

Regional Food Policy Council.....

at Work

Forum on Local Food Distribution

May 12, 2017

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Attendees

Austin Becker, Farmstand Local Foods | Melissa Borsting, SnoValley Tilth | Melissa Campbell, PCC Farmland Trust | Hannah Cavendish-Palmer, Snoqualmie Valley Farmers Co-op | Linda Choi, TPC | Richard Conlin, Co-Chair | John Paul Davies, Key City Fish Co | Diane Dempster, Charlie's Produce | Leif Fixen, American Farmland Trust | Mark Freeman, Microsoft | Terri Hanson, Puget Sound Food Hub | Maria Hines, Maria Hines Restaurants | Shelby Jors, Central Co-op | Bobbi Lindemulder, Snohomish Conservation District | Michael Lufkin, King County | Diane Marcus-Jones, Pierce County | Arianna Muirow, Food Action | Scott Morris, Puget Sound Food Hub | Linda Neunzig, Snohomish County | Dave Nilam, Molly's Salads | Crystal Nuno, Kitsap Public Health District | Shawn Peterson, Tilth Alliance | Brogan Shell, TPCD | Leslie Stewart, City of Seattle | Councilmember Nancy Tosta, City of Burien | Gwen Vernon, Puyallup Watershed Initiative

PSRC Staff: Laura Benjamin, PSRC | Charlie Howard, PSRC | Rebecca Maskin, PSRC | Liz Underwood-Bultmann, PSRC

Welcome and Introductions, Public Comment

Richard Conlin, Co-Chair called the meeting to order at 10:00 am. There were around the room introductions. Alex Tsimerman, A.J. Honore and Marguerite Richard provided public comment.

Session Overview

Farmers, food businesses, and consumers depend on the distribution system to bring products to market, support related businesses, and provide access to local food. The distribution system can provide both opportunities and limitations on what producers can grow or raise, what consumers can access, and the capacity of our local food system.

A panel discussed current models of local food distribution, and the challenges and opportunities for getting more local food onto plates everywhere. Panelists included:

- John-Paul Davies, Key City Fish
- Diane Dempster, Charlie's Produce
- Terri Hanson, Puget Sound Food Hub Cooperative
- Maria Hines, Tilth Restaurants
- Shelby Jors, Central Co-op

Richard Conlin, chair of the Regional Food Policy Council, welcomed attendees to the forum. Michael Lufkin, King County, moderated the discussion.

Challenges in Local Food Distribution

Panelists were asked to expand on the challenges of local food distribution.

Challenges

- Distribution is in the background of the food system and is detail-oriented with all links in the chain (the right product, labor, weather, logistics) synching together for the system to work
- From food hub perspective, working with different sizes of farms with different price points
- Access to organic meats for restaurants, stores

- Delivery from smaller farms
- Getting over mountain passes (reliably) or irregular trips being made to the city—very opportunistic and not necessarily coordinated with other buyers/producers
- On-site restaurant and small grocer storage is limited in dense areas
- Streamlining delivery service is in conflict w buyers' unique needs
- Waste from the distribution process (cardboard)

Opportunities

- Storage/drop sites in urban areas
- Partnerships with producers and retail/restaurants

Scale + Competition

Scale of the producer, distributor, and consumer markets were echoed throughout the panel. Different niches have developed to satisfy different consumer demand and producer interests, with a variety of retail concepts and distribution models mediating and competing. Some models do directly compete, but there is some natural sorting/partnering that occurs naturally.

- Local sourcing is labor intensive, needs to be easier for broader adoption
 - Food hubs make it easier, but the process can be wonky and not as easy as wholesalers
 - Small operations can be in competition with big distributors at grocers
 - Price point can vary between big and small operations
- Farm direct operations have limited deliveries, with potentially smaller, less consistently available supply
- Some farms/producers view big distributors as a loss of choice/flexibility
- There is a challenge of establishing “brand recognition” for farms when selling wholesale
- Farmers selling at farmers markets appear to discount time/cost of participating themselves and may see wholesaling prices as excessive
- Size and variety allows Puget Sound Food Hub to be nimbler than the bigger distributors

Production

Panelists commented on local producers and farms, focusing on factors upstream of the distribution network (farmland access and prices, low farm income, short growing season) and larger-scale food issues (demand for artificially low prices for food, labor shortages). Given the variety of farmer business models, a one-size-fits-all model for distribution is unlikely.

- A limited and aging supply of farmers and expensive land prices are a long-term challenge for the supply of local food
- Concerns about national on-farm labor shortages
- The Pacific Northwest growing season can be a challenge for meeting consumer demand
- The competition is international, where price points are lower
- Some farms do not want to scale up and prefer producing variety
 - Scaling up can mean more monoculture or homogeneity, which some view as losing a unique advantage in the marketplace
- Farmers are not making fair/sustainable wages
- While GAAP has value, it creates costs
- Struggle to find processing for value-added goods
- Questions whether more cold storage/processing options would make it more possible to have local produce available year-round
- Consumers have a challenging financial choice for local foods given the cost differential between commodity crops and small, local production

Marketing

In addition to support for joint marketing strategies like Puget Sound Fresh, panelists discussed topics related to marketing local foods. Building farm name brand recognition sells food, and quality packaging (especially for value added foods) furthers that identification. One panelist suggested distributors could educate or partner with farms on a branding/packaging strategy. For fresh seafood, some restaurants/caterers or other bulk buyers cited the appeal of purchasing from a fishermen's terminal, though there was concern that this model does not make economic sense. Panelists highlighted how technology can streamline ordering and communication.

Food Waste/Reuse

Panelists and forum participants raised several comments and questions on food reuse and waste. Participants were interested in a "seconds" stream to restaurants and food banks. Others cautioned that the cost of processing seconds might preclude these ventures and detract from primary produce business. The Puget Sound Food Hub sells some seconds, and the new Food Lifeline distribution center has the facilities to focus on food reuse. Labor (collecting food from the field) has been a barrier to recovering food from gleaning programs.

Food System Needs

Throughout the conversation, panelists noted several needs to improve the local food distribution system including:

- Additional farmer education on options and limitations in the distribution system, ways to meet consumer tastes/demand
- Technical assistance in scaling up
- Connecting farmers market vendors who have a significant short-term supply with opportunities for one-off sales
- Address challenges in distribution channel to get more good (local) food to people on food assistance programs
- (On-farm) Education for producers and restaurant owners on options and opportunities for local meat production
- Need for diversified certified organic livestock and appropriate processing facilities

Policy Issues

Panelists identified several local, state, and national policy areas as arenas where public policy could enable more local food distribution.

- Cost of implementing food safety regulations. Local governments could provide more technical assistance or help pay for GAP plans.
- Government support for joint marketing efforts like Puget Sound Fresh to encourage consumer demand.
- Changing consumer demand to encourage interest in crops the region is particularly well-suited to grow, like Japanese turnips, radicchio, and kohlrabi.
- Consumer education is needed on how to cook and use products.
 - Beyond chef demonstrations at farmers markets, local media on how to cook locally produced/sourced foods to reach a broader audience
- Support prescription program for fruits and veggies
- Look at a coordinated media strategy
- Rule change: antibiotics in feed illegal as of January 1, 2017
 - Further remove antibiotics and hormones from the food system
- Snohomish County is initiating an RFP to consolidate and learn from recent studies of food processing.

Session Take-Aways

Chair Conlin summarized key opportunities for additional work to support local food distribution:

- Importance of technical assistance to address regulatory costs. Northwest Agriculture Business Center is a great resource – how can their role be increased?

- Consider a fisherman's terminal at the Port (*Key City Fish observed that this as not a viable economic model for fish distribution*).
- Consumer campaign to increase local demand.
- Look at refrigeration and processing capacity in the region -port of Seattle and Snohomish County have provided leadership on this.
- Tension between maintaining farm identity and scaling up. System interaction between aggregation and farmers.

Chair Conlin thanked Michael Lufkin for facilitating the meeting, Diane Dempster for helping to organize the session, and the panelists for their time and insight.

Additional food policy forums will be scheduled in the upcoming months on other topics. For more information, contact Rebeccah Maskin at RMaskin@psrc.org or Liz Underwood-Bultmann at LUnderwood-Bultmann@psrc.org