

Livestock producer's cooperatives

Rural producers scaling up to serve urban markets

During the past decade there has been increasing consumer demand for locally produced food. Stronger demand has equated into increased market options and better prices for agricultural producers.

Individual producers do not have the capital or technical expertise to plan, capitalize, and build processing facilities. The cooperative business model is a proven solution in which multiple producers can pool resources, attract additional resources, and create new and innovative processing capacity.

The USDA has provided strong support to farmers through many of its beneficial rural development and marketing programs. [Island Grown Farmers Co-op](#) and the [North Cascades Meat Producers Cooperative](#) both provide expanded USDA-inspected meat processing capacity, new market opportunities, and improved pricing to more than 90 livestock producers located in a five-county region of the North Puget Sound.

The development and start-up of these cooperatives were supported by USDA Rural Development programs including the Rural Cooperative Development Grant program, the Rural Business Enterprise Grant program, and the Value-Added Producer Grant program. Launched in 2002, Island Grown Farmers Co-op has processed thousands of beef, hogs, lambs for its members who direct market their products. This co-op brought the region's first mobile slaughter unit into operation. By 2012 the cooperative could no longer take on new members as it reached its full processing capacity.

The North Cascades Meat Producers Cooperative was formed not only to serve the needs of livestock producers that couldn't get service from Island Grown, but also to provide scaled-up capacity to sell into the grocery and institutional food service industries. Through its North Cascade Meats branded marketing program, the cooperative purchases its members' livestock, and then processes, markets, and distributes the finished product. The cooperative currently sells to two cooperative supermarkets in Bellingham, WA, and to Bon Appetit Management Company which serves the Amazon.com campuses in Seattle, WA.

