# Remaking the food system for farmers, eaters, and community

Sarah Lloyd Wisconsin Farmers Union and Wisconsin Food Hub Cooperative

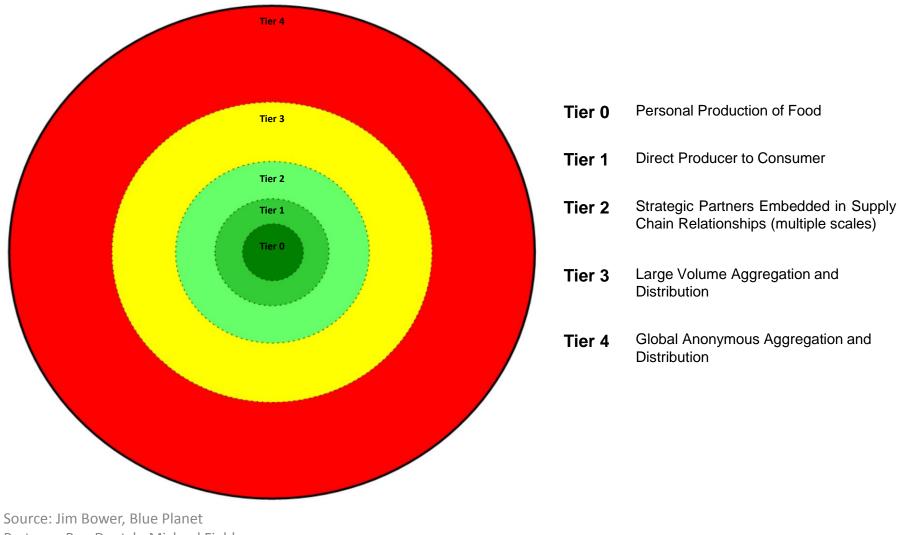




#### Wisconsin Farmers Union

UNITED TO GROW FAMILY AGRICULTURE

#### **Tiers of Food Systems**



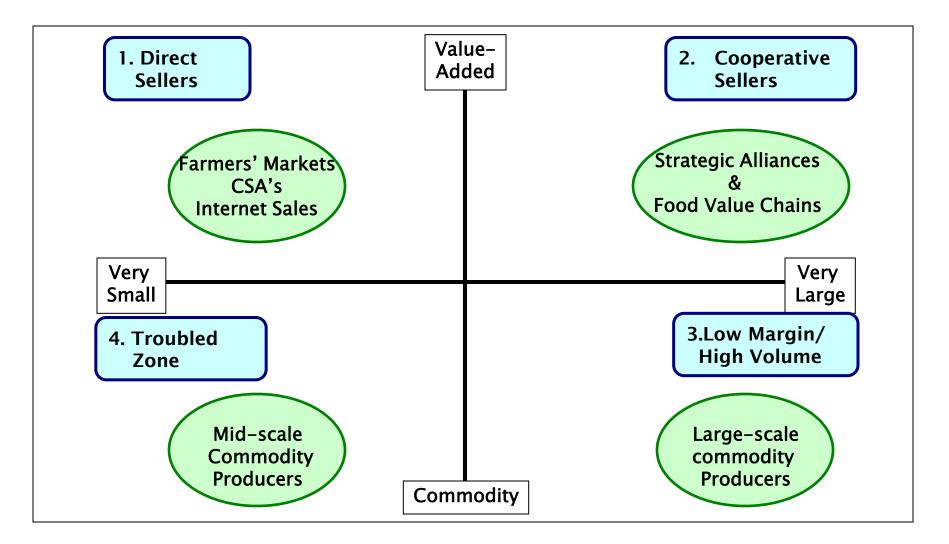
Partners, Ron Doetch, Michael Fields Agricultural Institute, Steve Stevenson, Center for Integrated Agricultural Systems, University of Wisconsin







## Business & Marketing Options





The Wisconsin Food Hub Cooperative (WFHC) is a farmer-led cooperative owned by the producers and the Wisconsin Farmers Union.

www.wifoodhub.com

#### What Does the Wisconsin Food Hub Do?

The WFHC is dedicated to securing the most profitable markets for our producer-members.

The hub makes it easy for the retail, institutional, and foodservice sectors to buy locally.

The WFHC helps local farmers by providing them with the opportunity, through marketing, sales, aggregation, and logistics, to access wholesale markets they could not access easily before. In 2013 the Wisconsin Food Hub Cooperative provided primarily:

- sales
- marketing and
- logistics coordination

In 2014 we have a refrigerated aggregation facility in Waupaca and are working on a Madison-area site. This will allow us to scale up and better handle member product and get it to market.

### **Business Strategy**

Market channels

- •Retail grocery stores
- •Institutional food service, hospitals, schools, etc
- Restaurant
- •Distributors

Matching the farmer to the buyer:

- scale,
- quality,
- location,
- logistics.





2013 Sales Accomplishments

The co-op sold 64 different fresh fruit and vegetable items. Some highlights are:

Over 49,500 dozen ears of sweet corn

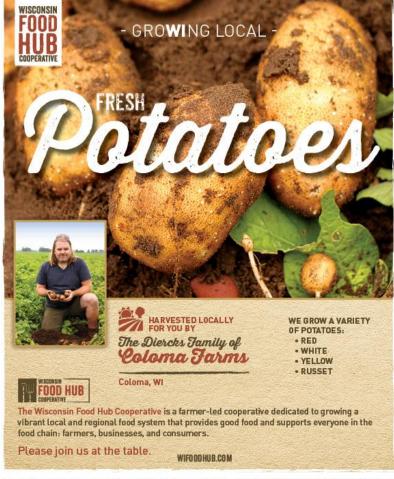
More than **72,000** pounds of green beans

And 67,000 pounds of winter squash

Almost 30,000 pumpkins (boo!)

**19,584** bunches of certified organic kale

## Telling the farmer story to the consumer



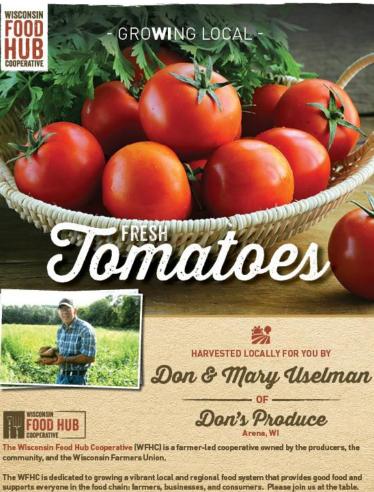
Roundy's proudly partners with the Wisconsin Food Hub Cooperative to bring you the fresh local produce you deserve!

Quality is a state of mind at  $ROUNDYS_{*}$ 



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WIFOODHUB.COM

"Moving from convenience to commitment"

...the challenge is to change the relationships in the food systems and in the value-chains. Moving away from "a series of independent transactions, conducted at arm's length on the basis of convenience, to a long-run interdependence based on commitment."

Gwin, Lauren, Arion Thiboumery, and Richard Stillman. *Local Meat and Poultry Processing: The Importance of Business Commitments for Long-Term Viability*, ERR-150, U.S. Department of Agriculture, Economic Research Service, June 2013.







Every magnificent meal begins with a great farmer.

LET US HELP YOU SOURCE LOCAL FOODI



LET US HELP YOU SOURCE LOCAL FOODI

FOOD HUB

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## What did we need to get started?

- Dane County Feasibility Study and Business Planning process.
- Process. Process. Process.
- Pre-development funds from WFU to finish the business plan, start the sales leads, create a space in the market.
- Business launch equity from co-op members.
- Line of credit from Forward Community Investment. (WFU acting as a guarantor on the line of credit.)
- Support from a USDA Value-Added Producer Grant

The Wisconsin Food Hub Cooperative was incorporated as in October 2012 and adopted bylaws at its first annual meeting in April 2013.

The Food Hub started with 11 farmer members and the Wisconsin Farmers Union, as a founder member. Now at 15 farmer members.

The co-op is structured as a multi-stakeholder co-op with 4 membership classes:

- Farmers make a one-time \$1100 equity investment
- Wisconsin Farmers Union is a Founder member with \$100,000+ equity in the business with additional equity invested in 2014.
- Institutional members will make a \$10,100 investment and
- Community members will make a \$2,600 investment

• Balancing the vision with a pragmatic implementation.

How do we create "conditions of possibility"?

 There is a constant need for reevaluation and reconstruction. Material interests and values interact and these interaction must be recognized.