



NEWS RELEASE

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USDA RURAL DEVELOPMENT PROVIDES \$4.5 MILLION LOAN GUARANTEE FOR RPM ECOSYSTEMS ITHACA

SYRACUSE, N.Y., September 21, 2006 – U.S. Department of Agriculture Rural Development has guaranteed two loans totaling \$4.5 million for RPM Ecosystems Ithaca.

Rural Development's Business and Industry (B&I) Guaranteed Loan Program is providing the guarantee and Chemung Canal Trust Co. of Ithaca is the lender. The government guarantee on each loan is 80 percent. RPM Ecosystems Ithaca estimates that the guaranteed loans will help create 48 new jobs.

"Our B&I loan program was designed to create jobs in rural areas and that is exactly what this loan package will do," said Scott Collins, Acting State Director for Rural Development in New York. "We're pleased we were able to support Chemung Canal Trust Co. and RPM Ecosystems Ithaca in this effort, which will provide a significant boost to the Tompkins County economy."

"Chemung Canal Trust Company is happy to partner with both USDA Rural Development and RPM Ecosystems Ithaca on this loan package," said Ron Allison, Vice President of Marketing at Chemung Canal Trust. "Helping expand the job market in New York State is very important for both Chemung Canal Trust Company and the region where new jobs will be created."

"USDA Rural Development was especially proactive in helping RPM Ecosystems successfully complete the B & I loan process," said Marvin G. Marshall, an owner of RPM Ecosystems. "We know our partnership with USDA Rural Development and Chemung Canal Trust Company will help us create substantial new economic opportunities and we're eager to get to work and build our business."

RPM Ecosystems Ithaca, located in Dryden, is the first of six RPM nurseries to be established in the U.S. and currently serves 15 states in the Northeast and mid-Atlantic regions. The company takes its name from the Root Production Method (RPM), a natural proprietary process that produces mature trees and plants three times faster than normal without genetic modification. RPM trees and plants have a 90 percent survival rate and are used primarily in conservation, mitigation, restoration and reforestation work. The process also enables hardwood trees to bear fruits and nuts three times faster than normal, which provides significant wildlife benefits.

Committed to the future of rural communities.

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USDA Rural Development's B&I loan guarantee program helps local lenders provide credit for expansion and preservation of jobs in rural communities. The guarantee allows lenders to make larger loans, provide better rates and terms and bring additional capital into rural communities through sale of the guaranteed portion of the loan. Larger rural communities often provide a source of jobs for smaller nearby towns, so Rural Development has expanded its traditional lending area for the B & I program to include cities of up to 50,000 in population, although priority is given to towns of less than 25,000.

USDA Rural Development's mission is to deliver programs in a way that will support increasing economic opportunity and improve the quality of life of rural residents. As a venture capital entity, Rural Development provides equity and technical assistance to finance and foster growth in homeownership, business development, and critical community and technology infrastructure. Further information on rural programs is available by contacting Margaret West, Ithaca Area Rural Development Manager, at (607) 257-2737 or by visiting USDA's web site at <http://www.rurdev.usda.gov>.

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