



Testimony to the Joint Standing Committee on Agriculture, Conservation and Forestry

in support of LD 1670

An Act to Strengthen Maine's Agriculture, Food and Forest Economy by Funding the Maine Agriculture, Food and Forest Products Investment Fund and Amending Related Provisions of Law

4/26/2023

Dear Senator Ingwersen, Representative Pluecker, and distinguished members of the Committee on Agriculture, Conservation and Forestry: My name is Amy Winston. I live in Edgecomb and I am testifying on behalf of [Coastal Enterprises, Inc. \(CEI\)](#) in support of [LD 1670](#), *An Act to Strengthen Maine's Agriculture, Food and Forest Economy by Funding the Maine Agriculture, Food and Forest Products Investment Fund and Amending Related Provisions of Law*.

Founded in 1977, CEI is a non-profit, mission-driven community development corporation (CDC) and community development financial institution (CDFI) based in Brunswick. CEI works to build a just, vibrant and climate resilient future for people and communities in Maine and rural regions. We do this by integrating finance, business expertise, and policy solutions which help to make the economy more equitable. Since its inception, CEI has invested \$32,682,424 in agriculture and food related businesses and \$9,092,591 in the forest products sector. Our 46-year commitment to supporting job-creating natural resource-based businesses and local supply chain development has only grown in the last decade¹.

As focused as we have been providing capital to farms and small food businesses, we know that these investments are not enough². We continually seek new investment partners and sources of patient, affordable, and flexible financing. Scarce in private markets, this type of capital is critical to the development, retention and expansion of sustainable food and forest products businesses.

This bill will provide access to capital and technical services that do not currently exist on a statewide level in Maine. LD 1670 appropriates \$20 million per year to the [Maine Agriculture, Food and Forest Products Investment Fund](#), which fosters business growth, talent and innovation in (proposed in LD 1565 and) established by LD 1733, *An Act to Provide Allocations for the Distribution of State Fiscal Recovery Funds* (Public Law 2021, Ch. 483, Part KK). It is state policy to foster business growth, talent, and innovation in Maine's agricultural, food and forest products industries and to promote climate resilient supply chains³. This fund creates a sustainable funding mechanism that will support ongoing investment

¹ **Since 2012:** CEI has invested a combined \$29 million in loans and equity in 168 farm and food related businesses that have created a projected 780 jobs; of these 168 loans, 114 (68%), went to underserved businesses. CEI made \$4.7 million in combined loans and equity investments in 18 forestry businesses that created a projected 235 jobs; of these loans, eight (8, or 44%) went to underserved businesses. **Since 2018:** CEI has provided \$17,513,606 in financing to food and agriculture related enterprises and \$1,922,500 in the forestry sector.

² See CEI's testimony in support of [LD 1565](#), the predecessor to this bill, in the 130th Legislature, and the source of the language in LD 1733, Part KK, which *established but did not fund* the Maine Agriculture, Food and Forest Products Investment Fund.

³ [Maine Economic Development Strategy, 2020-2029: A Focus on Talent and Innovation](#); [Maine Won't Wait: A Four Year Plan for Climate Action \(2020\)](#)



in these industries and redress longstanding inequities in accessing capital and TA services, in accordance with recommendations made to this committee by the Permanent Commission on Maine’s Racial, Indigenous and Tribal Populations’ LD 870 report back to this committee.⁴ This Fund facilitates strategic investments in Maine agriculture, food systems, and forestry businesses through interagency coordination and public-private partnerships with service providers that have experience and expertise in these sectors and can serve as conduits for delivering services and capital effectively and efficiently to low income community businesses. Additionally, it aligns with regional food system planning⁵, which will help get more Maine grown food into the traded sector.

Research conducted between 2015-2022 at the Harvard Kennedy School Center for Business and Government and here in Maine⁶, has demonstrated the growth potential in Maine’s agriculture, seafood and food and beverage processing cluster; the urgent need for infrastructure investment; and demand for technical services and equity-like capital. In 2022, through the federally funded Governor’s Maine Jobs and Recovery Plan [Agricultural Infrastructure Investment Program](#), the Maine Department of Agriculture, Conservation and Forestry (DACF) received 850 funding requests from qualifying businesses, worth \$180 million and subsequently awarded \$19.3 million allocated for this purpose to a mix of 64 farm and food processing businesses statewide. Finally, DACF completed an assessment of the financial and technical business services available to farm, food, and forest products businesses. This study confirmed the Fund fulfills a need that is not being met and creates a unique opportunity to ensure a sustained funding source for these iconic businesses, enabling them to innovate and grow.

It is modeled on Vermont’s successful Working Lands Enterprise Fund and Farm to Plate Initiative and Massachusetts’ racial equity focused Food Innovation Trust Fund; and expands on existing industry efforts here in Maine – e.g., [FocusMaine](#), [Maine Center for Entrepreneurs’ Top Gun](#) and [Food Accelerators](#), and [CEI’s Tastemakers Initiative](#) and Catalyst Fund – to propel innovation, business growth and job creation in early-stage and start-up food processing and manufacturing businesses, which employ local people and source from Maine growers/producers, multiplying each investment. All of Maine benefits from successful businesses in these sectors.

Thank you for the opportunity to testify in favor of this important proposal. This bill promises to advance Maine’s agricultural and forest products economy. Attached to this testimony, please find a comparison of the successful VT and MA models, a fact sheet on this bill, and profiles of innovative businesses in these sectors that have benefited from this kind of capital. These case studies illustrate the benefits and impact of this resource. We look forward to working collaboratively with the Departments of Agriculture, Conservation and Forestry, Economic and Community Development, University of Maine Cooperative Extension, the Fund Advisory Board, and other stakeholders to help launch this Fund.

We urge the committee to vote **Ought to Pass** and *fully fund LD 1670*.

⁴ [Land Access for Indigenous & African American Farmers in Maine: Report to the Joint Standing Committee on Agriculture, Conservation and Forestry \(February 2022\)](#)

⁵ Food Solutions New England’s *A New England Food Vision* and the New England Food System Planners Partnership [New England Feeding New England: Cultivating A Reliable Food Supply](#)

⁶ [Growing Maine’s Food Industry, Growing Maine | Harvard Kennedy School](#) Harvard (2015); Maine Departments of Agriculture, Conservation and Forestry and Economic and Community Development, *Heritage Industry Infrastructure Survey: Results & Analysis – Agriculture & Forestry* (2021)

Comparison of Vermont and Massachusetts Models

Vermont Working Lands Enterprise Initiative (WLEI)	Massachusetts Food Innovation Trust Fund
<p>Vermont Farm to Plate established in statute, 2011.</p> <ul style="list-style-type: none"> • Farm to Plate is Vermont’s model food industry statewide strategic plan to develop workforce, support and grow businesses and markets (value chain coordination) 	<p>MA Food Trust Program established in statute¹, 2017.</p> <ul style="list-style-type: none"> • Designed to complement existing MDAR programs and in conjunction with MA Food Policy Council (comprised of state agencies and public stakeholders)
<p>Vermont Working Lands Enterprise Fund (WLEF) established in statute in 2013, to provide needed capital to businesses, service providers engaged in Farm to Plate</p> <ul style="list-style-type: none"> • Invests in local businesses that are derivative of and sustaining working landscapes, to grow the VT brand and increase its value through increased statewide investment across state’s educational and economic sectors (includes a Higher Ed Food System Consortium to develop workforce training and food business career ladders) 	<p>State allocated \$1 million in an environmental bond bill - part of the state’s capital investment plan</p> <ul style="list-style-type: none"> • Establishes a financing infrastructure that invests in businesses to increase healthy affordable food options and improve economic opportunities to nutritionally underserved communities²
<p>Statute (6 VSA 4604³, 4607⁴) creates <u>board</u> consisting of industry, government, finance sector, business and industry technical services, to administer fund and develop policy recommendations to serve as an impact investment organization to:</p> <ul style="list-style-type: none"> • stimulate economic development (foster entrepreneurship, business development and job creation) in state’s agriculture and forest product sectors • increase value of raw and value-added products through development of state and export markets • provide priority funding to support enterprise development, including technical assistance 	<ul style="list-style-type: none"> • Overseen and evaluated by Mass. Department of Agricultural Resources (MDAR) • Co-administered by 2 established community development financial institutions (CDFIs) selected by competitive RFP. <ul style="list-style-type: none"> ○ CDFIs are critical partners ○ Franklin County Community Development Corporation (FCCDC) serves western counties, and Local Enterprise Assistance Fund (LEAF) serves the eastern part of the state, to ensure statewide geographical reach.⁵ • Chapter 23A Section 65(a) establishes the program, paragraph (b) sets out authorizes a

¹ <https://mapublichealth.org/wp-content/uploads/2016/02/environmental-bond-bill-healthy-food-financing-language.pdf>

² <https://www.mass.gov/news/baker-polito-administration-launches-1-million-initiative-promoting-access-to-healthy-local>

³ <https://law.justia.com/codes/vermont/2018/title-6/chapter-207/section-4604/>

⁴ <https://legislature.vermont.gov/statutes/section/06/207/04607>

⁵ These organizations contract with the Food Trust to ensure that applicants meet national best practice guidelines. This is an additional layer, that is voluntary, and not needed to effectively, efficiently administer funds.

<p>that directly supports enterprise development</p> <ul style="list-style-type: none"> • grow economies, cultures and communities of VT’s working landscape through essential catalytic investments in critical leverage points w/the VT farm and forest economy. • Find the critical leverage points: identify opportunities and challenges related to access to capital, infrastructure, product development, marketing, training, research and education, succession. • Expand existing, identify and develop new profitable markets (in state and out) for food, forest, fiber products and value-added agricultural products, including farm-derived renewable energy. • Oversee public engagement: establish application process, eligibility criteria, award grants and loans, identify leveraging opportunities, industry clusters, priority infrastructure. • State agencies provide admin support (2 ftes added in statute, 2014). 	<p>CDFI to develop and implement flexible financing programs, raise funds, evaluate applicants, make award decisions, underwrite loans and monitor compliance and impact.</p> <ul style="list-style-type: none"> • The statute indicates eligible activities and directs the CDFI to cooperate with the state food policy council to target underserved communities, and work in conjunction with local community colleges and vocational education institutions to develop programs designed to train and educate food sellers respecting the designating and marketing of nutritious foods and to assist in the development of public education programs designed to make the buying public aware of the need for nutritious foods and the identity of nutritious foods. • MDAR is currently receiving applications from CDFIs to administer the Program.⁶ The program structure therefore may change under new management.
<p>Fund is composed of monies appropriated by the legislature and received from public or private sources approved by board (6 VSA 4605⁷). Grants are awarded in the following categories</p> <ul style="list-style-type: none"> • Producer Association Grants • Service Providers • American Rescue Plan Act Grants • Trade show assistance grants 	<p>Eligible activities include, but not be limited to</p> <ul style="list-style-type: none"> • the development, renovation and expansion of supermarkets • year-round farmers’ markets, food truck commissaries and community kitchens • retail, restaurant and supporting food distribution hub options serving such food opportunity areas as approved by the department and that demonstrate a meaningful commitment to sell fresh, local products • infrastructure for urban and rural-based community-supported agriculture businesses • working capital for projects including but not limited to, equipment and furnishings, workforce training, security and certain predevelopment costs
<p>Farm to Plate and Working Lands Enterprise Fund reauthorized and reallocated with broad support in VT Legislature:</p> <ul style="list-style-type: none"> • Overall impact (2012-2022): 	<ul style="list-style-type: none"> • Since its establishment in 2019, the Program has <ul style="list-style-type: none"> ○ Funded 66 projects in 12 different counties, creating over 1000 jobs

⁶ <https://www.mass.gov/service-details/massachusetts-food-trust-program#feedback>

⁷ <https://legislature.vermont.gov/statutes/section/06/207/04605>

<ul style="list-style-type: none"> ○ 418 farm, food, and forestry businesses funded, creating 539 jobs. ○ \$13.6 million in direct investment. ○ \$22.5 million in matching funds (cash, in kind, other private and public investment) leveraged ○ Statewide investment in all 14 counties ○ 24,000 working acres maintained ○ \$55 million in annual sales through grant supported projects ● Governor Phil Scott (R) has proposed a \$4 million allocation to the fund for 2024. ● VT Governor Scott on the WLEF: “It’s clear these efforts and investments make a difference, which is important to our economy and state...to...make Vermont more affordable, and protect the most vulnerable.” 	<ul style="list-style-type: none"> ○ 21 projects are owned or controlled by a person of color. 31 are owned or controlled by a woman. ○ Invested \$4.16 million into businesses and leveraged in additional \$13.7 through investments ○ 88% of Workers Hired from Within the Local Community ○ Over 300,000 individuals with Improved/Expanded Access to healthy foods ○ 91% of Projects Accept or Will Accept SNAP & WIC ○
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Recommendation:

- CEI recommends that *Maine enact a food system investment program and enterprise development fund as an important element of state agriculture policy.*
- This tool is needed to *build the Maine brand, grow, and innovate Maine food businesses, and create jobs.*
- A hybrid version of the successful VT and MA programs might house the plan at the Department of Agriculture, Conservation and Forestry, to be administered by a qualified community development financial institution/statewide economic development organization.
- As written, an Advisory Board and annual reporting oversees fund performance and progress toward climate and food system policy goals.

AN ACT TO STRENGTHEN MAINE'S AGRICULTURE, FOOD AND FOREST ECONOMY BY FUNDING THE MAINE AGRICULTURE, FOOD AND FOREST PRODUCTS INVESTMENT FUND AND AMENDING RELATED PROVISIONS OF LAW

Capitalizes the Maine Agriculture, Food and Forest Products Investment Fund - established by the 130th Legislature to facilitate strategic investments in the state's agricultural, food and forest products processing and manufacturing industries.

QUICK FACTS

Goal: Bipartisan bill to support Maine's heritage industries

Sponsor: Speaker Talbot-Ross, House District 40

Amount: \$20,000,000 in FY2024 and 2025 for infrastructure investment and technical assistance to critical businesses

This Bill: Provides a unique opportunity to ensure a sustained funding source for the state's critical and iconic agriculture, food and forest products businesses, enabling them to innovate and grow.



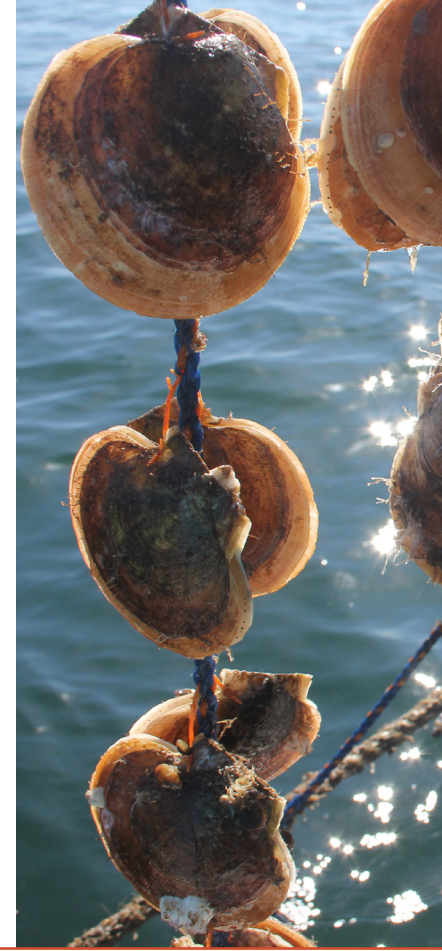
KEY FEATURES

- **Completes legislative work begun in the 129th and continued in the 130th Legislatures**, which studied the need for and established the Maine Agriculture, Food and Forest Products Investment Fund.
- **Supports the resiliency of Maine's food supply and production chain through strategic investments** in Maine agriculture, food systems, and forestry businesses.
- **Fills a gap in needed capital and business assistance** that does not currently exist in Maine.
- **Ensures equitable access to capital and technical assistance** for historically disadvantaged populations.
- **Supports existing industry efforts from Maine-based organizations** to propel innovation, business growth and job creation in early-stage and start-up food processing/manufacturing businesses, which employ local people and source from Maine growers/producers, multiplying each investment.
- **Promotes interagency coordination and public-private partnerships.**
- **Modeled on successful programs** in Vermont and Massachusetts.
- **All of Maine benefits from successful businesses in these sectors.**



ALIGNS WITH AND IMPLEMENTS

- **Maine Economic Development Strategy 2020-2029:** A Focus on Talent and Innovation and DECD Domestic Trade Project (to ensure robust, climate-safe food supply chain, foster talent and innovation in food manufacturing, marine systems, and the biobased economy)
- **Maine Climate Action Plan** (statutory objectives, to reduce carbon emissions and build local and regional food systems)
- Recommendations of the Permanent Commission's **Land Access for Indigenous & African American Farmers Report** (2022)
- Maine Food Cluster Project Findings, highlighted in **Growing Maine's Food Industry, Growing Maine**
- **FocusMaine** (growing quality food and agriculture jobs in Maine)
- Maine's role in Food Solutions New England's **A New England Food Vision** and the New England Food System Planners Partnership **New England Feeding New England: Cultivating A Reliable Food Supply** (USDA funded regional food system, supply chain resilience)
- Maine's **Ending Hunger by 2030 Plan** (food security is economic security)
- **Maine Food Strategy Framework: A Tool for Advancing Maine's Food System**



LEGISLATIVE PROCESS

LD 1670 has been scheduled for a public hearing by the Joint Standing Committee on Agriculture, Conservation, and Forestry next **Wednesday, April 26th at 9am.**

- **Testify In person:** the Public Hearing starts at 9am, in Room 214 of the Burton Cross State House – there are 2 bills scheduled for hearing at this time. Bring 20 copies of your written testimony.
- **Submit Written Testimony and/or Register to testify by Zoom** via the [Maine Legislative online portal](#) 30 min. before scheduled start time. (Written testimony can be submitted at any time up until the work session where they will vote on the bill, so if you miss Wednesday's deadline, there will be another opportunity to engage.)
 - Choose: Public Hearing
 - Choose a committee (from dropdown list): Agriculture, Conservation and Forestry.
 - Choose a date: APR 26, 2023 9AM
 - Select the bill you want to testify/submit testimony for: [LD 1670, An Act to Strengthen the Maine Agriculture, Food and Forest Products Economy and Amend Related Provisions of Law](#)
 - IF YOU PLAN TO TESTIFY: Check off the box underneath the red text that says "I would like to testify electronically over Zoom". If you do not check this off, you will not get any Zoom information sent to you.
 - Click on Upload File, to upload your Testimony.
 - Complete your information: Name, Town or Organization.
 - Click Submit/Register

If you have any problems call either the:
Legislative Information Office - (207) 287-1692
Committee Clerk - (207) 287-1330

Contact:

Amy Winston, Senior Policy Director
Amy.winston@ceimaine.org
207-504-6339

CEI



Sector Expertise

COASTAL ENTERPRISES, INC.

30 Federal Street, Suite 100, Brunswick, Maine 04011
207.535.2920 | www.ceimaine.org

CEI's commitment to Maine's agricultural and value-added foods sector spans our 40-year history.

"From my first visit with my advisor as a budding entrepreneur to our successful loan application for working capital, CEI has been an integral support system for growing our company- and still is."

— JOEL ALEX, Owner, Blue Ox Malthouse

CEI works to build a just, vibrant and climate-resilient future for people and communities in Maine and rural regions. We do this by integrating finance, business expertise and policy solutions in ways that make the economy work more equitably.

WHAT WE DO

CEI works closely with farm and food businesses to address operational, workforce, and market access. Our industry focus on agriculture and food systems supports the legacy and promise of Maine's farms, recognizing the need for economic diversification and environmental sustainability.



FREE, SECTOR-SPECIFIC

ADVISING on starting, growing or transitioning a successful business that creates & sustains good jobs



BUSINESS LIFE CYCLE

FINANCING along a continuum of capital, from microloans to equity investment



INDUSTRY ACCELERATION

translating sector knowledge into industry-wide initiatives that add value, increase profits, and expand access to markets



POLICY ADVOCACY

for pragmatic solutions that reduce barriers and expand opportunities for businesses and families.



CEI has the tools to help Maine's food and agriculture businesses succeed.

WHAT WE OFFER

Free, confidential consulting from a skilled support team of industry consultants, business advisors, and loan officers ready to help you with:

- Industry Expertise
- Credit and financing
- Accounting, record keeping and cash flow analysis
- Business start-up and acquisition
- Strategic planning and operations
- Marketing and sales



Flexible Financing

We can help you identify the best available capital source for your business from our variety of nontraditional financing options, including flexible debt, lines of credit, and equity:

- Loans from \$50,000 to \$3 million for equipment, property and working capital
- Wicked Fast™ Loans up to \$25,000
- Equity investments
- Micro loans from \$5,000 to \$50,000 for small business or startup costs

WHY CEI?

Our deep Maine roots and passion for economic development give CEI industry consultants, business advisors, and loan officers extensive expertise and insight into the unique challenges and opportunities faced by entrepreneurs in the agriculture and food systems sectors.

We do more than provide funding for farms and entrepreneurs - we forge networks, embrace new technologies, advocate for better policies, and celebrate how these sectors sustain our way of life. Maine farms and food businesses know they can rely on us for advice, capital and support.



“We hope that every dollar spent here upholds the connection between farmer and eater, makes it easier for the next entrepreneur to start a business, makes the air cleaner, the world fairer, and our bodies healthier. Our CEI business advisor and lender were key to this venture. They saw us through right to opening day.”

— SARAH MORNEAULT, Co-Owner, Tiller & Rye

OUR IMPACT

Over its 45-year history, CEI has loaned and invested more than \$32 million to food system enterprises and leveraged an additional \$124 million from financial partners.

CEI's food system impact over the past 10 years:

- 1,986 jobs for Maine people in the local food system;
- 412 food entrepreneurs received technical business assistance; and
- 2,758 acres of farmland maintained in production.

FOR MORE INFORMATION

Contact Keith Bisson

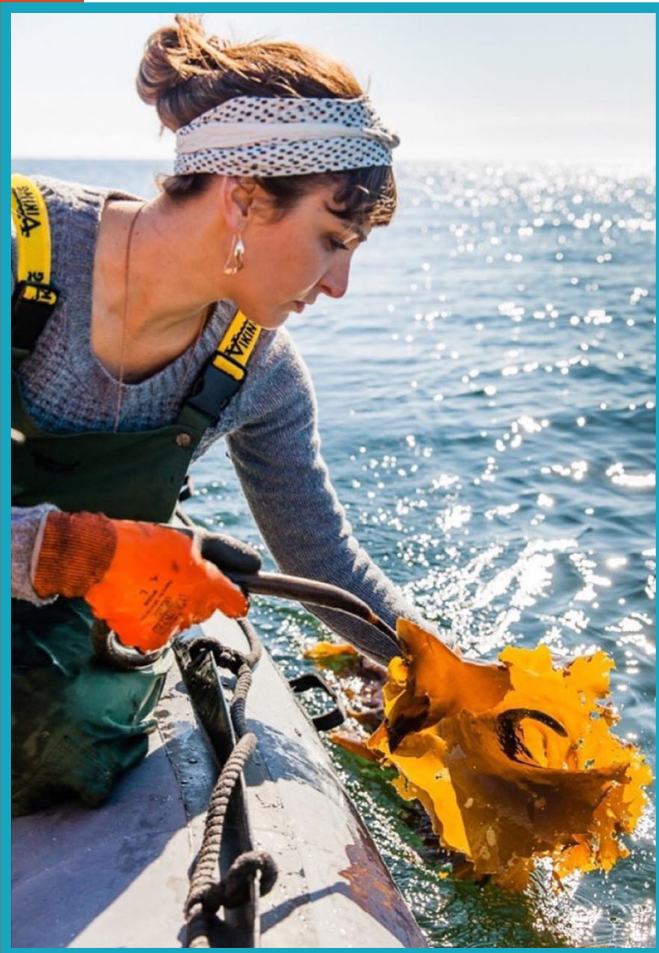
keith.bisson@ceimaine.org | 207.331.3646



ATLANTIC SEA FARMS

Since Briana Warner took over as CEO of Atlantic Sea Farms in 2018, she has transformed the company formerly known as Ocean Approved from the first commercially viable seaweed farm in the country to a retail product company that is winning food industry awards and increasing consumer knowledge of kelp as a delicious and climate-positive ingredient, all while supporting Maine's working waterfront. This transition was made possible with support of targeted funding from CEI and Maine tax-incentivized financing.

The heart of Atlantic Sea Farms is its network of 24 kelp farmers. Since the 2018 transition, the company no longer grows its own kelp to harvest, instead opting to work with Maine fishermen by supplying them with kelp seed, training them on growing techniques and, perhaps most importantly, providing a guaranteed purchase of their entire harvest. The arrangement allows Atlantic Sea Farms to outsource farming to individuals who are knowledgeable about Maine's waters and have the necessary equipment (boats, ropes) on hand, while it helps the farmers, who primarily fish or lobster, diversify their income.



To create an outlet for increasing amounts of farmed kelp (production increased from 40,000 lbs. of seaweed in FY19 to 800,000 lbs in FY21), Briana has focused on establishing the Atlantic Sea Farms retail brand and selling to ingredient companies and fast casual restaurants as base ingredients. 2020 kicked off strong, with the February launch of a partnership with sweetgreen™, a national fast-casual restaurant chain focused on salads, with a special offering developed by renowned chef David Chang - a partnership profiled in the NY Times and Washington Post.

Atlantic Sea Farms was also preparing to launch their retail food brand, consisting of pureed kelp cubes for smoothies, thaw & eat shredded kelp and fermented seaweed products, like the Good Food Award-winning Sea-Chi. When the pandemic hit, wholesale to retailers and direct e-commerce sales became even more vital. But launching a retail brand, particularly with an unfamiliar key ingredient like kelp, takes a lot of consumer education and advertising.

To date, Atlantic Sea Farm's growth has been financed by a dedicated group of angel and institutional investors, including CEI. Given the company's relationship with its kelp farmers, Atlantic Sea Farms was an excellent fit for CEI's Catalyst Fund, which makes early-stage equity investments in food system businesses that support local agriculture and aquaculture production in Maine and the northeast.

"Entrepreneurs need investors willing to invest in infrastructure," said Briana. "That's where CEI first came in. The Catalyst Fund investment gave us the flexibility and time to scale up our value-added products, helping to grow the impact and health of seaweed farming along the coast, with the objective of building a diversified income stream for coastal fishermen in the offseason."

In late February 2020, Atlantic Sea Farms learned they had also been named to that year's CEI Tastemakers cohort, a FocusMaine-supported program that provides specialized consulting and investor networking opportunities for emerging food and beverage companies. The \$15,000 in funding from the

CEI



Tastemakers program allowed them to hire iBec Creative, a local digital marketing firm, to develop an online-focused marketing plan that boosted their Google ranking, increase website traffic & ecommerce sales, and launched a targeted brand ambassador program.

“It couldn’t have come at a better time,” recalled Briana, “because we were applying for funding for more advertising. We knew we needed to do substantial advertising, to get people to know about our products and to drive people both to the store to purchase on the shelf and our store on the Internet. It came at a time when we needed it, as everything just started shutting down. It drove sales directly to our e-commerce site and also the support retailers when we weren’t able to demo in person. It wasn’t a ton of money, but it did a ton for us.”

The ability to hire and pay expert consultants was a key feature of the Tastemaker program for Briana. While she acknowledged there was a critical mass of retired business professionals offering advice on a volunteer basis, she emphasized there was a different level of engagement and service with hired consultants, who “are hard-charging to get the job done because they’re being paid for it by real money.”

Flexible money like that provided by the Tastemaker Initiative isn’t easy to come by, Briana noted: “What was so cool about the Tastemakers funding is that it was quite literally focused on the question, ‘What you need to make your business grow?’ So you could use it to fund things like digital ads, when that is not something there is usually money for. Quite frankly, that flexibility made fifteen thousand worth more to us than fifty thousand dollars would be if it was limited to something like equipment purchases. We could use it on what’s actually going to make us money.”

LEARN MORE ABOUT ATLANTIC SEA FARMS

Website: <https://atlanticseafarms.com/>

Facebook: <https://www.facebook.com/OceanApproved/>

Instagram: <https://instagram.com/atlanticseafarms>



Coastal Enterprises Inc. (CEI)
info@CEIMaine.org | www.CEIMaine.org

CEI



BLUE OX MALTHOUSE

To provide the missing link in the creation of a Maine beer made with 100 percent local ingredients, entrepreneur Joel Alex established Blue Ox Malthouse, sourcing and malting Maine grains. In Maine, barley is typically grown as a rotation crop, mostly for potatoes. Since rotation crops are not commercially valued for that single purpose, they are plowed under to replenish the soil, or sold cheaply for animal feed. Blue Ox Malthouse, however, offers farmers an alternative premium off take and gives local breweries a critical local ingredient. The project is a win-win-win for the whole brewers' supply chain. Today, Blue Ox Malthouse counts 100 different breweries in Maine and New England as customers and works with about 10 local Maine farmers. In reciprocity, the waste, or spent grains from the malting process,

returns to farms to be used as livestock feed.

CEI Role: CEI provided technical support and business advice prior to start up and made its first loan to Blue Ox Malthouse in 2015.

LEARN MORE ABOUT BLUE OX MALTHOUSE

Website: www.blueoxmalthouse.com



MOUSAM VALLEY MUSHROOMS

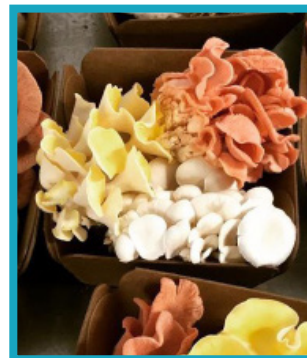
Mousam Valley Mushrooms produces organic mushrooms cultivated on Maine hardwood & straw inside a former dairy barn in Springvale, Maine. By moving the growing and packing into a controlled and fully automated indoor environment, Mousam Valley Mushrooms has been able to optimize the ideal conditions present in the mushroom's natural habitats while eliminating natural threats such as adverse weather. The company's ability to consistently produce mushrooms year round has allowed them to service wholesale clients and restaurants in Maine and the northeast.

CEI Role: Mousam Valley Mushrooms had potential to grow their business, but they needed capital and employees to ramp up production. CEI invested in the early-stage company, allowing them to do

the facility build outs they needed. CEI also provided workforce consulting to help the company hire in a tight labor market. The consulting led to the reorganization jobs duties in order to allow supervisors to focus on increasing yield, while making other jobs more accessible to individuals with barriers to employment through a vocational rehabilitation program.

LEARN MORE ABOUT MOUSAM VALLEY MUSHROOMS

Website: www.mousamvalleymushrooms.com



BUMBLEROOT ORGANIC FARM



After farming out west for many years, Melissa Law and Ben Whelan and Jeff and Abby Fisher moved to Buxton, Maine in 2017 to start Bumbleroot Organic Farm. Together, the team grew vegetables and flowers on their small plot of land for two years. In 2016, the four were able to purchase an 89-acre farm in Windham, significantly increasing their production capability.

“We moved to Maine to start the farm and be closer to family, but also because we heard that there are many great service providers in Maine and that the State has a strong agricultural community. I’m glad to say that the rumors were definitely true, and we’ve been supported so many Maine organizations, including Maine Farmland Trust, from whom we purchased our land, Coastal Enterprises Inc, which helped with the financing, and the Maine Organic Farmers and Gardeners

Association (MOFGA), who is our organic certifier and has provided countless educational opportunities for us and our peers.”

CEI Role: CEI provided financing for the purchase of the Windham farm in 2016 and provided assistance from CEI’s Women’s Business Center in writing their business plan. Nominated by CEI, Bumbleroot was recognized by the U.S. Small Business Administration as the 2018 Maine Young Entrepreneurs of the Year.

LEARN MORE ABOUT BUMBLEROOT ORGANIC FARM

Website: www.bumblerootorganicfarm.com



CROWN O’MAINE



CROWN O’MAINE

Dedicated to serving Maine since 1995, Crown O’ Maine Distribution Company (Crown) distributes locally grown produce across the length and breadth of Maine and New England. Crown connects buying clubs, restaurants, and neighborhood retail establishment to a growing collection of foods produced by local farmers, fishermen, and artisans.

Crown works to support a regionally secure food supply through what they term as “co-production.” As the distribution vehicle for many Maine farms, Crown is in a unique position to interface information about the “big picture” and coordinate efforts for the next year’s production among its many members in order to enhance each farm’s ability to produce and serve wider markets both in state and New England.

CEI Role: CEI provided equity to help fuel the company’s ability to serve Maine farmers, grow sales, develop internal efficiencies and meet the ever-increasing demand for Maine foods.

LEARN MORE ABOUT CROWN O’MAINE

Website: www.crownofmainecoop.com



COMMON WEALTH POULTRY

Common Wealth Poultry is a small poultry processing facility, with three primary business lines: 1) commercial-scale processing of birds for New England farms, 2) USDA labeled co packing and 3) Common Wealth Poultry-branded products from throughout the northeast US. Although they are considered a “small” facility, they also happen to be the largest USDA inspected poultry facility in New England, filling a vital niche in the local food system.

Cameron DeLeone, Common Wealth’s Vice President, put it this way. “There is a lot of support for very small-scale agriculture in Maine. Everybody is thrilled to support farmers markets and other hyper local businesses, but as you move away from the seasonal products offered there, you see buying habits go very quickly from local production to the largest scale of commodity production without respect for provenance. There is a big gap, in my opinion, in terms of support for mid-size processors that contribute to local raw economy in important ways, provide opportunity to Mainers, and offer alternatives to commodity products from far out of state.”



Common Wealth is looking to fill that gap by being a resource for mid-size farms - bigger than the farmer with a dozen birds in his backyard, but smaller than the industrial-scale poultry farms that supply the national distributors. It’s an important niche, but one that is often ignored.

“There is a huge lack of focus on that level of the food infrastructure,” Cameron laments. “We’ve grown like crazy and we we’re producing far too many birds for the size of the facility we were in. We just built a new facility, and had to come up with \$700,000 to cover equipment costs.”

The company struggled to get the financing they needed for the expansion. “It is very difficult to get traditional bank financing, so we ended up going through Farm Credit. It’s always this logistical nightmare to get money, even though we’ve been in business for 10 years and are showing clear growth every year.”

Common Wealth was a member of the Tastemakers program in 2019 and 2020, a partnership between CEI and FocusMaine to help established food and beverage companies with a commitment to local agricultural production, expand and improve production capacity, create jobs, and meet targeted growth goals by offering funding for tailored consulting and access to financial resources and investor networking opportunities.

As a participant in Tastemakers, Common Wealth received \$20,000 to redesign/update and expand their processing lines to produce humanely, sustainably raised, premium chicken product. CEI contracted with key consultants – to provide guidance and expertise on equipment and financial services.

Cameron sees a clear role for the state to step in and support mid-scale processing. “It would be a great vote of confidence to see the state say “we are happy to nurture the small-scale, hyper-local agricultural industry, neighbors buying from neighbors, but we also want to support these businesses that have the potential to create a regional impact. The state ought to work to cultivate that, because these





producers have the potential to attract talent to the region, and reinvigorate Maine’s agricultural and manufacturing tradition. It makes these places attractive to live because there are career opportunities.”

Job creation is key to Common Wealth’s business model – one of the company’s stated values is to empower the local community by creating opportunity and well-paying jobs. This is particularly true for Maine’s immigrant communities. Common Wealth’s job page is in four different languages, including Somali, Arabic and Swahili in addition to English, and all their chicken and duck meat is Halal guaranteed. Their commitment to diversity has made Common Wealth one of the largest employers of immigrants in Maine.

“In terms of values, we are really interested in helping people to find meaningful employment in a business where they can grow,” Cameron emphasized. “We pay well over the industry average, not only because we’re in a state with a high minimum wage, but because we promote people after they’ve been here for a while.”

Cameron isn’t shy about the challenges of the industry – “it’s dirty work and the hours are long” - but it’s important both for the employment opportunities and for its role in the regional food supply.

LEARN MORE ABOUT COMMON WEALTH POULTRY

Website: <https://commonwealthpoultry.com/>

Facebook: <https://www.facebook.com/commonwealthpoultry/>

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LOOKING TO START OR GROW YOUR FOOD PROCESSING OR AGRICULTURE-BASED BUSINESS?

CEI’s Sustainable Agriculture and Food Systems Program supports an economically just and sustainable food system that creates quality jobs for a diverse workforce and builds wealth and resilience in rural communities. CEI offers free business advising, short & long-term financing and the Tastemakers Initiative, a targeted food and beverage producer accelerator in partnership with FocusMaine. Learn more at: <https://www.ceimaine.org/advising/natural-resources/agriculture/>



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