



# Capital Press

## The West's Ag Website

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### Co-ops get creative to connect producers, consumers

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A new breed of agricultural cooperative is cropping up around the country.

Farming has long been a cornerstone of the cooperative movement, with most organizing traditionally for the purposes of either supplying production inputs or marketing raw commodities.

While those two functions are still prominent, some of the newest agricultural co-ops are now geared toward the "buy local" movement and direct marketing. In doing so, the line between consumer- and producer-oriented co-ops is becoming blurred.

#### Food warehouses

A major obstacle to local sales is a lack of wholesale outlets that provide a path from producer to consumer, according to the Olympia-based Northwest Cooperative Development Center (NWCDC).

"People really want to buy local products. ... But in most cases it's prohibitively expensive for all the retailers to set up accounts with all of the different producers," said Andrew McLeod, a NWCDC coop development specialist. In January, the Olympia Food Co-op and NWCDC set out to make it easier for retail stores to stock local goods by creating a food warehouse. The effort is dubbed the "Foodshed Project," using the analogy of a watershed to describe a regional food supply system.

Across the country, the Tuscarora Organic Growers cooperative operates a full-scale produce warehouse that brings organic, locally grown products to Washington, D.C.-area stores.

TOG began as a marketing co-op in 1988. In its first season, TOG's seven growers shared cooler space with one of their larger producers and moved about 1,500 cases of produce from family farms to city retailers.

As the co-op grew, TOG upgraded to a rented refrigerated trailer, and in 1993 built a warehouse, which has been expanded every four to six years. TOG's member farms range between two and 60 acres. General Manager Chris Fullerton projects that they will move about 80,000 cases of produce to retail stores this season.

In contrast to many marketing cooperatives, those focused on local sales bring together producers of diverse products. One benefit frequently cited by members is the ability to coordinate crops and harvest times to complement one another instead of competing. Web-based distribution

The Oklahoma Food Cooperative tried a different approach to local sales by using a web-based ordering and distribution system. Now in its fourth year of operation, the co-op's monthly gross sales range between \$30,000 to \$35,000.

In order to buy or sell products, membership is required with a one-time fee of \$50. The co-op has grown from 60 original members to more than 1,000 today.

Customers place orders once a month, and products are sent from across the state to a central distribution point at a farmer's market in Oklahoma City. From there, volunteers sort the products and route them to multiple pick-up locations or for home delivery at an extra cost. Delivery is free for disabled or ill customers, and discounted for those without transportation.

Producers must adhere to a list of production standards and may have their farms visited prior to acceptance. Some restrictions apply, such as no products or ingredients from confined animal feeding operations or from genetically modified organisms.

This month the co-op has an inventory of more than 1,700 Oklahoma-grown or -processed products, including meat, dairy, herbs, sauces, baked goods, and multiple non-food items like beauty products, household supplies and artisan crafts. Web listings offer detailed product descriptions and producer information.

OFC has received so many requests from people wishing to start similar web-based distribution systems in other states that they are holding a seminar in May to teach about their model. For information visit [www.oklahomafood.coop/](http://www.oklahomafood.coop/) or call 405-613-4688.

### Support networks

One of the principles of co-ops is that they cooperate with one another, which makes for a very strong support network. Not only do cooperatives of different types try to work together, but multiple groups exist to help in organizational development, training, fundraising, feasibility assessment, business planning and other services.

The Northwest Cooperative Development Center fills that role in Washington, Oregon, Idaho, Hawaii and Alaska. NWCDC has been around in one form or another since 1979. It works with all varieties of cooperatives, and has assisted dozens of agricultural and forest landowner cooperatives over the years.

Through its Harvesting Northwest BioEnergy Cooperatives program, NWCDC is currently surveying the market potential for cooperative opportunities in biodiesel, ethanol and biopower.

The Center also has a Rural Town Business Revitalization project, offering education on the cooperative model for towns with populations under 5,000. When faced with the closure of a vital business, such as a grocery store, some rural communities have formed cooperatives to buy the business themselves, McLeod said. Northwest residents who are interested in starting a cooperative or getting assistance for an existing cooperative may contact NWCDC at 360-943-4241 or visit [www.nwcdc.coop](http://www.nwcdc.coop). In California, contact the Rural Cooperatives Center at the University of California at Davis, at 530-752-2408 or visit <http://www.cooperatives.ucdavis.edu>.

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