



MONTGOMERY COUNTY  
FOOD COUNCIL

## *Food Hub Study October 2016*



## Introduction

In 2016, funded through a County Council grant, the Montgomery County Food Council led a research project on the fiscal impact of a food hub in Montgomery County. MCFC contracted Cultivate Ventures as the consultant to conduct a feasibility study on a food hub, including defining its potential structure, necessary resources, regional context, and next steps to present recommendations to local government leaders.

The Food Hub Study provides a framework of analysis for MCFC and its partners to determine the applicability and feasibility of possible investments in food hub related programming and infrastructure in the county. MCFC and Montgomery County leadership are committed to providing the right level and type of support for its dynamic farming community, and the Food Hub Study clarifies the optimal models for future programmatic support to small- and medium-farmers.

## Study Methodology

Research strategies included:

- Montgomery County internal review and interviews;
- Desk study of best/worst practices (case studies) of food hubs nationally;
- The creation of a comprehensive definition of a food hub: *"a centrally located facility with a business management structure facilitating the aggregation, storage, processing, distribution and/or marketing of locally and regionally produced food products"*;
- A regional analysis of Southern Maryland, Northern Virginia, and Washington DC to quantify and document regional local food assets and stakeholders; and
- A field analysis and interviews with farmers and ancillary value chain players to assess market demand for a food hub and its key services

In Fall 2016, the Food Council publicly released the final 51-page written report, "Framing Food Hub Investment and Programming Opportunities in Montgomery County."



## Study Findings

- Many differing models exist to provide technical and financial support for small- and medium-sized farms - a food hub is just one available option;
- There is enough supply and demand, value chain stakeholder support and momentum to warrant MCFC and its partners to advocate and plan for a comprehensive expansion of current Food Economy programming;
- MCFC should *not* focus initially on designing, developing and launching a full institutional food hub, as there is a lack of county-centric volumes of produce and a highly competitive regional landscape of aggregation, distribution and retailing; and
- MCFC should instead take an incremental approach, and design a set of market-led interventions to improve overall competitiveness of emerging and enterprise based farmers, increase farm income and diversify the overall market environment, and expand the supply of available farmers.



### Key Elements of a Successful Market-Led Approach

- Integrate all programming into tangible, well-funded, long-term focused ecosystems of technical resources that can provide required assistance for expanding capacity at the farmer level
- Focus on increasing producer level market linkages and logistical support as broadly as possible, fostering in particular deeper relationships with regional food distributors
- Engage the private sector as much as possible
- Encourage regional collaboration wherever feasible
- Integrate market strengthening programming with targeted advocacy support that is focused on improving the competitiveness of the local agricultural policy environment
- Ensure that expanding market oriented programming does not reduce the overall Montgomery County focus on increasing access to locally produced, nutritious food by at-risk and low-income County residents



### Recommended Next Steps

- Food hub market oriented programming should concentrate time and resources on developing and expanding the market linkages that will allow smaller-to-emerging farmers to capitalize on diverse market opportunities, rather than direct distribution/aggregation
- Services and support should focus on volume maximization, crop diversification, value added production, packaging and branding, e-commerce and general support on achieving market standards
- Services should focus on increasing supply of, and market access for, Montgomery County table crops, meat and other value added, locally produced products in the broader DMV and Baltimore markets
- Programs should be designed to spur additional investment in, and access to, produce-centric value-adding production and co-packing opportunities for local producers
- Market expansion programming should be bolstered by targeted advocacy, managed by MCFC, focused specifically on removing policy barriers currently limiting farm-level income diversification beyond production
- All programming must have long-term financial sustainability and viability as core requirements

### Share Your Thoughts

Please contact us at [info@mcofoodcouncil.org](mailto:info@mcofoodcouncil.org) with any questions, thoughts or concerns about the Food Hub Study. To review the study in its entirety, please visit [www.mcofoodcouncil.org/resources/](http://www.mcofoodcouncil.org/resources/)

