



Rural Development • Rural Business Programs • Value Added and Business and Industry Guarantee

Helping a Business Grow – From the Start

Clark Specialty Grains, LLC, of Gothenburg is a food grade specialty corn cleaning facility, specializing in non-GMO and organic corn, including blue corn, selling to chip companies across the United States. They needed to refinance their existing real estate and facility debt with one local lender, while also obtaining additional working capital needed for expansion.



Clark Specialty Grains Processing Facility.

Jim Clark first received a planning grant through USDA Rural Development’s Value Added Producer Grant (VAPG) program of \$17,500 in 2003 in develop a feasibility study and business plan. As a result of that project, he then formally organized Clark Specialty Grains, LLC and started working with local growers across Nebraska to supply the corn needs in the tortilla chip industry, while helping growers realize a premium for their crops.

Clark Specialty Grains, LLC received a working capital grant through the VAPG program in 2007 of \$300,000, to increase the company’s marketing and inventory so they could expand overall sales. The business now provides specialty food grain corn to 11 different chip manufacturers and has completed an expansion. USDA provided a guaranteed loan, in the amount of \$1,400,000, through the USDA Business & Industry Guaranteed (B&I) Loan program to Clark Specialty Grains, LLC’s lender in order to refinance existing debt held by another bank for real estate and facility purposes, as well as providing additional working capital as needed by the growing company.

As a result of the B&I loan with Great Western Bank, this business has increased their annual cash flow, reduced annual principal and interest payments by about \$25,000 annually, and has purchased additional corn acres for their operations. Clark Specialty Grains, LLC has obtained a contract with Barrel O Fun, which will be an additional \$1,530,000 in gross sales for the business. They are an approved General Mills non-GMO supplier, which also means that their product and sales volume will start increasing even more. Clark Specialty Grains has been able to save five jobs in the Gothenburg area, and with the new contracts they have recently received, they are anticipating adding another position in their company within the next year.

Obligation Amount: \$1.4M B&I Guarantee; Two VAPG awarded prior to 2009.

Date of Obligation: 4/9/2013

Congressional District: Representative Smith 03, U.S. Senator Johanns and U.S. Senator Fischer

Partners: Great Western Bank

Demographics: Rural business to provide commodity needed.

Impact: Saved five jobs in the Gothenburg area; new contracts received possibly to add one new position.