

Growing Our Local Food Economy

After the Harvest Conference

September 5, 2025

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Local food is at risk.



Forms in Machtonous County			
Farms in Washtenaw County			
	<u> 1950</u>	<u>2012</u>	% change
# of farms	2,884	1,236	-57%
# of farms with	1:		
Milk	1,232	25	-98%
Orchards	1,659	39	-98%
Pigs	1,407	48	-97%
Cattle	2,079	161	-92%
Poultry	1,686	148	-91%
Vegetables	181	109	-40%
Honey	26	16	-38%
Michigan	155,589	52,194	-66%
Indiana	166,627	58,695	-65%
Ohio	199,359	75,462	-62%
Nation	5,382,162	2,109,303	-61%
Arkansas	182,429	45,071	-75%

- Average age of a farmer is 58
- 40% of agricultural land in the US will transition in ownership within 20 years
- Once farms are lost, they are hard to replace



Data Sources: USDA Census of Agriculture 1950, 2012; American Farmland Trust

Farmers make little money.

Farm Share \$0.15



Marketing Share \$0.85

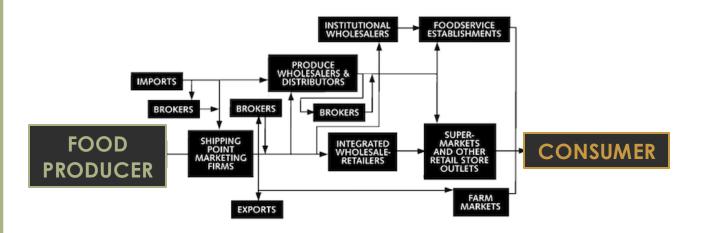
- Selling through traditional channels, farmers receive only 15 cents per dollar.
- Middlemen and distributors take 85 cents per dollar in shipping, receiving, and markup costs.



Data Source: USDA Economic Research Service, 2022

The US food system favors huge, non-local producers.

99.3% Indirectly Purchased



- Food travels long distances on average 1500 miles
- Our food system is vulnerable to climate change, oil shortages, aquifers, and other disruptions (like COVID-19).





- Direct connection between producer and consumer
- Producers make more money, because there are no middlemen or distributors



Source: USDA Census of Agriculture, 2017

How can we make it easier to shop local?

FARMERS' MARKETS

- Farmers receive most of the sale
- Local, fresh, and inseason
- Authentic
- Educational
- Builds community

+ GROCERY STORES

- High quality refrigeration and display
- Convenient
 - Open yearround
 - Offers onestop shopping

FARM STOPS

- Combining the best of both shopping experiences
- Amazing local products for customers
- Sustainable margins for local farms



What is a Farm Stop?

- 1. Brick and Mortar store
 - Everyday market stocked exclusively with only local products
 - Single checkout line to purchase from all farms at once
 - Most farms selling at Argus continue to sell through farmers markets





What is a Farm Stop?

- 2. <u>Direct-to-Consumer sales from farms and producers in a retail setting (a.k.a. consignment)</u>
 - Breaks traditional grocery paradigm
 - Customers understand the math (e.g. 70% paid to farms). Farms paid 4-5 times the national average.
 - Builds community and mutual trust
 - "Ultra Local" model highly differentiated from traditional grocery.
 - Very low food waste; High farmer satisfaction





What is a Farm Stop?

- 3. Mission-directed to Grow Local Food Economies
 - Argus is organized as a L3C entity (mission-driven LLC)
 - Other Farm Stops have formed as L3C's, cooperatives or nonprofits.
 - Need to evaluate tradeoffs (fund raising, governance/decisionmaking, attractiveness to staff, farms and customers)







Cooperative

Non-Profit

L3C (Mission-Directed LLC)



Farm Stop Perspectives:

Farms & Producers

- Application and product mix curation
- Communication
- Product Drop off & Coffee time
- Sales reporting and Payments

<u>Customers</u>

 Incredible store for shopping in season and supporting local farms

<u>Staff</u>

 Career path in mission-direct entity focused on local food





We have grown beyond one store to a multi-faceted organization over 10+ years





Argus Impact

- We opened in August 2014 with 40 producers and have grown to over 300 today.
- 2024 another year of growth
 - \$6.9 million in sales
 - Top 75 farms received over \$44,000 on average
- Argus has paid out over \$26 million to local farms and food producers since 2014.





Farm Stops provide year-round income for farms and extend seasonality

Yellow = "extended season"

Purple = "storage"

- Farm Stops have reliable & comfortable year-round shopping
- Expanded use of cold weather growing and storage techniques
- 36% of Argus annual produce sales take place from January - May.
- Expanded retail outlets encourage new products

MICHIGAN PRODUCE AVAILABILITY

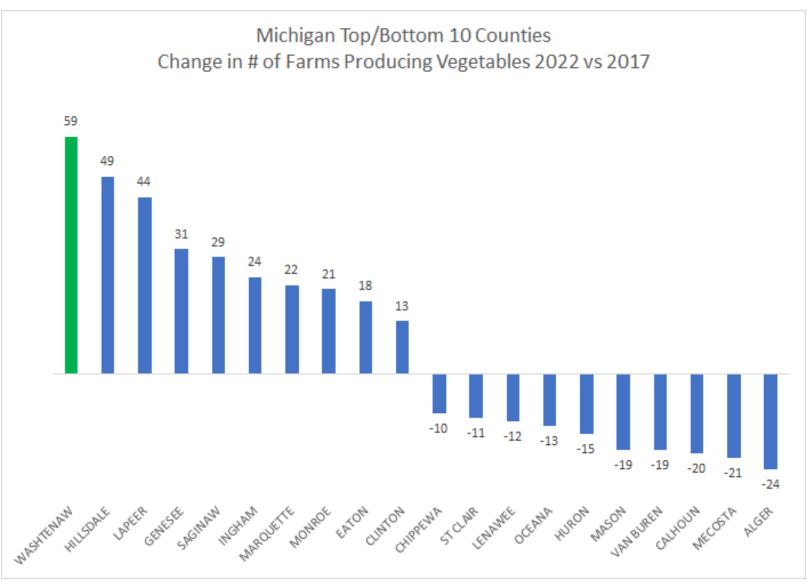




Source: MSU Center for Regional Food Systems

"Typical" MI farmer's market season

Washtenaw County is #1 in Michigan for Growth in Number of Farms Producing Vegetables





Source: USDA Ag Census 2022 and 2017









Argus creates a community tapestry.









Argus Expands Food Access

- Argus has solved the biggest hurdle facing most local food communities: the logistics of getting products from local farms to customers.
- Well positioned to grow food access in conjunction with funding partners
 - Double Up Food Buck (Fair Food Network)
 - Michigan Fitness Foundation
 - Customer donations (round up at the register)
 - Local farms now economically stabilized and in a position to help.

"Are there ever customers that come in the store looking for food, but unable to pay? Part of why we are in food is to feed the hungry, so please load them up with Pine Ridge Organics food and send them on their way with my blessing."



The Farm Stop model is gaining momentum



Modern Farmer

Is the Farm Stop Revolution Upon Us?

A hybrid between a farmer's market and a co-op store, farm stops are popping up across the country, helping customers access local food year round.

#Access #Business #Food & Drink

by Steven Corso · May 14, 2024





























Ann Arbor, MI





Wooster, OH

FARM STOPS AROUND THE COUNTRY



CLATSKANIE FARMER COLLECTIVE Clatskanie, OR



Lander, WY



Ash Grove, MO



Springfield, MO



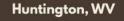






Lancaster, OH







Jonesborough, TN



Wheeling, OH





Craryville, NY



Millerton, NY



The Farm Stop Model: 1,2,3

Communities with an existing farmers market are ideal. Demonstrates that there are local farmers/producers and customers. Can be rural/urban, affluent/lower income.

- 1. Need a leadership team
- 2. Need a store location (2,000 4,000 ft²)
- 3. Need funding (~\$350k to renovate and open)







