

# LA PLATA COUNTY

## FOOD PLAN

# FOOD HUBS

Food hubs play an important role in food systems. They act as middlemen, bridging the gap between producers and consumers through valuable infrastructure and resources, including the aggregation, distribution, and marketing of locally and regionally sourced products. Food hubs work on different scales and can sell products through multiple outlets, such as direct-to-consumer, retail, or wholesale. All food hubs seek to become financially viable and to maintain positive connections within their community, by balancing social, economic, and environmental factors.



## BENEFITS

- Connect local farmers to larger markets
- Increase farm sales opportunities and promote regional agriculture
- Centralize distribution process and streamline logistics, reducing transportation costs for small producers
- Improve access to fresh, local food for communities that may otherwise lack availability
- Promote economic growth by creating jobs in the logistics, warehousing, and marketing sectors
- Strengthen local food systems by building partnerships between farmers, processors, distributions, and retailers, leading to more resilient regional economies

## CHALLENGES

- Maintaining financial sustainability, as they often operate with tight margins and rely on external funding sources
- Coordinating supply and demand, which can result in either food waste or shortages
- Competing with large-scale distributors who offer lower prices and more product availability due to scope
- Encountering logistical challenges, such as high cost of transportation and storage, which can impact ability to deliver products efficiently
- Managing complex regulatory requirements, including food safety and licensing, which can be time-consuming and costly for small operations
- Ensuring consistent product quality and volume from small-scale producers, which can affect their ability to meet market demand

Food hubs distribute local products from producers, increasing nutritional value and support healthy eating (Nelson et al., 2015). They work to develop an open and transparent relationship with their buyers. Many studies have found consumers place high value on local products and are willing to pay more for these products. Food hubs work on many levels to create access and affordability within communities. Common methods include donating to local food banks or pantries, offering food boxes, and purposefully distributing local, healthy products to food deserts and socially and economically disadvantaged neighborhoods.

In addition to creating transparent relationships with consumers, many food hubs strive to achieve transparency with farmers as well. The National Food Hub Survey found that the majority of food hubs in the United States require GAP (Good Agricultural Practices) and GHP (Good Handling Practices) certifications to ensure food safety.

Food hubs decrease transportation costs, keeping products local, resulting in a diminished carbon footprint. According to the National Food Hub Study, 53% of food hubs are aggregation-based (primary focus on aggregation and distribution), 30% are community-based (non-profits focused on social betterment), 12% are focused on producer-based (expand market access for producers), and 5% as farmers-market based (retail focused).



Food hubs have the potential to increase job capacity and provide training for employees and may additionally incorporate community outreach and local producers and the importance of a local food system (Mason et al., 2014).

Government plays a critical role in the development and operations of food hubs. One of the major difficulties food hubs experience, is attaining financial viability, with many relying on government funding to supplement revenue. While viability is a concern, food hubs stimulate the local and regional economy, supporting local producers and creating a multiplying effect. In the focus groups, members highlighted the “uncertainty in funding due to the current grant freezes and the need for sustainable funding solutions for organizations working in food access.”



IOWA STATE UNIVERSITY  
Extension and Outreach

This institution is an equal opportunity provider. For the full non-discrimination statement or accommodation inquiries, go to [www.extension.iastate.edu/legal](http://www.extension.iastate.edu/legal).

VEA ESTE PÓSTER  
EN ESPAÑOL

[bit.ly/LPCespañol](http://bit.ly/LPCespañol)

