

# CASE STUDY: LA MAISON VERTE

*Contributions to the emergence  
of the Northern Ontario resilient  
and connected food hub*

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## La Maison Verte

### Social Innovation

- Has proven resilience by continually adapting to a changing environment over a thirty-one year period.
- Has transformed from an exclusive focus on growing tree seedlings to create financial opportunity and well-being for women in the area to a more diversified operation that includes food production and a small retail operation.
- A catalyst for business ventures that creates jobs for women in a predominantly local male labour market.
- The initiation in 2010 of a barcoding system for food allowed them to move their products into mainstream markets.
- Shared impact social enterprise where efforts are made to ensure local food is accessible across economic status.

### Overview

La Maison Verte (LMV) is the longest running non-profit organization in Northern Ontario that has released some of its capital and knowledge to use the downturn in the forest sector to diversify into a viable alternative food initiative. LMV is a social enterprise for profit that was started in 1982 by not-for-profit organization l'Association Parmi-Elles, a women's group located in Hearst, Ontario, with the mandate to create financial opportunities and promote well-being for women in the area.

In 1981, the Ontario Ministry of Natural Resources advertised a five-year black spruce seedling contract. The Association was looking to invest in a project with greenhouses, thus, La Maison Verte won their first contract and began operations. LMV quickly grew to have the capacity to grow 12 million seedlings. Then, as a result of the sharp downturn in the forest industry in the 1990s, LMV lost 80% of its seedling business. Consequently, they recognized the need to diversify their operations. In 1994, they started to produce tomatoes and in 1995, the production of flowers in the greenhouses. In 2009 they added cucumbers in the greenhouses and a vegetable garden. Since that time, LMV has expanded its focus to include the production and distribution of local produce as part of its operations.

LMV has a seven-member governing Board that provides strategic direction to the organization. The general manager works closely with the Board and the staff to make operational and strategic decisions. LMV has seven full-time employees and hires approximately 20-30+ part-time/seasonal employees from April to June. The peak part-time employment seasons are May/June for planting (often 30+ staff) and Oct/Nov for packing (often 25-30 staff). The majority of the employees are women, and some have been working at LMV between 15 to 30 years.

LMV works with local employment programs to provide job placements to people starting out, starting over or looking to retrain. They take advantage of wage subsidies only when they make sense. *We don't hire for the sake of hiring*, states Manon Cyr, Manager. Further, LMV tries to only hire when they can guarantee longer term employment.

LMV generates 80% of its income from the seedling business. In 2013, LMV signed contracts with three forestry companies to grow more than nine million seedlings per year. This contract goes until 2016.

Seedling revenues are reinvested into LMV to help subsidize and support food production initiatives. The produce grown in the greenhouses accounts for 10% of gross sales. LMV distributes its greenhouse grown produce (cucumbers and tomatoes) through:

- Community Supported Agriculture (CSA) baskets (50 shares);
- Five local restaurants;
- Eight smaller grocery stores in the region; and
- LMV's retail location.

## Impact & Benefits

LMV is a mainstay in the community and has a strong base of community support, as well as a tremendously dedicated group of staff and volunteers. They have numerous informal partnerships within the community including non-profits, restaurants, local businesses, and community groups.

LMV's diversification stabilizes employment for women within their home community, provides new sources of local food for Northeastern Ontario communities and enhances community well-being (Stroink & Nelson, 2013).

La Maison Verte has a core value of giving back to the local community so naturally they work with, or donate to, community groups whenever possible. For example, LMV's CSA shares are the lowest priced in the region making it more

accessible to low income consumers. Further, LMV sells green tomatoes at wholesale prices to a youth group who makes green salsa as a fundraiser. They also donate surplus produce to the Hearst Food Bank on a monthly basis. Timmins' Anti-Hunger Program purchases LMV produce at wholesale pricing when available.

LMV's greatest success lies in their sustainability. In 2014, they celebrated their 31st year in business! Although the organization has seen many changes over the last 30 years, it has demonstrated its ability to adapt to a fluctuating and declining forestry sector and to diversify its operations in order to survive. This diversification has enabled the operation to maintain all of its seven full-time jobs, as well as its 20-30+ seasonal jobs. As a result, employees have been able to remain in their home community and raise their families there.

## **Opportunities for Growth**

LMV is not ambitious about pursuing growth for the 'sake of growth'. They are determined to manage their growth and to grow only if it's sustainable and profitable. LMV always explores new potential contracts or expansion ideas from all perspectives (employment, profitability, sustainability) before making decisions.

Right now, in anticipation of the next cyclical forestry recession, LMV is focusing on improving and solidifying its operations to prepare for future harder times.

## **Challenges & Limitations**

Due to the cyclical nature of the forestry economy, whenever there is a recession, LMV loses a major part of its business. However, LMV is aware that recessions are cyclical and they are preparing for the next one. LMV is well positioned to weather the next recession as they have diversified their production base to include produce and some retail sales.

Outside of economic recessions, transportation and distribution are significant challenges due to the large distances between neighbouring communities. Currently, local businesses work independently, but there is a need for greater efforts to cooperate, and pool resources, so that transportation and distribution systems may be improved. Adding to the transportation challenge is the seasonality of LMV's food production operation, and the highly perishable nature of their products.

Other challenges include the “one-size-fits-all” approach to government regulations and policies relating to food production. LMV believes there are unrealistic expectations on small, local producers who do not have the same resources available to them as do large-scale producers. For example, for their safety policies, LMV is expected to meet all of the requirements of large corporations, but with only a fraction of the budget. Their produce does not pass through so many layers of risk as is true for larger operations thus opening up opportunities for a modified food safety regime. Although safety is a very high priority, they simply do not have the same resources available to develop their internal policies, rules, and procedures. A customized set of safety regulations for smaller scale operations, supported by provincial and federal food safety regulators, would encourage growth in smaller scale local alternative food systems. LMV feels that the current provincial and federal rules and regulations are prohibitive, and deter a lot of people from starting their own small business practices.

LMV also has a number of concerns related to government work subsidies and opportunities as they unintentionally penalize the seasonal aspect of their operation. LMV would appreciate taking more advantage of wage subsidy or internship type programs, but the current structure does not fit the seasonality of their operation.

LMV is reflective about how to preserve community knowledge of food production and harvest that is unique to local climatic and soil conditions. This issue of how best to record and transfer local knowledge is a growing challenge given the need to adapt food practices to a changing climate (Stroink & Nelson, 2013).

## **Strategies for Success**

Despite cyclical recessions affecting their biggest clients (Forestry sector), LMV is able to diversify their operations and maintain all of these jobs. LMV is currently almost working at capacity and has turned down additional seedling contracts so that they can maintain their current diversification between tree seedlings and food production. LMV is streamlining the work that they currently do, repairing current infrastructure and working on plans to survive through the next forestry recession. This demonstrates LMV’s commitment to economic and community stability.

Diversifying LMV’s offerings to include food was both innovative and stabilizing for the organization. Tree seedlings continue to be the majority (80%) of their business, but the diversification helps to provide stability during economic

recessions and contribute more directly to local area initiatives and partnerships. Growing produce, growing seedlings for producers, providing CSA baskets, and donating or discounting food to food-service organizations has made a substantive impact on the local community.

## Summary

LMV has shown its ability to adapt to changing economic conditions, identify opportunities and needs, and diversify their operations in order to capitalize on these opportunities and meet these needs. It demonstrates that there is a need to 'change with the times' in order to maintain viability. It is necessary to be able to adapt and diversify. LMV has successfully diversified from a narrower focus on economic viability to include support for the accessibility of healthy local food to its surrounding community.

LMV has demonstrated how a small, remote northern community of 5,000 can create and maintain a successful business that creates long-term jobs for its community members, while creating products that are safe and healthy for its local residents and regional neighbours.

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<http://www.lamaisonverte.info/index.html>