

# Cooperative food hub supports direct connections between farmers and buyers, gets the product to market

Creating direct relationships with buyers has enabled family farms to capture more value for their products. Fostered by the advent of farmers markets and the consumer desire to know their farmers and their food, the local food movement is a burgeoning opportunity for small to mid-size farms. But how can an individual farmer tap into the larger market opportunities?

A project of the Northwest Agriculture Business Center (NABC), the Puget Sound Food Hub started business in 2012. Using a web-based sales platform, individual farmers can sell their products directly to wholesale buyers, products for multiple buyers to an aggregation site, with the products delivered to the buyers by the food hub. Buyers can buy from multiple farms with products delivered on one truck with one invoice.

NABC's long term vision was to prove out the business concept and support the farmers to organize a cooperative to take over the business. Through the support of the USDA Rural Cooperative Development Grant program, NABC provided technical assistance to a farmer steering committee to conduct ongoing analyses of business feasibility, create business and marketing plans, and assess the possibility of forming a farmer-owned cooperative.

In April Of 2016, the farmers determined to form a cooperative and take ownership of the business. The cooperative is currently owned by 50 farm-members and serves more than 200 customers in a six-county region of Northwest Washington. Sales have increased from \$233K in 2014 to \$1.12M in 2016.

*"As farmers we have been working on this project since 2012. Forming a cooperative was a natural progression to enable the farmers to take ownership of the distribution system we helped to create. We could not have accomplished this without the partnership of NABC, 21 Acres, some wonderfully supportive foundations, and the USDA. There are other distributors doing a good job, but we think a farmer-owned distribution system is a great alternative for the customers and the farmers. Our commitment to source-identification for our member-owners' products and fostering direct relationships between farmers and buyers are core values of the Puget Sound Food Hub Cooperative."*

–Harley Soltes, Co-owner Bow Hill Blueberries  
Member, Puget Sound Food Hub Cooperative

