RUTGERS FOOD INNOVATION CENTER
AWARDED $300,000 USDA COOPERATIVE GRANT
Renewal and Growth of Cooperatives Expands Scope of Center
Beyond Agriculture to More Fully Support Rural Economies

Bridgeton, N.J. – Rutgers University’s Food Innovation Center has been awarded a $300,000 grant by the United States Department of Agriculture (USDA) to establish a program to support the development of cooperative organizations throughout New Jersey. This new program, the first of its kind in New Jersey, will assist established cooperatives with expansion and operations, and support the formation of new cooperatives, resulting in the enhancement of economies in rural areas. It will be integrated into and supported by Rutgers Food Innovation Center, based in Bridgeton, NJ, whose mission is to stimulate and support sustainable economic growth and prosperity to the food and agricultural industries in the New Jersey region.

Traditionally an agriculture-based business model, cooperatives pool the resources of their member businesses to market and distribute products more efficiently, identify ways to reduce their operating costs through cooperative purchasing and take advantage of other economies of scale. Competition for rural land, the high costs of doing business and stringent regulations have significantly impacted the profitability of cooperatives in New Jersey. According to the USDA, there are approximately 3,000 cooperatives in existence nationally today, but only about 10 fully functioning cooperatives exist in New Jersey.

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Food Innovation Center Awarded Cooperative Grant
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According to Andrew Law, state director for USDA Rural Development, New Jersey currently has no organized cooperative assistance program at the state level, and this has contributed toward the decay of the agricultural sector in our State. “A cooperative assistance program is vital to the economies of rural areas and farm families,” said Law, “This funding will provide a necessary resource to work with the remaining cooperatives in the state, and help in the establishment of new cooperatives,” he said.

Rutgers Food Innovation Center director Louis Cooperhouse said, “Our Food Innovation Center provides an immediate and established infrastructure for this outstanding initiative. This will help us to further our mission, and will act as a catalyst to promote viable and prosperous cooperative organizations in the region.”

More than half of the USDA grant and matching funds will be used to work with rural residents and businesses that are not in agriculture production. Margaret Brennan, associate director of the New Jersey Agricultural Experiment Station, said, “This will broaden the economic development outreach of the New Jersey Agricultural Experiment Station and the Rutgers Food Innovation Center to areas outside of its traditional food and agricultural support, as this grant provides for the expansion of our scope to cooperative opportunities beyond agriculture.”

In addition to traditional agricultural cooperatives, other cooperatives that will benefit from this grant will include retail cooperatives, food cooperatives and buying clubs, library cooperatives and a wide array of other existing and developing business organizations.