



MARBIDCO

MARYLAND AGRICULTURAL AND RESOURCE-BASED
INDUSTRY DEVELOPMENT CORPORATION
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For Immediate Release
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Wood Products Industry Equity Investment Grant Program (WPIEI)
Assists Maryland Forestry Businesses to Increase Production and Develop New Markets
Application Deadline is December 15, 2023

Annapolis (October 10, 2023) - MARBIDCO recognizes the importance of the forests products industry from economic, environmental and consumer perspectives, and thus seeks to assist in growing a strong and diversified wood products industry in Maryland. Helping to sustain and grow a healthy forestry industry, investment now will yield substantial longer-term benefits for Marylanders. Recognizing this, the Governor and Maryland General Assembly authorized \$500,000 in funding for FY 2024 for MARBIDCO to offer the **Maryland Wood Products Industry Equity Incentive Program (WPIEI)**.

In addition, the Maryland Department of Natural Resources (DNR) is providing an additional \$100,000 in funding to target projects that focus on value-added wood products. A product that is value-added has incremental value realized by a wood processor as a result of: 1) a change in physical state of the wood fiber; 2) highly differentiated production or marketing of wood products; and 3) an economic benefit realized from the production of biomass energy.

“MARBIDCO aims to assist Maryland’s forestry businesses with improving operations and efficiency, increasing productivity and employment opportunities, and supporting new markets development,” said MARBIDCO Executive Director, Steve McHenry.

Key objectives for this program are to stimulate the strengthening of markets for Maryland-grown wood and diversification of the types of products made. WPIEI will help Maryland wood fiber harvesters, processors and manufacturers engage in increased production and utilization of locally sourced wood fiber, improve business operations and efficiency, and the pursuit of new market opportunities.

MARBIDCO will match up to 25% of the total project cost, with a maximum grant award not to exceed \$50,000 (although value-added projects could receive up to \$100,000). All equipment purchases must be made (and facility improvement contracts let) by no later than April 15, 2024. Grant funds and matching funds must be used for equipment projects and capital asset purchases that have a useful life of seven years or more.

Examples include, but are not limited to, wood processing equipment and facilities, sawmills, dry kilns, skidders and in-woods chippers, primary and secondary wood processing equipment, optimization systems for maximizing fiber yield recovery, shavings, pellet mills, and sawdust dryers and other capital equipment that is designed specifically for use in the forest products industry. Any equipment or capital asset purchases made before October 1, 2023, are ineligible for this program. For a list of ineligible items please review the application from.

Commercial wood processing enterprises may apply for equipment and facilities project incentive grant funding to process or manufacture the following primary and secondary forest products: lumber, pilings, logs, firewood, mulch, pellets, shavings, veneers, flour, sawdust, plywood, millwork, CLT, and furniture (using Maryland-produced wood).

An ancillary objective of this program is to complement the financing offered by private commercial lenders by leveraging funds to facilitate larger scale projects which will enable industry growth.

Eligibility includes:

- Eligible projects for tangible equipment purchases and facilities improvement costs.
- Eligible applicants may apply for incentive grants for a wide range of equipment and capital asset purchases of specialized forestry and logging equipment and small- and large-scale wood processing equipment.
- Eligible applicants include commercial timber harvesters, and primary or secondary wood products processors. Forest harvesters are also eligible to apply.
- An applicant should be sure to highlight in their applications how the utilization of their grant award would serve to increase the production and utilization of locally sourced wood fiber, improve business operations and efficiency, create/retain jobs, and/or aid in serving new markets.

Competition for this grant funding is expected to be high and it is anticipated that eligible requests will exceed the amount of funds available to distribute in FY 2024.

For applicants with a focus on value-added processing, applications should demonstrate how the financial assistance will help support, stimulate and market innovative and creative ways to enhance production of value-added wood products. Value-added projects could include the purchase of a dry kiln or the production of biochar, for example. Sawmills and secondary manufacturers that will use grant funds to purchase equipment to improve optimization systems will also be considered. An example could include a 3-D log scanning coupled with computer-aided design to determine the best sawing solution. A biomass energy-related project could also be eligible.

The application submission deadline is December 15, 2023. Applicants will be notified by March 1, 2024, if they have been approved. Electronic submissions of applications are encouraged. Applications received in the U.S. Mail and postmarked no later December 15, 2023, will also be accepted. Mail to MARBIDCO, WPIEI, c/o Brian Cadden, 1410 Forest Drive, Suite 21, Annapolis, MD 21403. Applications are available at https://www.marbidco.org/pages/applications/applications_and_forms.htm For more information, please contact Brian Cadden at 410-267-6807, or by email at: bcadden@marbidco.org.

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MARBIDCO was established by the Maryland General Assembly more than 15 years ago to help enhance the sustainability and profitability of the State's agricultural and resource-based industries in order to help bolster rural economies, support locally produced food and fiber products, and preserve working farm and forest land. MARBIDCO is a nimble, quasi-public financial intermediary organization that has a mission to serve exclusively the commercial farming, forestry, and seafood industries of Maryland. Young and beginning farmers are a special focus for MARBIDCO, as is farm operation diversification. In delivering its financing programs, MARBIDCO works cooperatively with commercial banks and farm credit associations, as well as a host of federal, State, regional, and local government agencies, and universities. Since 2007, MARBIDCO has approved some 1,240 financings totaling over \$100 million for food and fiber business projects located in all of Maryland's 24 counties – and in the process has leveraged more than \$214 million in commercial lender financing. For more information about MARBIDCO's programs, please visit: www.marbidco.org

