Hubs are a special type of central facility which are designed to act as switching points for internodal flows. For instance, a set of ten interacting cities might all be connected to one of two major hubs. All flows between the cities would then be routed via the hubs. There is an obvious saving in the number of routes necessary to interconnect the cities when hubs are utilized, with a concomitant high level of activity at the facilities. This paper takes a heuristic approach to the evaluation of networks and hub locations to find locally optimal designs. It is shown that minimization of transportation costs may require assignment of nodes to a facility other than the nearest. A discount on the interhub transportation costs promotes a wider spacing of facilities. In a system with several hubs, minimization of total hub usage tends to concentrate demand very heavily into one central facility.