



Frequently Asked Questions (FAQs) for Heartland Agdeavor Association

What is Heartland Agdeavor Association?

Heartland is a non-profit corporation that enhances farm income by providing investment opportunities in businesses that add value to agricultural commodities.

What exactly does Heartland Agdeavor do?

Heartland Agdeavor Association provides investment opportunities in value added agriculture to its members. It does this by providing investment opportunities through development or expansion of existing businesses or through start-up businesses. Heartland Agdeavor relates to new businesses in several ways. Heartland serves as a clearinghouse for value added ideas, conducts feasibility studies for the most worthy of those ideas, and provides completed business plans based on the most promising feasibility studies. In addition, Heartland will put entrepreneurs in contact with specialists in venture capital to help fund a start-up business. With this array of services available, the risk of a start-up value added business is reduced.

Why would someone join Heartland Agdeavor Association?

What are the benefits to members?

Members benefit from Heartland through having the information that might lead to opportunities to invest in agricultural value added businesses. These opportunities may involve the development and expansion of existing businesses as well as the most promising start-up businesses.

Who should join Heartland?

Any individual, corporation, or association with a strong interest in financially benefiting from investment in value added agriculture and food processing should join Heartland.

Where do the ideas on value added possibilities come from that Heartland Agdeavor Association considers?

Members of the Association submit the ideas. However, trade press and professional meetings are additional sources of ideas for new value added businesses.

Who participates in the review of projects that Heartland takes on?

This is a Board decision, but a Committee representative of the members conducts an "Opportunity Screening" for each idea and subsequently makes recommendations to the Board.

What is the geographic extent of Heartland?

While Heartland is currently recruiting members in Ohio, the primary area will be six states in the heartland of the Eastern Corn Belt. These include Western Pennsylvania, West Virginia, Ohio, Indiana, Kentucky, Western New York and Michigan.



Who runs Heartland and where is its main office located?

Larry E. Thompson is the Executive Director of Heartland. The offices of Heartland Agdeavor Association are at 5895 Cleveland Ave, Suite A, Columbus, OH; phone 614-818-4466. Heartland is a non-profit corporation incorporated in Ohio.

Does Heartland Agdeavor Association have a Web site?

Yes. The Webmaster is Steve Zeidner at zeMIHosting; phone 614-246-8222. The URL is www.heartlandagdeavor.com

How much does membership cost?

Charter memberships for farmers are a one-time \$800 initiation fee, payable over three years, and annual dues of \$200. Membership also is encouraged from agribusiness companies and associations allied with agriculture and are priced separately based on the size of the organization.

What are the criteria for becoming a member?

Farmers may join if they are members of a sponsoring association. A detailed list of associations is available on Heartland's Web site or by phoning the Heartland office at 614-818-4466.

As a farmer, can I join at any time?

No. A window to become a charter member opened March 1, 2002 and is currently still open. At some point, this membership window will close. The Heartland Board has full discretion in terms of membership availability.

May I join as an individual if I am not a farmer?

Yes. Individuals may join as affiliates, but they do not have the priority on investments that farmers enjoy.

Who performs the feasibility studies and prepares the business plans on behalf of Heartland Agdeavor Association?

Usually Heartland contracts with professionals to prepare feasibility studies and business plans. A feasibility study for a project is completed first. If the project still looks promising, a business plan is prepared. Finally Heartland Agdeavor Association assists interested members in organizing to implement the business plan.

Can Heartland Agdeavor Association conduct feasibility studies and complete business plans on a cost-effective basis?

Yes. Heartland Agdeavor management pursues grant money from state and federal government sources as well as from foundations. To the extent such funds are available, they "buy down" the cost of feasibility studies and business plans.

Does Heartland endorse or in any way warrant or guarantee the performance of a business or investment opportunity that may be offered to its members?

No. Entrepreneurial activity and investments always will carry some degree of risk. Heartland has a protocol and performs "due diligence" on investment opportunities offered to the members, however Heartland cannot guarantee future performance of any investment.



Can a new business opportunity obtain equity capital from Heartland Agdeavor Association?

No. The Association does not provide equity capital. Instead, Heartland individual members are the potential equity capital investors in worthy projects. The members, if the project is approved to be shared with them by the Heartland board often make equity investments in appealing projects.. In the future, Heartland hopes to offer a companion for-profit corporation, *Heartland Agdeavor Fund*, which will be a venture capital fund dedicated to value added agriculture. Heartland Agdeavor Association may also be helpful for projects due to its many relationships with other commercial sources of venture capital and traditional debt capital through bank financing.

Can I get Heartland to consider my idea for a new value added business without joining the Association?

No. Members submit all prospective project ideas for consideration by Heartland.

As a member of Heartland Agdeavor Association, does my project need to be located in Ohio?

No. There are no geographic restrictions on the ideas considered by Heartland.

Are personal legal services available from Heartland for my business or me?

No.

Is office space or other discounted services available from Heartland to start-up businesses?

No. However, Heartland Agdeavor Association can refer businesses to others for assistance. Already Heartland has a relationship with one Ohio business incubator and is developing similar relationships with other business incubators throughout Heartland's territory.

How does Heartland network with others interested in value added agriculture?

Heartland Agdeavor Association is a member of the United States Agricultural Producers Alliance (USAPA). USAPA is an alliance of farmers in the mid-section of the United States whose mission is to enhance the profitability of member organizations and the agricultural producers they represent. The benefits of Heartland's membership in USAPA include learning from other members, sharing investment opportunities, joint venturing opportunities, and increasing government policy influence. In late 2001 USAPA consisted of eight producer alliance organizations representing about 3,800 members.

Does Heartland Agdeavor Association have a means of protecting intellectual property?

Yes. The membership agreement has clearly defined methods for protecting intellectual property.



Will Heartland Agdeavor Association help me in getting a patent or copyright for my idea or invention?

Maybe. It depends on how well developed the idea or invention is and how much potential it may have as the basis for a new start-up business. Heartland and the inventor would jointly own a patent that Heartland helped to establish.

Will Heartland Agdeavor Association buy a patent already issued to my business or me?

Perhaps. It depends on the circumstances. Individual circumstances would vary and the decision ultimately is one for the Board of Directors of Heartland.

If I already have a value added business that I own and have plans to expand, is Heartland Agdeavor Association the place for me to look for assistance?

Yes. Heartland Agdeavor Association will assist in the promising expansion of existing value added businesses. Phone the Heartland office for details.

How can I tell if Heartland Agdeavor is successful?

Over time, the number of financially profitable investment opportunities offered to members and developed using the Heartland resources will measure the success of the Heartland Agdeavor Association.

Does Heartland Agdeavor Association have spillover effects on rural communities?

Yes. Heartland creates new economic activity in rural areas and consequently increases the base of jobs available in these areas.

After joining Heartland Agdeavor Association, what if I wish to drop my membership later?

Members can leave the Association at any time; however, the initiation dues are non-refundable and must be paid in full.

Who initiated Heartland Agdeavor?

The project was initiated as a joint effort of the Ohio Farm Bureau Federation and the Farm Income Enhancement Program of The Ohio State University. However, several other individuals and organizations assisted in the development of the project, especially in the early stages. Examples include the Ohio Rural Development Partnership, the Agricultural Business Enhancement Center of Ohio State University Extension located in Bowling Green, the Ohio Center for Rural Cooperative Development located in Piketon, and the Ohio Department of Agriculture.

How can I obtain more information about Heartland?

Phone the office of Heartland at 614-818-4466. Larry E. Thompson is the Executive Director. Additional information also is available by phoning Mike Pullins at Ohio Farm Bureau at 614-246-8284, or phone Jeff Layman or Tom Sporleder at The Ohio State University at 614-292-0315. You may also phone your local county extension office.