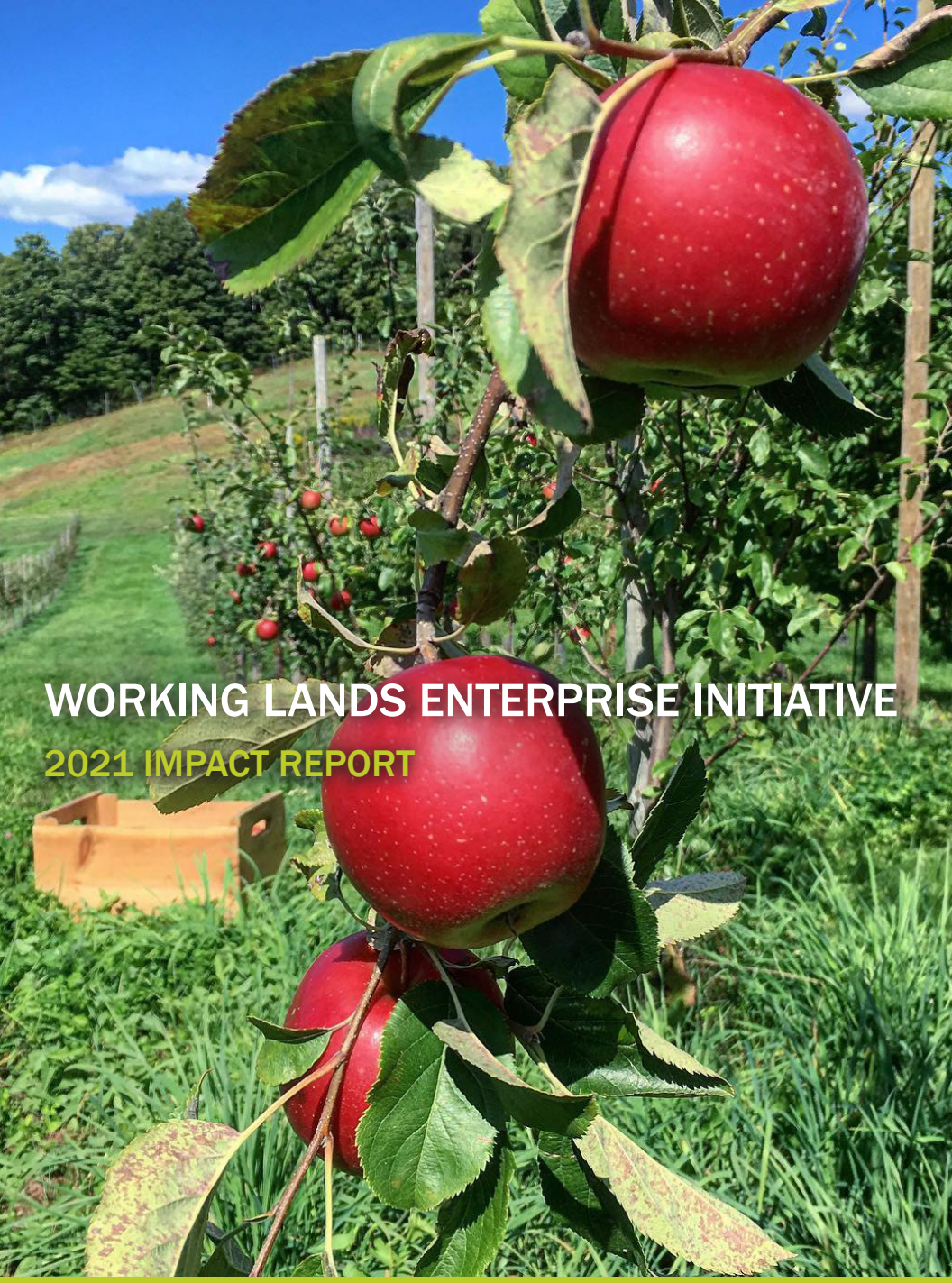


WORKING LANDS ENTERPRISE INITIATIVE

2021 IMPACT REPORT

VERMONT

AGENCY OF AGRICULTURE, FOOD & MARKETS

INTRODUCTION

The Working Lands Enterprise Initiative (WLEI) and governing board were created in accordance with Act 142 of 2012 to stimulate economic development in the agricultural and forestry sectors by systematically advancing entrepreneurship, business development, and job creation. Working Lands investments help increase output, create jobs, and propel innovation for industries imperative to Vermont's economic success. With Governor Scott and legislator's unprecedented appropriation of funds of $5.3 million, for the Fiscal Year 2022 grant cycle, the WLEI reviewed over 100 businesses in need, with project requests totaling $10,522,053.

The Working Lands Enterprise Board (WLEB) annually ascertains business needs of the working landscape, and for FY22 prioritized a wide range of critical gaps and opportunities for maximum impact.

$2.1 million has been awarded as of January, 2022:

- **Service Provider organizations**, providing technical and business assistance to agriculture and forest businesses.
- **Standard Business Infrastructure projects** for market and sales strategy development; enhancing production and/or manufacturing efficiencies.
- **Meat Processing and Slaughter enterprises** for processing and/or distribution, addressing known existing infrastructure bottlenecks; developing marketing plans and/or sales strategies.
- **Producer Associations** for organizational development including business structure, onboarding and/or transitions post succession; governance; board training and capacity.
- $3.2 million will be awarded in April 2022 pending review of the **Supply Chain Impact and Market Level Infrastructure Impact projects** designed to leverage supply chain partnerships at significant scale of up to $250k per award.

2012–2021
Program Impact To Date

Funded
249
agriculture and forestry projects

All of Vermont's
14
counties have been impacted

Distributed over
$7.3M
in Working Lands funds

Leveraged over
$11M
in matching funds

FROM 2012 THROUGH 2019,
Working Lands grantees have

Created
535
new jobs

Impacted
22,890
acres of land

Employed
1084
people

Generated
$45,332,337
in additional sales for the Vermont economy*

*Project reporting sales numbers fluctuate based on reasonable business vagaries

Top image courtesy of Big Picture Farm, above image from Naga Bakehouse

INVESTING IN VERMONT'S

FOOD, FOREST AND FARM ECONOMY

Focus areas and funding categories are annually assessed by the WLEB to ensure adequate attention toward the priority issues and needs of the agricultural and forestry industries. Investments are designed to support businesses at pivotal stages of development.

Over 64,000 Vermonters are directly employed by over 11,000 farms and food-related businesses. With nearly 78 percent of its landscape forested, Vermont's culture and economy has come to rely on healthy and productive forests. Annually, Vermont's forest products industry generates $1.5 billion in economic output supporting 10,000 jobs in forestry, logging, processing, woodworking, construction, and wood heating.

Working Lands Enterprise Fund (WLEF) investments are able to respond to emerging and impending needs, sectors and markets that have potential and/or challenges. For the Fiscal Year 2021 grant cycle, the WLEB funded Supply Chain Impact Business Grants ranging $25,000-$75,000 per award.

- **Production and Processing in Agriculture** – Enhancing production of value-added agriculture or forest- based products and/or manufacturing efficiencies, transitioning to operation as a new processor or expansion as an existing processor, addressing known bottlenecks along the supply chain.
- **Low Grade Wood Equipment** – To produce, screen, weigh, or package, wood fuel (firewood, pellets, or chips) for heating; kiln or flow-through dryers; increase commercial sawmill throughput or efficiency.

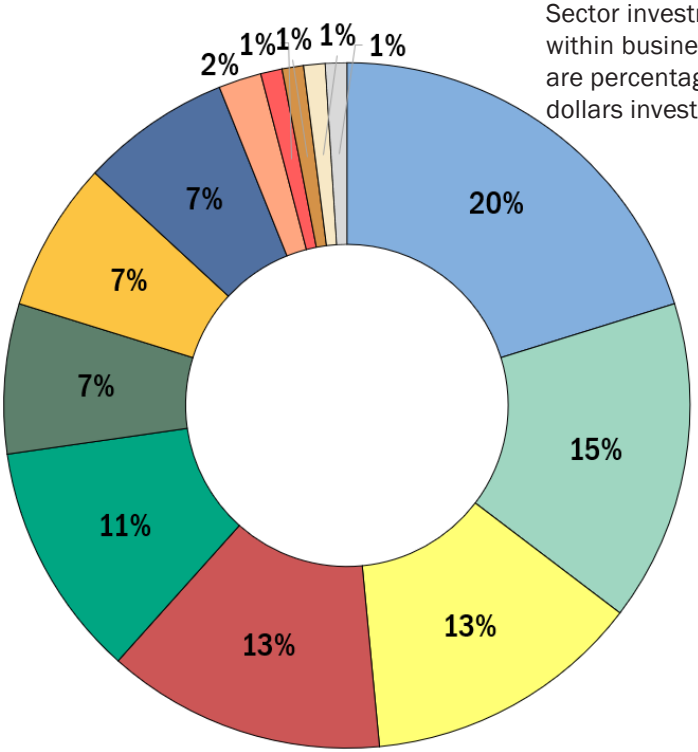
Technical and business assistance awards to Service Provider organizations focused on business succession planning, marketing development, access to capital and enterprise tools to navigate Covid-19.

The charts on page 5 represent the industry sectors where WLEI has made investments since its inception, for business grantees.

2012 TO DATE

OVER $6M INVESTED

Sector investments within business grants are percentages of dollars invested.



- Dairy & dairy products
- Wood manufacturing & construction
- Meat & livestock products
- Vegetables, berries & their products (produce)
- Forestry, logging & sawmill
- Diversified operations/ multiple sectors
- Value added products
- Wood heat, energy & waste recovery
- Maple & maple products
- Grain crops
- Nursery crops
- Food distribution
- Other products *(not otherwise specified)*

TRADE SHOW ASSISTANCE GRANTS

Part of the marketing and promotion strategy of the Working Lands Enterprise Board is to invest in Trade Show Assistance grants (TSAG), providing financial assistance to Vermont agriculture and forestry businesses to help them identify, plan, exhibit, and sell their Vermont products at out-of-state trade shows. These matching grants provide eligible trade show-related expenses to help businesses connect with wholesale buyers and expand into new markets. Funding includes marketing assets and booth design, registration fees (including booth space and educational sessions).

Trade Show Assistance Grant Impacts From 2015 To Date:

72 VT business TSAG recipients

5,765 Total leads generated at shows

$200K Total Working Lands investments → **>$4M** Anticipated value of leads → **2041%** Potential return on investment

37 Unique trade shows attended

$137K Sales at trade shows → **68%** Initial return on investment

The Trade Show Assistance Grant program was paused during FY21 due to the ongoing COVID-19 pandemic. The program returns for FY22 with an investment of $30,000, allowing businesses funds for virtual trade shows as the uncertainty of the pandemic lingers on. Special focus this year is to fund forestry businesses in their trade show marketing efforts.

Image courtesy of Vermont Agency of Agriculture, Food and Markets

PROGRAM DONOR

SKI VERMONT

Since 2017, the Vermont Ski Areas Association (VSAA) has funded a variety of Working Lands projects to in-state businesses.

"The ski industry is proud to support the projects enabled by these grants. This important work reflects our values, rooted in Vermont's cultural and historical heritage, of supporting a vibrant and diverse economy through responsible use and stewardship of the land,' said Molly Mahar, Vermont Ski Areas Association president. "A healthy working landscape supports resiliency in the face of a changing climate – something that is critical for Vermont now and into the future."

The VSAA awarded $14,801 to Vital Communities in White River Junction Vermont, for their BIPOC Land Access Every Town Handbook, a resource tool navigating land access and developing agricultural business establishments for BIPOC aspiring and beginning farmers in Vermont.

This philanthropy is funded through proceeds from Ski Vermont's Fifth Grade Passport program, which helps children get involved in skiing and snowboarding. In 2020, Ski Vermont awarded 5,505 to Walden Heights Nursery in Walden and $10,000 to Vine Ripe Greenhouse construction, of Roxbury. In 2019, KJ Pratt Logging and Tree Service, LLC, of Jericho was funded a $15,000 VSAA grant to acquire a firewood processor. In 2018, Fairmont Farm in East Montpelier, received $16,000 to help fund its 'Life on the Farm' Camp for children. In 2017, VSAA awarded $19,980 to Larson Farm Creamery of Wells in support of their value-added dairy products.

To date, VSAA has donated over $80,000 to WLEI.

SKI VERMONT

Winter in its Original State.

Images courtesy of Ski Vermont

FY 2021 INVESTMENTS

In 2021, the WLEB focused funds directly to enterprises for maximum return to the single enterprise, and business proximal along its supply chain. Three distinct opportunities emerged for the grain, value-added and secondary forest sectors with a focus on: infrastructure improvements that would support increased production, distribution; leveraging supply chain partnerships; business diversification, product development & research and development.

DAIRY

Jasper Hill Creamery | $75,000
Supply chain impact project

GRAIN

Naga Bakehouse | $75,000
Spoon Mountain Millers: A Regional Stoneground Flour Mill

SECONDARY FORESTRY: FIREWOOD

Tony Dwyer Logging| $75,000
Low Grade Wood Equipment-Firewood Kiln

For investments that to support emerging business needs addressing and amplifying access to capital, business planning, financial and technical assistance, marketing skills, market development, the WLEB focused efforts on six distinct projects to engage in statewide efforts covering multiple agriculture and forest sectors.

AGRICULTURE BUSINESS ASSISTANCE

Enrionmental Mediation Center | $20,000
Intra-family mediation and counseling for dairy farms

Vermont Community Loan Fund | $90,000
SPROUT Program

Vermont Housing and Conservation Board |$60,000
Business Succession Planning

Vital Communities |$ 14,801
Developing the BIPOC Land Access Every Town Handbook

FORESTRY BUSINESS ASSISTANCE

Northeast Forests LLC | $55,000
Forest Business School

Vermont Sustainable Jobs Fund | $55,475
3rd Annual Forestry Summit

JASPER HILL CREAMERY

GREENSBORO | CALEDONIA COUNTY

$75,000 FY21 SUPPLY CHAIN IMPACT BUSINESS GRANT

Jasper Hill Creamery received an award for the installation of state-of-the-art hard cheesemaking equipment and to add an additional 8500 square feet to their existing facilities.

The expansion and upgrade led to a major increase in their production capacity and positions them to continue as a standard-bearer of quality and innovation in the artisan cheese industry. It will also allow Jasper Hill to rebuild its herd, which had to be dispersed early in the pandemic.

Over the coming years, they will be able to build demand and process over 15 million pounds of milk a year – supporting between 6 and 10 additional farms. This investment will enable Jasper Hill Creamery to impact the Vermont economy as they have for the past two decades by making 62% of their business expenditures within 15 miles of their farm and 79% within the state.

Images left and above courtesy of Jasper Hill Creamery

BUSINESS GRANTEE SPOTLIGHT

NAGA BAKEHOUSE

BRATTLEBORO | WINDSOR COUNTY

$75,000 FY21 SUPPLY CHAIN IMPACT BUSINESS GRANT

Intending to scale capacity at their new sister business: Spoon Mountain Millers, Naga Bakehouse was awarded a $75,000 grant to construct a 1200 square foot building to house a new mill. This will increase the capacity of their regional flour mill to handle grains, post- harvest.

This infrastructure compliments the owners' 2020 purchase of Two Meadows Mills, a grain elevator and combine from the former Gleason Grains. Purchasing other key pieces of harvesting equipment allowed (with 2 other partner farms) the planting and harvesting of close to 5 tons of buckwheat.

Naga Bakehouse will now significantly expand production capability, hire staff, and utilize grain from additional farms, increasing whole grain flour sales to multiple market channels with expanding demand. This project is partially supported by The Regenerative Food Network and strategic visioning support from the Southern Vermont Regional Food System Network. A long-term vison for Naga Bakehouse is to increase efficiencies between and amongst all the players from farmer to food hub to college to hospital to planning commission, in order to increase the volume of locally grown and ground flours.

 Image courtesy of Naga Bakehouse

TONY DWYER LOGGING

ST. JOHNSBURY | CALEDONIA COUNTY

$75,000 FY21 SUPPLY CHAIN IMPACT BUSINESS GRANT

Tony Dwyer Logging received a $75,000 Working Lands Grant for a firewood kiln. Business owners Tony and Brittnee both come from logging families and possess valuable perspectives of the challenges and opportunities in the firewood and forestry products business. Registered as an LLC since 2014, the business purchased their first kiln in 2019 but needed a second kiln to meet the high demand for firewood. The Dwyers' business had already expanded and employed eight full-time staff and fulfilled several supply chain contracts. Their supply chain and business network covers Caledonia, Essex, Orleans, Washington, Chittenden, and Windsor counties in Vermont. The business also serves customers in New Hampshire and as far away as Connecticut. Tony Dwyer Logging supplies residential customers, Northeast Kingdom Community Action heat emergency clients, VT State Parks, businesses, and have contracts with Premier Firewood in Connecticut, and Shillings Beer in Littleton, NH.

Prior to receiving the Working Lands grant, Tony Dwyer Logging processed up to 30 cords of kiln dried firewood per week. With a new kiln, the business aimed to double processing capacity to 60 cords per week. The second kiln went into operation in September 2021, and not long after, the business was already processing 52 cords per week and hired two additional employees. Tony Dwyer Logging has easily found additional contracts and customers for the increased supply, and the business is continuing to refine their operating procedures to keep up with the success brought on by the new kiln.

Image courtesy of Tony Dwyer Logging LLC

SERVICE PROVIDER STRATEGY

To ensure working lands businesses are viable, the Working Lands Enterprise Board funds individuals and organizations that provide businesses with specialized services. These Service Providers are production specialists, business advisors, marketing and branding firms, accountants, and management consultants.

This allows farm, food, and forest-sector businesses focus on growing their business when an outside professional handles finances and succession planning. WLEB's Service Provider Strategy invests in viability efforts with a two-pronged approach: funding partners who meet critical long-term system needs via contracts and funding regional groups or pilot programs via grants.

A commitment to continuous process improvement and adapting its grant programs to meet evolving market needs is important. In February of 2018, a panel of lenders and funders attended a WLEB meeting, and their individual experiences exposed a consistent trend: many working lands business owners in Vermont would benefit from executive business skills training, via Service Providers.

WLEB continues to predominately fund direct to enterprise grants, and technical and business assistance investments have been vital during the COVID-19 pandemic. In FY21, WLEB increased attention to enhancing financial and business marketing skills. With limited funds, the board also strategically scaled the direct to businesses funding to those enterprises demonstrating supply chain impact.

Image courtesy of Vermont Grape and Wine Council

VITAL COMMUNITIES

FY21 SERVICE PROVIDER GRANTEE

In 2021, Vital Communities was funded $14,801 for 'The BIPOC Land Access Every Town Handbook.' The project supports Radical Imagination's existing Every Town land sovereignty project that seeks to secure and hold in trust one parcel of land in every Vermont town for Black, Indigenous, and People of Color (BIPOC). Vital Communities is working in partnership with Radical Imagination, Northeast Farmers of Color Land Trust, NOFA-VT, and the Vermont Land Trust to create a guide that documents pathways for BIPOC to:

1. **Seek and acquire land;**
2. **Establish land-based businesses in less diverse communities;**
3. **Access agricultural support networks in Vermont.**

The BIPOC Land Access Every Town Handbook will include guidance and resources created by BIPOC groups and individuals currently navigating these complex processes. Working Lands funds support the labor and time of BIPOC advocates and farmers engaged in the Every Town effort in the Upper Valley to document their efforts in the handbook. The handbook ultimately seeks to enable BIPOC to steward more land and land-based businesses in Vermont and experience secure livelihoods. The Handbook will be available digitally in spring 2022.

Image courtesy of Vermont Agency of Agriculture, Food and Markets

SERVICE PROVIDER SPOTLIGHT

ENVIRONMENTAL MEDIATION CENTER

FY21 SERVICE PROVIDER GRANTEE

Environmental Mediation Center (EMC) received a $20,000 Working Lands grant in FY21 to develop an Intra-Family Mediation and Counseling Program for dairy farms facing financial challenges.

The project aims to empower families to understand options to continue farming rather than selling land or other assets. This project's focus on counseling and intra-family mediation is key to helping farm families understand their options, discuss and debate them, and ultimately decide on a course of action.

Traditional financial advising does not always address the emotions and family dynamics that come with these tough decisions. EMC's mediated approach enables each family member to be heard and to discuss their concerns in a safe space. With the twin approaches of financial advising and family mediation, EMC seeks to enable families to remain on their land and continue farming. This work provides much needed support to Vermont's dairy industry amid ongoing economic stresses.

Image courtesy of Vermont Agency of Agriculture, Food and Markets

NORTHEAST FORESTS, LLC

FY21 SERVICE PROVIDER GRANTEE

Northeast Forests, LLC received a $55,000 Working Lands Enterprise Fund Service Provider grant to conduct pilot learning sessions for the Vermont Forest Business School (FBS). Northeast Forests is a consulting firm that provides applied research, training, and continuing education and stewardship services to the working landscape, focusing on forest-based businesses and landowners. Dr. Steven Bick heads the organization and lead the grant-funded pilot program.

The FBS pilot project addressed an expressed need among forest business owners for tools to make better decisions about growth, investments, and staffing. Dr. Bick tailored the six-month program to working landscape lifestyles during the pandemic, with participants meeting remotely each week. The pilot program provided over 1000 hours of assistance to 10 Vermont businesses. Participants reported that this assistance resulted in many positive changes to their production processes, business systems, and financial planning. On average, they reported increasing their personal productivity by 38 percent and average revenue by 20 percent since the start of the program. FBS also strengthened forest-sector networks to share knowledge and resources.

Image courtesy of Northeast Forests LLC

WORKING LANDS ENTERPRISE BOARD

The Working Lands Enterprise Board (WLEB) represents an agency triumvirate and a cross-sector network of partners: Vermont Agency of Agriculture, Food & Markets, Vermont Forests, Parks & Recreation, Vermont

ANSON TEBBETTS | CHAIR
Secretary, Vermont Agency of Agriculture, Food & Markets

ALYSON EASTMAN | DESIGNEE
Deputy Secretary, Vermont Agency of Agriculture, Food & Markets

MICHAEL SNYDER
Commissioner, Vermont Department of Forests, Parks & Recreation

MATT LANGLAIS | DESIGNEE
Caledonia/Essex County Forester, Vermont Department of Forest, Parks & Recreation

TAYT BROOKS
Deputy Secretary, Vermont Agency of Commerce & Community Development

TIM TIERNEY | DESIGNEE
Director of Business Recruitment and International Trade, Vermont Agency of Commerce and Community Development

WILL BELONGIA
Executive Director,
Vermont Community Loan Fund
Washington County

ALISHA UTTER
Owner, Arbor Farmstead
Grand Isle County

DAVE HUBBARD
Salesman, GMC Hardwoods
Windsor County

CHARLIE HANCOCK
Consulting Forester, Northwoods Forestry
Caledonia County

MARISA MAURO
Owner, Ploughgate Creamery
Washington County

MEGAN CAMP
Vice President, Shelburne Farms
Chittenden County

Agency of Commerce and Community Development, numerous designated board members from across the value chains of Agriculture and Forestry, and Ex-Officio members from the Vermont Economic Development Authority, Vermont Housing and Conservation Board, and the Vermont Sustainable Jobs Fund.

BETH KENNETT
Owner, Liberty Hill Farm
Windsor County

TYLER MILLER
Vice President, Vermont Land Trust
Washington County

BOB LESNIKOSKI
Owner, Vermont Cranberry Company
Franklin County

DONNA YOUNG
Owner, Wayeeses Maple
Orleans County

ANNIE ROWELL
Vermont First Coordinator, Sodexo
Chittenden County

Ex-Officio, Non-Voting Members

CASSANDRA POLHEMUS
Chief Executive Officer,
Vermont Economic Development Authority

SARAH ISHAM | DESIGNEE
Director of Agricultural Lending,
Vermont Agricultural Credit Corporation

ELLEN KAHLER
Executive Director,
Vermont Sustainable Jobs Fund

GUS SEELIG
Executive Director,
Vermont Housing & Conservation Board

Images courtesy of WLEB members

WORKING LANDS ENTERPRISE BOARD COMMITTEES

Working Lands Enterprise Board Committees are a critical leverage point for Board strategy, effective operations, and system impact. Program management works closely with each Committee Chair, creating toolkits for optimizing WLEB's committees to support board development and governance.

Forest Economy
Engage with one of the largest pieces of Vermont's working lands' economy and help them stay at the forefront of innovation in the world's lumber industry.

Coordinating
Consult on sensitive board or grant applications, legislative day and annual Board symposium.

Goals and Evaluation
Guide and provide feedback on the metrics used and analysis conducted to determine impact, annual review of the Board's Organizational Plan.

Policy
Solicit and vet policy topics for consideration by the Board. Develop list of policy priorities for Board vote. Gather input and develop recommendations.

Enterprise Finance Options
Make recommendations on understanding what portfolio of financial services WLEB should consider providing to help achieve its statutory goals, consideration on viable partners in delivering financial services.

Executive Business Skills
Develop a long-term strategy for deploying funds to forestry and agricultural sectors attending to, improving executive business skills among working lands businesses.

Service Provider Strategy
Recommendations to WLEB regarding portfolio of programmatic initiatives focused on technical assistance and business support to help achieve its statutory goals.

Nominating
Supports the nominating process, works with staff liaison to appointing offices for coordination of committee and WLEB recommendations.

The WLEB Policy Committee, chaired by Bob Lesnikoski, updated its charter in 2021 and developed an annual planning framework that will help to operationalize this committee for years to come.

Excerpt from the **2021 WLEB Policy Committee Charter**:

Translates stages of state and federal legislation, regulation, and other governmental mandates that affect Vermont's working lands, guides strategy that support WLEB's mission. Identifies, evaluates, and reviews policies which affect agriculture and forest products business activities and performance:

a. Recommends policies, outlines considerations and strategies that impact and improve Vermont's Working Lands businesses.

b. Develops annual 'issue matrix' to prioritize and outline positions the Policy Committee anticipate focusing on for the upcoming year. Collaborates with WLEB for adoption of priorities.

c. Gathers input, resources and develops recommendations and reports to WLEB. Issues, position, and priority adopted first by Policy Committee through straw poll.

Image courtesy of Bob Lesnikoski

VERMONT

WORKING LANDS ENTERPRISE INITIATIVE

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Cover image courtesy of Scott Farm Orchard (front), Burtt's Apple Orchard, and VAAFM staff (back)

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