

# UC Santa Cruz

## Cultivating A Movement

### Title

Guillermo Payet: Founder, LocalHarvest.org

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# Guillermo Payet



Guillermo with Amber, and baby Joaquin. Photo by Tana Butler.

## Founder, [LocalHarvest.org](http://LocalHarvest.org)

*Guillermo Payet is the founder of [Localharvest.org](http://Localharvest.org), a leading organic and local food website that maintains a public nationwide directory of small farms, farmers' markets, and other local food sources; helps eaters find products from family farms, as well as other local sources of sustainably grown food, and encourages them to establish direct contact with small farms in their area.*

*Payet grew up in Lima, Peru, in the 1960s and 1970s. His family visited small farms in the Andes and fishing villages on the Peruvian coast, where he learned to savor the taste of local food. As Payet writes on his website, "During the 1980s, Peru was victimized by two opposing forces: the dehumanizing economic colonialism of transnationals, and the misguided rage and violence of the Maoist Shining Path. These two forces wreaked havoc in the country . . .*

*Family farms found it impossible to compete with cheap, subsidized agricultural products dumped into Peruvian markets by richer countries, and the impoverished Andean people were forced by the violence of the civil war to flee their rural villages. Millions were forced into lives of abject poverty in polluted and overcrowded cities, working for pennies in factories (if lucky enough to find a job) producing cheap products for export, helping generate profits that would never benefit them or their families.”*

*When car bombs began blowing out the windows of his home, Payet decided to leave Peru. He came to the United States as a student, entering a computer science program at Santa Clara University, and then beginning a career as a systems engineer. He eventually started Ocean Group, a web development company. By coincidence, he rented an office location next door to the offices of Community Alliance with Family Farmers (CAFF), and developed a friendship with Reggie Knox (also interviewed for this project), who was working for CAFF at the time. Knox and Payet began talking about the fate of small farms in the United States, and Localharvest.org began as a project of Ocean Group in 1999.*

*In this oral history, conducted by Ellen Farmer at her house in Santa Cruz, California, on October 7, 2007, Payet describes the growth of Localharvest.org. As of 2009, the company has 19,000 members, including 11,740 farms and 4,425 farmers markets, and is growing by twenty members a day. As the Buy Local movement has burgeoned, so has interest in the website, which receives 22,000 hits a day. Even since this 2007 interview took place, business has burgeoned. Payet’s goal is to “leverage the Internet and the vast array of community-owned tools provided by the world of Open Source software to help build virtual communities, and to use these as tools for achieving a sustainable future for real, physical communities.” His company attracts significant attention from Time magazine, Wired, Redbook, ABC-TV, the New York Times, and other media outlets.*

**Additional Resources:**

<http://www.localharvest.org/>

For an archive of news articles covering LocalHarvest.org see:  
<http://www.localharvest.org/news.jsp>

**Farmer:** I'm here in Santa Cruz with Guillermo Payet on Sunday, October 7<sup>th</sup>, 2007. Guillermo is the founder of the LocalHarvest.org website.<sup>1</sup> We'll talk about his background and then talk about LocalHarvest. So can you tell me where you were born and where you grew up?

**Early Influences**

**Payet:** I was born in Miraflores, Lima, Peru, in 1964. My mother took us, me and my sister, to the countryside a lot. We would go to little fishing villages on the beaches, and up in the Andes. And also, she was a very good cook and she *is* a very good cook, as my grandma is, too. So I grew up both exposed to where food comes from—meaning the villages on the coast and going to the fish markets on the wharfs—and then going up to Andean valleys and to the little coastal river valleys in the desert of Peru, and visiting farms in all the little towns. That was a big part of growing up for me. And then also going back home and cooking those things. My mother would cook great stuff, and my grandma also. That's

how I became interested in where food comes from, and in eating quality food and cooking it.

**Farmer:** And can you describe your education?

**Payet:** Meaning, like, school?

**Farmer:** Yes. What you got interested in, in school.

**Payet:** Well, I actually went to kindergarten at a nuns' school. I think it's called grade school before high school here, no? Everything before high school for me was at a nuns' school, American nuns, dressed like in penguin suits and all that.

**Farmer:** Yes. (laughs)

**Payet:** And then in high school I went to a priests' school, American priests. That's why I speak very good English, because I learned it while I was growing up. My family had a construction business. My grandfather had a construction company, a big construction company, and I always grew up with the idea that I was going to take over the family business. Because of that, I was interested in civil engineering and architecture, so I decided to be a civil engineer. But then we ended up losing the business. We had a thousand squatters one night invade the land where we had the factories and our construction stuff, and we lost it. Then I still had interest in civil engineering, but not too much, and I started studying civil engineering. I didn't really like it.

But then I met an American girl, fell in love, left Peru to pursue her in the U.S., dropped school and never went back to civil engineering. I was seventeen. Now,

that relationship didn't go anywhere, but I dropped civil engineering, which was a good thing, because I really wasn't into it, and I don't see myself doing buildings nowadays.

Then I went to travel in Europe for seven months. When I came back to Peru, I started a business renting audio and light equipment for parties and fashion shows and concerts. I did that for a couple of years. I would design and build all the electronics stuff. Then I got a job at IBM. I didn't want to stay at IBM because I was always anti-corporate. I didn't really want to work at anything that big. I wanted to have my own business or work for a small company.

But what ended up happening is that my business wasn't doing very well, and I was pretty broke, and this opportunity came up. A friend of my mom said, "Hey, they're hiring" (he worked for IBM); "they're hiring at IBM. Maybe you want to apply." I said, okay, whatever. I'll get the job for a year or two, make a bunch of money and quit. So I got the job, ended up working for six years as a systems engineer. I started as a typewriter repairman, which was very interesting work.

**Farmer:** For IBM?

**Payet:** For IBM. Electric typewriters, the Selectric.

**Farmer:** And this was in Lima?

**Payet:** In Lima, Peru. I was in charge of downtown Lima.

**Farmer:** Wow.

**Payet:** I had the record of how many typewriters I could fix in a day. I would see about twenty typewriters per day, which was, like, crazy. I'd just walk around with my little briefcase from office to office, fixing typewriters. I did that for a year and a half, and I was really good. I was their best typewriter repairman, so then they moved me to fixing mainframes—the computers, the hardware. I really liked it. But then I wanted to get into software, so then I lobbied to get into software and eventually got into it. I was a systems engineer there for maybe three years.

Then at that point, a few things happened. I felt that I was at a dead end. I didn't want to do the corporate thing. I was tired of it. It was convenient, because it was good money and at five p.m. I'd leave the office and go home, which is not how they do things here in the U.S., but that's how it was in Peru back then. A very reputable job, but I was feeling empty. There was no meaning in what I was doing. So that's one thing.

And then the other thing is we had a civil war. The Shining Path in Peru was very bad. This is '89. Things were bad. Curfew, lots of bombings, car bombs close to my apartment a couple of times. I needed to have tape on the windows of my apartment, so whenever there was a car bomb around the shards of glass wouldn't jump in and cut people. Actually never got anybody cut, but I did have car bombs blow my windows a couple of times. One time a piece of engine flew through the window and made a dent on the ceiling.

**Farmer:** Oh, geez.

**Payet:** It was crazy. I had to carry a gun all the time. I didn't like it. So I said, okay, I'm outta here. The combination of feeling that I was in a dead-end job, even though it wasn't really a dead end—but I just felt, like, [sound of distaste], you know?

**Farmer:** Yes.

### Coming to California

**Payet:** And the political situation. I said, okay, time to leave. I wasn't sure where to go. Finally decided on Northern California. Decided on the U.S. first, and came up, traveled around, loved Northern California, so decided to stay here. I figured the easiest way to come was to come as a student, so I applied to a few universities around here and ended up studying in Santa Clara. By then, I was really into computers. I really loved computers and still do, of course. So I studied computer engineering. I managed to transfer some of my old college credits from Peru, so I did three years at Santa Clara University.

What I always wanted was to run my own business, so then after I graduated, I worked for a very small company that was one woman and a couple of other people. The work wasn't that great or anything, but the main thing that I was really interested in, was it was the type of business I wanted to build myself—meaning a small business with a few employees, people working from home. It was very good for learning the ropes of how to do that in this country: contracts, legalese, marketing, all kinds of stuff.



After that, I started a software company. I did okay for a few years. Then I had a breakup with my partners, started another software company, which was called Ocean Group, which is where LocalHarvest comes from. Because what happened was that we built a nine-person team of people (I didn't want to grow any bigger) and we were doing good during the dotcom era. But actually, the whole dotcom thing was a mixed thing, because the fact that you were a computer company that didn't want to play by the rules of the VCs [venture capitalists] put you in a lot of disadvantage. If you would go bid for a project and they would see that you're driving in on a motorcycle or a Honda Civic, and your competitors had \$15 million of VC money and they're driving BMWs, the clients would think there's something wrong with you. Maybe those other guys are better. But no, we were better, or maybe equally good, but I think we were better. Our competitors were much bigger than us. I hated them because, for example, they were throwing money to employees, and to compete for personnel I had to pay my employees crazy amounts of money that I couldn't afford.

**Farmer:** To compete.

**Payet:** Yes. So it was really tough.

**Farmer:** So the venture capital really drove—

**Payet:** They were really ruining it for— I mean, unless you were just playing the pyramid scheme, which—a lot of people were in for that. They didn't want to build businesses. They just wanted to make money. They were just into playing

the pyramid scheme and bailing out before everything falls apart. Most people knew that it was going to fall apart at some point. So that was pretty lame.

But anyway, what started happening in '98 was that we worked on big projects, and in between projects we would have a week, two weeks without anything to do. So we're like, okay, what do we do now? I don't want to have my people twiddling their thumbs. So I figured, okay, let's do something cool, something interesting, something meaningful, something where we donate back to the community [from] the software that we're building for commercial clients.

We had a few ideas. One project that I was really partial to was a website that would be a toolkit for activism groups. So if you want to do activism, if you're a small organization and you don't have the software to develop all these tools, you can go to the site and just use all the services and make them look like your own site, tools for fundraising and surveys and writing letters to Congress, tools for all those types of things, for donations, all kinds of things.

### **Starting LocalHarvest.org**

But then, I'm very happy that at that office next door to Ocean Group was CAFF [Community Alliance with Family Farmers], and that my very good friend Reggie Knox<sup>2</sup> worked at CAFF, which was next door. Through him, I got really interested in and learned about the plight of small farms here in the U.S., which is something that since I came to the U.S. I was vaguely aware of, in the sense that (I'm taking a little aside here) I've always cooked. I learned how to cook as a kid, and I love to cook. I remember when I first came to the U.S., I met this girl in college, and, ooh, I'm going to make this great dinner for her! I invited her on a

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dinner date, and I wanted to make Lasagna Bolognese. So I went to get all the ingredients. I went to Safeway, and I'm, like, what the hell is this? All the produce was just really bad. The tomatoes were just like cardboard. I cooked this thing and it turned out terrible because the tomatoes weren't ripe. Later on I learned that here you just buy the canned tomatoes. They pick them ripe. But in Peru you buy them fresh and they're already ripe. Or in the farmers' market you can do that. That's changed, though. Now the mainstream markets, because of the competition of farmers' markets and little stores like New Leaf [Market] or whatever, are getting better quality, which is a good thing. But when I came fifteen years ago, the quality was terrible. But anyway, because of that, when I arrived, I was very aware that the produce was bad. So then a couple of years later I discovered farmers' markets, which was somewhere that I would go once in a while to buy good produce, but I never thought that I would become heavily involved with them.

Coming back to CAFF and all that: I was very aware of the problem of accessibility to good food and the issues of most of the food being imported from far away and picked un-ripe, or varieties that are developed just because they store well, or have very predictable ripening and stuff like that, so I knew about those things, and I was very curious about those things, and I was learning about them.

By then I was working also with Erin Barnett, who I had hired from CAFF, because she was working for a project at CAFF. And when that was over, I knew that she was available. She was really great. Actually, I had hired her for one

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little project once, and we ended up hiring her as our VP of Operations. At that point, and partly through my association with Erin and Reggie [Knox], the idea came of doing a project for supporting family farms and CSAs. So that's how LocalHarvest came to be.

**Farmer:** Because your offices were next door to each other originally.

**Payet:** Yes. I mean, I was aware of the whole thing, the whole plight of family farmers. I knew it was important, and I knew about it. But the reason why the project that Ocean Group decided to do was about this one, is because I was next door to CAFF, and I had hired somebody from CAFF. And through that, kind of like, hey, why don't we do this? Okay, great. So we decided to do that.

**Farmer:** What town was that in?

**Payet:** Here in Santa Cruz. The little yellow building by the train tunnel downtown. That's where our office used to be. So originally it was made to be just a small little thing. I never thought it was going to become such a big project. It was just about building this directory—kind of like the core of what LocalHarvest now is, is the same of what that was.

**Farmer:** And isn't it the map?

**Payet:** The map, a directory, a search engine with a map, because I've always been into maps. I love maps, and I'm really into geography. The idea is go search on the map and you can see where the farms are. The idea was to allow farms to create listings at no charge.

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**Farmer:** Sort of like free advertising.

**Payet:** Yes, and as a public service of Ocean Group. Actually, when we started, we thought that at some point it might make sense to start charging just a nominal amount, like twenty dollars a year, or twenty-five dollars a year. But we decided not to do that ever. We don't require payment to list on our website, and we never will.

But let's see, what happened next? It was '98 when we had the idea; '99 when we developed the original site, and I think it was March of '99 when we launched, but I might be wrong. It might have been later in '99. But then in 2000, the dotcom collapse starts. By 2001, early 2001, I have to close Ocean Group. And at that point I'm like, okay, what do I do now? I'm broke. I'm barely afloat. I almost went bankrupt. I should have actually gone bankrupt, but I didn't want to. Because what happened is that this last year of Ocean Group, things were really bad, so I mostly lived on credit cards and borrowed money from friends and family to keep making payroll, instead of laying off people. I thought that we had a good team and I didn't want lay off anybody. I wanted to keep things floating, hoping (I was kind of deluded) and thinking that things will eventually change, and business will get back afloat, and we'll all be fine. That didn't come. By the time I had to close the business, I had \$60,000 of credit card debt and a bunch of personal debt, and I said, okay, whatever. So I started doing consulting on my own, slowly paying off debt with that, and putting some effort into LocalHarvest on the side, but mainly just computer consulting. But the thing is, I really loved LocalHarvest by then. The work was really fun, and the site was

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getting more and more traffic. By the time Ocean Group closed, I was getting six hundred people a day.

**Farmer:** Wow.

**Payet:** At that point, I thought, wow, this is huge!

**Farmer:** Well, it was at the time, probably.

**Payet:** Yes, but by right now we get 15,000 [hits] a day—

**Farmer:** [Whistles.]

**Payet:** —and on peak days, 20,000, 22,000. So I was like, okay, this has got potential. Now what I need to do is figure out how to make a living from it. So what I did is I said, okay, the next two or three years, I'm going to focus on doing mainly consulting to pay the bills and to pay debt, and as much time as I can, build up LocalHarvest. Add features; make it more popular; get more members, more farms to sign up; build it up, get more traction, and meanwhile think of how to make some money from it.

Oh, a little aside: One thing I would like to talk about at some point is how we got all the members to sign up.

**Farmer:** Okay.

**Payet:** But that's a separate thing. So I wasn't sure how to build it into something I could make a living from. I had a few ideas. The main two were going nonprofit—you know, 501(c)(3), and get foundation money. I never liked that

idea very much. The main reason I thought about it is because I thought that was probably the easier way to do it.

And then the other idea was to do what I'm doing now, which is to offer services that the farms would want to pay for, and that are in their interest. One of those services is the main thing that LocalHarvest does for money right now, which is marketing services. We sell products from the farms. The farmers come to the site, put their products into our catalog. We sell them online. We're like a sales agent for them. And then we get a commission of fifteen percent.

The main part of the site is not the store. The store is what pays for it, meaning eighty percent of the traffic on LocalHarvest is not related to the catalog. It's people finding their local farm, and that's how I want it to be.

**Farmer:** Okay, so that's the main point of LocalHarvest.

**Payet:** That's the main point. You go, find your local farmer and go meet them, buy from them, do your CSA [community supported agriculture] from them, go to your farmers' market. That's what LocalHarvest is about. The catalog is just about paying the bills.

**Farmer:** Well, it really works, because I have a friend in Los Angeles that wanted a CSA, and I was able to send him there, and he could find out where they were. He said, "There's nothing like that in Los Angeles." I said, "Here's a resource."

**Payet:** Yes. So let's see, going back to building and supporting the site. I decided to do something business-wise, and the main reason for that is I come from a

family of businesspeople. My grandfather was a businessman and my uncles are too. So it was important for me, at some level, to run a business. That's one thing.

Then the other thing is—this is kind of like a little philosophical kind of weird thing that I have, which—I don't know. [laughs] Some people don't agree with me. But I don't like the way that the whole nonprofit thing works in general, in the sense of the idea that business has to be rape-and-pillage. Once you got rich by being a robber baron, way back, or now being Bill Gates and abusing your monopoly or whatever. Then you cleanse your soul by putting money in a foundation. Then the people that are doing the work, the good work—they need to depend on this dirty money. It's kind of like buying papal indulgences in the Middle Ages. It's the same thing. Business—rape and pillage—you do all kinds of nasty stuff, you abuse, whatever—it doesn't matter what you do, you know? You just make money. That's what business is about. But then once you make that money, then you feel better by giving your money to nonprofits.

**Farmer:** And you get a tax write-off.

**Payet:** There you go.

**Farmer:** (laughs)

**Payet:** I just don't like that system. I don't want to be part of that. Of course there're exceptions to that, but that's the main rule. I just didn't want to be part of that. So I thought, what I want to do here is what I wanted to do with Ocean Group before, which was that I didn't want to be part of that mainstream corporate or NGO machinery. I wanted to build an employee-owned company



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that was always going to be small, maybe twenty-five people, like a family-owned business, where money is not the main thing; the main thing is for people to feel happy in their jobs and for the company to do good works in the community, be related to the community, all kinds of stuff like that. So that's what I've been always wanting to do.

I figured that I could do that with LocalHarvest by creating some business that was about doing activism. In Ocean Group there was a little bit of activism built in, in the sense of employee-owned business that was doing community connections and paying their employees well. But at that point, I said, okay, screw that. I'm going to go *way* into activism and just do activism that pays for itself by doing some business.

**Farmer:** Social entrepreneur.

**Payet:** Yes, social entrepreneur.

**Farmer:** That's got a name now, yes.

**Payet:** But, you know, it's funny that—it's true, that's what it is and it's got a name, but the thing is, I've talked to a bunch of those foundations—there's a bunch of foundations out there—and I don't fit with any of their little cubicles. Because a lot of the projects they support are very small: I don't know, somebody making T-shirts, hiring ex-convicts, stuff like that, which is good. But people who are doing big projects like LocalHarvest, for example—they don't see it as fitting with their model.

**Farmer:** It's not needy enough, I guess. When the dotcom thing collapsed, so did a lot of the money for nonprofits. It was coming from there. It was really huge in the nineties because it was coming from the stock market. There isn't that much foundation money.

**Payet:** Yes.

**Farmer:** But let's get back to— You want to tell the story about how you got people to join?

### **Building up the Business**

**Payet:** Yes. I finally got to a point where I could make a living from LocalHarvest, which has taken blood, sweat and tears. Only in the last year I've been able to really make a living from it. I'm not getting rich by any means, but I'm paying the mortgage. But what happened was I said, okay, I'm getting at that point, 6,000 people a day, so once I have the store, people are going to buy anything I sell. It's going to be great, so I'm going to stay afloat. It's going to be great. I'm going to be able to hire people immediately, great. So I'm just going to focus into building the store.

I spent one whole year in building the catalog. I stopped doing consulting. I did very little consulting. I mostly lived on credit cards and a little bit of consulting that I would do. I launched the store at the point where I was bordering on bankruptcy again. That was planned. I thought, okay, I'm going to go on the edge here. I'm just going to trust that things are going to work. If they don't, big deal. I might lose the house. I don't care, but I'm going to get this done.

So I launched the store. I built the store. I spent one year building it, launched in August, 2003. It's not that it flopped, but it didn't take off. It worked okay, but it took two years for it to take off to the point where it is making enough money to support the whole project. So it was very tough and very tight to get back on track.

**Farmer:** And you had to do a lot of the work yourself.

**Payet:** I did all the work myself. I didn't have anybody working with me. I worked eighteen-hour days, sixteen-, twenty-hour days sometimes. I'm not kidding. Sometimes I worked twenty-hour days. If I had something huge that I had to work on, I'd work three straight days, only sleeping four hours one night. It was just crazy. But I ended up doing it. But then after I launched the stores, it didn't quite fly, and I was in a very difficult financial situation, so I got a job at the university. Which I did for a year, and it helped enormously because it kind of got me out of the hole because it was a good salary, and it all went to pay debt.

**Farmer:** You were doing software engineering?

**Payet:** Yes, I was building an identity management system. Okay, so that's how LocalHarvest got built.

**Farmer:** That's how you survived.

**Payet:** Yes. But then, how did I get all the members to sign up? I mean, LocalHarvest gets competitors popping up everywhere. There's plenty out there.

**Farmer:** Really?

**Payet:** Oh, yes. They're not exactly the same thing, but there're lots of other sites that are directories of farms. Yes. But it's very difficult for them to get traction, because nowadays, people are just kind of sick and tired of getting e-mails. But that wasn't the case in 2000, 1999. You got an e-mail. It was, like, oh, I got an e-mail!

**Farmer:** Somebody wrote to me! (laughs)

**Payet:** Yes. It was much easier back then. So then what we did is we got USDA data for farmers' markets and for CSAs. We wrote paper letters, and we had the whole company—everybody, nine people just sitting, folding envelopes, and we sent—I don't remember how many, but something like five or six thousand letters to farmers' markets and CSA farms, inviting them to join. We uploaded all the data onto a website, created stub listings, which were listings with very little information, just the name and the address, the phone number and no e-mail address. The e-mail address has always been a button you click and takes you to a form from where you send an e-mail, so that our members don't get spam and stuff. We created these listings and login accounts, and then we sent letters to all the members, saying, "Hello, we're LocalHarvest, and we want to invite you to join our website. We created a listing for you. All you have to do is go to this website and log in—this is your user ID, this is your password." We had a really good response.

**Farmer:** Because you made it easy for them.

**Payet:** We made it easy for them, and it was at a time where people were responsive to that. If you tried something like that right now, people would go, oh, another spammer, and throw it away. So we got, in a couple of months, maybe 3,000, 4,000 fully qualified members, meaning real members that have accounts and maintain their listings. Then also we started building up traffic. People would find out about the website and come in and add their farms, or some farmer would tell somebody else.

**Farmer:** I bet at farmers' markets they could tell each other.

**Payet:** Yes. And then the other thing that we did, too, is we hired a small PR agency to put a little article, a little press release in a lot of farm magazines and newsletters. You know, something saying: "New directory: online directory of farms and CSAs," and describing what it is. We got a lot of people to sign up through that, too.

**Farmer:** That's great.

**Payet:** But nowadays we get, like, ten new signups per day.

**Farmer:** Per day!

**Payet:** Yes.

**Farmer:** Do you think these are new farms coming on, or they're just hearing about you?

**Payet:** They're hearing about us.

**Farmer:** So they've been established for a while.

**Payet:** Yes, but there're [also] a lot of new farms popping up, actually. There're a lot of small farms that have been just growing for the packer. They just grow #2 corn or whatever, and they've been struggling, and they're, like, "Oh, my God, look at all those CSAs and farmers' markets, and these farmers—they're not getting rich, but they're doing okay." So they're getting into that space.

**Farmer:** So it's a new kind of family farm, or small farm.

**Payet:** It's a market that has always been there, but it's growing, and a lot of farms are getting into it. A lot of farms are becoming CSA farmers and becoming market growers and all kinds of stuff like that.

### The Difference Between Organic and Local Food

**Farmer:** Yes. So can you talk about your feelings about the difference between organic and local?

**Payet:** That's what I love to talk about. When I get interviewed, I get asked that one a lot for radio or magazines. Well, Rodale created the concept of organic way back in the forties, fifties. But the market was really created by small farms, because there was demand from consumers that were sick and tired of this impersonal, lame produce, kind of like what I experienced when I came from Peru and went to Safeway.

So a lot of people were pursuing that, and there were people saying: "Oh my God, I grew up having great food and now I got to put up with this iceberg

lettuce and maybe romaine and that's it? It's, like, bad, you know?" So there was demand for it. And there was demand for "wholesomeness," community-oriented, environmentally grown stuff. People wouldn't think just "pesticides or not." That was just part of it. It was an idea of "wholesome" in agriculture, the way things used to be, instead of it being agribusiness: huge, and impersonal. So the small farms—a lot of them, they may even have been not really thinking of it, but they "discovered" the market and they created the market. So they rebuilt the farmers' markets, which were a big thing in the 1800s until the 1920s, 1930s, when there were farmers' markets everywhere. And then they disappeared because the supermarket killed them. But then they started coming back. In the sixties, seventies, they started coming back.

But there was a big mistake that the farmers made, which is that this new movement for wholesomeness in food—they called it "organic." They branded it with just one slice of the big pie, which is the "no chemicals, no pesticides," which is really just a small part of the much bigger picture. Because, you see, what those farms have to offer is not just the fact that it's "organic" produce. They're offering community, local culture, variety. I mean, what good is it to have an organic lettuce, if it's an iceberg lettuce shipped from Chile? I don't know if they ship organic iceberg lettuce from Chile, but they probably do.

**Farmer:** They certainly ship fruit.

**Payet:** Yes. And it's organic.

**Farmer:** Sometimes, yes.

**Payet:** That's not what organic is about. That's not what it was meant to be about, and that's not what the consumers that went for organic, those that created the organic market, were interested in. They were interested in wholesome. Now the market has been shifted and repackaged and remade into this thing where it's just about health because there's no chemicals in it. It's stuff that you can find anywhere and it can be grown anywhere, but it's just with no chemicals. And that is a good thing, but it's not really all that the movement was about originally.

Organic has been growing very fast and it's still growing very fast. At the same time it's losing its meaning. What organic used to be, is now being rediscovered with a different "label," and the label is "Buy Local."

**Farmer:** And within a hundred miles, or those kinds of things have caught on.

**Payet:** Yes. I don't know if this is a U.S. thing or what, but people here really like to see things with Cartesian thinking. Everything has to be put into squares and measured. For example, the hundred-mile thing. I mean, the hundred-mile diet is a good thing. It's good that they're doing that as a way of getting people informed about ideas. But, I mean, come on! What if it's 101? What if it's 98? Is there a difference?

**Farmer:** (laughs) Yes.

**Payet:** The thing is, it's not about that. And then the other thing is, every place is different. In some areas, say, for example, New Mexico— I just finished doing a motorcycle trip of the South, and it was great. I visited a lot of farms. Here in



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California, you've got farms every corner. But once you go to Arizona, they're fifty miles away, so local might be 150, might be 200 miles away. I mean, that's much more local than tomatoes imported from China.

**Farmer:** Yes, but still, you can't grow it right there.

**Payet:** Yes. So it's all about awareness. It's about people understanding the issues, and knowing where their food comes from, instead of them buying into some little arbitrary metric and then making sure that they follow that metric.

**Farmer:** Some of the other themes that have come up with other people include alternative energy use and fair trade, or treating farm workers appropriately. There are a whole bunch of other [holistic] issues that you could bring into sustainable, local agriculture.

**Payet:** That's right. There are all those things. The thing is, it's going back to building businesses, what I've always been about—building small business, where the interest is not the money; the money is just a tool. The interest is the health and wealth of the community, and the quality of life. The same thing happens with food production as happens with writing software. If you have some big, huge agricultural conglomerate that is growing organic, yes, sure, it's organic, but that's not the world I want to live in.

**Farmer:** But how do you feed millions of people?

**Payet:** With millions of small and medium-scale farms. And, of course, certain things make sense done at a bigger scale, but they don't need to be as huge as

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they are right now. Actually, there is a limit. I don't know exactly what that is, but depending on the crops, after a certain size you actually lose productivity in farms. The farms, at some point, they just get bigger only because of the interests of growth and power. The more powerful you are, if you have a bigger farm, you have more power to get things your way. But it's not more efficient for production. So I think that small businesses, medium-size businesses—that's where it should be.

At some point sails are going to come back, because oil is already getting very expensive, and it will be *way* more expensive in twenty years. I don't know at what point it makes more sense to start sailing. I believe in the whole peak-oil thing, but you read some people, and they're saying, "The end of the world!" No, it's not. I mean, think of two hundred years ago. We didn't have internal combustion engines, and things worked just fine. Now we have much more technology, much more knowledge. In certain ways we could go, and I think we *will* go to the way many things used to be done 150 years ago, in the sense of animal power, wind power, including for transportation (sailing), planes. I bet you that in fifty years if you want to go to Europe, you're not going to fly. Mostly likely you're going to take a liner, like people used to, and there's going to be a sail liner. It's not going to look anything like one of the old liners. It's probably going to have some rigid vertical wings instead of sails, something really highly engineered. I'm not against technology. I'm against waste.

**Farmer:** What do you think about using corn for fuel?

**Payet:** I think it's stupid.

**Farmer:** How come?

**Payet:** Because it's not very productive. You use almost as much energy growing the corn, than the energy that you get out of the alcohol that you make from the corn.

**Farmer:** Have some of your farmers gone into that business?

**Payet:** No, because this is really done by the big guys. You probably read Michael Pollan's latest book.<sup>3</sup> Farmers are not really making money from selling the crop; they're making money from the subsidies. They depend on those because they're growing corn so dirt cheap, because the system is built for that, to make corn be very cheap.

**Farmer:** Yes. Somebody was talking about how a lot of those big corporate farms just were lurking around, waiting for the small farms to fail, and then they would buy up their land and that's how they got so big.

**Payet:** Yes, yes. That's it.

**Farmer:** So are your farms all over the country, the people that you deal with?

**Payet:** Yes. But if you look at the map in LocalHarvest of where most of the farms are, one interesting thing is that the clusters of LocalHarvest members are in areas where it's hilly country, or there are creeks, or where it's more difficult geography. It's not necessarily because there's more concentration of people. I haven't done a formal study about this—but I think what happens is in hilly

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country, places like Pennsylvania, you have hills and creeks and whatever, it's not very efficient for big, monocrop farms.

**Farmer:** Oh, yes, with machinery.

**Payet:** But if you have a little farm, then you can run it with a small tractor or whatever. So the big agribusiness farms have no real incentive to colonize those areas, because geographically it wasn't convenient for them.

**Farmer:** I wondered, because I looked at the map, and I realized so many of them are around Pennsylvania and that area.

**Payet:** Yes.

**Farmer:** And then not as many even in the West Coast.

**Payet:** Yes. And then you see that in certain areas where there is a lot of population, there are not a lot of farms, and you wonder why. Wait a second. Why is this? Isn't it more population, more small farms? Partly it is, but in part it is because [in more heavily populated areas] you have land that is easier to colonize by agribusiness, and they bought up all those little farms. And nowadays it's very difficult, even though there's demand in those places, for people to buy ten acres or five acres, because it's not available. I see that a lot now. People want to start a little farm close to their area. There is no land.

**Farmer:** We've learned around here that a lot of people lease the land; they don't own it.

**Payet:** Yes, yes. They do too here. But even there [in the Midwest], they have mainly big soybean and corn plantations. They're not going to lease you five acres.

**Farmer:** Nope, nope, they've got it all sewed up.

### Peak Oil, Energy Issues, and Agriculture

**Payet:** So I don't know. It's going to be very interesting to see how this is going to evolve in the next ten years. We're already seeing what's happening with the energy prices going up, and agribusiness depending so much on fossil fuels.

**Farmer:** For fertilizer as well as transportation.

**Payet:** Yes, everything. For example, nitrogen fixing. Ammonium nitrate and urea and all the stuff that is made for adding nitrogen to the soil. Crops like corn require a lot of nitrogen. It used to be that you had green manure and real manure, and you wouldn't grow corn all the time because it's very depleting. You would have two or three years of other crops and then grow some corn. Nowadays it's: corn, corn, corn. Then they will alternate with some soybeans because of the nitrogen. But most of the nitrogen actually comes from natural gas.

**Farmer:** Which is another—

**Payet:** Another one that we're going to run out of. We're not going to run out, but the prices are going to go way up. We're always going to have some oil and some gas. But the demand is growing and the supply is going down, so the

prices are going to be very high. Then you're going to start seeing more small-scale farms, more animal-powered stuff.

**Farmer:** Makes sense.

**Payet:** Yes. The Amish, they got it right. They're going to be teaching everybody else how to do things, in twenty years. (laughs)

### The Central Coast and the Organic Food Movement

**Farmer:** One of the questions we've asked people is: what has caused this movement to have a home here? Why the Central Coast?

**Payet:** There is a lot of awareness here of stuff. Also, people like good food.

**Farmer:** Quality.

**Payet:** They like quality. I've never thought of why, but I think many people here are adventurers. They're curious, and interested in learning about things. Maybe also because it's kind of leftie here—a reaction against cookie-cutter, against impersonalization, the colonization of our culture by the blob, the big corporate, impersonal blob. Here, in this part of the country, people don't like that as much. Santa Cruz, unfortunately I've seen it change a lot in the last fifteen years. When I first moved here, nobody wanted any big-box stores around; nobody wanted any chains. Remember the big brouhaha about Borders [bookstore]. Now they build a Home Depot, and nobody says anything anymore. You see what happened. It's like the colonization of our identity, of who we are, of our culture, of our flavor. People don't want that. They like that uniqueness here. And that's

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why they like the farmers' market, and they like to have regional food, and regional recipes from seasonal foods or varieties that only grow here. People appreciate that here. I think that's partly why it comes from here. The climate makes it easy. People are not dealing with snow or something half the year. I just came back from Texas. The soil is extremely alkaline because of all the limestone, and there's lot of stuff you can't grow. Here the soil is so rich, you can grow pretty much anything everywhere.

**Farmer:** Anybody can grow in their backyard and try things, yes.

**Payet:** The climate is great, and it's great all year 'round. So we're spoiled in that sense.

**Farmer:** Yes. It makes it a little hard to say that this is the model, [that] we're going to export this model to other places. It's more like we have to export the idea of local. Then it's going to be different in other places, but it's going to be local.

**Payet:** Yes, but a couple of things on that. One is there are all kinds of things you can grow. A lot of things are quasi-forgotten, in the sense that the varieties that we grow now everywhere have been chosen because everybody likes them. But many varieties are good because they grow in different specific environments. A lot of those can come back, or we can develop new varieties of different things that can grow in different places. They have tomatoes that are acclimated to cold weather and all kinds of stuff like that. I think we can call this old-fashioned crop breeding, development "genetic engineering," in the sense that even though it

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doesn't involve direct genetic manipulation, it's still technology. We're hybridizing different things and creating new varieties of things. It is technology that we can use to keep developing varieties that are well suited for difficult environments.

**Farmer:** But that doesn't depend on *high* tech.

**Payet:** Yes. Well, it is high tech but in a different way. Look at all the incredible stuff they're doing in universities with researching organic systems, or what kind of manure tea to use for controlling some pest, or what bug is good to kill other pests. That's high tech, too, but it's just a different kind of high tech. It's high tech that works in concert with nature instead of against it.

**Farmer:** I thought you were talking about plant breeding, which has been happening since the very beginning.

**Payet:** Yes, that's what I mean, too. That is technology. I read an article recently about some new technique that they've invented for plant breeding that makes it much faster and much more efficient, but it's still the same old cross-pollination of varieties. It's just that the way that they mix varieties and test for different traits is much faster.

There are two ways that Buy Local is going to evolve in other places that are not just places like California. One is the fact that you can adapt crops for growing in different places. The other thing is that it's not like everything has to be grown locally. I mean, you want sugar—nobody grows sugar cane here. It grows in the Caribbean, or maybe in parts of the South. It's okay if you bring sugar from



there. Or salt. You're not going to be making salt everywhere. Or, I don't know: cooking oil, corn. Buy locally what grows locally, and bring from outside whatever does not, trying to buy from as close as possible, and from family farms or businesses.

**Farmer:** Coffee, coffee beans.

**Payet:** Coffee beans, a lot of the commodity items and even things that are not commodities but they don't grow everywhere. For example, oranges. I wouldn't ever dare tell people in the North, "Don't eat oranges ever again." Or, "Have fossil-fuel heated greenhouses so you can grow oranges." No. It's about looking at the true costs of things, environmental and social costs and all that. Some of those costs are going to become more apparent when energy prices go up. So in a sense, the fact that energy prices are going up is good. It's a godsend for humanity, because it's going to hopefully take us away from the race off the cliff that we've been going to.

**Farmer:** Yes, because it's more real. We're paying what it really costs.

**Payet:** Yes, instead of allowing soil degradation in other places to happen, and pesticide or fertilizer pollution to happen in other places, all because we have cheap transport and it's easy to do things in large scale with large machinery.

**Farmer:** Yes. So it's getting more real, but that isn't all bad. It's not all about sacrifice, because of the rich culture that comes out of the local markets and so forth.

**Payet:** That's right. So it will be like it used to be. Well, of course, it will be different in some ways, but think of a hundred years ago. It's not like people in the North wouldn't have things from the South. They would just have to be shipped, and it was expensive to ship. So now it's going to be also again expensive to ship things. Now, of course, we're going to have rail again, which is much more efficient than trucks.

**Farmer:** I think a lot of inventive things are going to happen because of this.

**Payet:** Yes.

**Farmer:** So one other thing you have on the website is a lot of articles. I was noticing a lot of links to co-gen and —

### **More about the LocalHarvest.org Website**

**Payet:** Oh, the new section? Yes.

**Farmer:** They are really up-to-date. Do you do that?

**Payet:** I used to, but I recently passed it on to Kerry, one of my employees. She has two jobs. The main job is she does customer service. She handles all the phone calls and all the e-mails about orders or general stuff about the site. And then she maintains the news articles, too. (Jen handles emails about ordering and product listings.)

**Farmer:** Kerry finds them on the Web and then puts in the ones that are most appropriate.

**Payet:** There are three or four sources that I originally thought were good. I did a little bit of research and found four sources for pointers to articles with good information about locally grown and organic food and the perils of agribusiness, that type of stuff. We try not to get too negative about things. We try to put the good stuff that's happening. There are a lot of people doing the job of, "Be careful, this is bad for you." We don't want to do that. We want to focus on the good stuff that's happening.

**Farmer:** Well, and it's not confrontational when they come to your website. It's a happy experience.

**Payet:** Yes.

**Farmer:** So tell me more about the catalog. How does that work?

**Payet:** Farmers that want to sell on the website—they create a store; they add their products; they maintain their catalog. The catalog gets reviewed and approved by us. Then once something is approved, it becomes part of the generic, general catalog of LocalHarvest. I don't even know how many products we have right now, probably around 4,000 from around 300 members, all sorts of stuff.

**Farmer:** What are some examples?

**Payet:** A lot of fiber. That's something we sell a lot of, like wool, rovings of yarns [natural fibers that have been drawn out and slightly twisted in preparation for spinning], fleeces, all kinds of stuff like that.

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**Farmer:** So people who have sheep.

**Payet:** Yes, sheep and angora rabbits and goats and alpacas.

**Farmer:** That's easy to ship, too, because it's non-perishable. That's nice, yes.

**Payet:** We sell a lot of seeds. We sell a lot of meats.

**Farmer:** Really?

**Payet:** Turkeys, chickens.

**Farmer:** Do they send them frozen, generally?

**Payet:** Yes. The main idea was not to allow anything that you could find in the farmers' market. We didn't want to compete with farmers' markets or with local CSA boxes, that type of stuff. So you cannot sell tomatoes or lettuce unless you put them for sale only locally, which people can. If you want to sell stuff for the person to go by and pick up or for you to deliver, that's good. At this point, I don't like the way it is, because it's really silly for somebody to buy and then drive to a farm. Actually, that's probably more wasteful than to have tomatoes shipped from Mexico.

**Farmer:** Really?

**Payet:** Yes, because they ship a container full of tomatoes. Per unit, that's not wasting much. But, if you're going to drive your car ten miles to the farm to pick up a pound of tomatoes, that's wasteful, big time.

**Farmer:** That's the carbon footprint thing.

**Payet:** Yes. I allow that because it's the evolution of the site. It's in the direction of how we want to build it, even though I'm not super happy about the idea of most of the money coming to the site from people buying things that then are shipped. We're getting notes all the time saying, "Don't you see the contradiction?"

**Farmer:** (laughs) Right, right. "It's not local."

**Payet:** Yes. "Isn't that ironic?" Yes, it is, but we got to pay the bills somehow.

**Farmer:** And also if you want to support small farmers— I mean, you have a choice. There's a bunch of catalogs you get in the mail, right?

**Payet:** Yes.

**Farmer:** And so this way, you're at least picking something that's been vetted, and it's small, family farmers.

**Payet:** And we have a lot of members. For example, one that just comes to mind right now is a small farm somewhere in Arizona. They live in the middle of nowhere. They don't have any local anything.

**Farmer:** They don't have a local market.

**Payet:** They don't. They have goats, and they make goat milk soap, and they sell goat milk soap on LocalHarvest.

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**Farmer:** Oh, that's great.

**Payet:** Yes. Dried fruits sell very well. Lots of cranberry selling right now. I sell a lot of apricots for Apricot King in Hollister. Gosh, what else? I mean, there's tons of stuff.

**Farmer:** Is Apricot King a family farm?

**Payet:** Yes. Patti Gonzales. She's at the farmers' market here.

**Farmer:** Oh, I have some of those. They're really good.

**Payet:** They're incredible. They're so excellent.

**Farmer:** Yes, yes.

**Payet:** Delicious. These are Blenheims, which are very delicious. But if you're an industrial farmer, you probably wouldn't grow them because they're soft, sort of hard to handle, so you wouldn't want to have a big industrial machine handling those. You have to do it by hand. It's like hand-crafting your food. So it means that they're a little more expensive, but they're so much better.

Which is another problem, the fact that food is so cheap. A lot of people are going to argue that this is not the case, but it is very cheap in this country. Where I come from, you spend thirty, forty percent of your income in food. That's not out of the question. Here people spend four percent of their income in food because food is very cheap.

**Farmer:** Yes, because it's subsidized. We're paying it in taxes.

**Payet:** Yes, and we're paying it in cheap fossil fuel that has all kinds of secondary effects: global warming, externalized costs, a lot of them.

**Farmer:** Did these things occur to you when you were first doing the site, or have you become more and more and more sophisticated about all this?

**Payet:** I'm always learning more and more. I've always known about all these things and cared about them, but now I'm better educated about them.

### The Dangers of Co-option

**Farmer:** Can you talk about some of the interviews you've done with major media?

**Payet:** They usually call because Buy Local is now the in thing. They search "Buy Local" in Google, and LocalHarvest comes up first.

**Farmer:** Ah, that's why.

**Payet:** So let's call the person at LocalHarvest.

**Farmer:** You said you were in *Time* magazine four times?

**Payet:** Yes, four times. There was one about CSAs. There was one about meats, heritage meats. There was one about organic, I think. I don't remember. There was another one, too. Small mentions. There have been two interviews that I've done for *Time*; the other two have been just small mentions. They just put "LocalHarvest.org. Go there for x." But two interviews for *Time*. One was kind of funny, because I think it was about CSA, and it was a big article, big interview. I

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worked really hard with the reporter. And then they just mentioned one sentence from me, and my name and a link to LocalHarvest, and that's it. But it's okay. I learned how they work.<sup>4</sup>

**Farmer:** It didn't misquote you, at least.

**Payet:** Yes, they didn't misquote me, which has happened a lot.

**Farmer:** Yes, yes.

**Payet:** But it's interesting because most of the information in the article is information that they learned from me.

**Farmer:** Oh! But they didn't quote you.

**Payet:** They quoted me just once, in one sentence, and that's it. "Guillermo Payet of LocalHarvest says, blah, blah, blah'" and that's it.

**Farmer:** But all that background they got from you.

**Payet:** That's okay. I'm not complaining, but I think it's interesting how they work.

**Farmer:** And it's also interesting that you would become a spokesperson, because it's not like you represent an organization or anything, but because of the website's longevity.

**Payet:** Everybody thinks LocalHarvest is a nonprofit.

**Farmer:** Is it .org?



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**Payet:** It's a .org, yes.

**Farmer:** For any good reason?

**Payet:** We do have the dotcom domain also, but when I created the site, I wanted the people to feel that it's really about activism. Dotcom is about business.

**Farmer:** And they didn't have to pay to join at the beginning.

**Payet:** Yes, that's right. Nor do they need to pay to join now.

**Farmer:** Yes, so it was just a benefit to them, anyway.

**Payet:** That's right. It's a hybrid of business with activism. It's an informal nonprofit that supports itself by doing a little bit of business.

**Farmer:** And there's no law that says you have to be a nonprofit if you put dot.org on there.

**Payet:** That's right, there isn't.

**Farmer:** So is there anything else you want to add right now?

**Payet:** Oh, yes, one thing I want to add. One thing that is a little scary to see and a little tricky in how I can handle it—I'm not really sure—that's something that we're going through a lot right now. We're four people right now: Erin, me, Kerry, and Jen. Most of the thinking and the planning and all that is done by Erin and I, but what's happening right now is the whole Buy Local is going mainstream. Big business wants to co-opt it. I already had two approaches by big

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business people, venture capitalists, really wanting to buy us out, or make LocalHarvest into some big, huge thing.

Actually, the first thing this happened was a few years ago. One really big company, and I'm not going to say the name here, but one big, huge online retailer—they're interested in food. They were thinking that it would be interesting to have organic food, and they searched organic food, and LocalHarvest came on. They said, "Maybe we should buy LocalHarvest or do some kind of partnership with them." I had some talks with them. But the thing is that it was very clear—at that point, it wasn't Buy Local, but organic that they were interested in. This was five, six years ago. But it was very clear that they thought: "Oh, this local farmer thing is kind of quaint, but it's going to have to go."

**Farmer:** Oh! Your whole premise.

**Payet:** What they were interested in was the fact that there were lots of farms, and you search for organic food in Google, and LocalHarvest came [up] number one, so they wanted to either buy us or buy a big chunk of us, but they wanted control.

But then this year I've talked to two VCs that did say, "Okay, we want to work with you into making this thing huge." So I talked with them, and I said, "Okay, the thing is, this is not really about building a moneymaker. It's really about activism. I don't mind making money. If we can make a lot of money by staying true to the principles, great. But the principle is about small-scale business, about

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promoting that, about supporting local farms and that type of stuff. And then they go, “Oh, yeah, yeah, sure, yeah, okay, no problem, whatever.” But then they also say, “But we want control.” And I say, “Well, no. I don’t trust you. You represent capital. Capital just cares about making more capital.” Me, meaning me and Erin and the employees, the board of LocalHarvest, needs to retain at least fifty-one percent of control of the shares of the business. Otherwise, it can be co-opted too easy and made into something else. I don’t want that to happen.

Recently we’ve been in talks with a big retailer. The one that I talked with six years ago was an online retailer. This is a big-box retailer. We actually got very excited about it. This one of the three biggest big-box retailers. And the thing is that they’ve seen the Buy Local thing. They are interested in Buy Local. They want to do Buy Local. In all their stores, they want to have a little section with locally grown stuff. But for them, small is very big. And they don’t want to deal with the little farmers one by one. What they wanted was to work with LocalHarvest so that LocalHarvest would be like an intermediary, kind of like a packer, a wholesaler. They would buy from us. Say, for example, they would want tomatoes. (This is not their idea. This is the idea that we evolved with them.) They said, “We want to have local food because that’s what the public is wanting now. How do we do it?” So what evolved was that we would have relationships with local growers, and then we would make sure that we would provide so many crates of tomatoes for their local store. And we were going to start with a couple of pilots: one in Minneapolis, one in Florida.

But the thing is, I never really fully liked the idea because these guys are, in some sense, competing with the farmers' markets, which is really not what I want. And also they are about squeezing the provider. So at some point, once we become important and their share of the market of the small growers becomes big, they're going to try to squeeze them. We sent an e-mail to 250 farms, floating the idea. We said, "Okay, we're thinking of doing this stuff. What do you think?" We got fifteen saying, "Yeah, that's great." But we got, like, fifty saying, "No, don't. Evil! They're not what we're about."

**Farmer:** The dark side.

**Payet:** Yes, "Don't go there. You can't really play it both ways; you got to stay on one side or do the other." Local can be big as an aggregate. Of course it could be local massive too, but that's not what we want. That's not what I want. Of course, Wal-Mart could decide to do local, changing their model and doing things differently. You could have a "Farmer McDougal" franchise and sell franchises of family farms to little farms. I bet you at some point somebody is going to try to do that.

**Farmer:** You mean, inside Wal-Marts there will be, like, a little farmers' market?

**Payet:** I mean, they could. I haven't talked to them. But if you were them and you were thinking, okay, Buy Local is big and we're going to have to work with locally grown stuff and people want things to be grown by local farmers that they can identify, "Okay, let's co-opt that. How do we do it? We'll have a franchise. We'll sell it to farms." So then, say, for example, Mariquita Farm [in

Watsonville].<sup>5</sup> Instead of having to do all on their own now, they'll go buy a Wal-Mart franchise. I'm just kind of fantasizing here, you know? But at some point it's likely that some big firm is going to want to try to do that. Think of something that has a flavor of local. There are some franchises that have a little bit of a local flavor, maybe tourist-related things. I can't think of one right now. Then try to do something like that for farming, and then have the big supermarkets try to sell local food that they control by doing that.

**Farmer:** You could have just predicted the future there, totally.

**Payet:** I hope not. But the thing is, okay, if you try to co-opt this movement, by the same time realizing that there is demand for Buy Local, how would you do that? Hopefully that won't happen. That's why if I was to work with those big stores, I would be helping them do this. I don't want to do that. I'd rather just focus all in small-scale. It's harder for me because I'm still struggling. I'm not doing great financially.

**Farmer:** You'd like to get some money. But, see, you're remaining that activist, then. You're holding the space for the small farms.

**Payet:** Yes. Hopefully at some point I'll get there. But that's the point of building this thing. It's a work-in-progress, and it probably always will be.

But going back to the store, the long-term prospects, or project there, has been to have enough small farmers and enough buyers in different regions so that it would make sense to have something like—how to describe this? Think of a multi-farm CSA that is organized by the farmers' market.

**Farmer:** Okay.

**Payet:** So you go to LocalHarvest, and then you enter your zip code, and then the catalog shows you only the produce that is being grown by the farmers that are members of your local farmers' markets. Then you do your grocery shopping. Because a lot of people don't want to go to the farmers' markets. They go to Lucky's or Safeway because it's convenient. They work—you know, the two-parent family; they both work. They don't have time. It has to be practical for them. It has to be convenient for them. So there is Fresh Direct in New York, for example. They're doing great, selling organic food online. It's not local; but it's organic. They have warehouses. But they've demonstrated that it's feasible and profitable to have a business that is about selling organic food to local people from warehouses that deliver locally—

**Farmer:** Regionally.

**Payet:** Regionally, and where it's organic.

**Farmer:** So you would do this by region on LocalHarvest or something like that.

**Payet:** This could be spread out all over the country if you wanted it. So that's what I want eventually, pie in the sky, if everything goes great. The idea is you go to the online store. You enter your zip code. It shows you the farmers' market that is close to you and the farms that belong to that farmers' market that have their products in the catalog. Then you can just shop there. You say, "Okay, I want a couple of pounds of these, two of these—" You put together your box. Then farmers' market day comes. Somebody in the farmers' market—their job is

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to just compile the boxes. They go around and put together the box that that person wanted. You bought a box of veggies, eggs, cheese, whatever. Then either you as a buyer go pick it up at the farmers' market, or it gets delivered.

I think that you either partner with a local delivery company that has refrigerated trucks, or a lot of the farms—they come to the farmers' market with their little pickup truck full of stuff, and at the end of the day it's empty. They could do a round for somebody, do a round delivering stuff. Or you could just have an unemployed hippie with a pickup truck and pay them some money to do the delivery.

**Farmer:** Right, right, which gets back to the real feel of things that we're after here. I like that because the thing with CSAs that's kind of hard is that you don't get to choose what goes in the box.

**Payet:** That's right.

**Farmer:** That can be adventurous and stuff, but sometimes it could be a lot of stuff you really don't want. Of course you'd share it and give it away, but this would give you the same kind of selection as if you had time to shop at the farmers' market, or, even, it's replicable of a grocery store.

**Payet:** But the problem for this is you need a lot of buyers already there. Because if you launch this and then you get all the farmers to spend all this time and effort to put in the catalog all the things that they grow, and then there's, like, three people buying, it doesn't fly.

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**Farmer:** That's why they like CSA so much, because people pay in advance. If you could figure out how to get people to pay in advance for this—

**Payet:** You could. But the first thing we need is just more growth, more farmers, more people, more density of farmers and people close by. And capital, capital to do marketing. One thing that I want to do is set one of these things up for, say, Santa Cruz. You set it up in Santa Cruz working with a few local farms and, say, the Santa Cruz farmers' market, and you launch it as a pilot. Then if that works, you get some other farmers working, some other farmers' market and farmers.

There is a guy (I don't know exactly where he is), Eric Wagoner—he's doing something—it's not the same; it's a little similar, but what he does is he builds these websites for farmers' markets where people can come in and put together the boxes they want to buy. It's funny, because this is the idea I've had for five, six years. And this is what's always been, like, the long-term thinking. The reason why I started with the shipping is because I feared that I didn't have the resources to do something like this.

**Farmer:** Right, and the shipping companies exist, and people are accustomed, because of Amazon.com and stuff—

**Payet:** Yes, you can buy your cheese or wool or whatever, yes. Anyway, the project is there, the idea is there. I do think that it could fly. I haven't really studied it well yet, because I need to really study the market better, interview people, interview the farmers, and then get funding to get it done, because it's a



bigger project. I could probably do it without funding, just boot-strapping, the way I've been doing things since the start.

**Farmer:** But that would take a lot of time.

**Payet:** Yes. It's taken eight years to get here.

**Farmer:** Right, right. It would be nice if you could just—

**Payet:** Yes. But the problem is, funding is hard. I've talked to a few angel investors. They think it's too big for it to be one of those social-entrepreneurship little things that they give \$20,000 and that's it. To do something like this right, you need half a million, a million at least. But then for people to invest that amount of money, they want control. They want an exit strategy.

**Farmer:** Oh, yes.

**Payet:** Like a liquidity event. They won't do it if it's just going to be about the activism. And that's where I think maybe we should be a nonprofit. But then there are other problems with a nonprofit.

**Farmer:** Yes. Well, I see that you're right in the middle of continuously figuring out how to have the life you want, the kind of business you want. You happened to fall into this incredible, very rich realm of activism right now. Food activism is really big.

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**Payet:** Yes. It's very exciting. I love it. I'm having the time of my life. Sometimes it might be a little stressful because financially I'm not by any means comfortable. But big deal. (laughs)

**Farmer:** You got a great life.

**Payet:** Yes.

**Farmer:** So you just went on a motorcycle tour of farms.

**Payet:** Yes. Two weeks riding on a motorcycle with my girlfriend, visiting farms, writing about them, taking photos, eating.

**Farmer:** And it's all on the website [at <http://www.localharvest.org/blog/>]. It's on the blog, right?

**Payet:** Yes, they can go there and get so much information. It's been there eight years. It feels like yesterday I started it. I have no intention of letting somebody co-opt it into something else.

**Farmer:** It's yours. It's evolved in your realm.

**Payet:** Yes. It allows me to live the life that I've always wanted, which is to have a small business. And it's employee-owned, and that gives me incredible freedom. I work a lot, but I do it whenever I want, wherever I want.

**Farmer:** I remember seeing you at Eco-Farm<sup>6</sup> and you were networking with the farmers and going to sessions. You have colleagues.

**Payet:** Yes. Everybody, wherever I go—like, for example, this little trip we made, we didn't even tell people we were going to show up. We would call them. "Hi, I'm Guillermo Payet from LocalHarvest, and I'm going to be visiting in twenty minutes. Okay?" They were, like, "Yeah! Come over!" They would invite us to spend the night and make dinner for us. It was just great. Most farms know LocalHarvest. One thing that is great is to get so much positive feedback from farms. I get, countless times, farms telling me, "We were struggling. We put our name in LocalHarvest, and now we're getting a lot of business." Some farmers, forty, fifty percent of their business comes through LocalHarvest.

**Farmer:** Oh, that's great!

**Payet:** Yes.

**Farmer:** And why is that, then?

**Payet:** Because it's so popular, and people find small farms— You think, oh, I want to find a small farm to find—well, I mean, like your friend in L.A. They want a CSA, but a lot of times it's that they want to go visit with their kids, or they want to find a local source of something— Say you have a bakery and you want to find a local source of eggs or cheese or something, and you don't want to just go to the big store and buy there. You want to find a local source. So where do you find it? You could go to the Yellow Pages, but it's not as good for that. You go online.

**Farmer:** And you can't ask around, really, unless you ask at the farmers' market.

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**Payet:** But it's a big deal. It's a big project.

**Farmer:** Yes, yes.

**Payet:** You go online, Google or search in LocalHarvest, and you find what you're looking for. I'm talking fifteen, twenty thousand people a day.

**Farmer:** Whew!

**Payet:** So it's a lot.

**Farmer:** That's great.

**Payet:** And I do frankly— I mean, I'm going to allow myself to be a little—I don't know what's the word, but blow some sunshine on myself, but I do think that LocalHarvest has made a difference, a big difference, that it's helped the Buy Local movement a lot.

**Farmer:** Yes. And to have individual farmers thanking you for fifty percent of their business, that's great.

**Payet:** Yes, yes.

**Farmer:** That's the margin of survival there for a lot of people.

**Payet:** A lot of them are thriving.

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<sup>1</sup> <http://www.localharvest.org/>

<sup>2</sup> See the oral history with Reggie Knox in this series.

<sup>3</sup> Michael Pollan, *The Omnivore's Dilemma: A Natural History of Four Meals* (Penguin Press, 2006),

<sup>4</sup> See Margot Roosevelt, "Fresh off the Farm," *Time Magazine*, November 3, 2003.

<sup>5</sup> See the oral history with Andy Griffin of Mariquita Farm in this series.

<sup>6</sup> The Ecological Farming Association's annual conference in Asilomar, California.