

Appeals Template

	Section 1	Project Information
1.1	LAG name:	Waterford LCDC
1.2	Implementing Partner name:	Waterford LEADER Partnership Clg
1.3	Project name:	Vinilo Bakery Machinery
1.4	Project number:	IE31WAT100022
1.5	Project Promoter number:	000090
1.6	Project Theme:	Theme 1: Economic Development & Job Creation
1.7	Project Sub-theme:	Sub-theme 1a: The Green Economy
1.8	Project Promoter name:	Vinilo
1.9	Project Promoter address:	8 Main Street, Lismore, Co Waterford
1.1 0	Date of receipt of application for funding:	09 May 2024
1.1 1	Date of Evaluation Committee:	1 July 2024
1.1 2	Evaluation Committee Recommendation:	The Evaluation Committee did not recommend this project due to the possibility of displacement and the retail aspect of the business which makes it ineligible for LEADER funding.
1.1 3	Date of LAG meeting:	10 July 2024
1.1 4	LAG Recommendation:	The LAG upheld the recommendation by the Evaluation Committee.
1.1 5	Date contract signed and returned by Project Promoter:	N/A
1.1 6	Rate of Grant Aid approved %:	Not approved.
1.1 7	Project cost:	€42,975.86
1.1 8	LEADER Grant Aid for Project:	€0
1.1 9	Date(s) of Inspection(s) / Audit(s):	N/A

1.2 0	Date(s) LAG notified of Regional Inspectors Appeal decision:	N/A
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	Section 2	Synopsis of Project
2.1	Summarise and provide details of the project:	The project proposes to purchase essential machinery for our bakery, Vinilo on the Main Street in Lismore. The machinery we require is (1) a new deck oven for bread with an integrated steam system and setter/loader and (2) a proofer/retarder for dough and pastry proofing. The machines will allow us to regulate, ensure quality and reduce physical exertion and time required to produce our products. The oven is to replace the second-hand deck oven we currently have, which has served us well as a starting point, but as time goes on we are having more problems with it. It is very difficult to regulate quality in the old oven, every part of every deck is different. There are hot parts and cooler parts. There is no steam system integrated so we are manually introducing steam through sprayers etc. Sometimes things get burned, don't rise well etc which leads to wastage. We are constantly dealing with broken elements, calling out technicians, time wasted and frustrating results. We have had to close on two different occasions due to technical malfunctions with the oven. It takes a long time to heat and consumes a lot of energy. The old deck oven requires a lot of physical exertion to load, as we load the breads in and out of every deck manually on wooden boards six at a time. The new deck oven would eradicate all these issues for us and ensure the consistent quality of our products. The second piece of essential machinery we require is the proofer/retarder to facilitate and regulate the proofing process of the pastries and dough for bread. We are currently working without any form of proofer, which is unheard of for a dedicated bakery like ours. It makes our process much longer and more labour intensive than it needs to be and means we have a really hard time regulating the process and ensuring consistency in our results.

		At some point every night, in the middle of the night, for the last 3.5 years that the bakery has been open, one of us wakes up and comes down (from our apartment upstairs) to take the pastries out of the cold room to let them proof in the open air of the bakery. Then depending on the time, we will start work (hours before required) or go back to bed. The time we take out the pastries and whether they need to proof for 2, 3, 4 or 5 (?) hours is guesswork based on the weather and temperature outside and in the bakery. It is a completely unrealistic and unsustainable system that does not work and we are exhausted by it. We cannot work without a proofer/retarder any longer. In winter it's so cold that we cannot proof the pastries well at all and under proofing means poor results which don't meet our standards. Continuing to work with the current machines is leading us towards burnout. As young entrepreneurs we do not have the money to purchase the machines required ourselves and for this reason we need your help. We cannot continue working in the way we currently are; it is unsustainable. We want to improve our products' consistency and ensure the longevity and sustainability of our business. We want the town of Lismore to continue to enjoy our products and enjoy the bakery as a meeting point at the heart of the town. We want to keep providing employment to ourselves and our staff.
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	Section 3	Appeal Details
3.1	Is this a Pre-payment or Post-payment Appeal:	N/A
3.2	State issue(s) being appealed:	We wish to appeal the LCDC's decision to confirm the Evaluation Committee's recommendation not to support our project. We respectfully disagree with the Committee's finding of ineligibility on both points raised. (1) The issue that the business should be excluded as a retail operation (2) the issue of displacement of similar businesses. We believe that as artisan producers of hand made products, we do qualify for this grant, just as we did in 2020 for LEO funding and in 2022 for funding from LEADER. Rule 6.6.2 as quoted in our

	rejection letter states that grants do not support <u>'conventional</u> retail operations, excluding community based shops and farm shops, outlets selling locally produced products". It is true that our business involves selling our products to customers from a retail outlet, but this retail outlet sells only products hand produced by us. We are a small factory of 2 bakers and our support staff, we work in a small space and have a large output of handmade produce. It doesn't get more local than that. Every single product sold on our counter (barring drinks) is handmade by us from scratch. Just like any artisan producer (cheese, jewellery, ice creams), our machines are essential to help us create our products from the raw materials. We work extremely long days as the sourdough process is physically demanding and takes dedication and time. We are operating out of a retail space, because it is the space we have. Due to the artisan nature of the product, it is appealing for our customers to see our work space as we produce and be able to smell the bread but in an ideal situation we would have a larger and more suitable production space. In relation to the question of displacement. We strongly disagree that this is valid in our case, and there are certainly no grounds to deem our project ineligible in this respect. Rule 6.6.6 states that "displacement occurs when an activity funded using public funds impacts negatively on a similar activity elsewhere ...e.g. closure or loss of business". We would like to restate that we are the first and only bakery in Lismore - we are the only bakery making sourdough and croissants within 30km of the town. No business has been displaced by us in the almost 4 years we are open. In fact, the bakery itself attracts more tourists and visitors to the town than before. We know this from talking to our customers who come from all over the country to visit us. In our application we stated that there was <u>potential</u> for Vinilo to open further retail outlets and gave Fermoy as an example of a town where this might be possible. We would like to emphasise here that this is <i>only an idea</i> used to illustrate that Vinilo could have the potential to expand in the future. We have not found nor are currently searching for a property in this town or any town. We would also like to state that the reason Fermoy was chosen as an example of a good place to open a second location was due to its lack of any similar business. Fermoy town has a population of approx. 7000 people, not counting surrounding townlands (6 times
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		bigger than Lismore). Fermoy does not have any dedicated bakery, and no business making sourdough and pastries. If we were to ever open a second location, we would never choose a town with any similar business, this would make little sense from a business standpoint. Ireland has lost the culture of having an artisan bakery in every town that we used to have long ago, so there are plenty of towns crying out for bakeries. This wave of artisan bakeries opening in Ireland is a new phenomenon. Real bread is having a revival. There is plenty of demand, and few people with the skills and willingness to do this job. There wouldn't be any need to open in a town with any sort of similar business. That said, instead of thinking about opening any other location, we are presently focussed on keeping up the momentum that we have built with Vinilo in Lismore and keeping our doors open.
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	Section 4	Grounds of Appeal
4.1	Refer to the relevant section(s) of the Operating Rules and/or circular(s) that are pertinent to the Appeal.	We believe we have firm grounds for appeal based on the fact that we were deemed ineligible based on rule 6.6.6. and 6.6.2. As stated above in section 3.2 - As young artisan producers we make up the exceptional retail businesses that can be included for this grant. As extrapolated above we do not believe that displacement of other businesses or market distortion is possible in our situation, due to the lack of similar businesses.
4.2	Refer to the relevant section(s) of the EU Regulations that are pertinent to the Appeal.	None that we are aware of.
4.3	List the relevant sections and page numbers of the Project File that are pertinent to the Appeal.	Application Form Project Assessment Report Business Plan Financial Projections
4.4	Additional information pertinent to the Appeal.	We would like to urge the LCDC to reconsider its decision to deny funding. We have grown and prospered as a result of LEADER funding in the past. We feel that to stop funding us now would have negative consequences for our business. There is only so long we can continue with our current situation using our aging machinery. We will not be able to purchase this machinery without help from grant funding. Our work as artisan bakers is extremely labour intensive. It is specialised and takes time and massive dedication -

	this machinery will allow us to continue doing what we love. We have worked extremely hard over the last 4 years to get to where we are now with the business and we have proven that we have what it takes to supply Lismore with top quality produce. We have brought renewed life into the centre of the town and provided employment to ourselves and 4 others. We want to continue to be at the heart of our community. Can you help us to keep going? Thank you for your time and reconsideration, Lucy and Pablo
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Lucy O'HANRAHAN

Signed: _____

Date: 18/8/24

Name of Project Promoter Beneficiary



Pablo Becerra