



FOOD HUB ASSISTANCE STARTER KIT

For agricultural and business professionals, farmers, and other community members who are assisting with the exploration of a food hub or assisting a food hub start-up.

FOOD HUB DEFINITION

Regional Food Hub – a business or organization that actively manages the aggregation, distribution and marketing of source-identified food products primarily from local and regional producers to strengthen their ability to satisfy wholesale, retail, and institutional demand.

Regional food hubs are defined less by a particular business or legal structure, and more by how their functions and outcomes affect producers and the wider communities they serve. Defining characteristics of a regional food hub include:

- **Carries out or coordinates the aggregation, distribution, and marketing of primarily locally/regionally produced foods from multiple producers to multiple markets.**
- **Considers producers as valued business partners** instead of interchangeable suppliers and is committed to buying from small to mid-sized local producers whenever possible.
- **Works closely with producers**, particularly small-scale operations, to ensure they can meet buyer requirements by either providing technical assistance or finding partners that can provide this technical assistance.
- **Uses product differentiation strategies to ensure that producers get a good price for their products.** Examples of product differentiation strategies include identity preservation (knowing who produced it and where it comes from), group branding, specialty product attributes (such as heirloom or unusual varieties), and sustainable production practices (such as certified organic, minimum pesticides, or “naturally” grown or raised).
- **Aims to be financially viable while also having positive economic, social, and environmental impacts within their communities**, as demonstrated by carrying out certain production, community, or environmental services and activities.

- from the **Regional Food Hub Resource Guide** by Barham, et al. (USDA AMS, 2012).

NGFN FOOD HUB CENTER

If you don't already have your favorite food hub resources identified, we recommend that you start at the **National Good Food Network (NGFN) Food Hub Center**:
<http://ngfn.org/resources/food-hubs>.

Jeff Farbman, with the Wallace Center, who maintains this site, says “Our intent is not necessarily to be comprehensive, but to find some of the best resources for Food Hubs.” They have an impressive number of quality resources listed. They also provide links to some other sites that maintain food hub resources. And they maintain archives of over a dozen webinars relevant to food hubs.

Navigation: The site has a list of featured resources along with recent news and events in the main column, and a list of many of the top resources in the left-hand column. But there is much more than what can be seen on the main page. Be sure to use their search function on the right hand side of the page header to find specific information.

If you come across a useful food hub resource that is not on the NGFN Food Hub site, send it to Farbman at jfarbman@winrock.org and note why you think it should be listed.

FOOD HUB REPORTS and WEBINARS

An annotated list of a few of the most useful reports and webinars for exploring the food hub concept and getting started.

Regional Food Hub Resource Guide (2012)

<http://www.ams.usda.gov/AMSV1.0/getfile?dDocName=STELPRDC5097957>

This guide from the USDA Agricultural Marketing Service answers a number of frequently asked questions, including: 1) What is a regional food hub? 2) What kind of impacts are regional food hubs having in their communities? 3) What are some of the barriers impeding regional food hub growth and how might they be addressed? 4) What financial resources are available to support regional food hub development?

Building Successful Food Hubs: A Business Planning Guide for Aggregating and Processing Local Food in Illinois (2013)

<http://ngfn.org/resources/ngfn-database/knowledge/IllinoisFoodHubStudy-digital.pdf>

This guide includes descriptions of business structures, key functions, the regulatory environment, revenue models, best practices, and “how-to” strategies for food hub establishment and operation that are based on successful operating models. It is divided into sections on aggregation centers and processing centers. It also includes a section on the business development process for food hubs using the stage-gate development model. Although it is aimed at an Illinois audience, the information is useful for those interested in establishing food hubs anywhere in the U.S.

Starting a Food Hub: Successful Hubs Share Their Stories (2013)

<http://ngfn.org/resources/ngfn-cluster-calls/starting-a-food-hub-successful-hubs-share-their-stories/webinar>

In this NGFN webinar, three successful food hubs share their stories about how they formed and operated during their first few years in action. They describe their business structure, services, finances, farmer recruitment, markets, facilities, staff and sales growth. Presenters from Tuscarora Organic Growers (PA), Eastern Carolina Organics (NC), and Headwater Foods (NY) discuss some of the decisions that helped their businesses to thrive and offer tips for other food hub start-ups.

Hudson Valley Food Hubs Initiative: Research Findings and Recommendations (2013)

<http://ngfn.org/resources/ngfn-database/knowledge/food-hubs-initiative-report.pdf>

This report provides a detailed analysis of whether food hubs are needed to support and strengthen sustainable agriculture and a regional food value chain in the NY Hudson Valley. It analyzes which food hub features would most benefit Hudson Valley farms and communities, and the most likely potential partners for food hub development in the area. Although focused on one specific region, this report is valuable for others doing food hub exploration and development anywhere in the U.S. It includes a discussion of the context for food hub development and a discussion of best practices for achieving financial sustainability gleaned from a review of 12 successful food hubs.

Grasshoppers Distribution: Lessons Learned and Lasting Legacy (2015)

<http://www2.ca.uky.edu/agc/pubs/SR/SR108/SR108.pdf>

This report from the University of Kentucky College of Agriculture describes and analyzes the demise of Grasshoppers Distribution LLC, a food hub that operated in Louisville, KY from 2006-2013. It provides a detailed history of operations, financials and decisions made; and points to key challenges encountered. Most importantly, the study offers recommendations for other food hubs based on factors that may be common elsewhere.

Food Hub Benchmarking Study: Report on Findings 2013

<http://ngfn.org/resources/ngfn-database/knowledge/2013%20Food%20Hub%20Benchmarking%20Report.pdf>

This study establishes a baseline of financial performance and operational trends of food hub businesses, such as total sales, sales per employee, operational efficiency, etc. Although reporting was limited because only 15 food hubs participated in the study, valuable information was gathered to give similar businesses measurements for benchmarking their performance. The study was conducted by Farm Credit East, Morse Marketing Connections, Farm Credit Council, and the Wallace Center.

Food Value Chains: Creating Shared Value to Enhance Marketing Success (2014)

<http://www.ams.usda.gov/AMSV1.0/getfile?dDocName=STELPRDC5107776>

Values-based food supply chains (known as “food value chains”) are strategic alliances between farmers or ranchers and other supply-chain partners that deal in significant volumes of high-quality, differentiated food products and distribute rewards equitably across the chain. Food hubs are one type of food value chain. This report describes how food value chains are initiated and structured, how they function, and their benefits. It also discusses some key issues such as leadership, embedding values, and communication.

Food Hub feasibility studies collected at the NGFN Food Hub Center:

<http://ngfn.org/resources/food-hubs/food-hub-knowledge/feasibility-studies>

The Food Hub Center has gathered several feasibility studies together on their site. Each feasibility study can provide an example of processes and questions that may be helpful for others.

The Business of Food Hubs: Planning Successful Regional Produce Aggregation Facilities (2010)

<http://www.ngfn.org/resources/ngfn-cluster-calls/the-business-of-food-hubs>

In this NGFN webinar, Kathy Nyquist with New Ventures Advisors discusses the process of feasibility studies and business planning for food hub ventures. She walks the audience through simple steps for creating a feasibility study citing two examples, one in Illinois and one in Virginia. (To skip the long introduction, go to the 12:00 minute mark in the webinar.)

Findings of the 2013 National Food Hub Survey

<http://ngfn.org/resources/ngfn-database/knowledge/2013%20Food%20Hub%20Survey%20Report.pdf>

This report summarizes a wealth of information that was obtained in a survey of over 100 food hubs. It presents information on operational characteristics, finances, values, and services and activities. It also discusses challenges, opportunities and barriers to growth. The study was conducted by the Center for Regional Food Systems at Michigan State University and the Wallace Center.

OTHER FOOD HUB RESOURCES

USDA Food Hub site

www.ams.usda.gov/FoodHubs

Includes USDA's research findings, resources, and support for food hubs.

USDA National Food Hub Directory

<http://search.ams.usda.gov/FoodHubs/>

The Food Hub Directory is an interactive database that lists hundreds of businesses or organizations actively managing food hubs. It is searchable by name, by location or by products.

NFGN Food Hub Collaboration Discussion Group

ngfnfoodhub@googlegroups.com

This is an open forum (hosted by Google) where members can ask and answer questions about food hubs and their operations. Anyone can become a member.

Food Hub Management Program

learn.uvm.edu/foodhub

The University of Vermont offers a Food Hub Management Professional Certificate program. Designed by leaders at the forefront of the food hub field, this 10-month program uses an innovative blend of community based, online, and on-campus learning to prepare participants for greater success in complex food hub work.