Progress and Impact Report - Prepared September 2025

## **About BADC**

The Bluegrass AgTech Development Corp is a nonprofit partnership created by the Lexington-Fayette Urban County Government, the Kentucky Department of Agriculture, the University of Kentucky Martin-Gatton College of Agriculture, and Alltech. Its mission is to grow Kentucky’s agtech ecosystem, strengthen farm profitability, and position Kentucky as a national leader in agricultural innovation.

**Goals and Vision**

* **Build an AgTech Innovation Ecosystem:** Foster collaboration among universities, startups, industry, and producers.
* **Support Farmers:** Create reliable new income streams, lower production costs, and open new markets.
* **Grow the Economy:** Leverage public investment into private follow-on funding, jobs, and business growth.
* **Talent and Workforce:** Develop the next generation of agtech leaders and career pathways.
* **Long-Term Vision:** Position Kentucky as a national leader for agtech business, attract major companies, and establish hubs for research, innovation, and farmer-led technology adoption.

## **Challenge Grant Awardee Farmer Impact**

* 36 Kentucky farms engaged or contracted
* 1,600 acres impacted through new crops and livestock projects
* More than $380,000 in direct payments to Kentucky farmers and KY-grown inputs
* Key Benefits to Farmers: New, reliable income streams through crop contracts; Crop diversification improving soil health and reducing risk; Lower livestock costs via on-farm diagnostic tools; Emerging market opportunities for corn, biopesticides, and organic fertilizers

### **Examples by Company**

* **Hempwood (Murray, KY) :** Contracting hemp acreage, steady contracts, supports farm jobs
* **RedLeaf Biologics (Lexington, KY) :** Leasing sorghum acres, strong agronomic project with connection to new markets
* **Sunflower Fuels (Lexington, KY):** Contracts ground in Eastern Kentucky for perennial energy crops, payments expanding with acreage
* **Parasight Systems (Lexington, KY):** Livestock diagnostic tools cutting vet costs and improving herd health decisions
* **Spirited (Lexington, KY):** Developing a process to expand Kentucky corn purchases and return organic fertilizer to farms
* **Lepidext (Lexington, KY):** Biological pest control to reduce insecticide use and protect yields in grain crops
* **Iristrac (Prospect, KY):** Iris identification system improving traceability for Kentucky’s equine sector

## **Challenge Grant Awardee Economic and Ecosystem Impact**

* **$6.9 million in follow-on investment** attracted by Round 1 grantees
* **56.5 Kentucky jobs supported; 12.5 new jobs created**
* **New facilities and expansions:** Hempwood factory, Parasight diagnostic units in market, Sunflower Fuels personnel and accelerator placements
* **Diversified technology sectors:** Sustainable fuels, biological pest control, renewable materials, equine data, plant-based inputs
* Round 2 Awardees:

- **Santerre International (Paducah, KY):** Turning invasive Asian carp into fertilizers used in organic crop production.

- **ORB Technologies (Lexington, KY):** Using grass crops to create bio-composite building blocks for sustainable construction.

- **Kanbol, Inc. (Auburn, KY):** Converting corn stover from Kentucky’s bourbon and grain supply chain into compostable food containers.

## **Strategic Plan and Roadmap**

### **Accomplishments to Date**

* $925,000 in direct grants leveraged into $6.9M+ follow-on investment
* Two rounds of awardees spanning fuels, bio-based products, precision ag
* Partnerships with statewide agriculture organizations and founding partners

### **Strategic Plan**

**Year 1 (2025–26):** Strengthen engagement and communications; host AgTech showcases (UK & Murray State); expand Challenge Grant outreach; begin Farmer Innovation Network

**Years 2–3 (2026–28):** Formalize partnerships (AgLaunch, VC, Innovation Hubs); establish AgTech incubator; build leadership cohort & alumni network; launch KY AgTech Summit

**Years 4–5 (2028–30):** Position KY among top U.S. AgTech hubs; expand Challenge Grant portfolio & farmer adoption; develop AgTech Innovation Hub/research farm; grow Farmer Innovation Network; attract major AgTech R&D facilities