

CASE STUDY: SUPERIOR SEASONS FARMERS' MARKET

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

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Superior Seasons Farmers' Market

Social Innovation

Superior Seasons Farmers' Market (SSFM) is a bi-weekly online "farmers market" for individual customers, buying clubs, restaurants, businesses and food distributors in the Thunder Bay area.

SSFM demonstrates social innovation through:

- Online Market "store" – the first of its kind in Northwestern Ontario;
- A focus on locally grown/processed produce, meat, dairy, value-added food products and other related producers;
- A consistent bi-weekly ordering and flexible pick-up and delivery cycle;
- Partnership with a parent business to subsidize overhead, staffing and administrative costs, as well as solving storage space issues;
- Sells directly to businesses and restaurants;
- Has started working with a food distributor in order to facilitate sales to bigger institutions like long-term care facilities, schools, etc.

Overview

Operating since 1946, Belluz Farms is a third generation farm located in the fertile Slate River Valley just outside of Thunder Bay. Belluz grows produce including berries (strawberry, raspberry), root vegetables (potatoes, carrots, beets) and market garden crops (lettuce, beans, etc.). They offer a mix of pick-your-own and market ready products from their farm store.

Super Seasons Farmers Market (SSFM) is an online marketplace operated out of Belluz Farms for local foods and related products. Superior Seasons was started in 2010 by three farms (Belluz, Blue Moon Ranch and Boreal Edge Farm) to bring local food choices to consumers outside of the traditional farm gate or farmers' market setting. Shortly after its inception, Boreal Edge Farm and Blue Moon Ranch closed their operations. SSFM is now solely owned and administered by Belluz Farms.

SSFM makes shopping for local foods easier by bringing together products from multiple vendors and allowing customers the convenience of shopping via an

online ordering system. SSFM has a bi-weekly ordering cycle. SSFM operates an online virtual “marketplace”, but utilizes storage buildings, coolers, and a delivery truck, as well as office space from Belluz Farms.

SSFM sells online to:

- 1) Individuals and organized buying groups of individuals
- 2) Businesses including:
 - a) Restaurants (at least five)
 - b) Direct retailers: True North Community Co-op, George’s Market
- 3) Wholesale distributors: Loudon’s who supplies hospitals, high school cafeterias, and privately run retirement residences

Orders are picked up by individuals at Belluz Farms or at their booth at the Thunder Bay Country Market. Delivery is provided by SSFM to businesses, wholesalers or institutions in Thunder Bay.

Although Superior Seasons Farmers' Market is administered by a private farm business, it is operated on a not-for-profit basis. SSFM allows vendors to set their own prices and keep most of their profits. Producers give 10% of their sales back to cover administrative fees. Belluz provides the administrative, staffing and overhead needs (i.e. storage and sorting facilities) of SSFM. The 10% portion from producers partially covers the actual operating administrative, staffing, and overhead costs.

Impact & Benefits

SSFM is unique as it was the first non-market food hub in Thunder Bay, and is still the only online farmers market for the Thunder Bay area. SSFM gathers products from a number of producers in the area and offers pick-up and delivery options to customers.

As Thunder Bay has a short growing season, some produce items are hard to keep in stock, so the online farmers market allows customers to reserve items as soon as they become available. It also allows SSFM producers to be smarter about how they operate. They can keep products in the ground (or in the freezer, or on the plant) until orders are placed so they can reduce waste and offer “just picked” freshness to customers.

SSFM strives to give local producers significant control over their supply and profits, while marketing and reaching new direct, business and wholesale markets. Producers can display and set their own pricing. They also have the

option of offering a wholesale option for restaurants, businesses and distributors. SSFM operates on a non-profit basis, so producers get to keep 90% their sales. SSFM offers producers access to an online marketplace and new customers for very little cost or time investment.

SSFM is unique in the way it is administered via Belluz Farms, who helps subsidize the operational costs via infrastructure (storage and delivery) and staffing supports.

SSFM uses the current sales/distribution channels based on demand, but also as a requirement to sell to larger institutions. Institutions require advanced food safety procurement procedures, so SSFM works with a local wholesaler/distributor (Loudon's) in order to sell to these institutions. Working with wholesalers works well for SSFM as it reduces additional administrative time spent collating orders and making deliveries. Lost profits are compensated by the reduced investment of time. SSFM is interested in building on these relationships.

SSFM does social benefit activities in the Thunder Bay community. For example, Belluz Farms sells their produce at a discounted rate to the local Good Food Box program. Belluz Farms also opens their fields to community groups that bring low-income customers to the farm to glean unpicked produce. When supplies are plentiful, Belluz Farms will donate their own product to the Regional Food Distribution Association, but will not donate SSFM producers' products on their behalf without their permission.

Opportunities for Growth

There are lots of opportunities to grow the SSFM online "store". Unfortunately, the shorter growing season and increasingly unpredictable weather makes it difficult to plan and harvest produce yields that customers want. For example, in 2014, due to excessive cool and rainy weather and a very early heavy frost, Belluz Farms had devastating losses for both their strawberry and sweet corn harvests. These products are highly sought after and account for a significant amount of Belluz and SSFM's sales.

When the weather cooperates, there is room to grow the quantity and variety of fresh, frozen, and value-added food products. Local demand for some seasonal items like berries, salad mixes, and specialty items (i.e. chanterelle mushrooms) is high. Yet, perishables produce presents a concern in terms of storage and balancing supply/demand/waste.

Having regular "grocery list" consumables (dairy, meat, eggs, bread, etc.) available on a consistent basis is important to drive regular traffic to SSFM.

SSFM is working to incorporate more of these regular consumables so shopping at the online farmers' market becomes a more regular habit for customers.

SSFM is very pleased about the inroads they are making with local businesses and institutions. SSFM and Belluz Farms spend a lot of time educating restaurants, businesses and institutions on the benefits and availability of local foods. Working with a wholesaler (Loudon's) has made some of these new relationships possible. It has taken significant investment of time and energy, but these new relationships are in development and they hope that this trend will continue to grow.

Challenges and Limitations

Currently, of the three SSFM founders, only Belluz Farms is still actively farming. This presents challenges in terms of ownership and operations for SSFM as it is sometimes seen as a "Belluz' store" as opposed to representing a broad cross section of producers.

Weather and the short growing season in the region continue to present very real challenges to producers. Consumers are not always aware of, or sensitive to, these challenges.

SSFM is sustainable, but that's mostly due to the administrative oversight provided by Belluz Farms. If SSFM had to pay actual overhead costs/space and hire staff, it would not be sustainable. There are also limitations in terms of current space/storage that can limit growth. Funding for additional infrastructure (buildings, etc.) is hard to come by and is a significant up-front investment.

The Thunder Bay community has a well-established farmers' market (the Thunder Bay Country Market) and several smaller markets. Some producers compete against themselves and SSFM when they vend at the market, and then sell leftover products via SSFM. This makes it difficult to keep a fully-stocked inventory at SSFM that will attract customers. Many producers are not yet at the point where they can see, and participate in the "bigger food hub" approach.

SSFM is competing with other local food hubs and retailers, but also with bigger corporate distributors. Sysco Foods is a major player in the food distribution business in Thunder Bay, and with their networks, supply channel and efficient distribution system, they make it harder for smaller food hubs to compete with businesses, restaurants and institutions. SSFM has to work especially hard to reach local markets with their local product offerings.

Lastly, SSFM sometimes feels burdened by tedious and unnecessary administrative requirements that do not increase food safety such as those related to food labelling when a third party vendor like SSFM is involved. This

may prohibit SSFM from some “staple” products like eggs and milk products via their distribution network. These requirements can be a barrier to growth.

Visions for the Future

The main vision is that SSFM will grow and expand in order to be financially sustainable as the ‘one stop shop’ for local food products in Thunder Bay.

SSFM is at a crossroads in terms of achieving this goal. Do they continue with the online market approach, or move to a brick and mortar ‘food hub’ retail location? The risks of a more tangible food hub are great in terms of infrastructure and staff/time resources, but the rewards may be higher with this approach. For example, producers will have to commit more to the food hub by offering consistent volume, more competitive pricing and by helping to market the food hub and their products to consumers.

SSFM identifies the need to encourage professional food producers that are committed to farming as a profession. More professional producers results in a more consistent supply of high quality products. This strong base can work together to more aggressively market local food, supply local food, and make inroads to other food hub networks and institutions.

Key Successes

Superior Seasons is an online farmers’ market in Thunder Bay. SSFM makes shopping for local foods easier by offering products from multiple vendors with the convenience of an online “store”. SSFM works to bring local products directly to customers, but also a growing number of restaurants, food distributors and larger institutions (schools, hospitals, etc.).

SSFM plays a small, but important and growing role in distributing local foods to the Thunder Bay community. They have the added expertise of Belluz Farms’ five generations of farming experience to help reflect upon and strategize future growth plans of food hubs in this region.

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<http://marketstore.locallygrown.net/>