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Date: March 10, 2014

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Governor McAuliffe Announces First AFID Award to Promote Economic Development, Increase Agricultural Exports

*~ Investment Enables Montague Farms to Access High-Value
Sprouting Soybean Markets in Asia ~*

Partnership with Isle of Wight County will provide Virginia Producers Opportunity for Market Diversification

RICHMOND - Governor Terry McAuliffe today awarded his administration's first economic development grant from the Governor's Agriculture and Forestry Industries Development Fund (AFID) for a business expansion project that Montague Farms, Inc. has undertaken at the company's Windsor facility in Isle of Wight County. Montague, a family-owned producer and exporter of specialty soybeans based in Center Cross, will invest more than \$600,000 to purchase a new state-of-the-art packaging line, soybean testing lab, and warehouse facility. The AFID grant of \$14,100 was matched by Isle of Wight.

In addition to the creation of three new jobs at the facility, the company will now be able to sell into the highly regulated, but lucrative sprouting soybean market of South Korea and beyond. To serve this new market, the company will purchase more than 4,000 metric tons of Natto soybeans from Virginia producers over the next three years. Speaking about today's announcement, Governor McAuliffe said, "I am delighted to award the first AFID economic development grant of my administration to Isle of Wight and Montague Farms, furthering two

goals of my economic development and jobs creation strategy for the Commonwealth. By collaborating with our private sector partners and local governments, we can make the make smart, target investments needed to position our economy for new opportunities, especially in agriculture, Virginia's largest industry. Secondly, with a focus on increasing the amount of products shipped from Virginia into the global marketplace, we can make Virginia the East Coast capital for agricultural and forestry product exports and return more jobs, revenue and prosperity to our rural communities."

Montague Farms has been involved in exporting food-grade non-genetically modified organism (GMO) soybeans for over twenty-five years, successfully focusing their exports on the Japanese Natto market, widely recognized for its demanding quality standards. Investments announced today enable them to enter a new market, increasing and diversifying their opportunities for selling these value-added soybeans abroad. Further, farmers in the region will now have the opportunity of supplying Montague with product and receiving a premium for their efforts, helping them diversify their farming operations while sending more money to the bottom line. Montague owns and operates two grain storage and conditioning facilities in Virginia, the Windsor operation and another in Center Cross.

"More than ninety percent of the world's customers lie outside the borders of the United States, so if we are to see continued growth in Virginia's agricultural sector it is imperative that we continue seeking new export opportunities in the global marketplace," said Todd Haymore, Virginia Secretary of Agriculture and Forestry. "I thank Montague Farms for their leadership in this area, for supporting so many other Virginia growers by purchasing their crops, and for moving us toward Governor McAuliffe's goal of making Virginia the leading state for agricultural and forestry product exports on the East Coast."

"We are very thankful to Governor McAuliffe and Secretary Haymore for making Isle of Wight County not just the first AFID Grant recipient of this administration, but the first locality in Virginia to have received two AFID Grants," said Byron B. Bailey, Chairman of the Isle of Wight County Board of Supervisors. "First, this past June, with the reopening of the former International Paper sawmill by Franklin Lumber, and now with this facility, we are continuing our partnership with the Commonwealth in supporting projects in our county that bring jobs to our citizens and create new markets and opportunities for our forest and farmland owners."

"Exports are what drive our business, so we are glad to have this assistance from the Commonwealth of Virginia that enables us to continue to develop these markets" said Tom Taliaferro of Montague Farms. "Whether through trade missions promoting Virginia agricultural products, or through their support of the infrastructure needed to access these markets, as we are receiving today, we are appreciative of the Commonwealth's focus on agriculture exports."

According to a 2013 economic impact study conducted by the University of Virginia's Weldon Cooper Center for Public Service, agriculture and forestry are two of Virginia's largest industries, with a combined economic impact of \$70 billion annually. Agriculture generates more than \$52 billion per annum, while forestry induces over \$17 billion. The industries also provide more than 400,000 jobs in the Commonwealth.

About the Agriculture and Forestry Industries Development Fund

The AFID Fund was created during the 2012 session of the General Assembly and is recognized by the McAuliffe Administration as an important tool in growing the Commonwealth's agriculture and forestry sector and helping to make Virginia the leading export of ag and forest products on the East Coast. More information about the AFID grant, which has the flexibility to assist projects large and small, can be found at <http://www.vdacs.virginia.gov/agribusiness/afid.shtml>.

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