

FOOD HUB CASE STUDY

FOOD HUB CASE STUDY

Farms at Work

May 2015

Scott Jarosiewicz



This work was made possible through generous funding from the Ontario Ministry of Agriculture, Food and Rural Affairs.

Special thanks to Pat Learmonth, Director of Farms at Work, for offering her time and expertise, and providing the interview material in this report.

Farms at Work: Peterborough, ON

Rationale

Farms at Work is a non-profit charitable project of Tides Canada Initiatives. In spring of 2014, Farms at Work developed a virtual food hub that connects farmers and institutional buyers (restaurants, schools, universities, nursing homes, etc.), with the intention of creating opportunities for local farmers to scale-up their operations.

Background Information

Farms at Work was founded in 2009 as a not-for-profit project, under the auspices of Tides Canada. Its mission revolves around promoting healthy and active farmland, mostly in the Kawartha region of east-central Ontario. To achieve this end, Farms at Work is involved in a range of activities, including: protecting and conserving farmland, fostering new farm enterprises to keep good agricultural land in production, and ensuring the economic viability of existing farms by providing knowledge, training, and opportunities. Pat Learmonth, Director of Farms at Work, suggests that these activities bring the project into the local food system. “Because we are trying to support farms to be successful, to diversify, or trying to get farms off the ground, it tends to get us involved in the local food arena,” says Learmonth.

A recent initiative of Farms at Work is the Find Local Food tool, a free web-based marketplace that connects wholesale buyers and suppliers. The tool has been available on Farms at Work’s website since the spring of 2014 and Farms at Work’s staff are now in the



I think this platform can be viewed as a pipeline. It’s a communications and information pipeline and it doesn’t have the characteristics that other food hubs have. It doesn’t have bricks and mortar, it doesn’t have flows of food and dollars through it. It only has flows of information and communication. Everything else happens outside the platform.

process of promoting it within the Kawartha region. With the tool, institutional buyers can post requests for desired products. The requests may outline the quantity desired, the date required, and any certifications desired (e.g. organic, local, etc.). Farmers can also post products that they have available to sell to the wholesale market. The posts are viewable by any

visitor on the web and users that are subscribed to the system receive e-mail notifications of any new posts. If a farmer is able to meet a request, she or he contacts the buyer directly, and the two parties then arrange their own price and pick-up or drop-off arrangements. To date, very few requests have been made

as the tool was only given a “soft launch” for the purposes of demonstrating its use to purchasers and suppliers that Farms at Work is connected to. Farms at Work hopes that its outreach efforts generate more traffic in the 2015 growing season, but funding for the work is a major challenge. For the time being, the tool is intended for farmers and institutions in the Kawartha region, as that is where Farms at Work is active and where it is marketing the tool. That said, with promotion in other areas, the tool could easily be expanded to other geographies.

The tool is not intended to connect household consumers to local food. In the U.S., there are a series of other online platforms (see Farmigo and Good Eggs as examples) that facilitate direct sales and operate in a peer-to-peer fashion much like the Find Local Food tool, but lack the emphasis on institutional sales that Farms at Work is promoting. Learmonth explains that retail sales would create way too much traffic and wouldn't enable farmers to scale-up beyond supplying the household market, which operates at low volumes. Indeed, Friedmann (2007) suggests that institutional partners are necessary to the growth of the local food system as retail and community initiatives (e.g. food boxes) reach their limits.

As much as the Find Local Food tool serves as a virtual food hub, in that it creates an opportunity for local food to move from farm to buyer, it also serves as a learning device that will allow both growers and buyers to better understand the capabilities, limitations and demands of those on the other end of the supply chain. “I think this platform can be viewed as a pipeline. It's a communications and information pipeline and it doesn't have the characteristics that other food hubs have. It doesn't have bricks and mortar, it doesn't have flows of food and dollars through it. It only has flows of information and communication. Everything else happens outside the platform,” explains Learmonth. With the tool, buyers can gain a better understanding of what kinds of food are available when and in what quantities. Farmers can gain a better understanding of what kinds of foods are demanded by wholesale purchasers, and are thus able to adjust their operations accordingly. Further, the tool provides the opportunity for forward contracting. If restaurants and institutional buyers are able to state their desires for regular purchases or make requests sufficiently ahead of time, farmers can be assured a destination for their product and better plan for the future.

Stories from Up and Down the Supply Chain

The Find Local Food tool is very much in the development stage. Farms at Work is in the process of connecting with potential buyers and explaining how the tool can be utilized. Currently, they are in touch with over 100 restaurants, several elementary and secondary schools that are running student nutrition programs through Food for Kids Peterborough, and Trent University. The latter recently struck a Food Services Review Committee, composed of Trent University

students (50%), faculty, staff, and partners, to generate guidelines and review proposals for a new food service contract on campus. Among the key priorities identified by the committee were food quality, variety and affordability, stakeholder involvement, and environmental sustainability. The Committee demonstrated a strong commitment to local food, requiring that 50% of food purchases come from the province of Ontario. Of that, 35% must come from within a 250 km radius of the campus, and another 2% from within the Kawartha region. The Committee selected a proposal by Chartwells, a subsidiary of Compass Group, one of the three largest food service providers in the world (Trent University, 2014; Martin & Andrée, 2012).

The Trent University example is one of a public institution facing grassroots pressure from local food activists to influence the procurement practices of the institution. Martin and Andrée (2012) find that pressure from local food activists on institutional food procurement practices is a growing trend. Another example is the University of Toronto, where in 2006, following consultations with food system activists at the University, it was announced that Aramark and Chartwells had won bids to provide food on its campuses and that an increasing percentage of local food would be required in each year of the contract (Friedmann, 2007). These examples demonstrate that grassroots activism can work to localize the conventional long-distance supply chains that large transnational food service providers operate on. Indeed, Morgan et al. (2006) suggest, “creative public procurement could be the most important single factor in fashioning food localization” (p. 196).

Farms at Work is working with Chartwells to help them meet the requirements of their contract with Trent University. Representatives at Chartwells need to become familiar with the local food landscape in and around Peterborough. At the same time, farmers in the region need to understand what Chartwells’ purchasing requirements are. If representatives from those two ends of the supply chain can share information and maintain open lines of communication, there can be plenty of opportunities for all involved. Learmonth is excited and optimistic about the ability of the Find Local Food tool to help the process along. “What we’ll do is we’ll work directly with [Chartwells] to determine what they’re going to be needing and to help them understand what kind of availability there might be. Then, I imagine and expect that they’ll put out a series of RFPs (requests for proposals) [using the Find local Food tool] that will then help them to meet those requirements, and hopefully, exceed those requirements, and possibly without too much difficulty.”

Impacts and Benefits

Learmonth expects that the Find Local Food tool’s biggest impact will be to increase knowledge and awareness of the local food system. “I think that there’s a huge chasm between the potential institutional purchasers of local food and

farmers. The purchasers have very limited comprehension of what is being produced regionally and what it would take to bring product

“

[The tool] is meant to help understand what types of bricks and mortar establishments are needed and are viable, or any other system [or business] for that matter... increased knowledge of the system is going to give people confidence to start aggregation and distribution businesses, processing businesses, whether they be small- or medium-scale. If they know what people want, they can start businesses. So, it's market research in a sense, for all the aspects of the food system.

from the field into their kitchens. There are a lot of steps in between and there are a lot of considerations. There are many, many things that have to happen between the field and the kitchen in order for both parties to be satisfied. And the farmers, on the other hand, have a dearth of information about what it is that the institutions would actually want and in what form and in what kinds of quantities.” Better understanding of the food

system through a transparent marketplace or information “pipeline” is precisely what the Find Local Food tool will bring to the local food system in the Kawartha region. By targeting institutional buyers, the tool has the potential to make a profound impact.

An obvious benefit of the online marketplace approach that Farms at Work has taken is that it is very low-cost, especially relative to bricks and mortar food hubs. This system design allows for local food to move from growers to institutional buyers and also serves to collect information on the local food landscape in the Kawartha region. The information generated by the Find Local Food tool might eventually be useful to, and serve as a catalyst for, a more conventional bricks and mortar food hub as well as for startup businesses in the region. Learmonth explains that the system is not meant to compete with other hubs, but rather “[the tool] is meant to help understand what types of bricks and mortar establishments are needed and are viable, or any other system [or business] for that matter... increased knowledge of the system is going to give people confidence to start aggregation and distribution businesses, processing businesses, whether they be small- or medium-scale. If they know what people want, they can start businesses. So, it's market research in a sense, for all the aspects of the food system.”

Potential for Expansion

As explained above, geographical expansion of the Find Local Food tool is mostly a matter of promotion in other areas. Similarly, increased use in the Kawartha region is a function of outreach activities there. However, the potential

expansion of the *local food system* by connecting farmers to institutional buyers is the most important consideration. Information generated by the tool will be useful not only to parties already actively engaged in the local food system, but also to those looking to get (more) involved. The possibilities are numerous, as Learmonth explains, “I think that over the next, probably 5 years, we’re going to see that there’s going to be a learning curve where the people looking for food are going to understand better about food availability, and about the ability of the system to meet their needs, and the people that are supplying are going to know more and more what the demand might be, and then are going to find creative ways to meet that demand. So, the site is intended to build the [regional food] system over a period of time.”

Challenges and Limitations

The Find Local Food tool represents a relatively simple and low-cost food hub. That said, funding is required to introduce the tool to potential users and to finance promotional activities, as well as to gauge the effectiveness of the tool (through surveys) and to make the necessary adjustments. For non-profits, securing funding is a perpetual challenge. Farms at Work has had challenges obtaining funding for this work. For example, funding from the Local Food Fund is geared towards hiring consultants to meet stated objectives. However, while in the promotion and education stage, Farms at Work hasn’t seen the need for consultants for work on the Find Local Food tool. Internal staff, with only partial funding in place to support their work, have the required expertise, but are ineligible for the funding. To this point, Farms at Work has secured limited funding from community partners on the project. However, in order to invest more time and resources into promotional and educational outreach, and to make refinements to the functionality of the tool as feedback flows in, Farms at Work will have to secure more funding.

Strategies for Success

One of the biggest advantages of the open marketplace system of the Find Local Food tool is that it allows users to employ their own definitions of local food. “I think that local food is in the eye of the beholder. I feel like attempts to define local food are very challenging and sort of have become a bit of a red herring. I think that that is part of the purpose of this exercise, [that] is, to leave it elastic for people to decide who to contract with. If they want to specify a particular geography, then they’re free to do that and if they don’t want to, they don’t have to,” says Learmonth. Understandings of “local” vary depending on context and the Find Local Food tool is sensitive to these different contexts. This flexibility should allow users to meet their demands without having to compromise too much. The Find Local Food tool is not an attempt to cultivate a particular type of food system, one that specifies who can and cannot be involved by requiring geographic proximity or particular specifications (e.g. organic production

methods, 'fair' sourcing, etc.). Farms at Work's ultimate aim is the preservation and development of farm activity, however defined.

Another strategy that Farms at Work is using to increase the effectiveness of the tool is community engagement to ensure that the tool meets the needs of its users. Farms at Work has built an online survey that users can fill out after they complete transactions to note the effectiveness of the system and to suggest modifications. Further, restaurants and institutions in the Peterborough area receive ongoing guidance from Farms at Work staff on how to use the tool to best meet their needs. "We're starting from the grassroots and trying to work within, or do something that is manageable," says Learmonth. It is this type of grassroots work that ultimately excites change in the food system, as evidenced by research from Martin and Andrée (2012) and Friedmann (2007).

References

- Friedmann, H. (2007). "Scaling Up: Bringing Public Institutions and Food Service Corporations in the Project for a Local, Sustainable Food System in Ontario." *Agriculture and Human Values*, 24(3), 389-398.
- Martin, S.J. & Andrée, P. (2012). "The 'Buy Local' Challenge to Institutional Foodservice Corporations in Historical Context." *Journal of Agriculture, Food Systems, and Community Development*, 2(3), 161-175.
- Morgan, K., Marsden, T., & Murdoch, J. (2006). *Worlds of Food: Place, Power, and Provenance in the Food Chain*. Oxford: Oxford University Press.
- Trent University. (March 24, 2014). *Daily News*. "New Food Services Contract Announced." Retrieved from <http://www.trentu.ca/newsevents/newsDetail.php?newsID=7019>.