**What is Wholesale?**

A lot of farmers talk about selling to wholesale markets, and for some it’s a good source of income. However, no one really defines what “wholesale” means. We’re here to help clarify!

Wholesale does **NOT** include:

* Small restaurant sales
* Farmers’ markets
* Roadside stands
* Community Supported Agriculture programs

Wholesale **DOES** include:

* Food hubs
* Government or distributor contracts
* Grocery stores
* Institutional sales, including schools, universities, and hospitals

Wholesale markets take more product at once than direct and usually have a negotiated price. They are more formal than direct markets, so your production, financial, and legal paperwork need to be in order before you can sell to them.  **If you provide food to any of the institutions above - even if you are not a commercial farm - you need to have your paperwork in order to be above board.**

**Wholesale Vs. Direct Markets - Is It Worth It?**

**Pros**

* Requires you to be in compliance with food safety rules that will be law soon anyway
* Your food gets to more people
* Allows you to focus more time on production instead of marketing
* Can be more regular profits if you do it right

\*Wholesale markets require less of your time be spent at markets. This can be positive or negative depending on your personality.

**Cons**

* Prices are lower
* Requires specific infrastructure
* Requires financial and legal planning
* More regulations in terms of food safety

**Selling wholesale is not a silver bullet solution – like any other business decision, you need to look at your numbers and move slow. If you are interested, start by selling a little bit of your product wholesale at first to get a real feel for it. Don’t put all your eggs in one basket!**