



**Montana Food and Agriculture Development Network  
FY 2016 Six Month Report to the Environmental Quality Council  
July 1, 2015 - December 31, 2015**

**Contents**

Background	2
Highlights	3
Financial Report	3
Center Activities	4
Appendices	9

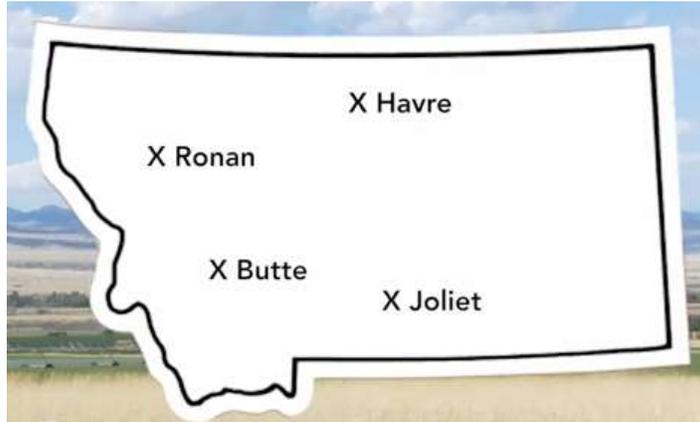


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## BACKGROUND

The Montana Food and Agriculture Development Center (FADC) program, authorized by the 2009 Montana Legislature, is a network of four centers across the state. The Montana Food and Agriculture Development Network (FADC Network) helps Montanans innovate and grow businesses that produce and commercialize food, agricultural, and renewable energy products and processes – creating wealth and jobs in our communities and on our farms and ranches.

The state's four Food and Agriculture Development Centers are located at:



**Bear Paw Development Corporation**, based in Havre  
**Beartooth Resource Conservation & Development (RC&D)**, based in Joliet  
**Headwaters Resource Conservation & Development (RC&D)**, based in Butte  
**Mission Mountain Food Enterprise Center** housed at Lake County Community Development Corporation (LCCDC), based in Ronan

These centers, operating as a statewide network, deliver the following services to clients:

- Business planning and development
- Financial analysis
- Food business licensing
- Product development, testing, analysis, labeling
- Pricing and cost analysis
- Market research and analysis
- Business capitalization assistance
- Regulatory compliance training and implementation
- Food processing equipment usage
- Education on industry dynamics and technologies
- Development of business cooperatives
- Industry-specific market analysis
- Business networking

## HIGHLIGHTS OF PROGRAM ACTIVITIES

	FY 2016 Q1 & Q2
<b>Businesses Assisted</b>	<b>89</b>
<b>New Clients</b>	<b>12</b>
<b>Jobs Created/Retained</b>	<b>20</b>
<b>Counties Served</b>	<b>28*</b>
<b>New Products</b>	<b>7</b>
<b>Business Consulting Sessions</b>	<b>178</b>
<b>Consulting Hours</b>	<b>290</b>
<b>Hours clients used MMFEC facilities</b>	<b>707.25</b>
<b>Clients using MMFEC facility for freezer, cooler, and dry storage warehousing</b>	<b>18</b>

\* This number reflects the county the client is physically located in. Many clients provide services regionally or statewide (e.g., the Farm to School Network serves all 56 Montana Counties; Western Montana Grower's Cooperative and Montana Fish Company distribute food products to many Montana counties.)

Funds Leveraged	
<b>Public Grants</b>	<b>\$189,536</b>
<b>Public Loans</b>	<b>\$11,500</b>
<b>Private Investments</b>	<b>\$588,500</b>
<b>Total</b>	<b>\$789,536</b>

### New Client Highlights

Triple Dog Brewing Company – Havre  
 Montana Sues Baking – Billings  
 White Deer Ranch – Fishtail  
 Wholesome Foods Farm – Bridger  
 Bill Weigland, Quinoa – Helena  
 Ronna Klamert, Aquaponics – Laurel  
 Red Rooster Spraying – Luther  
 Montana Distillers Guild – Butte  
 Three Forks Hops – Three Forks  
 Little Red Wagon Coffee - Bozeman  
 Mad Hops – Gallatin Valley  
 Yellowstone Valley Citizens Group, Food HUB project – Billings  
 Rick Haase, Biscuit/Pancake mix – Flathead Valley

## OUTREACH AND PUBLICITY

At the beginning of fiscal year 2016, the FADC Network hired a Promotions and Event Coordinator, who is located at the Headwaters FADC. This coordinator has spent the past six months creating press releases, organizing trainings, and communicating results of the centers' activities. He has developed a social media plan to represent the FADC Network statewide through a variety of social media channels, such as Facebook, Twitter, Instagram, Pinterest, and YouTube.

The Facebook (<http://www.facebook.com/MontanaFADC/>) and YouTube (<https://www.youtube.com/channel/UCtUAV-QtPl1-LRoS5hCN0Sw>) channels have been launched and are growing daily in followings and viewership.

The Headwaters FADC has created five (5) short videos that will highlight the work of the FADC Network. Each Center has a unique video as well as a collaborative video showcasing the FADC Network as a whole. The videos are now available to be shared online, creating a new resource to promote the services provided by the FADC Network.

*See Appendix 1 for links to each of the videos.*

### Food Safety Training

The FADC Network has developed and scheduled food safety trainings that will be held this spring. *Wholesale Success, On Farm Food Safety, and Hazard Analysis Critical Control Point* trainings will be offered in Great Falls, Ronan, Bozeman, and Billings.

*See Appendix 2 for the spring food safety training schedule.*

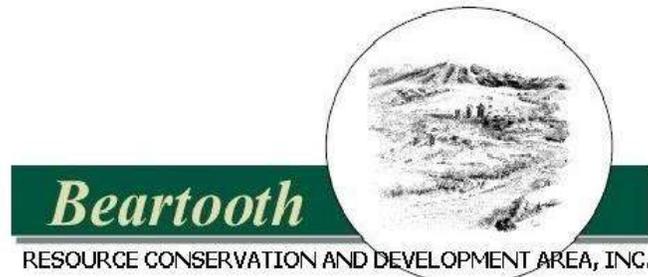
### Networking

During the past six months, the Network held monthly conference calls to communicate successes and challenges, monitor and address market trends as they became apparent, utilize each other's strengths and share expertise to better serve client needs.

## FY 2016 Q1 & Q2 FOOD AND AGRICULTURE DEVELOPMENT CENTERS FINANCIAL REPORT

Description	Contract Amount 2 Yr Pd	FY16 Actuals thru 16 Feb	Balance Remaining
BEARTOOTH FADC	\$130,014.00	30,978.60	\$99,035.40
HEADWATERS FADC	\$152,500.00	41,544.00	\$110,956.00
MISSION MOUNTAIN FOOD ENTERPRISE CENTER	\$186,726.00	46,986.29	\$139,739.71
BEAR PAW FADC	\$110,641.00	21,062.08	\$89,578.92
<b>Center Sub Total</b>	<b>\$579,881.00</b>	<b>140,570.97</b>	<b>\$439,310.03</b>
Network Operations	\$20,119.00	3,325.49	\$16,793.51
<b>Grand Total</b>	<b>\$600,000.00</b>	<b>\$143,896.46</b>	<b>\$456,103.54</b>

## CENTER ACTIVITIES



### **Beartooth Food and Agriculture Development Center**

Joel Bertolino, Beartooth FADC Director, provided business consultations to thirteen (13) clients during this reporting period, including C&K Meats (Forsyth), North 40 Ag (Huntley), and Lodge Grass Vocational Agricultural Teacher, Ty Neal. Joel helped Mr. Neal write a Growth Through Agriculture (GTA) grant to purchase equipment for a livestock entrepreneurship curriculum run by his FFA chapter. The livestock will be purchased by freshmen and sophomores, who could then breed them, sell the steer calves, keep the heifer calves and place their earnings in a bank account until they graduate. The idea is to reach the “town kids” who have never had the opportunity to own their own livestock and assist them with purchasing, raising, breeding, and selling livestock within the state of Montana. This project will expand Montana Agriculture by having students manage leases on land that has been dormant. By fixing the fences and running cattle, this project will develop potential future farmers and ranchers for Montana.

In addition to the FFA project in Lodge Grass, Joel helped C&K Meats successfully apply for a GTA grant. C&K Meats was awarded \$50,000 to assist with expansion costs and purchase of new meat processing equipment. Deliverables for two USDA RBEG grants were also completed, both for the Rocky Fork Food Hub and Becky’s Berries. Utilizing Joel’s renewable energy expertise, Beartooth FADC staff made a site visit to the Everpower Mud Springs Wind development in Carbon County to determine what developments have been made on this project since June 2015. As of December 2015, Everpower officials are developing wildlife mitigation plans and working with the State and Federal Fish and Wildlife to gain approval for the project.



### **Headwaters Food and Agriculture Development Center**

This was a particularly successful reporting period for Joe Willauer, Headwaters FADC Director, and his team. Fifty-seven (57) business consultations were conducted with forty-four (44) active clients. Of Headwaters clients who applied for Growth Through Agriculture (GTA) grant funding, Gluten Free Prairie was awarded an \$11,500 loan to purchase a cookie press that will cut down their production time by 70%, and Dry Hills Distillery was awarded a \$48,000 grant to purchase distillation equipment to launch a potato based vodka company that will utilize Montana grown potatoes. Dry Hills Distilling will begin production in the spring of 2016.

## **Headwaters Food and Agriculture Development Center (Continued)**

To increase the visibility and awareness of the FADC Network, Joe oversaw the creation and completion of five (5) videos that highlight each FADC throughout the network and a comprehensive video for the network as a whole. The release of these videos throughout the spring of 2016 is the beginning a strong marketing effort on behalf of the FADC Network to increase its statewide presence.

*See Appendix 1 for links to each of the videos.*

The Headwaters FADC also developed a Specialty Crop Block Grant (SCBG) training schedule for Q3 of FY16. Headwaters worked collaboratively with the Mission Mountain Food Enterprise Center, Jonda Crosby of the Independent Organic Inspectors Association, the Montana Manufacturing and Extension Center, and the other Network centers to deliver Wholesale Success, On Farm Food Safety, and Hazard Analysis Critical Control Point trainings in Billings, Bozeman, Great Falls, and Ronan.

*See Appendix 2 for the spring food safety training schedule.*



### **Mission Mountain Food Enterprise Center**

Jan Tusick, FADC Director for the Mission Mountain Food Enterprise Center (MMFEC), along with her colleagues Shay Farmer and Yvette Rodriquez conducted eighty-two (82) business consultations with thirty-eight (38) active clients during this reporting period. A number of clients successfully attained Growth Through Agriculture (GTA) grant funding for projects throughout Western Montana. The Montana Poultry Growers Cooperative raised \$30,000 in investments to support poultry cultivation and processing in the Bitterroot Valley. In collaboration with the cooperative, MMFEC clients Homestead Organics and Living River Farms each received GTA grants, \$34,500 and \$23,000 respectively, to build an integrated state inspected poultry and commercial food processing facility and also purchase equipment for brooding and raising poultry in Western Montana. The Flathead Cherry Growers Association was awarded a \$50,000 grant, which leverages a \$50,000 bank loan, to partner with Tabletree LLC to develop a processing facility neat Bigfork for cherry and fruit juice products using cherry culls.

This reporting period was a fruitful one for new products developed by MMFEC clients. The Mustard Seed company has developed two (2) new products, Western Montana Growers Cooperative (WMGC) has three (3) new products, and Blue Moon Herbs has two (2) new products. Uncle Bill's Sausage Company has increased its distribution area to include Bayern Brewery in Missoula. Other important milestones include eleven (11) clients receiving or renewing their Manufacturing License and two businesses experiencing increased sales: Uncle Bill's Sausage Company has increased sales by \$30,000 and Triple Divide Organic Seed Cooperative had \$10,128.52 in sales last year, and increase of over 20% from the previous year.

## **Mission Mountain Food Enterprise Center (Continued)**

MMFEC's Farm to Institution program keeps growing with each passing quarter. MMFEC has signed an MOU with Kalispell Regional Medical Center for to provide year round local produce and is working with St. Patrick's Hospital in Missoula, St. Joe's Hospital of Polson, and St. Luke's Hospital of Ronan on similar opportunities. In MMFEC's commercial kitchen, the WMGC has processed 26,692 lbs. of produce and sold \$97,526 worth of products to institutions across Western Montana. Twelve hundred (1200) pounds of Montana Beef-Lentil Crumble is being produced every other month, and one thousand five hundred and thirty (1530) pounds of Montana Lentil Burgers are produced each quarter. Just this past quarter, the Polson Food Bank began offering the Montana Lentil burger to its clients.



### **Bear Paw Food and Agriculture Development Center**

During this reporting period, Tiffany Melby of the Bear Paw FADC conducted twelve (12) business consultations with clients such as Triple Dog Brewing Company, Brookside Woolen Mill, Montana Horizons Food Co., and Bear Paw Meats.

Tiffany worked with Bear Paw Meats in Chinook to complete USDA Value Added Producer Grant (VAPG) and Growth Through Agriculture (GTA) grant applications to expand their business. Funds were requested to purchase one hundred (100) head of feeder calves and build a new smoke shop in order to provide meat products to stock two new retail stores in Helena and Billings, which would double their current operations.

## APPENDIX 1

### FADC Network Promotion Videos



[Food and Agriculture Development Center Network](#)



[Bear Paw Food and Agriculture Development Center](#)



[Beartooth Food and Agriculture Development Center](#)



[Headwaters Food and Agriculture Development Center](#)



[Mission Mountain Food Enterprise Center](#)

APPENDIX 2

Food Safety Trainings for Spring 2016

# Montana Food & Ag Development Center Network 2016 Training Schedule

## Wholesale Success

Wholesale Success gives farmers the tools they need to make sure their produce is of the highest quality, to manage food safety and other risks, and to nurture the relationships with customers that they need to be successful.

February 7<sup>th</sup>-8<sup>th</sup>, 2016 – Great Falls

## On Farm Food Safety Training

Assistance for agricultural producers to tackle new food safety challenges using Good Agricultural Practices (GAP), including writing a farm food safety plan.

February 11<sup>th</sup>-12<sup>th</sup>, 2016 – Bozeman  
February 18<sup>th</sup>-19<sup>th</sup>, 2016 – Ronan  
February 25<sup>th</sup>-26<sup>th</sup>, 2016 – Great Falls

## Hazard Analysis Critical Control Point (HACCP)

Prepare for updates and changes to safety regulations in the food industry, learn about HACCP planning, and work to create a HACCP plan for your food business. Course will include certification by HACCP trainer Claude Smith.

March 9<sup>th</sup> – Billings

For More Information:  
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\*All trainings funded through the Specialty Crop Block Grant Program\*