

# Agricultural Innovation Partnership Program



## Catalyzing Innovation

The Agricultural Utilization Research Institute (AURI) offers a comprehensive program framework designed to catalyze innovation. AURI developed its program framework based upon its experience facilitating innovation throughout its history, enhanced by deliberate research into innovation systems and best practices. AURI’s framework includes five stages: Explore, Generate, Connect, Implement and Outcomes. AURI programs and services support each stage and, collectively, work cohesively to benefit agriculture and create long-term economic impact.

## AURI’S PROGRAM FRAMEWORK



## Program Emphasis

### GENERATE

Research  
Partnerships

Move exploration  
into action

Idea generation is at the heart of AURI's **Agricultural Innovation Partnership (AIP) Program**. Opportunities to add value to agricultural products emerge through practical, applied research. AURI encourages partners to work closely with AURI staff to explore potential collaboration areas and to build priority initiatives.

AURI publicly disseminates information generated from the AIP Program through a variety of channels, including AURI Connects events, which provide industry with important game-changing information to translate opportunity into marketable processes and products, ultimately resulting in economic impact. As partnership is the key ingredient in the AIP program, proposers will be required to contribute a minimum 25% to the total costs of the project funded through this program.

## Program Goals

The purpose of the Agricultural Innovation Partnership (AIP) Program is to catalyze and support collaborative partnerships, directing research and technology transfer opportunities that add value to Minnesota's agricultural products or improve efficiencies in the processing of Minnesota's agricultural products, and to close information gaps highlighted through AURI's client, collaboration and partnership activities. AURI will publicly share information generated through the AIP Program to help entrepreneurs, businesses and agricultural processors explore opportunities and technologies in the areas of biobased products, food, renewable energy and coproducts.

**Biobased Products:** Exploring the development and use of renewable materials in plastics, films, building materials, lubricants, sealants and more.

**Coproducts:** Creating new uses and revenue streams from processing side-streams, byproducts or agricultural residues.

**Food:** Assisting businesses and entrepreneurs to develop and commercialize new and safe food products utilizing Minnesota agricultural products.

**Renewable Energy:** Expanding the production of renewable energy from agricultural products for fuels, heat and electricity.

## DEFINITIONS

### Value-Added Agriculture

The USDA defines value-added products as having:

- A change in the physical state or form of the product (such as milling wheat into flour or making strawberries into jam).
- The production of a product in a manner that enhances its value (such as organically produced products).
- The physical segregation of an agricultural commodity or product in a manner that results in the enhancement of the value of that commodity or product (such as an identity preserved marketing system).

Source: USDA

### MN Agricultural Products

Products derived from crops and/or livestock produced commercially in the state that have the potential for commercial production in Minnesota.

## Program Deliverables

The AIP Program results in public information directly benefiting multiple Minnesota companies. Deliverables include:

### Applied Research Studies

AURI supports applied research studies to answer specific, practical questions, not to gain knowledge for its own sake. Applied research explores ideas and technologies having practical business application. More broadly, the applied research has potential for industry-wide benefit. AURI collaborates with university faculty, private consultants or other industry experts to conduct applied research. AURI publishes research reports and actively strives to engage industry partners and others who could utilize the information for economic benefit.

Industry reports examine specific topics such as industry barriers, roadblocks, identification of key industry information gaps, opportunities or technologies that may benefit a specific industry sector. For specific examples, refer to AURI's website:

<http://www.auri.org/help/research/research-reports/>.

### Guides or Tools

Another deliverable of AURI's AIP Program is practical, functional tools. These tools include research findings formatted and organized as guides for easy use by entrepreneurs and businesses. For specific examples, refer to AURI's website:

<http://www.auri.org/help/research/tools/>.

## Program Services

Through the AIP Program, AURI provides additional services to successfully complete initiatives and related deliverables. AURI expertise and oversight can:

- account for a diverse funding source mix including managing contractual obligations required by multiple funding sources;
- communicate and manage project activities to ensure integrity of scope, budget and timelines;
- monitor progress toward committed deliverables and provide periodic financial and progress reports; and
- track and report initiative impacts.

*Proposals requiring significant AURI staff resources will be evaluated on a case by case basis as it relates to capacity.*

## Program Requirements

For a research initiative to be eligible for the AIP Program, the topic must meet the following criteria:

### Align with AURI's Mission

Information generated from proposed initiatives must have potential to add value to a Minnesota agricultural product and foster long-term economic growth.

### Potential for Industry Wide Impact

Initiatives should have potential for broad industry impact. Proposals must clearly address an agricultural industry need or opportunity. At the onset of an initiative, successful applications must articulate how the scope of work will benefit industry and estimate when that benefit is likely to occur. Proposals must include dissemination plans and an explanation of expected measurable economic impacts. In addition, proposals should demonstrate strong partnerships and collaboration.

### Public Domain

Findings are public information. Therefore, proposals should not include information that is proprietary in nature or request funding for research that would likely yield proprietary information.

## Intended Outcomes

AIP Program initiatives should demonstrate positive impact on Minnesota and its economy. Applicants should consider the following factors in assessing the potential impact:

- **Industry Benefits:** Cost-savings, efficiencies, new technologies, expanded market opportunities, etc.
- **Commodity Source:** Utilization of Minnesota agricultural commodities/products
- **Utilization:** Potential for increased utilization of Minnesota agricultural commodities/products
- **Producer Impact:** Scale of benefit to Minnesota agricultural producers
- **Value Added:** Potential to add value through processing
- **Economic Impact:** Potential for business start-up, expansion, jobs, capital investment, etc.

## Program Criteria

AURI strongly encourages partners to discuss initiative concepts with AURI staff prior to submission. Proposals must include the following information:

- Scope of work
- Timeline (start and end dates)
- Intended outcomes and deliverables
- Expected industry impact
- Budget – funding sources and uses; In-kind sources and uses
- Identified collaborators
- Dissemination plan
- As applicable, a plan for intellectual property generated

## Eligibility

Any Minnesota organization, research entity, individual, or business is eligible to apply and receive funding. This includes: farmers/farmer networks, institutions of higher education, research institutions, nonprofit organizations, agricultural cooperatives, and agricultural businesses.

### Ineligible Applicants

Applicants not located in Minnesota are not eligible, but Minnesota based entities may collaborate with non-Minnesota entities. AURI employees are not eligible.

## Committed Resource Eligibility Criteria

Applicants must contribute resources to AIP Program initiatives equal to or greater than 25% of total project costs. Proposals with higher resource contributions will have higher priority. Resource contributions may include cash, in-kind, materials, supplies, facilities, etc.

## Ineligible Expenses

Applicants may not use AIP Program funds for the following ineligible expenses, including but not limited to:

- General operations, overhead and other indirect costs.
- Capital improvements such as construction of buildings, land purchases, or building/laboratory improvements.
- Equipment costing over \$2,000 unless included in proposal and essential to the proposed research.
- Advertising and marketing expenses.
- Bad debts, late payment fees, finance charges or contingency funds.
- Taxes, except sales tax on goods and services.

- Entertainment, amusement, diversion, social activities, gifts, and any costs directly associated with such costs (such as tickets to shows or sports events, meals, lodging, rentals, transportation, alcohol, and gratuities).
- International travel unless explicitly approved.
- Airfare costs in excess: airfare costs that exceed the customary standard commercial airfare (coach or equivalent).
- Fundraising including financial campaigns, solicitation of gifts and bequests, and similar expenses incurred to raise capital or obtain contributions regardless of the purpose for which the funds are used.
- Lobbying – including costs of membership in organizations substantially engaged in lobbying.
- Political activities.

## Application Process, Review and Approval

While there is no application form for the AIP Program, applicants should utilize the following steps for applying:

1. Discuss concept with AURI staff to gain initial approval for idea submission.
2. Provide an overview of the project concept addressing items listed above in Program Criteria.
3. Upon receipt of a proposal, AURI will actively research and identify:
  - a. Pertinent market factors affecting the project
  - b. Additional collaborators that may assist with the project
  - c. Industry concerns that may affect the outcome or success of the project
4. Following staff due diligence, the AURI management team reviews the proposal. Considering the impact of the initiative on Minnesota, the AURI management team determines if there will be commitment of AURI resources, and if so, the amount of AURI resources. Awards may be granted for the full amount requested or for a lesser amount, depending upon availability of funds. Funding requests of \$50,000 or greater require approval by AURI's Board of Directors. All applicants will be notified of award status.
5. A decision to proceed with a project under the AIP Program may require AURI and its partner(s) to enter into a written agreement establishing the terms and conditions of AURI committed resources. If applicable, the partner(s) will receive a reference packet outlining fiscal agency details, invoicing and payment procedures, and reporting requirements needed by AURI to manage the project. Unless a special circumstance exists, AURI will manage all partner contributions. AURI committed resources are not eligible as match for other Minnesota government funding sources.

## Additional Information

Additional information regarding AURI's programs and services may be obtained by accessing AURI's website at [auri.org](http://auri.org).