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WASHINGTON, May 7, 2010 – Agriculture Secretary Tom Vilsack today announced that USDA is accepting grant applications to assist small, socially disadvantaged agricultural producers and cooperatives in rural areas.

“Helping small agricultural producers better market their products creates economic opportunity and these grants will help small business owners add profit and efficiency to their operations so they can grow and create jobs,” Vilsack said.

Approximately \$3.5 million in grants are available with funding is being awarded through USDA Rural Development’s Small, Socially Disadvantaged Producer Grant Program, which was authorized by Congress in the **Food, Conservation, and Energy Act of 2008**. It is part of the Department’s ongoing effort to expand outreach to rural residents to ensure that all communities have equal access to USDA programs and services. Funding is available to cooperatives or associations of cooperatives where at least 75 percent of the governing board or membership has annual gross agricultural product sales of \$250,000 or less in the last three years. Grants can be used for product improvements, business plan development or economic development activities.

The grants are intended to assist eligible producers. For example, in Washington State, Manzaneros Mexicanos De Washington (MMW) an agriculture marketing corporation was awarded a \$175,000 grant in 2009 to conduct "Researching and testing premiere Latino Markets". MMW cooperative members understand the power of marketing their product to increase their returns. The results of these grant activities will supply MMW with a thorough understanding of the proposed market potential and characteristics, the tools to reach the discerning Latino buyer, and the knowledge needed to run the business in a professional and democratic manner.

“Washington State, with such a rich and diverse agricultural heritage, can benefit from this program and others offered by USDA Rural Development to support locally produced food products and the producers who derive their livelihood from this important industry,” said Mario Villanueva, State Director for USDA Rural Development.

Applications for Small, Socially Disadvantaged Producer Grants are due July 27. Application materials may be obtained at <http://www.rurdev.usda.gov/rbs/coops/ssdpg/ssdpg.htm> or by contacting the USDA Rural Development State Office. A list of these offices is available at http://www.rurdev.usda.gov/recd_map.html. For additional information, see the April 28 Federal Register, page 22358, <http://edocket.access.gpo.gov/2010/pdf/2010-9820.pdf>.

USDA Rural Development administers and manages more than 40 housing, business, and community infrastructure and facility programs through a network of 6,100 employees in 500 offices at the national, state and local level. These programs are designed to improve the economic stability of rural communities, businesses, residents, farmers and ranchers, and improve the quality of life in rural America. Rural Development has an existing portfolio of more than \$134 billion in loans and loan guarantees. Further information on rural programs is available at a local USDA Rural Development office or by visiting USDA Rural Development's web site at www.rurdev.usda.gov/rbs/coops/csdir.htm.