

## CONTENTS

This bulletin is a companion to SARE's Farm to Table: Building Local and Regional Food Systems Topic Room, an online collection of select, mostly SARE-based resources on local food systems. Information on the following topics is available at [www.SARE.org/Local-Food](http://www.SARE.org/Local-Food):

- BUSINESS ISSUES
- MARKETING AND MARKETS
- DISTRIBUTION AND AGGREGATION
- FOOD SAFETY
- FOOD PROCESSING
- STRONG COMMUNITIES
- TRAINING RESOURCES FOR PRACTITIONERS

SARE's Topic Rooms contain dozens of publications, videos and other educational materials on a wide range of topics, including cover crops, high tunnels, small ruminants and more. Visit [www.SARE.org/Topic-Rooms](http://www.SARE.org/Topic-Rooms).

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# Building Local and Regional Food Systems



Photos (clockwise) Santa Cruz Farm sells organic produce to local customers in Santa Fe, N.M. - Santa Cruz Farm Truly Living Well in Atlanta, Ga., serves its local community through ag education. - Abby Massey This Bellingham, Wash., school serves local food in its cafeteria. - Common Threads Farm

GROWING IN POPULARITY ON dinner tables and in restaurants, schools and grocery stores around the nation, local food has become more than a buzzword. Local and regional food sales totaled an estimated \$6.1 billion in 2012, and the movement is now one of the USDA's funding priorities: In 2014 alone, the Secretary of Agriculture announced that hundreds of millions of dollars would go to economic development in rural areas, small businesses, value-added market growth, food hubs and more.

From crop production to business management to marketing, farmers wear many hats. In addition to having the tools to grow crops, they need the tools to build a strong business that capitalizes on local sales opportunities. The *Farm to Table: Building Local and Regional Food Systems* topic room has tools for business planning, marketing, distribution and logistics issues. While the topic room includes resources on production of niche products, you can find general sustainable agriculture production resources at [www.sare.org](http://www.sare.org).

*Farm to Table: Building Local and Regional Food Systems* includes SARE-funded resources produced by farmers, ranchers, educators and other community members who are working to improve their business management, make local food more accessible to consumers and develop innovative distribution systems.

## Why Local and Regional Food Systems?

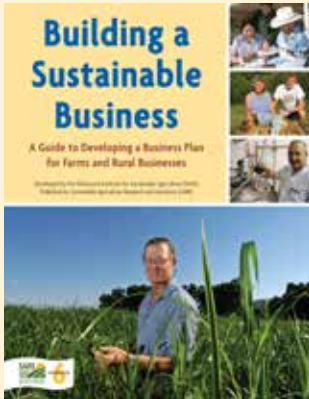
LOCAL AND REGIONAL FOOD SYSTEMS improve the vitality of both rural and urban communities. They keep more food dollars in local communities and offer new business opportunities that can bring young people back home. Producers and consumers build relationships, so that consumers know where their food comes from and how it was produced. Communities with a strong local food connection are more resilient to global food supply challenges and price fluctuations. Farm-to-school programs help kids make healthier eating decisions now and as they grow up.

While definitions of local and regional food systems vary in terms of specific geographic boundaries or distances, they are driven by common goals. These include strengthening the economic well being of communities, improving access to fresh healthy food, and creating market opportunities for beginning farmers and those who are unable to sell to wholesale markets due to their smaller size, limited resources or unusual products.

## Improving Business Capacity

[www.SARE.org/local-food/business](http://www.SARE.org/local-food/business)

STARTING A FARM PRESENTS MANY challenges. Some of the most daunting are production planning, risk and resource management, and access to land, capital and markets. Experienced



Use SARE's manual, *Building a Sustainable Business*, to develop and write a business plan. Download for free at [www.SARE.org/Business](http://www.SARE.org/Business).

Richard Ward, of Blue Pearl Farms in McClellanville, S.C., delivers blueberries to GrowFood Carolina's warehouse.

- Photo by Sara Clow



farmers also need access to capital and financing if they plan to expand their farm business or buy new equipment in pursuit of new opportunities. The **Capital and Finance** section contains resources from SARE grantees who have found ways to help lenders overcome their perception of farmers as a risky investment. Resources developed by other grantees offer guidance on how farmers and ranchers can obtain funding from alternative sources, rather than traditional banks.

A variety of factors, including urban sprawl, exert upward pressure on land prices, making land access difficult. **Business Issues** also provides resources to help farmers and ranchers buy, rent or make other arrangements to access land, and make sure farmland stays in production.

### Accessing Markets and Marketing

[www.SARE.org/local-food/marketing](http://www.SARE.org/local-food/marketing)

MARKETING—FIGURING OUT THE MOST profitable way to sell a product—can be another serious challenge for busy farmers and ranchers. With increasing demand for local food, today's producers are finding innovative ways to access new and existing markets.

A marketing plan includes figuring out which consumers will be interested in your product, how many there are and how to reach them—all of which are important components of a profitable business. Part of marketing is advertising the product and setting the brand apart from competitors. Many producers have done this by sharing their farm story, which provides a personal touch for consum-

ers who are far removed from food production and satisfies their desire to know the origin of what they eat.

Some farmers sell their products directly to the consumer at farmers' markets, and via community-supported agriculture (CSA) and pick-your-own programs. Others use an intermediary or middleman, such as cooperatives, food hubs, retailers, restaurants and schools, to help them distribute their produce locally. As a risk management strategy, farmers and ranchers often use multiple sales channels.

Building a local food system is not easy. Consumers must demand locally sourced products, communities must work together to establish the infrastructure needed to support a local system, and farmers must listen to and work with distributors, consumers and each other. **Community Outreach** includes case studies and assessments conducted by community stakeholders who are working to create cohesive regional food systems. These assessments can serve as examples and, used alongside the Community Based Food System Assessment and Planning Guide, will help communities start planning their local food system.

### Distribution and Aggregation

[www.SARE.org/local-food/distribution](http://www.SARE.org/local-food/distribution)

THERE ARE MANY WAYS FOR FARMERS TO get their products to local consumers. Farmers choose their outlets depending on what they grow, their location, and time and labor available. Some distribution channels aggregate products

## CHARLESTON FOOD HUB BRINGS EFFICIENCY TO THE MARKET

In 2011, when Beaufort, S.C., farmer Urbie West was seeking new opportunities to get his produce to local consumers, a friend pointed him to GrowFood Carolina, a wholesaler that distributes local produce to businesses in nearby Charleston. GrowFood proved to be just what West needed. A fifth-generation farmer who raises produce on 45 acres and does most of his business through a large community-supported agriculture (CSA) program, West earns up to 25 percent more than he used to earn through conventional distributors.

GrowFood Carolina, which received a 2010 SARE grant to conduct pre-launch market research and outreach to farmers, businesses and the community, is an example of a food hub. Farmers deliver produce to GrowFood's downtown Charleston warehouse and GrowFood distributes it to local grocery stores and restaurants—mostly high-end businesses that will pay the premium farmers like West seek.

The potential for this model is considerable: Only 10 percent of produce eaten by South Carolinians is grown in the state. The 40 farmers currently in GrowFood's network keep whatever their produce sells for, minus a 20 percent fee that covers GrowFood's services. Along with distribution, GrowFood staff promote farmers' stories and values, build an extensive customer base, and work tirelessly with individual farmers to ensure that together they can supply customers with what they need, when they need it. "Chefs are just so excited because really what we're doing is building efficiencies in the market," says GrowFood General Manager Sara Clow.

Edward Hudson, of Rowesville, S.C., echoes that sentiment, from the farmer's perspective. "We couldn't do it without them," he says. "There are only so many hours in the day; you can't market everything the way you want to." For more information, visit [www.SARE.org/Project-Reports](http://www.SARE.org/Project-Reports) and search for CS10-078.

## FARM TO SCHOOL

[WWW.SARE.ORG/LOCAL-FOOD/FARM-TO-SCHOOL](http://WWW.SARE.ORG/LOCAL-FOOD/FARM-TO-SCHOOL)

Farm-to-school programs can foster mutually beneficial links between farmers and communities. Programs include at least one of the following three practices:

- a school garden
- locally produced, fresh and packaged goods served in the cafeteria
- agricultural education

According to the National Farm to School Network, 44 percent of U.S. schools have a farm-to-school program. This number has skyrocketed over the last decade, driven by a desire to get more fresh fruits and vegetables into school lunches and improve kids' eating habits.



from multiple farms, which provides the volume and consistency needed to reach larger markets. Typical distribution methods, all of which allow farmers to communicate their identity and production values to consumers, include:

**Cooperatives**—Businesses owned and run by a group of farmers who work together to market, aggregate and sell their products.

**Community-Supported Agriculture (CSA)**—Community members pay a produce subscription fee before the season starts, allowing the farmer to share risk with the consumer.

**Farmers' Markets**—Physical markets where farmers can rent a stall and sell their produce directly to the consumer.

**Food Hubs**—A centrally located business that coordinates the aggregation, storage, processing, distribution and marketing of local and regional food products.

**Institution/Retail/Farm-to-School**—Farmers and ranchers can sell wholesale directly to non-commercial and commercial outlets such as schools, grocery stores, restaurants and hospitals. Producers often partner with a cooperative or food hub to provide the quantity and consistency that such institutions require.

## Food Safety

[www.SARE.org/local-food/food-safety](http://www.SARE.org/local-food/food-safety)

FROM FARM TO TABLE, THERE ARE MANY points at which food can become unsafe for consumption. That is why farmers follow strict handling practices, as do those in charge of food processing, transportation, storage and delivery. Just like business management and marketing, food safety benefits from having a strong plan in place so that everyone working on the farm, ranch or processing facility is familiar with required procedures. While food safety regulations continue to change, the **Food Safety** section has resources covering

methods to keep produce safe, and approaches to help processors maintain a safe environment and work with a food safety inspector.

## Food Processing

[www.SARE.org/local-food/processing](http://www.SARE.org/local-food/processing)

PRODUCERS CAN EARN EXTRA INCOME BY selling value-added products—crops and animals processed to increase their value. From jams to cheese, customers are willing to pay more for finished products that they are not accustomed to making themselves. Adding value can range from post-harvest handling (e.g., cleaning, processing and packaging) to developing a convenience or finished product (e.g., flour, yogurt or pickled goods) to meat processing and packaging. Farmers are turning oilseeds into palatable oils and ranchers are adding value to their sheep operations by processing and selling yarn. Producers who want to market their vegetables to a school will often have better luck if they sell them pre-cut and packaged, which requires processing methods and equipment.

Small-scale, local livestock processing has declined dramatically with intensification of the industry, but such processors are beginning to reappear as more producers become interested in selling locally. **Food Processing** has resources for people who want to build meat-processing facilities, includ-

**Ellen Anderson works with two young gardeners at Thurgood Marshall Elementary School in Washington, D.C.**

*- Photo by Lance Cheung*

**Appalachian Sustainable Development's Appalachian Harvest produce processing facility packs and ships about 20,000 cases of produce per month.**

*- Photo courtesy Appalachian Sustainable Development*



## GRAD STUDENT RESEARCH LEADS TO INDUSTRY CHANGE

Graduate student Arion Thiboumery originally assumed, as most did in agriculture, that there are simply too few small-scale meat processors to service producers. What he discovered was that the industry was out of sync and in need of better resources and coordination. Today, at least in the Midwest, says Thiboumery, there is adequate meat processing for small-scale producers.

This is due, in large part, to better industry-wide coordination and information springing from Thiboumery's SARE-funded graduate research at Iowa State University. Thiboumery found a need for networking, and formed the Small Meat Lockers Working Group. He then chose three lockers as case studies, working in their factories to truly understand the issues in play. He discovered, for example, an aging processor population and extreme boom-and-bust seasonality that put processors out of business.

It became apparent to Thiboumery that stakeholders did not have the information they needed to run an efficient business, nor

did they have sufficient networking opportunities with producers, consumers, processors, regulators and other stakeholders, which would help them learn new approaches, avoid pitfalls and promote their businesses. So Thiboumery filled the gap. He held workshops on alternative pricing structures, facilitating networking and building off-season awareness. And he wrote the *Iowa Meat Processors' Resource Guidebook* ([www.sare.org/iowa-meat](http://www.sare.org/iowa-meat)), now used by Extension agents and universities across the Midwest; and the carnivore's bible, *The Whole Animal Buying Guide* ([www.sare.org/animal-buying-guide](http://www.sare.org/animal-buying-guide)).

Eventually, Thiboumery was able to leverage his initial SARE grant into \$500,000 worth of assistance from other federal agencies, nonprofits and universities to engage stakeholders from across the nation. Together with Lauren Gwin of Oregon State University, he transformed the working group into the 500-member strong Niche Meat Processors Assistance Network.



Learn more about the Network at [www.nichemeatprocessing.org](http://www.nichemeatprocessing.org).

- Photos by Samara Akers

### High Tunnels

[www.sare.org/high-tunnels](http://www.sare.org/high-tunnels)

Extending the growing season with high tunnels gives consumers more access to local food and provides farmers with more income.

Find in-depth production resources in the *High Tunnels and Other Season Extension Techniques* topic room.

- Photo by Abby Massey

ing on-farm and mobile facilities. Once established, food processing can add profit for a farmer and provide convenience for consumers.

### Strong Communities

[www.SARE.org/local-food/community](http://www.SARE.org/local-food/community)

CONSUMERS, BUSINESS OWNERS AND OTHER stakeholders within communities are integral contributors to, and beneficiaries of, local and regional food systems. Purchasing locally produced and processed food builds stronger, healthier and more self-sufficient communities. It brings a new awareness to consumers about where their food comes from and who produces it. And when more consumers purchase locally, a greater share of food dollars stays in the community. In turn, food businesses see increased profits and are more equipped to create meaningful jobs, which can help revitalize communities that have seen job opportunities dwindle.

The recent attention on local food systems has opened the door for new governmental and institutional programs, which are developed based on the perceived importance of strong social relationships between farming and non-farming communities.

For example, communities that have limited access to fresh produce are benefiting from these policies: Around the nation, an increasing number of farmers' markets participate in Fair Food Network's Double Up Food Bucks program ([www.doubleup-foodbucks.org](http://www.doubleup-foodbucks.org)), where federal nutrition assistance is doubled when purchasing local, fresh food. Initiatives for urban gardens are also popping up around the nation, expanding exposure of city populations to agriculture and providing access to hyperlocal and fresh food.

**Strong Communities** includes tools to address needs of various community players and includes urban garden planning guides and manuals for using food assistance programs at farmers' markets.

### Conclusion

LOCAL AND REGIONAL FOOD SYSTEMS ARE an important complement to the national and global systems that provide much of our food but are often opaque to consumers and economically challenging for smaller-scale producers. Closer-to-home food systems make it easier for the public to learn more about the origin of their food, and thus make informed choices. These choices often support producers with new businesses, as well as those who are exploring innovative changes to production, processing and distribution. Challenges to building a local food system are complex, but the *Farm to Table: Building Local and Regional Food Systems* topic room has up-to-date resources to help these stakeholders find the information they need to improve their sector of the food system.

