

Business builder grants expanded capacity and economic opportunity for Idaho farms

AT A GLANCE

The Idaho Business Builder Grant Program provides funding to help Idaho's food and farm businesses increase capacity, expand markets and strengthen local economies.

The Situation

Food and farm businesses play a vital role in Idaho's economy, particularly in rural communities where they contribute to local employment, economic activity and food system resilience. However, many small and mid-sized businesses face barriers that can limit growth, including inadequate processing capacity, limited storage and distribution infrastructure, food safety compliance costs, transportation challenges and restricted access to new markets.

These challenges can prevent businesses from expanding production, developing value-added products, improving efficiency or reaching additional customers. As a result, opportunities to increase revenue, create new markets and strengthen local food supply chains may go unrealized.

In 2023, the USDA Agricultural Marketing Service established 12 Regional Food Business Centers to strengthen local and regional food systems through technical assistance, business development support and strategic investments. As a key partner with the Northwest and Rocky Mountain Regional Food Business Center, University of Idaho Extension, with input from a statewide steering committee, provided leader-



Funding for the Regional Food Business Centers was provided through the USDA Agricultural Marketing Service.

ship for the center's work in Idaho. Center funding administered by U of I was used to support growth of Idaho's food and agricultural businesses.

Our Response

Through the center's Idaho Business Builder Grant Program, 18 Idaho food and farm businesses received grants totaling \$222,777.

Funding supported projects that addressed business-specific barriers to growth through investments in equipment, infrastructure, product development, food safety, transportation, marketing and market expansion. Grant recipients implemented projects ranging from processing and storage improvements to value-added product development, retail expansion,

distribution enhancements and customer outreach initiatives.

Program Outcomes

Business builder grants increased the capacity of Idaho food and farm businesses to grow, compete and serve local and regional markets. Across funded projects, businesses reported expanded processing and storage capabilities, improved operational efficiency, enhanced distribution systems, stronger marketing efforts, and the development of new value-added products and revenue streams.

Reports and communications throughout project implementation indicated increased sales opportunities, expanded customer bases, improved business visibility, greater production capacity and stronger market positioning. Many businesses reported increased ability to meet customer demand, enter new markets, extend sales seasons and create new partnerships within Idaho's food and agricultural sector.

The program strengthened Idaho's broader food economy by increasing local processing capacity, supporting value-added agriculture, improving supply chain infrastructure and encouraging businesses to source, market and sell more Idaho-produced products. These investments helped keep more food dollars circulating within Idaho communities while building a stronger and more resilient regional food system.

Exit interviews conducted at the completion of funded projects confirmed that business builder grant investments generated meaningful benefits for Idaho food and farm businesses. As shown in the accompanying table, participants reported outcomes related to business growth, increased production capacity, improved product quality and safety, expanded market

opportunities and the development of new partnerships and collaborations.

Business builder grant impacts on Idaho farm and food businesses (percent of grant recipients n=18).

Business impact	%
Increased revenue	100
Increased production to meet increased demand	83
Improved in product quality and safety	56
New business partnership or collaboration	56
Knowledge about new market opportunities	50
Obtained business expertise or assistance	39
Created or updated a business plan	33
Created and/or developed a new food or farm business	22

Beyond these reported outcomes, grantees consistently expressed appreciation for the Idaho Business Builder Grant Program and the support provided through the USDA's Regional Food Business Center. Many noted that the funding enabled investments that would otherwise have been postponed or out of reach, accelerating business growth and helping them respond to new market opportunities. Participants also emphasized the value of the technical assistance, expertise and connections provided through the program.

The results demonstrate that strategic investments, paired with education and business development support, can strengthen Idaho's food and agricultural economy by helping businesses build capacity, and create new opportunities for long-term success.

FOR MORE INFORMATION

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