USDA Agricultural Marketing Service
U.S. DEPARTMENT OF AGRICULTURE

Many Hats

A Food Hub Operator's Toolkit

To guide the operator as their food hub grows and evolves over time

Project Team

David Conner, PhD
Project Principal Investigator
Agricultural Economics University of Vermont

Claire Whitehouse
Project Co-Principal Investigator
Research Project Specialist, University of Vermont Center for Rural Studies

Luka Joffray
Research Project Assistant
University of Vermont
Center for Rural Studies

Maria Graziani
Sr Agricultural Marketing Specialist, Local and Regional Foods Division
USDA Project Lead
Co-Author

Laura Edwards–Orr
Sr. Agricultural Marketing Specialist, Local and Regional Foods Division
Project Content Expert
Co-Author

Noel Bielaczyc
Sr. Agricultural Marketing Specialist, Grants Division
Former Project PI at Michigan State Center for Regional Food Systems, and National Food Hub Expert

Photo Credit: Adobe Stock

July 2025

Acknowledgements

This project was made possible by the United States Department of Agriculture, TM-Agricultural Marketing Service Agency, cooperative agreement number 22-TMMSD-MI-0011.

We want to give special thanks to this project's Food Hub Advisory Panel. This panel played an essential role in guiding the research and outputs. We extend a big thank you to: Rachel Bair, Rosie Florian, and Joshua Bartz of ValleyHUB in Kalamazoo, Michigan; Haile Johnston, Founder, and Rachel Terry of The Common Market with regional hubs across the U.S.; Kristin Kvernland of the Food Shed Agricultura Del Pueblo in San Diego; Angel Mendez and Marsha Minor of the Red Tomato Food Hub in Rhode Island; Vincent Peak, co-founder of Share Farm, which aggregates agricultural products across the Pacific Northwest, and; Elliot Smith of Kitchen Sync Strategies with expert knowledge of Value Chain Coordination.

In addition to the Advisory Panel, this project sought the guidance of experts in value chain coordination, food hub history and development, as well as in local and regional food systems and agricultural market development. These reviewers include:

Phil Britton, Owner and Consultant, Fresh Systems LLC, provided significant review and expertise in the Food Safety segment of this toolkit.

Abby Long, USDA TM-AMS Economist upstarted this research and assembled the research team and served as USDA lead from 2022-mid-2024.

Will Gray, Founding Partner of Seed Change Strategies, and Manager Director of Eastern Food Hub Collaborative (EFHC) provided information and resources related to the work of EFHC.

Contents

Introduction

In 2012, the USDA Agricultural Marketing Services endeavored to create a national resource, developed by a small collaboration of industry experts, once known as the National Food Hub Collaboration, which brought to attention the definition, role, and impact of the regional food hub on American agricultural markets. This collaboration created the Regional Food Hub Resource Guide[1] which codified a unified understanding of the operations and needs of food hubs.

In 2015, USDA Rural Development created a four-volume series called Running a Food Hub. In this series the USDA defines a food hub as "*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.*"

When the *Regional Food Hub Resource Guide* was published the research noted 168 food hubs across the US who fell under this definition. According to the latest National Food Hub Survey[2] conducted in 2021 (published April 2023), there were over 400 known food hubs across the nation with active contact information to receive the survey. This is an annual average growth rate of 37% with a 58% total increase in food hubs across the U.S. over a ten-year span.[3]

Today, many resources within the *Running a Food Hub* and *Regional Food Hub Resource Guide* remain relevant, and many other resources and case studies have been developed as the industry has evolved and matured. With this toolkit, we reference the original guides along with vetted and relevant resources that were developed over the last decade. The result is a central depot of resources that will support food hub leaders in the many roles they may play, and provide context, templates, and direct links so no matter the direction of your journey, you have a toolkit to support you along the way.

The Many Hats Project

The project team, led by University of Vermont, in collaboration with Michigan State University, and supported by a cooperative agreement with Agricultural Marketing Services, Local and Regional Foods Division, began developing this toolkit by assembling an advisory board of experienced food hub operators and industry professionals across the United States (listed in Table 1 below) who shaped the process, format, and content of this toolkit.

Table 1. Food Hub Advisory Panel

Organization	Location	Type	Advisory Board Reps	Interviewees
Common Market	Mid-Atlantic, Southeast, Texas, Great Lakes	Non-profit food hub	Rachel Terry	Haile Johnston
Foodshed	San Diego, CA	Farmer cooperative	Kristin Kvernland	Kristin Kvernland
Kitchen Sync Strategies	Operating nationally	Consultant and broker	Elliott Smith	Elliott Smith
Red Tomato	Providence, RI	Non-profit food hub, non-asset-based	Angel Mendez, Marsha Minor	Angel Mendez, Marsha Minor
Share Farm	Operating nationally	For-profit broker and food hub	Vincent Peak	Vincent Peak
ValleyHUB	Kalamazoo, MI	Non-profit food hub	Rachel Bair, Rosie Florian	Rachel Bair

How to Use the Toolkit

As you consider how to best navigate and use this toolkit, you can refer to the table of contents and the Toolkit Structure below as your guide. As a toolkit, there is utility in showing a logical and linear progression from start up, to expansion and innovation. However, the knowledge from advisors and this research also indicated this is rarely the case. You may lead several distinct startup phases as new programs or projects develop which would require you to play the role of Founder more than once. External factors may force you to focus on organizational resilience far earlier than you may have naturally. The toolkit design enables you to find and use each section, along with the related actions and resources, independently to respond to the moment at hand.

Throughout the guide, you will read direct quotes from advisory board representatives, consisting of five food hub operators and one consultant. Our advisors emphasized that the most useful tool in their toolbox is talking directly to other operators, and we designed this project to reflect that experience. To that end, the project team also developed four episodes of The Food Hub Podcast as a companion to this toolkit where you can hear from the advisors in their own voices.

Three types of key resources are linked in the body of the toolkit: published research dating from 2012 to present and available on the internet; linked organizational, technical, or educational resources (non-institutional research); and operational templates and resources from our advisors linked to the Toolkit Resources section. We have worked to point you to the parts of the resources that are relevant and useful to the leadership role and specific organizational action area.

Toolkit Structure

The Founder Hat

While wearing the Founder Hat, the food hub operator is articulating the value proposition or core function of the hub, crafting and refining a mission, selecting the right legal structure, dialing in the right market mix, constructing a farmer to buyer pipeline, building new farmer to buyer connections and building out auxiliary support services. The Founder will also develop accounting and inventory systems, choose software and determine the pricing structure that will generate income and pay farmers a fair price. And finally, the operator will strengthen the hub by developing partnerships with other hubs and community.

Priorities

Foundation for Your Organization | Foundation for Value Chain | Foundation for Your Operations | Foundation for Partnerships

The Value Chain Builder Hat

The food hub operator has established the food hub, developed the baseline structure and targeted a market and services niche. When wearing the Value Chain Builder Hat, the food hub operator refines the organizational strategy, improving purchase commitments, building out core food safety protocols from farmer to buyer, improving communication across all relationships, and digs into growing the operation as a whole.

Priorities

Organizational Growth | Growth in Value Chain | Growth in Operations | Growth in Partnerships

The Resilience Advisor Hat

When wearing the Resiliency Advisor Hat, the focus is on organizational planning, building systems and strategic redundancies, and documenting standard operating procedures to improve the hub's ability to withstand local, regional, and national shocks, such as the COVID-19 pandemic, changes in the funding environment, or natural disasters. The Resilience Advisor builds collaborative networks with public, nonprofit, and private sector partners, pursues strategic action and investment to strengthen their value chain, and incorporates cross training, and risk management planning into the hub operations.

Priorities

Organizational Resilience | Value Chain Resilience | Operational Resilience | Resilient Partnerships

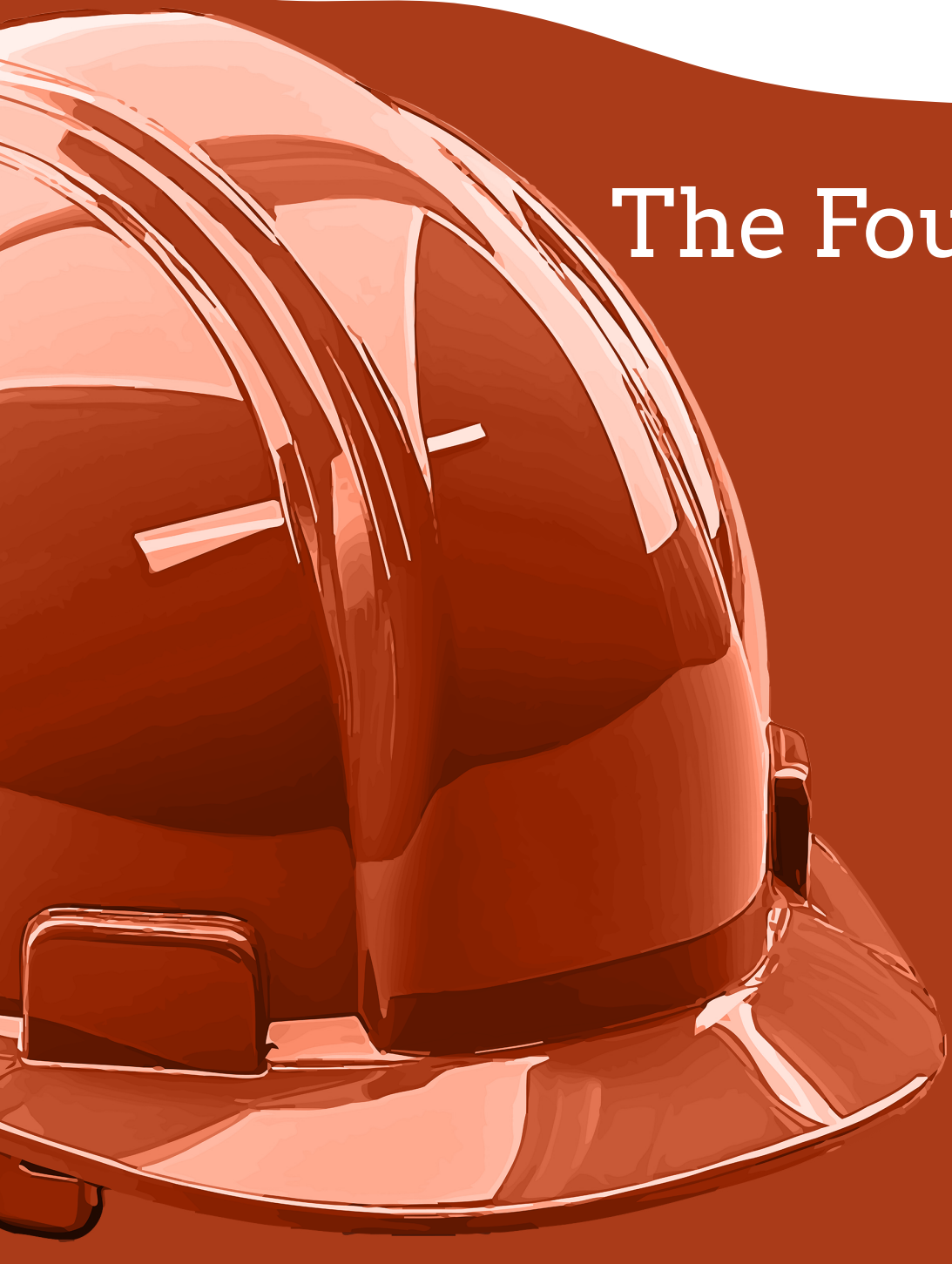
The Amplifier Hat

Acting as the Amplifier, the food hub operator turns their focus to strengthening the broader market systems, policy environment, and social context in which they operate. Leveraging established relationships, the Amplifier advocates for local and national policy that support their strategic vision, participates in regional value chain networks, develops the resources for their farmer networks, and grows community awareness and support of the food hub all to the benefit of a stronger and more connected hub and regional food economy.

Priorities

Amplifying Your Organization | Amplify Your Values | Amplify Resilience | Amplify Partnerships

> What I see often with startup food hubs or aspiring food system programs is that they're often trying to be too many things to too many people or too many constituents and then end up not actually adding value to any one of them or significant value. And so, I would say focus, find your niche. Figure out how you're going to create the most value for a number of folks. Go deep in partnership before spreading yourself too thin.
>
> — Haile Johnston, Common Market



The Founder Hat

The Founder Hat

Foundation for Your Organization

As a food hub founder your first role is to understand the needs of the farmers, food businesses, and food buyers in your region. From there, you can pair your own expertise with that of your potential partners and colleagues, locally and across the country, to inform the design of your hub. This is often referred to as 'finding your niche' or finding your position in the regional food system where your food hub can thrive.

The Regional Food Hub Resource Guide[4] offers three ways for you to consider how your hub can respond to these needs within your local and regional food system:

1. Expanding market options and revenue opportunities.
2. Providing infrastructure for storage, processing and distribution, and marketing (personnel with right-sized marketing skills and a marketing budget).
3. Lowering transactional costs: more and diverse ag products, higher sales, steady profit margins.

As you set about building your foundation and defining the niche, ask yourself the following questions to understand your hub's specific contribution to the local or regional food system.

> What markets do local producers have trouble reaching?

> Are there certain products that buyers struggle to purchase locally?

> Are there buyers who can't access local food at all?

> What are the infrastructure challenges of your regional food distribution system?

You can also find some inspiration by listening to the Food Hub Podcast Episode 1.

Mission Matters

While you are defining your niche in conversation with your potential growers, buyers, and community partners, you are well on your way to also defining your mission or the purpose your hub serves, which will lay the foundation of your food hub business or organizational plan. The hubs we interviewed also highlighted a distinct set of values and goals for food system change that informed how they set about implementing their niche, mission, and model, and how those core elements remained front of mind as these hubs grew and transformed. You can explore each of their mission statements in the Food Hub Profiles section.

You can also find within The Local Food Organizational Toolkit: Part 1 Defining your Organization's Focus and Leadership[5], developed by Iowa State University, useful resources related to mission, vision, and business planning. For more inspiration, check out some examples of strategic plans and impact reports from our advisors.

Food Hub Business Structures

With your niche and mission underway, you are ready to start building the organizational scaffolding. Common food hub structures address legal status, markets served, and services provided.

Legal Structure

Food hubs legal structures fall into five main types[6]: (i) non-profit,[7] (ii) for profit,[8] (iii) cooperatives,[9] (iv) publicly held, and (v) other or no legal structure. In 2017, 42% of food hubs were nonprofit, 37% were for-profit, 18% were cooperative and the remaining 3% were publicly owned or cited another legal structure.[10] When considering the benefits of each model, Appendix D: Comparison of Common Business Structures in Running A Food Hub: A Business Operation Guide Volume Two is a useful resource.[11]

Each of the structures has a few common models. Non-profit food hubs can be stand-alone but are often a component of larger non-profit entities. This peer-reviewed journal article, 'Economic viability of a food hub business: Assessment of annual operational expenses and revenues'[12] offers an example of how non-profit hubs may be associated with universities or county economic development foundations.[13] For-profit food hubs often take the form of an LLC or B Corps. You can explore this article from Penn State Extension on 'Choosing a legal structure for your agriculture business',[14] to gain more insight.

This journal article in Building sustainable food systems through food hubs: Practitioner and academic perspectives recommends careful separation of the business operations and non-profit educational or social impact functions of your hub.[15] This will help you analyze and improve your business while also being able to clearly articulate your social impact to your partners, investors, and supporters.

Markets Served

Food hubs also differ by markets they serve. The 2017 National Food Hub Survey[16] names three overarching food hub market services: direct to consumer (DTC),[17] wholesale,[18] and hybrid/both.[19] DTC may include in-person or virtual/online marketplaces and you can find examples of direct to consumer (DTC) hubs in this journal article 'Connecting small-scale producers and consumers: Exploring the feasibility of online food hubs in low-income communities'.[20] Wholesale hubs often serve institutional food service (e.g., schools, hospitals), restaurants, processors, other distributors or retailers. Hybrid hubs serve both markets.

Services Provided

Food hubs commonly offer many services, including logistics (aggregation, distribution, warehousing, transport); marketing (finding new markets, branding and labeling); adding value (bottling, washing, light processing, freezing shared kitchens); consulting and technical assistance (business management, insurance, production planning). We recommend this article Building Resilience in Nonprofit Food Hubs[21] to learn more on services food hubs can provide when seeking sustainability and resilience.

We developed the Foundational Planning Template, which summarizes this chapter in foundational planning. You can use this simple document to easily consider your niche, value proposition, legal structure, markets served and services you will provide for your hub.

A Foundational Planning Worksheet

The worksheet below could become the foundation of your business model and plan.

My value proposition to **farmers and food businesses** is (check one):

- ☐ Expanding market and revenue opportunities
- ☐ Providing infrastructure
- ☐ Lowering costs while diversifying products and improving profit margins

My value proposition to **buyers** is (check one):

- ☐ Increasing ag product diversity and accessibility
- ☐ Providing consistency of product quality and availability
- ☐ Increasing accessibility to specific ag products buyer demands

My hub will focus on these products:

Based on the combination of value propositions to both the farmers and buyers, my food hub's niche is defined as:

To meet these needs, the following legal structure will best suit my food hub:

- ☐ Not-for-profit 501(c)(3)
- ☐ For Profit
- ☐ Cooperative (owner-operated) Corporation: LLP or LLC
- ☐ Limited Liability Corporation (LLC)
- ☐ C-Corporation
- ☐ S-Corporation

My food hub will sell through this type of market (select all that apply):

- ☐ Direct to Consumer (DTC)
- ☐ Wholesale
- ☐ Hybrid/both

My food hub will provide the following services:

- ☐ Logistics (aggregation, distribution, warehousing and transport)
- ☐ Marketing (finding new markets, branding and labeling)
- ☐ Adding Value (bottling, washing, light processing, freezing, shared kitchen usage)
- ☐ Consulting and Technical Assistance (business management, insurance, production planning)

Foundation for the Value Chain

At its core, the *food value chain* is a representation of all the connections from producer to customer. But the food value chain also seeks to merge social mission objectives with core business operating principles, such as: transparency, collaborative business planning, and exchange of market intelligence and business know-how among chain partners.[22] You can explore this further in a foundational article, Food Value Chains: Creating Shared Value to Enhance Marketing Success which was developed by AMS in 2014. As you develop your own value chains, the insights shared in this chapter can help you in developing business strategies and solutions that yield tangible benefits to each participant in the system.

Producer Network Development

Building collaborative relationships with and between farmers and food producers is central to food hub operations. Strategies for *how* hubs do this, however, can vary depending on the business model and mission of the hub or the needs of a specific opportunity. While it's likely that most hubs will employ a mix of the following network development strategies, it is useful to consider which may be most responsive to a particular moment in the hub's development.

Demand Driven

A demand driven network strategy starts with a specific customer need – a product, product line, marketing initiative – from which the hub would identify growers or supply chain partners with the capacity to meet that need. Grower outreach in support of a specific market opportunity must consider any relevant customer requirements such as food safety, traceability, and packaging or item specifications. A good example of this demand-driven strategy is the Montana Marinara project where the Northwest Food Hub Network partnered with Mission West and the Montana Office of Public Instruction to develop a locally sourced marinara sauce for k-12 schools.[23]

Producer Driven

Producer driven networks start with an opportunity identified by a group of producers. Once identified, a hub would work with the producers to develop a marketing strategy to meet the need. Red Tomato is a good example of a producer-driven network where growers identified the need for a marketing strategy for ecologically produced tree fruit in a region where organic tree fruit is nearly impossible to grow at wholesale volumes.[24]

Geographic Driven

A geographic network strategy focuses on building out a robust network of suppliers offering a wide range of products through multiple market channels within a specific geographic region. This strategy targets customers with a shared place-based identity, local purchasing commitments, or state-based policy incentives. Farm Fresh Rhode Island (FFRI) is an example of a geographic network where the markets, wholesale distribution networks, farm to school programs, value-added co-packers and all customers are committed to supporting agriculture in Southern New England. The FFRI value chain supports more than 300 producers across Rhode Island, Connecticut, and Massachusetts.

Mission Driven

For other mission-driven priorities, food hubs may focus on investing in market-readiness for specific types of growers that may lack access to the technical assistance or financing needed for market entry as a sole provider. Like the discussion of geography above, this strategy works best when your customer shares your commitment to local agriculture and sees your mission-driven approach as adding value above and beyond

a traditional supplier. The Common Market, for example, leads with a commitment to supporting farmers and growers often new to wholesale markets. As such, their supply chain is made up primarily of small and mid-sized farms, ranches, and producers that are bolstered by mid-tier sales channels serving a regional sales area.[25]

Foundation for Operations

> We've always been at a 50/50 to 60/40 revenue stream of development to food distribution. I'm always looking to say, if we get to $10M, maybe we are then fully sustainable from distribution. But the model that's built puts us in a position to understand what it takes to really build a long-term sustainable food hub business model that will sustain itself through trading produce from growers.
>
> – Angel Mendez, Red Tomato

Accounting: Start with the Basics

As the founding or primary operator of a food hub, a key skill will be to develop and then read financial statements. It is recommended you get comfortable with finance basics any nonprofit or for-profit business needs to generate and understand:

- Annual budget, including:
  - Budget vs. Actual
  - Current Fiscal Year vs. Prior Fiscal Year
- The profit and loss or income statement
- The balance sheet or statement of assets
- The statement of cash flows, and
- Reports of accounts payable aging and accounts receivable aging

For examples of these types of financials from our advisors, check out our resource section. Volume Three of the USDA guide on Running a Food Hub, also covers cost considerations for direct to consumer and wholesale food hubs.[26] See Iowa State Extension's guide to help new food hub managers to help understand where to dig into financial planning for food hubs.[27]

Calculating Startup Costs

Cooperative Extension across all 50 states provides dozens of resources for food hub operators to consider in developing financial projections, sales thresholds, and pricing models for their food hub. In March 2020, University of Minnesota Extension developed some outcomes for farm product aggregators that are generally relevant to food hubs.[28] The breakeven analysis and visuals can help you consider your hub based on income from fees charged to producers, to average markup on products, to customers and total sales across the hub.

Rysin and Dunning's 2016 article on the Economic viability of a food hub business[29] and this Iowa State Extension guide on Managing cash flow for a low-capital food hub start-up[30] may support your analysis. When specifically considering equipment Appendix B, Sample Equipment List from Running a Food Hub: A Business Operations Guide Volume 2 can help you get started.[31]

Financial and Inventory Software

As you and your team lay the plans for your financial projections, startup costs, pricing structures and more, planning for the computer software that will support you in managing it all is critical. Inventory management is, in almost all food aggregation scenarios, linked to sales management. As your inventory is purchased, your daily, monthly and annual sales increase and an accurate daily reflection of that shift can be vital to you, as the food hub operator, understanding your hub's and your partner farmers' profitability.

As you consider your software needs, take a look at Appendix C: Sample Questions for Software Selection from Running a Food Hub: A Business Operations Guide Volume Two,[32] Using Accounting Software for Food Hubs: Processing Traceable Orders,[33] and you can find more resources in the Organizational Development: General listed at the end of this toolkit.

In addition to published articles guiding your software considerations we recommend you consider the following:

- Reaching out to your network, mentors or advisors for advice on best software for a food hub.
- Developing an in-house review process to choose software or hiring an external firm to support a software auditing process.
- Requesting demos of all potential software that is reviewed by designated staff or an auditing committee.
- Planning prior to software choice, the software migration timeline and process and ensuring all operations and staff are prepared for this timeframe.

Pricing Models

As you dig deeper into the financial side of your food hub, you can begin to consider a pricing strategy to meet your breakeven sales and meet the demands of your budget. Several pricing guides across Extension discuss cost plus pricing or markup pricing – with or without price elasticity, and margin pricing.

Cost Plus Pricing (Markup Pricing)

Simply put, cost plus pricing or markup pricing starts with the cost of providing a quantity of goods and then adds a markup for selling.[34] And there are several questions to ask yourself in adding a markup on your goods. Will your growers set their own prices? Will you blend purchase prices to offer a unified customer price? Do you know your precise cost of goods? What is your ideal "profit" on a transaction to cover hub costs beyond the goods you are buying and selling?

Markup pricing is a useful strategy when the full cost of goods (COGS) is less clear such as is the case when you have a mix of products in a single load, or inconsistent logistics from delivery to delivery. Markup enables hubs to offer their customers consistent pricing and buffer them from complexities on the backend. Good financial history will enable you to develop a markup pricing strategy that ensures profitability on average, even if your hub's portion varies from transaction to transaction. The formula for markup pricing is:

$$(\text{Delivered Price} - \text{COGS})/\text{COGS} = \text{Markup}$$

A note on price elasticity

Price elasticity refers to the buyer demand for the product. If the buyers' demand is strongly affected by changes in price (elastic), then sellers must charge a smaller markup. If demand is price-inelastic, buyers don't care as much about price, then a larger markup should be possible. You can read more in depth about pricing at A Manager's Guide to Food Hub Finances, developed by Iowa State University Extension.[35]

Margin Pricing

Margin Pricing is ideal when you understand your exact cost of goods (COGS), including transportation and handling. A margin pricing formula will enable you to "protect" your hub's portion in every transaction. The formula for margin pricing is:

$$\text{COGS} + (\text{COGS}*\text{Margin}\%) = \text{Delivered Price}$$

Table 2 provides an example comparison between margin and markup pricing.

Table 2. Margin and Markup Pricing Comparison

	Price to Farmer	Trucking	Warehousing	Total Cost of Goods	Hub Markup (35%) or Hub Margin (10%)	Delivered Price
Markup	$20	-	-	-	$26-$20=$6	$26
Margin	$20	$2.5	$1.25	$23.75	$23.75×.10=$2.38	$26.13

The 2014 Food Hub Benchmarking Study reports an average gross margin of about 14 percent for the 48 hubs it surveyed. The most profitable top 25% of hubs had an average gross margin of 16%. A typical food hub operates at a close break-even with larger and older foods hubs holding an average 2% net profit, and young (10 years or less) food hubs averaged 1% net profit. But do not fret, according to the study, efficiencies are key to being profitable. Consider your operations regarding delivery and distribution, labor, shrink, and markdowns or discounts - and watch the markup. Make sure all products are priced with the objective of capturing the value that is delivered.[36]

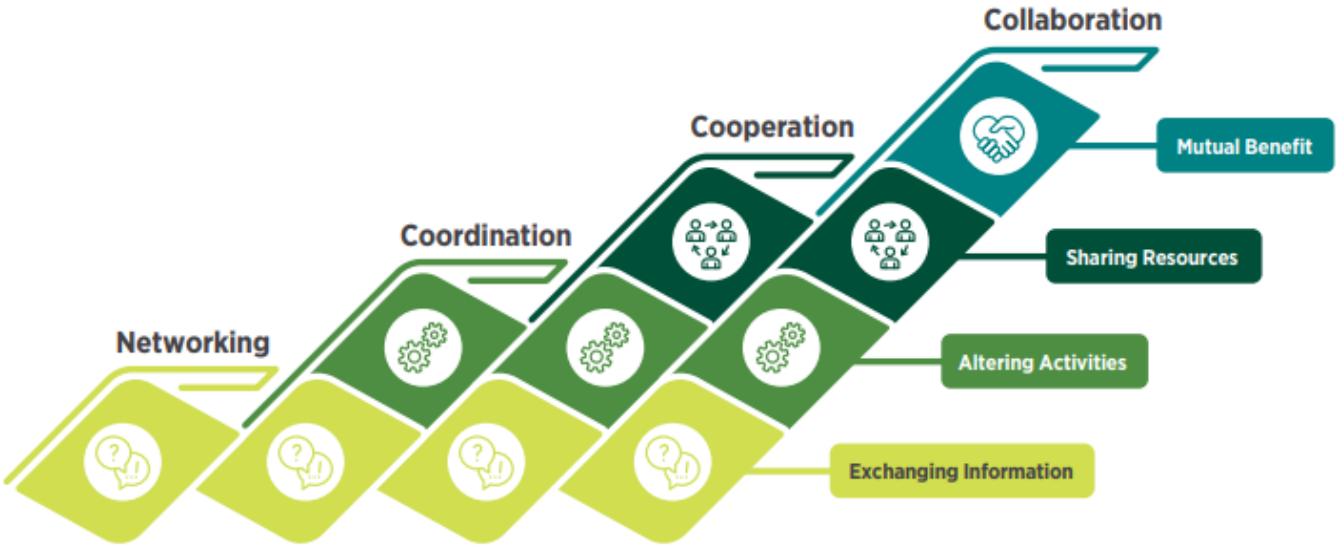
Foundation for Partnerships

When we asked our advisors what resources they used to help solve problems at their hubs, they agreed that the most helpful thing was getting other food hub operators on the phone to compare experience and ask for advice. Networking with other food hub operators can also lead you to funders, technical assistance providers, vendors, suppliers, and even buyers – all critical players to your success.

Phases of Collaboration

Michigan State University Center for Regional Food Systems published a research brief on food hub networks based on results of the 2021 food hub survey, called In It Together: Examining the Role of Food Hub Networks in Supporting Hub to Hub Collaborations.[37] While it may be logical to imagine that food hub networks are about hub-to-hub transactions, the research brief shows how food hub networking often follows the progression from networking to coordination, cooperation, and *eventually* collaboration. Figure 1 below, was taken from page 5 of the published brief, and provides an easy visual of that progression, and activities or outcomes involved.

Figure 1. Himmelman's Collaborative Continuum



Getting Involved

As you can see, it all starts with establishing connections and sharing information. Learning from your peers will help you anticipate challenges and opportunities as you articulate your niche and develop your model. You can read more about food hub networks, and how to get involved, in the Supply Chain Builder Hat section of this toolkit. The Food Systems Leadership Network's Communities of Practice offer a space for you to build and expand your networks.[38] Lastly, this listing of National & Regional Food Systems Networks,[39] a part of the Local and Regional Food Systems Response to COVID Resource Hub,[40] was designed to help players in this space establish network connections ahead of time, in order to facilitate rapid mutual aid responses in times of need.

We hope that this toolkit and accompanying podcast can connect new operators to advice from others in the field; however, we created this toolkit at one point in time, and the relevant advice may change. We encourage operators to reach out to more experienced hubs to make sure you are getting the most up to date insights possible.

Get to Know Your State Department of Agriculture

State departments of agriculture, together with local extension offices, can help food hub founders identify local funding and technical assistance opportunities, information about state regulations, zoning, tax credits or incentives, potential producer or buyer introductions, and many other important connections.[41] For example, the California Department of Agriculture operates a grant program to support food hub operations.[42]

I would say that one of the biggest goals for us right now is growth. We have to grow the organization for multiple reasons – for the mission, for our internal ecosystem – and given the external landscape out there in the marketplace, it is becoming more and more challenging."

– Angel Mendez, Red Tomato

The Value Chain Builder Hat

The Value Chain Builder Hat

You've established your niche. You've stood up your fledgling hub and piloted your operations. Congratulations! All those early learnings now inform the work that starts when you or your teammates put on the - Supply Chain Builder Hat. In this phase of operation, you'll expand and strengthen your networks, you'll innovate and iterate on those early pilots and start to establish more permanent operations. Along the way, you'll be building out your team and leaning on the partnerships developed under the Founder role.

Organizational Growth

Food Safety is Essential

Managers must develop and implement food safety plans that are appropriate to their operation and reflect compliance with local and federal regulation and customer requirements.

Note: Regulations and customer requirements should be approached differently. Regulations like the Food Safety Modernization Act PC Rule, are mandatory while customer requirements (certifications and other approved vendor criteria) can vary widely and are voluntary.

A hub's food safety plan details a staffing plan, practices and processes throughout any physical infrastructure, and traceability and recall procedures.[43] They must also ensure that the value chain(s) that they manage are compliant with customer requirements from the farm, processing, and any third-party logistics partners. Food hub operators track any impacts to their operations, or those of their partners due to any new compliance dates[44] for the rules within the Food Safety Modernization Act implementation.[45] The Food Hub Food Safety Compliance Guide by the Center for Agriculture & Food Systems at Vermont Law & Graduate School is a useful overview to get started.[46] See examples of Food Safety Plans from our advisors in the Resources section of this toolkit.

Food safety management systems are codified by various certification standards such as USDA GAP,[47] Harmonized GAP,[48] Global GAP,[49] Hazard Analysis Critical Control Points (HACCP),[50] and Primus GFS,[51] to name a few, and these are listed in Table 3. Once a hub has determined which certification(s) best support their operation, and staff have been trained and standard practices established, the operation can seek certification (farm, hub, processing facility, etc...) by hiring an auditor. Auditors may be within the same organization as the standard owner, such as USDA[52] for GAP, or they may be an independent body such as SCS Global,[53] FSSC,[54] or CCI.[55]

Table 3. Common Certifications for Food Hubs and/or Producers

Common Certification	Production	Processing	Distribution	Retail
Good Agricultural Practices (GAP)[56]	✓			
Good Manufacturing Practices (GMP)[57]		✓	✓	
Harmonized GAP[58]	✓			
Harmonized GAP Plus+[59]	✓			
Global GAP[60]	✓			
Hazard Analysis Critical Control Points (HACCP)[61]	✓	✓	✓	✓
Safe Quality Food (SQF)[62]	✓	✓	✓	✓

Food hubs were instrumental in piloting the Group GAP Food Safety Program, launched in 2016, for growers in geographic and like-product or related-customer clusters.[63] Understanding How Group GAP Works and considering implementation across a hub grower network may help address barriers to the wholesale market for farmers without food safety certifications.[64] Other resources for consideration can be found in the Resources section of this toolkit.

Hubs working with farmers who are new to food safety certification requirements may need to develop technical assistance programming or partner with organizations already conducting producer-facing technical assistance. Various academic articles show that this can be the most impactful strategy to increasing the capacity of individual farms and a sourcing network as a whole. This article Development and Assessment of a Food Safety Training Program for Farmers' Market Vendors, is one of several that delves into the details of the important of food safety training for producers. Agricultural Extension offices, state departments of agriculture, the FSPCA's Produce Safety Technical Assistance Network,[65] and recipients of funding through the National Institute for Food and Agriculture's Food Safety Outreach Grant Program[66] can be useful resources to support on-farm food safety capacity building. The On-Farm Readiness Review from the National Association of State Departments of Agriculture (NASDA) Foundation is a state-by-state resource to help assess individual operations for certification readiness.[67] Growers can also apply for financial support to cover costs related to certification through the Food Safety Certification For Specialty Crops Program at USDA Farm Service Agency.[68]

Professional development for food hub staff is critical to high quality food safety programs. Some certifications may require staff to complete specific training programs or seminars as part of the overall verification process. These trainings are usually paid courses, some facilitated by standard owners or certification bodies, as well as independent organizations. They may be specific to a certain certification or focus on the larger management system that the certification falls within. Engaging in a professional community of practice, such as the Wallace Center's Food Safety and Quality Community of Practice, may also be a useful strategy to increase a hub's overall capacity and acumen with regards to food safety.[69]

Also see A Guide to Food Safety Certification for Food Hubs and Food Facilities[70] by University of California Davis and partners, the National Association for State Departments of Agriculture (NASDA) Foundation's GAP Certification Programs Toolkit,[71] and the following Food Safety Training Videos for Farmer Support Organizations from the Wallace Center.[72]

> We have a very long list of food safety SOPs, and sometime in everyone's first week they have to sit down in front of the computer and read them. And it takes hours and it's very boring and we make everyone do that because we need that, we need everyone to have their eyes on all of those food safety SOPs. We take it really seriously.
>
> — Rachel Bair, ValleyHUB

Communication is Key

Effective communication is extremely important to developing and maintaining productive relationships with farm partners, buyers, or consumers. When first connecting with partners, note how they communicate. Some people may prefer a phone call, text, or email, while others would rather have a face-to-face conversation. In the long run, this will make regular communications timelier and more beneficial for both parties. Hubs that we spoke to also noted general rules for effective communication, including being clear with language, translating complicated jargon, being flexible, showing compassion, and being patient.

Kitchen Sync

One strategy that Kitchen Sync employs when communicating with potential buyers, especially large institutions, is persistence. When an organization initially brushes them off, they continue to communicate with individuals higher and higher up the chain of command, explaining the benefits of working with a food hub. This strategy is considered more "hardball" but tends to be effective when communicating with highly consolidated institutions and industries.

Red Tomato

When working with buyers, Red Tomato notes that it is especially important to be proactive rather than reactive. If a problem comes to light, they notify buyers immediately to let them know the issue. For example, if an external weather pattern is going to impact a crop season later in the year, being transparent and communicating this early will allow the buyer to adjust their expectations. They also believe that constant communication, even in the slower season, is a great way to maintain a good relationship with their buyers.

Share Farm

Share Farm prioritizes building trust and alignment with farmers rather than simply offering them an opportunity. They recognize that farms are more likely to engage in a food hub model when their specific needs, operational constraints, and market opportunities are understood. Their approach involves ongoing communication, data-driven insights, and pre-season commitments to help farmers make informed business decisions.

Kalamazoo Valley Community College

KVCC understands that communication with farm partners often goes further than just speaking to them on a regular basis. They work to support the efforts of the farm by assisting them with various procedures that they may not understand or that are extremely time-confusing. They ask producers to maintain their inventory on their online platform, but they are still willing to help with this process if it is a barrier to success for the farms.

Prioritizing Long-Term Relationships

All our food hub advisors expressed that the most effective way to build financial resilience and support their growers is through the development of long-term relationships with supply chain partners. Many of our advisors' hubs have supply chain partners that have been with them since the beginning of their venture. You can find some inspiration on good communication and forging strong relationships with farmers in Episode II of The Food Hub Podcast.

One of the biggest goals of most food hubs is to build a financially sustainable future for small and mid-sized farmers. Securing forward contracts and purchase orders from long-term buyers is a great way to do this. Haile Johnston at The Common Market explained that, "right now, almost all the risk is on the shoulders of the of the farmers, and it's also kind of one of the reasons why many of them end up failing." The Common Market purposefully looks for buyers that are interested in making an advance purchase order so that they can share this information with growers, who can plan accordingly for the coming growing season. This builds a certain level of consistency and financial stability, which is especially important for a small-scale farmer. The Common Market also has a loan program where farmers receive no-cost capital and 50% of the value of the long-term purchase agreements upfront, allowing the farmer to invest in their operations and other costs. You can find an example of a forward contract in the Resources section of the toolkit.

Foodshed also works to develop long-term partnerships with buyers who have consistency in their orders. Kristin Kvernland noted that it is much trickier for them to process orders with smaller wholesalers who don't want much product and request specific delivery days. This makes the logistics for a small-scale farm more difficult to meet fluctuating demands. A long-term partner making consistent and larger orders is preferred by both food hubs and farmers.

Building long-term partnerships with both buyers and producers has brought immense benefits to hubs. These partnerships also bring more immediate benefits like a sense of trust and greater access to producers, which increases the ability to solve problems when there are inevitably bumps in the road. Elliott Smith from Kitchen Sync sums up this idea noting that, "to say relationships are key for resilience, feels a little silly, but like, yeah, that's how it shakes out."

Growth in the Value Chain

As you develop and expand your grower network, you may identify suppliers that are an ideal fit but may not be wholesale ready or otherwise require technical assistance. As producers expand from direct to intermediated markets, they face increased demands and regulation around post-harvest handling, food safety, packing and grading. Developing resources, education, and partnership as services your hub provides, can play a role in strengthening farmer engagement and sales and in return, increase amount, diversity and quality of product hub has available.

Wholesale Readiness for Your Network

Rachel Bair from ValleyHUB proudly declared that "education is our number one crop." ValleyHUB is not alone: education (or technical assistance) is a major facet of many hubs. Food hubs use technical assistance in several ways to further their mission including staff competencies, farmer network competencies, and consumer education. An aspect of education for these varied audiences can be delivered internally, through staff hires, or externally by partnered organizations such as your state department of agriculture, cooperative extension office, or other producer-facing support organization. There are several guides available to help you explore the best way to support your expanding network, and one in particular provides you with a wholesale readiness assessment, which may be a good starting tool to provide to your producer network to jumpstart the conversation around readiness. Find the Global Growers Wholesale Readiness assessment here.[73] You can find a list of additional wholesale readiness resources at the end of this toolkit.[74]

In addition, consumer education is another type of education that can support the success of your hub by ensuring the public knows you, understands what a regional food hub is, and finds ways to connect with your hub even when much of the public are not direct buyers. Two of Vermont's food hubs, Food Connects and Green Mountain Farm to School, provide farm to school education in addition to facilitating local food purchases. Hubs that work with School Food Authorities (SFA) and or school districts, may find it valuable to employ youth and consumer education through a curriculum similar to the FoodPrints.[75]

Purchase Commitments

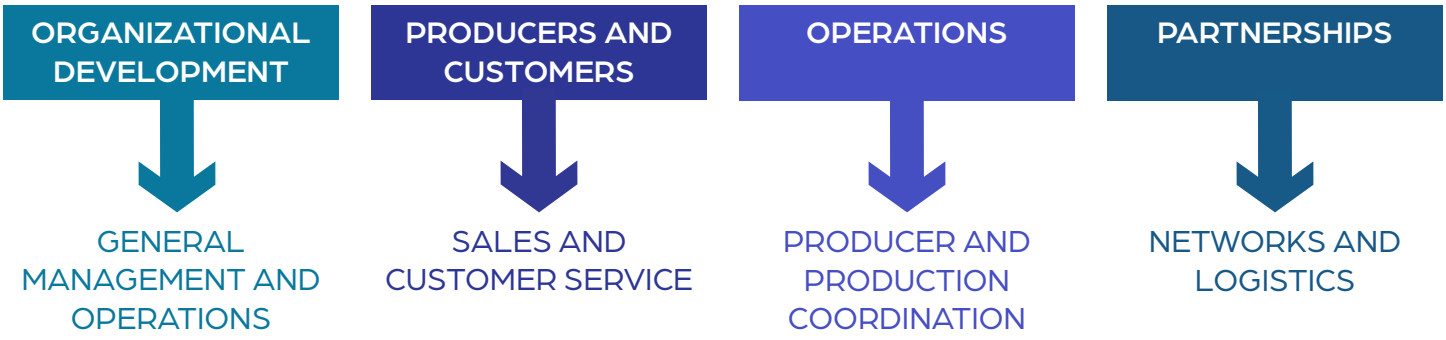
In conventional food systems, producers absorb most of the risk: they grow, raise, and harvest what they think they can sell, and when their products are ready, they take the price they can get. Many food hubs work to shift some of this risk away from producers, either by absorbing it themselves or asking their buyers to take some of it on.

One way to reduce risk for producers is to work ahead to cooperatively plan production and make either formal or informal purchase commitments. This way, producers know they have a guaranteed—and often large-volume—sale before they put seeds in the ground, breed livestock, or cast fishing nets. Purchase commitments also carry security for the buyer. If food availability or price changes due to weather, pests, or, say, a global pandemic, the buyer already has a price locked in and producers are obligated to prioritize those buyers they are committed to. In addition to these direct economic benefits, purchase commitments can also build trust between producers, hubs, and buyers, and facilitate strong network growth over time. Learn more about how The Common Market does this in this report on their work in Georgia, called Building Resilient Agriculture Through Forward Purchasing Commitments and Direct Farmer Financial Investment.[76]

Growth in Operations

When thinking about building your team for hub growth, it's helpful to drill down into the organizational actions underneath the core operator hats and consider what other roles you need to fill to ensure good service to your producers and buyers. The organizational actions can lead you to understand your hiring needs and support the creation of a hiring plan and timeline. Figure 2 below provides a basic example of hiring buckets that may fulfill organizational actions of your hub.

Figure 2. Hiring Buckets



Under these hiring buckets, specific functions start to unfold (see the "Labor Roles" section of Running a Food Hub, Volume II, starting on page 40).[77] Prioritizing the functions within your hub, at a point in time, helps to inform you of the positions needed to be hired and in what order. Research shows that food hubs at breakeven sales levels on average employ 3.67 full time equivalents (FTE), whereas at the point of viability they might employ up to 6.27 (see Table 3: Hourly Labor Calculations on page 21 of Running a Food Hub, Volume III).[78]

Given that labor roles and functions will be distributed across staff dynamically as the food hub grows and matures, cross training is vital to operational efficiency, continuity, and growth opportunities for staff development. Food hub operators should ensure that staff are sufficiently familiar with the labor functions within their primary operational category, as well as those closely related, to provide coverage when the lead is unable. For example, an office manager may be primarily responsible for staff oversight, tabulating sales, and tracking order fulfillment. Cross training[79] should enable that person to step into related roles within sales and customer service, order processing, as well as a general knowledge of logistics, delivery, and supply coordination. Effective cross-training will also enable the hub to hire from within as sales grow and roles become more specialized with an increase in FTE over time. (see Running a Food Hub, Volume II sections on Labor Roles (40-43), Labor Positions (44-46), Appendix A: Sample Staff Descriptions/Qualifications (67-70)).[80]

While you are staffing up, it's also a good to plan for the future. A proactive staffing plan must consider how roles and functions will shift and expand with the needs and capacity of the hub. In early development stages, with minimal full-time staff, founding staff will have to perform a variety of labor roles and functions to ensure the baseline operations of the hub are covered. As revenues increase to support expanded personnel budgets, staff will have the opportunity to grow into more specialized roles across a more distributed staffing model. Another strong consideration in meeting your cross-training and personnel planning for your hub, is to develop Standard Operating Procedures (SOPs) for all functional areas of your food hub. Read more about SOPs in the Resilience Advisor Hat chapter of this toolkit and find templates in the Resources section. In all scenarios, the labor roles and functions span multiple functional areas of your hub. Understanding functions, roles, cross-training, staffing plans, and SOP development, as the hub grows, will be essential.[81]

> That's been a growing and learning process. I would say a lot of us in the beginning were driving and packing and farming and doing this. And so, there's been growth in having positions that only do one thing and then needing to write SOPs or revise SOPs so that the training is clear. This is the first year that we've had sort of a lead in each department and that's helped facilitate some of the training.
>
> — Kristin Kvernland, Foodshed

Hiring, Wage, and Benefits Analysis

The COVID-19 pandemic created new challenges for food hubs to navigate, resulting in changes in hiring, retention, and wage and benefits, which are highlighted in the 2021 Food Hub Survey.[82] Over 50% of participants noted that they added more positions to their hub in 2020; however, the average number of paid employees (12 employees) at each hub was already lower than hubs reported in previous survey years (2019 FHS reported an average of 17 employees). Those that reported eliminating positions attributed it to layoffs due to COVID-19 and consolidation of part-time positions. Overall, there was an increase in every type of position except full-time positions. Part time employees have increased the most, nearly doubling from 2019 to 2021.

The survey asked several questions regarding hourly and salary wages, and there was a wide range of responses across all categories. The minimum hourly wages for employees ranged from $10.00-$30.00, while the maximum ranged from $12.00-$72.12. Minimum hourly wages for managers varied from $15.00-$31.21 and the maximum from $15.00-$81.28. As for salaries, the minimum range for employees was $17,976-$47,500, and the maximum range was $33,280 -$97,000. Salaried managers had a minimum range of $26,000-$93,000 and a maximum range of $17,000-$169,065. We can infer that the location and size of hub highly affects the wage and salary of employees, and on average food hubs spend 46% of their operational budget on personnel.[83]

Government Funding as a Bridge

> We planned to use LFPA as a stimulus to build our capacity. The LFPA program was introduced as a short-term investment in regional food system infrastructure. The funds are helping us to bring in new growers and increase their sales volume through the hub, and to practice our way into higher-volume logistics. Meanwhile we're using other grant funds to provide technical assistance to school food service customers so they can increase their purchasing. When, or if, the LFPA funds phase out, we'll be able to pivot that increased farm supply to meet the higher cafeteria demand.
>
> — Rachel Bair, ValleyHUB

Critical to your hiring plan and investing in your organization is fundraising. Over the past decade, public investment in food hubs, value chain facilitation, and local and regional food systems has expanded significantly. Federal and state governments alike have term-limited grant programs to incentivize local food purchases, and all of the food hubs we interviewed had been recipients or key players in these programs.[84] Federal programs that are authorized by past farm bills, like the Local Agriculture Market Program,[85] and the Patrick Leahy Farm to School Grant Program,[86] have offered annual grant opportunities that can align well with food hub activities. Some time-limited or one-time federal funding opportunities, which are funded through annual appropriations[87] or other acts of Congress, may also be viable considerations. In addition, state-based funding can have more specific areas or focus directly related to food hubs and food procurement. Check out the Michigan Department of Agriculture and Rural Development as an example of state-based funding opportunities. Find more information about fundraising in the Resources section of this toolkit.

Term-limited and time-limited funding can be challenging to navigate, especially when the grants make up a large portion of a year's annual income. Hubs often need to hire new staff or invest in infrastructure to meet the aims of these grants and will need to evaluate if they can sustain operations at that level after funding expires. All six of the hubs we interviewed approached short-term funding strategically – they used these large grant programs as a bridge to grow their capacity and build relationships with the goal of sustaining similar levels of activity after the end of the grant.

Growth in Partnerships

Thinking back to the progression of the collaboration continuum, once you've done the work to build your networks and start the exchange of information, you are probably ready to start coordinating with your colleagues. This may be a natural juncture to consider engaging in a more formal professional network. Food hub networks are usually made up of hubs in the same state or region who collaborate on sales, facilitate cross-docking, advocate together for policy, and share expertise.

Exploring Food Hub Networks

Rachel Bair from ValleyHUB, has been involved with the Michigan Food Hub Network since before her hub launched.[88] She testified that "it was a big part of our exploration and understanding how this thing would work….it's been a great group of folks to troubleshoot with, to plan bigger initiatives and dream about how we might be able to inform policy that would support our hubs and the producers that we work with even better."

Food hubs also collaborate on the supply side to help growers scale up for larger volume sales. The Common Market had worked with other hubs to support GAP Certification and other food safety and capacity-building efforts for shared growers.

Though building a food hub network is no easy feat, the Northwest Food Hub Network share the successes and challenges that they experienced in their report, Leveraging Technology to Build Resilient Local Food Systems.[89]

List of Regional Food Hub Networks

There are food hub networks across the United States doing a variety of shared actions depending on the needs of the hubs in the network. Take a look at Table 4 and you can consider their location and the types of collaboration they are invested in, as well as find out more about them and how to reach them at the URLs provided.

Table 4. Regional Food Hub Networks Existing (as of 2024)

Network Name	Collaboration Type	URLs
Northwest Food Hub Network	Institutional sales coordination	NFHN Website[90] NFHN Case Study from Local Food Marketplace[91]
The Vermont Food Hub Collaborative & Vermont Way Foods	Co-branded product for regional distribution	Vermont Way Foods Website[92]
Eastern Food Hub Collaborative	Shared resources, knowledge exchange, transparent collaboration	Eastern Food Hub Collaborative[93]
Michigan Food Hub Network	Mapping, collaboration, knowledge exchange	Food Hub Directory - Michigan Food Hub Network[94]
South Carolina Food Hub Network	Personalized resources and markets	South Carolina Food Hub | SC Food Hub Network[95]
Iowa Food Hub Directory	Mapping, resources	Iowa Food Hub Directory[96]
Washington Food Hub Network	Distribution, collaboration, legislation, new hub support	Washington Food Hub Network[97]
Oregon Food Hub Network	Peer learning community of local food hub projects around the state	Oregon Food Hub Network[98]
New England Food Hub & Processors Network	Catalyzing collaboration to advance policy changes, generate knowledge, and build collective solutions	New England Food Hub & Processors Network[99]
New Hampshire Food Alliance	Trade goods that are unique to each of the hub's regions, create more sales avenues	New Hampshire Food Hub Network[100]
North Carolina Food Hub Collaborative	Supplier/producer relationships, distribution, facility management marketing & sales	NC Food Hub Collaborative[101]
Alaska Food Hub Working Group	Knowledge sharing and creation, professional development, and better collaboration	Alaska Food Hub Working Group[102]
California Food Hub Network	Technical assistance, collaborative learning and information sharing	California Food Hub Network[103]

Coordinate with Your State Department of Agriculture

Whether it's official or unofficial, state departments of agriculture often play a role in value chain facilitation. As a regulatory authority and funder, making connections between farmers, buyers, and technical assistance providers is part of the work they do. Oftentimes, they lean on external value chain partners to inform new collaborative efforts within the departments too– a great way to learn alongside your public sector leaders. As part of the development of the Mass Commonwealth Quality Program, a food safety certification, the Massachusetts Department of Agriculture facilitated many conversations between growers and wholesale buyers to help build market demand for the certificate.[104]

We're not a distributor; we're a food hub. And that means that we need to ask for flexibility sometimes, but...we're also able to give flexibility when it's needed.

– Rachel Bair, ValleyHUB

The Resilience Advisor Hat

The Resilience Advisor Hat

Organizational Resilience

All food hubs, regardless of age or size, need to be able to move quickly to respond to new disruptions and opportunities. This nimbleness sets food hubs and other small distributors apart from broadliners that dominate the marketplace.

Food hubs can be attractive to both producers and buyers because they're able to help sell bumper crops, or source local products when an event, like the COVID-19 pandemic, causes disruptions to national supply chains. Food hubs themselves also benefit from being able to seize opportunities when they arise, like new grant opportunities or small to midsize bids that are not sized for large commercial distributors.

Advanced Planning

Being nimble requires advanced planning. If a funder announces a new infrastructure grant, or a large customer offers capacity-building assistance, your hub will be prepared to jump on the opportunity. In New Venture Advisor's Building Successful Food Hubs, having advanced planning documents in place for each segment of your operation reduces risk, develops a nimbleness and strengthens relationships with both funders and farmers.

Advanced planning can help weather disruptions or new market opportunities. Elliott Smith from Kitchen Sync Strategies recommends that his food hub clients keep "a wish list of the things that you know you need on hand so that when the next opportunity comes, you already know what you need, what it costs, and where you can find it."

Strategic Planning

You may decide to formalize this kind of thinking with a strategic plan to help identify priorities and strategic filters ahead of time to inform quick decision-making in the moment. Many organizations engage outside consultants to help write a strategic plan if they have the resources to do so; however, many resources exist if your hub would like to start this process on your own, such as those shown below.

English

- Food Resilience Toolkit written guide; Strategic Planning section begins on Page 39[105]
- Strategic planning instructional video[106]

Spanish

- Food Resilience toolkit written guide; Strategic planning section begins on page 43[107]
- Strategic planning instructional video[108]

Also see the Common Market's 2023-2024 Strategic Playbook: A Collaborative Approach to Resilient Farms and Socially Responsible Communities.[109]

Value Chain Resilience

Value-chain resilience is the ability for a sector of an industry, such as a regional, statewide or national food system value chain, to react to unforeseen events effectively while sacrificing as little value as possible and then recovering quickly from these events or challenges. Often food systems value chain resilience can be achieved by improving farm to customer pipelines, strengthening and growing operations if possible, and as discussed earlier, setting up advanced plans that incorporate uncertainty and even crisis.

Resilience Lessons from the COVID–19 Pandemic

> This Fall we had our highest payroll, 60 employees. I should say our highest since the 2020 payroll when we went 10x higher than our average. That's an example of resiliency, being able to have infrastructure with excess capacity and space for growth allowing us to literally do 10 times our normal volume over. It ended up only being 4 or 5 months of payroll, but being able to flex that big, being able to onboard over a hundred employees at that moment and hire a team to meet the demand for some of those programs is pretty crazy.
>
> – Haile Johnston, Common Market

Food supply chains, big and small all underwent a test of their resilience during the COVID-19 pandemic. The impacts of the pandemic on food hubs were varied. Some, like The Common Market, grew drastically to meet increased demand for local food and to supply pandemic food relief projects. Other hubs laid off employees. The majority (63%) of respondents to the 2021 National Food Hub Survey reported that the price of sourcing products increased.[110] Regardless of whether the pandemic resulted in business growth or business shrinkage, the need for adaptation was near universal and all but two respondents to the 2021 National Food Hub Survey reported making changes to their operations in response to the pandemic.

Across the field, local and regional food systems leaders, university researchers, and USDA came together to distill the lessons from the pandemic into the Local and Regional Food Systems Response to Covid, to help inform future disaster preparedness and response efforts.[111] The stories, case studies, and resources included in this resource can support your hub's resilience planning. Additional resources are available on the COVID-19 Resource Hub on the Local Food Economics website.[112]

Operational Resilience

Hiring, Trainings, and Cross Training

The food hub world is still small, and it is likely that many of the people who apply to jobs at your hub will have little, if any, food distribution experience. This may not be a problem. While our interviewees talked about the importance of having access to others with experience through their professional networks, they also agreed

that some of their best hires were new to the food hub world. In the words of Common Market co-founder Haile Johnston, "we're much more interested in raw talent, commitment, interest, and working with somebody to build capacity to be successful over time."

Applicants from other industries can also bring transferable knowledge and skills that expand your hub's abilities and expertise. Rachel Bair from ValleyHUB emphasized the importance of looking for "relevant experience, but not necessarily and specifically food experience" for food hub professionals. She credited ValleyHUB's successful expansion from 3 to 36 institutional customers over the course of one year to their hub-to-school outreach professional, who joined ValleyHUB after working for 17 years as a high school band director. His experience advocating for arts funding within the school system helped him make inroads with school foodservice directors. In Rachel's words, "he's learning the food system, but he knows the school system, and we didn't even know we were missing that until we had it, and it works really well." Expanding your perspective on what constitutes relevant experience and seeking out employees who bring transferable skills from other industries can diversify and grow the capacity of your hub.

Finding the right person for the job does not end with hiring. Rachel also discussed how ValleyHUB manages "the fit between the person and the job." Individual job duties and individual skill sets change over time, and sometimes both productivity and worker happiness require flexibility. ValleyHUB will revisit their job structure and "rearrange the work so that the person who comes alive doing that work is the one who gets to do it most of the time." By taking a people-first approach to divvying up tasks according to strengths and interest, ValleyHUB can minimize burnout even in a demanding industry. In Rachel's words, "when the work is energizing to the person doing it, that's the way you avoid burnout when the work is really hard."

Once your hub is fully staffed, cross training to create strategic redundancies is another key strategy in building organizational resilience. In collaboration with Kalamazoo Valley Community College, ValleyHUB provides cross training essential to capacity building within their organization. One way that they do this is by regularly pulling different team members onto various projects on a roughly weekly basis and can get more people to contribute and deliberate how to go about completing the project at hand. We discussed cross-training in The Value Chain Builder Hat section and you can learn more about the use of SOP's related to staffing and nimbleness in the next section.

You can also listen to Episode III of The Food Hub Podcast to hear from our Advisory Panel Operators on organizational hiring and team development.

Exploring Operational Plans and SOP's

> We also have training modules and SOPs for everything that we do. So, there is a lot of things I don't know how to do in the organization, but I could plug in effectively by reading our SOP and watching a training video, and I'd at least have a sense of how not to mess it up. So, we have created a lot of institutional knowledge around our practices, our systems implementation.
>
> — Haile Johnston, The Common Market

Stable, predictable operations are the foundation for quick action. Make sure you write an organization-wide Operations Plan. This will function as an outline and guide to the functional areas from aggregation [processing, packaging, storage] to distribution. The list of services below, will help guide the areas that fall under the Operations Plan. From the outline of your plan, you can then create Standard Operating Procedures (SOPs) for each functional area of your food hub, to ensure that you and your staff understand how to respond quickly to new market opportunities, navigate changes in staffing, extreme weather, or other unforeseen events.[113]

Operational Services

- Aggregation
- Distribution
- Brokering
- Branding and market development
- Packaging and repacking
- Light processing (trimming, cutting, freezing)
- Product storage

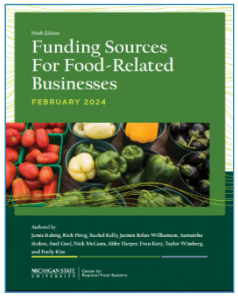
SOPs will also support your efforts to train and cross train your staff - ensuring your hub's capacity for quick, nimble action. See sample SOPs from our advisors here.

Also see Running a Food Hub: A Business Operations Guide Volume 2 'Food Hub Operations' chapter for more information on hub challenges, infrastructure, equipment, human resources, roles, and positions.[114]

Financial Resilience

You can build the financial resilience of your hub by developing varied income sources. Starting with your earned income – funds generated from the sales or distribution of local products – your data can help you identify strengths and challenges within your operation. A Managers Guide to Food Hub Finances – How to Evaluate and Improve Your Food Hub Operations from Iowa State contains instructions and a spreadsheet template to help analyze your data to inform strategic decision making.[115]

It is likely that you also have alternative income streams from grants, loans, lines of credit or other financial tools to help invest in your mission. Making sure that you have the right mix of funding mechanisms to support your current operations, as well as developing future funding pathways that reflect your strategic plan are major functions of the Resilience Advisor. The following resources, paired with your networks and a firm understanding of your financial data, can help you get there.



Funding Sources for Food-Related Businesses
This digital resource from MSU Center for Regional Food Systems identifies local, statewide, national and global opportunities for financial support for farmers, food producers, distributors, food hubs, other food-related businesses, and business assistance providers.

USDA's Local and Regional Food Systems Resource Guide

The LRFS Resource Guide highlights permanent funding, alongside one-time programming funded as part of the USDA Food Systems Transformation initiative, the USDA's more than $4 billion commitment to developing a fair, competitive, distributed, and resilient food system.

Food Systems & Development Finance

The CDFA Food Systems Finance Resource Center outlines development finance tools that can be used to support local food systems, such as bonds, tax increment finance, tax credits, revolving loan funds, and other tools.

Local Food Organizational Toolkit

Part Three of this toolkit from Iowa State Extension series, lays out methods of funding a local foods organization. A variety of revenue sources are outlined, each depending on the legal structure of your organization.

Resilient Partnerships

Throughout this toolkit we talked about connecting with other hubs for advice and networking. As those relationships move through the phases outlined in the collaborative continuum, *collaboration for mutual benefit* is the most mature expression of the engagement. In food hubs, this is often expressed through transactional collaboration, with the goal of transforming food distribution supply chains in their regions or across regions. Our advisory board members all saw fellow food hubs not as competition, but as allies in the pursuit of a more competitive and resilient food system that better serves farmers and eaters. As Haile Johnston from The Common Market stated, "you can't build a system or rebuild a system or reform a system by yourself," and food hubs have found multiple ways to make their share of the pie bigger by working together.

Some food hubs collaborate with each other to make larger sales than they would be able to handle on their own. Advisor Elliott Smith from Kitchen Sync Strategies was brought in as a consultant to help form the Northwest Food Hub Network, a collaboration between three cooperative-style food hubs: the Puget Sound Food Hub Collaborative, LINC Foods, and Western Montana Growers Cooperative.[116] Each of the food hubs was interested in large institutional markets, but none had the supply to meet such large purchases on their own. Since the network formed in 2020, they've sold nearly three million dollars of product, all made possible by trust and relationships.

Vince Peak has found himself on the other side of the equation.[117] At Share Farm, they've flipped the traditional sourcing model. Instead of farmers growing first and hoping for a buyer, Share Farm secures purchase orders from large institutional buyers and then identifies and contracts with growers who meet the

specific sourcing criteria. This approach removes risk on both sides—buyers gain transparency, price stability, and a predictable supply, while farmers secure premium pricing, contract security, and access to high-value markets. By leveraging strategic partnerships with food hubs, agricultural collectives, and farmer-owned cooperatives, Share Farm helps smaller producers aggregate volume, ensuring they can compete at scale without losing their identity or values.

Cooperate with Your State Department of Agriculture

State Departments of Agriculture often play a role in disseminating large federal funding programs, like Specialty Crop Block Grants, to local partners.[118] Recently, the Local Food for Schools[119] and Local Food Purchase Assistance Program,[120] operated by Departments of Agriculture, Education and/or Departments of Health and Human Services, have been a major win for food hubs engaged in program implementation. Read more about how states supported their local food systems with these innovative programs in a recent report from the Wallace Center,[121] where you can find spotlights on the following states: California,[122] Iowa,[123] Michigan,[124] New Mexico,[125] Ohio,[126] Oregon,[127] Rhode Island,[128] and Virginia.[129]

Food is the foundation of every supply chain—whether it's carbon intensity, net-zero commitments, circular economies, or global trade. The reality is, we are out of time. We need a new model that prioritizes value and outcomes, not just volume and efficiency. This shift is critical to diversifying the supply chain, bringing new farmers into the industry, and ensuring that those who steward our land and food system are not left at the margins but positioned for long-term profitability and success.

— Vincent Peak, Share Farm

The Amplifier Hat

The Amplifier Hat

Amplifying Your Organization

Under the Founder Hat of this Toolkit, we discussed the values that led our advisors to begin food hub work, and how that informed the design of their hubs. Those values aren't just important at an organization's founding, and keeping mission and values front and center will inform how you expand your impact as your hub grows in maturity, sales, and resources.

Government Funding as an Amplifier

For example, ValleyHUB in Kalamazoo, Michigan has used government funding to grow their hub's capacity to serve schools, a notoriously difficult and low margin customer segment especially when there is a commitment to fair pricing to the grower. Doing so, however, reflects a commitment to their mission and the impact they strive to make in their community. In advisor Elliott Smith's words, "These food hubs are the only businesses standing on this saying: yes, we're willing to do this in the hardest possible way. We won't sacrifice the values these hard-working producers bring, and we will scale volume."

Additional Values–Based Services

Many food hubs also live their values by engaging in work beyond sales. Foodshed is in San Diego, California, where real estate is at a premium, and are working to expand land access for themselves and their farmers. This work is connected to their producer network and supply since, in co-founder Kristin Kvernland's words, "of our 35-40 core producers, only one of them owns their property. Everyone else is on a tenuous lease." At the time of our interview, Foodshed was working to sign a lease with the city to have a workspace for the graduates of their farmer training program and was also engaging in advocacy for agricultural easement policy in San Diego.

In our interview with northeast hub Red Tomato, Angel Mendez and Marsha Minor distinguished between their food distribution, which focuses on wholesale grocers and operates more like a business, and what they called their programmatic work, which distributes smaller quantities to charitable food programs and operates more like a nonprofit. Getting local food into wholesale grocers meets the central aim of their mission, which is "more market access and fair prices" for local growers. Angel Mendez also described their knowledge sharing as a testing ground where they "explore, test, and refine new ways of doing business and try to bring that back into part of our day-to-day food distribution." Red Tomato's two mission-based approaches to supply chain development support and inform one another. As your hub grows and gains financial resilience, your lessons learned, infrastructure, and programming capacity can all contribute to broader food systems change.

Regional Food Policy

As a food hub operator, you can bring your expertise to other organizations and activists to advocate for policy change. In Vermont, for example, food hubs were an important part of the coalition that successfully organized for Universal School Meals and an incentive system for local food purchases at public schools.[130] If you don't know where to start, see if there is a food policy council active near you.[131] Food hub networks or communities of practice are another way to meet organizations and individuals working in the advocacy space. Findings from the 2021 National Food Hub Survey showed that hubs that participated in networks, on average, doubled their sales. The potential is higher to not only increase sales, but also to increase inventory and inventory diversity through the relationship-building each networked hub has with a region of farms.

Amplify Your Values

Grow New Farmers

According to a 2013 article published by Agricultural Marketing Services,[132] over 81% of foods hubs had some focus on increasing opportunities for local farms and allowing smaller producers to aggregate produce to service larger buyers. Seventy-six percent of food hubs worked almost exclusively with small-to-mid-sized growers. The support of food hubs to grow farmers in turn supports further food system infrastructure, which can mean improved operations [trucks, refrigeration units or warehouse space] across a regional value chain.[133]

A great example is the Eastern Food Hub Collaborative (EFC). EFC is a growing network of food hubs working together to build cooperative and resilient regional food systems in the Eastern United States. The EFC operates as a high trust community of practice, creating peer learning spaces, developing shared strategies, and facilitating trade between food hubs. The network is made up of food hubs spanning the Eastern United States, connecting more than 1,400 local growers with over $52M in market opportunities. The network convenes and organizes member hubs around shared values including love of community, transparency, sustainable and values-based agriculture, food access, product freshness and quality, fair prices to farmers, and food hub viability.

Branding as Consumer Education

Red Tomato notes that the development of a strong marketing presence has been a huge way to strengthen their brand presence and educate consumers about the hub's mission. Through their marketing, they spend a lot of time getting people to understand their brand and getting people to understand why they prioritize local farmers. By doing this, they attract consumers that care deeply about similar values, who want to support and sustain local food systems. Read more about The Role of Food Hubs in Local Food Marketing in this USDA Rural Development report.[134]

Farmworkers are Part of Your Value Chain

As your farmer relationships increase, both in sales on the hub side and production on the farm side, farmworkers play an essential role in getting product from the field to your hub. Red Tomato works to train employees, impose sustainable agriculture practices, and enforce food safety standards.[135] These trainings and protocols work to support safe working conditions for both hub staff and farmworkers. In addition, your supplier farms can ensure a strong and well-trained workforce by working with organizations like the Association of Farmworker Opportunity Programs (AFOP) and the National Center for Farmworker Health. They have been advocates for farmworkers in the United States since the 1970s. Training, education, and support for farmworkers ensures your value chain is strong from farm to hub.

Amplify Resilience

Documenting operating procedures and cross-training for redundancy isn't just important for non-management positions. Food hubs also benefit from transparency about the roles and decisions of their leaders.[136] This is especially true since many food hubs, like other nonprofits, center around one or two passionate founders who have been with the organization since the beginning. For food hubs to have longevity, they need to be able to transition to new leadership when the founder steps down.

Transparency and Transition in Leadership

Angel Mendez is the current Executive Director at Red Tomato, a food hub in the Northeast. He started at Red Tomato as a warehouse manager over 20 years ago, working under founder Michael Rozyne, and has remained at Red Tomato through multiple leadership transitions. The Wallace Center launched a three-part webinar series 'Innovations in Leadership' that explores leadership under the topics of emerging, shifting leadership, and network/system leadership. Listen to Michael Rozyne speak about Red Tomato's transition process from his founding leadership to former director Laura Edwards-Orr.

Now at Red Tomato, Angel Mendez transitioned from key staff to the Executive Director role. Angel Mendez emphasizes transparency both to his staff and to the Board of Trustees. In Angel Mendez's words, "Nobody's in the dark." He feels that "candidness provides a real strong efficacy because it avoids assumptions." They engage all players in their strategic planning efforts, and they report their progress on each of their strategic goals to the board every month to "continue looking at what we said we signed up to do and where we're going."

You can check out more on food systems leadership transition at this article from the Food Systems Leadership Network (you will need a free login to view) and find great information in the additional considerations section of Running A Food Hub: A Business Operations Guide Volume 2[137]

Amplify Your Partnerships

Under the Supply Chain Builder, we learned how food hub networks can help increase markets and support for farmers, buyers, and the hubs that support them. And under the Resilience Advisor, we sought to understand how to strengthen those networks to build a resilient food system. Hubs across the nation are proving their value as a venue for information sharing, professional development, and reaching economies of scale. Now in continuing to amplify our relationships, partnerships, and networks, we can advance the field of local and regional agriculture and together build out the impact of food hubs on the food system.

Advance the Field

The National Food Systems Leadership Network (NFSLN)[138] Communities of Practice[139] work in tandem to develop networks and build competencies within food system organizations. The NFSLN, founded by the Wallace Center, aims to build up leaders across levels and geographic locations of the food system though a shared vision. They encourage food systems leaders to work more efficiently, access existing resources, and implement new practices to their work. These Communities of Practice (CoP) bring people with a shared interest together to connect, grow, and problem solve. The current CoPs being offered are Food Safety and Quality,[140] Value Chain Coordination,[141] Network Stewards, Farm to Food Assistance, and Community Food Projects.

As of the writing of this toolkit, there is interest in the idea of a national food hub association to help operators connect. Advisor Elliott Smith from Kitchen Sync Strategies has started exploring what a food hub association might look like because he's seen the value of cross-food-hub connections in action. In his words, "Yes, everybody's different, and you've seen one food hub, you've seen one food hub, but like, everybody's thinking about trucking, everybody's worried about HR, everybody's worried about staffing, everybody's worried about weather. So having a space for those folks to share it would be—would be great, and we're trying to do some of that."

This kind of formal collaboration could grow into more expansive support for food hubs and food hub networks. For example, the National Coop Grocers Association provides members with services from start-up consultations, business planning support, advocacy, consumer education, administrative support, business technology, and collective purchasing.[142]

You can hear more from the food hub operators on our Advisory Panel in Episode IV of The Food Hub Podcast. The operators speak on farmer relationships, educational programs, developing a collaborative network and building demand.

Collaborating on Grants and Other Capital Stacking

As you well know, raising a variety of capital to support your hub is essential. But you don't have to go it alone. One avenue of collaborative financing is to work with a regional or local fund that supports food and agriculture funding such as the HFFI Food Access and Retail Expansion Fund (HFFI FARE Fund).

Another channel for building capital to expand and strengthen your hub mission may be found in building a relationship with a local Development Finance Agency (DFA). Through various direct and indirect programming, DFA's act as a conduit for channeling federal investments into local projects and businesses needing capital. At your local level, you may find activities of DFA's named Community Development Finance Institutions (CDFIs), private lending agencies or Community Development Corporations (CDCs), or non-profit lending organizations. The Council for Development Finance Agencies (CDFA) developed a white paper on the topic of Food Systems and Access to Capital.[143] The landscape of federal investments available through DFA's changes over time, across Administrations, so reaching out to your local DFAs is the best solution to understanding what financing and capital stacking products may be available in your region.

Collaborate with your State Department of Agriculture

Building a relationship with your state department of agriculture, demonstrating your hub's ability to create market demand and support small, mid-size and other underserved producers, and partnering on the implementation of innovative projects, are all steppingstones to becoming a thought-partner on policy changes to increase the resilience of the local food system. Established relationships also enable partners to act quickly during times of natural disaster or economic disruption, as was the case with the Iowa Department of Agriculture who partnered with Land Stewardship Alliance to award grants to farmers markets and food hubs working to connect Iowa consumers with local food during the COVID-19 pandemic.[144]

Conclusion

When USDA Agricultural Marketing Services approached the University of Vermont and Michigan State University to cooperate on a toolkit very specifically designed for food hub operators, we didn't yet grasp the depth and breadth of knowledge a food hub operator needs to cultivate in order to wear the variety of Hats needed for food hub success. Through this project we were continually impressed and inspired by the real-world experience the food hub advisors shared. It is our hope that their lessons-learned in leading multi-faceted organizations, each with unique challenges and paths, provides the insight you will need now and in the future.

It is both an enormous responsibility and a deeply rewarding opportunity to operate a food hub. You are working at the juncture where local food can more easily get into the hands of eaters, catalyzing local and regional food systems growth, promoting food and agricultural literacy, and creating opportunities for communities to connect with one another and to their local food system.

No matter what Hat you're wearing, we hope that this overview of food hub operator essentials will help guide you through questions to ask, ways to get connected to systems of support, and resources to support your leadership. So, if you have made it all the way through this document without yet listening to the podcast series, we suggest that you head to the episodes now and listen when you need a moment of inspiration.

Thank you for your dedication and hard work in strengthening local food systems. Your efforts to support small farms, increase access to healthy foods, and build resilient communities are truly invaluable. The time you've taken to engage with this toolkit is appreciated and we hope it serves as a helpful guide in your ongoing work. Your leadership and innovation play a critical role in shaping a more sustainable, nimble, and resilient food landscape in the U.S. Keep pushing forward and know that your impact is felt far beyond the farms and markets you support.

Resources and Template Directory

You can find many of these resources linked throughout the toolkit narrative and the director is organized by:

Strategy: From our Advisors

- The Common Market: 2023-2024 Strategic Playbook: A Collaborative Approach to Resilient Farms and Socially Responsible Communities
- Red Tomato: Strategic Plan Executive Summary, Mission, Vision, Values
- Share Farm: Capabilities
- Share Farm: Impact Report

Strategy: General

Start Up Resources

- Building successful Food Hubs: A Business Planning Guide for Aggregating and Processing Local Food in Illinois
- How to Start a Food Hub: 4 Key Lessons for Success
- Exploring the Feasibility of Online Food Hubs in Low-Income Communities
- Local Food Organizational Toolkit – Part 1: Defining your organization's focus and leadership toolkit

Food Hubs as Part of Food Systems

- Food Resilience Toolkit written guide & Strategic planning instructional video (English) Strategic planning instructional video (Spanish)
- Local Food Systems Response to COVID: Building Better Beyond
- Local and Regional Food Systems Resilience Playbook
- Local and Regional Food Systems Response to COVID Resource Hub

Food Hub Data

- National Food Hub Surveys

Grower & Customer Relations: From our Advisors

Food Safety

- Red Tomato: Food Safety Plan
- ValleyHUB: Fresh Cut Food Safety Plan HACCP

Transactional Paperwork

- The Common Market: Bill of Lading
- The Common Market: Sample Invoice
- The Common Market: Sample Purchase Order
- Red Tomato: Bill of Lading
- Red Tomato: Invoice
- Share Farm: Shipper Confirmation

Supplier On-Boarding & Crop Planning

- The Common Market: Building Resilient Agriculture Through Forward Purchasing Commitments and Direct Farmer Financial Investment
- The Common Market: Sample Crop Plan
- Red Tomato: 2025 Annual Eco Growers Meeting Agenda
- ValleyHUB: Standard Supplier Agreement Part 1
- ValleyHUB: Standard Supplier Agreement Part 2
- ValleyHUB: Supplier Screening Checklist

Grower & Customer Relations: General

Food Safety

- The Food Safety Certification for Specialty Crops Program
- Food Safety Outreach Program
- Food Safety Trainings for Farmer Support Organizations - (four-part video series)
- Group GAP Benefits
- Group GAP for Buyers
- Group GAP for Growers
- Group GAP User Guide
- A Guide to Food Safety Certification for Food Hubs and Food Facilities
- How Group Gap Works
- The Path to Group GAP Certification Fact Sheet
- SAMPLE Food Safety Plan

Business Development

- Farm to Hospital Toolkit
- Food Hub's Guide to Selling to Restaurants
- Increasing the Capacity of a Local Food Hub to Service Schol District Nutrition Programs
- NCAT Marketing Tip Sheet Series
- New England Food Hub Network: Exploring Options to Enhance Food Hub Collaboration & Increase New England Farm to Institution Sales

Wholesale Readiness

- Bringing the Farm to School
- Food Hubs: A Producer Guide
- Global Growers Wholesale Readiness
- Good Agricultural Practices (GAP) Audits
- The Good Food Purchasing Initiative Guide for Growers and Food Businesses
- Grades and Standards
- The Role of Food Hubs in Local Food Marketing
- Wholesale Readiness Training
- Wholesale and Retail Product Specifications: Guidance and Best Practices for Fresh Product for Small Farms and Food Hubs
- Wholesale Packing Resource Guide: A Plain Language Guide from New Entry Sustainable Farming Project
- Wholesale Success: A Farmer's Guide to Food Safety, Selling, Postharvest Handling, and Packing Produce

Organizational Development: Advisors

Financial Statements

- The Common Market: Balance Sheet
- The Common Market: Chart of Accounts
- Red Tomato: Balance Sheet
- Red Tomato: Chart of Accounts
- Red Tomato: Financial Dashboard

Standard Operating Procedures

- The Common Market: Driver SOP
- Red Tomato: SOP Master
- ValleyHUB: Operations Training SOPs

Organizational Development: General

Financing & Fundraising

- Council of Development Finance Agencies Food Systems Finance Resource Center
- Food Systems and Access to Capital
- Financing Healthy Food Options
- Funding Sources for Food-Related Businesses
- Hub Funding Mix Worksheet
- Innovations in Small Business Lending
- Local Food Organizational Toolkit – Part 3: Funding your local food organization
- USDA Local and Regional Food Systems Resource Guide

Food Hub Operations

- Leveraging Technology to Build Resilient Local Food Systems
- Standard Operating Procedure – Farmers Market Hub
- Standard Operating Procedure – Farmers Market Hub II
- Regional Food Hub Resource Guide
- Running A Food Hub: Lessons Learned from the Field Volume One
- Running A Food Hub: A Business Operation Guide Volume Two
- Using Accounting Software for Food Hubs: Processing Traceable Orders

Food Hub Financials

- Economic Viability of a Food Hub Business: Assessment of Annual Operational Expenses and Revenues
- A Manager's Guide to Food Hub Finances: How to Evaluate and Improve your Food Hub Operations
- Iowa Food Hub: Managing Cash Flow for a Low Capital Food Hub Start-up
- Running a Food Hub: Assessing Financial Viability Volume Three

Partnerships: General

- In It Together: Examining the Role of Food Hub Networks in Supporting Hub to Hub Collaborations
- National & Regional Food Systems Networks
- Wallace Center's Communities of Practice: (Food Safety and Quality, Value Chain Coordination, Network Stewards, Farm to Food Assistance, Community Food Projects)

Advisory Hubs at a Glance

Throughout this toolkit we refer to our conversations with members of our Advisory Board, who together represent five hubs and one food hub brokerage & consultant firm across the U.S. We've compiled brief summaries of our advisory hubs below for easy reference.

The Common Market

www.thecommonmarket.org • Established 2008 • Nonprofit

Advisory Board Members	Haile Johnston, Co-Founder and Co-Chief Executive Officer and Rachel Terry, National Partnership Director
Geography	The Common Market was founded in Philadelphia, PA and now operates four regional hubs: Mid-Atlantic (the original hub); Southeast; Texas; and the Great Lakes.
Mission/Niche	The Common Market's mission has two main principles: "Access to good, affordable food is a fundamental human right and that the people who grow our food deserve to be paid and treated fairly—and that these two ideas need not be mutually exclusive." They focus on expanding community access to local food and expanding market opportunities for family farms.
Growers	The Common Market sources from a wide range of growers. All growers must meet certain sustainability criteria, listed in full on their website, must be family or cooperative owned, and must be in each hub's regional catchment area.
Buyers	The Common Market focuses on institutional markets and buyers working to address food insecurity. Their buyers include schools, higher education institutions, hospitals and healthcare facilities, and food as medicine programs.
Operational Overview	The Common Market centralizes high-level administrative functions across all four hubs, which allows for efficient operations and centralized messaging and branding across regions. Their central team, called "The Commons," also has its own Board of Directors. Each regional hub has its own director, staff, and Board of Directors.
Community Investment	The Common Market works to shift risk off its farmers by securing forward commitments from buyers and provides technical assistance and funding for farmers to grow sustainably. Read more on the Common Market website.

Foodshed

www.foodshedcooperative.com ● Established 2020 ● Cooperative

Advisory Board Member	Kristen Kvernland, Supply Chain Coordinator
Geography	San Diego, CA
Mission/Niche	Foodshed works to open new market channels for farmers in the San Diego area and expand community access to local food. Foodshed offers a CSA, a weekly surplus market with a sliding scale pricing system, and makes wholesale sales, with its largest wholesale customers being food banks. As a farmer cooperative, one of Foodshed's main priorities is reducing risk for the farmer. They work to secure purchase commitments from wholesale buyers and crop plan with their growers.
Growers	Foodshed works with over 60 farms in the San Diego area. They crop plan with a subset of their growers to secure supply for the hub and guarantee purchases for their growers.
Buyers	Foodshed has grown their buyer profile incrementally since their founding in 2020. As of our interview, their buyers included two food banks, a produce prescription program, and several smaller wholesalers.
Operational Overview	Foodshed is worker and producer owned. Foodshed's major decisions are made by its Board, which consists of a President, secretary, CFO, a farmer representative (elected by the cooperative's farmer-owners), a worker representative (elected by the worker-owners), and a representative from the broader San Diego food system. Its staff includes people engaged in direct food distribution work as well as community organizers.
Community Investment	At the time of our conversation, Foodshed was focused on expanding land access for San Diego farmers. Land and water access is challenging in San Diego County, where there is high land demand for luxury services and other non-agriculture activities. Foodshed hopes to secure a long-term lease on land with an agricultural easement to conduct farmer training programs and provide farm incubator space.

Red Tomato

https://redtomato.org • Esablished 1997 • Nonprofit

Advisory Board Members	Angel Mendez, Executive Director and Marsha Minor, Operations Manager (former)
Geography	Red Tomato is based in Providence, RI, and operates throughout the Northeast.
Mission/Niche	Red Tomato is a produce food hub with three main guiding values: "Ecologically grown, fair, safe treatment of farmers and their employees, and wide access to healthy, affordable food." Red Tomato is a non-asset-based food hub having neither warehouse nor trucks. Instead, they work with farmers to aggregate supply, work with buyers to secure purchases, and coordinate transportation between the two. Their primary customers are wholesale grocers, and they deliver to grocery distribution centers and direct to store depending on the product.
Growers	Red Tomato works with over 40 fruit and vegetable farms and orchards in the Northeast. Red Tomato also manages the Eco Certified Fruit program, and growers are certified by the third-party nonprofit the IPM Institute of North America. Eco Certification is a sustainability designation for tree fruits designed for the Northeastern US, where fungus and pest pressure make it impossible to grow certified organic tree fruit at commercial scales.
Buyers	Most Red Tomato's buyers are wholesale grocers. Red Tomato also conducts programmatic work as part of their nonprofit mission, supplying food for food pantries and other food access interventions.
Operational Overview	Red Tomato's non-asset-based model means that they can facilitate a large volume of sales on a relatively lean staff. At the time of our interview, they had 6 full-time-equivalent staff, along with a Board of Trustees.
Community Investments	The core of Red Tomato's mission is to get local food grown by midsized farmers onto more plates by competing in the same wholesale grocery market as larger distributors. Their Eco Certified program makes a further effort to capture a premium price for orchard fruits grown with IPM practices in the Northeast, where organic fruit is difficult to grow at commercial scales. At the same time as, Red Tomato competes in traditional markets, they also work to address food access issues by supplying local produce to food pantries and other longtime partners.

Share Farm

www.sharefarm.com • Established 2016 • For-profit

Advisory Board Member	Vincent Peak
Geography	Based in Washington State, operating nationally
Mission/Niche	Share Farm's mission is to empower regenerative farmers by creating transparent market pathways, securing equitable pricing, and enabling measurable social and environmental outcomes. Share Farm creates identity-preserved supply chains through their proprietary Impact Farm Index, providing traceability, verification of regenerative practices, and actionable impact insights.
Growers	Share Farm helps small and midsized regenerative farms secure pre-season commitments and purchase orders before planting. They also help producers access high-value procurement opportunities, improving profitability and market stability.
Buyers	Share Farm empowers large institutional buyers, municipalities, investors, and NGOs by providing transparent, defensible metrics to validate regenerative sourcing decisions. They facilitate direct buyer-farmer relationships for fair pricing and market access and create investment opportunities by quantifying and showcasing farms' social and environmental impact.
Operational Overview	Share Farm is run by a specialized team focused on regenerative agriculture, data analytics, and strategic partnerships. Their lean operational model efficiently connects farms with institutional buyers, municipalities, NGOs, and ESG-driven investors.
Community Investments	Share Farm transforms local and regional food systems by shifting market power back to farmers through demand-secured procurement, enabling economic growth and sustainable environmental outcomes.

ValleyHUB

https://ValleyHUB.kvcc.edu • Established 2016
• Non-profit; subsidiary of Kalamazoo Community College

Advisory Board Members

Rachel Bair, Director of Sustainable Food Systems, Rosie Florian, Food Hub Manager and Joshua Bartz, Outreach & Communications Manager (former)

Geography

Kalamazoo, MI

Mission/Niche

ValleyHUB was founded as a collaboration between Kalamazoo Community College and two local healthcare providers to increase local purchasing opportunities for the hospital and improve public health through local food access more broadly. They focus on buyers who allow them to fulfill that public health mission, like healthcare, schools, and food access programs, though they also sell to restaurants and grocers. ValleyHUB sells a wide range of products, including produce, meat, and processed foods, and does light processing of produce in-house.

Growers

ValleyHUB works with growers and makers of value-added products in southwest Michigan. At the time of our conversation, they were working to grow their portfolio of producers to be able to approach new institutional customers, particularly public schools. They provide support and frequent communication to their producers, many of whom are new to wholesale.

Buyers

ValleyHUB's first customer was Bronson Methodist Hospital, one of their founding partners, and they remain a key customer today. ValleyHUB also sells to value-added processors, restaurants, and specialty grocers. When we talked, their priority was to grow their education customers, particularly public K-12 schools.

Operational Overview

ValleyHUB's relationship with Kalamazoo Valley Community College is central to its operations and its resilience. Because it is a subsidiary of the college, employees receive the same benefits as other college employees, and because they are part of a larger organization, they never have to worry about cash flow. They have full-time employees working in management, trucking, coordination, and sales. Their produce processing and food handling roles are filled largely by part-time staff, including students and folks who are referred by an agency that helps young adults with employment barriers.

Community Investments

ValleyHUB's public health mission is focused on improving nutrition for patients, students, and community members through supporting local producers and helping them scale up to wholesale. They were unique among the food hubs we spoke to in that they saw a clear end point to their growth - aiming to reach $2M in annual sales and then stay at about that level.

Kitchen Sync Strategies

www.kitchensyncstrategies.com ● Established 2019
● For-profit consultancy and brokerage firm

KITCHEN SYNC STRATEGIES

Advisory Board Member | Elliott Smith, Co-founder & CEO

Geography | Based in Seattle, WA and operating nationally

Mission/Niche | Kitchen Sync is not a food hub. They are a brokerage and consultancy firm working with food hubs. They have two main business activities. As brokers, they are hired by food hubs to make sales, primarily to institutions. As consultants, they work with nonprofits, state agencies, and other local food advocates to facilitate efforts to grow local food markets.

Operational Overview | Kitchen Sync currently has four employees, two of whom focus largely on sales, and the other two of whom work more broadly to grow regional food systems.

Community Investments | Because Kitchen Sync works with many food hubs across the country, they have unique insight into common issues that face food hubs nationwide. Kitchen Sync is a frequent player in conversations about creating food hub networks and crafting food hub-related policy.

Endnotes

1 (Barham et al., 2012)

2 (Bielaczyc et al., 2023)

3 (annual growth rate based on the formula: *P = [(f/s)^1/y– 1)*100]; Percent increase = [(new value - original value) / original value] x 100*)

4 (Barham et al., 2012)

5 (Iowa State, 2015)

6 (Colasanti et al., 2018, p. 14)

7 (Red Tomato, n.d.; The Common Market, n.d.; ValleyHUB, n.d.)

8 (Share Farm, n.d.)

9 (Foodshed Cooperative, n.d.)

10 (Colasanti et al., 2018)

11 (Matson et al., 2015, p. 75)

12 (Rysin, O., & Dunning, R. (2016)

13 (Rysin & Dunning, 2016)

14 (Manzo & Penn State University, 2023)

15 (Levkoe et al., 2018)

16 (Colasanti et al., 2018)

17 (Corbin Hill Food Project, n.d.)

18 (Red Tomato, n.d.; Share Farm, n.d.; The Common Market, n.d.; ValleyHUB, n.d.)

19 (Foodshed Cooperative, n.d.; Intervale Food Hub, n.d.)

20 (Kaiser, M. L., et al, 2020)

21 (LeBlanc, J. R, et al (2014).

22 (Diamond, et al, May 2014)

23 (Amestoy, 2023)

24 (Eco Fruit, n.d.)

25 (The Common Market, n.d.)

26 (Matson et al., 2016)

27 (*A Manager's Guide to Food Hub Finances*, 2017)

28 (Pesch, 2020)

29 (Rysin & Dunning, 2016)

30 (Iowa Food Hub, 2015)

31 (Matson et al., 2015, p. 71)

32 (Matson et al., 2015, p. 74)

33 (*Using Accounting Software for Food Hubs*, 2015)

34 (Bragg, 2025)

35 (*A Manager's Guide to Food Hub Finances*, 2017, p. 39)

36 (National Good Food Network et al, 2014)

37 (Bielaczyc & Colasanti, 2023)

38 (*Communities of Practice*, 2022)

39 (National & Regional Food Systems Networks, 2023)

40 (*COVID-19 Resource Hub*, n.d.)

41 (Bodden, n.d.)

42 (*Farm to Community Food Hubs Program*, n.d.)

43 (*Food Safety Plan Builder*, 2020)

(*FSMA Compliance Dates*, 2024)

(FDA Food Safety Modernization Act (FSMA), 2011)

(Dunyak & Marchev, 2023)

(*Good Agricultural Practices (GAP) Audits*, n.d.)

(*Harmonized GAP Audit Program*, n.d.)

(*Global GAP*, n.d.)

(*HACCP Principles & Application Guidelines*, 2022)

(*PrimUSGFS*, n.d.)

(*How to Apply for Auditing Services*, n.d.)

(*SCS Global Services*, n.d.)

(*Delivering Trust and Impact for Global Food Safety with FSSC 22000*, n.d.)

(*Ceres Certifications*, n.d.)

(*Good Agricultural Practices (GAP) Audits*, n.d.)

(*Good Manufacturing Practices Audits*, n.d.)

(*Harmonized GAP Audit Program*, n.d.)

(*Harmonized GAP Audit Program*, n.d.)

(*Global GAP*, n.d.)

(*HACCP Principles & Application Guidelines*, 2022)

(*SQF Institute*, n.d.)

(*GroupGAP Food Safety Program*, n.d.)

(*How GroupGAP Works*, n.d.)

(*Produce Technical Assistance Network (TAN)*, n.d.)

(*Food Safety Outreach Program*, n.d.)

(*About On-Farm Readiness Review*, n.d.)

(*The Food Safety Certification for Specialty Crops Program*, 2022)

(*Food Safety and Quality*, n.d.)

(Perry et al., 2023)

(*GAP Certification Programs*, n.d.)

(Farbman & Carlson, 2017)

(Global Growers, 2015)

(*Wholesale Readiness: Farmer Assessment*, n.d.)

(Pierre C., Sokalsky A., Sacheck J., October 2023)

(Building Resilient Agriculture through Forward Purchasing Commitments and Direct Farmer Financial Investment, 2025)

(Matson et al., 2015, p. 40)

(Matson et al., 2016, p. 21)

(Kalloch S. et al, Harvard Business Review, 2023)

(Matson et al., 2015)

(Matson et al., 2016)

(Bielaczyc et al., 2023)

(Bielaczyc et al, 2023)

(Thackeray, 2024b)

(*Local Agriculture Market Program*, n.d.)

(*Patrick Leahy Farm to School Grant Program*, n.d.)

(Congressional Research Service https://crsreports.congress.gov R42388, 2016)

(Michigan Food Hub Learning and Innovation Network, n.d.)

(Local Food Marketplace, August 2024)

90 (Northwest Food Hub Network, n.d.)
91 (Dewey, 2024)
92 (Vermont Way Foods, n.d.)
93 (Eastern Food Hub Collaborative, n.d.)
94 (*Michigan Food Hub Network: Food Hub Directory*, n.d.)
95 (South Carolina Food Hub Network, n.d.)
96 (*Iowa Food Hub Directory*, n.d.)
97 (Washington Food Hub Network, n.d.)
98 (Oregon Food Hub Network, n.d.)
99 (New England Food Hub & Processors Network, 2023)
100 (New Hampshire Food Hub Network, 2022)
101 (NC Food Hub Collaborative, n.d.)
102 (Alaska Food Hubs Working Group, n.d.)
103 (Crothers, 2020)
104 (*Commonwealth Quality Program (CQP) | Mass.Gov*, n.d.)
105 (Serrano-Cortés et al., 2023a, p. 39)
106 (Rodríguez-Pérez & WhitehoUSe, 2022)
107 (Serrano-Cortés et al., 2023b, p. 43)
108 (Rodríguez-Pérez, 2022)
109 (*Strategic Playbook: A Collaborative Approach to Resilient Farms and Socially Responsible Communities*, 2023)
110 (Bielaczyc et al., 2023)
111 (*The Local and Regional Food Systems Resilience Playbook*, n.d.)
112 (*COVID-19 Resource Hub*, n.d.)
113 (*SOPs vs Operational Plans*, 2024)
114 (Matson et al., 2015, p. 27)
115 (*A Manager's Guide to Food Hub Finances*, 2017)
116 (Northwest Food Hub Network, n.d.)
117 (Share Farm, n.d.)
118 (*Specialty Crop Block Grant Program*, n.d.)
119 (*Local Food for Schools Cooperative Agreement Program*, n.d.)
120 (*Local Food Purchase Assistance Cooperative Agreement Program*, n.d.)
121 (Cohen et al., 2024)
122 (California LFPA, 2024)
123 (Iowa LFPA, 2024)
124 (Michigan LFPA, 2024)
125 (New Mexico LFPA, 2024)
126 (Ohio LFPA, 2024)
127 (Oregon LFPA, 2024)
128 (Rhode Island LFPA, 2024)
129 (Virginia LFPA, 2024)
130 (*The Lunch Monitor*, 2021)
131 (*Food Policy Networks: Councils*, n.d.)
132 (Agricultural Marketing Services, 2013)
133 (Neal A., Agricultural Marketing Services, 2013)
134 (Matson et al., 2013)
135 (*Our Initiatives*, n.d.)

136 (*Balancing Transparency and Privacy in the Food Industry*, 2024)

137 (Matson et al., 2015, p. 62)

138 (*Food Systems Leadership Network*, 2024)

139 (*Communities of Practice*, 2022)

140 (*Food Safety and Quality*, n.d.)

141 (*Value Chain Coordination*, n.d.)

142 (*National Coop Grocers*, n.d.)

143 (Rittner T. et al, 2019)

144 (McDowell, 2020)