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Whole Foods to sponsor loans Grocer partners with non-profit to help local farmers

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In a move to boost the number of locally grown sources of organic foods to its Midwestern stores, Whole Foods Market Inc. is joining with a Chicago non-profit group in offering loans to family farmers and artisanal producers.

Sustain, which promotes organic and sustainable agriculture, is to process the applications for funds that Austin, Texas-based Whole Foods has pledged to lend in an effort to boost the number of local farmers qualified to supply foods to its 22 stores in the Midwest. The group is sponsoring a two-day FamilyFarmed.org conference that opens Friday at the Chicago Cultural Center.

Whole Foods has pledged to lend up to \$10 million nationwide to farmers "who are looking to expand production or move into this kind of niche," said Jim Slama, president of Sustain, which will administer the loan program in the Midwest on behalf of Whole Foods. Loans are limited to a maximum of \$50,000.

The Local Producer Loan Program was developed by Whole Foods to assist in developing local sources for products that are sold in its nearly 200 stores nationwide.

Many grocers, including Whole Foods, are seeking to expand sources for the food they sell rather than buying it from farms on the West Coast or in the South.

"We are going to 'walk our talk'" said Patrick Bradley, Midwest regional president of Whole Foods. "We believe this financial assistance can make a very significant difference in helping local agriculture grow and flourish in the communities we serve and will contribute to significant economic development in the region."

Interest rates in the program are pegged at 5 percent to 9 percent, which the company says are lower than the rates that would be charged small farmers. Loan life may range from a few months to 10 years.

The loan program dovetails with a standards program being developed by Sustain and Goodness

Greenness, an organic food distributor, that is designed to help farmers understand the packing and shipping requirements of retailers such as Whole Foods.

"Many farmers might be used to selling at farmers' markets," Slama said. "They don't understand that retailers have requirements that might include cooling after harvest or packing so many stems to a box.

"This will give them that information and help them expand into organic farming."

FamilyFarmed.org encourages local and organic farming by connecting Midwestern farmers with buyers and consumers.

The conference's first day is open to the trade, while Saturday's events, including workshops and a food festival, are geared toward the consumer.

Discount two-for-one tickets are available at FamilyFarmed.org.

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