

## Selling the food hub way

**S**o, what exactly is a food hub?

A food hub is simply a central location where the products of several producers are brought together and offered for sale to a community of buyers. The product suppliers are often local, small-scale producers who specialize in one or two items, and benefit greatly from the wider exposure a food hub can offer.

The food hub operator acts as a coordinating partner between the producers and suppliers and their customers, coordinating the aggregation, warehousing, marketing and distribution of the products offered for sale. In this way, the food hub is able to house a larger supply of a variety of products which can satisfy year-round wholesale, retail and institutional market demand.

A food hub can have a realworld location for patrons to visit and purchase in person, or it can exist as an online entity, where shoppers browse a selection of products from the comfort of their home computer, place and pay for their order online, and wait for the delivery truck to bring it directly to their door.

There are two general approaches to the operation of a food hub. The most ambitious model offers a comprehensive service that requires physical aggregation, grading, packing, sales, and delivery. In addition to the website, these food hubs

will often have a warehouse and related infrastructure and equipment necessary for the storage and delivery of products.

Two local food hubs that follow this model are BC-based SPUD and Alberta's The Organic Box.

The second model offers fewer physical services. The focus here is less on housing a large variety of product for sale, and more on coordinating a group of producers, a payment service and marketing and promotion of the food hub. CSAs (community supported agriculture) can fall into this category if there are

multiple families within the CSA supplying product for the weekly baskets.

"Most food hubs are set up to be a profitable business enterprise to ensure longterm sustainability," says Margurite Thiessen, Value Chain Specialist with Alberta Agriculture and Forestry.

"They have identified their customers and have tailored their product offerings to meet the market channel they have chosen to serve," she says.

Most food hubs offer fresh vegetables and local fruits, along with other product categories including dairy, meats and shelf stable products like local grains and flours, teas, and other value-added products. Some also offer non-local items that still fit the core values of the food hub. These are often



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products not offered locally, such as nuts, coffee or other special items.

### What is the value for the small scale producer?

“A food hub provides the means for Alberta direct market producers and small scale food processors to get their products to market,” says Thiessen.

“Food hubs are key players in helping create consistent, reliable supplies of locally produced foods for customers in a given area,” she says.

When you collaborate in a food hub, your product is offered alongside others from the same area. This creates a price standard for similar items and maintains a level playing field for all.

Additional benefits of collaborating in a food hub are the peer to peer networking and development opportunities that can result. Not to mention that when people get together, great ideas can result, which can have a positive impact on the entire community.

### How can I start a food hub?

First you would need to consider the feasibility of a food hub in your location.

Putting your food hub together comes after you determine the real market pull and financial feasibility.

But today’s consumer is hungrier than ever for the fresh, local alternative, and a food hub is an efficient way to deliver the goods.

The next step is to establish and maintain good relationships with local growers, buyers and customers. And from there, the sky’s the limit.

Take [Local Food Chicago](#) for example, it began as an online food hub connecting Chicagoans to local growers and producers in the

# To help get you started



Both of these guidebooks are available for your use on the [Explore Local](#) website: [Grower manual](#), [Vendor manual](#).

midwest, and has grown to include a fully operational market with executive chef experiences and a renowned butcher.

They have also partnered with two other Chicago-area businesses—[Mighty Vine Tomatoes](#) and [Hand Cut Foods](#)—to complement their food hub and offer even more options to their customers.

Alberta Agriculture and Forestry have developed two new publications to assist

Alberta’s agriculture and food businesses with developing food hubs:

- [Best Practices Guidebook – Food Hub Vendor Manual](#) and
- [Best Practices Guidebook – Food Hub Grower Manual](#).

The vendor manual summarizes basic operations, policies and procedures to help guide the vendor, or supplier, in meeting the demands of a food hub.

The grower manual is focused at helping the growers meet pre- and post-harvest standards required by the food hub and grower cooperatives, local food service establishments and other direct market customers.

Both resources are available online or in hard copy format through Alberta Agriculture and Forestry.



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# Two local food hubs



The Organic Box is owned and operated by a local Edmonton farming family. With over 40 team members in Alberta and a network of supporting farming families across western Canada, they work together to find ways to eat sustainably.

“We understand that organic food isn’t just about better flavour and nutrition,” says Danny Turner, President and Co-Founder.

The farmers that grow the food offered at The Organic Box do not use conventional agriculture techniques but rather use only those chemicals that are approved by the organic certifying body.

Following organic practices is believed to improve the quality of the soil with each crop and keep chemicals out of the soil and broader eco-system.

The Organic Box buys as close to home as possible. But they also define local by buying from people who act locally in their own communities—own their own land, hire local employees—with the money staying in those communities.



Founded in Vancouver in 1997, SPUD (Sustainable Produce Urban Delivery) now delivers local and organic groceries to homes and offices with six locations in Victoria, Vancouver, Calgary, Edmonton, Los Angeles and San Francisco.

“In each location, we hire locally, buy locally, and deliver locally,” says Corbin Bourree, managing director for SPUD Edmonton.

SPUD is more than just an online grocery company. “We have a deep passion for local and organic food, and for supporting healthy families and communities. We are entrepreneurial, humble, driven, and we really love our customers,” says Bourree. ●

Visit our newly revamped website!



It's easier to use and to find the information you need!



## Don't Miss It!

**2017 AFFPA/AFMA  
Conference**

## Farm to Market

**March 2-3, 2017**

**Pomeroy Inn & Suites  
Olds College Campus  
Olds Alberta**

This year's conference focuses on marketing, featuring sessions such as:

*Customer Service & Relations;  
Branding and Promotion;  
Social Media Marketing  
and many other great topics*

Visit the website for the full agenda and registration options

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# Upcoming Events

## WORKSHOP SERIES

### GETTING INTO FARMERS' MARKETS

*Wed, Feb. 8, Duffield*

*Thu, Feb. 9, Airdrie*

**\$25 incl. gst, lunch, refreshments**

This one day workshop looks at selling food products at Alberta approved farmers' markets. Farmers' markets are big business in Alberta with over \$700 million in annual sales. **To register call 1-800-387-6030.**

### MARKETING ESSENTIALS: INTRO TO MARKETING

*Thu, Feb. 16, Stony Plain*

*Thu, Mar. 9, Camrose*

*Wed, Apr. 12, Airdrie*

**\$25 incl. gst, lunch, refreshments**

This one-day workshop will focus on practical information and tools to help you develop and implement an effective marketing strategy for your business. **To register call 1-800-387-6030.**

### TURNING COMPLAINTS INTO COMPLIMENTS

*Wed, Mar. 1, Olds, No charge*

Join us as Mark and Angela Saunders from Saunders Farm in Ontario share their experiences with staffing, customer service and much more. **To register call 1-800-387-6030.**

### FROM FARM TO MARKET (FARM FRESH SCHOOL)

*Thu-Fri, Mar. 2-3, Olds*

**See website for costs and times.**

The 2017 AFFPA/AFMA Conference focuses on marketing and other great topics in partnership with Alberta Farmers' Market Association. [Click here to register.](#)

### GETTING INTO RETAIL

*Tue, Mar. 14, Lacombe*

**\$25 incl. gst, lunch, refreshments**

Are you thinking about expanding beyond the farmers' market? Want to sell to your local grocery store but don't know how? This workshop is for you. **To register call 1-800-387-6030.**

### GETTING INTO LOCAL FOODS

*Tue, Mar. 21, Lethbridge*

*Wed, Mar. 22, Airdrie*

*Thu, Mar. 23, Stettler*

**\$25 incl. gst, lunch, refreshments**

This workshop is for producers who are new to selling food through farmers' markets or other direct-to-consumer methods. **To register call 1-800-387-6030.**

### GETTING INTO ON-FARM SALES

*Tue, Apr. 4, Leduc*

**\$25 incl. gst, lunch, refreshments**

Interested in learning more about what it takes to have a successful on-farm direct marketing business? **To register call 1-800-387-6030.**

### TROUBLESHOOTING SHELF LIFE

*Tue, Apr. 11, Airdrie*

**\$25 incl. gst, lunch, refreshments**

One of the challenges of producing your own processed food product is knowing how long the product is good for. This workshop will help small scale food processors understand the process of determining shelf life. **To register call 1-800-387-6030.**

### MARKETING ESSENTIALS: TELLING YOUR STORY

*Thu, Mar. 16, Stony Plain*

*Wed, Apr. 19, Airdrie*

**\$25 incl. gst, lunch, refreshments**

Interesting stories about you and your business are effective sales tools. They build customer commitment and loyalty. **To register call 1-800-387-6030.**

## WEBINAR SERIES

### MARKETING YOUR STORY: LEPP FAMILY FARM

*Wed, Feb. 15 (9 AM MST)*

Charlotte Lepp from Lepp Farm Market in Abbotsford, BC will share how she has incorporated their farm story into all aspects of their very successful farm retail operation. [Click here to register.](#)

### HUMAN RESOURCE (HR) ESSENTIALS

*Wed, Mar. 8 (9 AM MST)*

Please join us as industry experts address your burning HR management issues. You will hear about innovative HR strategies that will help to maximize your most important resource, your people. [Click here to register.](#)

### FOOD SAFETY AT THE FARMERS' MARKET

*Wed, Apr. 12 (9 AM MDT)*

Learn the ins and outs of the Food Regulation as it applies to your Alberta approved farmers' market sales from a public health inspector with Alberta Health Services. [Click here to register.](#)

**For more information on any of these, or future events, [click here](#) or call 1-800-387-6030.**

**Field Notes** is published up to four times per year and is available online at [explorelocal.ca](http://explorelocal.ca). For further information about anything you've read here, or to be included on our email list, please contact Donna Skorworodko at [donna.skoworodko@gov.ab.ca](mailto:donna.skoworodko@gov.ab.ca).