



To: South Dakota State University Students
University of South Dakota Students

From: Dallas Tonsager, Executive Director,
South Dakota Value Added Agriculture Development Center

Date: January 25, 2005

Re: Value Added Agriculture Paper Contest

The South Dakota Value Added Agriculture Development Center is seeking papers from students as part of a contest to stimulate the development of new agriculture-related ventures in South Dakota. The objective of the paper contest is to encourage students to describe how they would develop and operate a new venture, using their education, personal experience and creativity. In the papers, students will need to: (1) identify an intermediate or consumer product that could be made from a raw agricultural product produced in South Dakota, or, alternatively, a agriculture-related service that could be produced in the state; (2) explain the steps involved with processing the product or generating the service; (3) describe how the product or service should be marketed; and (4) include a business plan related to the operation.

Students are encouraged to be creative in their thinking. Students are expected to address all five areas outlined below using the best available information. Students are not expected to have professional skills or experience in all of the five identified sections of the paper.

Paper Scope. The paper should be no more than fifteen (15) pages long, including one cover page with the project title and the name(s) and contact information of the student(s). The paper should be prepared using a 12 point Arial font and be double spaced.

Paper Content. All papers must include the following sections:

1. An executive summary describing the scope of the project, the product to be created and the raw products to be used. This section should also include a description of how the development and operation of this venture will be important to farmers and the overall economy of South Dakota.

2. A feasibility analysis describing the development and operation of the new company or enterprise, an estimate of the capital needed for start-up and the first three years of the operation of the endeavor. Students should include simple financial documentation such as balance sheets and income statements for the end of each year of operation. Included in the feasibility analysis are also the following.
 - a. A description of research needed to accomplish the project. For example, if you hope to convert straw into a new paper product, make an outline of some probable research tasks that would have to be performed before the product could be created.
 - b. A marketing plan that describes the potential market for the product or service and how the new company would enter the market. The student should refer to at least one existing source of information that describes the scope of the market.
 - c. The technical aspects of manufacturing the new product or providing the service. This includes only a general overview of the production process, and does not need to contain detailed explanations of individual chemical or mechanical processes.

Paper Criteria. The papers will be judged by a panel based on the following criteria and points system:

1. Overall originality and creativity. (30 points)
2. General style, format, grammar and presentation. (20 points)
3. The completeness of the summary, including the author's perception of the viability of the project and whether or not the summary explains the full scope of the project. (10 points)
4. The degree to which the assumptions contained in the paper reflect reality and the extent to which the proposed project is financially plausible. (10 points)
5. The completeness of the list of needed research efforts associated with the marketing and/or processing of the product. If no research component is needed does the student explain why? (10 points)
6. A description of the scope of the market, analysis of the competition and the potential of the new product or service to successfully access the market. (10 points)
7. A description of the types of processes that will be necessary to properly create the product described. (10 points)

Teams and Individuals. Papers are accepted from individual students and from student teams.

Questions. For questions about the paper contest, contact:

Evert Van der Sluis 605-688-4872 or evert.vandersluis@sdstate.edu

Ron Freeseemann 605-352-9177

Eligibility. Individuals participating in the contest must be registered for the spring semester of 2005 at South Dakota State University or the University of South Dakota. Papers drawn directly from existing business plans or feasibility studies will be excluded from competition.

Awards. The author(s) of the best paper will be awarded \$500, and those of the second best paper will receive \$250.

Deadline. The deadline for submission of the papers is March 1, 2005. Winners will be announced by March 10, 2005. Winners will be recognized at the annual Value Added Agriculture Conference in Brookings on March 17, 2005, and may be asked to provide a poster for display and/or briefly discuss their paper at the conference.

Paper Submission. Completed papers must be submitted in paper format and electronically to:

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