

Food Hubs In Georgia

A Baseline Survey 2012



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Introduction

There is a growing interest in local/regional food that has increased consumer demand both at farmers' markets and at retail outlets. Many small farms sell directly to the consumer through community supported agriculture (CSAs) or farmers' markets and large farms use the current broker/distributor/grocery system to sell wholesale. However, small and mid-size farms that want to access wholesale markets have difficulty because individually they do not produce enough of any one crop over a long enough time to use the current broker/distributor/grocery system and there is not infrastructure to aggregate produce from these farms to access the wholesale market.

Food hubs work with small to mid-sized farms through active management, aggregation of their products, processing (clean, sort, repackage, chop, combine, etc.) of that produce and then distributing it to customers and wholesalers. By working together and pooling production, smaller scale farmers can increase the amount and quality of product to supply institutions and other wholesale markets.

At the Federal level, the United States Department of Agriculture (USDA) has been promoting food hubs along with the Know your Farmer, Know your Food (KYF2¹) initiative. The USDA focuses broadly on food hubs through their Agricultural Marketing Services (AMS) and has recently put out the Regional Food Hub Resource Guide² to emphasize key aspects of such an organization:

- increasing market access for local and regional producers
- complement and add considerable value to the current food distribution system
- have significant social, economic and environmental impacts in local communities
- make regional food hubs successful through entrepreneurial thinking and sound business practices coupled with a desire for social impact

Our Working Definition*:

"Food hubs are a physical location and organization that actively manages the aggregation, distribution, and marketing of source-identified local and regional food products primarily from small to mid-sized producers to wholesalers, retailers, and/or institutional buyers. A food hub might also can, freeze, or further process crops."

*Based on the USDA AMS working definition.

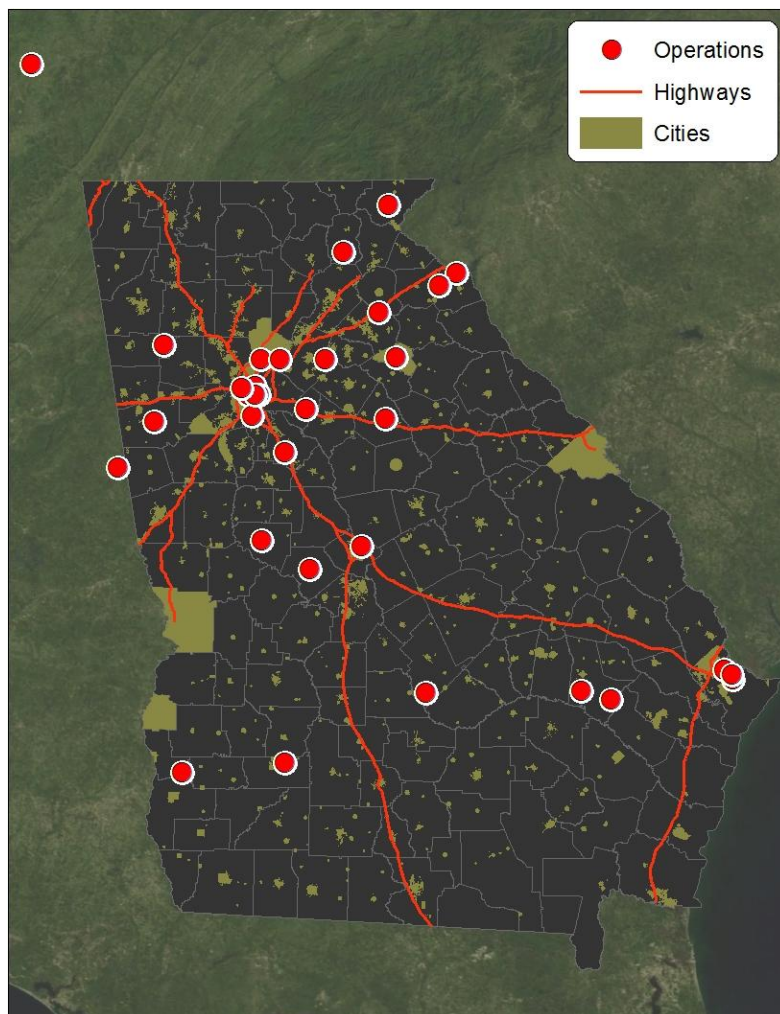
The USDA's efforts focus across the nation to help regions determine their best strategies for engaging local food systems without constraining the production and organization.

Due to the current interest in food hubs, the Georgia Sustainable Agriculture Consortium has brought together various agriculturally related organizations to help support the development of two food hubs in Georgia over the next five years. One of the first steps in this process was identifying where food hubs currently exist in Georgia and where there are active grass-roots efforts to develop food hubs.

Methodology

For the purpose of this study, we defined a food hub as an operation with a physical location that aggregates from at least five farms, has a wholesale component to their sales (to distributors, institutions or restaurants) and largely works with Georgia farmers. Our analysis began with personal knowledge of various local food operations in Georgia that might function as a food hub. It was supplemented by internet research of operations with an online presence. Using that knowledge, we created an initial map (*Map 1*) of operations and conducted structured interviews to determine which operations met our criteria. Specifically, we were interested in whether or not organizations had a wholesale component, actively managed supply and demand, their production and distribution range as well as the type of operations in which they engage. These were issues not generally addressed on their websites and the interviews gave us a better idea of their overall functions.

Map 1: *Locations of local food operations that could potentially meet the definition of a food hub in Georgia in terms of aggregation from five farms and having a wholesale market.*



Results and Conclusions

There were eight operations that met our criteria for a food hub (*Map 2*). Seven of them are private enterprises and one is a cooperative. The operations provide a variety of products. Three focus on meat production. Five focus on vegetables as well as some processed or value-added products. Most of these food hubs sell wholesale, but also have a direct sales component through online and in person sales or through box programs (CSAs). The goal of each operation is to source and distribute products as locally as possible, but to sustain the business they also aggregate and distribute products regionally. Many surveyed operations emphasized this issue, and want to continue to develop local supplies

and sales to serve the communities in which they exist.

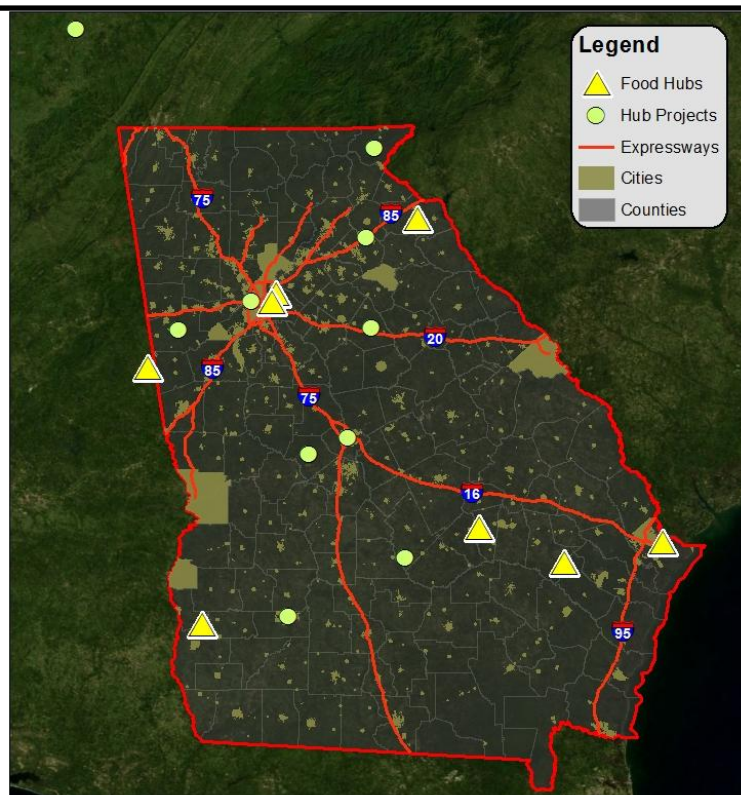
Most of the operations that did not currently meet the food hub definition aggregated products, but all sales were direct to the consumer. Some of the operations that currently do not meet our working definition would consider expanding into the wholesale market as supply from farms increases and demand in this market expands. Expansion appears to be difficult for many of these operations because many are running with limited employees and budgets. Consequently, they are reluctant to risk too much in expansion. The biggest market for growing operations to engage is the institutional sector due to its size and consistent demand.

One final sign of positive energy is the number of grassroots projects specifically looking to become food hubs in the next year or two. We identified eleven different groups working in this area, and this list is probably not comprehensive. Most of these groups are a combination of farmers and economic development or other non-governmental organizations. These projects span the state and have the potential to bring many opportunities to farmers and customers in the near future.

Conclusion

The study indicates that there are a variety of local food operations across the state. Most of the operations identified work through the direct to customer model, either through a farmer's market or CSA. Some operations have been in existence for a number of years and wish to continue at their current level of production and supply, while others are looking to expand as this market grows. The combination of food hubs and direct-to-customer operations can benefit growth in the alternative food market and increase the diversity of Georgia's food supply system. The existence of eight food hubs indicates demand for local/regional food is driving new models of aggregation/distribution in the state. Georgia also has grass-root groups in many different geographic areas working to develop new infrastructure for small and mid-size farms to access wholesale markets. These efforts should provide new opportunities that will benefit their communities as well as farmers and consumers.

Map 2: *Locations of existing food hubs and projects or working groups that are trying to develop food hubs in Georgia.*



Structured Interview Results

	Aggregation	Direct sales	Restaurants	Wholesale	Active Management	CSA	Aggregates from	Distributes to	Comments
Existing									
Bowersville Family Farms	•			•	•		Elbert & surrounding counties	Southeast	Grape tomatoes
Coastal Small Growers Cooperative	•			•			Glenville, GA	Savannah & surrounding areas	Collards, purple hull peas
Gotcha Goat	•			•					Goat meat
J&S Produce	•	•		•	•		FL, GA, NC, OH	East Coast	Produce
Moore Farms and Friends	•	•	•		•	•	AL, GA, TN & organics from further away	Atlanta & Birmingham	Vegetables, small fruits
Revival Foods	•	•	•	•	•		GA	Savannah, GA	Meat & Specialty Goods
White Oak Pastures	•	•	•	•	•	•	Bluffton, GA	AL, DC, FL, GA, KY, MD, NJ, OH, PA, TN, VA, Online	Beef
Turnip Truck	•		•	•	•		GA, SC	Atlanta, GA	Vegetables, small fruits
Food Hub Projects									
Basic5							Atlanta Area	Atlanta, GA	In Planning Stages
ChattaCreek Meats							Carrollton, GA	Atlanta & other areas	Meat processor
Chattanooga Sustainable Farmers	•						AL, GA, TN	Chattanooga area	Expanding; Needs wholesale component
Macon Food Hub Project							Bibb and surrounding counties	Macon, GA	In Planning Stages
Morgan County Food Hub Project							Morgan & Walton counties	Morgan & Walton counties	In Planning Stages; conducted feasibility study

	Aggregation	Direct sales	Restaurants	Wholesale	Active Management	CSA	Aggregates from	Distributes to	Comments
Milan Food Hub Project							Dodge & Telfair counties	Dodge & Telfair counties	In Planning Stages
Roberta Food Hub Project							Crawford & surrounding counties	Crawford & surrounding counties	Poultry processing; In Planning Stages
Southwest Georgia Regional Food System							Dougherty & surrounding counties	Dougherty & surrounding counties	In Planning Stages; obtained USDA grant
The Veggie Patch		•		•			Commerce, GA	Commerce, GA	Plans to become a multi-farm aggregator
The Whole Community Food Network	•						GA, NC, SC	Tiger, GA	In Planning Stages
Truly Living Well	•	•	•	•	•		Atlanta	Atlanta	Urban farms; aggregates from 3 farms

Other Local Food Operations

Local Food Operation #1 ^{\$}	•	•					GA, SC, AK	Athens, GA	No wholesale
Atlanta Locally Grown	•	•					GA, SC, AK	Atlanta, GA	No wholesale
Bluebird Market and CSA	•	•				•	GA	Atlanta, Griffin, Thomaston, Zebulon, GA	No wholesale
Carlton Farms	•	•				•	Rockmart, GA and other GA producers	Atlanta area	No wholesale

	Aggregation	Direct sales	Restaurants	Wholesale	Active Management	CSA	Aggregates from	Distributes to	Comments
Conyers Locally Grown	•	•					GA, SC, AK	Conyers, GA	No wholesale
Local Food Operation #2 ^{\$}	•	•					FL, GA, AK	Dacula, GA	No wholesale
Local Food Operation #3 ^{\$}	•	•				•	GA	Dunwoody, Atlanta, GA	No wholesale
Farmers Fresh CSA	•	•				•	AL, GA	Carrollton, GA	No wholesale
Local Food Operation #4 ^{\$}	•	•						Fulton Co. GA	No wholesale
Global Growers Network	•	•				•	Atlanta Area	Atlanta, GA	No wholesale
Local Food Operation #5 ^{\$}	•	•					All over	Hartwell, GA	A co-op store
J&S Produce							FL, GA, NC, OH	Southeast & Midwest US	Primary sales are not from Georgia Farms
Natures Garden Delivered	•					•	North and South America	Atlanta Area	No wholesale
Local Vendors Coalition	•	•		•			GA	GA	No physical location
Local Food Operation #6 ^{\$}	•		•	•			All over	Along GA & SC coast, Charleston to St. Simons	Primary sales are not from Georgia Farms

	Aggregation	Direct sales	Restaurants	Wholesale	Active Management	CSA	Aggregates from	Distributes to	Comments
Local Food Operation #7 ^{\$}	•	•				•	CA, FL, GA, IA, NC, SC	Savannah, GA	No wholesale

^{\$}Information was gathered on these operations through the internet, but these operations did not respond to requests for interviews; consequently, did not give consent to use their names.