



FoodHub in the News

Urban Farm Hub

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Regional Food Hubs

Understanding the Scope and Scale of Food Hub Operations

PORTLAND, OR – Today there is conference put on by Ecotrust on regional food hubs. A “food hub” is a centrally located facility with a business management system that facilitates the aggregation, storage, processing, distribution and/or marketing of locally or regionally produced food products.

Here is a summary of a talk by James Barhan.

The Know Your Farm, Know Your Farmer task force, (KYF2), is enabling coordination with other federal agencies. The tactical team is carrying out the following activities:

- * What is happening with food hubs
- * Identify examples of food hubs
- * Create a resource guide
- * Collect best practices
- * Provide a list of USDA resources

There are three core components in a food hub:

- * Aggregation/Distribution wholesale - provide a drop off point for multiple farmers and a pick up point for distribution firms and customers who want to buy source-identified local and regional food
- * Active coordination – provide a management team that coordinates the supply chain logistics
- * Permanent facilities – Provide space and management of food hub

Food hubs are good for job creation in rural areas, expanding markets for producers and increasing access to fresh health foods.

A great working example is the Local Food Hub from Charlottesville, VA. This was started in 2009 by two women to increase the amount of fresh food available to the community, support local farmers and promote ag development.

They are a local distributor and have an educational farm with a variety of outreach programs. Local Food Hub currently works with 50 small farms within 100 miles of the Charlottesville and they have over 100 customers including local schools and hospitals.

There are other food hub models as well:

- * Non-profit
- * Producer/Entrepreneur
- * Retail and Consumer
- * Virtual On-Line

The USDA sent out a food hub survey and got results back from 45 hubs all across the US. The majority of food hubs are non-profit, (36%). Most hubs do community engagement and education as well as food distribution. 60% have been operating for 5 years or less.

Funding is from food hub services, membership fees, foundation and government funding and sweat equity. The primary category is produce, then eggs, dairy, meat and grains.

Major market channels are restaurants, grocery stores, colleges, food co-ops, distributors, school food and csa's. Most have 40 to 70 suppliers. 29% of food hubs have no full-time paid staff. 40% have 1 to 5 full-time paid employees. (Clearly they rely heavily on volunteers.) Services provided include distribution, aggregation, selling wholesale to consumers and product storage.

Producer services are branding, marketing, training, food safety, production and post-handling training, value-added product development and liability insurance. Community services include youth employment, healthy eating promotion and encouraging eating of local foods. Annual gross sales are increasing each year at a rapid rate.

A typical food hub has strong producer engagement, has been operating for five years, is a socially driven model with a strong emphasis on local employment and healthy food. They are actively involved in the community and offer a wide range of products. Most are not financially solvent but still rely on outside funding. Most are not profit generating but are there to help producers.

The next steps are to launch a food hub communities of practice and create a regional food hub resource guide to gather together the research happening and the resources available to help food hubs. They will also do a targeted list of USDA resources and work on helping financial viability.

URL: <http://www.urbanfarmhub.org/2011/03/regional-food-hubs-understanding-the-scope-and-scale-of-food-hub-operations/>