



MORRISON & COMPANY

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The Morrison Team is hard at work in the world of agriculture & business.

3CORE, Inc.: Cultivating Healthy Businesses Because People Matter



When small businesses in Northern California wish to secure funding to grow innovative ideas or expand their business sales, or need a mentor as they transform their passion into profits, 3CORE, Inc. is an important first stop.

3CORE is a private non-profit corporation that serves California's Butte, Glenn, and Tehama counties as an intermediary for public and private funding to finance and to mentor healthy, growing small- and medium-sized businesses. With their talented staff and extensive collaborative partnerships throughout the region, 3CORE is able to provide financing, mentoring, and perspective to the businesses and organizations they serve.

3CORE strives to provide the businesses they serve with the knowledge and resources needed to help them grow well beyond the terms of their loan agreements

3CORE, in partnership with the North Valley Community Foundation, operates the Business Vitality Seed Fund to support emerging businesses with feasible commercial enterprises. 3CORE can provide loans or lines of credit to those who meet most, but not all traditional bank financing requirements. 3CORE does not end the relationship with a simple monetary investment; rather, the organization strives to provide the businesses they serve with the knowledge and resources needed to help them grow well beyond the terms of their loan agreements.

Morrison & Company has been contracted to provide our expertise in business planning, management, financial forecasting, and feasibility assessment to a number of the businesses 3CORE helps move to the next level. This has allowed us to work with companies like **Incrediwear**, a designer and producer of therapeutic braces and socks, and **360Ecotique**, an environmentally conscious clothing boutique. We will soon start advising **Girls with Guns**, a clothing company marketed to women with a passion for hunting and sport shooting, sold through

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Meeting the Challenge with Light Spreadable Butter



For more than a century, Challenge Dairy has provided its customers with the highest quality butter and dairy products, rising from a small company that had to rent a horse for its deliveries to the most popular butter brand in the Western United States.

As a cooperative, Challenge Dairy markets and distributes dairy products for its 425 California dairy producers. Established in 1911, Challenge began with just four employees and 132 pounds of butter. Over the past 100 years, Challenge has become one of the leaders in the nation's dairy industry and is credited for developing the first lab sampling of butter and the first corrugated paper packing for shipping cubes, introducing the first half gallon carton of milk, and being the first butter manufacturer to develop a metal churn.

Today, Challenge Dairy Products' cubed, whipped, and spreadable butter can be found on grocery stores shelves in 32 Western states,

including California, Oregon, Washington, Arizona, Colorado, Illinois and Texas.

Challenge Dairy Products was a 2012 Value-Added Producer Grant recipient (see VAPG story on opposite page) and will be leveraging USDA funding to support the launch of a new Light Spreadable Butter that features extra virgin olive oil as a key ingredient. The new product will join Challenge's traditional Spreadable Butter and Tuscan Style Spreadable Butter.

Morrison & Company was honored to prepare an independent feasibility study and business plan for the light spreadable butter project, including assessments of the business organization, production feasibility, competition and markets, marketing and distribution, project personnel, the project work plan and budget, capital needs, risk analysis, and multi-year financial projections. The feasibility study and business plan were used in support of the 2012 VAPG proposal, which we wrote for Challenge.

We are looking forward to bringing Challenge's Light Spreadable Butter into our office kitchen very soon!

Getting To Know Tim Peters



Tim Peters, CPA, joined Morrison & Company as a consultant in September 2011; he assists clients with planning, interim accounting and finance assistance, and grants. Tim grew up in Willits, CA, and is a graduate of California State University, Chico, where he earned a degree in accounting. Tim and his wife Jaime live in Chico, California.

Favorite summertime activity: Camping.

Currently reading: Wild at Heart by John Eldredge.

Dream road trip destination: I would love to rent an RV and drive up to Alaska in the summer.

Preferred superhero power (if he could choose one): Teleportation because it would make traveling a lot easier and cheaper!

Favorite part of working at Morrison & Company: The diversity of the services we provide allows me to serve clients in so many different ways and learn a lot in the process.

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chains like Sportsman's Warehouse and Scheels, other outdoors and sporting goods retailers across the country, and their own online store.

Additionally, Morrison & Company principal Geoff Chinnock recently sat as a member of the North Valley Community Foundation/3CORE Business Vitality Seed Fund review team, helping award funding to

Social High Rise, a company that helps businesses manage their social media presence.

As collaborators and contractors, we are proud to be a part of the work that 3CORE is doing to serve California's small businesses and look forward to working with their innovative team and clients in the future.

Welcome New Clients!



Morrison Clients in California Bountiful Magazine

Morrison & Company Consultant Toni Scott has had the opportunity to write freelance articles for *California Bountiful*, the California Farm Bureau Federation's bi-monthly magazine publication.

Three of Toni's stories have been published so far, all of them about Morrison & Company clients. Mooney Farms was featured in the

March/April 2013 issue, Top O' The Morn Farms was the cover story for the May/June 2013 issue, and Llano Seco Rancho is highlighted in the July/August 2013 issue.

Be sure to check out www.californiabountiful.com to read about these clients and the great things they are doing!

Morrison & Company Clients Awarded a Combined \$1.75 Million in Value-Added Producer Grant Funding

The USDA announced award recipients for the Value-Added Producer Grant Program in May, and Morrison & Company was blessed to learn that our clients were awarded a combined \$1.75 million in federal grant funding for marketing and planning projects related to value-added activities.

Morrison & Company prepared seven applications for the competitive federal grant program; all seven received the full grant funding requested.

Our clients for the 2012 program were Challenge Dairy Products, Llano Seco Rancho, MBG Marketing, Inc., Nishimori Family Farms, Pacific Farms and Orchards, San Miguel Produce, and Valley Fig Growers.

Morrison & Company's clients accounted for 97% of all VAPG funding awarded in California and 10.4% of all funds awarded nationally. Six of the seven successful applications in California were prepared by Morrison & Company (our seventh proposal was for MBG Marketing, the world's largest distributor of blueberries, located in Grand Junction, Michigan). Six of the seven applications written by our team required a business plan and feasibility study, which were also completed by our staff of professional CPAs.

The Value-Added Producer Grant aims to help individual farmers and ranchers, producer-owned companies such as agricultural cooperatives, and agricultural producer groups expand value-added activities. Generating new products, creating and expanding marketing opportunities, and increasing producer income are the end goals of this program. Applicants applied for up to \$300,000 to support direct marketing opportunities and up to \$100,000 for planning projects.

Since 2002, Morrison & Company has helped clients receive a combined \$10.8 million in grant funding through the Value-Added Producer Grant alone, with a 93% success rate overall for this program. Nationally, VAPG program applicants have about a 20% to 25% success rate.

The Value-Added Producer Grant is a federal Farm Bill program and is likely to be released in 2013, though the timing is uncertain; in 2012 the program opened in August with applications due in October. If you are interested in learning more about this grant opportunity, contact Brent (530-893-4764, ext. 202 or bmorrison@morrisonco.net) or any member of the Morrison team. We tend to reach capacity with this program, so please contact us as soon as possible if you have an interest.



Morrison & Company Tidbits



Morrison & Company had the opportunity to partner with Chabin Concepts on an economic development strategy for Glenn County, California. As part of the project, Consultant Toni Scott toured some of Glenn County's food and agribusiness operations with a team from Five Star Bank, 3CORE, Chabin Concepts, and the Glenn County UC Cooperative Extension. In the included picture, the team is at Riverwest Processing with General Manager Barbara Smith.

Principal Brent Morrison and Toni Scott participated in the Agricultural Council of California's May 2013 Legislative Day. The day included meeting with legislators and legislative staff regarding issues impacting California agribusiness and grower-owned companies. Morrison & Company is an allied member of the Agricultural Council.



Brent, Geoff, and Tim all had a fantastic time at the National Society for Accountants for Cooperatives Far Western Chapter Annual Meeting in Monterey in May. Geoff and Brent presented a session on the Farm Bill and Farm Bill grant programs for attendees. Geoff was also chosen to sit on the Board of Directors for the NSAC Far Western Chapter.



Brent presented to the board and management of 600-member cooperative Allied Grape Growers, discussing marketing strategies and strategic planning. Pictured are Brent and Allied Grape Growers President Nat DiBuduo.

Toni Scott had the chance to catch up with one of our new clients, Sam Mudd, a Northern California walnut grower, at a recent Farm Bureau event. Pictured are Toni and Sam outside Ag Unite (www.agunite.net).



Morrison & Company specializes in planning and feasibility, interim/outsourced assistance, special projects, and grants.