



VALUE ADDED ASSET
Inventory & Assessment



KAT JOHNSON
Floyd Grown Project Consultant



540-835-3563 | Katthefarmer@gmail.com | 407 Diamond Knob, Check VA

Introduction

This research was compiled by Kat Johnson acting as a consultant for the *Floyd Grown Project*- a joint initiative of partners including Floyd County Economic Development Authority, VDACS, DHDC, Floyd County Tourism, New River Valley Regional Commission and The Town of Floyd. The overarching goals of *Floyd Grown* is to help small businesses in agriculture, food and forestry related ventures grow. This multi-faceted project will inventory local assets, provide technical assistance, grants, and research ways to support small business owners and economic development.

This report aims to:

1. Develop inventory of value added spaces available for short term lease
2. Map the facilities
3. Circulate for review and comment
4. Identify recommendations on value-added infrastructure needs and best/potential solutions

Definition of Value Added

For the purposes of this inventory we are looking at rental spaces wherein activities such as the following can be carried out: cleaning, cutting, cooling, processing, distributing, cooking, combining, churning, culturing, grinding, hulling, extracting, drying, smoking, handcrafting, spinning, weaving, milling, labeling, storing, distributing or packaging of an agricultural product in such a way that the market value is enhanced by doing so.

Methodology & Scope

The list of assets was compiled through varied sources including web searches, word of mouth recommendations, calls to business owners, nonprofit leaders, Virginia Cooperative Extension Agents and farm associations. Additional contacts were made to local government agencies including VDACS, USDA, FDA, neighboring counties and Chambers of Commerce. Existing research conducted by Extension, SARE, and private consultants in North Carolina and Virginia was also used. The assets included only represent a geographic area that is one hour drive time from downtown Floyd VA. However, exceptions have been made for those just beyond this limit when their services were compelling to the research.

Value Added facilities included in this database are grouped in a framework adapted from Smithson Mills Center.

1. **Processing Centers**
Regional value-added food processing centers, which are large, provide a wide range of advanced equipment for value-added food processing, catering and co-packing at higher volumes.
2. **Shared-use community kitchens**
Typically rather small, provide limited cooking and value-adding food processing lines to local food entrepreneurs. These projects are often housed at existing community centers and typically have less than 3,000 square feet of space.¹ These are kitchens that either have or *qualify for* the level of inspection to be able to support the creation of products for resale.
3. **Agricultural Processing Centers**

¹ Smithson Mills Center, 2007

Shared-use agricultural processing facilities are designed for use by farmers for collective grading, processing and packaging of farm produce. Ag processing centers include meat processing, distribution, packing facilities, cold storage facilities and may include food hubs.

4. **Non-Commercial Processing Centers**

Community assets available for processing but not certified or eligible for commercial production. Ex: Community Canneries.

5. **Ad Hoc Rentals & Resources**

These are rental facilities and services provided in our geographic area that could be useful for value chain enhancement but are not necessarily created to support entrepreneurs.

Facilities Database

Value Chain Asset Map Available [HERE](#)

This map shows the photos of the facilities, geographic location, contact info, certification and a description

Spreadsheet Database Available [HERE](#)

This spreadsheet has more thorough information on equipment, links to documents, some floor plans, rental agreements etc. Those who answered the online survey are represented here. When a survey response was not possible to attain, answers were inserted to the best of our knowledge based on web resources and word of mouth.

Google Folder [HERE](#)

Contains documents collected by this research, helpful lists prepared by others, and studies referenced here.

Processing Centers

- ***Carroll County Cannery***
Acidified and Low Acid Canned Goods
 - 497 Farmers Market Rd, Hillsville, VA 24312
 - 276-728-7571Fully equipped and busy commercial cannery operating seasonally for the processing of items for home use as well as resale.
Certifications: FDA commercial cannery, VDACS
- ***Appalachian Herb Growers Consortium***
Medicinal Herb Processing
 - 144 Silver Maple Lane, Pilot, VA 24091
 - 540-651-2338For member-growers only the consortium will clean, dry, grind, package and market medicinal herbs.
- ***Virginia Food Works***
 - 7916 Abilene Rd, Farmville, VA 23901
 - info@VirginiaFoodWorks.orgCommunity cannery, shared use rental kitchen, co-packing, commercial cannery, labeling, rental cooler and rental freezer (8'x10')
Certifications: VDACS, VDH, FDA Commercial Cannery
- ***Appalachian Harvest Herb Processing Hub - Appalachian Sustainable Development***
 - 281 Boone Trail Rd, Duffield, VA 24244
 - 276-623-1121The GAP certified hub features new equipment for processing herbs, such as a commercial root washer, dryer and a moisture meter. Offers farmers the chance to sell in high-value markets.

Shared Use Community Kitchens

These are rental facilities in which the user is responsible for getting certifications, but which are set up to meet Virginia Department of Agriculture and Consumer Services (VDACS) and Virginia Department of Health (VDH) requirements for a commercial kitchen

- ***The Kitchen - LEAP***
 - 1210 Patterson Ave SW, Roanoke VA 24016
 - 540-632-1360

Roanoke's shared commercial kitchen and food business incubator in the West End neighborhood. The LEAP Kitchen will work to provide the resources needed to create a business plan, start your business, create your product, find outlets for sales, and scale up.

Certifications: VDH Commissary, VDACS certifiable
- ***Community Kitchen - Plenty! Farm and Food Bank***
 - 192 Elephant Curve, Floyd, VA 24091
 - 540-745-3898

Food Bank Kitchen available for rent by the hour or day when not in use by Plenty! food access programs. Commercial type kitchen with large range, oven, worktops, cold storage and cookware.

Certifications: VDH, VDACS certifiable
- ***Commercial Kitchen - Floyd Event Center***
 - 718 Franklin Pike Rd SE, Floyd, VA 24091
 - 540-745-4434

Commercial kitchen available for rent by the hour with walk-in cooler and freezer.

Certifications, VDH, VDACS certifiable
- ***Prices Fork Incubator Kitchen - Prices Fork Project/ New River Valley Regional Commission/ Beans & Rice inc.***
 - Blacksburg, VA
 - 540-639-9313

A commercial incubator kitchen for start-up or expanding food-based entrepreneurs. Supported, in part, by two anchor tenants, a farm to table restaurant and local craft brewpub. The incubator kitchen will provide food-based businesses with access to a certified kitchen with high-capacity equipment and supportive business services to assist entrepreneurs with business planning, financing, and marketing.

*In development
- ***Virginia Rodgers Kitchen - Spencer Penn Center***
 - 475 Spencer Penn Rd, Spencer, VA 24165
 - 276-957-5757

Professionally equipped for rent to caterers, food entrepreneurs, or to anyone who needs a large kitchen. 3 ovens; six burner stove, triple sink, lots of counter space and equipment which includes a canner, pots and pans, processor, blender, etc.

Certifications: VDH & VDACS
- ***Community Kitchen Space - HazelBea Catering***
 - 6226 University Park Drive, Radford, VA
 - 540-267-6648

Incubator style kitchen for shared use with HazelBea Catering. 3400 sq ft kitchen in old hospital at the Radford University Corporate Park. Equipped with 2 large pizza ovens, convection oven, steam kettle, skillet, flat-top, dishwasher, and range.

- ***Kitchen - Bent Mountain Center***
 - 10148 Tinsley Lane Bent Mountain VA 24059
 - 540-929-4172Former school cafeteria kitchen turned community center available for rent.
VDH inspected
- ***Rental Kitchen - Apple Ridge Farm***
 - 9230 Pine Forest Rd NE, Copper Hill, VA 24079
 - 540-929-4062VDH inspected
- ***Rental Kitchen - Phoebe Needles Center***
 - 732 Turners Creek Road • Callaway, Virginia 24067
 - 540-483-1518Camp cafeteria kitchen available in the off season for rent by the day. VDH inspected, may be VDACS Certifiable.
- ***Grayson County Commercial Kitchen***
 - *in developmentGrayson County is working to develop a shared use kitchen. Contact Will Crawford for updates wcrawford@graysoncountyva.gov

Agricultural Processing Centers

Meat packing

Farm raised meats become value added products at various levels of processing and certification. The following levels of certification are relevant for our assets in our state and region.

USDA / Federal Inspection: Custom slaughter and processing of meat and poultry under the inspection and regulation of the USDA FSIS. Permitted for retail and wholesale sales of any kind.

State Inspection: custom slaughter and processing of meat and poultry only permitted for retail and wholesale sales within the state of Virginia.

Custom Exemption: plant can only slaughter and process meat and poultry for the exclusive use of the animal's owner. Some facilities choose not to slaughter onsite and only accept dressed animals.

Retail Exemption: plant can process, but not slaughter, meats for sales limited to household consumers, hotels, or restaurants, or similar institutions. If meats were previously USDA inspected they can be sold more widely.

*All of these facilities are also subject to local VDH regulations.

Producer-Grower Poultry Exemption: applies to farmers who slaughter and process up to 20,000 birds per year for sale to anyone.

- ***Thompson Meat Packing***
 - 1094 Christiansburg Pike NE, Floyd, VA 24091
 - 540-745-4311
Custom Exempt slaughter and processing of cows, pigs, goat, sheep and deer.
* USDA inspection in development
- ***Smith Valley Meats***
 - 246 Church St, Rich Creek VA, 24147
 - 540-726-3992
Slaughter and Processing of pigs, cows, sheep, goats, vacuum pack and label.
USDA inspected
- ***VT Meat Center***
 - 360 Duck Pond Drive (Food Science & Tech Building), Room 104 Blacksburg, VA 24061
 - 540-231-3318
Private USDA Facility for educational purposes only.
- ***Willis Village Mart***
 - 5602 Floyd Hwy S #45, Willis, VA 24380
 - 540-789-7241
Custom Exempt processing of dressed cows, pigs, sheep, goats & deer.
*they also maintain a USDA inspection for their own line of packaged meats)
- ***NRV Meat Processing***
 - 2963 Peppers Ferry Rd NW, Radford, VA 24141
 - 540-731-3093
Custom Exempt processing of dressed cows, pigs, sheep, goats & deer. Smoking, sausages and custom items.
- ***Taylor's Meat Cutting & Taxidermy***
 - 2911 Peppers Ferry Rd NW, Christiansburg, VA 24073
 - 540-382-1323

Custom Exempt processing of livestock and game.

- ***J & P Meat Processing***

- 10 Jamont Ln, Wirtz, VA 24184
- 540-721-2765

Custom Exempt slaughter & processing of beef, pork, and sheep as well as custom grinding and packing.

- ***Hunter's Burden***

- 2701 Flatwoods Rd, Elliston, VA 24087
- 540- 871-4839

Custom Exempt processing of beef, pork, sheep, goats, alpaca, bear.
Custom items, Smoking, Sausages.

- ***Mobile Poultry Processing Unit- "Floyd Farmers Co-operative"***

- Floyd, VA

A processing setup mounted on a trailer for slaughter, dressing poultry and rabbits able to process up to 200 birds. Complete with kill cones, scalding, plucker, propane tanks and vacuum packer.

Producer-grower Poultry Exemption

Distribution

- ***SustainFloyd Refrigerated Truck***

- 203 S. Locust St. Suite H Floyd, VA 24091
 - 540-745-7333
- Truck Rental \$65-75/day

- ***Loca-Motive Aggregator***

- 320 Fork Dr, Floyd VA 24091
- 540-597-2582

Aggregator with weekly AC cooled van delivery service to Roanoke, \$5 /cooler

Aggregators, Food Hubs, Distributors, Wholesalers

- ***Roanoke Fruit and Produce Co.***

- 1119 4th St. S.E. Roanoke, VA 24013
- 540-343-5501

Food distributor serving 100 mile radius of Roanoke.

- ***Appalachian Harvest Food Hub***

- 280 Boone Trail Rd, Duffield, VA 24244
- 276-431-3385

Food Hub and Distribution Center which provides free access to cold storage, wash brush line, grading line, dunk tanks and waxed boxes for their producers who sell via the hub. The hub takes a 20% sales commission. Some receiving is done at the SWVA farmers market.

- ***US Foodservice***

- 40 Fort Lewis Boulevard PO Box 40 Salem, VA 24153
- 540-375-8738

For producers who are able to sell to a distributor as large as US Foods, there may be ways for the company to backhaul products in their refrigerated trucks from delivery points in Floyd.

- ***Produce Source Partners***

- 116 5th Street, NW Roanoke, VA 24016 & 13167 Telcourt Road, Ashland, VA 23005
- 804-412-2564

VA's largest produce & foods distributor with many large clients across the state and

beyond.

- ***Southwest Virginia Farmers Market***

- 497 Farmers Market Dr, Hillsville, VA 24343
- 276- 730-3128

Distribution hub, retail farmers market space, grading, cooling, hydro-cooling, packing, loading dock.

- ***Woods Produce***

- 131 Cherry Creek Rd, Meadows of Dan, VA 24120
- (276) 952-2932

Large GAP certified Fruit and Vegetable Distributor.

- ***Floyd Food Hub***

- P.O. Box 66 Floyd, VA 24091
- 540-392-6112

Online farmers market currently serving drop sites in Floyd, Riner and Blacksburg.

Cold Storage

- ***Hometown Ice Food Distribution Center***

- 520 Weaver Street, Rocky Mount Va. 24151
- 540-483-7865

State of the art 10,000 sq ft Freezer Storage (450 pallet capacity), 2,400 sqft of Refrigerated storage (60 pallets capacity) by March 2018. Some trucking services may be available. *In development 15,000 to 20,000 sqft of cold storage as need in 2019/2020.

Non-Commercial Processing Centers

Facilities for high volume processing, pulping, and canning of meat, fruit and veggies for home or non-profit use only.

Canneries

- ***Glade Hill Community Cannery***
 - 8081 Old Franklin Turnpike, Glade Hill, VA 24092
 - 540- 576-3020
- ***Callaway Community Cannery***
 - 8471 Callaway Road - Callaway, VA 24067
 - 540- 484-1966
- ***Wythe County Community Cannery***
 - 1505 W. Spiller St. Wytheville, VA 24382
 - 276-228-3421

Ad Hoc Rentals and Resources

- **Pulaski High School - Pulaski County Public Schools**
 - 414 Cougar Trail Rd, Dublin, VA 24084
 - 540-994-2523
 - School Cafeteria kitchen available for rent hourly, must have staff on site.
 - VDH Food Establishment
- **Pulaski Elementary School - Pulaski County Public Schools**
 - 2004 Morehead Ln, Pulaski, VA 24301
 - 540-994-2523
 - School Cafeteria kitchen available for rent hourly, must have staff on site.
 - VDH Food Establishment
- ***Kitchen & Cooler* - Sweet Providence Farm**
 - 3313 Floyd Hwy N, Floyd, VA 24091
 - 540-525-8444
 - *booked thru 2019
- ***Commercial Kitchen* - Riverstone Organic Farm**
 - 708 Thompson Road, Floyd VA 24091
 - 540-230-0020
 - Commercial Kitchen created for private use, may be open to renting space and time to a small complimentary endeavor.
 - VDH & VDACS commercial kitchen, Organic Certification in process.
- ***Commissary* - Bootleg BBQ**
 - 540-250-6587
 - Private commercial kitchen available for rent by the month, only available on tuesdays.
 - VDH & VDACS commercial kitchen
- ***Brambleton Center***
 - 3738 Brambleton Ave, Roanoke, VA 24018
 - 540-727-529 ext 8240
 - Community Center Rental Kitchen. Often used for cooking classes
 - VDH inspected.
- ***School Kitchens* - Montgomery County Public Schools**
 - 750 Imperial Street, Christiansburg, VA 24073
 - 540-382-5141
 - VDH Food Establishment
 - *Not available for for profit endeavors
- ***Outdoor Kitchen* - Anahata Education & Retreat Center**
 - 811 Dobbins Farm Rd NE, Floyd, VA 24091
 - 540-745-5811
 - Open air kitchen pursuing certification in the future.
- ***Freeze Drying & Smoking Services* - Jim Connor**
 - 396 Whitlocke Rd, Floyd VA 24091
 - 540-230-7727
 - *VDACS inspection in development
- ***Custom Milling* - Floyd Whole Grains**
 - Mill services in development.
 - 540-250-2156
 - Check, VA

- ***Taste of Jubilee*** - Daniel Austin
 - 540-420-1639
 - 5688 Old Forge Road, Rocky Mount, VA
Grist Mill, Custom Milling in development.
GMO free Animal Feed Milling services as well, under *Green Sprig Ag*
- ***Custom Milling*** - Deep Roots Milling
 - 540-200-9474, Charlie Wade
 - 1905 Aberdeen Ave SW, Roanoke VA 24016
Custom milling and sifting services provided for a fee. 8" and 16" grist mill.

Conclusions and Recommendations

While compiling this inventory of value added assets in the region, I came to realize that there are many facilities which are difficult to hear about, do not list specifics on their website, and may not have a website at all. These same hard to find facilities are no slouches when it comes to operating an active business, they are just simply hard to find and track down. All in all there are many businesses within a reasonable drive time that would allow Floyd agricultural products to be processed further into a value added product.

Most of the information in the map and spreadsheet are compiled from form submissions directly from a representative of a facility, or derived from a phone conversation. Where this was not possible, information was supplied from what is readily available online or from common knowledge. Facilities were given a project outline for a more thorough understanding of why the *Floyd Grown Project* is collecting information, an online survey and often a follow up phone call or email.

There was some scepticism regarding this project, because many felt that an inventory, or similar research had already been done and that duplicative efforts were a waste of their time. I made sure to search for all available studies and online resources to avoid this and persuade participants that their input was valuable. Other participants in the survey were delighted to be a part of it and hoped to reach a wider audience with their facility as a result.

It is true that much research has been done in a similar vein. You can see similar research in the appendix, and in the google folder provided. Studies regarding this topic and this geographic area are available and should be used moving forward on any project in Floyd to avoid undue costs or repeated efforts. Many of these studies have informed the conclusions presented here along with the information from the data collected. My goal is to make recommendations as to the best addition to the value chain once we fully utilize the existing assets. I hope that these recommendations will reflect both the market demand for certain products, as well as the producer demand for such a facility. Every asset needs to be tailored to the community needs in order to be successful, and we similarly want to avoid duplicating efforts, or creating another underutilized resource that can't sustain itself.

Nonetheless, the new Value Added Asset database and map will serve the needs of those sifting through their options as a new food business. Most folks in the Floyd area who are considering starting businesses are open to the idea of sharing and community, but also have a simultaneous pioneering spirit and Do-It-Yourself attitude. These conflicting traits were reflected in the 2012 value added study ordered by SustainFloyd. This study illustrated the pioneering spirit of Floyd when data showed that most entrepreneurs were interested in making their products themselves (as opposed to hiring a contract packer), and were only willing to drive 25 miles to do so! The Floyd Grown survey showed that most people currently making products own the production facility, doing their own sales and distribution. Getting past this DIY mentality would open a lot more doors to producers seriously considering creating value added goods with shared resources. If they were able to drive 1 hour, they have access to a state of the art agriculture center at the SWVA farmers market, complete with a wash line and an inspected commercial cannery and distribution outlets. Just a bit further away is the Virginia Food Works (VFW), which functions as a freezer storage and co-packer. For producers with fruit or berries, they can store their produce while they work with the team at VFW to develop the product, labels and have them create the product at a per jar fee. It cannot be taken for granted that time is money. By the time you rent a shared use kitchen to process your own products, jump the regulation hurdles yourself, you can drive to Farmville, drop off your products, and then pick them up ready for market! The owner of Virginia Food Works feels that a similar facility in Floyd would be redundant and result in both facilities operating below capacity. Perhaps the desire not to drive is also a symptom of rural life, everything is so spread out that residents are not interested in adding more mileage to their week. Serious entrepreneurs in Floyd most often choose to take out a loan to build a custom private

facility or remodel a home kitchen to operate their business from. This pioneering spirit is admirable, but it makes you wonder what the role of a shared use facility would be? If the serious startups prefer to build their own, then is a share use facility relegated to the hobbyists and uncommitted parties? This is not a solid foundation to build a new facility on.

Changing *value added* from just kitchens to the broader definition stated in the introduction, I was able to see other voids in the value chain. There are plenty of opportunities for food entrepreneurs looking for a kitchen for lease in this area and still more in development. So what is the value chain lacking? The Floyd area is lacking accessible, affordable *distribution, dehydrating facilities, long term cold storage, dairy processing, packaging facilities, business development services and meat processing*. However, each of these voids in the value-chain need to reflect the market demand for products coming out of them, as well as producer demand and accessibility in order to be worth implementing. Feasibility studies for these suggestions are not part of this research. Many of the following recommendations would work well together, in a multi-use facility or as interconnected micro facilities.

Dehydrating Facilities

Facilities with dehydrators in the area include the Appalachian Herb Growers Consortium [private], Blue Mountain Organics [private], Appalachian Harvest Herb Hub, which is intended for use by their own growers, and the LEAP Kitchen. While there is an exemption for cottage industry dried consumables, those looking to scale up or create products for resale and web sales need a larger certified facility. There may be demand for this in the marketplace. Dehydrating turns raw products into shelf stable, ready to eat items for tourists to take away as snacks or gift items, easily shipped. Dried products also allow for more year round sales for farmers and food hubs in the slow season. Items like dried herb blends, dried fruits, dried vegetables, teas, dried mushrooms, mushroom jerky, fruit leather, etc are options for a drying facility. There is likely some producer demand for a facility like this, but with dehydrators even the most central location may not be convenient enough. The dryers need to be in a place where you can monitor the moisture level closely. Perhaps a shared facility *on wheels* would solve this problem. Creating mobile services is one way to cope with the spread out nature of rural life.

Distribution

It seems like there is room to grow in the distribution side of our value chain. From the results of the business survey, there are many business owners dedicating time, energy, money and vehicles in order to self deliver their own products. Looking at standard vehicle maintenance, repairs and insurance- the SustainFloyd Refrigerated truck is a good deal when travelling long distances and is a great asset. However, SustainFloyd does not take an active role in coordinating shipments, sharing space, or sharing delivery drivers. It doesn't seem like they would be opposed to this idea, or the idea of expanding the fleet if producer demand was there. They seem well poised to offer this service as an expansion of their current offerings. Most producers do not want to handle coordinating the pick up and delivery of multiple items for multiple vendors- this is best done by a third party who is good with logistics and managing people. With an expanded fleet and a dedicated delivery driver (and a backup) producers could save a lot of time and energy they currently put into distribution.

Dairy Processing

There is a complete lack of dairy processing facilities in our area. Dairy processing in our region is comprised of the Homestead Creamery, Meadow Creek Creamery, and other private facilities. Farmers in Floyd who operate dairies mainly choose to sell raw milk, cheese and yogurt to member-owners, circumventing the FDA regulations, or sell their bulk fluid milk to larger brands for bottling and marketing elsewhere. Seeing as most of the county's farmers are making a living from pasture land, dairy cows, goats and sheep are a natural fit for Floyd landscape. These pastures are primarily used to

produce feeder cows. To maximize economic impact, these pastures need to produce finished animal products so that sales revenue stays in the county. Dairy processing facilities require compliance with FDA regulations and significant investment. The market demand for dairy products is vast and unmet locally. Transitioning a critical mass of farmers from feeder cows to grass fed dairy would be difficult but would utilize the untapped potential of our current pastures and cattlemen. Equipment specific to a dairy endeavor would include a pasteurizer, climate and humidity controlled aging room (cheese cave), molds.

Bottling & Packaging

A space where food entrepreneurs can bring raw materials in and leave with labeled, boxed product ready for market, shipment or storage is currently an unmet need. In such a facility there could be bulk purchases of packaging and labelling materials as well as shared printer use and design software for labels. Certified scales and boxes would be provided for packaging and the site could function as a UPS and Fedex pick up site for drop shipping orders. An asset like this would be best in conjunction with a large cold and dry storage facility so that product could be stored there and then prepared for shipment all in one location.

USDA Value Added Meats

The market potential for cured, dried, rendered and smoked meat products from local farms is huge. Meat that has been processed into salami, or jerky or lard and packaged by the unit is much easier to handle. Meats are turned into a ready to eat item which makes it much more valuable in both retail and wholesale markets. Charcuterie products are now featured in most local food establishments, but there are very few local producers making their own charcuterie products from meats grown on the farm. Current options for creating cured products are limited to co-packers in North Carolina (San Giuseppe Salami Co) or Pennsylvania (Smuckers Meats). To take advantage of services so far away would include a list of to-dos like the following:

1. Raise animals on the farm
2. Haul animals to a USDA Processor - cut into primals, de-boned (average 400 mi RT)
3. Pick up meat from USDA Processor (average 400 mi RT)
4. Store and collect meat in large freezer until you have enough for a minimum batch size 20lb-450lb minimum depending on facility.
5. Find frozen or refrigerated transport for the meat to a facility in NC or PA with a private, rented or hired shipping service. (average 600 mi RT)
6. Wait for order to be processed, cured, and labelled under USDA inspection
7. Retrieve meat from NC or PA and return to home farm where you store in climate controlled place until sale. (average 600 mi RT)
8. 2000 miles later: Finished Product!

With a local facility providing these services we could save farmers lots of money, keep the production in Floyd County, and sales revenue in the county as well. When handling meats, a facility must be operated under meat inspection (by a federal agent) or in a retail store or restaurant for sales directly to consumers. San Giuseppe Salami Co, operates a retail store and is able to drop ship their products around the country because they only use meat processed under USDA inspection. Although their business is located in NC it is a good model for what to replicate here. This avenue would be especially interesting to many producers if it happened in conjunction with the pending USDA inspection of the old Thompson Meat Packing. *Thompsons Meats*, under new ownership as of 2017, is undergoing many changes, and this could be a nice addition to or complement to their business. In this scenario animals

or meat would never have to be transported out of the county to be slaughtered or processed into value added products. As of this moment, Thompsons does not plan to do any salami or cured products but they are looking to add a smoker to their facility for making bacon and other smoked meats.

Cold Storage

The fantastic freezer and cooler rental space available at the Hometown Ice facility in Rocky Mount is astonishing. Owner, Doug Arrington said Hometown likely will invest about \$2.5 million at the site when all is said and done. Franklin County has provided a grant of \$25,000 and Rocky Mount has pledged an additional \$15,000 to support Hometown's expansion into a 50,000 square foot facility over the next three years if the company meets investment and hiring targets. This is extraordinary. The business created a large facility to support the growth of its own ice business which occupies 30% of the facility but also with the capacity to support 3 other anchor tenants, a pizza company and two bakeries and much more space available for rent by the pallet. The fleet of refrigerated vehicles has also been used to offer delivery service for some of their tenants and others although they do not advertise or have a set price for this service. This large facility is located exactly 1 hr from Floyd. Which means that most prospective Floydian users of such a facility are not likely to make the trip down every time they need to store or access their products.

A facility like this, centrally located in Floyd- close to Thompson Meats, a packing facility, or dairy processing facility would be ideal. Such a facility could be utilized by almost every kind of food producer imaginable including the following,

- Meat producers - for storage, packing and sales
- Meat Consumers- to rent space for storing and accessing a side of beef bought locally
- Fruit Growers - cut and sheet-freeze #2 quality fruit for year round sales
- Produce- Utilize a large cooler or freezer for frozen veggies
- Food Hubs - use the cooler as a pick up site for pre-packed orders or drop shipping
- CSA- use the cooler as a pick up site for pre-packaged orders
- Wholesale Produce- Grower Cooperatives can pool their produce for collective shipment to larger wholesale outlets without having to make multiple stops.
- Food Hubs- use as a cold packing facility for meat and veg orders.
- FloydFest- extra event storage
- Produce Growers- with the addition of washing and packing area to a cold storage facility the cost of entry for new farmers would be very low because of access to a shared facility.
- Facility would need to be GAP, HACCP and FSMA compliant

Business Development

From research into best practices for shared use facilities it seems like prevailing wisdom is to pair them with business development services. Combining business development with any facility would help maximize potential. Guidance through the regulatory process, marketing services or connections, branding, microlending, networking, product development, sourcing, maintenance, surveillance and inspections would relieve the user from the overly daunting burdens of a starting a new business. I believe that, for Floyd County residents, this kind of support service would provide the incentive for making the drive to a shared facility. The *Shared Kitchen Report* says this is a best practice for facilities because their success is bound up with the success of their users. Such services could be included in the rental fee or available for an additional fee. In looking through the survey responses from both the *Floyd County Value Added Feasibility* and the *Floyd Grown* there are a few pieces of data which inform this recommendation.

1. **75% of respondents were interested in purchasing bulk supplies²**
 - a. *This coordination could be done by a plant manager*
2. **Working Capital, Marketing knowledge, and processing expertise were the top 3 things respondents said were preventing the creation of value added products.³**
 - a. *More services to be provided by plant manager*
3. **88% were interested in an online storefront⁴**
 - a. *facilitating, training and maintaining an online marketplace could be the job of the plant manager*
4. **68% conduct self delivery of their products⁵**
 - a. *Business owners can save money on their delivery by allowing the plant manager to coordinate shared shipping from a central location. This money can be better spent on improving their products and business.*
5. **Median estimated value added production value is between \$10,000 and \$15,000⁶**
 - a. *This is surprising survey response data. It tells me that in order for value added products to have any sort of economic impact on Floyd, our business owners have to start thinking bigger. Not only would a facility, or group of facilities make that possible, but guidance from a professional and help with accessing the market would lift their potential.*
6. **The most important additional services for survey respondents was Food Brokering and Sales.⁷**
 - a. *This is not surprising data. Marketing is hard and can be time consuming. Successful processing facilities such as ASD herb hub and food hub are complete because they have created the market for the finished product, and the processing equipment makes it possible to meet the demand. Any successful facility would need to already have a market in mind or have the ability to create connections in the market.*

A new business to appear in Floyd in 2017 called the *Floyd Food Hub (FFH)* has a vision of providing some of these services to producers that sell via their platform. Currently they only have one owner operator and some volunteer efforts from producers. Something like the FFH would work well in along with some of these other recommended facilities. The FFH mentioned creating a booking platform for shared use kitchens, bulk purchasing and shared use equipment in the future. Many businesses and organizations have a similar idea of creating a food guide or collective online marketplace for Floyd Producers. The list includes *FFH, SustainFloyd, The EDA, Appalachian Sustainable Development, LEAP, Blue Ridge Mountain Bounty, Southwest Virginia Fresh, Plenty!, Virginia Farmers Market Association, Appalachian Foodshed Project, Appalachian Virginia Food System Network* and local residents. It seems wise to me that these efforts link up to create a wider web of options for the consumer and connections for the producers. This would help cultivate a bigger market which would validate a need for a new value added facility.

² Floyd Grown Business Survey

³ Floyd Grown Business Survey

⁴ Floyd Grown Business Survey

⁵ Floyd Grown Business Survey

⁶ Floyd Value Added Feasibility Study

⁷ Floyd Value Added Feasibility Study

Resources

Cornell Food Venture Center has an extensive database of value added facilities in the North East, as well as some support for start up food ventures.

<https://cfvc.foodscience.cals.cornell.edu/about>

Ithaca, NY shared freezer facility,

<https://ccetompkins.org/agriculture/buy-local/local-meats/the-meat-locker>

Database of Shared Use Spaces in Iowa,

<https://iowakitchenconnect.com/>

Article on Hometown Ice

http://www.roanoke.com/business/news/franklin_county/hometown-ice-plans-major-expansion-in-rocky-mount/article_d1b31771-c10f-5450-b3e9-2ccf6c091ef1.html

Example of Shared Use Dairy Facility

<https://plantsforhumanhealth.ncsu.edu/2012/03/28/n-c-artisan-cheese-operation-grows-with-ncvac-award/>

Tour of Hanover County Community Cannery

<https://vimeo.com/27335101>

Tour of Callaway County Cannery

<https://www.facebook.com/toniscanning/videos/1806352412716238/>

Potential Community Partners

SWVA fresh <http://www.swvafresh.org/>

Blue Ridge Mountain Bounty

LEAP

Appalachian Sustainable Development

SWVA Farmers Market

SustainFloyd & Floyd Farmers Market

Plenty!

Floyd Food Hub

VDACS

AMS

Virginia Grown

Open Food Network USA