Report of preliminary findings related to food hub development in Northern NY

Findings by: Todd Schmit, Associate Professor
Paul Shin, Masters Candidate
Roberta Severson, Director
Cornell University Cooperative Enterprise Program
Our thanks

• 125 farmers, 25 buyers, and 254 consumers for completing the surveys
• NYS Specialty Crops Block Grant, USDA funding administered by NYSDAM
• NNY Agriculture Development Program

“This project is supported by the Specialty Crop Block Grant Program at the U.S. Department of Agriculture through a grant from the New York State Department of Agriculture and Markets. Its contents are solely the responsibility of the authors and do not necessarily represent the official views of the USDA or NYS DAM.”
What will be covered?

• Definitions of ‘local’ and ‘food hub’
• Who completed the survey
  – Producers
  – Buyers
  – Consumers
• Key findings from each group
What is local?
Quick fact: What is local?

• Consumers – 254
  – 60% of consumers – NNY
  – 25% my county

• Producers – 125
  – 66% sold 75 to 100% products within the 6-county area

• Buyers – 28
  – 40% in 6-county area
  – 20% New England
  – 1 buyer said more than 350 miles one-way
What is a food hub?
What is a food hub?

According to the USDA, “a regional food hub is 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”
- James Barham, USDA 2012
Food Hub Examples

• Tuscarora Organic Growers
• New North Florida Marketing Cooperative
• Diana Endicott, Rainbow Organics, Good Natured Family Farms brand
• Oklahoma Food Cooperative

• Adirondack Graziers
• Farmshed CNY, Syracuse
• Wholeshare
• Regional Access
• Black River Produce
• Finger Lakes Fresh Food Hub
• Finger Lakes Farms, LLC
• Syracuse Regional Market Authority
## Food Hub Examples

- Tuscarora Organic Growers
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- Regional Access
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Does something need to be created or does something already exist that could be expanded to meet the needs of the region?
What does success look like?

• The median years of operation for economically viable food hubs was 9.5 years, compared to only 5 years for food hubs that are not yet economically viable.

• All the economically viable food hubs reported minimum gross sales of $1 million per year and median gross sales of $6 million per year.

• Compared to a median of $500,000 in gross sales for food hubs that had not yet achieved economic viability.

• Dedicated group of persons willing to spearhead the effort.
ABOUT THE PRODUCERS
Where are the farms located who completed the survey?

- Clinton – 25 farms
- Essex – 36 farms
- Franklin – 12 farms
- Jefferson – 14 farms
- Lewis – 23 farms
- St. Lawrence – 14 farms
- Oneida – 1 farm
What is the size and scale of the farms?

Farm count by Size:
- 0.01 – 3 acres: 18
- 4 – 10 acres: 18
- 10 – 20 acres: 16
- 20 – 40 acres: 11
- 40 – 60 acres: 11
- 60 – 100 acres: 14
- 100 – 250 acres: 17
- Over 250 acres: 18

Farm count by Sales:
- < $25,000: 60
- $25,001 – $100,000: 33
- $100,001 – $250,000: 14
- $250,000 – $1,000,000: 12
Full time, part time?

Farmer Role by Sales

- Part time, full time desired
- Retired, lifestyle farming
- Another job (majority)
- Another job (supplement)
- Farm full time
How many years farming?

Number of Farms, Years of Farming by Sales

- 1-3 yr
- 4-10 yr
- 11-20 yr
- 21-30 yr
- 30+ years

- <$25K
- $25k-100K
- $100k-250K
- > $250K
What do they grow?

# FARMS IN 6 COUNTIES

- Fruit = 171 (31)
- Vegetable = 337 (58)
- Protein = 1000+, (51)
- Dairy = 1,000+ (10)
- Honey & Maple =400 (27)
Organic?

Conventional or Organic?

- Conventional: 68
- Certified Organic: 46
- Non-certified Organic or Natural: 8
Food safety certification?

Likelihood of develop/implement food safety plan

<table>
<thead>
<tr>
<th>Farm count</th>
<th>No</th>
<th>Maybe</th>
<th>Could Become Certified</th>
<th>Already Certified</th>
</tr>
</thead>
<tbody>
<tr>
<td>&gt; $250K</td>
<td>1</td>
<td>6</td>
<td>0</td>
<td>4</td>
</tr>
<tr>
<td>$100k-250K</td>
<td>0</td>
<td>6</td>
<td>7</td>
<td>1</td>
</tr>
<tr>
<td>$25k-100K</td>
<td>4</td>
<td>16</td>
<td>10</td>
<td>1</td>
</tr>
<tr>
<td>&lt; $25K</td>
<td>10</td>
<td>22</td>
<td>21</td>
<td>2</td>
</tr>
</tbody>
</table>
Which major market are they closest to?
How far do they travel when delivering product?

**Avg Distance Traveled One Way**

<table>
<thead>
<tr>
<th>Distance</th>
<th>Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>0 - 19 mi</td>
<td>54</td>
</tr>
<tr>
<td>20 - 39 mi</td>
<td>30</td>
</tr>
<tr>
<td>40 - 59 mi</td>
<td>8</td>
</tr>
<tr>
<td>60 - 79 mi</td>
<td>5</td>
</tr>
<tr>
<td>80 - 100 mi</td>
<td>5</td>
</tr>
<tr>
<td>100+ mi</td>
<td>4</td>
</tr>
</tbody>
</table>

**Longest Distance Traveled One Way**

<table>
<thead>
<tr>
<th>Distance</th>
<th>Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>0 - 99 mi</td>
<td>80</td>
</tr>
<tr>
<td>100 - 199 mi</td>
<td>12</td>
</tr>
<tr>
<td>200 - 299 mi</td>
<td>3</td>
</tr>
<tr>
<td>300 - 399 mi</td>
<td>8</td>
</tr>
<tr>
<td>400 - 499 mi</td>
<td>1</td>
</tr>
<tr>
<td>500+ mi</td>
<td>1</td>
</tr>
</tbody>
</table>

*NOTE X-AXIS, SCALES OF THE TWO GRAPHS NOT THE SAME*

What are the implications for food hub location?
How much time do they spend marketing their products?

Quick fact:
114 reporting
Average time spent per week marketing product was 10 to 20 hours.

Does the marketing function performed by the food hub have value to farmers?
### In what market channels do they participate?

<table>
<thead>
<tr>
<th>Market Channel</th>
<th>All Farms</th>
<th>&lt;$25,000</th>
<th>$25,001-100,000</th>
<th>$100,001-250,000</th>
<th>&gt;$250,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Farm stand</td>
<td>33.8%</td>
<td>37.9%</td>
<td>29.8%</td>
<td>43.5%</td>
<td>13.9%</td>
</tr>
<tr>
<td>Community supported agriculture (CSA)</td>
<td>8.9%</td>
<td>3.6%</td>
<td>13.8%</td>
<td>10.4%</td>
<td>12.3%</td>
</tr>
<tr>
<td>Farmer's market</td>
<td>22.0%</td>
<td>29.6%</td>
<td>21.0%</td>
<td>14.3%</td>
<td>6.5%</td>
</tr>
<tr>
<td>Grocery stores</td>
<td>5.4%</td>
<td>5.3%</td>
<td>6.0%</td>
<td>1.7%</td>
<td>9.8%</td>
</tr>
<tr>
<td>Restaurants</td>
<td>6.4%</td>
<td>5.9%</td>
<td>4.7%</td>
<td>13.6%</td>
<td>5.3%</td>
</tr>
<tr>
<td>Institutions (schools, prisons, hospitals)</td>
<td>1.3%</td>
<td>0.1%</td>
<td>4.1%</td>
<td>0.2%</td>
<td>0.3%</td>
</tr>
<tr>
<td>Direct sales to food co-ops or buyer's club</td>
<td>5.5%</td>
<td>6.7%</td>
<td>4.9%</td>
<td>1.6%</td>
<td>8.0%</td>
</tr>
<tr>
<td>Wholesalers or distributors</td>
<td>13.6%</td>
<td>7.6%</td>
<td>13.2%</td>
<td>13.9%</td>
<td>43.0%</td>
</tr>
<tr>
<td>Auction</td>
<td>3.1%</td>
<td>3.3%</td>
<td>2.5%</td>
<td>0.8%</td>
<td>0.9%</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>100.0%</strong></td>
<td><strong>100.0%</strong></td>
<td><strong>100.0%</strong></td>
<td><strong>100.0%</strong></td>
<td><strong>100.0%</strong></td>
</tr>
</tbody>
</table>
What is the interest in selling to a food hub?

**Interest Level**

<table>
<thead>
<tr>
<th>Interest Level</th>
<th>Farm Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not at all interested</td>
<td>1</td>
</tr>
<tr>
<td>Little interest</td>
<td>0</td>
</tr>
<tr>
<td>Neutral</td>
<td>2</td>
</tr>
<tr>
<td>Interested</td>
<td>6</td>
</tr>
<tr>
<td>Very interested</td>
<td>3</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Revenue Range (K)</th>
<th>Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>&gt; $250K</td>
<td>1</td>
</tr>
<tr>
<td>$100K-250K</td>
<td>0</td>
</tr>
<tr>
<td>$25K-100K</td>
<td>7</td>
</tr>
<tr>
<td>&lt; $25K</td>
<td>15</td>
</tr>
</tbody>
</table>
How likely are you to do business with a food hub?

Interest Level

<table>
<thead>
<tr>
<th>Interest Level</th>
<th>Not at all interested</th>
<th>Little interested</th>
<th>Neutral</th>
<th>Interested</th>
<th>Very interested</th>
</tr>
</thead>
<tbody>
<tr>
<td>&gt; $250K</td>
<td>1</td>
<td>0</td>
<td>2</td>
<td>6</td>
<td>3</td>
</tr>
<tr>
<td>$100k-250K</td>
<td>0</td>
<td>2</td>
<td>6</td>
<td>5</td>
<td>1</td>
</tr>
<tr>
<td>$25k-100K</td>
<td>7</td>
<td>1</td>
<td>6</td>
<td>11</td>
<td>7</td>
</tr>
<tr>
<td>&lt; $25K</td>
<td>15</td>
<td>4</td>
<td>9</td>
<td>16</td>
<td>15</td>
</tr>
</tbody>
</table>

Likelihood of doing business w/ FH

<table>
<thead>
<tr>
<th>Farm Count</th>
<th>Would not do any business</th>
<th>Not likely</th>
<th>Neutral</th>
<th>Likely</th>
<th>Very Likely</th>
</tr>
</thead>
<tbody>
<tr>
<td>$250K</td>
<td>1</td>
<td>1</td>
<td>6</td>
<td>5</td>
<td>1</td>
</tr>
<tr>
<td>$100k-250K</td>
<td>0</td>
<td>1</td>
<td>9</td>
<td>3</td>
<td>1</td>
</tr>
<tr>
<td>$25k-100K</td>
<td>3</td>
<td>3</td>
<td>7</td>
<td>12</td>
<td>8</td>
</tr>
<tr>
<td>&lt; $25K</td>
<td>7</td>
<td>13</td>
<td>12</td>
<td>15</td>
<td>13</td>
</tr>
</tbody>
</table>

Who leads the effort?

Cornell University
Cooperative Enterprise Program
What do you think so far?
What services should the food hub offer?

<table>
<thead>
<tr>
<th>SERVICES (MARKETING/AGGREGATION)</th>
<th>All Farms</th>
<th>&lt; $25K</th>
<th>$25k - 100K</th>
<th>$100k - 250K</th>
<th>&gt; $250K</th>
</tr>
</thead>
<tbody>
<tr>
<td>Handles sales and marketing so I can focus on production</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>3.83</td>
<td>3.79</td>
<td>3.93</td>
<td>3.50</td>
<td>3.89</td>
</tr>
<tr>
<td>Offers pick up service</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>3.65</td>
<td>3.58</td>
<td>3.81</td>
<td>3.58</td>
<td>3.22</td>
</tr>
<tr>
<td>Offers cooling service</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>3.57</td>
<td>3.74</td>
<td>3.67</td>
<td>3.25</td>
<td>3.00</td>
</tr>
<tr>
<td>Offers washing, grading, and/or packing service</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>3.01</td>
<td>3.16</td>
<td>2.96</td>
<td>3.25</td>
<td>2.33</td>
</tr>
<tr>
<td>Offers temperature-controlled cold storage</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>3.66</td>
<td>3.74</td>
<td>3.81</td>
<td>3.33</td>
<td>3.22</td>
</tr>
<tr>
<td>Offers freezer storage</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>3.32</td>
<td>3.40</td>
<td>3.56</td>
<td>3.17</td>
<td>2.44</td>
</tr>
<tr>
<td>Offers processing service</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>3.02</td>
<td>3.14</td>
<td>3.15</td>
<td>2.92</td>
<td>2.33</td>
</tr>
</tbody>
</table>
How much are producers willing to pay?

Percent commission willing to pay

<table>
<thead>
<tr>
<th>Farm Count</th>
<th>0%</th>
<th>1-10%</th>
<th>11-20%</th>
<th>21-30%</th>
<th>30+%</th>
</tr>
</thead>
<tbody>
<tr>
<td>&gt; $250K</td>
<td>1</td>
<td>1</td>
<td>2</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>$100k - 250K</td>
<td>0</td>
<td>4</td>
<td>4</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>$25k - 100K</td>
<td>2</td>
<td>5</td>
<td>7</td>
<td>5</td>
<td>0</td>
</tr>
<tr>
<td>&lt; $25K</td>
<td>5</td>
<td>17</td>
<td>9</td>
<td>3</td>
<td>2</td>
</tr>
</tbody>
</table>
Where should food hubs be located?

Distance willing to travel for food hub, one-way

- 62: 0 - 49mi
- 28: 50 - 99mi
- 9: 100+mi

LOCATION OF FARMS COMPLETING SURVEY BY SIZE

- <$25,000
- $25,000–100,000
- $100,000–250,000
- >$250,000

Expansion plan
- Planning to expand
- Plan to keep the same size
- Plan to reduce size
- Plan to retire
What would the food hub look like?

<table>
<thead>
<tr>
<th>Feature</th>
<th>All Farms</th>
<th>&lt; $25K</th>
<th>$25k-100K</th>
<th>$100k-250K</th>
<th>&gt; $250K</th>
</tr>
</thead>
<tbody>
<tr>
<td>Has own transport capabilities</td>
<td>3.59</td>
<td>2.98</td>
<td>3.67</td>
<td>3.62</td>
<td>3.33</td>
</tr>
<tr>
<td>Strategically linked to an existing distribution hub or service</td>
<td>3.19</td>
<td>2.57</td>
<td>3.03</td>
<td>3.31</td>
<td>3.08</td>
</tr>
<tr>
<td>Operates on a seasonal basis</td>
<td>2.75</td>
<td>2.25</td>
<td>2.36</td>
<td>2.92</td>
<td>2.42</td>
</tr>
<tr>
<td>Operates year round</td>
<td>3.50</td>
<td>2.67</td>
<td>3.68</td>
<td>3.77</td>
<td>3.00</td>
</tr>
<tr>
<td>Distributes products in NNY only</td>
<td>2.44</td>
<td>2</td>
<td>2.19</td>
<td>2.29</td>
<td>2.67</td>
</tr>
<tr>
<td>Distributes products in NNY, Canada, Northeast</td>
<td>3.03</td>
<td>2.17</td>
<td>3.07</td>
<td>3.31</td>
<td>3.08</td>
</tr>
<tr>
<td>Is a web-based trading site</td>
<td>3.07</td>
<td>2.47</td>
<td>2.96</td>
<td>3.17</td>
<td>3.18</td>
</tr>
<tr>
<td>Has 'brick-n-mortar' &amp; warehousing, refrigeration, freezer capabilities</td>
<td>3.56</td>
<td>3.08</td>
<td>3.55</td>
<td>3.62</td>
<td>2.92</td>
</tr>
<tr>
<td>Distributes products ONLY produced in NNY</td>
<td>3.14</td>
<td>2.88</td>
<td>2.7</td>
<td>2.79</td>
<td>3.08</td>
</tr>
</tbody>
</table>
## Product ownership & price?

<table>
<thead>
<tr>
<th>Activity</th>
<th>All Farms</th>
<th>&lt; $25K</th>
<th>$25k - 100K</th>
<th>$100k - 250K</th>
<th>&gt; $250K</th>
</tr>
</thead>
<tbody>
<tr>
<td>Engage in pre-season planning of crops, quantities, harvest timing</td>
<td>3.27</td>
<td>3.45</td>
<td>3.12</td>
<td>3.31</td>
<td>2.60</td>
</tr>
<tr>
<td>Do business on a consignment of commission basis</td>
<td>2.87</td>
<td>2.98</td>
<td>3.11</td>
<td>2.46</td>
<td>2.00</td>
</tr>
<tr>
<td>Do business on a direct purchase basis</td>
<td>3.79</td>
<td>3.72</td>
<td>4.03</td>
<td>3.57</td>
<td>3.40</td>
</tr>
<tr>
<td>Set prices on a contract basis</td>
<td>3.43</td>
<td>3.46</td>
<td>3.48</td>
<td>3.25</td>
<td>3.20</td>
</tr>
<tr>
<td>Price set based on spot market</td>
<td>2.94</td>
<td>3.02</td>
<td>2.88</td>
<td>2.91</td>
<td>2.50</td>
</tr>
<tr>
<td>Price some on contract and some on spot market</td>
<td>3.17</td>
<td>3.17</td>
<td>3.33</td>
<td>3.00</td>
<td>2.80</td>
</tr>
</tbody>
</table>
# Business ownership

<table>
<thead>
<tr>
<th></th>
<th>All Farms</th>
<th>&lt; $25K</th>
<th>$25K - 100K</th>
<th>$100K - 250K</th>
<th>&gt; $250K</th>
</tr>
</thead>
<tbody>
<tr>
<td>Become owner and/or operator of a food hub</td>
<td>2.10</td>
<td>2.22</td>
<td>2.15</td>
<td>1.83</td>
<td>1.80</td>
</tr>
<tr>
<td>Become an investor in a food hub</td>
<td>2.41</td>
<td>2.40</td>
<td>2.57</td>
<td>2.58</td>
<td>1.90</td>
</tr>
<tr>
<td>Become a member of a grower-owned co-op</td>
<td>3.13</td>
<td>3.12</td>
<td>3.34</td>
<td>3.23</td>
<td>2.60</td>
</tr>
<tr>
<td>Be on the management team of the food hub</td>
<td>2.54</td>
<td>2.68</td>
<td>2.71</td>
<td>2.15</td>
<td>2.00</td>
</tr>
<tr>
<td>Be part of the workforce of a food hub</td>
<td>2.38</td>
<td>2.64</td>
<td>2.37</td>
<td>1.92</td>
<td>1.70</td>
</tr>
<tr>
<td>Provide services on contractual basis for food hub</td>
<td>2.64</td>
<td>2.74</td>
<td>2.56</td>
<td>2.77</td>
<td>2.22</td>
</tr>
</tbody>
</table>
Thoughts?
Data qualifications

• Concerns:
  – small sample size (particularly within business type)
  – limited spatial variation
  – Size of firms from very small to very large
  – Difficult to provide generalizations
  – Too little data by type to do sub-analysis

• This is a start!
Other includes mill (1), K12 School (1), Buying club (1), Contract Management (1), Distributor (1), caterer (1)

Grocery mix includes grocery alone plus grocery with other services (e.g., restaurant, specialty store, and/or distributor)
Definition/Acceptance of Local Varies but with emphasis to NNY

- Northern New York... 12
- New York... 5
- New York Plus (Ontario, Quebec, VT)... 6
- New England... 7

- Within 50 miles... 1
- Within 350 miles... 3
- More than 350 miles... 1
“Customers are asking for more Local”
(90% of respondents)

• Trends:
  – Increasing demand:
    • Fresh F&Vs continues to grow
    • Organic (CO or NCO)
    • Produce AND meat (particularly grass-fed)
    • More emphasis Processed/Prepared foods
  – Shift to “convenience” markets (can I get it where I shop/dine now?)
  – Want more for longer
  – Consumer WTP premium?

All buyers surveyed are purchasing at least some local product

Buyers see a need for more local products
Reasons for buying locally produced foods?

<table>
<thead>
<tr>
<th>Why buy local?</th>
<th>Number in top 3</th>
<th>Scaled Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fresher food</td>
<td>13</td>
<td>32</td>
</tr>
<tr>
<td>Better taste</td>
<td>9</td>
<td>27</td>
</tr>
<tr>
<td>Customer demand</td>
<td>9</td>
<td>20</td>
</tr>
<tr>
<td>Support local economy</td>
<td>9</td>
<td>14</td>
</tr>
<tr>
<td>Support local farms</td>
<td>8</td>
<td>10</td>
</tr>
<tr>
<td>Environmental responsibility</td>
<td>8</td>
<td>8</td>
</tr>
<tr>
<td>Marketing, ‘good for business’</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>Costs less</td>
<td>2</td>
<td>3</td>
</tr>
<tr>
<td>Food safety concerns</td>
<td>1</td>
<td>2</td>
</tr>
</tbody>
</table>
**Frequency of purchasing local**

- **Daily**: Count 8
- **Weekly**: Count 12
- **Monthly**: Count 2
- **Quarterly**: Count 1
- **Seasonally**: Count 3

**How flexible when buying local?**

<table>
<thead>
<tr>
<th>Flexibility Type</th>
<th>Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>Very flexible – can purchase any quantity from any local supplier at any price</td>
<td>12</td>
</tr>
<tr>
<td>Somewhat flexible – have some vendor, budget, and pricing limits</td>
<td>7</td>
</tr>
<tr>
<td>Not flexible – procured within existing contracts</td>
<td>2</td>
</tr>
<tr>
<td>Seasonality limits flexibility</td>
<td>5</td>
</tr>
</tbody>
</table>

Most want at least weekly.
Pricing Approach for NNY Products

- Same price paid
- Same markup (price +/-)
- Higher price paid
- Mutually beneficial price
- Not sure

Competitive pricing essential

Implications for intermediary costs & farm marketing
Relative Difficulties in Procuring Local Foods

- Distribution and Logistics
- Finding suppliers with necessary...
- Finding a product at the required price...
- Finding suppliers with product...
- Complexity of dealing with multiple...
- Seasonality of local product
- Local/state/federal policies/legislation
- Limited ability of suppliers to meet my...
- Diversity of local produce
- Finding suppliers with accredited food...
- Sourcing products desireable for resale
- Traceability mechanism of local product
- Having product received from local...
- Quality of products available
- Current contracts with suppliers...
Relative Difficulties in Procuring Local Foods

1. Coordination of available supplies and delivery from producers
2. Competitive prices
3. Seasonality
4. Policies and legislation

- Coordination of available supplies and delivery from producers
- Competitive prices
- Seasonality
- Policies and legislation

- Sourcing products desirable for resale
- Traceability mechanism of local product
- Having product received from local farms
- Quality of products available
- Current contracts with suppliers prevent purchases from others
Requirements of local suppliers

• Several had no formal requirements (40%)
• Limited requirements on food safety plans/audits/GAPS?
• Limited attention to liability insurance?
• Traceability emerging? (12%)
• Follow distributor requirements (24%)
• Knowledge of farm practices important
Packing Standards Requirements?
(multiple selections possible)

• USDA Standards (61%)
• Industry Standards (22%)
• Distributor Standards (11%)
• Own Standards (33%)
• Maintain Cold Chain (11%)
• Recyclable/Reusable Packaging (4%)
• Refrigerated (not frozen) Meats (4%)
If a food hub met your expectations, how likely is your business to buy directly from food hub that purchases and aggregates local products to sell and distribute to regional buyers?

Cornell University Cooperative Enterprise Program
Importance of services - aggregation and distribution

- Offer temperature controlled storage: 22
- Offer temperature controlled cold storage: 23
- Offer refrigerated delivery: 18
- Comprehensive traceability protocol: 17
- Delivers orders directly to my door: 17
- Farms with implemented food safety plans: 15
- Offer year round supply: 19
- Maintain cold chain: 15
- Carries appropriate liability insurance: 13
- Offer cut and wrap for meat/protein: 15
- Technology that seamlessly interfaces with mine: 9
- Offer wash, cut wrap for F&V: 8
1. Temperature controlled storage and delivery
2. Comprehensive traceability
3. Farm food safety plans
4. Liability insurance
Importance of Services - marketing

- Offer local grown/processed products
- Offer farm identified products
- Strong consumer-facing brands for local
- Offer products with social values (food miles, etc)
- Offer certified organic grown/processed products

Num. important:

- Offer local grown/processed products: 26
- Offer farm identified products: 21
- Strong consumer-facing brands for local: 21
- Offer products with social values (food miles, etc): 19
- Offer certified organic grown/processed products: 11
Importance of Buying Contracts & FH Ownership

- FH is locally operated: 21
- FH is locally owned: 20
- Pre-season product planning: 18
- Set contracts on price and/or volume: 10
- Open market pricing structure: 9
- Pre-purch portion of forecasted demand: 7
- Partial owner of FH as coop member: 8
- Serve on management team: 7
- Become owner or manager of FH: 4
- Become investor in FH: 5
Interest in Offering Paid Services?

- **Product transport**: 8 interested
- **Refrigerated or freezer storage**: 5 interested
- **Processing services**: 4 interested
- **Processing equipment**: 2 interested
Do the buyers see a need for a food hub? - YES

- Streamline the process, online ordering
- Extend the growing season
- Convenience
- Reliability
- Convenience, central location
- Affordability
ABOUT THE CONSUMERS
Gender
Age of consumers responding

- 18-20 years old
- 20-29 years old
- 30-39 years old
- 40-49 years old
- 50-59 years old
- 60-69 years old
- 70 years old, or older
- I choose not to answer
County in which survey completed

![Bar chart showing the number of surveys completed in different counties: Clinton has the highest number, followed by Essex, Franklin, Jefferson, Lewis, and St. Lawrence.]
Where is local?
What is purchased?
## NNY consumer attitudes, local foods

<table>
<thead>
<tr>
<th>Statement</th>
<th>Strongly disagree</th>
<th>Disagree</th>
<th>No opinion</th>
<th>Agree</th>
<th>Strongly agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>Purchase locally grown products is important to me.</td>
<td>0.8</td>
<td>0.0</td>
<td>3.1</td>
<td>35.0</td>
<td>45.3</td>
</tr>
<tr>
<td>I purchase locally grown products at least once per month.</td>
<td>0.8</td>
<td>2.8</td>
<td>3.9</td>
<td>33.9</td>
<td>58.3</td>
</tr>
<tr>
<td>Having a relationship with the farmer is important to me.</td>
<td>1.2</td>
<td>3.1</td>
<td>24.4</td>
<td>31.9</td>
<td>39.4</td>
</tr>
<tr>
<td>I receive good value for the price I pay for local products.</td>
<td>0.8</td>
<td>1.2</td>
<td>9.4</td>
<td>46.5</td>
<td>42.1</td>
</tr>
<tr>
<td>I support the local economy by purchasing local products.</td>
<td>0.8</td>
<td>0.0</td>
<td>3.1</td>
<td>37.4</td>
<td>58.7</td>
</tr>
<tr>
<td>Purchasing locally grown is good for the environment.</td>
<td>1.2</td>
<td>1.2</td>
<td>6.7</td>
<td>28.7</td>
<td>62.2</td>
</tr>
<tr>
<td>I find easy access to locally grown products in the summer.</td>
<td>0.4</td>
<td>0.8</td>
<td>2.8</td>
<td>34.3</td>
<td>61.8</td>
</tr>
<tr>
<td>I find easy access to locally grown products in the winter.</td>
<td><strong>8.3</strong></td>
<td><strong>41.7</strong></td>
<td>25.6</td>
<td>20.1</td>
<td>4.3</td>
</tr>
</tbody>
</table>
Take homes

• Interest on the part of producers and buyers to sell to and by from a food hub.

• Is there sufficient volume to make a food hub a viable business?
Take homes

• Transportation is one of the biggest expenses in aggregating and distributing local foods?

• Should the food hub be located closer to the producers (economies of production)?

• Should the food hub be located closer to the buyers (dis-economy of transportation)?
Take homes

• Commitment on the part of producers to sell through a food hub can be difficult to achieve.

• How confident are we that we can secure that commitment?

• What does a food hub need to do to build producer—and buyer loyalty?
Take homes

- Strong coordination on the part of the food hub will be important to bring consistency to the supply channel?

- Does the food hub have the ability to do that?

- Who provides that leadership?
THE END

Contact:
Bobbie Severson
email: rmh27@cornell.edu

Contact:
Anita Deming
email: ald6@cornell.edu