

Kentucky Department of Agriculture
A Consumer Protection and Service Agency
Office of Agricultural Marketing and Product Promotion
Richie Farmer, Commissioner



KENTUCKY PROUD PROMOTIONAL GRANT APPLICATION

Please read the Frequently Asked Questions attached to this form before you fill this out.

Date: _____

Business name (as registered in Kentucky Proud) _____

KY Proud Number _____

Federal Tax ID or Social Security Number _____

Contact Person: _____

Address: _____

City _____ State _____ Zip _____

Phone Number () _____ Alt Phone () _____

Email _____

1. What kind of business do you operate: **Farm or Producer** _____ **Farmers Market or**

CSA _____ **Processor or Manufacturer** _____ **Restaurant** _____ **Retailer** _____

Other (describe) _____

2. What products are you marketing and where?

3. What is the total dollar value of the promotional program you want KDA to help pay for?

_____. How much do you want KDA to pay? _____.

(Please fill out budget on page 3.)

4. How much, in dollars, do you estimate that this marketing program will increase your sales?
_____. If you increase your sales by this amount, how much of this do you estimate
will go back to Kentucky farms? _____. How many farms are affected by this program?
_____ (There is a place below which gives you space for you to include as many
details as you like.)

5. Are you currently using any other grant funds provided by the Commonwealth of Kentucky, the
Kentucky Agricultural Development Board or the Kentucky Horticulture Council for promotional
purposes? If so, please list the amount and a description.

6. Please list here any details about your marketing program that you think will help us know enough
about it to make a decision. (Attach separate page, if necessary.)

7. (Optional, but helpful) Please give us as many details about your farm or business as you think
necessary to let us know more about you. If your business is not a farm, tell us more about the farms you
are buying from. This is your chance to market your business to us. If you need more space, you can
attach a separate sheet.

Project Budget Request

Items	Estimated Project Costs (\$)
Media: (Direct mail, Internet, magazine, newspaper, outdoor, radio, television, Yellow Pages. If you are requesting more than \$1,000, see worksheet below for additional questions about media.)	\$
Other specified expenses (Attach separate sheet if necessary):	
1.	\$
2.	\$
3.	\$
4.	\$
5.	\$
6.	\$
TOTAL PROJECT COSTS:	\$
AMOUNT YOU'LL SPEND:	\$
KDA FUNDS REQUESTED:	\$
YOUR TOTAL ANNUAL MARKETING BUDGET: Your total marketing costs are counted as matching value.	\$

Advertising Worksheet for budgets over \$1,000. (See Frequently Asked Questions for explanation of terms.)

1. Approximately how many people will be reached by this promotion?	
2. Total cost of advertising:	
3. For broadcast advertising: Estimated gross ratings points (See FAQ). Check here _____ if you don't know.	
4. For print advertising: Estimated circulation of all publications: For print advertising: Is circulation audited?	
5. For all advertising: Number of insertions or commercials	
6. Estimated cost per thousand (CPM) or cost per point (CPP) if known:	CPM: \$ CPP: \$

The Kentucky Department of Agriculture does not discriminate on the basis of race, color, religion, gender, national origin, age (over 40), sexual orientation, gender identity, disability, genetics, ancestry or veteran status. Reasonable accommodations are provided upon request. Printed with state funds.

REQUIRED AFFIDAVIT FOR BIDDERS, OFFERORS AND CONTRACTORS

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FOR BIDS AND CONTRACTS IN GENERAL:

- I. Each bidder or offeror swears and affirms under penalty of perjury, that:
- a. In accordance with KRS 45A.110 and KRS 45A.115, neither the bidder or offeror as defined in KRS 45A.070(6), nor the entity which he/she represents, has knowingly violated any provisions of the campaign finance laws of the Commonwealth of Kentucky; and the award of a contract to the bidder or offeror or the entity which he/she represents will not violate any provisions of the campaign finance laws of the Commonwealth.
 - b. The bidder or offeror swears and affirms under penalty of perjury that, to the extent required by Kentucky law, the entity bidding, and all subcontractors therein, are aware of the requirements and penalties outlined in KRS 45A.485; have properly disclosed all information required by this statute; and will continue to comply with such requirements for the duration of any contract awarded.
 - c. The bidder or offeror swears and affirms under penalty of perjury that, to the extent required by Kentucky law, the entity bidding, and its affiliates, are duly registered with the Kentucky Department of Revenue to collect and remit the sales and use tax imposed by KRS Chapter 139, and will remain registered for the duration of any contract awarded.
 - d. The bidder or offeror swears and affirms under penalty of perjury that the entity bidding is not delinquent on any state taxes or fees owed to the Commonwealth of Kentucky and will remain in good standing for the duration of any contract awarded.

FOR “NON-BID” CONTRACTS (I.E. SOLE-SOURCE; NOT-PRACTICAL OR FEASIBLE TO BID; OR EMERGENCY CONTRACTS, ETC):

- II. Each contractor further swears and affirms under penalty of perjury, that:
- a. In accordance with KRS 121.056, and if this is a non-bid contract, neither the contractor, nor any member of his/her immediate family having an interest of 10% or more in any business entity involved in the performance of any contract awarded, have contributed more than the amount specified in KRS 121.150 to the campaign of the gubernatorial slate elected in the election last preceding the date of contract award.
 - b. In accordance with KRS 121.330(1) and (2), and if this is a non-bid contract, neither the contractor, nor officers or employees of the contractor or any entity affiliated with the contractor, nor the spouses of officers or employees of the contractor or any entity affiliated with the contractor, have knowingly contributed more than \$5,000 in aggregate to the campaign of a candidate elected in the election last preceding the date of contract award that has jurisdiction over this contract award.

Solicitation/Contract #: _____ (KDA use only)

REQUIRED AFFIDAVIT FOR BIDDERS, OFFERORS AND CONTRACTORS

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- c. In accordance with KRS 121.330(3) and (4), and if this is a non-bid contract, neither the contractor, nor any member of his/her immediate family, his/her employer, or his/her employees, or any entity affiliated with any of these entities or individuals, have directly solicited contributions in excess of \$30,000 in the aggregate for the campaign of a candidate elected in the election last preceding the date of contract award that has jurisdiction over this contract.

As a duly authorized representative for the bidder, offeror, or contractor, I have fully informed myself regarding the accuracy of all statements made in this affidavit, and acknowledge that the Commonwealth is reasonably relying upon these statements, in making a decision for contract award and any failure to accurately disclose such information may result in contract termination, repayment of funds and other available remedies under law.

_____ Signature	_____ Printed Name
_____ Title	_____ Date
Company Name	_____
Address	_____

Subscribed and sworn to before me by _____
(Affiant) (Title)

of _____ this ____ day of _____, 20__.
(Company Name)

Notary Public
[seal of notary] My commission expires: _____

FREQUENTLY ASKED QUESTIONS:

Kentucky Proud is the state's official farm marketing program. Generally speaking, grant funding decisions are based upon the impact that the marketing is expected to have on the sale of Kentucky grown or raised farm products. Applications are accepted year-round, but all funds are awarded on a first-come, first-served basis. Once you've filled out the form, you'll need to return it to:

William D. Clary
Kentucky Department of Agriculture
500 Mero Street, 7th Floor
Frankfort, KY 40601

If you need more information please go to www.kyagr.com/kyproud/FAQ, or email bill.clary@ky.gov.

Who is eligible for a Kentucky Proud grant? *Any Kentucky farm which produces agricultural products for sale to the public; any business, including restaurants, retailers and manufacturers, who buy agricultural products that can be traced to a Kentucky farm. Grantees must be members of Kentucky Proud and comply with all health, food safety and other federal, state and local laws.*

How does the grant work and what does it cover? *Your grant application should give as much detail as you think helpful about what you would like to do to market and promote your product and Kentucky Proud. The plan and grant can extend through June 30, 2012. Grants cover advertising, point-of-purchase materials, and other promotional expenses. In general, any marketing plan or project idea that prominently features the Kentucky Proud logo is probably an eligible expense, even something as simple as a road sign in front of your farm. For example, these grants can help with signs, banners, advertising, websites, food demo expenses, UPC codes, use of the logo on a prominent store or business sign, and product brochures, among other things. If approved, the grant will cover up to 50 percent of eligible expenses, paid as a reimbursement as outlined in a contract between you and the state. You will receive 25 percent of the maximum benefit of this grant if the Kentucky Proud logo is not prominent on the material, is on the back or side of the product, or is less than half the size of your company logo.*

How long does it take to get a grant? *If your application is for \$5,000 or less, it can be approved immediately by our staff. If it's for more than \$5,000, a committee of six KDA staff members will vote on it. They usually meet the first week of each month. In order to make sure you're included on the committee agenda, you need to return the application form no later than the last day of the month before the meeting. If your application is approved, you will receive a contract in the mail within about two weeks. You must sign the contract and return it. Final authorization usually comes within four to eight weeks after you return the signed documents. Once final authorization is given, checks can be issued when you provide documentation of eligible expenses as outlined in your contract. If you have any questions or need any help, please e-mail: bill.clary@ky.gov.*

How do I get paid after my grant is approved? *KDA REIMBURSES you for authorized expenses outlined in your application. You must show proof that you met the conditions of your contract. We cannot pay you for things you haven't paid for first. Here's an example: You*

propose future spending of \$2,000 for banners and advertising, and you are awarded a grant to match up to \$1,000 of these expenses. You would mail a picture or copy of the banners and ads showing that Kentucky Proud was prominently featured and invoices showing the actual costs (and showing that you paid them) to us at this address: Bill Clary, Kentucky Department of Agriculture, 500 Mero Street, 7th Floor, Frankfort, KY 40601. There are additional guidelines for advertising plans larger than \$1,000 below. (See 2011-12 Kentucky Proud Co-operative Advertising Guidelines, below..)

Do I really need a notary to witness my signature on the affidavit? Yes. *In many cases, your bank will assist you for free. We are required by state law to certify that you are not delinquent on your taxes or in violation of campaign finance law before we can enter into a contract with you. You can't get a grant unless you return the signed, notarized affidavit.*

Why does the state need my company's taxpayer ID or my individual Social Security number? *This is how the state keeps track of who it owes money to. If you don't include the Taxpayer ID or Social Security number, you can't get a grant. Nobody outside KDA's grant and accounting staff will see it (or any other details of your application.)*

How do I become a member of Kentucky Proud? *Membership is required to be considered for a Kentucky Proud grant. Membership is free. You can download the membership form from www.kyproud.com or ask for it by e-mailing Vicky.Stucker@ky.gov. Current members can find their membership number on their certificate and enter on the line where it is required on the application form below.*

Can a restaurant receive Restaurant Rewards and a Kentucky Proud grant in the same year? *Yes. If you currently receive Restaurant Rewards, you may be eligible for a Kentucky Proud grant for special events or advertising that promotes direct Kentucky grown or raised farm products that you buy and sell. To find out more about Restaurant Rewards, contact Angela Caporelli at Angela.Caporelli@ky.gov.*

Explanation of terms in Advertising Worksheet:

If you are planning to ask us for more than \$1,000 on media costs, the items in the worksheet are essential in order for us to help determine if you're getting a good deal for your money. Don't worry if you don't speak advertising lingo. In many cases, your ad rep should be able to give you the numbers the form asks for. Even if not, he or she can give you the cost per ad or insertion.

Here are some definitions:

1. GROSS RATING POINTS are a tool that some media use to sell advertising. If you buy one GRP, you reach 1% of a market's population one time. GRPs are determined by factoring two things...the number of people reached by the schedule, and the estimated number of times they will hear or see it. GRPs are the standard pricing mechanism that advertising agencies use to compare the costs of schedules in various demographic groups, and are expressed either in terms of individual people or households.

2. CPP or COST PER POINT simply means how much you are paying to reach 1% of the population one time. CPP will vary from market to market because of differences in population size. Some demographic groups cost more to reach than others because of supply and demand. CPP tends to rise and fall as the year progresses, but generally speaking, it goes down with volume.
3. CPM, or COST PER THOUSAND is used in some media. It means the cost of reaching one thousand separate individuals or households. Print and Internet advertising are sometimes priced in terms of cost per thousand. To some degree, CPM allows you to compare apples to oranges, but remember, the effectiveness of an advertising medium has more to do with the nature of the advertising and the type of product you're selling than it has with cost. If magazine A has a high CPM compared with local television station B, it does not mean, necessarily, that the latter is a better buy, because there might be wasteful spending on the larger medium. Each case has to be judged on its own merits.
4. CIRCULATION. Print media should have circulation figures, which tell how many individual copies of the publication are distributed. Some, but not all publications have their circulation figures audited by independent organizations. Audited circulation is desirable but not available in some cases. Circulation is different from readership, which tends to be higher than circulation. Many publications have what is known as pass-along readership. A magazine might be bought by one person but read by several.
5. INSERTIONS. In print media, every time your ad is printed, it is called an insertion.

If you are planning to advertise in small markets or on cable television, these numbers may not be available. Even some broadcasters in larger markets do not subscribe to ratings services because they are very expensive. If they are not available, that does not mean that the advertising vehicle is necessarily a bad idea. It does mean that you will have less information with which to make an informed decision. And a station or publication with lower ratings or circulation can be just as or more effective than one with higher ratings and circulation, depending upon the nature of your business and the cost. In fact, even the smallest vehicles can be profitable investments if the advertising's offer is relevant to the audience and the creative is well done.

2011-12 KENTUCKY PROUD COOPERATIVE ADVERTISING GUIDELINES FOR GRANTS OVER \$1,000.

HOW CO-OP SUPPORT IS EARNED

The 2011-12 Co-op Program runs from January 1, 2011 through December 31, 2012.

Participants must be pre-approved and each advertising plan must be approved in advance by the Kentucky Department of Agriculture (KDA). Participants may be asked to undergo a KDA Advertising Assessment before a contract is issued. Product packages must be labeled with the current Kentucky Proud logo (unless requirement is waived in advance by KDA) before a member can participate in the program.

KDA will reimburse up to 50% of the producer's qualified advertising and promotional costs, so long as funds are available, and as long as the producer has met the requirements outlined in these guidelines and in his or her contract.

If competitive products are included in the ad space or airtime, KDA will reimburse only the specific space or time occupied by Kentucky Proud products. Kentucky Proud must be the main feature of the ad space. Claims must be submitted with 45 days of the advertising date.

APPROVED MEDIA:

- *Newspaper display.
- *Magazines
- *Television and cable television
- *Internet
- *Radio
- *Yellow pages, including display ads
- *Direct mail
- *Billboards

Any media other than those above must be approved in advance by KDA.

SPECIFIC REQUIREMENTS

NEWSPAPER/MAGAZINE

- A. The current Kentucky Proud logo must be shown and must be at least 50% the size of the member's name or logo on any size ad space. The Kentucky Proud logo must be a prominent part of the message.
- B. The ad must reference an identifiable Kentucky Proud product or product category. Exception: Ads less than 1" by 1" do not require product illustration but do require the use of the current Kentucky Proud logo.
- C. A legible copy of the paid invoice for the ad must be submitted.
- D. An original, full-page tearsheet (copies are not accepted) showing publication name and date. If the same ad ran more than one time, the producer only needs to submit one tearsheet as long as the invoice clearly states how many days this ad ran. If the producer submits a claim with the same ad which ran in a different publication, then a tearsheet is required for each newspaper/magazine in which it ran.

YELLOW PAGES

- A. The current Kentucky Proud logo must be shown and must be at least 50% the size of the member's name or logo in all display ads. The Kentucky Proud logo must be a prominent part of the message.
- B. The ad must reference an identifiable Kentucky Proud product or product category. Exception: Ads less than 1" by 1" do not require product illustration but do require the use of the current Kentucky Proud logo.
- C. An original, full-page tearsheet (copies not accepted) must be submitted.
- D. A copy of the yellow page contract showing the monthly and yearly amount and the directory name for the current publication year must be submitted.

- E. If the member's directory advertising is billed to its monthly telephone bill, the member may submit up to two months of paid invoices per claim. The contract and tearsheet need to be submitted once annually per directory publication date.

BILLBOARDS

- A. The current Kentucky Proud logo must be shown and must be at least 50% the size of the member's name or logo. The Kentucky Proud logo must be a prominent part of the message.
- B. The billboard must contain a reference to an identifiable Kentucky Proud product or product category.
- C. A legible copy of the paid invoice showing the date the sign was installed must be submitted.
- D. A photograph of the sign (in place) is required on the first claim.

DIRECT MAIL

- A. The current Kentucky Proud logo must be shown and must be at least 50% the size of the member's name or logo. The Kentucky Proud logo must be a prominent part of the message.
- B. The direct mail piece must contain an identifiable Kentucky Proud product or product category.
- C. A copy of the direct mail piece, a copy of the paid invoice for printing, postage costs, and certification of the mailing, showing quantity, date, and type of mail must be submitted. Production charges such as typography, layout and artwork are not eligible. The member may be asked to submit a copy of the mailing list used.

TELEVISION

- A. The words "Kentucky Proud" must be included in the first or second sentence of the audio portion and one additional time in a 30 second spot or two (2) additional times in a 60 second spot. The words "Nothing else is close" must be included at least once in each commercial.
- B. The video portion must contain identifiable Kentucky Proud products or product categories in either action footage or still photos.
- C. The current Kentucky Proud logo must be shown in conjunction with the member's name or logo in the video portion of the ad. The Kentucky Proud logo must be a prominent part of the message.
- D. A legible copy of the paid invoice showing the net amount of the ad(s) and the dates and times it aired must be submitted. A VHS video tape or DVD of the ad and a notarized ANA/TB type script showing the amount of each ad and invoice number it is billed to must also be included. The script must be an original notarized script (copies are not acceptable.)

RADIO

- A. The words "Kentucky Proud" must be used in the first or second sentence and one additional time in a 30 second spot or two (2) additional times in a 60 second spot. The words "Nothing else is close" must be used at least once in each commercial.
- B. A legible copy of the paid invoice showing the net amount of the ad, the dates and the times aired must be included. A notarized ANA/RAB type script showing the amount of each ad and the invoice it is billed to must also be submitted.

DEFINITION OF COMPETITIVE PRODUCTS

Any logo or brand name for a product not a participant in Kentucky Proud, or any illustration of a product produced by a company that is not a participant in Kentucky Proud

DISQUALIFICATION

Any advertising that shows Kentucky Proud products poorly or which is deemed unethical or unacceptable by KDA personnel shall be disqualified and the participation agreement may be terminated.

INELIGIBLE COSTS

The following costs shall be ineligible for reimbursement:

- A. Any production charges including, but not exclusive to, typesetting, layout, labor, creative, studio or editing time, photography, etc.
- B. Agency commissions, placement fees, etc.
- C. Any entertainment or travel related expenses.

SUBMITTING CLAIMS

Participants shall complete a Kentucky Proud Co-op Advertising Claim Form which can be downloaded from the Kentucky Proud website at www.kyproud.com/members/claimsform or requested from the address below.

The completed claim and all required supporting documentation should be sent to KDA at:

William D. Clary
Kentucky Department of Agriculture
500 Mero Street, 7th Floor
Frankfort, KY 40601

To be considered for reimbursement, all producer claims must be submitted within 45 days of the date of advertising.

Kentucky Proud Co-op advertising support is offered only to authorized participants in Kentucky Proud. Kentucky Proud will not, under any circumstances, directly reimburse the media or advertising company. KDA will reimburse members only for net paid advertising.

LEGAL

Members understand that participation in this program is completely voluntary, and further understand that the member and the members's agency are solely responsible for legal review of any advertising.

KDA representatives may check for compliance with the rules of this program and check invoices for accuracy. KDA will not check and is not responsible for the legality of the member's advertising. The member shall defend, indemnify and hold harmless KDA, the Commonwealth of Kentucky, and its officers, management and employees from and against any and all actions or proceedings of any kind, claims, damages, liabilities, costs, and expenses, including legal costs and attorney fees, arising out of or relating to such advertising under this agreement.

KDA reserves the right to audit, amend, revoke or interpret this program at any time, without liability, in its sole discretion. Prior interpretation or actions taken by KDA during this program are not binding and have no bearing on future decisions.

All funds available in this program are on a first-come, first-served basis, and are available only as supply lasts.