

{ ALUMNI SPOTLIGHT }

Planting Seeds of Change

Benzi Ronen, MBA '98, Harvests Healthy Business with Farmigo Inc.



Benzi Ronen, MBA '98, is serving up a healthy dose of entrepreneurship with Farmigo Inc.

Benzi Ronen, MBA '98, is on a mission to fix the broken U.S. food system. His startup, Farmigo Inc., harnesses the burgeoning locavore movement that has made “local” a stronger brand than “organic.”

“What if you could have fresher, healthier food without giving up convenience or cost?” Ronen says. “People will want in.”

Farmigo’s mission is to deliver that fresher, healthier food to all households by putting the control and transparency of the food chain back into the hands of consumers. Its Web-based system and marketing platform link them to area farmers engaged in the community-supported agriculture (CSA) model, where farms sell directly to consumers.

“In this economy, people want to support their local community,” Ronen says. “Plus, it’s less miles for your food to travel, you know where your food comes from, and it’s better for the environment. It’s a win for everybody.”

CSAs are growing by 20 percent annually but still affect only about a half percent of American households. Ronen wants to get that number closer to five or 10 percent. “If we can accomplish that, CSAs become an alternative not just for the passionate few, but for everybody.”

Farmigo offers a model to reverse decades-old policy and practice, Ronen says. Food may have gotten cheaper and more accessible after War War II, he notes, but cheaper food often is less-healthy. Today, the U.S. spends \$150 million annually to combat food-related diseases like obesity and diabetes — a number that will double within a decade. Skewed production

based on the current farm subsidy program also plays a role.

“In addition, we continue to burn carbon dioxide flying non-seasonal food around the world, and trucking produce grown by mega farms with toxic pesticides across the country,” Ronen says.

Farmigo originated by solving logistical needs like maintaining harvest inventory, taking orders and payments, and managing deliveries. It then expanded to help farms communicate more effectively with their customer-members. The real breakthrough now, according to Ronen, is increasing convenience and affordability for consumers to purchase directly

from a farm. Instead of visiting a farmer’s market, customers can pick up specific orders from a designated site.

“Farmers grow fruits, vegetables, meat, and dairy products and sell them directly to the person consuming them,” he says. “It’s the purest and most entrepreneurial form of farming.”

The farm-direct model also takes some guesswork out of farming, says Ronen. “Farms are growing products to meet members’ demands, and they are diversifying their portfolio of customers. Instead of being solely reliant on a few wholesalers, they also now have hundreds of direct consumers.”

Farmigo has seen both the number of client farms and the number of members each farm counts increase steadily since its inception in 2009. Today, Farmigo serves more than 100 farms in 20 states, with roughly 40,000 total members.

“Farms that sell wholesale get 20 cents on the dollar. Farms that sell direct get 80 cents. That’s one reason they’re eager to work with us,” Ronen says.

This lifelong entrepreneur previously honed his skills at Netscape, Microsoft Corp., and SAP AG. But he wanted more than financial returns from his newest venture.

“I didn’t want to start a business just for business’ sake,” Ronen says. “I wanted to fulfill a mission of doing something good for the world. This was a natural fit.”

A fit with perfect timing. “The rise of virtual social networks on the Internet creates a platform to make real change in our physical world. I can’t think of a better change to make than improving our food system.” ✦ —Amy Spooner