

Frequently Asked Questions

1. What is the purpose of Farmhand Foods?

North Carolina farmers face numerous challenges when it comes to marketing their products locally. This is particularly true for smaller-scale pasture-based livestock farmers interested in selling meat to larger, wholesale markets throughout the state. Individually, these farmers rarely have sufficient volume or year-round availability to provide wholesale markets with consistent supply. In addition, North Carolina lacks the processing infrastructure needed to best utilize whole animals and to scale the supply of local, pasture-raised meats. Farmhand Foods is helping to address these issues and aims to re-build the supply chain for local meats—supporting the lost art of butchery and creating value-added products that utilize all parts of the animal.

There is a pressing need for more businesses acting in the middle to aggregate, distribute, and market local foods, particularly meat. Farmhand Foods allows North Carolina's pasture-based livestock producers to focus on what they do best – raising animals humanely, outdoors on pasture, without the use of antibiotics or added hormones – while we focus our passion and expertise on marketing and distribution.

2. What is the history behind Farmhand Foods?

Farmhand Foods is an outgrowth of NC Choices (www.ncchoices.com), a Center for Environmental Farming Systems (CEFS) (www.cefs.ncsu.edu) initiative. With support from the W.K. Kellogg Foundation, CEFS launched NC Choices in 2003 to help grow market opportunities for the state's pasture-based pork producers. Through its work with farmers, chefs, retailers, slaughter facilities, and research and extension personnel, CEFS identified the need for a NC-based business to work directly with small-scale farmers and processors to help market and distribute pasture-based meat products. For the past two years CEFS has incubated Farmhand Foods, supporting the business development process. This included NC Choices'

participation in several business development programs offered through the University of North Carolina's Kenan-Flagler Business School, including the Business Accelerator for Sustainable Enterprise (BASE) and the Launching the Venture curriculum.

3. What is unique about the Farmhand Foods brand?

The Farmhand Foods brand is built on three guiding principles:

- Respect We value farmers as the foundation of the local meat supply chain
 and engage them as active participants and beneficiaries in our business.
 We chose to structure as an LLC precisely because it will allow us to engage
 in profit-sharing and other incentive programs with our farmers and other
 business partners.
- **Transparency** We trace our meat products back to the individual farmer so that consumers can know precisely where their food comes from and how it was raised. As a business, we strive for positive environmental, social and fiscal outcomes and measure our impact accordingly.
- **Partnership** We seek to establish mutually beneficial relationships across the supply chain. We promote the farmers, processors, customers and allied businesses that we work with.

4. Who owns Farmhand Foods?

Farmhand Foods, LLC is owned by Jennifer Curtis and Tina Prevatte. Jennifer and Tina previously worked with CEFS as consultants to manage the business development process that created Farmhand Foods. They decided to become business partners when it became clear that they could only take the business development process so far as a project of CEFS. Farmhand Foods needed to be an independent business with owners in order to buy and sell meat. Due to their unique backgrounds and their involvement with Farmhand Foods from its very earliest stages, Jennifer and Tina have the expertise, professional networks and passion necessary to successfully scale the business.

5. Where does Farmhand Foods source its meat?

Farmhand Foods purchases live animals from North Carolina farmers who raise animals humanely, outdoors on pasture, without the use of antibiotics or added hormones. To ensure a consistent volume and quality of meat, Farmhand Foods is building a network of pork and beef producers. We "co-brand" with each producer in our network and highlight their farm as a part of our market outreach. Farmers in our network are paid a premium price (e.g., currently 40% above commodity prices for pork). When the company realizes a profit we will pay our producers incentive-based profit-sharing payments.

6. Who are Farmhand Foods' advisors?

Farmhand Foods is launching with support from a variety of organizations and individuals. The following individuals comprise our formal Advisory Board:

- Richard Holcomb, Coon Rock Farm & Owner of Zely & Ritz Restaurant
- Rick Larson, Director of Sustainable Ventures, Natural Capital Investment Fund
- Henry McKoy, NC Assistant Secretary of Commerce for Community Development
- Lee Menius, Wild Turkey Farms & NC Choices Technical Services Coordinator
- John O'Sullivan, Farm Marketing Specialist & CEFS Director from NCA&T
- Mark Overbay, Marketing & Communications Manager, Counter Culture Coffee
- Matt Poore, NCSU Beef Extension Specialist & CEFS Beef Unit Coordinator
- Andrea Reusing, Chef & Owner, Lantern Restaurant
- Arion Thiboumery, Lorentz Meats & Co-Director of Niche Meat Processors Assistance Network.

7. Who are Farmhand Foods' funders and investors?

Farmhand Foods' launch would not be possible without grant funding from:

- The **NC Rural Center**'s Economic Innovation Program, providing marketing support and operating capital to purchase animals from farmers.
- The **NC Tobacco Trust Fund**, providing marketing support and operating capital to purchase animals from farmers.
- The W.K. Kellogg Foundation, providing business start-up and personnel support.

Equity investments in Farmhand Foods have been made by owners Jennifer Curtis and Tina Prevatte, their friends and family.

8. Is there anything unique about the Farmhand Foods business incubation process?

No. North Carolina takes pride in its aggressive investment in businesses that shape our state. Every day, strategic investments are made in infrastructure, institutions, and human capital. State support includes tax incentive packages for businesses to locate here and business development grants through the Office of Science and Technology Small Business Program (see http://www.ncscitech.com/grants.htm).

The University system plays a crucial role in supporting the research and development phase of business incubation. A prime example is NCSU's Industrial Extension Service, which provides entrepreneurial support services to help commercialize products and processes in fields such mold cultures, software development, wireless telecommunications applications and biotechnology (http://techincubator.ncsu.edu/index.htm).

In a similar fashion, public support for the incubation of Farmhand Foods demonstrates an investment in a homegrown business with a social mission that can help advance opportunities for family farmers and revitalize rural economies.