



July 30, 2010

Paul Hazen, CEO
National Cooperative Business Association
1401 New York Ave. NW
Washington, DC 20005

Dear Mr. Hazen:

On behalf of the family farmer, rancher and rural resident members of National Farmers Union (NFU), I write to express strong support for National Cooperative Business Association's (NCBA) application for the Rural Cooperative Development Grant (RCDG) program. As you know, NFU, an NCBA member, has worked with NCBA over the past several years and appreciates all you have done for rural cooperative development.

American consumers are increasingly interested in knowing where their food comes from and supporting their local economies. As an organization that represents the family farmers who would benefit from an improved connection to consumers, NFU has a vested interest in developing the robust local and regional markets these consumers desire. However, the food systems necessary to supply a large number of consumers with food directly sourced from local small and medium-sized family farmers and processors cannot flourish without proper support.

For this reason, NFU is enthusiastic about your plans to develop a purchasing and shared services cooperative development center that can provide technical assistance and training to help rural small businesses, farmers, ranchers, nonprofits and localities identify and form purchasing/shared services cooperatives to address their needs.

The cooperative business model in particular is well-suited to meet the unique distribution and processing challenges faced by local and regional food systems. These cooperatives can help retain more capital in these rural areas by helping entities and self-employed individuals recoup their costs by combining their purchasing power to secure better pricing and terms on products and services.

NFU looks forward to continuing its work with NCBA to access the center's expertise and information to enhance members' market opportunities, identify potential opportunities for NFU members to use or create purchasing and shared services cooperatives to help them reduce operating expenses and help advise the center on the needs of farmers and their communities, local food systems and markets.

Sincerely,

A handwritten signature in black ink, appearing to read "Roger Johnson", written in a cursive style.

Roger Johnson, President
National Farmers Union