dakota Renewable Fuels LLC will be contingent upon a successful feasibility study and business plan, \$15,000 will be contingent upon a successful feasibility study and that is to go for the equity drive.					

Project Name	Project Number	Project Description	Project Status	Project Amount
City Mill Ethanol Plant	08800-03	Approved	\$223,000	\$35,000

Status Notes: October 2000 a \$10,000 grant was awarded to ND Corn Growers Association for the financing of a dry mill ethanol plant in ND.

the year marketing campaign to increase the use of ND ethanol from 13% to 30% of the market

Dakota Renewable Fuels LLC	Fargo	11/15/2001	8/1/2003	Dry Mill Ethanol Plant II	08800-09	Approved	\$133,000	\$133,000
The Dakota Renewable Fuels Steering Committee, in cooperation with the ND Corn Growers and ND Corn Utilization Council is planning the construction of an ethanol plant in ND. A feasibility study is currently being conducted. Funds will be used for implementing a business plan, conducting an equity drive, and arranging for the financing of a dry mill ethanol plant in ND.								
Status Notes: July of 2001 a grant for \$35,000 was awarded for this project, 08800-03, completion of this first phase runs until 11-1-2003.								
Denise & Paul Schulz Juneberry Farm	Davenport	5/3/2001	8/1/2002	Juneberry Farm	07700-79	Approved	\$4,700	\$4,700
To establish & stabilize markets for Juneberries produced at the Schulz's farm. The berries will be sold in frozen & fresh pkgs. to the wholesale & retail markets, including U-Pick at the farm. Future commercial ideas will include food processing and winery.								
Funds will be used for the establishment of marketing channels focusing on Juneberry production within the wholesale and retail markets.								
Status Notes: The Schulz's were not approved for a farm diversification grant since the committee determined that they were not farmers, they were referred to the Marketing and Utilization program.								
Flax Tech	Rock Lake	5/3/2001	5/1/2002	Marketing Phase for Horticultural Products	07700-77	Completed	\$40,478	\$40,477
FlaxTech is a manufacturer in the business of converting flax straw into value-added horticultural products, unique in the use of flax fiber. The flax fiber is made into hanging basket liners, garden mulch blankets, and tree skirts. Funds will be used for market research & planning, trade shows, website development, retail presentation development, ad development & trial advertisement placement, & monitoring in regional horticulture publications.								
Status Notes: 1-27-98 Flax Tech \$8,690 to develop a erosion control mat made of flax straw								
7-27-98 Flax Tech \$30,000 Phase II of the erosion control mat								
A professional display was developed for trade shows with appropriate product literature. Products have been well received and samples were sent out to those interested throughout the United States and Canada. The trade shows also provided feedback for improving the effectiveness of the marketing efforts and to fine tune marketing and packaging materials. The number of flax growers continues to grow and Flax Tech sent the excess to Canada for the pulping markets.								
In the Potter's Hand Inc	Wildrose	7/17/2001	7/1/2002	Dakota Free Products	08800-04	Completed	\$40,000	\$30,000
Manufacturer of all natural products utilizing farm grown crops such as mint, safflower oil, & beeswax. These products include mosquito repellent, moisturizing lotion, lip balm and essential oils. With growth the opportunity for local farmers to grow these crops will provide additional farm income.								
Funds will be used for professional packaging, trademark protection, marketing, tradeshow, national marketing, internet marketing and a part-time employee.								
Status Notes: Professional labels and packaging were for 36 products and have successfully be marketed. Products are in 65 retail locations in 9 states, and have had inquiries from 3 other states. Experienced steady growth total sales for 2001 were \$20,225 and 2002 sales through July 31 totaled \$18,148.								
Lakota Dairy Initiatives	Edmore	7/17/2001	6/1/2002	Lakota Dairy Initiative	08800-01	Approved	\$20,700	\$20,700
The project consists of investigations and conducting the feasibility of establishing a central feed plant that would provide feed for a dairy heifer raising facility, steer finishing lab, and one or two large dairies. Funds will be used to undertake an information gathering and feasibility of developing a feed plant, feedlot, heifer raising and additional dairies.								
Status Notes:								

Tuesday, January 07, 2003

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10/3/03
Date

Master Potatoes Inc	Hutton	11/15/2001	12/31/2002	Marketing Initiative Phase 2	08800-12	Completed	\$49,000	\$31,750
This marketing project is designed to continue marketing our products into new markets and to market a new product. Grant funds would be used to help cover the costs incurred by the end user incentives, rebates, food shows and sampling. Help finance salesmen's cost for travel. Status Notes: Phase 1 was awarded 11/89 and ended 6/01 in the amount of \$39,000, to pursue new markets. \$31,750 is for advertising costs Attended 7 food show events saw a 18% increase in sales after these foodshows. The other avenue they are pursuing is direct delivery. Tried rebates to vendors but found it difficult to compete with the larger companies.								
ND Department of Agriculture	Bismarck	11/2/2001	11/1/2002	MAP 2001	08800-11	Approved	\$10,000	\$10,000
This is a joint effort between the ND Dept of Ag and ND companies to promote value-added agricultural products. Companies will attend national and international tradeshow, and participate in trade missions with this funding. Grant funds will be used for financial assistance for travel funding for tradeshow and trade missions. Status Notes: Assisted 20 ND companies with their travel expenses and generated \$630,000 in sales. Companies reported that 370 contacts were made at these sponsored shows, and of those 74 resulted in sales.								
NDSU Research Administration	Fargo	1/30/2001	6/1/2003	Enhancing ND Dairy Industry	07700-69	Approved	\$93,796	\$80,000
Modernization of the North Dakota dairy industry through improved production and business practices, to stabilize the rural economies. Funds will be used for expansion of the North Dakota Dairy Diagnostic Program 3 to assist more farms in forming management teams to analyze their dairy enterprise, and optimize milk production for the enhancement and retention of the state's dairy industry. Status Notes:								
North Dakota Buffalo Association	Bismarck	5/3/2001	5/1/2002	Adopt A Freezer Program	07700-81	Completed	\$95,000	\$18,500
Local buffalo producers will buy or lease up-right, glass front display freezers & maintain & stock them with Buffalo Nickel TM brand buffalo meat. These freezers will be placed in retail establishments at no cost to the retail owner. Each rancher/producer will keep the freezers stocked with buffalo meat & be responsible for promotion & maintenance. In the 1st year the grant funds are being sought to specifically promote the sales efforts of individuals with the "Adopt A Freezer" program. These funds will be used for promotion & administration. In the 2nd year, funds will be needed to hire additional administration for implementation in metropolitan areas. Also, in the 2nd year, travel by administration & committee members assisting freezer owners & retailers implementing the program will be necessary. Status Notes: Over 200 freezers have been placed in grocery stores throughout the Midwest and Pacific Northwest. Over \$1,000,000 of buffalo meat products has been sold through this program so far.								
North Dakota Cowboy Hall of Fame	Bismarck	1/30/2001	1/1/2002	Hall of Fame Hot Dogs	07700-70	Completed	\$13,250	\$6,100
Cloverdale Foods, Inc. of Mandan and the ND Cowboy Hall of Fame have entered into an agreement to test market an all beef hot dog that will bear the endorsement of the Cowboy Hall of Fame. The product will be sold through in store demonstrations in Nash Finch and Super Value stores in ND. Status Notes: The introduction and promotion of this product resulted in royalties of more than \$11,000 from the sale of this product in the first year. Cloverdale is now in the process of introducing an all beef smoked sausage into stores throughout the region and it will also carry the Hall of Fame logo and royalties will be received for each pound sold.								

Tuesday, January 07, 2003

Page 24 of 36

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10/3/03
Date

North Dakota Irrigation Caucus	Bismarck	5/3/2001	Irrigation & Ag Processing 2nd Year	07700-78	Approved	\$30,000	\$20,000
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This project will assist the ND Irrigation Caucus to continue an effort to capitalize on ND's vast potential for irrigation development & ag processing. The ND Irrigation Caucus is a newly formed group whose mission is to strengthen and expand irrigation to build & diversify ND's economy.

The Grant funds will go for staff, travel, printing & other assistance

Status Notes: 3-1-00 ND Irrigation Caucus \$20,000 to hire a coordinator & implement the strategic plan. request was for \$40,000. The final report for that phase has been approved by the review committee.

The application states that the \$20,000 grant awarded in February 2000 was for the first year of operation, presumably since it was half of the request. Though not documented in the minutes, my recollection of the reason for APUC reducing the amount to \$20,000 was to put its contribution on par with the State Water Commission and Carrison Diversion Conservancy awards of \$20K each. It was presented as a two year plan however.

Developing a research partnership with Montana, hosted Irrigation Summit November 21, 2000, submitted research outline to SBARE, and working to assist areas to form irrigation districts or become organized.

ProBeef Producers	Mandan	1/30/2001	4/1/2003	ProBeef Producers Partners	07700-68	Approved	\$69,550	\$33,000
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ProBeef has preliminarily secured another market partner that is willing to pay beef producers in the region up to \$65 a head over what the commodity market would pay for their fresh weaned calves. Unlike the PM program, which is ProBeef's existing value-added market & limited to just 25,000 head per year, ProBeef's new alliance with Future Beef Operations, in Denver, Co., will be open to hundreds more producers & thousands more cattle. As a Master Supplier for Future Beef Operations, ProBeef plans to send 30,000 to 40,000 head of cattle Future Beef's way in 2001, which is still only a small portion of the 425,000 head Future Beef will process annually under a contract with the nation's second-largest retailer, Safeway Foods. The ProBeef-Future Beef program is open to calf sellers as well as those who want to retain ownership, however the premiums paid are contingent on management steps the producers must take to increase the genetic and performance uniformity of the cattle they send. ProBeef Company is starting a number of producer-owned backgrounding pools and putting a Future-Beef qualified Genetic Advisor on the road to help producers in the region received the maximum premiums under their new marketing arrangement.

Grant funds will pay for a portion of the salary and travel expenses of a Genetic Coordinator, backgrounding pool organizational and legal cost, the software and hardware (2 rugged, portable computers) that can record important performance data on the ranch and in the backgrounding feedlots and sort cattle for uniformity based on that information; and to help defray the costs of informing the regions producers about this new market opportunity.

Status Notes: The interim disbursement will be paid with the final disbursement. Interim report stated they had not moved forward due to problems, but planned on getting back on line to finish by the ending date.

06600-60 grant was awarded in May 1999 for \$43,501 for marketing.

Tuesday, January 07, 2003

Page 25 of 36

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Operator's Signature *Dan Hall*

Date 10/3/03

Rolling Hills Premium Ranch Medina 5/3/2001 9/1/2002 Ready-to-eat Microwaveable Beef RHPRB 07700-82 Approved \$56,544 \$15,000

Dakota Heritage Beef & Rolling Hills Premium Ranch Beef intend to jointly develop & market high quality processed beef products. The 2 companies intend to introduce 2 ready-to-eat microwaveable roast beef products to add profitability to low margin beef products. The companies will maximize profits from middle meats, end meats, grind products & trim their entire production.

Funds will be used to develop product labeling (design, bar coding & nutritional testing & information), consumer taste panel studies, 3rd party review of nutritional claims, initial advertising to introduce these products into the market place & a consumer survey to analyze acceptance of the products. In addition, the funds will pay for the organizational & legal costs to solidify the relationship between the 2 companies.

Status Notes: Rollings Hill Premium Ranch Beef & Dakota Heritage Beef are working together on this project.
Dakota Heritage Beef pulled out of this project and Rollings Hill is going on by themselves.
In 1999 National Cattlemen's Beef Association conducted a \$25 million campaign to promote microwaveable beef entrees.
Hormel has announced several products in the new category.

NCBA has identified several trends: customers are making meal planning decision in the supermarket; approximately 2/3 of dinner decisions are made the same day that meals are eaten; convenience remains paramount, with an increase in the number of households that take less than 15 minutes to prepare a meal.

Western Star Dairy Williston 7/17/2001 1/1/2003 WSD Equity Drive 08800-02 Approved \$48,000 \$48,000

Phase II is the Equity Drive for Western Star Dairy, LLP, organized as an investor-owned operation whose mission is to create a profitable dairy industry in northwestern North Dakota. The dairy will utilize high value forages and grains produced under irrigation by areas farmers. A single profitable dairy is an important first step in a broader vision of successful agriculture and thriving communities. The Equity Drive is underway, and has proceeded to the point where it is necessary to hire a full-time manager to move the drive forward to a successful conclusion with the defined timeline of May 2002.

Funds will be used to hire a manager for the equity drive and related expenses.

Status Notes: March 1999, Tri-County Regional Development Council in Williston was approved for \$10,000 to establish a cooperative of investors/producers to finance the development of a large dairy in northwest North Dakota, Western Star Dairy.

Summary for 'GrantType' = Marketing and Utilization (21 detail records)

Sum \$1,286,518 \$773,727

Avg \$61,263 \$36,844

Grant Type: Prototype

Company Name	City	Start Date	End Date	Project Title	Project #	Status	Requested	Approved
Erickson Manufacturing Co Inc	Minor	5/3/2001	11/1/2001	Eagle Ditcher - Prototype Refinement & Mig.	07700-80	Completed	\$18,000	\$9,500

The project involves a thorough assessment of the attributes of the Eagle Ditcher, evaluation of product design in response to market assessment & a complete evaluation & proposal for finished product manufacturing assembly & distribution.

Status Notes: The business plan has been successfully used to obtain a loan for Erickson Manufacturing. Erickson Manufacturing has sold over 100 ditchers and have recently obtained additional orders at farm shows in Nebraska and North Dakota.

Tuesday, January 07, 2003

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Summary for 'GrantType' = Prototype (1 detail record)

Sum		
Avg	\$18,000	\$9,500
Sum	\$18,000	\$9,500
Avg	\$1,507,733	\$944,142
	\$40,750	\$25,517

Year: 2002

Grant Type: Basic and Applied

Company Name	City	Start Date	End Date	Project Title	Project #	Status	Requested	Approved
NDSU Department of Plant Sciences	Fargo	5/17/2002	7/1/2003	Research Sprout Soybean	08800-43	Approved	\$14,800	\$3,150

This research will evaluate soybean cultivars for sprout market suitability, develop proper methods of handling sprout soybeans, and publish guidelines for growing and processing sprout soybeans. Research is needed for ND growers to expand export of sprout soybeans to Pacific-rim countries. Funds will be used for salaries, equipment, travel, and printing costs.

Status Notes: This project was unsuccessful November, 2001 it ranked 14th out of 19.

NDSU Dept. of Mechanical Engineering & Applied Mechanics	Fargo	5/17/2002	12/31/2003	BioFuel	08800-42	Approved	\$35,000	\$17,000
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To build on existing research at NDSU in the bio-diesel area to address the operational concerns without resorting to expensive oil modification procedures. An existing engine test stand with a 3 cylinder John Deere engine will be modified to use high levels of agriculturally derived oils.

Status Notes:

NDSU Hettinger Research Extension Center	Hettinger	2/21/2002	3/31/2003	Southwest Feeders Project	08800-20	Approved	\$71,160	\$35,000
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Promotion and support of value-added economic development in southwestern North Dakota through a coordinated and targeted education and research program involving livestock production systems that utilize locally-produced feedstuffs, calves and lambs.

Grant funds will be used in support of a professional position who will function as an overall coordinator, scientist and educator. Pen facilities provided from other funding sources will serve as a living classroom for the educational effort and a site for calf backgrounding research, and as, expansion of the lamb finishing capabilities of the Hettinger RIE Center.

Status Notes:

Budget shows the grant would go for salary.

June 2000 requested \$55,000 for the same project, request was denied. A Basic & Applied Research grant was submitted, the grant funds would have gone for materials to build a facility.

Tuesday, January 07, 2003

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Operator's Signature *Dan Hall*

Date 10/3/03

Tioga Area Economic Development Corporation
 Tioga 5/17/2002 8/1/2002 Heartland Feed, Inc.
 Production and sales of double compressed Alfalfa bales to Florida and Pacific Rim market
 Funds will be used for a feasibility study and USDA Application Assistance.

08800-34 Completed \$5,000 \$5,250

Status Notes: From an economic perspective, the information provided by the proposed borrowers indicates the plant should be able to produce at sufficient levels to cover their expenses and service a greater customer base. In conclusion, if proposed borrowers are successful by following their marketing plan, manage their financial affairs intelligently, and have adequate access to short term credit, Heartland Feed should prove to be a feasible operation.
 Grant Opening was August 1, 2002.

Summary for 'GrantType' = Basic and Applied (4 detail records)

Sum \$125,960 \$60,400
 Avg \$31,490 \$15,100

Grant Type: Farm Diversification

Company Name	City	Start Date	End Date	Project Title	Project #	Status	Requested	Approved
Blue Sky Elk Ranch	Cando	4/12/2002	12/1/2002	Snack Foods	08800-31	Approved	\$4,850	\$5,093
Grant intent is to develop and test market several snack meal type products made of 100% elk meat. The funds will be used for label development, advertising, legal fees, recipe research, and to do a test run of product to be distributed through local convenience stores.								
Status Notes:								

Candle Light Cottage Inc Chaseley 4/12/2002 8/1/2003 Candles
 Assist business expansion through marketing, advertising, and inventory supplies. Owner will construct a new facility to house the business.

Status Notes: Attended several trade shows including Mps, succeeded in contracting 14 orders. The website sales are increasing and all sales continue to grow. Plans to add 1 full time employee and possibly 2 part-time employee to assist with the production, packaging and sales.

Dakota Hunter Bradbock 4/12/2002 11/30/2002 Dakota Hunter Expansion
 A hunting lodge and guide service in operation for 2 years and need to expand in order to accommodate the customer demand by upgrading. Marketing will be done on a website to the European market.

Status Notes: Major improvements have been made, advertising and marketing has led to more hunters. Have reservations through November, and already have reservations for next hunting season.

Equine Reproduction Center New Rockford 4/12/2002 10/1/2003 Reproduction Center
 A small business gearing towards equine reproduction, includes artificial insemination, collection and transportation of semen. This will increase the market for horses in ND by providing services that will expand new bloodlines and increase the value of horses.

Status Notes: Grant funds will be used for labor, feed, veterinary medical, repairs, supplies, and marketing

Tuesday, January 07, 2003

Page 28 of 36

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Operator's Signature *Deanna Hall*

Date 10/3/03

Project Name	Location	Date	Description	Status	Amount
Franzen's Lodge	Lakota	4/12/2002	12/1/2002 Hunting Lodge	Completed	\$5,150
There is a need for available on-farm lodging and land to provide opportunities for outdoor enthusiasts for hunting, fishing, birdwatching, farm experiences, nature photography and other nature based activities. There is also a demand of people wanting these experiences and the conveniences of lodging on the farm. Farm is located 5 miles from Stump Lake and 20 miles from Devils Lake. Grant will fund a lodging facility on farm, also construct a game cleaning facility, gas grills and fire pits. Status Notes: Plans are to be open for business by September 1, 2002. "I would encourage other farmers and ranchers to start-up some type of business to utilize the land they own and supplement their farm income, and at the same time be able to offer off-farm people adventure that they can enjoy and remember forever"					
Gumeringer Hunting Cabins	Esmond	8/22/2002	Hunting Cabin	Completed	\$2,625
To take a pre-existing building and remodel it for a hunting cabin. Located on farm land rich with wildlife, that attracts many hunters each year. Funds will pay to help off set the cost of remodeling the building. Status Notes: Project is starting to operate with inquiries and reservations being made for the deer hunting season in November. Upland game and waterfowl is off to a slow start. Advertising is the key to any business success. Was a little late in advertising efforts and need to continue to work on to get the most exposure for the business.					
Keller Pumpkin Patch	Harvey	8/22/2002	12/31/2002 Pumpkin Patch	Approved	\$2,441
Create a fall business by growing pumpkins, gourds, and Indian Corn for a fall harvest. To open it to surrounding school systems for field trips and family outings. Grant funds will be used to help with the cost of seedling, fertilizing and harvesting. Status Notes:					
Northern Lights Dairy, LLP	New Salem	9/30/2002	10/1/2003 Northern Lights Dairy	Approved	\$10,000
Increase a 120-135 cow dairy to 400 cows. Grant funds will be used for a business plan, development of a financial package, start-up operations oversight and legal costs in finalizing the LLP. Status Notes:					
Rust Pheasant Facility	Harvey	4/12/2002	9/1/2002 Pheasants	Completed	\$5,250
Grant dollars will be utilized for a pheasant rearing facility to sell to customers within a pay to hunt scenario, release for propagation, and possible human consumption. Status Notes: Brood house is in its final stages of completion for use this upcoming spring. A marked increase in local populations of pheasants has been a positive sight due to earlier releases in the last 2 years. Spring and summer weather produced a wonderful native hatch and things are looking up. Overall project has worked very well and a positive measure for increased farm profits, as well as increased pheasant numbers.					
Thorsness Feedbunks	Tappen	1/29/2002	7/31/2002 Feedbunks	Completed	\$5,050
Will make feedbunks and water tanks using recycled earth moving tires. Funds will be used for equipment that is needed to set up tire cutting. Status Notes: Project is completed, sold 8 water tanks and 6 feed bunks, sales totaled \$5,175 but expenses totaled \$5,239 for a net loss of \$64. Grantee will continue the business. "I do believe that starting this business was a learning process. Even with all the research that I did before starting, was not enough to let me know about all the pit falls. I also am finding that I am looking for better ways to improve my product, cut costs, and have net profit at the end."					

Tuesday, January 07, 2003

Operator's Signature Donna Hallmark

Date 10/3/03

Dennis Hall
Operator's Signature

10/3/03
Date

Tweeten Corn Maze Washburn 8/22/2002 11/1/2003 Corn Maze 08800-47 Approved \$5,250 \$5,250

The corn maze will be located on 1804, the Lewis & Clark Trail.

Funds will be used for advertising.

Status Notes:

Vetter Farm Maze Linton 4/12/2002 12/1/2002 Corn Maze 08800-26 Completed \$6,200 \$5,250

A corn maze and pumpkin patch for school field trips, community events and celebrations. Grant funds will be used to purchase a Trimble GPS unit, a computer and software.

Status Notes: Due to the drought had to change the corn maze design several times. Pumpkin crop produced less than last year due to drought. Hosted about 2,000 people during the season. Area schools raved about the Lewis & Clark trivia that children learned while in the maze.

West Bay Resort, LLC Minnewaukan 5/17/2002 6/1/2003 Resort 08800-45 Approved \$10,000 \$5,250

Resort for fishing, hunting, or just relaxing, adjacent to Devils Lake's Minnewaukan Flats. Funds will purchase furnishings for the cabins and initial capital for operations.

Status Notes:

Summary for 'GrantType' = Farm Diversification (13 detail records)

Sum

Avg

\$74,941

\$67,659

\$5,765

\$5,205

Grant Type: Marketing and Utilization

Company Name	City	Start Date	End Date	Project Title	Project #	Status	Requested	Approved
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Aquatic Technologies, Inc	Newburg	8/1/2002	12/31/2002	Commercial Shrimp Production Startup	08800-49	Approved	\$10,500	\$10,500
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Aquatic Technologies, Inc. will provide fresh saltwater shrimp to grocery stores and restaurants in North Dakota. Grant funds will be used for marketing materials and demonstration equipment costs.

Status Notes:

Bushel 42 Pasta Company	Crosby	11/15/2002	12/31/2003	Mrs. Leeper's	08800-58	Approved	\$80,800	\$80,800
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Bushel 42 has purchased Mrs. Leeper's a southern California organic dry pasta producer. Ed & Michelle Muscat, owners of Mrs. Leeper's will continue to market & sell the conventional and organic dry pasta products, including wheat-free and gluten-free pasta, for Bushel 42. They are well-known and respected company that gives Bushel 42 and North Dakota a big advantage when breaking into new organic dry pasta markets.

Grant funds will be used to design new packaging to reflect the Mrs. Leeper's is now a part of Bushel 42 family. Compliance must also be met with new organic standards on packaging and labeling.

Status Notes:

Cloverdale Growers Alliance	Mandan	5/17/2002	4/1/2003	Pork Bean Products	08800-37	Approved	\$16,475	\$10,500
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The Alliance intends to study the feasibility of producing a premium pork and dry edible bean product. Funds will be used for consulting fees, product development, testing and legal costs.

Status Notes: 9-1-99 grant awarded for \$76,325 to expand the current producer/packer contractual agreement with Cloverdale Foods and to develop an integrated pork processing entity.

Tuesday, January 07, 2003

Commercial Vegetable Growers	Fargo	2/21/2002	9/1/2002	Executive Marketer Phase 3	08800-23	Completed	\$62,500	\$52,500
The project would involve continuation of hiring an Executive Marketer from within the vegetable industry to bring markets and potential processing to North Dakota. The person would work with farmer/producers, economic development, the Irrigation Caucus, the HVIC task force as well as others involved in agriculture in the state to speed up the process of value added and specialty cropping for North Dakota.								
Grant funds will be used to continue the employment of Mike Kirby.								
Status Notes: November 2000, a grant for \$65,000 was awarded to hire a marketer								
July, 2001 whole peeled onions was awarded \$12,000 to hire a marketer								
November 2001, a grant for \$35,000 was awarded as an extension to the grant awarded in November of 2000 for a marketer.								
Crane Creek Gardens	New Town	11/15/2002	8/1/2003	Car Fresh	08800-60	Approved	\$66,675	\$66,675
To develop and secure a market for specialty all-natural car fresheners made from plant fiber, herbs, flowers, and locally grown berries.								
Funds will be used for market research, incentives, a sales person.								
Status Notes: Mail check to Lakeside state bank								
Dakota Frontier Seeds	Flasher	8/1/2002	8/1/2003	AC Greenfix	08800-52	Approved	\$79,165	\$42,000
A new annual legume, AC Greenfix, which is a variety of chickling vetch, also known as a grass pea or grassy pea vine. Developed as a fertilizer alternative to supply green manure nitrogen for both organic and conventional growers.								
Grand funds will be used for promotion, travel, advertising and customer follow-up.								
Status Notes:								
Dakota Halal Processing	Harvey	3/19/2002	12/31/2002	Sheyenne Valley Brand Beef	08800-24	Completed	\$46,000	\$46,000
Transferred contract 07700-66 - 07700-76 balances to this new grant								
Status Notes: Major objective was to investigate and modify packaging system to the standard required by the larger retail segment. Lodge Consulting was hired. Will lease a packaging system, which is capable of packaging all our products in consumer friendly packages. Advised and marketed products by attending numerous shows, and have received in excess 170 definite sales leads for Sheyenne Valley Brand products.								
Dakota Pride Cooperative	Jamestown	11/15/2002	12/31/2003	Marketing Identity-Preserved Grains	08800-64	Approved	\$35,000	\$10,500
Market research of foreign and domestic markets, to formalize alliances with existing grain processors and millers and research and develop branding opportunities for identity preserved grains.								
Funds will be used for market research and development of identity-preserved grains.								
Status Notes:								
Dakota Territory Buffalo Co	Mandan	11/15/2002	10/1/2003	Cannonball Co.	08800-65	Approved	\$149,900	\$20,711
Dakota Territory Buffalo Co. has been in the business of raising buffalo and selling buffalo meat, is now introducing it's own buffalo under the Cannonball Co. label. It's new buffalo hot dog processed by Cloverdale Meats was introduced to markets October 1, 2002.								
Grant funds will be used market meat products and buffalo hides and skulls will also be sold.								
Status Notes:								

Tuesday, January 07, 2003

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eBirdseed.com	Grandin	5/17/2002	7/1/2003	Marketing birdseed	08800-36	Approved	\$28,838	\$17,850
eBirdseed.com is positioning itself as the national leader in direct mail to consumer wild birdseed fulfillment. This mail order distribution system will embrace traditional print and direct mail marketing complemented with an aggressive e-commerce strategy. Funds will be used for marketing, advertising, consultant fees and accountant and legal fees.								
Status Notes:								
Equidistant Planter Group	Cogswell	2/21/2002	12/31/2002	Equidistant Planter Attachment	08800-22	Completed	\$94,800	\$26,250
A next generation planter attachment designed to increase existing yields with no increase in variable costs of production. Funds will be used to complete field trials, and develop and implement the marketing plan.								
Status Notes: March 2001 this company was granted a prototype grant in the amount of \$25,000. to build the planter.								
November 2001 they came before the commission requesting \$100,000. Funding was denied they ranked 12 out of 19.								
2 Patents have been granted for the equidistant planting system, both are held by Mr. Tom Heinbuch. Equidistant Planter more accurately placed the seed within the row, further demonstrating that the concept is valid and holds a high potential for increasing yields for farmers. Further work is being performed with regard to completing the final drawings and final design before commercialization can begin.								
FarmNet Services Inc	Harvey	5/17/2002	10/1/2003	FarmNet Expansion	08800-44	Approved	\$196,700	\$17,850
Expanding the marketing efforts of the company in providing grain marketing services to small grain and oil seed producers. The services provide producers with the ability to list and market their inventories via the internet allowing buyers to locate and purchase these specific types of grain through farmnet-services.com. Funds will be used for promotion materials and marketing employees.								
Status Notes: May 3, 2001 company was denied a grant for \$75,000.								
Golden Plains Frozen Foods LLC	Leeds	8/1/2002	9/1/2003	Golden Plains Marketing Development	08800-51	Approved	\$110,250	\$84,000
This project is to identify and establish additional markets for high quality fresh, frozen filled pastas and sauces. To identify and produce new products that increases the efficiency of the existing production facility. Funds will be used to establish new markets and products that will assist in the penetration of the food service market.								
Status Notes:								
Hickory Hut	Langdon	8/1/2002	3/1/2003	Hickory Hut Marketing	08800-50	Approved	\$3,020	\$3,020
Expand marketing of Hickory Hut's smoked sausage, smoked garlic sausages, bacon products and buffalo products in North Dakota and Minnesota. Grant funds will be used for marketing and distribution.								
Status Notes: Marketing & distribution of products has been growing weekly. In one month sold 288 lbs of buffalo sticks which is 11520 sticks, totaling \$6912. increase in 1 month of sales. Estimating \$20,736 for the last 3 months of 2002. Project \$100,000 for year 2003.								
Maple River Winery, LLC	Casselton	11/15/2002	4/1/2003	Maple River Winery	08800-59	Approved	\$20,475	\$21,288
To market wines made and blended in North Dakota. Grant funds will be used for marketing costs.								
Status Notes:								

Tuesday, January 07, 2003

Page 32 of 36

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Donna Hall Smith
Operator's Signature

10/3/03
Date

Maple Valley Locker Inc	Enderlin	2/21/2002	Maple Valley Meat Locker Expansion	08800-21	Approved	\$15,000	\$15,750
To prepare a marketing plan and implement it for expansion of the present facility. Present facilities will be expanded to provide more space for processing of wild game, general custom processing for retail and wholesale sale of meat products.							
Grant funds will be used for preparing and implementing the marketing plan, also will include advertising.							
Status Notes:							
ND Department of Agriculture	Bismarck	11/15/2002	12/1/2003 MAP 2002	08800-62	Approved	\$10,000	\$10,000
This is a joint effort between the ND Department of Agriculture and North Dakota companies to promote value-added agricultural products. Companies will attend national and international tradeshows, and participate in trade missions with this funding.							
Funds will be used for financial assistance for travel and lodging at national and international tradeshows and trade missions.							
Status Notes:							
North Dakota Dry Pea & Lentil Association	Bismarck	5/17/2002	10/1/2003 Feed Peas for Livestock feed	08800-41	Approved	\$120,000	\$23,100
The North Dakota Dry Pea & Lentil Association will further develop and expand feed pea market throughout the United States as a nutritional feed for livestock. Funds will be used a two-year period for promotion, travel, research and salary of a full time individual, to address the following areas: transportation, growers and end user contracting, coordination and compilation of feed pea research, education and promotion.							
Status Notes:							
North Dakota Farm Bureau	Fargo	8/14/2002	11/30/2002 Cuban Trade Mission	08800-36	Completed	\$50,000	\$25,000
To promote high quality ND produced agricultural goods and processed foods products in Cuba at the U.S. Food & Agribusiness Exhibition, Havana City, Cuba, September 26 through September 20, 2002. Immediate & long-term supply agreements, will be pursued. This is the first and only exhibition specifically licensed by the Office of Foreign Assets Control of the United States Department of the Treasury for representatives of U.S. based companies and representatives to visit the Republic of Cuba to market agricultural and food products. Funds will defray expenses associated with a delegation of ND representatives from agricultural and food processing firms to promote the marketing of North Dakota produced agricultural and food products in Cuba.							
Status Notes: 5,300 metric tons of green & yellow peas with a value of about \$600,000 was sold by Earthwise Processors, Superior Grains, Paulson Premium seeds and premier Pulse International. 45,000 tons of pasta sold by Dakota Growers Pasta Company, 21MT of semolina sold by ND Mill, 42 MT of soybean by Earthwise Processors, Peterson Farms Seeds and Unity Seed Company, Northharvest Bean is in the bidding for 220 MT of black, pinto and red edible beans, Pending 67 MT of hard red spring wheat by the ND Mill, Pending processed potato products by RDO Foods.							
Safflower Technologies International	Williston	5/20/2002	6/1/2003 International Marketing	08800-35	Approved	\$25,000	\$21,000
Development & demonstration of an integrated identity preserved production, management, and marketing system for safflower products for international markets. Funds will be used to establish new international markets for North Dakota safflower products in Japan and Western Europe. Expenses will be travel, supplies and associated marketing costs to develop marketing system, attend food and trade shows and other marketing meetings with clientele and customers.							
Status Notes:							

Tuesday, January 07, 2003

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Diana Hall
Operator's Signature

10/3/03
Date

Schepps Dakota Deli Inc Lansford 2/21/2002 Schepp's Expansion
 Expansion of Schepps products into new out of state and in state outlets.
 Grant funds will be used for marketing expenses
 Status Notes: March 1999 Schepp's was awarded a \$15,000 grant for marketing expansion nationwide.
 January, 2001 funding of \$65,585.00 was denied for marketing expansion nationwide.

08800-19 Approved \$67,640 \$71,022

Skandia Mills Valley City 5/17/2002 7/1/2003 Processing Golden Omega Flax
 Skandia Mills will be producing a golden ground flax meal. Will use Omega flax, which creates a more appealing product that would resemble corn meal. The product will be packaged in two or four pound retail containers or larger wholesale and bulk containers.
 Funds will be used for promotional materials and market development, renting facility and paying for a marketing specialist.
 Status Notes: Recommendations are: local and regional retail markets at this time only due to high cost of entering distant retail markets; Foodservice markets are not large enough at this time; Industrial Ingredient marketplace is the best environment at this time; Have grown local retail market to 25 retail stores and 2 distributors in other regions of the country.

08800-38 Approved \$18,000 \$4,200

Skandia Mills Valley City 11/15/2002 5/1/2003 Processing Golden Omega Flax II
 A producer of premium ground flax and premium whole flax products. Envision a complete plant to take raw flax and clean, store, grind, package, and distribute a premium quality product primarily to the wholesale market.
 Status Notes:

08800-63 Approved \$21,500 \$12,600

Specialty Export Productions Inc Auburn 5/17/2002 7/1/2003 Marketing Hatton, ND Facility
 Will expand marketing efforts in Europe, Japan, and other Asian countries for specialty grain and oilseeds produced in North Dakota. Specialty Export's Production will introduce the world to it's plant in Hatton, ND via brochures, signage, grand opening ceremonies and etc.
 Funds will be used for trade show fees, travel, brochures, computer projector, and samples and labeling costs.
 Status Notes: Expo East in Washington DC met with possible customers from Spain, France and Italy, possible business for organic wheat, durum, and soybeans, some business has been concluded with Spain.
 Traveled to Sacramento to discuss organic corn & wheat, an agreement has been concluded for all the organic corn that we can bring in, this company has facilities in Europe.
 Will attend BioFach Exposition in Nuremberg Germany have secured the booth, this is the largest organic exposition in the world with people from almost every country in attendance.

08800-40 Approved \$25,000 \$23,100

SunGold Foods Fargo 11/15/2002 9/1/2003 SunButter
 SunGold Foods, a subsidiary of Fargo-based Red River Commodities, is presently manufacturing a new value-added sunflower product called SunButter. The product was developed in conjunction with USDA and is a great-tasting peanut butter alternative. SunButter is also nutritionally superior to peanut butter with double the fiber, more iron, less saturated fat and sodium and over 40% of daily required vitamin E.
 Funds will be used to introduce SunButter in the Minneapolis MN market. Specifically, funds will defray the costs of the agency fees of our Bismarck based market and public relations firm, radio advertising, special event sponsorship, retail store demos and product quality control improvements.
 Status Notes:

08820-61 Approved \$103,750 \$73,753

Tuesday, January 07, 2003

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Operator's Signature *Dan Hall*

Date 10/3/03

Superior Grains Inc Crosby 5/17/2002 6/1/2003 International Marketing 08800-33 Approved \$316,000 \$63,000
Market research will provide information about major purchasers of pulse crops, and demand for premium grade products. Targeted areas may include Mediterranean countries, South American countries, Japan, China and India. Ultimately, the market and customers will be countries that utilize pulse crops as part of their daily food supply and are interested in a consistent supply of premium grade product.
Funds will be used to pay for market research; development of product branding and international marketing materials, and an interactive website; travel to establish commercial customer accounts, and legal work necessary for international accounts.

Status Notes:

Valley Specialty Foods Grand Forks 8/1/2002 9/1/2003 Marketing Perogies 08800-53 Approved \$97,200 \$21,000
The company will pursue retail markets for perogies to mitigate the risks involved in doing business with the food service industry which, through consolidation, has become a market comprised of relatively few potential distributors. The project will involve marketing intelligence research and support of premium product positioning and placement activities to maximize risk and maximize potential for success.
Funds will be used to conduct market intelligence research and support premium product positioning and placement activities for entry into retail markets.

Status Notes:

Summary for 'GrantType' = Marketing and Utilization (27 detail records)
Sum
Avg

\$1,870,188 \$873,979
\$68,266 \$32,370

Grant Type: Prototype

Company Name	City	Start Date	End Date	Project Title	Project #	Status	Requested	Approved
CartWalk System	Minto	8/1/2002	3/1/2003	Cat Walk System	08800-54	Approved	\$21,400	\$9,975
The OSHA approved, patented catwalk system was designed for the safety of agriculture employees that work on box trucks. The system is attachable, and allows the worker access to the box. Funds will be used to complete market feasibility study, marketing plan, and final patent costs. This will bring the catwalk system to production.								
Status Notes: Commission felt this was still a prototype as more work is to be done on it.								

Inforcer, Inc Newburg 5/17/2002 7/1/2003 Inforcer 08800-32 Approved \$26,250 \$26,250
The Inforcer is a round baler unplugging system. The purpose of the Inforcer is to mechanically unplug round balers using a hydraulic ram system, allowing operators to unplug the baler while remaining sealed on the tractor.
Funds will be used for patent, materials, molding, and administrative fees.

Status Notes: Contract put on hold for 1 year from date of contract. The inventor and the manufacturer are having legal problems.

MilTech LLC Hillsboro 5/17/2002 6/1/2003 Sugar Beet Tester 08800-39 Approved \$25,000 \$8,400
The tester would give growers the ability to map site-specific sugar (not just raw beet weight) information they need to optimize their field production: pounds of sugar, mapped by specific location, throughout the field. This data would enable the growers to more accurately determine changes to crop parameters such as fertilization and field drainage.
Funds will be used to pay a researcher to adapt a proven laboratory system for field use.

Status Notes: Sent letter in November stating contract must be signed and returned in 60 days or the contract will be void. Changed fiscal agent.

Tuesday, January 07, 2003

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Donna Ballantyne
Operator's Signature

10/3/03
Date

Summary for 'GrandType' = Prototype (3 detail records)

Sum	\$72,650	\$44,625
Avg	\$24,217	\$14,875

Summary for 'Year' = 2002 (47 detail records)

Sum	\$2,143,739	\$1,046,653
Avg	\$45,811	\$22,289
Grand Total	\$3,054,185	\$4,220,541

Tuesday, January 07, 2003

Page 36 of 36

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Deanna Halliwell
Operator's Signature

10/3/03
Date

HOUSE FINANCE AND TAXATION COMMITTEE

January 27, 2003

Testimony of LuElla Wedge, Property Tax Specialist

HOUSE BILL NO. 1375

Mr. Chairman, Members of the Committee, for the record I am LuElla Wedge, Property Tax Specialist for the Office of State Tax Commissioner. My testimony relates only to the property tax portion of HB 1375. Any concerns about the income tax portion will be addressed by someone else.

My first comment concerns language beginning on line 12 on page 1 of this bill, "for property taxes paid on agricultural property owned or rented by the beginning farmer ..." If a rental contract provides for the beginning farmer to pay the property taxes, and he actually makes the payment, this language will work. If the landlord is responsible for and pays the property taxes and passes them through to the beginning farmer in the amount of rent charged, there should be language included setting out that the beginning farmer must submit documentation, such as the lease agreement, showing he, in fact, "paid" the property taxes. If the landlord pays the property taxes and does not pass them through to the beginning farmer, there is no reason for a refund to the beginning farmer.

On line 11 of page 2, HB 1375 states, "For purposes of this section, 'beginning farmer' has the same meaning as in section 57-38-67." That is the income tax statute. Since this section of the bill concerns property tax, it seems more appropriate that it relate to the property tax definition of a "beginning farmer." Section 57-02-08(15)(b)(2), which relates to the farm residence exemption, states, in part, "'Farmer' includes a 'beginning farmer' who has begun occupancy and operation of a farm within the three preceding calendar years; who normally

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10/3/03
Date

HB 1375
Testimony of LuElla Wedge
January 27, 2003
Page 2

devotes the major portion of time to the activities of producing products of the soil, poultry, livestock, or dairy farming in such products' unmanufactured state; and who does not have a history of farm income from farm operation for each of the three preceding calendar years." This definition is considerably different from that in section 57-38-67.

This concludes my prepared testimony. I will be happy to try to answer any questions you may have.

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Deanna Halliwell
Operator's Signature

10/3/03
Date

HB 1375

NORTH DAKOTA MEDIAN FARM SIZE

(1997 Census of Agriculture)

CO #	COUNTY	FARMS 30,504	MEDIAN ACRES - 844	CO #	COUNTY	FARM 30,504	MEDIAN ACERS - 844
1	ADAMS	367	1,217	28	MCLEAN	969	800
2	BARNES	772	700	29	MERCER	473	550
3	BENSON	604	907	30	MORTON	907	775
4	BILLINGS	237	1,033	31	MOUNTRAIL	755	900
5	BOTTINEAU	808	776	32	NELSON	471	760
6	BOWMAN	358	1,149	33	OLIVER	327	800
7	BURKE	479	980	34	PEMBINA	615	640
8	BURLEIGH	867	521	35	PIERCE	491	880
9	CASS	919	850	36	RAMSEY	525	960
10	CAVALIER	682	971	37	RANSOM	485	552
11	DICKEY	517	660	38	RENVILLE	390	1,052
12	DIVIDE	535	1,140	39	RICHLAND	874	622
13	DUNN	618	1,160	40	ROLETTE	511	680
14	EDDY	288	917	41	SARGENT	449	800
15	EMMONS	744	793	42	SHERIDAN	380	1,063
16	FOSTER	282	1,025	43	SIOUX	193	1,280
17	GOLDEN VALLEY	244	1,209	44	SLOPE	263	1,440
18	GRAND FORKS	768	658	45	STARK	802	640
19	GRANT	596	1,120	46	STEELE	290	1,085
20	GRIGGS	357	700	47	STUTSMAN	979	880
21	HETTINGER	436	1,107	48	TOWNER	428	1,083
22	KIDDER	513	1,073	49	TRAILL	471	855
23	LAMOUKE	616	864	50	WALSH	755	650
24	LOGAN	401	960	51	WARD	1,172	700
25	MCHENRY	905	760	52	WELLS	593	960
26	MCINTOSH	505	740	53	WILLIAMS	850	938
27	MCKENZIE	668	1,110				

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