A Guide for Farmers and Ranchers

The purpose of this document is to share the vision of the Puget Sound Food Hub Cooperative with our members to provide guidance for our farmer and rancher sellers and provide printed reference and training resources to best optimize food hub services build new customer relationships and to increase sales.

Table of Contents

About ............................................................................................................................................. Page 2
Eligibility Requirements ........................................................................................................ Page 6
Collaboration and Participation .......................................................................................... Page 8
Policies on Growing Practices and Food Safety Standards ..................................... Page 18
Contact Information .............................................................................................................. Page 26
Farmer and Rancher Commitment ................................................................................. Page 27
Membership Subscription Agreement ........................................................................ Page 28
Direct Deposit Form .............................................................................................................. Page 29

Distribution Warehouse: 15612 Best Road, Mount Vernon, WA 98273
Mailing Address: P.O. Box 2924, Mount Vernon, WA 98273
Satellite Drop Site: Cloud Mountain Farm Center, Everson, WA
Legal Structure: Farmer-Owned Cooperative Association
Farmer Board: Amy Frye, President
Tim Terpstra, Vice-President
Jimmy Kintzele, Treasurer
Anna Chotzen, Secretary
Griffin Berger
Vince Caruso
Mike Finger
Anna Martin

Model: Wholesale
Target Market: Restaurants, grocery stores, food co-ops, food manufacturers, corporate and institutional campus dining services, commissaries, schools, childcare centers and hospitals throughout the Puget Sound region, from Whatcom to King counties, including San Juan Islands.
A Note to Farmers and Ranchers

Together we have gathered hands-on experience and listened to you, your customers and market research which has helped to shape where we are today. We understand the market is changing for farmers, and are better able to anticipate needs and issues that might arise. We still consider this business a start-up operation and continue to work together through growth and operational challenges as they arise while building on our foundational success.

In the coming years, the Puget Sound Food Hub Cooperative plans to increase farm sales and offer increased access to local food for our customers. The active participation of our members adds to the success of the Puget Sound Food Hub Cooperative. Thank you in advance for your personal commitment and investment to the future of food and sustainable farming.

About

The concept of the Puget Sound Food Hub Cooperative was first researched in 2006 and began to be implemented in 2009 and 2010. For the purposes of this document the Puget Sound Food Hub Cooperative will be referred to simply as the “PSFHC”.

The PSFHC is a farmer owned cooperative operating in the Puget Sound region, the PSFHC combines marketing, aggregation, storage, and distribution for member farms and ranches. The goal is to develop relationships between local farms and businesses/institutions with a vision of creating healthier communities while expanding economic opportunities for Northwest Washington farmers and ranchers. PSFHC’s purpose is to increase the production, distribution, and consumption of regionally produced food.

The Puget Sound Food Hub Cooperative provides marketing, aggregation and distribution of the freshest, seasonal produce, meat, dairy and more, direct from local agriculture producers.

- We’re making it convenient for businesses and institutions to buy source-identified, local food direct from local farms with an online marketplace, streamlined payment options and aggregated delivery to their door.
- Shared marketing and infrastructure opens up markets for farms to increase sales, reduce costs and waste, and decrease carbon footprint due to coordinated and combined delivery.
- Farm product is never mixed or combined with other farmer’s product. A farm packs a box at the farm and it stays in that box with traceable identification back to the actual farm that produced it.
- Farms own their product through the supply chain – their production methods are transparent and food is traceable to the farm. It’s not a warehouse store selling nameless, faceless “local” food.
• Farms develop and maintain direct customer relationships, negotiate their own prices and nurture business growth.
• Traveling distance between farm to customer is shortened compared to broad line distributors. Member farms operate within the six counties of Northwest Washington including Whatcom, Skagit, Island, San Juan, Snohomish and King.
• Food is fresher than a typical distributor’s offerings. Produce is often harvested the day before delivery.
• Buyers appreciate greater varieties of vegetables, fruits, livestock breeds atypical in the commodity market and highly prized for and sustainability practices, NOT whether it can hold up after being stored and transported. High demand exists for such unique products.

Purpose
• Link local farms to local consumers focusing on high volume, business-to-business commerce. Promote and identify opportunities for investments in infrastructure for value-added products, allowing for larger scale buyers (schools, hospitals, restaurants and grocery stores) to buy regionally grown source-identified products.
• Enhance the economic viability and sustainability of local farms and farmland by providing access to profitable marketing opportunities and delivery. Retain dollars locally, create and retain jobs in rural communities, and connect rural economies to the regional food system.
• Foster growth of a regional food system that seeks to secure the long-term health of local agriculture and the preservation of a sustainable food system. Limit energy waste by utilizing efficient aggregation and delivery systems.
• Maintain a desirable brand focused on high quality, source-identified products, supported by excellent customer service and an easy to use online marketing and management platform to increase farmer-member sales and coordinate delivery.
• Ensure food safety and manage risk by requiring aggregation and delivery contractors to comply with current food safety and handling requirements including Preventative Control Plans and/or Hazardous Access Critical Control Point (HACCP) plans, and requiring all producers to carry appropriate licenses and product liability insurance coverage.
**Farmer Board of Directors**

Our Board of Directors meet monthly to discuss operations, finance, policies, and provide direction to the PSFHC’s employees and contractors. This board is responsible for decisions related to the development of the cooperative.

The current Board of Directors include:

- Amy Frye, President, (Boldly Grown Farm)
- Tim Terpstra, Vice-President (Ralph’s Greenhouse)
- Jimmy Kintzele, Treasurer (Southern Exposure Family Farm)
- Anna Chotzen, Secretary (Viva Farms)
- Griffin Berger (Sauk Farm)
- Vince Caruso (Caruso Farm)
- Mike Finger (Cedarville Farm)
- Anna Martin (Osprey Hill Farm)

**Committees**

Committees listed below are comprised of a board members, PSFHC staff, and farmer representatives.

**Marketing Committee**

The Marketing Committee meets as needed to address marketing and sales strategies, tactics and outreach to build brand awareness of the Puget Sound Food Hub Cooperative and its value propositions to increase sale and community engagement.

The current roster includes:

- Kai Ottesen, Hedlin Farms (Committee Chair)
- Mark Whims (Staff)
- Anna Chotzen, Viva Farms
- Tim Terpstra, Floret Flowers
- Janet Bauermeister, Red Shed Farm
- Hal Jackson, Hunter’s Moon Farm
- Cheryl Thornton, Cloud Mountain Farm Center

**Operations Committee**

The Operations Committee meets regularly to discuss business operations and logistics.

The current roster includes:

- Griffin Berger, Sauk Farm (Committee Chair)
- Colena Lamoreaux
- Harley Soltes, Bow Hill Blueberries
- Erik Olson, Well Fed Farm
Membership Committee
The Membership Committee meets regularly to review new farmer membership applications, provide information and education to members and production planning.

The current roster includes:
Vince Caruso, Caruso Farm (Committee Chair)
David Bauermeister (Staff)
Anna Martin, Osprey Hill Farm
Mike Finger, Cedarville Farm

Finance Committee
The Finance Committee meets regularly to discuss business finances and budgeting.

The current roster includes:
Jimmy Kintzele, Southern Exposure Family Farm (Committee Chair)
David Bauermeister (Staff)
Rob Smith, Viva Farms
Clay Godbolt, Hopewell Farm
Seller Eligibility Check-list

The Puget Sound Food Hub Cooperative's purpose is to grow market access and build economic sustainability for northwest Washington farms while increasing access to locally grown food. In an effort to ensure transparency and compatibility, all suppliers must meet the following eligibility requirements before selling online.

Before selling products through Puget Sound Food Hub Cooperative, farmers and ranchers must meet all of the seller eligibility requirements below. Please use check marks below indicating your farm and/or ranch meets each requirement, and provide documentation where required.

- Complete the Membership Subscription Agreement and pay $250 for one share of common stock. Only current, paying Northwest Washington member farms and ranchers are eligible to participate.
- Print, sign and return the Farmer and Rancher Commitment (page 27).
- Obtain a Master Business License (WA UBI) and any required Specialty Licenses. Farmers must be legally permitted to sell raw and value added agricultural products commercially. Apply for a Master Business License through the Washington State Department of Licensing (DOL). Specialty Licenses may be required in addition to a Master Business License for products such as eggs, cut flowers, and products sold by weight. Please provide the PSFHC Manager a copy of your Washington state business license.
- Follow WSDA marketing guidelines and have implemented quality production standards according to the size and scale. Reference the WSDA Small Farm and Direct Marketing Handbook.
- Print, sign and return a W-9 form for the current year.
- Have at least one year of commercial or wholesale experience prior to participating in the Puget Sound Food Hub Cooperative (i.e. direct to restaurants, institutions and/or grocers).
- Comply with current county, state and federal food safety requirements for product categories. Reference the WSDA Small Farm and Direct Marketing Handbook.
- Each farm shall provide copy of the certificate of coverage for a $1M/$2M policy. Please add as additional insured: Puget Sound Food Hub Cooperative, 419 South 1st Street, Suite 200 Mount Vernon, WA 98273-2924.
  If you are utilizing Cloud Mountain Farm Center as a drop site for your product, please also provide an additional insured certificate to them as well:
  Cloud Mountain Farm Center, 6906 Goodwin Road, Everson, WA 98247,
- If you have any certifications (GAP, Certified Organic, etc.) please provide a copy of these to the PSFHC Manager.
Return signed W-9 form, copies of WA UBI business and specialty licenses, certificate of insurance (copy of certificate of coverage with additional insured names added) to Puget Sound Food Hub, c/o NABC 419 S. 1st Ave. Ste 200, Mount Vernon, WA 98273, fax to 360-336-3751, or send electronically to bookkeeping@PugetSoundFoodHub.com.

After you complete these steps and submit your paperwork, the Membership Committee will review your application with the Board having the final decision to accept or reject it. Once a final determination is made, a PSFHC representative will contact you and, if approved, assist you in setting up a Producer account and provide training on how to revise/upload your product information into the online market website. We look forward to working with you!
Collaboration and Participation

How It Works

- Buyers establish an online account and a staff member reviews new Buyer accounts to confirm they are wholesale businesses and in our delivery area.

- Sellers add and update their own inventory, farmer profile and descriptions, pricing and availability

- PSFHC distributes a weekly fresh sheet by email (twice weekly during peak season) to customers reflecting offerings for sale that week and special deals.

- Buyers shop online through the Puget Sound Food Hub Cooperative’s website which uses a Local Food Marketplace platform. Buyers may order from multiple farms, compare products, and read farmer profiles including *Who*, *How*, and *Where* the food is produced - learn about each product, growing methods, certifications, and more

- Buyers place their order, choose a delivery date and pay one invoice online by credit card or purchase order (for qualifying customers only)

- Farms receive orders by email with delivery instructions

- Farms pick, pack and deliver ALL ORDERS to the Skagit Warehouse or Whatcom County drop site (Cloud Mountain Farm Center)

- The Puget Sound Food Hub Cooperative coordinates customer pick-ups and delivery into Seattle, San Juan, Skagit & Whatcom on Tuesdays, Wednesdays, and/or Fridays (depending on location)

- Products are labeled & delivered, the customers are billed in one invoice and farmers are paid weekly.

Product qualifications and origin

Food or floral products grown in Northwest Washington including vegetables, fruit, herbs, dairy, eggs, meat, poultry, grains, flours, dried beans and legumes, value-added products (jam, pickles, etc.) are acceptable.

All products should be produced and sold by the farmer or rancher seller and must bear the farm’s name on product labeling.

Co-packed products that are not of the farmer’s direct production must be approved by the Board in advance.

All products must be produced with a high standard of farming practices that are transparent and reflect a commitment to the integrity (health) of the land, water, animals and people.

All pre-sold orders must be inspected by the farm before bringing it to the hub for delivery. Products must be packed neatly in a new waxed or sturdy box, free of dirt and insects. The food hub does not own the product, nor does the staff open or repack contents inside boxes. There is no excuse for poor quality.
All processed foods must be made in a properly licensed processing facility, with all ingredients listed on product label (must follow FDA label requirements).

For value-added foods, 51% of the defining ingredient(s) in the product must be produced by the farmer selling it.

Meats must be processed at a USDA licensed facility and poultry must be processed at a USDA or WSDA licensed facility and be legal to sell to retail and wholesale buyers.

If shortages exist from inventory levels online PSFHC staff should be notified immediately for resolution and/or order adjustment.

Farm co-ops or associations may list products under one organizational name, however all farm members must be listed in the farmer profile with a primary point of contact established for hub communications and customer inquiries. Each product must be labeled with the actual name of the farm where the product was produced. Brokers are not allowed to sell other farm products through the Puget Sound Food Hub Cooperative.

**Production systems and related claims**

The buyer will decide which farm and farm products and select appropriately, based on their individual needs, resources and expectations.

Farmers should avoid making claims that cast doubt on the safety, healthfulness or nutritional content of products produced under systems other than their own.

Complaints or accusations of improper production practices or sourcing by others should be made to staff for resolution and should not be a part of the marketing of any producer.

All producer claims made regarding their production practices MUST be verified/explained fully (For example, the use of the word “natural” would need to be defined) to the buyer in your producer profile and product listings.

If products are sold as “organic” an appropriate and current certification must be posted and made available to PSFHC staff. All appropriate records shall be maintained.

Regardless of production practice, participating farmers shall make their farm available for inspection as needed.

If a farm has a food borne illness or is being investigated related to an illness outbreak, the farm must notify the Manager immediately by phone and by email.
Seasonality

It shall be the goal of the Puget Sound Food Hub Cooperative to operate 51 – 52 weeks a year, however there may be occasions, such as holidays or unforeseen events that require adjustment to the delivery schedule. All sellers will be notified by email in advance of any changes in delivery schedule.

Farmers should consider a mix of crops and products that will provide for market product diversity throughout the year and to increase their opportunity for sustained sales.

Farmers should consider a full complement of season extension tools and techniques, systems to allow for product storage (that retains quality), as well as value added products that offer shelf stability and a longer season of marketing, in order to take full advantage of the PSFHC as a marketing tool.
MARKETING SUPPORT & OPPORTUNITIES

The Puget Sound Food Hub Cooperative provides marketing, sales and outreach activities on behalf of the Hub. We encourage producers to take advantage of as many of these opportunities as possible. Below is a list of the tactics that the Hub uses to promote the Hub’s farms and a list of activities that farmers can do to maximize potential sales.

Food Hub Marketing on Behalf of Producers

- Food Hub website
- Weekly Fresh Sheets
- Buyer newsletter and communications
- Coordinated sales meetings with buyers
- Provide buyer groups for farmers to target – 10 buyers for initial sales contacts
- Pursue and engage opportunities with organizations such as: Eat Ballard, Edible Seattle, Sustainable Connections, Tate’s List, Seattle Tilth, Healthcare Without Harm, National Good Food Network Food Hub Collaboration, etc.
- Present to key groups such as: WSDA Farm to School, City of Seattle Farm to Table Partnership, Healthcare Without Harm, Bon Appetit Management Company, Compass, etc.
- Facilitate sales to large scale buyers looking to work with larger, more experienced growers. Some of these larger accounts do not utilize our online platform and PSFHC sales staff work directly with these customers, linking them to farms that meet their requirements (such as GAP Certification and consistent, large product quantities). Growers with ambitions to expand to large scale wholesale sales, please contact our Sales & Marketing Manager.
Marketing Activity Ideas:

1. Proactively communicate with food hub staff about sales goals, strategies for the farm
2. Orient the food hub staff and specifically distributors/drivers to the farm – location, history, products, people, animals, etc.
3. Provide robust farm and product descriptions on pugetsoundfoodhub.com
4. Provide suggestions to food hub staff for products to be featured on the Fresh Sheet
5. Keep food hub staff apprised of new products, products leaving, and special opportunities
6. Provide samples for buyers to be delivered by distributors/drivers -- as often as possible
7. Participate in Bon Appetit’s Farm to Fork program by completing their application and becoming pre-approved
8. Participate in coordinated sales visits with institutional or grocery buyers
9. Participate in conferences and presentations (Sustainable Connections, Tilth Conference, etc.)
10. Create relationships with buyers by sending personal notes, recipes and/or pictures with deliveries
11. Review buyers’ menus weekly and identify farm products to meet ingredient needs
12. Provide marketing materials specifically for Farm to School or Farm to Table child care centers – suggest kid friendly foods, offer information for staff to share with children about the farm, photos
13. Follow up with buyers after orders by email or phone call
14. Use PSFHC logo on farm marketing materials, including web and social media
15. Provide suggestions to hub staff for Facebook posts and newsletter topics
16. Post information about food hub to social media sites for the farm such as Facebook, Twitter, Instagram, etc.
17. Discuss possible institutional CSA’s with buyers
18. Discuss annual commitments with buyers
19. Invite buyers to guest author posts on farm blogs
20. Extend formal invitations to buyers to visit farm, volunteer, host staff gatherings
**Competition**

PSFHC provides many Producers and Buyers access to otherwise unavailable commercial and institutional markets and provides support for marketing, sales and outreach activities to Producers and Buyers on behalf of the PSFHC. We encourage Producers to take advantage of as many of these opportunities as possible to optimize sales. All those using the Hub benefit from the time, effort, and financial resources spent to build and maintain the Hub.

The PSFHC depends on consistency, honesty and cooperation from its farmer members in order to provide competitive, transparent, efficient and mutually beneficial services. To sustain and expand this system, the PSFHC and all its enrolled Producers and Buyers are asked to follow certain non-compete guidelines:

- All Producers and any individuals, businesses, or organizations with which they or their employees are in any way affiliated will sell their goods to PSFHC Buyers only through the PSFHC. Producers will not seek to create new business relationships with PSFHC Buyers for sales outside the PSFHC.

- All Buyers and any individuals, businesses, or organizations with which they or their employees are in any way affiliated will purchase goods sold by the PSFHC Producers only through the PSFHC. Buyers will not seek to create new business relationships with Hub Producers for sales outside the PSFHC.

- Producers and Buyers with an established history of doing business with each other prior to joining the PSFHC may continue transactions outside of the PSFHC, though they are encouraged to use the PSFHC instead.

- Variance from the above-listed guidelines could erode the value and viability of the PSFHC and its enrolled Producers and Buyers. Any Producer or Buyer who knowingly violates these guidelines may face an immediate and permanent termination of enrollment in the Puget Sound Food Hub Cooperative.

**Farm-Direct to the Businesses and Institutions**

The Puget Sound Food Hub Cooperative’s website format allows direct purchases from farmers whom the customers select and build a relationship with for repeat business. If your product does not look good or meet their expectations, or if they doubt that you produced it (for any reason) they will likely be customers lost forever!

PSFHC reserves exclusive oversight and publishing rights of all content on its website. You must refrain from making your product look better based on claims made against others. In this regard “others” means other farmers in the PSFHC or selling at the local farmers’ market but also the big box stores, “corporate/industrial” agriculture, foreign producers etc. *We cannot raise the bar by stepping on other farms.*

While there will be some funding to promote the PSFHC, it will be the ongoing responsibility of all involved (every member) to promote the PSFHC at every opportunity and to build a relationship between potential customers and their products. Let’s work together to increase all farm sales!
Listing Ideas

• Keep your farmer profile and inventory up to date and easy to understand with good pictures that clearly represent the products you offer.

• Follow-up with customers after a sale! The PSFHC is different than a traditional distributor. We want farms and buyers to have direct relationships. This helps to build capacity and keeps operational costs manageable. Make sure your customers appreciate that the work you do is important to you and that your customers are a priority to you.

• Talk with the Manager to offer periodic discounts, and product samplings. Encourage them to see you at your other points of sale, such as farmers’ market, roadside stand, farm market, etc. Invite Hub Managers to tour your farm and see your growing practices to that they can talk about your farm and products to potential buyers.

• Offer referral discounts if a repeat customer sends you someone new-communicate with Manager to apply customer discounts.

• Participate in PSFHC farm marketing events. The PSFHC has a full-time Sales & Marketing Manager that is developing a customer retention program that will include sellers and customers in farm tours, trade meetings, open houses, etc.

• Communicate with Customers about variable product size or quality if there is a relationship to the time of year, growing conditions etc.

• Let buyers know in advance when to expect your products: "Sweet corn will be ready in 2 weeks...stock up on the butter!"

• Be honest... Be transparent... Go the extra mile to demonstrate a commitment to customer service.

• Encourage your existing business customers to purchase from you through the Puget Sound Food Hub Cooperative. This way you can maintain and streamline your commercial and wholesale accounts, spend less time off the farm, save money and provide a great service to your customers.

Remember: Quality, honesty, professionalism and consistency make customers happy and individual farmers successful. Successful farmers and satisfied customers will make the Puget Sound Food Hub Cooperative successful for all. 

*It all starts with YOU!!!*
**Crop Diversity**

Season extension methods serve farmers well who participate in the PSFHC. Buyers are looking to source product beyond what is typically available during a typical Washington summer. Hoop house products, covered row crops are in high demand in the shoulder seasons through the PSFHC.

Grow products for the shoulder seasons, communicate with buyers in advance about demand for products; ask for estimations of volumes, talk about pricing.

Consider hardy greens, root crops like carrots, leeks, onions, parsnips, potatoes, beets, turnips, celeriac, garlic, shallots, winter squash and anything that can be stored for winter sales.

Also consider hoop houses or covered row tunnel crops.

Work with PSFHC to assess the following and consider growing what:

- you enjoy growing and gives you the greatest satisfaction
- grows well in your soil
- takes no more labor than you are able to commit to it
- provides you the greatest yields
- is in demand in the wholesale marketplace
- gives you the highest return to your inputs of land, labor and capital

**Puget Sound Food Hub Cooperative’s Pricing**

No one can or will price a farmer’s product for the PSFHC. All farmers determine their own pricing – the price you enter is what you get paid. There are websites that can provide current market prices but those are only a place to begin; they do not reflect your level of quality or production input costs. It is recommended that all farmers consider their production costs including labor, time and profit. Value your time and labor and remember that while you might take your product for granted, others place a high value on it.

Competition is healthy but it is important to know your costs and set your price with those costs in mind. Pricing your product so low that you cannot realistically recoup your input costs is not sustainable and should be avoided. In addition, undercutting prices of others will have a negative downward spiral impact on the PSFHC as a whole.

One of the goals of the PSFHC is to educate buyers about the true cost of food production so that they are understanding of, and more willing to pay appropriate prices for sustainably grown food.

You might expect prices to fluctuate somewhat though the season. It likely costs more to produce those first nice high tunnel tomatoes but as the bulk of the summer crop becomes available the price may well drop.
Membership Subscription Fee

The PSFHC is a farmer owned cooperative and a member driven organization. As such, each farmer member is required to complete a Membership Subscription Agreement and purchase one share of common stock for $250 to participate in the PSFHC.

Annual Dues

Annual dues are $100 for members and $150 for vendors. Dues are payable in January of each year.

Puget Sound Food Hub Cooperative Services

The operational costs of the PSFHC will in part be offset by a hub services markup associated with the gross value of the product sold by the farmer. Each transaction will include the cost of hub services based on a predetermined percentage of the gross sale. Hub services covers administration, bookkeeping, distribution services, cold and dry storage, food safety adherence, credit card/banking fees, communications, marketing and more.

It is also important to remember that since you may be investing less in marketing and distribution time by selling through the PSFHC that it will offset some of the PSFHC services cost. In addition, you are adding value for the customer through the convenience of online sales and delivery.

*The payment that the farmer receives from the PSFHC for their products will be the product unit price entered into the system.* The software builds a markup into the final customer price. This mark-up varies by product type. Contact PSFHC staff to determine the mark-up for each of your product types. This mark-up may increase or decrease in future years, but not without providing notice in advance to the farmer. It is important to note, as a cooperative committed to supporting sustainable agriculture, one goal of the PSFHC is to keep costs to farmers as low as possible and allowing the majority of the revenue to flow to the farmer. However, hub mark-up is what will pay for the services provided by the PSFHC.

Invoicing and Payments

The PSFHC is responsible for customer invoicing and payments initiated online for sales on behalf of the farmer. The PSFHC has no primary or secondary agreement of assuring payment to the farmer and is not responsible for bad debt. While many customers use credit cards, a handful of authorized buyers, including larger institutions, will pay by purchase order. Net payment terms may vary. PSFHC will issue payment by check to sellers weekly.
Warehouse Dry, Cooler and Frozen Storage

The PSFHC provides storage at its warehouse in Skagit County to member farmers. Prices are per pallet and are available in the non-refrigerated, cooler and freezer areas of the warehouse. Please note that the farmer is responsible for insuring all products stored at the warehouse – the PSFHC does not maintain insurance on stored farmer product. Storage prices vary based on type of storage – please contact the Operations Manager for more information.

Networking

While the PSFHC fosters the direct-from-farmer-to-customer model of transaction the quality of each grower reflects on every other grower. As the old saying goes, “A rising tide raises all ships.” If a customer receives poor quality goods or less than they ordered, they will not only associate it with that farmer but with all farmers in the PSFHC.

It is highly recommended that producers not only individually raise the bar but also work together, to network, share information and advice to increase local production, and help each other improve and grow when possible. Again, let’s work together to increase both quality and quantity of production!

Regulations and Food Safety

The PSFHC will abide by all applicable federal, state and local regulations. All sellers must complete and file all licenses and product liability insurance coverage required for seller participation. Please see the eligibility requirements checklist on page 6 of this document.

It is of great importance for farmers and ranchers to create a food safety and recall plan as part of their standard operating procedures. PSFHC aggregation and distribution sites have all filed HACCP plans for warehouse operations and logistics and the PSFHC has a Customer Complaint process in place. Farmers are ultimately responsible for any food recall but PSFHC will support the farmers any way we can.

It is HIGHLY recommended that all growers Courses and Workshops offered by organizations/agencies in our region and become familiar with food safety rules, regulations, and practices. These include FSMA (FDA Food Safety and Modernization Act) and GAP (Good Agricultural Practices). PSFHC works closely with the WSDA to ensure that the most up to date information about GAPs, Food Safety Modernization Act and other food safety regulations are followed.

In summary, the following standard operating procedures are required of all farmers delivering to the Puget Sound Food Hub Cooperative.
Policies on Growing Practices and Food Safety Standards

Members of the Puget Sound Food Hub Cooperative Members must comply with the policies contained herein. The intent of these policies is to preserve and enhance the PSFHC brand, product quality, and customer experience. Deviation from the guidelines below could erode the value and viability of the PSFHC and its members. Any Producer or Buyer who knowingly violates these guidelines may face corrective action.

SECTION 1: FOOD SAFETY

Members will follow the food safety guidelines adapted from the USDA Good Agricultural Practices and Good Handling Practices:

A. Agricultural Water
   1. Identify source and distribution of water used.
   2. Be aware of current and historical use of land.
   3. Review existing practices and conditions to identify potential sources of contamination. Consider practices that will protect water quality.
   4. Maintain wells in good working condition.
   5. Consider practices to minimize contact of the edible portion of fresh produce with contaminated irrigation water. Where water quality is good, risk is low regardless of irrigation method.

B. Processing Water
   1. Follow GMPs to ensure water quality is adequate at the start of and throughout all processes.
   2. Maintain water quality, such as by periodic testing for microbial contamination, changing water regularly, and cleaning and sanitizing water contact surfaces.
   3. Antimicrobial chemicals may help minimize the potential for microbial contamination to be spread by processing water; levels of antimicrobial chemicals should be routinely monitored and recorded to ensure they are maintained at appropriate levels.
   4. As organic material and microbial load increase, the effectiveness of many antimicrobial chemicals will decrease. Filtering recirculating water or scooping organic material from tanks may help reduce the build-up of organic materials.

C. Cooling Operations
   1. Maintain temperatures that promote optimum produce quality and minimize pathogen growth.
   2. Keep air cooling and chilling equipment clean and sanitary.
   3. Keep water and ice clean and sanitary.
   4. Manufacture, transport, and store ice under sanitary conditions.
D. Manure and Municipal Biosolids
   1. Use treatments to reduce pathogens in manure and other organic materials. Treatments may be active (e.g., composting) or passive (e.g., aging).
   2. Manure treatment and storage sites close to fresh produce fields increase the risk of contamination.
   3. Consider factors such as slope and rainfall and the likelihood of runoff into fresh produce production areas.
   4. Use barriers or physical containment to secure storage and treatment sites.
   5. Protect treated manure from being re-contaminated.
   7. Maximize the time between application of manure to production areas and harvest.
   8. Use of raw manure on produce during the growing season is not recommended.

E. Animal Feces
   1. Domestic animals should be excluded from fields and orchards during the growing and harvesting season.
   2. Follow GAPs to ensure animal waste from adjacent fields, pastures, or waste storage facilities does not contaminate fresh produce production areas. Where necessary, consider physical barriers such as ditches, mounds, grass/sod waterways, diversion berms, and vegetative buffer areas.
   3. Control of wild animal populations may be difficult or restricted by animal protection requirements. However, to the extent feasible, where high concentrations of wildlife are a concern, consider practices to deter or redirect wildlife to areas where crops are not destined for fresh produce markets.

F. Worker Health and Hygiene
   1. Train employees to follow good hygienic practices.
   2. Establish a training program directed towards health and hygiene – include basics such as proper handwashing techniques and the importance of using toilet facilities.
   4. Offer protection to workers with cuts or lesions on parts of the body that may make contact with fresh produce.
   5. If employees wear gloves, be sure the gloves are used properly and do not become a vehicle for spreading pathogens.
G. Sanitary Facilities
   1. Poor management of human and other wastes in the field or packing facility increases the risk of contaminating fresh produce.
   2. Be familiar with laws and regulations that apply to field and facility sanitation practices.
   3. Toilet facilities should be accessible to workers, properly located, and well supplied.
   4. Keep toilets, handwashing stations, and water containers clean and sanitary.
   5. Use caution when servicing portable toilets to prevent leakage into a field.
   6. Have a plan for containment in the event of waste spillage.

H. Field Sanitation
   1. Clean harvest storage facilities and containers or bins prior to use.
   2. Take care not to contaminate fresh produce that is washed, cooled, or packaged.
   3. Use harvesting and packing equipment appropriately and keep as clean as practicable.
   4. Assign responsibility for equipment to the person in charge.

I. Packing Facility
   1. Remove as much dirt as practicable outside of packing facility.
   2. Clean pallets, containers, or bins before use; discard damaged containers.
   3. Keep packing equipment, packing areas, and storage areas clean.
   4. Store empty containers in a way that protects them from contamination.

J. Pest Control
   1. Establish and maintain a pest control program.
   2. Block access of pests into enclosed facilities.
   3. Maintain a pest control log.

K. Transportation
   1. Good hygienic and sanitation practices should be used when loading, unloading, and inspecting fresh produce.
   2. Inspect transportation vehicles for cleanliness, odors, obvious dirt and debris before loading.
   3. Maintain proper transport temperatures.
   4. Load produce to minimize physical damage.
L. Traceback

1. Develop procedures to track produce containers from the farm, to the packer, distributor, and retailer.
2. Documentation should indicate the source of the product and other information, such as date of harvest, farm identification, and who handled the produce.
3. Growers, packers and shippers should partner with transporters, distributors and retailers to develop technologies to facilitate the trace back process.

Once good agricultural and management practices are in place, ensure that the process is working correctly. Without accountability, the best efforts to minimize microbial contamination are subject to failure.

SECTION 2: PRODUCT HANDLING AND PACKAGING

In addition to the GAP-based guidelines, PSFHC further requires its Members to follow the product handling and packaging practices as stated in the Puget Sound Food Hub Guide for Farmers:

A. Product Handling

1. Only potable water free of pathogenic organisms may be used for washing produce. Impurities in the water can drastically alter the effectiveness of a detergent or a sanitizer.
2. Manufacturer’s instructions must be strictly followed when using sanitizers, chemicals or additives.
3. Harvesting containers must be made of non-toxic materials and constructed so they can be easily cleaned and sanitized.
4. Harvesting containers should be discarded when cleaning becomes difficult or when damaged such that they might break and pieces fall into the produce.
5. Harvesting containers that have been in direct contact with soil, mud, compost or fecal material should not enter the receiving or processing facility at any time.
6. The ceiling over the processing and packing area must remain free of leaks and condensate.
7. Packaged product must be transported to the PSFHC in a clean, dry and sanitary environment. Transport sanitation must be checked before fresh fruits or vegetables are placed in the unit.

B. Product Packaging

1. Product delivered to the PSFHC must be packaged in a new, unused box or clear plastic bag or a sanitized reusable box. The PSFHC recommends lining boxes with vented plastic liners to protect product.
2. Boxes with openings on the top of the box must be covered with clean butcher’s paper or cardboard.

3. Plastic bags may be used to package appropriate products such as bulk root crops. Products such as leafy greens do not hold up well in plastic bags during transport. The PSFHC will not be responsible for product damage or quality issues arising from packaging products in plastic bags.
   a. Bags must be clean when delivered to the PSFHC.
   b. Bags must be thick enough to protect the product from exposure to contamination, and must be securely tied to prevent spillage.
   c. Bags must be new, with plastic clear enough so the product is discernable through the bag.
   d. Bags must be sized to fit easily within a PSFHC reusable crate.
   e. Bags must contain a label that meets all PSFHC labeling standards.

4. Packaging must protect the product from exposure to contamination from:
   a. foreign objects
   b. pathogens
   c. allergens from other products.

5. All products must be packaged in bags, boxes or flats that prevent spillage. PSFHC will not be responsible for product that freely spills out of boxes. Farmer is responsible for any product spillage in addition to damage or contamination of other farmers’ products.

6. To prevent cross-contamination of allergens, packages with allergens must not be placed over packages without each of those allergens.

7. The PSFHC will not deliver boxes or bags that have been torn or damaged exposing the contents.

8. Certified organic products must not come in contact with a used box or liner.

9. Certified organic produce must be handled in a way that does not risk cross contamination or co-mingling of organic products with non-organic products.

SECTION 3: PRODUCT QUALIFICATIONS AND PRODUCTION SYSTEMS

To ensure a consistent and high quality buyer experience, producers must also follow the practices and product qualifications outlined in the Puget Sound Food Hub Guide for Farmers:

A. Product qualifications and origin

1. Food or floral products grown in Northwest Washington including vegetables, fruit, herbs, dairy, eggs, meat, poultry, grains, flours, dried beans and legumes, value-added products (jam, pickles, etc.) are acceptable.

2. All products should be produced and sold by the farmer or rancher seller and must bear the farm’s name on product labeling.
3. Co-packed products that are not of the farmer’s direct production must be approved by the Board in advance.

4. All products must be produced with a high standard of farming practices that are transparent and reflect a commitment to the integrity (health) of the land, water, animals and people.

5. All pre-sold orders must be inspected by the farm before bringing it to the hub for delivery. Products must be packed neatly in a new waxed or sturdy box, free of dirt and insects. The food hub does not own the product, nor does the staff open or repack contents inside boxes. There is no excuse for poor quality.

6. All processed foods must be made in a properly licensed processing facility, with all ingredients listed on product label (must follow FDA label requirements).

7. For value-added foods, 51% of the defining ingredient(s) in the product must be produced by the farmer selling it.

8. Meats must be processed at a USDA licensed facility and poultry must be processed at a USDA or WSDA licensed facility and be legal to sell to retail and wholesale buyers.

9. If shortages exist from inventory levels online, DO NOT find alternate product from producers outside the PSFHC, wholesalers, or retailers to fill the order from a secondary tier or brokers. The Operations Manager should be notified immediately for resolution and payment accounting.

10. Farm co-ops or associations may list products under one organizational name, however all farm members must be listed in the farmer profile with a primary point of contact established for hub communications and customer inquiries.

B. Production systems and related claims

1. The buyer will decide which farm and farm products and select appropriately, based on their individual needs, resources and expectations.

2. Farmers should avoid making claims that cast doubt on the safety, healthfulness or nutritional content of products produced under systems other than their own.

3. Complaints or accusations of improper production practices or sourcing by others should be made to the Manager for resolution and should not be a part of the marketing of any producer.

4. All producer claims made regarding their production practices MUST be verified/explained fully (For example, the use of the word “natural” would need to be defined) to the buyer in your producer profile and product listings.

5. If products are sold as “organic” an appropriate and current certification must be posted and made available to the Manager. All appropriate records shall be maintained.
6. Regardless of production practice, participating farmers shall make their farm available for inspection as needed.

7. If a farm has a food borne illness or is being investigated related to an illness outbreak, the farm must notify the Manager immediately by phone and by email.

SECTION 4: DISTRIBUTION FULFILLMENT

The reputation and business value of the Puget Sound Food Hub Cooperative relies on Member commitment to participation and consistently excellent customer service.

- Producer Members who receive a valid order from a Buyer MUST deliver the product, as advertised, in a timely fashion, and per PSFHC guidelines and policies.

- If the Producer cannot, for whatever reason, deliver the order in whole or in part, the Producer MUST communicate the issue immediately to the PSFHC Operations Manager.

- The Producer MUST make every attempt to fill the order as sold and described by finding alternate suppliers, or modify the order if necessary, and make every attempt to find a resolution to the customer’s satisfaction.

- It is the Producer’s responsibility to work with and communicate all changes to their customer, and keep PSFHC up-to-date on developments and resolutions.

SECTION 5: NON-COMPETE GUIDELINES

The PSFHC depends on consistency, honesty and cooperation from its farmer members in order to provide competitive, transparent, efficient and mutually beneficial services. To sustain and expand this system, the PSFHC and all its enrolled Producers and Buyers are required to follow certain non-compete guidelines:

- All Producers and any individuals, businesses, or organizations with which they or their employees are in any way affiliated will sell their goods to PSFHC Buyers only through the PSFHC. Producers will not seek to create new business relationships with PSFHC Buyers for sales outside the PSFHC.

- All Buyers and any individuals, businesses, or organizations with which they or their employees are in any way affiliated will purchase goods sold by the PSFHC Producers only through the PSFHC. Buyers will not seek to create new business relationships with Hub Producers for sales outside the PSFHC.

- Producers and Buyers with an established history of doing business with each other prior to joining the PSFHC may continue transactions outside of the PSFHC, though they are encouraged to use the PSFHC as an alternative.
Membership Communication and Corrective Action Policy

As stated in the organizational By-Laws of the PSFHFC, the Board reserves the right to deny membership to applicants or to terminate the membership of existing Members if it is determined that the Member in question is ineligible for membership, has conducted activities contrary to the best interests of the cooperative, has violated the terms of the cooperative’s certificate of incorporation, or the PSFHFC By-Laws, or the PSFHC Product Management and Member Obligation Policies. Violations of the policies may erode the value and viability of the PSFHC and its enrolled Producers and Buyers.

If the cooperative has reason to believe a member is no longer a producer of agricultural products, has ceased to be a current and active patron of the cooperative, or for any other reason no longer meets the qualifications for membership, then the cooperative shall notify the member that membership status is under review.

- The Member will receive a written notice of the ineligibility

Any Producer or Buyer who knowingly violates PSFHC policies and guidelines may face permanent temporary or permanent expulsion and termination of enrollment in the PSFHFC, through the process outlined in the organizational by-laws and below.

- The first offense shall be met with a written warning disclosing the nature of the violation.
- The second offense shall be met with a written description of the violation, full disclosure of the evidence, and suspension of the Member’s online sales account for a period of 14 days.
- The third offense shall be met with a written description of the violation and full disclosure of the evidence, and will initiate a hearing before the PSFHFC Board of Directors where the Member will have the opportunity to present a defense. The hearing will be held no less than 30 days following written notice being provided to the Member. Following the hearing, the Board of Directors will elect to retain or terminate the Member’s enrollment in the PSFHFC.

- Terminations proceed in the manner outlined in the organizational by-laws.
- The Board’s decision may include eligibility for terminated Members to re-apply for membership after a specified waiting period, at the discretion of the Board.
- At any stage prior to termination, the Member retains the right to present evidence to defend their actions for consideration by the Board, and access to evidence of the alleged violation.

Member termination is a matter not to be taken lightly, and will be entertained only as a last resort. In keeping with the reputation of cooperatives in observing ethical business practices, Directors must at all times exercise fair play, impartiality, and employ due process as outlined in the organizational by-laws and policy disciplinary and expulsion provisions. These actions must be taken only upon a two-thirds (2/3) majority vote of the Directors.
CONTACT INFORMATION

General Inquiries, Administration, Billing, Technical Assistance:

Billing Address:  P.O. Box 2924, Mount Vernon, WA 98273   Fax 360-336-3751

- General Inquiries        info@pugetsoundfoodhub.com
- David Bauermeister, General Manager       David@agbizcenter.org 360-428-7106

Operational, Aggregation and Distribution Assistance:

PSFHC Distribution Warehouse, 15612 Best Road, Mount Vernon, WA 98232

- Colena Lamoreaux, Operations Manager   Colena@pugetsoundfoodhub.com 360-428-7106

Sales and Marketing Assistance:

PSFHC Distribution Warehouse, 15612 Best Road, Mount Vernon, WA 98232

- Mark Whims, Sales Manager       Mark@pugetsoundfoodhub.com 206-747-5418
- Cat Olson, Customer Service Associate   Cat@Pugetsoundfoodhub.com 360-428-7106

Bookkeeping:

- Rachel Johnson, Bookkeeper       Bookkeeping@Pugetsoundfoodhub.com 360-428-7106

Farm aggregation and Drop Site for Whatcom County:

Cloud Mountain Farm Center, 6906 Goodwin Road, Everson, WA 98247

- Cheryl Thornton   Cheryl@pugetsoundfoodhub.com 360-815-4343

Note: Please Contact Warehouse Supervisor for Hub operational and technical assistance. CMFC is a drop site and not responsible for PSFHC operational or technical assistance.
Puget Sound Food Hub Cooperative
Farmer and Rancher Commitment

The Puget Sound Food Hub Cooperative is committed to supporting Washington farmers. All farms participating in the Puget Sound Food Hub Cooperative have individually made a public statement about the standards of their farming practices and have received the "Guide for Farmers".

☐ Pledge

By signing this pledge I agree to the Rules of Collaboration and Participation and verify that all farm information I have provided to the Puget Sound Food Hub Cooperative about our farm operations in our Producer Profile and Product Descriptions is complete, accurate, true and valid. For certification claims, I have provided complete, appropriate and current information and documentation. As a participating farm I fully understand that any knowing inaccuracy or failure to provide complete, proper and updated information and documentation will jeopardize my access to the Puget Sound Food Hub Cooperative's distribution channels and participation in food hub related activities.

☐ Agreement to Terms and Conditions

I agree that I have read and understand the Puget Sound Food Hub's "Guide for Farmers" and agree to the terms and conditions outlined. I also understand that farms own their product through the supply chain and is at no time owned by the Puget Sound Food Hub Cooperative.

________________________________________   __________________________________
Farm Name        Signors Name        Date

______________________________________________
Signature
PUGET SOUND FOOD HUB COOPERATIVE
MEMBERSHIP SUBSCRIPTION AGREEMENT

WHEREAS PUGET SOUND FOOD HUB COOPERATIVE, (hereinafter "Food Hub") has incorporated as a cooperative association under the laws of the State of Washington for the purpose of facilitating the sale of agricultural products produced by its members through marketing, aggregation, and distribution of the same; and

WHEREAS the undersigned (hereinafter "Subscriber") seeks to become a member of Food Hub for the purpose of participating in the said system of cooperative marketing, aggregation and distribution as to Subscriber’s agricultural products, and

WHEREAS Subscriber is willing to acquire one share of common stock in Food Hub required to become a member of Food Hub on the terms and conditions set forth below;

IT IS AGREED as follows:

1) Subscriber will acquire one share of common stock in the Food Hub for the price of Two Hundred Fifty Dollars ($250.00). Upon (and only upon) payment of the purchase price in full, Subscriber shall be entitled to one non-cumulative vote in the affairs of the Food Hub as provided in its governing documents. The Food Hub, through its Board of Directors, will establish policies with regard to refund of this share purchase price should Subscriber withdraw as a member at a later date,

2) Subscriber has received and reviewed the Food Hub “Guide for Farmers and Ranchers”, ("The Guide") the provisions of which are incorporated herein by this reference, and agrees that it will comply with the provisions and requirements of the same, as well as other requirements established by the Board of Directors of the Food Hub for its members.

3) As a further condition of this Subscription, at the time subscriber signs and submits this Subscription Agreement, Subscriber shall also submit to Food Hub a signed copy of the “Farmer and Rancher Commitment Form” contained in The Guide.

4) The agricultural products Subscriber will produce as a member are:

___________________________________________________________________________
___________________________________________________________________________

DATED this __ day of _____________________, 20______.

Subscriber Farm: _______________________

_________________________________________ <Signature>

Print Name: ___________________________

Address: ______________________________

E-mail: _______________________________
DIRECT DEPOSIT FORM FOR PRODUCERS

Instructions
Producer: Please fill out form and return to Puget Sound Food Hub Cooperative.

This document must be signed by Producer Members requesting automatic deposit of producer payments and will be retained on file by Puget Sound Food Hub Cooperative. Please attach a voided check for your account to help verify your account numbers and bank routing numbers.

Account Information
Account type: □ Checking   □ Savings

Name of Bank: _______________________________________

Bank routing number (ABA number): _______________________________________

Account number: _______________________________________

Please attach a voided check for the account

Authorization
This authorizes Puget Sound Food Hub Cooperative to send credit entries (and appropriate debit and adjustment entries), electronically or by any other commercially accepted method, to my (our) account(s) indicated below and to other accounts I (we) identify in the future (the “Account”). This authorizes the financial institution holding the Account to post all such entries. I agree that the ACH transactions authorized herein shall comply with all applicable U.S. Law. This authorization will be in effect until Puget Sound Food Hub Cooperative receives a written termination notice from myself and has a reasonable opportunity to act on it.

Business Name: ______________________________________________

Owner/Agent Name: ___________________________________________

Address: ____________________________________________________

City: ______________________ State: ________  Zip: ________________

Phone: ____________________ Email: ____________________________

Authorized signature: __________________________________________

Date: _______________________________________________________

Rev 1/28/2019