

## FarmsReach pairs local food producers

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Other than farmers' markets, local organic food systems don't usually have distribution networks. As a result, farmers currently receive only 20 cents of every consumer food dollar according to the U.S. Department of Agriculture.

FarmsReach, an online marketplace for local food producers and buyers, hopes to address some of these issues. Founded by Melanie Cheng, an IT industry veteran and food enthusiast, FarmsReach is a sort of eBay (Nasdaq: EBAY)—or Match.com, depending on how you look at it—for farmers and chefs. After four years as the head of Om Organics, a nonprofit that connects organic food buyers and sellers in the San Francisco Bay Area, Cheng—armed with detailed knowledge of the idiosyncrasies of the local organic food market and private funding—in 2006 began work on FarmsReach. She assembled a team that includes CEO Lana Holmes (startup consultant and truffle farmer) and chief technology officer Tom Pepper (creator of the Winamp media player).

The online marketplace offers local growers

the efficiencies of large-scale food delivery operation such as Sysco Corp. (NYSE: SYY) and gives restaurants, schools, hospitals and stores a centralized ordering tool. "Once we have historical data on what buyers want to buy and what farmers are producing, we can help identify areas in the food system that can be improved," she says.

With major retailers committing to sourcing more local food—Wal-Mart (NYSE: WMT) recently announced plans to purchase \$400 million per year from local markets—small food growers stand to profit if they have access to a scalable, online distribution system. FarmsReach is in public beta testing in San Francisco with a mobile component and more regional rollouts in the works. The service is free at the moment but a 5 percent charge on transactions is on the way. FarmsReach was one of 10 companies featured this spring at Earth2tech's Green:Net LaunchPad for using information technology to fight climate change.

The screenshot shows the FarmsReach website interface. At the top, there's a logo for FarmsReach with the tagline 'the web hub for local grub'. Below the logo, there's a navigation bar with 'Order Food' and 'Log In / Sign Up' links. The main content area is titled 'Below we're showing food near: San Francisco, CA 94102. Please Log In / Sign Up to change your location.' Below this, there's a section for 'SELECT YOUR SEARCH PREFERENCES' with three main categories: 'When do you want your food?' (with a calendar for April 2009), 'Distance?' (with a range selector), and 'Pickup or Delivery?' (with radio buttons for 'Pick Up at Farmer's Market' and 'Deliver to My Location'). To the right, there are sections for 'My Producers' and 'My Markets', each with a list of items and checkboxes. At the bottom right, there's a 'YOUR CART (AT A GLANCE)' section showing 'You have 0 items in your cart' and 'CURRENT TOTAL: \$0.00' with a 'View Cart' button.

FarmsReach wants to become a cyber version of the local farmers' market.

—Jeanne Storck