

## **NOTICE OF FUNDS AVAILABILITY AND GRANTS PROCESS**

***For projects to improve the health and nutrition of consumers in California  
and to promote vigorous competition to benefit California consumers***

**Deadline for Letters of Inquiry: 5:00 PM, Monday, May 22, 2006.**

The Vitamin Cases Consumer Settlement Fund is now soliciting Letters of Inquiry (LOI) for Grants as part of a two-stage application process. The deadline for submitting a LOI is May 22, 2006. After reviewing all LOIs, we will inform you by July 10, whether or not we will solicit a full proposal from your organization or agency. The deadline for full proposals will be August 11, 2006.

### **The Vitamin Cases Consumer Settlement Fund**

The Vitamin Cases Consumer Settlement Fund is the result of a settlement of an antitrust class action against six vitamin manufacturers. The lawsuit alleged that the defendants fixed the prices for a variety of vitamin products including vitamins A, B, C, E and H, causing consumers and businesses to pay millions of dollars more for breakfast cereals, milk, juices, bulk vitamins, vitamin tablets and capsules, dietary supplements and other products. Before trial and without admitting liability, the defendants agreed to pay \$80 million to resolve the claims of businesses and California consumers allegedly harmed by the price-fixing.

Because of the difficulty in determining how much individual consumers paid in higher prices for products containing vitamins, the consumer portion of the settlement—about \$39 million—will be used for grants to public agencies and nonprofit organizations “for the purpose of improving the health and nutrition of citizens in California, advancement of nutrition, dietary, or agricultural science and for furthering the purpose of the antitrust statute under which this case was brought.”

To date, the Vitamin Cases Consumer Settlement Fund has made 52 grants totaling over \$29 million for a wide range of projects involving food delivery to the needy, antitrust enforcement and public policy, nutritional and health outreach, food quality, professional education and training and nutrition research. (A list of the grants to date may be found at [www.cypresfunds.net](http://www.cypresfunds.net).) All grants must be approved by the Superior Court prior to being funded.

## Grants Budget and Criteria

The Vitamin Cases Consumer Settlement Fund will be making approximately \$10 million available for grants to public agencies and nonprofit organizations to improve the health and nutrition of consumers in California and to further the purpose of the antitrust laws under which the lawsuit was brought.<sup>1</sup> The Fund recently concluded a round of grantmaking that focused on scientific/medical research and is not soliciting further scientific/medical research proposals at this time.

Because of the nature of the settlement funds, grants will be made on a one-time basis for specific projects and not general operating support. Funding is not available for scientific, medical, clinical or academic research. Grants will only be made to fund activities that have not been previously funded from this or other sources or that, but for the receipt of the grant, would not be fully funded. Grant funds must not be used to supplant or replace any existing or budgeted funding for any program, purchase or activity. Other sources of funding may not be reduced because of a grant award from the Vitamin Cases Consumer Settlement Fund.

Projects will be funded for up to three years.

## Eligible Applicants

Applicants must be either:

a. A **public agency** (i.e., a state or local agency, department or instrumentality)

OR

b. A **nonprofit organization** under section 501(c)(3) of the Internal Revenue Code. To receive a grant, nonprofit organizations must also be registered (if required by law) and in good standing with the Charitable Trusts Section of the California Department of Justice, California Secretary of State and California Franchise Tax Board.

No preference will be given to any one type of applicant. All grants will be awarded based on merit.

## TO APPLY FOR FUNDS

To apply for funds, please submit by **5:00 PM, Monday, May 22, 2006:**

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<sup>1</sup> The purpose of the antitrust laws is to promote vigorous competition to benefit California consumers.

1. A completed LOI Coversheet. (Attached.)
2. A no more than two-page Letter of Inquiry describing your organization or agency and the project for which you are seeking funding. In particular, please address the following:
  - (a) The need or issue your organization/agency works to address;
  - (b) The primary purpose and duration of the project for which you are seeking funding;
  - (c) The amount of funding you are seeking;
  - (d) The source of additional funding if needed;
  - (e) Strategies you will employ to implement your project in an efficient and cost-effective manner;
  - (f) Current programs, total organization/agency budget, and accomplishments for the past year;
  - (g) The population your organization/agency serves (including geography, socioeconomic status, race, ethnicity, gender, sexual orientation, age, physical ability and language);
  - (h) Your organization's/agency's relationships with other organizations/agencies and participation in networks of groups working to meet the same needs.

Please deliver four copies of the Coversheet and Letter of Inquiry to:

Harry M. Snyder  
Vitamin Cases Consumer Settlement Fund LOI  
The Presidio  
1009 General Kennedy Avenue, Second Floor  
San Francisco, CA 94129

Faxed LOIs will not be accepted. All Coversheets and Letters of Inquiry must be received by **5:00 PM, Monday, May 22, 2006**. You will receive an acknowledgement of receipt by electronic mail. If you do not receive an acknowledgement of receipt within five business days of submitting your Letter of Inquiry, please contact Harry Snyder or Carl Oshiro at [415] 561-6747.

## **Timeline**

After reviewing the LOIs submitted, we will notify you by July 10, 2006 whether or not you should submit a full proposal. We currently anticipate that the deadline for proposals will be August 11, 2006. After completion of the proposal review and due diligence process, you will be notified if your proposal has been approved or declined.

All grants must be approved by the Superior Court. Successful applicants will be required to execute a Grant Agreement setting forth the terms and conditions of the grant, including payment and use of grant funds, reporting on the progress of the project and expenditures of grant funds and record keeping requirements. We anticipate that grants will be funded beginning in the fourth quarter of 2006 and projects will commence on first receipt of funds. These dates are subject to change depending on the number and nature of the LOIs and proposals received.

## Evaluation Criteria

LOIs will be evaluated based on the following criteria:

- **The degree to which the project will advance the purpose of the Vitamin Cases Consumer Settlement Fund.** (i.e., “for the purpose of improving the health and nutrition of citizens in California” [and] “furthering the purpose of the antitrust statute under which this case was brought.”) (Considering especially the primary purpose of the project and strategies to be employed.)
- **The degree to which the project will make a meaningful impact in advancing these purposes.** (Considering especially the primary purpose of the project, amount of funding requested, sources of additional funding (if any) and strategies to be employed.)
- **The degree to which the grant seeker has the capacity to successfully implement the project.** (Considering especially, the need(s) or issue(s), the grant seeker is working to address, current/past programs and accomplishments, population(s) served and relationships/networks with other organizations/agencies.)

Evaluation criteria for grant applications will be sent to grant seekers invited to submit full applications along with a Grant Application Form and instructions on completing and submitting the application.

## Contact Information

Harry M. Snyder / Carl Oshiro [415] 561-6747  
The Presidio  
1009 General Kennedy Drive, Second Floor  
San Francisco, CA 94129  
Fax: [415] 561-6746  
Website: [www.cypresfunds.net](http://www.cypresfunds.net)

**VITAMIN CASES CONSUMER SETTLEMENT FUND  
LETTER OF INQUIRY COVERSHEET**

Date: \_\_\_\_\_

Name of Organization/Agency: \_\_\_\_\_

Mailing Address: \_\_\_\_\_

City: \_\_\_\_\_ County: \_\_\_\_\_

State: \_\_\_\_\_ Zip: \_\_\_\_\_

Phone Number: \_\_\_\_\_ Fax Number: \_\_\_\_\_

Website Address: \_\_\_\_\_

Contact Person: \_\_\_\_\_

Contact's Title: \_\_\_\_\_

Contact's Email: \_\_\_\_\_ Contact's Phone: \_\_\_\_\_

Project Name: \_\_\_\_\_

Amount Requested: \$ \_\_\_\_\_ Grant Period (up to 3 yrs) \_\_\_\_\_

Type of Entity (Check One):

501(c)(3) Organization  Public Agency  Other (if so, describe \_\_\_\_\_)

Geographic Area Served (Check One):

Statewide  Regional  Local  Other (if so, describe \_\_\_\_\_)

Please briefly describe the population your organization serves (25 word maximum please):

Please provide a short paragraph describing your organization/agency, including your mission statement and a brief description of your project (100 word maximum please):

**All Letters of Inquiry and LOI Coversheets must be received by 5:00 P.M., Monday, May 22, 2006. (See *Notice of Availability of Funds and Grants Process* at [www.cypresfunds.net](http://www.cypresfunds.net) for more information).**