

# **PILOTING THE DECORAH FLOWER HUB**

**PFI** Conference January 20, 2024

- **Collaboration and Community**
- Instead of Competition

- decorahflowerhub@gmail.com

#### **OVERVIEW**

- Our Backstory Getting Started
- The Pilot Year What we did (and didn't do)
- The Future!
- Q&A



#### **OUR STORY / GETTING STARTED**

- Motivation
- Starts with yourself
  - What are your needs?
  - What are your obstacles?
  - What can you contribute?





#### **OUR STORY / GETTING STARTED**

- Identify fellow flower growers
  - Do you have an existing relationship?
  - What is their level of experience?
  - What can they bring to the collaborative?
  - Are they ready to commit?









# WHO WE ARE

Barb Kraus, Canoe Creek Produce

Katie Prochaska, River Root Farm markets



- Markets: Farmers Market, Weddings and Events
- Markets: Plant starts, Wholesale bouquets to retail

- Clara Muggli-Toyloy, Oak & Olive Flowers
- Markets: CSA, Design, Weddings and Events

#### **OUR STORY / GETTING STARTED**

• Know your community

- size, proximity to city,
- businesses and services
- unique features





# Decorah

Population ~8,000 Close Cities: La Crosse, Rochester, Dubuque, Iowa City



https://visitdecorah.com/

# OUR STORY / GETTING STARTED

- Setting Goals The Product
  - Define your market or product
  - We chose wholesale cut flowers



#### **OUR STORY / GETTING STARTED**

Setting Goals-Education

Teaching buyers/consumers
 why local flowers are a
 better choice



#### **OUR STORY / GETTING STARTED**





# Setting Goals- Grower Support

 $\circ$  economic • emotional

- miscellaneous Ex: group orders

#### WHY FORM A COLLECTIVE





#### NEED

For us:

- Increased competition from new farms
- Barriers to serving new markets because of the administration time required

#### DESIRE

For us:

- Desire for more collaboration and less competition
- Desire to try something new
- Desire for cooperative business model



#### COMMITMENT

For us:

- Committed winter of 2022-23 to establishing a collaborative plan
- Committed to ongoing participation in collective





#### Build the team

- $\circ\,$  Small to start
- $\circ~$  Built on trust

 Meetings, meetings, meetings

- Start in the late fall/winter
- $\circ$  Put in the time!





#### Choose a product / market

online only (no physical market)

#### Choose a name

simple and recognizable



#### • wholesale to florists

#### Choose a business model

- Sole proprietorship
- Multi-member LLC
- Cooperative



#### • Setting up the Business

- SBDC free business coaching
- Find your Josh :)
- <u>https://iowasbdc.org/</u>



# Setting up the Business, continued..

- File Articles of Incorporation with Sec of State. \$20, 5-7 days
- EIN
- Bank account
- Bylaws

#### TO THE SECRETARY OF STATE OF THE STATE OF IOWA:

The undersigned, acting as sole incorporator of a cooperative association under Chapter 499 of the Iowa Code referring to Cooperative Associations, adopt the following Articles of Incorporation for such corporation:

ARTICLE 1.

The name of the cooperative association is Decorah Flower Hub Cooperative. The address of the principal office of the corporation in the County of Winneshiek is: 2503 River Road, Decorah, IA 52101.

ARTICLE 2.

The corporation is organized for the purposes of producing, marketing and selling horticultural products, specifically flowers. The purposes set forth are described in accordance with Chapter 499 of the Iowa Code.

ARTICLE 3. The period of its duration is perpetual.

ARTICLE 4.

#### ARTICLES OF INCORPORATION OF

Decorah Flower Hub Cooperative



#### Setting up sales platform



- Rooted Farmers
- onboarding for collectives
- upload product details and photos
- <u>www.rootedfarmers.com</u>

X	rooted farmers						😨 Decorah Flower Hub 🛛 🗸	A Clara
Dashl	board Orders	Collective	Products	Buyers	Analytics	Resources	Settings	
Dee	corah Flowe	er Hub (	(DFH)					
Listing	gs Members 🤗	Rooted Rang	le™					
	CUT FLOWER ASCLEPIAS ( Blood Flower, Pleurisy Root, red and orang	c <b>urassavic</b> Milkweed, I Silk Weed e			• Red 12-16	in.	# 2 bunches	<b>芭 Ende</b> ⑤ \$1.25
	Canoe Creek CUT FLOWER DAHLIA Cor Deep red ball- Oak & Olive F	२ऽ nel type dahlia			• Red	in.	# 1 bunch	Ender \$ \$2.00
	CUT FLOWER DAHLIA Cor Oak & Olive F	nel Bronz	e		● Rust / 1 ● 12-16		# 1 bunch	Ende \$2.00
	CUT FLOWER DAHLIA Sylv Tangerine-colo Oak & Olive F	via pred ball-ty	pe dahlia		<ul> <li>Orange</li> <li>16-24</li> </ul>		# 1 bunch	Ende ③ \$2.00
	CUT FLOWER GOMPHREN Fields Canoe Creek	I <b>A</b> haagea	<i>na</i> Strawb	berry	• Red	in.	# 4 bunches	☐ Ende ③ \$1.00

lara Muggli-Toyloy	
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2.00 / stem (5 stems / bunch) 🖉	<u>View Details</u>
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Managing Money

- Rooted Farmers
  - payouts to growers
  - analytics
- Wave Accounting
  - bookkeeping for tax purposes
- $\circ\,$  Simple checking account





#### • Funding the business

- Membership fees
- Margin (25% of sales)
- Workshops
- Grants
  - typically for projects, not operating
    - expenses

- Startup Expenses
  - Buckets (Procona system)
     \$200
  - Rooted Farmers subscription
     \$339 plus transaction fees
  - Filing fee to incorporate
     \$20
  - Lots of volunteer time :)





# Estab and D Roote winde Local

- Regional deliveries
  - working with Iowa Food Hub

- Establishing Ordering
  - and Delivery Schedule
  - Rooted Farmers ordering
    - window (Thurs Mon)
  - Local deliveries

#### Getting Customers

- Rooted network
- Pound the pavement
- Samples, samples, samples
- $\circ$  Follow up
- We started small
- Build trust over time



#### Connecting with other growers

- Initial meeting to share concept
- Monthly meetings
  - discussion topics seed ordering,
     crop planning, pricing, growing for
     wholesale
- Build trust over time





- Fast turnaround to form business and start operations
  - Consistently listed product every week
    - from late May through October
  - Several good florist relationships
  - Collaborative process
  - Successful grant app

#### Looking Back: SUCCESSES



# Looking Back: CHALLENGES

- Getting customers
- Estimating availability
- Knowing what crops to grow/offer
- Keeping up with admin work







# THE FUTURE





#### CONNECTING

local growers to local buyers

#### EASING LOGISTICS between

producers and retailers

## ECONOMIC GROWTH of

producers by increasing availability of and demand for local flowers

#### OUTREACH & EDUCATION



# HOW TO ACHIEVE OUR GOALS...

## FOCUSING ON QUALITY AND CONSISTENCY

- cooperative growing plans and regular meetings between board members
- development of policies and procedures: e.g.
   'Quality Policy', 'New Member Policy', 'Retail
   Policy' etc. included in tool kit
- aggregation of products to single point of sale and delivery to ease logistics
- creation of branding & marketing materials for Decorah Flower Hub
- creation of branding & marketing materials on local flowers to share with florists and designers region-wide, included as free PDF in tool kit
- lead a series of 8 workshops in 2024

# A GOAL WITHOUT A PLAN IS JUST A

# COLLABORATE ON A GROWING PLAN

- reduces redundancies/competition between farms on marketplace
- ensures consistency in the diversity of offerings on marketplace
- mitigates need for producer to focus on one single type to meet quantity need of retailer
- reduces producers risk of loss on any single variety type or color
- a good exercise in having trust and flexibility between producers!!!!



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	A	В	С	D	E	
Crop		Color or Variety	Katie	Barb	Clara	
	Ageratum, Tall Blue Planet	blue	x	x	х	
	Agrostemma	White and Purple		x	х	
	Amaranth coral fountains	pink		x		
	Amaranth, Hot Biscuits	rust		х	х	
	Amaranth, Red Spike	burgundy		x	х	
	Amaranth, green			x		
	Ammi, Dara	dark purple/pink/white	x	x		*
	Anemone				х	
	Asclepias, Apollo Orange			x		
	Bells of Ireland	green	x			*
	Broom com	green, rust		x	х	
	Buplureum	yellow green		x	x	*
	Celosia, Celway Red	red	x		x	
	Celosia, Celway Terracotta	rust	x		х	
	Celosia, Sylphid	silvery lemon/lime	x		х	
;	Celosia, Chief Carmine	red	x			
9	Celosia, Chief Gold	yellow	x			
)	Celosia, Chief Persimmon	orange	х		?	
	Celosia, Forrest Fire	red		х		
)	Celosia, Ruby Parfait	burgundy	х			

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# DRAFT A

# QUALITY POLICY

- establish clear producer guidelines for sales into co-op, examples include: growing practices, bloom quality, bloom stage, stem length, post-harvest handling, etc.
- will lead to a high-quality reputation,
   which will further goals of consistency
   & economic growth

 DFH Quality Policy will be included in toolkit for use by flower producers to replicate throughout the state



# LOGISTICAL CONSIDERATIONS FOR CONSISTENCY

- keeping consistent weekly ordering windows with accurate availability (Rooted Platform)
- development of policies/procedures that clearly outlines the order aggregation & fulfilment process for producers
- hiring others for scheduled regular deliveries to larger markets- lowa Food Hub? Other farms?
- utilizing online platform for bookkeeping & accounting to ease administrative work
- The foreseen and unforeseen challenges on the horizon:
  - dividing cooperative management workload and hiring help?
  - recruiting new members
  - getting more customers- keep pounding the pavement and solicit feedback, will it work?





#### NEW MEMBER PROCESS (DRA Decoration Flower Hub

#### **New Grower Member Process**

- 1. Fill out and submit the New Member Interest Form here. Applications for the 2024 season are due by December 31, 2023.
- 1. The Board of Directors will review Decorah Flower Hub Grower Applications and will get in touch with viable growers to schedule an in-person or phone interview in January/February with all board members to learn more about their operation, experience, crops, and interest in the market.
- 1. Growers will be notified by mid-February if the DFH board members vote to approve growers to take the next step. If so, the grower will sign a Trial Period Agreement, pay \$200 (due by March 1st), and the trial period begins.
  - This period can last as long as the board deems appropriate for the grower, but no less than 1 entire growing season.  $\bullet$
  - During this growing season, the board members will arrange a farm visit with the trial grower if deemed necessary.
  - During this trial period, the grower will be allowed to sell through the Decorah Flower Hub
  - During the trial period the grower must bring product to at least \_\_\_\_\_
  - During the trial period/first season, growers must complete \_\_\_\_\_.
  - During this period the Manager has the right to reject any product based on quality, or market saturation.
  - During this period the grower will be actively creating their reputation at DFH for the board to review at the end of the season.
  - During this time, we welcome the trial grower into the DFH community. You're invited to participate in all meetings, workshops, events, farm tours, etc. sponsored by DFH.

4) The Board of Directors meets to review new growers after the completion of a trial season. If both the board and the grower are interested in pursuing membership after the trial period, then the grower may be asked to schedule another interview by the board, and coop members, staff, and customers are solicited for feedback. After the interview, trial season performance, and trial membership application have been considered, the board will meet for a final vote no later than January 31.

5) If the grower is approved for membership by the board of directors, the grower will receive full member rights upon signing the Member Agreement.

\*At any point the grower or coop reserves the right to disengage the partnership and the original payment of \$200 will not be refunded.

#### NEW GROWER APPLICATION ((DRAFT)) Questions Responses



#### **Decorah Flower Hub Grower Application**

Please fill out this form if you are interested in pursuing trial membership with the Decorah Flower Hub for the 2024 season. Applications for the 2024 season are due by \_\_\_\_\_\_. If you are a new potential grower for the Decorah Flower Hub, please read the document here: <u>https://docs.google.com/document/d/1q\_utwyxNpSQ-H7f6LY5id2RxYd6LsBiP9WySghr1y8/edit?</u> <u>usp=sharing</u>

If you have any questions please email decorahflowerhub@gmail.com.

Email

Short answer text

Legal Business Name

Short answer text

#### **BRANDING/MARKETING MATERIALS-SCBG GRANT**

- use of SCBG grant funds!! thanks RC&D!
- DFH website
- DFH social media
- DFH logo
- DFH marketing materials for producers & retailers, professional photos, etc.

\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*

- creation of professional branding guidelines included marketing section of toolkit
- creation of logo and marketing materials, which will be free & replicable for producers & retailers state wide, included as free PDF in final toolkit





griculture

Agricultural Cooperative

Service

Cooperative

Report 39

nformation





#### **Collectives 101:**

A guide for joining and selling through regional wholesale hubs vith Amelia Ihlo of Rooted Farmers

rooted farmers - CROWING TOCET





Portrait of a Cooperative Pioneer The Seattle Wholesale Growers Market Cooperative



Membership to The Michigan Flower Growers' Cooperative is open to experienced growers in Michigan and Northern Ohio. We are a growers-only cooperative and market - all products sold through the cooperative must be grown on WINNESHIEK

MFGC is a member-owned cooperative. Upon joining, growers become part-owners of the business, member meetings and elect and even run for board positions.

#### IOWA STATE UNIVERSITY Extension and Outreach







NORTHEAST IOWA **RC&D** 

**COUNTY DEVELOPMENT & TOURISM** 

COOPERATIVE BYLAWS

resource toolkit coming soon!!! ((free downloadable PDF))

## **REGIONAL FLOWER HUB TOOLKIT**





#### **PRODUCERS**

- Training materials for flower growers in other regions to use when considering a Flower Hub in their area
- Policies and Procedures: Quality Policy Form, New Member **Process and Application, etc**

#### RETAILERS

- Policydemonstrating Retail necessary steps to reach and work with retailers
- Direct input from florists and • other regional retailers

# NORTHEA

#### MARKETING

- Marketing Campaign Pilot Kit
- **Professional branding guidelines**
- Branding/marketing material for local flower producers to use
- Branding/marketing material for florists/designers/retailers to use to promote local flowers to customers

#### **EDUCATION & OUTREACH**





#### **PRODUCERS**

• Series of workshops for flower producers on techniques that will enhance their farm operations

#### **RETAILERS**

• Series of workshops for florists and floral designers on how to purchase and utilize locally grown flowers

#### **2024** workshop schedule coming soon!!!



#### **CUSTOMERS**

- Grow your own flower garden
- Family day at the flower farm
- **Pollinator education**
- **Centerpiece design** 0
- Dried floral wreath making
- Holiday evergreen wreath making
- crafts/alternative flower Flower uses

# COMMUNITY PARTNERS

Three Partner Farms - Canoe Creek Produce, Oak & Olive Flowers, and River Root Farm

Partner Florist/Retailer - Decorah Greenhouses

- florists

**Decorah Chamber of Commerce** - Assist with event and workshop promotion; making connections with current, potential, and future

Winneshiek County Economic Development and **Tourism** - Assist with event and workshop promotion; making connections with current, potential, and future florists

Iowa State University Extension and Outreach (Dan Fillius) - Assist with providing technical assistance to flower growers.



#### **THANK YOU!! QUESTIONS?**

# RESOURCES

- Wave Accounting- www.waveapps.com
- **Rooted Farmers** www.rootedfarmers.com/collectives
- USDA Specialty Crop Block Grantwww.ams.usda.gov/services/grants/scbgp
- **Northeast Iowa RC&D-** www. northeastiowarcd.org
- Winneshiek County Development & Tourismwww.winneshiekdevelopment.org ((free business consulting))
- **ISU Extension Cut Flower Farmer listserve, contact** Dan Fillius at: fillius@iastate.edu
- USDA Sample Policies for Cooperatives (available online)
- **Other Cooperatives-** Michigan Flower Growers, Seattle Wholesale Growers Market & many more!
- **Growing for Market Magazine**
- Association of Specialty Cut Flower Growers (ASCFG)

#### decorahflowerhub@gmail.com



# **CONTACT US**

E-mail

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- Website <<<coming soon!!!>>>
- Katie Prochaska, River Root Farm www.riverrootfarm.com
- Clara Muggli-Toyloy, Oak & Olive Flowers www.oakandoliveflowers.com
- **Barb Kraus, Canoe Creek Produce** www.canoecreekproduce.com