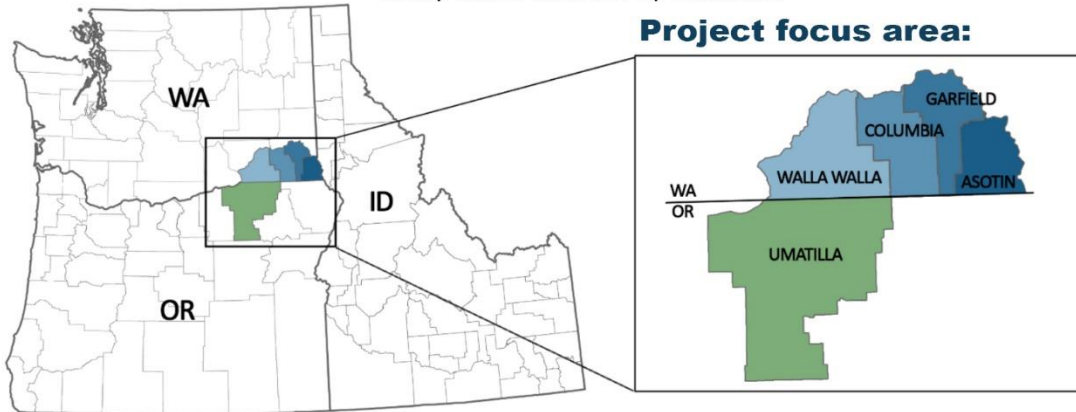


Walla Walla Valley Food Hub Feasibility Study

Project purpose: To evaluate options for developing food hub services that best fit the BMAC Food Bank's needs and that are compatible with its operations.



Project focus area:

Production Assessment The Walla Walla Valley's capacity to produce high-quality vegetables, fruits, and associated value-added products is **well beyond** that needed for **many more business ventures of this scale**.

Market Assessment Many market opportunities exist to access sufficient buyers and consumers. Surveyed buyers expressed interest in a wide variety of local fresh, frozen, and other minimally processed food products.

88% of supplier survey respondents said they were **likely** to use a food hub if they had access to one in the Walla Walla Valley (n=61).

53% said Walla Walla is the most convenient location for a new food hub (n=57).

64% are interested in producing and selling processed or value-added food products in the future (n=67).



Scenario 1: Distribution > Aggregation, storage, distribution, sales, and marketing of locally produced products to local and regional markets

Scenario 2: Value-added processing > Processing raw ingredients into a finished product that increases its value for local and regional markets

Scenario 3: Retail > Sells locally and regionally produced produce, meats, and other products to local consumers

Scenario 4: Commercial kitchen > Provides access to equipment and resources to support business development. Usually supported by a local public agency. Value is more as a support for food entrepreneurs than as a profit center for a food hub.

	Scenario 1: Distribution	Scenario 2: Value-added processing	Scenario 3: Retail	Scenario 4: Commercial kitchen
+ Strengths	Strong synergy with the Food Bank, strong producer interest, qualifies for grants, local expertise available	Strong stakeholder interest and commitment, highest return on investment, mutual benefit for the Food Bank, compatible with farm schedule, capital costs relatively low and processing can be scaled	Could qualify for grants, local expertise available, strong supplier interest in more retail outlets	Leads to new food hub entrepreneur businesses, complements other food hub opportunities and operations
Weaknesses -	Realistically needs \$500,000 to \$1 million to launch and fully scale up an operation from scratch, profit margins are generally low even when successful, no one currently committing to move it forward	Potentially capital intensive, competition with conventional products	Long lead time and difficult to make profitable, likely incompatible with Food Bank operations, capital intensive, no one committed, no suitable building available	Not likely to be profitable, no one interested in the leading the effort, perception it could compete with Blue Mountain Station, less compatible with the Food Bank

The **most important** enabling factor for all scenarios was the **engagement of people** with the knowledge and skills needed who are committed to making it happen. The most engaged participants had the experience, expertise, and relationships to successfully launch the operations discussed. In general, they were most interested in value-added processing.



Many people expressed interest in participating in a food hub or starting additional businesses, and several efforts have launched. There is plenty of opportunity to grow these efforts and to launch more.

WWVFSC's preferred food hub organizational structure:

- For profit, triple bottom line, Limited Liability Company, producer and employee partners

