

Commentary

Winning the future with food hubs



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To start the new year, I published an article in USDA's *Rural Cooperatives* magazine (January/February 2011 issue) reflecting on the successes of the Know Your Farmer, Know Your Food initiative. This USDA initiative creates new economic opportunities for our nation's farmers and ranchers, promotes local and regional food systems and expands access to affordable, fresh and local food. In this month's cover story, *Rural Cooperatives* highlights one of the ways that the Know Your Farmer, Know Your Food initiative is accomplishing these goals: food hubs.

On the road, I talk to farmers, producers, consumers, professors, retailers, buyers and other stakeholders involved in building local and regional food systems. Though these food systems are diverse, they are often characterized by common challenges. These challenges include the ability of small- and mid-sized producers to gain access to infrastructure — such as trucks, warehouses, processing space and storage — in order to reliably meet market demand, especially from larger institutional buyers in their region.

However, this infrastructure often requires more capital investment, infrastructure maintenance and dedicated oversight than an individual producer can handle.

The solution that can allow these local and regional markets to scale up? You guessed it: a food hub! This centrally located business management structure can assist with aggregation, storage, processing, distribution and marketing of locally and regionally produced foods.

On a recent trip away from the nation's capital, I had the pleasure of speaking at the Making Good Food Work conference in Detroit. The conference served as an incubator of new ideas to successfully distribute local and regional foods and bolster regional food systems. This made it the perfect venue for USDA to announce the results of a nationwide analysis of food hubs. Some exciting findings are presented in this study, conducted by the Know Your Farmer, Know Your Food initiative's Subcommittee on Food Hubs, in partnership with the National Association of Produce Market Managers, the Wallace Center at Winrock International and

the Project for Public Spaces.

The analysis found that more than 100 food hubs are currently in operation around the country, over 70 of which were analyzed for this study. On average, each food hub creates 13 jobs, and nearly 40 percent of the food hubs analyzed were started by entrepreneurial producers, producer groups and other organizations looking to build a strong distribution and aggregation infrastructure for small- and mid-size producers.

Food hubs represent an excellent opportunity for farmer and rancher cooperatives to pursue high-value, local food markets. As we aim to create economic growth and revitalize rural communities, this is exactly the type of innovation we need to win the future.

But the benefits of food hubs are not merely economic:

more than 40 percent of existing food hubs are specifically working in “food deserts” to increase access to fresh, healthful and local products in communities underserved by full-service food retail outlets. Nearly all food hubs surveyed offer fresh produce. At a time when 65 percent of adults are overweight or obese, and one in three children born after the year 2000 are predicted to be diagnosed with type II diabetes, the health impacts of food hubs are vital.

Examples of successful food hubs abound. In my commentary featured in the January/February 2011 issue of this magazine, I highlighted a co-op in Oklahoma that began as a buying club in 2003 with 20 local producers and \$3,500 worth of sales on its opening day. Today, the co-op has \$70,000 in monthly sales and a membership base of 3,000 individuals purchasing from 200 Oklahoma-based producers. In Detroit — America's

largest city without a supermarket — Eastern Market Corporation is serving as a food hub by working to coordinate aggregation and distribution of healthy foods from regional producers.

For a more in-depth look at the ways food hubs can help small farmers tap into regional food markets, be sure to read this month's cover story about a virtual food hub network in Richmond, Va., which has created an Internet marketing platform that is helping the owners of dozens of small farms and ranches serve the growing demand for local foods. ■



For reasons unknown, a rooster crosses the road at Tuckahoe Plantation, in Goochland County, Va., part of the Lulus Local Food network of food hubs.