



AGRICULTURE DEVELOPMENT DIVISION

Fiscal Year 2020

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LETTER FROM THE DIRECTOR

I am proud to present the Michigan Department of Agriculture and Rural Development's 2020 Agriculture Development Division (AgD) Annual Report. This report highlights the accomplishments of the AgD Division realized in 2020 toward our mission of delivering expertise and leadership to support and promote economic development in Michigan's food, agriculture, and forest products industries.

The Agriculture Development Division has a focus on accelerating the growth of food, agriculture, and forest products companies in Michigan by supporting value-added opportunities for the diverse array of products that are grown and produced in the great State of Michigan. For 2020, the team focused on providing support to food and agriculture companies as they navigated through the COVID pandemic.

Some specific results in 2020 include:

- Meeting with 318 companies and completing over 800 activities to support the growth and operations of food, agriculture, and forest products companies in Michigan. These visits helped provide the most up to date information, programs, and tools.
- Awarding over \$4.3 million of grant funding to 46 Value-Added, Rural Development, and Specialty Crop Block projects enabling the development, research, and promotion of Michigan companies, products, crops, and talent.
- Supporting the growth of Michigan's Craft Beverage Industry by awarding a record amount of research grant funding that will ensure the industry has the most up to date research on innovative practices and opportunities.

Our dedicated and passionate team is proud to support the companies and people in our food, agriculture, and forest products industry. Our focus will continue to be on the companies we serve and the opportunities these companies have for new growth and development.

Peter Anastor
2020 Division Director
Agriculture Development Division

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Commodity Coordination

PROGRAM MANAGER: Heather Throne | 517-712-0841 | throneh@michigan.gov

The Michigan Department of Agriculture and Rural Development (MDARD) has legal, fiscal and program oversight responsibility for 14 legislatively established commodity boards that have producer check-offs or producer assessments. The MDARD Director delegates this authority to the Agriculture Development Division (AgD) to represent the MDARD Director at all regular and executive board meetings. MDARD also organizes and leads Commodity Executive and industry stakeholder meetings where staff from more than 60 agricultural and food organizations are invited to participate. These meetings cover a variety of important topics and current issues for Michigan's food and agriculture industry.

In December of 2020, the Michigan Propane Commission, a new legislatively established board was signed into law and will be overseen by MDARD.

IMPACT FOR MICHIGAN:

- AgD is responsible for ensuring the Michigan Open Meetings Act (OMA) and Freedom of Information Act (FOIA) regulations are being followed at the legislatively established check-off boards.
- MDARD is responsible for ensuring funds are being used according to industry adopted programs; and, in compliance with State of Michigan statutory financial and generally-accepted accounting standards.
- MDARD reviews all commodity audits and provides a written review of the audits provided to ensure financial soundness and compliance are generally accepted.

ACCOMPLISHMENTS:

- In 2020, MDARD attended 63 commodity meetings, making 97% of all scheduled commodity meetings.
- Completed the third-party audit review of all 14 commodity groups, ensuring financial compliance.
- On February 11, 2020, MDARD conducted a commodity executives and board member training focused on OMA, FOIA, referenda, appointments, board member responsibilities, litigation/representation, and financial requirements/assessments. In addition to MDARD staff presenting, the agenda included representatives from the Governor's Office and the Attorney General's Office.

MEASURING SUCCESS:

Commodity Meetings with MDARD Staff Participation	Meetings Attended in 2020	Percentage Attended 2020
Bean Commission	5	100%
Wheat Committee	6	86%
Soybean Committee	6	100%
Cherry Committee	5	100%
Tree Fruit Commission	3	75%
Apple Committee	5	100%
Beef Commission	5	100%
Corn Committee	6	100%
Asparagus Committee	5	100%
Carrot Committee	2	100%
Onion Committee	3	100%
Potato Commission	3	100%
Dairy Committee	3	100%
Blueberry Committee	5	100%

KEY STAKEHOLDERS:

- Michigan Wheat Committee
- Michigan Soybean Promotion Committee
- Michigan Onion Committee
- Michigan Carrot Committee
- Michigan Asparagus Committee
- Michigan Apple Committee
- Michigan Tree Fruit Commission
- Michigan Bean Commission
- Michigan Cherry Committee
- Michigan Corn Marketing Program
- Michigan Beef Industry Commission
- Michigan Dairy Marketing Program
- Michigan Potato Industry Commission
- Michigan Blueberry Commission
- Michigan Propane Commission

LEGAL AUTHORITY:

- PA 232 of 1965, the Michigan Agricultural Commodities Marketing Act (MI Apple, MI Asparagus, MI Carrot, MI Cherry, MI Corn, MI Dairy, MI Onion, MI Soybean, MI Tree Fruit, MI Blueberry, and MI Wheat Commissions)
- PA 29 Michigan Potato Industry Commission
- PA 114 Michigan Bean Commission
- PA 291 Michigan Beef Industry Commission
- PA 332 Michigan Propane Commission



Food and Agriculture Development

PROGRAM MANAGER: Donna LaCourt | 517-614-5518 | lacourtd2@michigan.gov

Mission - deliver expertise and leadership to support economic development in Michigan's food, agriculture, and forest products industries.

The Economic Development Team assists growers, producers, processors, and the agriculture industry in order to promote and accelerate the growth of and investment in Michigan agriculture. Assistance includes supply chain connections, regulatory assistance, funding/financing, facilitating connections, and export support for agriculture, food and forest products sectors. The team works collaboratively with other federal, state, and local economic development partners to provide seamless services to customers.

IMPACT FOR MICHIGAN:

- Increased jobs and investment for food, agriculture, and forest products companies.
- Accelerated growth of Michigan food and agriculture companies by supporting businesses with Food and Agriculture Investment Fund performance-based grants.
- Expansion of new food processors into Michigan that create jobs and economic impact.
- The state's food and agriculture sector generates more than \$104 billion of total economic activity for Michigan each year.

ACCOMPLISHMENTS:

- Accelerated the growth of Michigan food and agriculture companies by leveraging the Food and Agriculture Investment Program. In FY2020, three projects were approved, leading to 107 new jobs and \$22.1 million in new investment.
- PFI Holdco, LLC (Peterson Farms) received a \$135,000 performance-based grant for expansion projects that will increase the value-added processing of Michigan blueberries, cherries and apples. The project required an investment of \$18.5 million and will create 50 new jobs.
- Economic Development Team completed 841 economic development activities to help companies navigate through the COVID19 environment to pivot to new business opportunities, and/or identify programs and funding for retention and growth while also providing regulatory assistance, supply chain connectivity, and more.

MEASURING SUCCESS:

Metric	FY 2019	FY 2020
Company Visits	385	318
Economic Development Activities	686	841
Company Investment	\$238.5 Million	\$96.9 Million
New Jobs Created	600	146

PROGRAM GOALS:

- Accelerate the growth of Michigan food and agriculture companies through an increase in value-added processing opportunities.
- Promote Michigan as a great place to locate and grow your food and agriculture company.
- Serve as a development consultant to food and agriculture companies in order to identify opportunities for growth, collaborate on supply chain efficiencies, and develop long-term plans to support the food and agriculture industry.
- Identify opportunities for growth in all food and agriculture sectors with an added emphasis on dairy, forestry, and valued-added food products.
- Identify development-ready sites that can accommodate food processing growth while working to engage with food and agriculture site selectors.
- Connect businesses with technical and business development resources in order to provide clear paths to growth and expansion in Michigan.



KEY STAKEHOLDERS:

- Food and agriculture businesses and processors
- Agricultural growers and producers
- Forest products industry
- Region and local economic development agencies
- Local communities
- Site selectors

FOOD AND AGRICULTURE INVESTMENT FUND:

The Food and Agriculture Investment Program is an incentive program providing support for food and agriculture projects helping expand food and agriculture processing to enable growth in the industry and Michigan's economy. Selected projects are based on their overall economic impact as well as the potential for growth and investment in Michigan's food and agriculture sector. In Fiscal Year 2020, this program assisted three Michigan projects in Michigan, leading to over 100 new jobs and \$22.1 million of new investment.

PFI Holdco, LLC received a \$135,000 performance-based grant for expansion projects including: 1) relocation of a frozen blueberry line from Georgia to Michigan to increase processing capabilities of Michigan grown blueberries by 50 million pounds annually; 2) relocation of a second applesauce line from Washington to increase apple sauce volume from 25 million gallons to over 38 million gallons; 3) acquisition of a new juice bottling line from New York to increase the purchase of Michigan tart cherries by 15 million pounds and; 4) purchase of new ABL apple peelers to increase yield on the existing line by 15 percent, resulting in an additional one million pounds of finished fresh sliced apples annually. The four projects involve a \$18.5 million investment, creating 50 new jobs.

Ethel's Bakery, LLC, (dba Ethel's Baking Company) received a \$90,000 performance-based grant to expand into a new facility to accommodate growth. The expansion project will include more automation, increased production capacity, and efficiencies in packaging and operations. The project involves a \$2.3 million investment, creates 16 new jobs, and increases purchases of Michigan butter, honey, and eggs.

Snackwerks received a \$150,000 performance-based grant for new projects including an oatmeal "sachet" (single serve package), the production of bar, granola, and cookie businesses from a sprouted dehydrated snack food company in California, and a snack bar business opportunity with a major food company looking to centralize operations and optimize production capacity. The three new projects involve a \$1.3 million investment and will create 41 new jobs.





Grant Programs

PROGRAM MANAGER: Heather Throne | 517-712-0841 | throneh@michigan.gov

MDARD administered the following grant programs: Specialty Crop Block Grant, Value-Added Grant, Food & Agriculture Investment Fund Grant, Rural Development Fund Grant, CARES Act Grant, and One-Time Grants. The grant funds are used to enhance the competitiveness of specialty crops, develop value-added agricultural processing, assist in efforts focused on removing barriers, and leverage food and agriculture opportunities, and enhance land-based industries in rural communities.

IMPACT FOR MICHIGAN:

- Enhances the competitiveness of specialty crops
- Provides research on new industry technology
- Provides research on implementing and developing waste management relating to agriculture or agricultural products
- Provides research on pest management
- Increases land-based industries in rural Michigan
- Works to increase food and agricultural jobs
- Stimulates growth in the value-added processing sector
- Administered grants to aid in food access across Michigan with Fair Food Network, Double Up Food Bucks, via general funding and CARES Act dollars.

ACCOMPLISHMENTS:

- MDARD administers an existing portfolio of 143 grant agreements totaling \$23,627,160.
- MDARD awarded \$830,000 in value-added grants and leveraged \$668,550 in matching funds.
- MDARD awarded \$1,400,241 in rural development grants and leveraged \$2,341,798 in matching funds.
- MDARD averaged four days for the review and disbursement of payments for existing grants.
- MDARD's AgD Grant Team processed over 191 grant reviews distributing millions of dollars amidst the ongoing COVID pandemic.
- The MDARD AgD Grants Team has seen increased needs in our rural communities within Michigan. Rural Development Fund Grants proposals have risen from 70 in 2017 to doubling in three years as the program saw nearly 140 proposals for their recent 2021 round.

MEASURING SUCCESS:

Metric	2019	2020
Awarded Grant Funds	\$5,303,050	\$4,269,629
Leveraged Grant Funds	\$12,561,026	\$3,010,348
Grant Disbursement Response Time (Days)	6	4
Active Grant Portfolios	158	143

LEGAL AUTHORITY:

- Rural Development Fund – Public Act 411 of 2012
- Value-Added Grants & One-time funding – Public Act 65 of 2019
- CARES Act – Public Act 123 of 2020, as amended
- One-time Funding – Public Act 166

PROGRAM GOALS:

- Maximize allocated grant funds with strong industry matches to maximize the funding for the industry.
- Continue to review and streamline grant review processes to improve disbursement response times for grantees and reporting processes.
- Implement additional checks and balances with grant financial reviews and conduct site visits for grant projects.

KEY STAKEHOLDERS:

- Agricultural cooperatives
- Food and agriculture businesses
- Universities and research organizations
- Local governments
- Nonprofit corporations
- Economic development organizations

FY 2020 Value Added Grants

Name	Location	Amount	Match	Project Outcomes	Completion
BonBonBon	Hamtramck	\$125,000	\$40,000	Equipment improvements to shell molding system for gourmet dessert manufacturer	6/30/2022
Bridgeport Development	Clark Lake	\$48,000	\$19,500	Equipment purchases for new Peach Market grocery store in local food desert	6/30/2022
Caledonia Packing	Caledonia	\$68,000	\$205,000	Increase livestock processing by expanding wastewater capacity	6/30/2022
Coveyou Farm	Petoskey	\$125,000	\$73,450	Infrastructure expansion for increased local food access with on-farm regional food aggregation and sales	6/30/2022
Eatiliana Homemade Pasta	Shelby Township	\$113,500	\$107,000	Implement gluten-free pasta products line using bean-based flour milled in Michigan	6/30/2022
Oceana Foods	Shelby	\$109,000	\$46,700	Procure a new bagging system for dried cherries and other dried fruit	6/30/2022
South Lansing Community Development Association	Lansing	\$43,000	\$16,900	Garden expansion and season extension to increase access to healthy food among low-income populations	6/30/2022
Tri-City Cheese & Meat	Kawkawlin	\$99,500	\$37,500	Expansion of USDA federal meat processing facility	6/30/2022
West Thomas Partners	Grand Rapids	\$99,000	\$122,500	Installation of a high-speed oatmeal production line, the first of its kind in the U.S.	6/30/2022

FY 2020 Rural Development Grants

Name	MI Locations	Amount	Match	Project Outcomes	Completion
County of Marquette	Marquette	\$100,000	\$225,757	KI Sawyer Hangar Expansion	8/31/2021
Northern Great Lakes Initiatives (Northern Initiatives)	Marquette	\$50,000	\$15,000	Helping Upper Peninsula Small Businesses Grow and Thrive through the Continuous Solutions Group (CSG) Model	8/31/2021
Bois Blanc Township, Michigan	Pointe Aux	\$100,000	\$179,600	Bois Blanc Island Westend Wetlands Beach Park - PHASE I	8/31/2021
Corullo Forest Products Corporation	Bessemer	\$100,000	\$44,000	Corullo Forest Products Wood Yard Development	Completed
Empire Business Association	Empire	\$10,000	\$3,000	Empire Business Cooperative Wastewater Project	8/31/2021
Manthei Inc (dba) Manthei Veneer	Petoskey	\$100,000	\$268,600	Plywood Sander Procurement and Installation for Value-Added Manufacturing and New Export Capability	8/31/2021
Bay Mills Indian Community	Brimley	\$84,000	\$26,000	Bay Mills Indian Community Riverview Wastewater Project	8/31/2021
West Central Michigan Horticulture Research Inc	Hart	\$100,000	\$348,000	The West Central Michigan Horticulture Research Center	8/31/2021
Western Upper Peninsula Planning and Development Region	Hancock	\$14,647	\$4,500	Seeding Rural Development: Creating Resiliency through Gardening	8/31/2021
Arbre Farms	Walkerville	\$100,000	\$30,000	Arbre Farms Addresses Rural Homelessness and Employee Retention	8/31/2021
J & DC Chocolates LLC dba Grocer's Daughter Chocolate	Empire	\$80,794	\$34,626	Increasing Capacity for Production and Sales of Michigan Value-Added Frozen Treats in Agritourism Destination	8/31/2021
Copper Harbor Trails Society (aka Copper Harbor Trails Club)	Copper Harbor	\$32,500	\$17,500	Keweenaw Mountain Lodge to Manganese Falls Non-Motorized Easy Trail	8/31/2021
Sklarczyk Seed Farm LLC	Johannesburg	\$50,000	\$25,000	Equipment Procurement for Quality Enhancement & Business Expansion	8/31/2021
NutriFeed, LLC	Powers	\$100,000	\$392,390	Salt Processing/Agricultural Block Production	8/31/2021
Colon Village of	Colon	\$50,000	\$80,000	Wastewater Treatment Plant Inlet Structure	8/31/2021
DeVooght's General Store, Inc	Skandia	\$95,000	\$121,000	Marquette County Maple Syrup Processing and Certified Kitchen Project	8/31/2021
North Channel Brewing Company LLC	Manistee	\$100,000	\$60,525	North Channel Brewing Company Expansion Project	8/31/2021
Wunsch Farms	Traverse City	\$100,000	\$150,000	Peninsula Township Farm Labor Housing Project	8/31/2021
Honor Area Restoration Project	Honor	\$20,000	\$310,600	Platte River Park Development: A Community Economic, Recreation and Preservation Initiative	8/31/2021
Keweenaw Bee Company, LLC	Chassel	\$13,300	\$5,700	Procurement of Insulated Bee Hives and Processing Capacity Equipment	Completed

FY 2020 Specialty Crop Block Grants

Name	MI Locations	Amount	Match	Project Outcomes	Completion
Cherry Marketing Institute (CMI)	Dewitt	\$125,000	N/A	Driving Tart Cherry Demand with Influential Foodservice Operators	8/31/2022
Hop Growers of Michigan - Integrated Approach	Livonia	\$73,258	N/A	The Promotion of Michigan Grown Hops	8/31/2022
Michigan Apple Committee - Target Audience	Lansing	\$125,000	N/A	#1 Target Audience Engagement to Increase Sales of Michigan Apples	8/31/2022
Michigan Asparagus Advisory Board	Dewitt	\$125,000	N/A	The Dinosaur in the Room: Sales & Marketing Tools to Prevent Extinction of Michigan Asparagus Industry	8/31/2022
Michigan Bean Commission - Marketing #2	Frankenmuth	\$107,200	N/A	Optimization of Fertilizer Rate Recommendations for Michigan Dry Bean Growers: Strengthening Economic and Environmental Sustainability	8/31/2022
Michigan Bean Commission - Production Research #1	Frankenmuth	\$99,998	N/A	Multifaceted Strategies to Communicate the Value of Michigan Dry Beans: Conventional and Digital Educational Programs to Increase Bean Consumption for Today's Health-Conscious Consumers	8/31/2022
Michigan Blueberry Commission	Lansing	\$70,258	N/A	Evaluating Effective Management Strategies to Control Anthracnose Fruit Rot in Michigan Blueberries	8/31/2022
Michigan Celery Research Inc	Hudsonville	\$70,046	N/A	Michigan Celery Growers Seek Answers to Plant "Meltdown" which Threatens the Industry's Future	8/31/2022
Michigan Christmas Tree Association	Durand	\$72,744	N/A	Development of Integrated Weed Control Program for Michigan Christmas Tree Production	8/31/2022
Michigan Greenhouse Growers Council	Lansing	\$70,000	N/A	Greenhouse Growers Seek Innovative Solutions to Control Botrytis Blight	8/31/2022
Michigan Nursery and Landscape Association	Okemos	\$100,000	N/A	Debating Glyphosate, Understanding the Prominence of Herbicide Resistance and Residuals in Nurseries: Specialty Crops Matter!!	8/31/2022
Michigan Potato Industry Commission - Post Harvest Disease	East Lansing	\$85,625	N/A	Increasing Demand for Michigan Grown Potatoes through Michigan "Tater Tailgate" Events (#1)	8/31/2022
Michigan State Horticultural Society	Berrien Springs	\$99,500	N/A	Managing Downy Mildew in Michigan Vineyards: Investigating Alternative Products, Fungicide Efficacy and Resistance Levels	8/31/2022
Michigan Vegetable Council	Saint Johns	\$91,577	N/A	Strategies are Needed to Protect Michigan's Cucurbits from Fungicide Resistant Downy Mildew	8/31/2022
National Grape Cooperative	Benton Harbor	40,000	N/A	Addressing Priority Issues in Berry Moth Management for Michigan Vineyards	8/31/2022
Shiawassee County Sheriff's Office	Corunna	\$125,000	N/A	Publication of Instructional Manual for Operating a Five Acre Institutional Horticulture Farm Using an Incarcerated Lab or Force	8/31/2022
Southwest Michigan Wine Trail	Coloma	\$88,252	N/A	A Comprehensive Marketing Project to Improve Competitiveness of Lake Michigan Shore Wines	8/31/2022



International Marketing Program

PROGRAM MANAGER: Donna LaCourt | 517-614-5518 | lacourtd2@michigan.gov

Mission - Assist Michigan food and agricultural companies in developing domestic and international market opportunities to grow their businesses effectively.

The program works to achieve its mission by assisting Michigan producers and processors in developing trade opportunities through new market development or expanding existing markets. To showcase Michigan companies in the global arena, the program organizes and implements activities such as export seminars, buyers’ missions, trade missions, and Michigan Pavilions, a group of booth spaces at select domestic and international trade shows.

IMPACT FOR MICHIGAN:

Increasing exports of food and agriculture products and encouraging more companies to become involved in exporting increases the economic impact to the state. Benefits to the economy include increased jobs stable prices for Michigan growers and farmers.

Pictured above: Governor Whitmer, MDARD Director McDowell, and the MDARD staff virtually celebrate 2020 Exporter of the Year.

ACCOMPLISHMENTS:

- Planned participation in a new trade show for 2020, Expo ANTAD in Guadalajara, Mexico. Two companies were scheduled to participate prior to event re-scheduling due to COVID-19. The event takes place in June 2021.
- All trade shows in 2020 were at maximum participation prior to cancellation of events due to COVID-19.
- Continued to enhance programs and services including free primary market research reports, international buyer background checks, and enhanced the online company export directory .
- Supported businesses to pivot to online marketing and virtual trade and buyer missions.
- Exporter of the Year awarded to Kamps Hardwoods in a first ever virtual award ceremony including a virtual company tour.

Metric	2019	2020
Number of Michigan companies participating in Food Export programs and services	96	85
Number of visits to Michigan companies by export team	52	28
Number of followers on Twitter	1,732	1,869
Number of followers on Facebook	783	787

PROGRAM GOALS:

- Assist Michigan companies in the export of food and agriculture products leading to first time exports or an increase in exports
 - Assist companies in navigating federal export assistance programs
 - Increase meetings with Michigan companies
 - Increase the number of Michigan Pavilions offered at trade shows
- Collaborate with Michigan commodity groups to assist their industries to increase exports
- Develop and offer new export programs and services for Michigan companies



KEY STAKEHOLDERS:

- Michigan food and agriculture companies
- Michigan forest products companies
- Michigan growers and producers
- Commodity groups



Michigan Craft Beverage Council

PROGRAM MANAGER: Jenelle Jagmin | 517-930-0696 | jagminj@michigan.gov

The Michigan Craft Beverage Council is a program of the Michigan Department of Agriculture and Rural Development that supports the state’s thriving craft beverage industry and was established on October 1, 2018.

The purpose of this program is to provide research and education grants, business and supply chain connections, grower resources, consumer outreach and education, and promotion of the agricultural products used in craft beverage production.

IMPACT FOR MICHIGAN:

The Michigan Craft Beverage Council program contributes to an industry that serves as an important statewide economic driver. Craft beverage businesses create jobs and opportunities in multiple sectors, including tourism, manufacturing, distribution, and services.

Michigan farmers currently manage 3,050 acres of wine grape vineyards, and there are nearly 800 acres of hops in production. Barley and grain are also in demand, creating additional opportunities for the agricultural sector and communities.

ACCOMPLISHMENTS:

- The Council funded \$431,052 in research projects to advance knowledge of agriculture, production, and education to serve the craft beverage industry into the future.
- The Council created a new communication tool, industry e-newsletter to disseminate important information about grant opportunities, emerging plant parasite information, and State of Michigan coronavirus informational links.
- The Council launched an industry-engagement project to capture industry information and supply chain opportunities.
- The Council’s Research Committee identified important research priorities to ensure the funding of timely, meaningful research projects.

Metric	FY19	FY20
Visits to michigancraftbeverage.com	935	1842
Number of combined followers on social media channels	14,049	13,683
Outreach visits to businesses and stakeholders	9	74
Number of grant projects funded	10	14

PROGRAM GOALS:

- Engage stakeholders in identifying critical industry research needs and specific, timely research priorities
- Further develop Michigan crops for use in craft beverages and enhance consumer knowledge and desire for Michigan craft beverages
- Develop and support business to business connections among growers and producers
- Build Council brand awareness through stakeholder engagement activities and social media

Expenditures – Craft Beverage Fund	FY20
Administration	\$110,468
Council Expenses	\$1,992
Research and Education Grants	\$431,052
Promotion and Consumer Education	\$21,731



KEY STAKEHOLDERS:

- Wineries, breweries, distillers, and hard cider producers
- Wine grape and fruit growers, hop growers, grain and barley growers, and maltsters
- Industry trade partners: retailers, restaurants, and wholesalers
- Michigan State University and other educational institutions
- Tourism organizations

LEGAL AUTHORITY:

- Public Act 155 of 2018
- Public Act 154 of 2018

FY20 Michigan Craft Beverage Grants

Applicant	Locations	Amount	Match	Project Outcomes	Completion
Michigan State University - Sabbatini	East Lansing	\$35,982	\$33,800	Grapevine Cold Hardiness	July 2021
Michigan State University - VanNocker	Clarksville	\$34,474	\$3,788	Development of Red-Juiced Apple Cultivars for Michigan Hard Cider	July 2021
Michigan State University- Serrine	Williamsburg, Hickory Corners	\$31,920	\$15,216	Investigating the Terroir-Influenced Quality Attributes of Hops	July 2021
Michigan State University - Pennington	Frankenmuth	\$21,434	\$11,000	Variety Selection and Agronomy Practices for Soft Winter Wheat Malting	July 2021
Michigan State University- Baas	Hickory Corners, Chatham,	\$29,190	0	Evaluation of Cereal Rye Varieties for the Michigan Craft Distilling Industry	July 2021
Michigan State University- Singh	Mason	\$24,044	\$112,000	Role of Planting Date and Seeding Rate in Optimizing Winter Survival, Yield and Quality of Malting Barley	July 2021
Michigan State University- Miles	Bridgman	\$30,000	0	Developing Integrated Pest Management Approaches for Bunch and Sour Rot Control in Michigan Vineyards	July 2021
Michigan State University- Chilvers	Lansing	\$29,000	0	Optimizing Fungicide Inputs for Disease Management on Barley & Hops	July 2021
Michigan State University- Morelli	East Lansing	\$49,998	0	Fermented Beverage Analysis Lab at MSU	July 2021
Michigan State University- DeDecker	Chatham, Presque Isle, Hickory Corners	\$38,800	0	Investigating Winter Hardiness to Advance Winter Malting Barley as a Climate Adaptation Strategy in Michigan	July 2021
Michigan State University - Malone	Grand Rapids	\$25,000	0	Increasing Demand for Michigan's Emerging Hard Cider Industry Thorough Communication and Promotion	July 2021
Michigan Technological University - Tajiri	Houghton	\$33,597	0	Berries & Brews: Understanding the Market and Technological Processing Opportunities of Michigan Grown Fruit in the Craft Beverage Industry	July 2021
Parallel 45	Traverse City	\$3,100	\$1,000	Educational and Training Opportunities to Michigan's Grape and Wine and Cider Industry	July 2021
Michigan State University- Quintanilla	East Lansing	\$44,513	0	Finding Solutions to Manage Plant-Parasitic Pests in Hopyards	July 2021

FY19 Michigan Craft Beverage Council Grant Results

Primary Researcher	Grant Proposals and Results	Amount
Michigan State University - Sabbatini	<p>Grapevine cold hardiness: integrating environmental cues and vine physiology</p> <p>These new findings from this study have improved our understanding of the role of ABA in grapevine FT and during the second year of the project focus will be on the impact of ABA foliar application on the expression of raffinose and galactinol synthase genes. At the end of the project, several strategies to protect grapevines from cold damage will be proposed to our grape industry.</p>	\$37,364
Michigan State University - Chilvers	<p>Building infrastructure in hops and barley to conduct plant pathology research relevant to Michigan's beer industry</p> <p>Incidence and severity of downy mildew was moderate to high within this trial. The rotational program (i.e. Ridomil/Revus/Presidio/Ranman/Zampro) and the straight program of Presidio were very effective at controlling downy mildew.</p>	\$39,000
Michigan State University - Miles	<p>MI grape extension programs to support vineyard sustainability and fruit quality</p> <p>Research engaged growers with content weekly and new electronic extension content was produced. Research also concluded presence of fungicide resistance will influence which products are considered sustainable for cluster rots.</p>	\$49,750
Michigan State University - Baas	<p>Evaluation of cereal rye varieties for the MI craft distilling industry</p> <p>The varieties are showing significant variation in growth type, and the growth regulator treatment appears to be having a significant effect on plant height at one location, but not the other. The bulk plantings of seven different varieties are all thriving, and barring a disaster, we should have adequate quantities of all seven varieties for batch distilling analysis. Based on these observations, we expect to see significant differences in yield and grain quality across the varieties.</p>	\$13,523

FY19 Michigan Craft Beverage Council Grant Results – Continued

Primary Researcher	Grant Proposals and Results	Amount
Michigan State University - Pennington	<p>Variety selection and agronomy practices for soft winter wheat malting</p> <p>Farmers will be most interested in the yield response to treatment while maltsters will be more interested in malt quality parameters. Yield, plump, fine extract and grain protein are reported. This data should be considered preliminary.</p>	\$50,000
Michigan State University – Van Nocker	<p>MI Pure Red: Development of red-juiced apple cultivars for MI hard cider production</p> <p>PureRed breeding lines were evaluated for phenotypes relating to hard cider production and obtained quantitative information on fruit size, juice color, and juice yield. Desirable selections were propagated for further observations.</p>	\$34,376
Petoskey Wine Region	<p>Enhancing the Competitiveness of Michigan's Newest American Viticulture Area by Increasing Consumer Engagement through Implementation of a Multi-Platform Social Media Campaign</p> <p>Consumers were reticent to actively engage with their mobile devices while on vacation and are very dependent on WI-FI which generally is not available.</p>	\$37,510
Parallel 45	<p>Bring More Educational and Training Opportunities to Michigan's Grape & Wine Industry</p> <p>Grape growers received valuable education from notable researchers such as Dr. Smart, Dr. Kemp, Dr. Ewing and Dr. Mansfield. Events were advertised on many listservs and publications.</p>	\$3,100
Michigan State University – Serrine	<p>Investigating the terroir-influenced quality attributes of hops</p> <p>This grant has been extended, with final report due in March 2021.</p>	\$38,566
JPG Resources	<p>Upcycling Brewing Spent Grain Waste into Value Added Commercial Ingredients of Practical Use to the Food and Beverage Industry</p> <p>Cost modeling demonstrated that ISGPs could be manufactured sourcing BSGs at \$0.03/lb from breweries producing ISGPs which had a cost of goods of approximately \$7.39/lb at the small-scale production investigated.</p>	\$50,000



Producer Securities

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The Producer Securities Program regulates the storage, warehousing, and sale of farm produce in Michigan. The Farm Produce Insurance Authority (FPIA) administers the collection of producer assessments, the payment of producer claims, and the investment of producer funds.

This program assists with producer security regulations under the Wholesale Potato Dealers and the Manufacturing and Fluid Milk Programs. The program also provides financial, compliance and assessment review services for legislatively enacted commodity associations.

The Agricultural Marketing and Bargaining Program works with the industry to establish marketing and processing pricing for asparagus and apple crops grown in Michigan.

IMPACT FOR MICHIGAN:

Producers rely on licensed grain dealers to hold and protect grain deposits similar to when we deposit our savings in a bank. The Farm Produce Insurance Act was enacted to protect farmers in the event of a farm produce dealer’s financial failure. In 2019, there were over \$2 billion in cash receipts for corn, dry beans, oats, soybeans, and wheat handled by Michigan’s 202 licensed grain dealers (186 in-state). Since 2003, 308 producers have recovered \$5,639,557 in claims under the Farm Produce Insurance Act. Insolvencies among grain dealers, wholesale potato dealers, livestock auctions, and dairy plants impact communities, businesses, and farmers through loss of jobs, income, and market.

ACCOMPLISHMENTS:

- On October 1, 2017, the Grain Dealers Act amendment went into effect, establishing a priority lien for producers and lenders for farm produce delivered to a licensed grain dealer for sale or storage, prioritizing a producer’s claim over a general line of credit.
- On September 30, 2020, the Farm Produce Insurance Fund’s balance was \$10,704,273.
- Ongoing FPIA administrative assessments are at .00015 or 15 cents on \$1,000 of grain sold.
- In 2020, the FPIA paid \$463,097 for 28 producer claims from the one grain dealer failure that occurred in 2019.

Metrics Achieved	2019	2020
Risk-Based Audits	163	123
Working Capital Exams	35	24

PROGRAM GOALS:

- For 2021, licensing programs will monitor renewal applications to ensure previously licensed businesses maintain business licenses, if they remain active.
- For 2021, increase number of working capital audits through a risk-based analysis approach.
- For 2021, provide support for Farm Produce Insurance Authority in liquidation, claim payment, and recovery regarding financial losses to producers from grain dealer failure in central Michigan.
- For 2021, review inventory, working capital, and enforcement procedures to determine the most efficient and effective methods for safeguarding and administering the \$10.7 million Farm Produce Insurance Fund and providing adequate producer security to Michigan producers.



KEY STAKEHOLDERS:

- Agricultural producers
- Michigan Agri-Business Association
- Michigan Farm Bureau
- Michigan Agricultural Commodity Marketing Associations
- Agricultural lenders

LEGAL AUTHORITY:

- Grain Dealers Act, PA 141 of 1939, as amended
- Farm Produce Insurance Act, PA 198 of 2003, as amended
- Wholesale Potato Dealers Act, PA 158 of 1964
- Manufacturing, PA 266 of 2001, and Fluid Milk, PA 267 of 2001, Acts, as amended
- Livestock Dealers Act, PA 284 of 1937, as amended
- Agricultural Commodities Marketing Act, PA 232 of 1965, as amended
- Agricultural Marketing and Bargaining Act, PA 344 of 1972, as amended