USDA Regional Food Business Center Program Semi-Annual Performance Progress Report Highlights

All Center Key Highlights Brief Reporting Period 03: July 1 – December 31, 2024

Centers Reporting: 12/12

The data presented below reflects data submitted by 12 of the 12 USDA Regional Food Business Centers. Qualitative data reflects the most recent reporting period (July 1 – December 31, 2024). Unless otherwise noted, quantitative data is cumulative across the entire program period thus far (July 2023 – December 2024). The full performance period of the Regional Food Business Center program is July 2023 – June 2028.

Highlights

Coordination

Regional Food Business Centers (henceforth referred to as RFBCs or Centers) are working across the nation to set-up partnerships and enhance coordination efforts based on regionally appropriate approaches to address supply chain challenges specific to their region. Coordination efforts led by Centers focus on strengthening regional supply chains and building the capacity of farms and food businesses by engaging with relevant organizations, establishing connections and facilitating market access opportunities.

Since the beginning of this program, Center-led activities have resulted in **2,614 new partnerships/collaborations**. Results of these new collaborations and partnerships include more efficient and coordinated use of regional resources (489 partnerships reporting) and coordinated communications and marketing campaigns (404 partnerships reporting). Additionally, with support from Centers these partnerships are executing activities to establish new market opportunities, strengthen farms and food businesses, leverage additional funding sources, and make efficient use of Federal funds through coordinated efforts.

Creating New Market Opportunities and Enhancing Business Capacity

Strategic partnerships between producers/processors and market access points can create new market opportunities and enhance regional producers' capacity and competitiveness. As a result of Center activities focused on creating new market opportunities, **659 new partnerships** have been developed between regional producers/processors and new market access points (e.g., distributors, wholesalers, retailers). These new relationships resulted in increased access to institutional customers (reported by 158 partnerships) and higher profits (reported by 109 partnerships).

The number of partnerships reporting increased access to institutions or higher profits was greater in this past six-month reporting period than in the two previous reporting periods combined (July 2023 – July 2024). This is a pattern seen across much of the data reported during this cycle, as shown in the <u>Total Program Activities and Outcomes table</u> below. This pattern coupled with the fact that many of these partnerships were formed within the past six months and their impact has not yet been fully realized illustrates the strong potential of the Regional Food Business Center program to strengthen and grow farms and food businesses.

Farms and food businesses also reported increased or improved processing, distribution, storage, and aggregation of regionally produced agricultural products as a result of Center activities (reported by 431 farmers, ranchers, and food businesses) and 221 of those businesses reported that they have already adopted a new best practice or technology that has improved their distribution systems due to Center activities.

Examples of Center-led Activities Creating New Market Opportunities and Enhancing Business Capacity include:

- Created a pilot food hub to effectively store and distribute local meat in the region by organizing producers, developing partnerships, connecting with buyers and providing technical assistance on business development and running a food hub. (*North Central RFBC*)
- Worked with producers and institutional buyers to launch a new local food verification pilot to increase local food purchasing options for institutions and expand the institutional market for producers. *(Southwest RFBC)*
- Worked with a food bank to connect with a local farm and improve local procurement networks for fresh produce. (*Delta RFBC*)
- Supported new food hub development in rural communities with limited access to transportation and food products. Fostered relationships between producers, distributors, and consumers to streamline supply chain improvements. *(Island and Remote Areas RFBC)*
- Provided networking opportunities for buyers and food producers located in rural and remote communities, resulting in expanded business contacts. (National Intertribal FBC)
- Networked with regional and international distributors to identify market opportunities for regional producers in new market channels. (Southeast RFBC)

Streamlining Federal Programs and Securing Additional Funding

Coordination efforts have resulted in additional funding secured by regional partners and Center clients. Centers have provided technical assistance to support partners seeking additional funding and have also facilitated opportunities for partners to combine efforts to more efficiently access federal, state, private and foundation funding. For example, the Great Lakes Midwest RFBC supported Resilient Food Systems Infrastructure (RFSI) applicants, including seven tribes and one non-profit, in pursuing a collaborative application strategy. Seven of the eight applications were approved to receive RFSI funding that will result in additional, well-coordinated, food system infrastructure in Wisconsin.

Centers are also working across USDA agencies to learn about USDA programs, connect with staff and provide technical assistance on grant opportunities and accessing USDA programs and resources. Technical assistance provided by Centers connects farms and food businesses to the resources and programs that best meet their needs, prepares potential applicants for grant opportunities, and readies them to be good stewards of federal resources. The Heartland RFBC has met with 60 USDA staff at service centers across the region to learn about and share resources, increase the reach of Heartland RFBC activities and maximize the impact of and access to USDA programming for their clients.

In total, **seven Centers have reported leveraging additional resources for the region due to Center activities this reporting period, resulting in a total of \$8,413,492 awarded to Center partners and clients through alternative funding streams (e.g., Resilient Food Systems Infrastructure, Local Agriculture Marketing Program, Rural Energy for America Program, Specialty Crop Block Grants); state administered funding (e.g., MO Dept of Ag Food insecure Cost-Share Grant Program, ND Dept of Ag for Livestock Development, AGRI (MN) Value Added Grant); community foundations, and private philanthropies. Partnerships also leveraged Center activities to increase access to market resources (e.g., MarketMaker platform) and increase capacity for event planning and technical assistance.**

Technical Assistance

Centers reported significant progress in advancing the implementation of their technical assistance programming during this last reporting period. Reported progress included identifying technical assistance providers via subaward processes; developing and refining technical assistance plans, materials, and training resources; implementing 1:1, cohort, and peer mentorship programs; and aiding Business Builder applicants. For example, the Northwest and Rocky Mountain RFBC, convened Meat Summits for businesses working in meat supply chains to share best practices, discuss innovations, and learn from their peers. The Mountain Meat Summit had over 130 attendees from across the supply chain. In a <u>follow-</u>

<u>up survey</u>, attendees reported an average increase of 14.8% in revenue/production that they attributed to knowledge gained or connections made at the event.

Centers are working with a total of 558 technical assistance providers. Since the launch of the Regional Food Business Center program, Centers and these technical assistance providers have provided **training or technical assistance to 5,527 farms and food businesses/organizations and 7,874 individuals**. The most frequently reported topics addressed through technical assistance include market development (2,132 individuals trained), using new strategies to improve local/regional food processing, distribution, aggregation, or storage (1,846 individuals trained), and navigating and managing financial resources from third parties (1,625 individuals trained).

Even in these early days of implementation, technical assistance recipients are reporting increased knowledge about new market opportunities (reported by 927 farms and food businesses), increased revenue (reported by 525 farms and food businesses), and increased production to meet increased market demand (reported by 426 farms and food businesses). Additionally, 411 business plans have been created with support from Center-funded technical assistance providers.

Centers tailor technical assistance to the specific need and readiness of the farm or food business it is serving. Appalachia RFBC provides both technical assistance and peer mentorship to support farms and food businesses start, strengthen, or expand their operations. For example, a 15-year-old beef operation received technical assistance and mentorship through the Appalachia RFBC to launch a local food market in rural Ohio. Through mentorship from the owner of an already established market, this technical assistance recipient was taught how to navigate the many challenges of starting a new market including, among other things, establishing vendor agreements and fees, sourcing products, managing inventory, choosing a point-of-sale system and administering human resource operations. This business now has 50 producers interested in selling at the market, is navigating a third-party funding stream with support from the Appalachia RFBC and is renovating a historic building that will house the new market.

Additional Examples of Center-led Technical Assistance Activities Include:

- Enhanced the capacity of technical assistance providers in their region through networking, professional development, and train-the-trainer opportunities. (*Northeast RFBC*)
- Provided customized 1:1 business development technical assistance to help clients access resources, learn how to test and market their product, get connected with buyers, and manage budgets and human resources. (*Heartland RFBC*)

• Conducted a technical assistance needs assessment for their region which led to the creation of an inventory of technical assistance resources and a technical assistance provider directory for technical assistance recipients. (*Rio Grande Colonias RFBC*)

Capacity Building (Business Builder)

Business Builder Awards are made for business, market, and supply chain development projects aimed at increasing business viability, developing regional market opportunities, and expanding value chain capacity. One Center (North Central RFBC) has executed Business Builder Awards. A total of 15 Business Builder Awards have been awarded to farmers, ranchers and food businesses through North Central RFBC's program totaling \$607,100. The projects awarded so far have been to small and mid-sized farms and food businesses to support aggregation and distribution, technology advancements, and activities including feasibility studies, market assessments and succession planning. For example, Kitzan Family Farms was awarded \$35,000 to expand their cold storage capacity for value-added frozen ready to eat meals which will use products from 2 or more local producers.

In total, eleven Centers have submitted initial versions of their Business Builder Implementation Plans and five Centers have launched their programs overall (three Centers launched their programs during this last reporting period). All Centers reported developing and/or finalizing their Business Builder Implementation Plan and stated that preparing to administer their Business Builder Award Program is a priority activity for the next reporting period. The two Centers whose applications closed during this reporting period received over 630 scorable applications of which around 25% will be funded, highlighting both the high demand for and competitiveness of this program.

Total Program Activities and Outcomes

The initial year of Center activity (as reported in PPR 1 and 2) prioritized foundation setting and internal Center coordination. In the most recent reporting period (PPR 3), Centers have shifted focus to programmatic implementation. This acceleration of activities is significantly advancing direct services and impacts for farmers, ranchers, and food businesses as seen in the table below.

	Previous (July 2023 June 2024)	PPR 3 (July 2024 Dec 2024)	Total (July 2024 Dec 2024)
Coordination			
# of New Partnerships	1,531	1,083	2,614
Partnerships formalized with MOUs	257	209	466
Technical Assistance			
# of TA providers	319	239	558
# of businesses/organizations served	1,717	3,810	5,527
# of individuals trained or provided TA	2,818	5,056	7, 874
Capacity Building			
# of Business Builder Awards Distributed	15	0	15
Total Funding Awarded	\$607,100	\$0	\$607,100
Outcomes			
Partnerships resulting in increased sales	72	133	205
Partnerships working together on coordinated comms	263	141	404
Partnerships leading to more efficient resource usage	249	240	489
Partnerships securing additional funding based on partnership	46	89	135
Partnerships between producers/processors and market access points	355	304	659
# of business plans developed	252	159	411
Additional financial resources leveraged for region (approximate)	\$4,165,000	\$4,248,492	\$8,413,492

