

HILLSBOROUGH, NC – GROWING LOCAL FOOD BUSINESSES

STRENGTHENING FOOD ENTREPRENEURSHIP IN NORTH CAROLINA'S PIEDMONT

Since its beginnings as a four-county endeavor, the Piedmont Food and Agricultural Processing Center (PFAP) has had local and regional food systems impact at the heart of its conceptual and operational framework. Envisioned as a collaboration between Alamance, Chatham, Durham, and Orange Counties, PFAP is now organized as a non-profit food business incubator with 28 food-related businesses using the space for preparation, processing, and packaging.

The 28 businesses currently utilizing the facilities and services of PFAP include 7 mobile food companies, 6 caterers, and 15 food manufacturers. The facility's 24-hour availability serves the early morning and late night needs of food trucks while supporting the workday scheduling needs of food manufacturers. Products coming out of PFAP vary from the artisan pickles offered by Kyookz (<https://www.facebook.com/kyookz.artfullypickled>) to local frozen produce packaged by Seal the Seasons (<http://www.sealtheseasons.com/>) to the award-winning barbeque sauce made by Smokey Dave's (<http://mysmokeydavesbbq.com/>).

The extensive facility offerings available at PFAP include four certified kitchens, two coolers, a sub-zero freezer and office space for new and existing food businesses. The non-profit does more than just offer space and equipment in its commercial commissary kitchens, however. PFAP offers technical assistance in the form of product development services, business consultations, and training.



Piedmont Food & Agriculture Processing Center in Hillsborough, NC.

Much like any start-up or small business, entrepreneurial food ventures often encounter a steep learning curve. In addition to developing a successful product, young and growing food ventures must manage accounting, healthcare, and food safety certifications. "The importance of management is often overlooked," says PFAP's Executive Director Eric Hallman. Through their facility offerings and technical services, Hallman remarks that "PFAP supports its clients when the auxiliary power of ribbon-cutting ceremonies and initial excitement goes away."

In addition to the initial multi-county support, PFAP has also benefited from the grant funding of Golden Leaf Foundation, NC Agricultural Development & Farmland Preservation Trust Fund, NC Department of Agricultural & Consumer Services, NC Department of Commerce, RAFI-USA, Tobacco Trust Fund, and the U.S. Department of Housing & Urban Development.

With the recent addition of Eric Hallman as Executive Director of PFAP, the food business incubator is successfully expanding its client base and further developing the local food system infrastructure. Within the past six months alone, from January 2016, the facility has grown its client base from 20 to 28 vendors, with several more anticipated in the coming months.

RETAIL GROCERY DRIVES DEMAND & SUPPORT FOR LOCAL FOOD BUSINESSES

The idea for a local food and agricultural processing center was initiated with a feasibility study funded by Weaver Street Market and Whole Foods in 2007. The area retail grocers had identified the need for a food business incubator space to better support the growth and development of food entrepreneurs – the very businesses which the retailers knew their customers were interested in supporting with their grocery purchases.

Startups face unique challenges that can prove to be insurmountable for many young businesses. PFAP is strategically positioned to support the food entrepreneur by addressing some of these early challenges. Critical to any food related business is the amount of regulatory demands placed on the business in the name of food safety and public health.

Enlisting the facilities and resources available at PFAP not only affords the growing food businesses the time that would have otherwise been devoted to ensuring their facilities are compliant with all regulations, it also allows for lower financial burdens.



**PIEDMONT FOOD & AG
PROCESSING CENTER**
HILLSBOROUGH, NORTH CAROLINA

Professional grade kitchen equipment can incur paralyzing sunk costs for the startup food business. In addition to regulatory demands and equipment needs, new food businesses must also manage an impressive list of other logistical items. PFAP offers critical support to expand the operational capacity of local food businesses.

MAKING THE CONNECTION BETWEEN FOOD BUSINESSES & FARMS

The mission of PFAP is twofold, however, as the organization's mission highlights its objective "to improve the local agricultural economy by enabling farmers and entrepreneurs to start and grow agricultural product businesses." The non-profit is not simply focused on food entrepreneurs - PFAP is committed to advocating for local farmers.



Kyookz, a local pickle product, made at PFAP.

PFAP works to cultivate supply chain linkages to better connect its entrepreneurs with local farmers. In fact, Seal the Seasons – one of PFAP's anchor tenants, whose flash freezing process puts small farmers in local grocery store freezer cases – starts any farm partnership with a tour and personal visit with the farmer in order to better incorporate the farmers' stories into their packaging and company model.

For this and other food system efforts to flourish and reach their full potential to affect a robust local food economy, local governments, regional councils, planners, and economic developers must support and thoughtfully engage with the entire local food system. Orange County is a great example of local government support for these kinds of infrastructure projects – PFAP is integrated into the County's economic development work with Orange County acting as landlord to the PFAP facilities.


Mike Ortosky, Agricultural Economic Developer of Orange County, remarks that "PFAP is filling in the 'missing middle' of local food infrastructure." Though Ortosky also recognizes that "if there's not a young generation willing to farm and confident that they can make a living doing so," then the food ventures housed within PFAP

will not have the local supply of produce to remain in operation. In recognition of the need for a systemic approach to a local food economy, Orange County also offers agricultural economic development grants and farm enterprise workshops for aspiring farmers through its PLANT Farm Enterprise Incubator.

PFAP creates a space for new and existing food entrepreneurs, yet they continue to face challenges in making sure the incubator develops prepared, business-ready entrepreneurs. They're beginning to work with local small business development agencies to better tailor their services for the local food industry and are growing their structural support with offerings like monthly business seminars to connect people with resources outside PFAP. Both Hallman and Ortosky emphasized the importance of business support services and policy environments that allow for these businesses to continue as valuable assets to local and regional economies.

Space and equipment available! Know a local food manufacturer, caterer, or food truck in need of space to operate and grow? Contact Piedmont Food and Agricultural Processing facility at (919) 241-4212 or info@pfapnc.org.

MORE INFORMATION

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NC GROWING TOGETHER PROJECT: RESILIENT LOCAL FOOD ECONOMIES INITIATIVE

Local economies benefit in a number of ways from revitalizing small agriculture and food entrepreneurship in their communities. Local governments, regional councils, and planners and economic developers have a unique opportunity to support the recruitment, retention, and expansion of area businesses through local agriculture efforts, and to build stronger and more resilient communities. NCGT supports those efforts by providing resources, and tools for local governments and small business assistance providers across the state. For more information, contact Emily Edmonds, NCGT Extension & Outreach Program Manager, at Emily.Edmonds@ncsu.edu or 828.399.0297.

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