**Appendix B**

**Western S.A.R.E.**

**Summary of Proceedings and Collected Data**

**Introduction**

The southern San Joaquin Valley is the most productive agricultural region in the world, yet its residents suffer from high rates of nutrition-related health problems and limited connectivity with the abundance of food grown and marketed around them. One of the simplest ways to bridge these contradictions is to bring the consumer of foods closer to farmers – its producers. While food production in this region is usually a geographical short distance from its residents, its processing and distribution chains are often global. How can we bring food produced in the world’s most productive agricultural region to local residents of the southern San Joaquin Valley?

The concept of a regional foodshed and localized agricultural markets is helpful in proposing healthy, sustainable solutions that can also be profitable to smaller scale farmers, local processors, regional distributors and a variety of markets in the southern San Joaquin Valley. A “foodshed” was conceived in Hedden’s (1929) *How Great Cities Are Fed* as analogous to watersheds such that “the barriers which deflect raindrops into one river basin rather than another are natural land elevations, while the barriers which guide and control movements of foodstuffs are more often economic than physical.” Another way to conceive of a foodshed is to consider it spatially as the flow of food, through the agricultural and economic system from farm to fork including the practices used to produce it, the route it travels in being processed and marketed, the conservation of the farmland, and finally to the table it is consumed. A regional foodshed shifts the breadth of the current food system model that favors large-scale exporters of agricultural product to one that includes and implements place-focused food flows by shortening the distances between the producers and consumers of food. Reconnecting people with their food will also help with better nutrition, improved health benefits and better ameliorative policy outcomes for agriculture.

Under the Western SARE project “A San Joaquin Valley Quilt: Stitching Together a Region’s Prosperity, Nutrition and Sustainability,” Sequoia Riverlands Trust brought together five participating producers and a group of more than 50 farmers and an assortment of other, processors, food retailers and food system advocates. The group set out on an ambitious agenda deliberating a broad range of topics including: understanding our regional foodshed, distribution channels, marketing practices, processing opportunities; identifying current food systems work around Fresno’s metropolitan area; and developing a communications campaign to educate local audiences on the importance of a strong regional food system. Specifically, the program set out four tasks:

* Educate farmers through farmer-to-farmer networking about existing practices and activities, expose them to resources to help address issues, and engage them in the strategic planning process.
* Establish the local framework to integrate with the expertise and resources that will be brought to the region through the Foodshed and Food System Alliance projects.
* Develop a strategy to address the issues that are constraining progress by providing a roadmap of actions that will create a more sustainable food system in the San Joaquin Valley.
* Have a fundable plan with which to seek implementation funding from sources like the Specialty Crops Block Grant Programs, Farm Credit/US AgBank, etc.

**A San Joaquin Valley Quilt: Stitching Together a Region’s Prosperity, Nutrition and Sustainability**

This Western SARE project’s participants identified key barriers and possibilities to developing a strategic implementation plan toward promoting a more sustainable food system in the San Joaquin Valley. The criteria of a sustainable food system described as economically viable farms that are profitable and allow farmers to make a living, healthy families who have access to nutritious food, and sustainable land where long term conservation and stewardship of natural resources is valued in the marketing of food.

This strategic implementation plan focuses on four primary topic areas brought forward during our research with the participating farmers and food system advocates including: (I) a review of the qualitative data developed from producer meetings held in Fresno; (II) input from outside experts including Scott Anderson’s (Fresno Farm Credit) financial advice , Paul Muller’s (Fully Belly Farm and the Capay Valley Farm Shop) for lessons from thirty years work as a sustainable farmer in California, Clint Lara’s experience as a Food Service Director in the Earlimart School District, and Ritz Guggiani from Sonoma Direct sharing his experiences about development of a distribution system to serve regional needs; (III) a review of alternative, fiscally viable aggregation and distribution centers; and (IV) a description of the use of food system assessments.

1. **Project Justification & Producer Feedback**

Three producer meetings (November 16, 2010; January 20, 2011 & March 10, 2011) were facilitated by Sequoia Riverlands Trust together with Holly King, the project’s consultant and previous Director of Agricultural Programs at the Great Valley Center. The farmers, who were representative of the four-county region around Fresno (Madera, Fresno, Kings and Tulare counties), shared their experiences, learned from each other and collectively developed solutions to their mutual problems during these meetings. Workshop facilitators worked to integrate the concepts and themes generated from the farmers and other meeting participants. The initial breadth of issues presented in the meetings was extensive as they illustrated multi-level problems including those related to production, aggregation, distribution, processing, marketing, policy concerns and regulatory issues. Some problems appeared to be beyond the scope of any particular farmer to resolve independently, such as poorly constructed public policies (i.e. difficulties allowing USDA food stamp recipients to purchase local foods or bureaucratic obstacles in selling to local institutions like schools).

After the first meeting, facilitators identified three themes (each with its own objectives), which emerged from the farmers’ dialogue:

* Growing Demand
  + Consumers
  + Health
  + Schools
  + Community Education
  + Access (to underserved groups and by limited resources)
* Getting Product to Market
  + Aggregation
  + Distribution
  + Collaborations
  + Regulations
* Operations
  + Financial
  + Structure
  + Management

These themes were organized as break-out groups for the second producer meeting. Participants in that meeting were asked to join one of the three groups based upon their expertise and interest. Even though Operations was identified by the farmers as a theme in the first meeting, there was limited capacity or expertise within the group to address these financial and structural issues. It was decided to seek outside expertise for this area. Facilitators met independently with personnel from Farm Credit who agreed to give a presentation at the third producer meeting. Data therefore was generated in the second producer meeting for only the first two themes – Growing Demand and Getting Product to Market.

At the second meeting, producers were divided into two groups that examined the previously identified themes of Growing Demand and Getting Product to Market. Each group was given the following questions and prompts to guide their inquiry:

1. What are our goals in this area?
2. How are we going to get there?
3. Look at the list of obstacles/challenges we identified at the last meeting – do we need to add to the list?
4. What are some of the realities of this obstacle/challenge? (For example, if selling to retailers, they require a vendor I.D.) Can we create alternatives? If so, how would one go about it?
5. What additional information about each obstacle/challenge do we need? Do we need research into the problems? If so, what kind of research? Has other research already been done? If so, how might we collect it and analyze it?
6. Are there others out there that have dealt with this obstacle/challenge? Identify who has dealt with this obstacle/challenge – are there other models out there to learn from? What did they do to address this obstacle/challenge? Did it work or not? What were their lessons learned – good and bad?
7. Look over the list of activities for this area. What do we currently know about these activities? What more do we need to learn about these activities and what they are trying to achieve? What activities might we engage in?
8. Who might be a collaborator on this obstacle/challenge to help solve it?
9. How do we seize some of the solutions/opportunities that we listed and make them work for us?
10. What else do we need to know?

The groups were reminded that our goal was to develop a strategic implementation plan to address issues/challenges and delineate a path forward that represented the best possible approach to solving or addressing the issue. This emphasis was important as the tendancy to solve the problem was prevalent throughout the data gathering process. Facilitators aimed to build a network of producers involved in a problem-solving process designed to articulate the strategic implementation plan. This approach was introduced at the January 20 Meeting as a schema (Graph 1) with the goal of “sustainable farms, families and land.”

**Graph 1: Sustainable Farms, Families and Land**

Goal: Sustainable Farms, Families and Land --------

Outreach and Educational Activities ------------

Create Action Plan --------------

Formulate Strategic Plan-----------

Research ------

Collaboration ------

------- Educational Opportunities

------ Leverage Existing Activities

----------- Things to Consider

----------- Models

--------- Obstacles

From that meeting, qualitative data was placed into the appropriate categories for the themes of Growing Demand and Getting Product to Market (See Appendix I). Extensive data was generated through the first two producer meetings. Appendix I frames the compilation of this information into the format of Graph 1 (though some of the designated markers were not filled for the Growing Demand and Getting Product to Market themes). The theme’s objectives were further defined and tactics detailed. For each objective, the facilitation team came up with the following definitions:

* Growing Demand
  + Consumers – Educate consumers to build demand for local product and create a San Joaquin Valley food culture.
  + Health – Promote food/health connection where locally grown, nutritious food is recognized as a component of preventative health care.
  + Schools – Engage educational institutions and methods to: 1) market product into schools by navigating and challenging barriers; and (2) foster healthy eating habits among students through local food.
  + Community Education – Re-establish public recognition of the importance of local agriculture.
  + Access (to underserved groups and by limited resources) – Increase access to local foods for underserved and low income communities.
* Getting Product to Market
  + Aggregation – Aggregate product to achieve volume and variety that meets the needs of vendors in local and regional markets.
  + Distribution – Retain a unique farm identity emphasizing seasonality while moving year-round product to market.
  + Collaborations – Network and collaborate in marketing, aggregation and distribution of regional produce.
  + Regulations – Share information on regulations and facilitate policy outcomes supportive of local food consumption.

Under each of these objectives, categories were filled in according to the graph’s process points such as “models and potential collaborators,” “leveraging existing activities,” or “things to consider.” This first-hand feedback informed the locally identified needs and goals set out in the strategic implementation plan.

1. **Specialist Presentations: Scott Anderson and Paul Muller**

Two themes had risen to the top of the conversation since the initiation of the process: (1) farmers interest in aggregation and distribution centers that could help them sell and transport product to more diversified markets, and (2) the complex intersection of farmer needs and food system advocacy throughout the society suggested the need for a regional food assessment to identify the impediments and possibilities to promote regional food security. At the final meeting, facilitators also addressed the outstanding issue of producer funding of their agricultural operations.

**Presentation of Agricultural Financing: Scott Anderson & Jeana Hultquist**

Two bankers from Farm Credit presented at the last producer meeting. Scott Anderson, President of the Federal Land Bank Association of Kingsburg and Jeana Hultquist, Vice President for the U.S. AgBank gave short overview presentations of their work and answered producer questions.

The agricultural financing discussion began with a simple question, “How does an individual come to get a loan?” Because the Farm Credit System specializes in agricultural finance, Scott Anderson and Jeana Hultquist were invited to give a brief presentation and answered producer questions.

Anderson began, “As a brand new customer you need the following information and advice:

* A business plan – a what, when, where, why and how
* S.W.O.T. – an assessment of strengths, weaknesses, opportunities and threats
* Be brief
* Be professional (e.g., make spelling corrections and proofread your applications).

“If you can convince a banker that you can make more money, you can get a loan because a banker wants to make a loan and have it repaid. Look for existing models that show what you are trying to do and how you are going to get there. These can include: co-signers, guarantors, UC Extension models, historical production informing projections credibility. Prove that the business plan is doable. Also, do homework on who will lend you the money. Be honest, most bankers think ‘carbon credits’ and ‘sustainability’ are a bunch of baloney. Don’t talk about how you are going to save the world, talk about how you are going to make money. Be a viable business and focus on the bottom line. Banks assess interest rates according to risk, so the way to leverage a banker is with a successful track record. Again, it helps to do homework on the bank and its processes.”

Anderson and Hultquist offered a range of practical advice from a banker’s position. Since the basis of most loans to farmers use their land as collateral, many of the loans are more significant in scale. Smaller loans are not as common, but one justification of one could be that it will result in later, larger loans from the bank as a prospective business venture grows. Interest rates on smaller loans are also usually higher. Another point was that getting the initial loan is the most important. Once a history is established with the bank, further lending is facilitated as a business relationship is established. A final point of emphasis was on the creation of farmer cooperatives, for example to form an aggregation and distribution center. These business ventures are notoriously difficult to finance because many have not established a history of business transactions with the bank; however, some of the most lucrative and substantial partners that agricultural banks fund are cooperatives. Anderson noted that Farm Credit and the U.S. Ag Bank were cooperatives. Appendix II details the dialogue between the farmers and these bankers.

**Presentation of Sustainable Farming: Paul Muller**

A second area that producers needed additional information was on marketing sustainable and local agricultural product, aggregation and distribution centers, and institutions like farmer cooperatives. Therefore, SARE facilitators invited Paul Muller, an outside expert associated with existing and pertinent models, to share his experience on these business opportunities and discuss his perspectives on sustainable food systems. Muller drew from his experience with Full Belly Farm and the Capay Valley Farm Shop, both of which offer models to learn from and replicate where possible.

Starting his discussion, Muller related the SARE group’s efforts to deliberations and work throughout the country. He posed a series of questions, “This process is being replicated all over the country. How do we grow a viable agricultural economy? How do we challenge the model that exists? How do we encourage direct marketing?”

Having listened to that morning’s discussion, Muller related comments to the points that the creditors had raised, “With respect to the financial piece, how do you localize money? I worry about venture capital investing in agriculture. Then costs go up. Big money comes in and dilutes the ability of small farmers to produce. So, how do you localize money? At this farm bureau [Fresno], are the number of members going up? Acreage is consolidating. There is a structural problem in agriculture.”

Local farmers, like Muller and his family, responded to changes and opportunities as the structure of agriculture transformed, he said, “We chose that getting bigger was not the solution. Marketing was the key. Another structural issue is that we are not reproducing. California agriculture grew towns. Fresno and Red Bluff are vibrant cities. And farmers actually produce something. Yet, agriculture is supposed to produce cheap food while risk is born by the farmer.”

“We farm 400 acres that is growing steadily. We decided not to borrow money any more and looked to create a business model where there was a year round cash flow. Here, you are next to the biggest market in the world – Los Angeles. You need to market there. Otherwise, Walmart will squeeze the grower as much as they can because that is their model.”

Muller then considered, “Can Fresno source food locally? Are we going to where there is a natural financial advantage to localizing food? Look at challenges to how the food system is put together as opportunities. Agriculture has to look at itself. It doesn’t exist on an island.”

Producers and other SARE participants ask questions. One retailer asked, “Sustainability is: if we are doing what we do now, in 1,000 years will our communities be healthy? Will our beings be healthy?”

Muller answered,“also, land use policies that protect our resources. We already harvested the low hanging fruit from our economy like sardines in Monterrey Bay and salmon in the Sacramento River. Ecologies collapsed in these cases. At what price are we growing? And for whose benefit? I believe in economic democracy. Access is important. Make it so new farmers can come back to the farm. They need to be economically viable and flexible in understanding price points.”

“We started farming 10 acre plots.” Muller continued, “Then we began to market values, like ‘a direct experience of flavor.’ Value stewardship - where we grow other levels of habitat. At the 20,000 foot level, we expect farmers to produce at less than the cost of production. Who is benefitting from the structure of the marketplace?”

“We needed to organize new ways to an effective market. So we used the Nut Tree Store and partnered with a developer. We invested $300,000 of our money but the developers did not invest in the other stores. It didn’t work out. Now we have created a multiform CSA to market to corporations like Google. Thomas Nelson runs The Farm Shop. There are 100 members and 30 grower members of ‘Capay Valley Grown.’ We have tried ideas like doing boxes at Kaiser.”

“The idea of shared risk is important. In 2000 there was a series of workshops with successful growers in the area. Out of the workshops came an effort to brand the [Capay] valley. Anyone of our members can use that to brand their product. Now you can put other values on that brand. Consumers want to trust that. So as producers, find places of agreement, then build from there. The agreement is “we want an economically viable agriculture.”

One of the SARE producers commented, “Consumers are confused…let’s go back to the values. Don’t build trust by putting other people down like organics vs. conventional or the Yahoo “dirty dozen” blogs.”

Muller added “Conventional has to ask universities what is safer? We need public universities to ask: what optimizes health in the system? Health is the key. I.P.M. is an example of bio-control. Sterility is not the answer. Only through an educated consumer will sustainability come. Consumers do not care about farmers. Cities are intensive where inputs go in and waste goes out. Diversity, not sterility, is the key. Diversify income streams for year round product. The Farm Shop did not have a store front. Now it is a CSA. Tell the story. That is how you promote your farm. Sustainability is about stewardship. All of my kids want to come back to my farm. There is a lot going on like farm worker health campaigns, direct marketing, sustainability indexes, etc. Tell that story and create models that work. Get together and tell a story. There are values in stories.

Another SARE farmer asked, “Do you have to pretty-up your farm, Paul?”

Muller answered, “ Agritourism means relaxing a lot of rules. Consumers accept the risk by looking at your kitchen. Are we going to trust the sensibility of the consumer? We are doing a multi-storied agriculture. We are farming ecologically. Our kids want to come back to the farm - kids who graduated from Berkeley. It has to make money, but it can make money and look good. Sustainability will define itself and it will come back. Read that Slow Money book. It talks about investors who don’t expect return. How do you tap that Birkenstock mentality? Farmers have been beaten up – they didn’t believe in themselves. Change the paradigm – it is not always a good idea to scale up. This is a long term effort. Movement for local food is much more powerful and has more momentum than organics did. We believe that ‘local’ is about personal relationships with soil, variety, people, etc., making balance, optimizing health, identifying markets and receiving fair prices. Sustainable communities consider applying ‘fair trade’ to plums and peaches.”

**Workshop Conclusion: Implementation Brainstorming**

As the final workshop neared completion, an exercise sought input from every participant in considering the next steps in developing a strategic implement plan. By going around the room sequentially, facilitators sought input from participants who had previously been reticent to speak.

The primary focus of these comments was on opening access and marketing to the low income residents, schools and communities of the San Joaquin Valley. One farmer said that this approach was “starting with the low hanging fruit” and that it is a “huge opportunity.” Another farmer commented, “Fresno is the most food insecure county in the nation. Connect local food to insecure populations.” And yet another farmer added, “Remove obstacles to local food in existing programs. Use the force and moral authority of the next grant to eliminate barriers to local food consumption in lower income areas. Focus on removing cultural and policy obstacles to local food in low income neighborhoods.” One of the participating retailers similarly said, “Connect food to poor, local minority populations – target populations like Hispanics and Hmong.”

Associated with opportunities from low income markets, there was agreement to focus on local food. A farmer called for others to “expand the power of the local.” One of the participants identified the need to “incentivize local purchasing.” A suggestion from a farmer was to “expand attributes of fair trade such as its mindset, branding and labeling to local farmers and consumers.” This was described by a retailer as an “alternative food distribution system connecting local producers through education.” The marketing of local product was mentioned by some participants in this last session of the meeting. One sought to “market the San Joaquin Valley brand until it is recognized as a world class product.”

As the meeting closed, a five month process had brought forward significant information regarding the strategic thoughts of farmers and others related to local food and sustainable agriculture. The need for aggregation and distribution centers for local agricultural product had been emphasized by participating producers. Numerous producers recognized the market opportunity and humanitarian need for bringing nutritious, fresh and local fruits and vegetables to the region’s lower income residents, particularly those subsidized by federal or state programs to supplement their diets.

SARE facilitators then researched case studies and models to extend the information gathered during the three producer meetings.

1. **Case Study: Aggregation and Distribution Center**

Case studies are designed to inform prospective projects. Since the SARE producers had emphasized their need and desire for an aggregation and distribution center, project facilitators looked for applicable models. Paul Muller’s example of the Capay Valley Farm Shop illustrated an existing example of an aggregation and distribution center. After their first attempt at the Nut Tree location on Highway 80, its producers re-initiated the project with different partners and a slightly altered business plan. Where are there other examples, studies or models in other parts of California? What lessons could be learned from them in to avoid repeating mistakes and expedite the development an Aggregation and Marketing Center (AMC)? A recently completed USDA Rural Development funded and CAFF conducted study demonstrates the usefulness of such a feasibility study. “Establishing an Aggregation & Marketing Center for California’s North Coast” (2011) focused on both supply and demand to “provide an effective mechanism to increase the availability of local product” over a four county region (Sonoma, Napa, Lake and Mendocino counties). Initial feedback by farmers in the CAFF study overwhelmingly identified their shared challenge in getting product to the marketplace. Smaller scale farmers worked within an agricultural sector that had become dominated by vertically integrated market chains favorable to large-scale producers. An aggregation center offered the opportunity for smaller farmers to sell at higher volume to larger buyers and distribution networks. In the absence of such an aggregation center, CAFF farmers utilized a number of strategies to differentiate their products. They opened new markets through value added and niche marketing, direct marketing in farmers markets and through CSA’s, and regrettably often were forced to accept a lower return on investments and labor than large scale agribusinesses with which they competed for market share. Extremely high prices for farmland also hindered smaller and mid-sized farmers.

The ability of bringing product to market from small and medium-size family farms was identified as a “structural challenge” in the study. This challenge was exacerbated by many factors. Mainstream markets were difficult for smaller farmers to access and participate in since larger-scale distributors and retailers usually could get higher volume purchasing at a lower cost from larger agricultural operators. Additionally, these well capitalized agricultural businesses often have the financing to build infrastructure like packing sheds and cold storage facilities – services that smaller farmers often lack and therefore must rent.

The CAFF feasibility study suggested a strategy to “develop larger markets for local produce and find new and better ways for farmers to differentiate and verify their products as locally grown” - suggestions that complemented Paul Muller’s belief that “getting bigger was not the solution - marketing was the key.” The CAFF study was limited to aggregation and marketing, excluding distribution, in order to reduce the fixed costs of the project. Methodologically, a straightforward research design focused on analyses of supply and demand; first, to see how local product could be sold at volume, and second, whether there were potential underserved markets and distribution networks to purchase the product. The study answered three research questions:

* Would the growers in the North Coast counties be able and willing to supply enough produce to sustain an AMC?
* Is the North Coast’s demand for local produce strong enough to sustain an AMC?
* Would there be either a for- or non-profit entity willing and able to manage an AMC sustainably?

Qualitative data was collected from county agricultural commissioners, stakeholder meetings, surveys, and interviews. The project had a proposed second phase to write a business and marketing plan for the AMC.

CAFF’s data analysis concentrated on supply and demand. For supply, baseline information involving an agricultural census overview was provided in statistics from agricultural comissioners in each of the four counties. A questionnaire survey was sent to all vegetable growers in addition to being handed out at grower workshops held in each county. These surveys offered a snapshot from a number of farms regarding the type and quantity of their produce. In addition, the survey asked about how each farmer marketed their produce (i.e. direct to consumers, restaurants, stores, wholesale, processors, cider, institutions, or others like food banks). The average distance that growers in all four counties were willing to deliver produce to market was 28 miles, which in turn targets this distance as an ideal one to have between potential aggregation centers.

The study’s analysis of demand involved surveys and interviews of 35 food service operators and 16 retail operators in two of the four counties. Major institutions like Sonoma State University were included in the assessment. Barriers to selling directly to universities and hospitals included: price, limited supply, inconvenience associated with multiple ordering and delivery systems, and food safety concerns. Prisons and food concession businesses serving hospitals, schools and corporate campuses expressed less demand for local product for a variety of reasons. Strong community efforts pressuring school districts to purchase local were identified in the region, though they have been stalled trying to align the district’s purchasing and supply systems with local production. Restaurants that purchased locally tended to be independently owned and high-end, while corporate owned ones mainly purchased from full-line distributors. Overall, chefs from a broad range of restaurants acknowledged an evolving cultural change that increasingly favored local produce. Similar to restaurants, retail grocers that were consumer cooperatives or small independent operations had direct sale relationship with local farmers while most major supermarkets did not. Distribution centers mostly accepted both local and non-local produce, but none source-identified their local produce back to specific farms. Some distributors picked up local produce and delivered it to terminal markets, which resulted in “a substantial amount of local produce currently available via distributors must first leave the area, returning up to 3 days and 120 miles later.”

CAFF’s supply and demand analysis justified the need for a Aggregation and Marketing Center (AMC) in the North Coast of California. The project defined the AMC as “a centrally located facility with a business management structure facilitating the aggregation, storage, and marketing of locally/regionally farmer/rancher produced food products.” Such an institution relieves producers of the need to market to wholesalers and to concentrate on production. Theoretically, an AMC would increase the amount of local food consumption and facilitate increased use of existing distribution networks. Other functions of the AMC could include: cold storage services, cooperative purchasing of inputs (i.e. boxes, irrigation supplies, row cover, seeds, etc.), and potential value-added processing (such as pickled vegetables, jam, salsa, pies and other amendments).

The study suggested that the AMC’s start up would take 8 – 10 months and its operators would need a broad range of skills including background in the produce business, with added emphasis in buying, selling, marketing and warehousing food. The minimum start-up physical infrastructure requirements.

* 6,000 – 10,000 total sq. feet open area
* 240 to 280 volt electric power lines
* ½” water lines
* Toilets and floor drains
* Truck height loading docks
* 360 to 420 sq. ft. cooler & 100 to 120 sq. ft. freezer

A pro-forma estimated that the AMC would quickly need to establish sales of $2 million to be profitable. Local farmers would need to be able to provide 1.7 million dollars worth of product per year. Five other models were considered in the study: (1) local farmers for a sales and marketing cooperative; (2) a large local grower builds a packing shed on his property and acts as AMC; (3) a local processor and distributor collaborate to build and operate an AMC; (4) a local food bank uses excess capacity to provide space for AMC; and (5) a non-profit folds the AMC operation into its fresh cut vegetable operation. The study concluded that there was enough supply and demand in the North Coast to support an aggregate and marketing center.

The geographic scope of the Western SARE project was similar to CAFF’s four county feasibility study. Its focus also aligned with an expressed interest that came out our farmer meetings.

1. **Toward a San Joaquin Valley Food System Assessment**

There were broader policy oriented changes and end user focused programs that were expressed in the producer meetings. While these related to increased sales of local food, they appeared tangential at first to producer focused sales as they layer within the multiple and diverse aspects of food system engagement. Some of these areas include educational outreach, public health campaigns, farmland conservation, action oriented research, political lobbying for policy change, social justice promotion, and food security advocacy, among others. Conceptual implementation models help us to imagine, engage and change the interconnected aspects of the food system that are not serving smaller-scale producers and underserved local communities. Four concepts – regional food systems, agricultural value chains, rural urban connection strategies and food system assessments – offer concepts that may be relevant and applicable to food systems engagement in the Southern San Joaquin Valley.

**Regional Food Systems and Value-Added Chains**

In the 2010 report “Jobs, Economic Development and Sustainable Communities,” Dr. Glenda Humiston, California Director of the state’s USDA Rural Development, strategized policy needs, development models and on-the-ground programs that resonated with many of the topics raised by Western SARE farmers and participants at the Fresno meetings. Some of the key shared topic areas included encouraging the regional food systems and supporting value-added business growth.

The report considered ways to process and deliver locally grown food to a variety of venues while encouraging value added, locally grown processing and production. These included the use of community kitchens, portable farmers markets and membership cooperatives. A number of opportunities for USDA Rural Development partnership were identified:

* Provide technical assistance, grants and loans to capital investments to build distribution, storage and processing facilities.
* Facilitate growth of local and regional food networks in California.
* Provide technical support and grant funding for capital investments for farmers markets.
* Provide funding to facilitate the use of Electronic Benefit Card at farmers markets to improve nutrition for low income Californians.
* Fund opportunities to create community supported agriculture (CSA) and to make small farms successful as part of the “grow and eat locally” movement.
* Help school districts and other large public institutions find ways to incorporate fresh and local food into their menus.
* Adjust regulations to allow more on-farm sales of agricultural products.
* Support new farmers programs.

These initiatives attempt to open alternative distribution paths on a local and regional basis. They directly enable consumer access to local farms and produce, which benefit their health while expanding new market opportunities for local farmers. In addition, new, local jobs are created throughout the agricultural sector – from production to end users – that in turn catalyzes regional economic development.

Humiston’s report also recognized value-added processing and production as important to bringing more income to local farmers while encouraging a unique food culture in the region. One value added example mentioned in Humiston’s report was expansion of small-scale meat and poultry production, processing and cold storage. Other recommendations included:

* More cooperation toward establishing new facilities.
* Create generic Hazard Analysis and Critical Control Point (HACCP) plans for small-scale and mobile facilities that can be used as template and models.
* Provide grants for capital investments needed to build new facilities and cost share funds for farmers and ranchers to install infrastructure necessary for mobile processing facilities.
* Explore opportunities to utilize existing facilities.
* Provide vocational training for aspiring butchers and USDA inspectors.
* Seek methods and regulations to allow for the composting of offal.

County, State and Federal inspection agencies were encouraged to establish a common set of regulations (like statewide standards set by the USDA-NRCS) for facilities processing under multiple inspection services.

Value-added production and marketing was linked to economic development in rural areas. A study by the Centers of Excellence at the California Community Colleges provided an overview of California’s Agricultural Value Chain in 2010. Framing agriculture as the world’s largest economic sector and situating the United States as the leading exporter of agricultural products, the report acknowledged California as the top ranking state in agricultural sales at around $34 billion in 2007. Of this, three counties of the southern San Joaquin Valley (Fresno, Tulare and Kern) accounted for over 30% of California’s sales.

The study then defined four agricultural value chain clusters (support, production, processing and packaging, and distribution) in order to assess the economic impact of agriculture in California by detailing multiplier models associated with agriculture. With $36.5 billion coming directly from agricultural production, a multiplier of 9.5 times directly resulted from the three other value chain clusters, which totaled approximately $345 billion to California’s economy. In addition, this agricultural value chain accounted for more than 2 million jobs in the state (CCC 2010).

Both the USDA Rural Development and California Community Colleges reports demonstrate the potential for local, regional and statewide economic growth from food production. Since the southern San Joaquin Valley specializes in food production and has acute economic needs, the region presents a unique and important opportunity to make adjustments to expand local food markets, increase employment, address health concerns associated with nutrition, and stabilize farm operations for smaller and medium scale growers. One way of understanding how to accomplish these tasks is through food assessments.

**Regional Food System Assessments**

The southern San Joaquin Valley presents a troubling paradox and compelling opportunity as many of its residents are food insecure while also being the most productive agricultural region in the world. This contradiction is particularly vexing for smaller scale producers from the region as it represents an important social and economic problem that they can address through their farms. The region’s underserved communities represent a potential, but often inaccessible, market due to the lack of economic infrastructure and policy impediments to provide nutritious food products to low income customers. The creation of prototype infrastructure models like aggregation centers together with policy adjustments to facilitate local purchasing promise to invigorate value chains throughout the local economy resulting in increased revenue to local farmers and added employment for the regional job market. Simultaneously, local low income communities can indirectly benefit from improved nutrition and potentially more and better paying jobs.

Food system assessments enable policy makers, food advocates and local farmers to identify and analyze opportunities or “gaps” in geographically specific food economies. These assessments have varying purposes and methods depending upon the values of the researchers – which are sometimes ordinary citizens – who conduct the studies. Food assessments therefore have been utilized on local and regional levels for a multiplicity of objectives. Humison’s (2010) previously referenced Rural Development report recognized the significance of the 2008 San Francisco Food Assessment that instigated public policy changes by promoting key actions including: mapping city land for food production, maximizing food stamp enrollment, increasing funding for school nutrition, providing economic support for local food production, and improving local food procurement policy by giving preference of city food purchases to locally produced food. Similarly, the City of Los Angeles utilized a food assessment through its Food Policy Task Force, which was charged with facilitating the city’s involvement in local and regional food economies and increasing access of nutritional, local food for low income communities.

In developing a strategic implementation plan for the southern San Joaquin Valley, a food assessment approach would be a useful tool and potential next step in understanding the needs and opportunities offered by its food economy. A regional food assessment could examine the feasibility of aggregation and distribution centers, value-added processing, improved marketing of regional foods, increased spending from federal aid programs into local farms for low income consumers, and identifying policy bottlenecks thwarting direct marketing of local agricultural products. In this final section, we review the concept of community food assessments (Pothukuchi et. al. 2002). Next we take a look at two food assessment examples from California, one from the Central Coast (Boyer et. al. 2005) and the other from the Sacramento region (AMR 2008).

A “guide” to community food assessments was published by the Community Food Security Coalition in 2002. The report describes food assessments as solution-oriented, participatory research designed to “promote community food security by increasing knowledge about food-related needs and resources, by building collaboration and capacity, by promoting long-term planning, and by facilitating a variety of change actions including policy advocacy and program development.” It is a systems analysis designed to initiate multi-level change in the food system.

Community food assessment can:

* Examine a range of food system issues.
* Involve a broad range of community stakeholders and participants
* Involve community residents in meaningful ways
* Use participatory and collaborative processes that generate results and partnerships
* Focus on community food assets as well as problems
* Use rigorous research methods
* Make effective use of resources and be completed in a reasonable time-frame
* Foster broader awareness and understanding of the food system in a community
* Contribute to tangible actions to bring about positive change in the food system.

The report acknowledges that community food assessments can result in outcome benefits like program development, policy advocacy, and public education campaigns or process benefits such as strengthened networks, increased community partnerships and increased problem-solving capacity.

Food assessments vary in the outcomes they are directed to resolve. Some are local in nature, sometimes focused on a particular neighborhood (examples: East Austin, TX; Hunters Point, San Francisco), city (examples: Berkeley, CA; Detroit, MI; Los Angeles, CA), counties (example: Madison / Dane County or region (example: Northern Counties of New York).[[1]](#footnote-1) Specific to California, two food assessments by ALBA and UC Berkeley are reviewed for this strategic implementation plan to reference next steps and the utility of food assessments as a tool in the southern San Joaquin Valley.

**The Face of Food on the Central Coast (ALBA)**

This community food assessment focused on the Salinas Valley in Monterrey County, California. Since the Agriculture and Land-Based Training Association (ALBA) has a mission to help farmers, their assessment originally was designed to locate and create opportunities for farmers in local markets. The project quickly evolved into a “study of dynamic relationships among different food system components” in particular those related to the production, distribution and consumption of local and organic foods. Due to the significant poverty rates in the area and poor nutrition and health among farmworkers, the study adopted a social justice orientation. Particularly ironic was that farmworkers did not often consume the healthy food that they worked to produce. They framed the region as having an agricultural economy that led to “limited consumption choices as well as low wages for farm workers.” There was sparce local and organic produced available in retail grocery stores in the Salinas Valley. In this context, food security problems needed to be comprehensive and interconnected throughout the food system crossing sectors like health, agriculture, land-use planning, economics, and social justice advocacy.

The central goal of the ALBA food assessment was to define strategies that would increase local, small farm production and sales to the economically marginalized communities of the region. Project goals were to:

* Identify obstacles for small farmers to sell their products locally
* Identify obstacles for low income and farmerworker consumers to purchase local, organic produce
* Increase the availability of organic, locally-grown produce to low income neighborhoods.
* Increase the awareness about the importance of local produce to the food system, economy and environment.

Beyond these original goals, the assessment’s participatory research design facilitated networking among stakeholders and their organizations (an outcome conducive to further collaboration). Research questions were fashioned from the study’s objectives. Data was collected from Monterey County’s Health Department, food banks, focus groups, UC Cooperative Extension, Agriculture Commissioners, local community organizations and the Community Food Security Coalition.

Key information was difficult to uncover for the study’s researchers. Problems arose in tracking where food came from, where it went and how it was transported. Local food was sometimes shipped out of the region only to come full circle back into the valley after being processed. Also, farmers, specifically for smaller, organic producers, had difficulty identifying marketing channels for their product. Knowing that there is growing public interest in local and sustainable food still did not directly result in connecting that interest with direct purchases of their products. Those consumers cognizant of the health benefits from these farmers were also hampered by the perceived and real expense of organic products, the inconvenience of locating healthy food especially in low income areas, and even the simple lack of access to local and organic produce. Other consumers were unaware of research establishing relationships between nutrition related illness and chronic disease such as cancer, diabetes, cardiovascular disease, high blood pressure, and obesity. Low income residents, and especially Latinos, were identified in the ALBA report to be statistically at risk partly from not knowing the research and education connecting their food with problems ranging from personal health to structural income inequality.

A central value of the ALBA food assessment in the Salinas Valley focused on food security both for farmworkers and small farmers. An important focus of the report was on the production, distribution and consumption of local and organic food. The assessment’s findings identified four “universal and systemic” themes from focus groups: price, availability, convenience, and motivation. The following recommendations were associated with these themes.

* Price – Since price was associated with affordability of local and organic produce, the recommendation was to expand WIC-sponsored farmers’ markets and other product markets with the capacity to receive EBT payments.
* Availability – Considered an advertising and/or marketing campaign connecting local retailers, farmers and consumers with the benefits of fruits and vegetables, particularly those that are local and organic.
* Convenience – Distinguishing between availability and convenience, increased farmers’ markets and the sale of local and organic food in local grocery stores were recommended.
* Motivation – While support for small farms and sustainable agriculture were identified, an educational campaign encouraging consumers to “vote with their dollars” through their food purchases was suggested.

Overall, the ALBA food assessment outcomes highlighted its use in organizing and initiating relationships for further work. Two farmers markets were developed by ALBA after the assessment and ALBA farmers further organized among themselves to explore marketing possibilities.

**Sacramento Region Local Market Assessment (UC Berkeley)**

The Sacramento Region Local Market Assessment was broader in scope than the ALBA community food assessment. Conducted by UC Berkeley’s Agriculture in Metropolitan Regions (AMR), Sustainable Agriculture Education (SAGE), and Valley Voice, the Sacramento assessment represented an overview of the region’s potential for expanding its local food markets. Specifically, a strategy was developed utilizing the rural-urban intersection as a multifunctional location for understanding how land use, transportation and marketing inter-relate and potentially reinforce each other within the agricultural sector of the economy. The issues identified as challenges and opportunities included consumer education on local food, niche marketing assistance to farmers, creating new distribution and processing infrastructure, addressing regulatory and policy change, promoting agritourism, and land use issues like farmland conservation.

The study was based in Sacramento’s Blueprint process through the Sacramento Council of Governments and their Metropolitan Transportation Plan (MTP). The MTP called for a Rural-Urban Connections Strategy for economic and ecological sustainability. The Sacramento research was similarly framed as other assessments, including its focus food consumption, food distribution, marketing and agritourism.

* Food Consumption – The study surveyed the region’s production and consumption of food commodities. This focus illustrated the “gaps” in product availability for local markets. For example, rice production was the only staple crop that exceeded the region’s demand.
* Food Distribution – Research was conducted according to economic distribution sectors including wholesale, retail, food service and food banks, direct marketing, food flows, and niche marketing. Much of this data established statistics and quantitative measures of the distribution network.
* Marketing Connections – Branding and labeling campaigns, including “buy local” were detailed in the report. Some of these were product (e.g. wine) or geographically (e.g. Capay Valley) specific. Web based education and marketing were considered new and innovative ways to engaged consumers and food purchasing institutions. There are efforts to brand entire counties or regions like Placer Grown, A Taste of Yolo and Capay Valley Grown. Rather than marketing agricultural product, these sources strive to sell a set of values, lifestyles and community.
* Agritourism – In some respects, agritourism can be seen as a highly specific “buy local” campaign for a particular farm or region. The opportunities from agritourism included increased local marketing of agricultural product, connectivity between urban and rural residents, and more economic on-farm and regional benefits. Some challenges were identified in the subdivision of agricultural lands for development, burdening paperwork and licensing requirements, and the farmers’ lack of job skills for the tourist industry.

Key findings from the report acknowledge that there are “gaps” in both information needed by farmers and policymakers to determine the benefits and obstacles to increasing local food and encouraging regional economic growth. Linked to these gaps is a lack of educational understanding to invigorate local food consumption. Specifically, these “disconnects” hinder the development of a robust local food economy. Farmers have difficulty discerning profitable, niche market opportunities. Small-scale family farmers often do not grow enough produce to sell to high-volume markets, nor has there been sufficient collaboration among smaller farms to aggregate product to sell to large retailers or institutions. The development of “a central processing and/or distribution facility to ease the pathway from field to market” was suggested as needed infrastructure to help local farmers and consumers seeking to purchase from them.

Qualitative interviews identified a number of opportunities in the Sacramento assessment. The report generally recognized the growing demand for local produce. Small scale producers could diversify their client base through agritourism or improve their marketing of high value products like heirloom and rare fruits. Broadly, food systems education was seen as an important mechanism to increase consumer demand while providing nutritional benefits from local food consumption. Similar to other studies, the need for an aggregation facility was recognized as a means for smaller farmers to increase product volume, therefore enabling potential sales to larger market centers. Distribution was similarly cited as a need where “collective distribution efforts” through a central location could help smaller farmers market produce. Finally food policy has been recently adjusting on local, state and national levels to facilitate sales of local food.

**Conclusion**

Through this Western SARE research and educational process with farmers, an assortment of needs and gaps, from poor nutrition to regulatory problems, were identified by participating farmers, food system specialists and an array of advocates. A network of producers shared experiences and learned together through facilitated discussions where their problems and aspirations were threshed out and detailed. An iterative, educational and strategic planning process led to potential action steps to follow this Western SARE project in the southern San Joaquin Valley.

1. Form of a Food Policy Council. This council can identify, study and suggest solutions to regulatory and policy blockages. Its work would invigorate a local food economy with all of its ancillary benefits (nutritional, environmental, cultural, economic, etc.).
2. Conduct a Regional Food Assessment. Like community food assessments (Pothukuchi et. al. 2002), such an assessment can build an advocacy coalition promoting a local food movement, economy and culture. The Fresno Food System Alliance (FSA) similarly has identified the need for a food assessment for the region. A partnership with the FSA would share resources, expertise and build capacity toward coalition to undertake a food assessment. Members of our Western SARE project also actively participate in FSA dialogues. Western SARE and FSA participants may also be seen as some of the initial stakeholders in a Food Policy Council.
3. Develop a Marketing and Strategic Plan. How are a group of producers going to identify themselves and tell a story that is compelling enough to garner new markets and foundation support? Based off of findings from the regional food assessment and active participation by producers, develop a frame to describe the goals and purposes of the future farmer support, including an aggregation and distribution center.
4. Build an Aggregation and Distribution Center. One of the primary needs of Western SARE producers was to have a location to collect, package and distribute their product. With the potential help of non-profit partners and community engagement, infrastructures need to be created to assist these farmers. Partnerships and seed funding will be instrumental in developing these institutions.
5. Articulate a Development Strategy. A funding strategy can leverage this Western SARE research and findings to move toward implementing its key findings and further goals. Multiple partners can focus on grant writing to achieve core deliverables that currently hinder a local food economy.

Previously, a City of Fresno specific community food assessment was completed by the Fresno Metro Ministries for 2003- 2005 (<http://www.foodsecurity.org/FresnoMinistries.pdf>). Over 80 trained neighborhood leaders surveyed over 850 consumers and 131 retail stores to compile assessments data from throughout the city. This Fresno Community Food Assessment, titled “Fresno Fresh Access” had particularly interesting findings related to food access. Flea markets, for example, provided much of the residents’ purchases of fresh produce. While lack of money was the primary barrier to fresh food access, 1/3rd of weekly purchases were from fast food (a statistic that held for all survey groups). Healthy, local produce and cultural foods were often unavailable in many of the city’s neighborhoods.

Food movements that are now national and even global in scope have the potential to increase profits to regional farmers while invigorating social change, improving nutrition, integrating civic and school-based education, and securing local to statewide food security. Just as Western SARE producers suggested, the City of Fresno’s community food assessment found that federally funded nutrition programs were not being utilized by residents, even by those who were eligible, needed assistance and didn’t have the resources to purchase health foods without subsidies. The potential to bring together the educational opportunities of learning from what and where we eat, the nutritional benefits of eating fresh food, the farmers’ need for more markets and the economic gains for value-added production, are among the many benefits to stitching together the prosperity, nutrition and sustainability of the southern San Joaquin Valley.

**Appendix I – Producer/Participant Feedback**

**Theme I: Growing Demand**

**Objective: Consumers**

Educate consumers to build demand for local product and create a San Joaquin Valley food culture.

**Tactics:**

*Models and Potential Collaborators*:

A substantial emphasis was placed on “feeding programs” associated with anti-hunger and poverty alleviation programs. Some mentioned specifically were SNAP and WIC. One farmer commented, “WIC is a $6 billion, under-utilized program.” Another described these as “underdeveloped markets.”

*Research:*

Some of the more prevalent potential research questions mentioned included:

* How do we tap feeding programs & deal with their under-subscription?
* Is there a process to increase participation in food programs and connect them to local producers?

*Leverage Existing Activities*:

Numerous activities were mentioned including the Organic Stone Fruit Jubilee, Fruit Trail and Wine Trail. The “locally grown” movement was cited by participants as an increasing opportunity along with “market-based food service (food service farm to fork program).” Participants recommended integrating and linking with these existing activities in addition to others like Weight Watchers, environmentalists, chef’s, garden clubs.)

*Things to Consider:*

Meeting participants brainstormed numerous consumer related issues that they perceived. Some of these were seemingly contradictory or unrelated but others resonated along similar themes. Many producers felt that consumers were not adequately educated about where their food came from, how it was produced, or concerned enough to seek higher quality products. One comment identified “an information gap exists between consumers and producers,” and “consumers are confused about too many choices.” They wanted to “relate the importance of farms and farming to our city neighbors – especially business neighbors and organizations to promote interconnectedness – economically and socially (i.e. Rescue mission is busier after freezes in agriculture).” One introspective producer mentioned, “farmers are our own worst enemies resulting in our very real public relations problem.”

On the other hand, participants and farmers identified that a subtle cultural shift affected the agricultural marketplace, particularly with respect to local production and value-added possibilities - an “unlimited [economic] potential if people ate 5 fruits and vegetables a day instead of fast food.” These more optimistic assessments included the potential to “invest in processes that utilize all of the product (for example, juices and ciders instead of throwing out undersized or blemished fruit).” Some sought to “build demand for product,” to “market directly at a volume that sustains the operation, and to link seasonality (locally grown produce with better flavor and nutrition) to year round sales. Referring to the Slow Food concept, a participant suggested “focus on quality and consistency of product sold”.

There were participants who wanted to improve farm and food education among the public. One of these ideas centered on “establishing a valley brand – brand our region!” Another similar thought was to “create a local San Joaquin Valley food culture similar to France and Italy.” Farmers were also realistic about the opportunities - and limited options - for poor people to purchase better food; for example, one suggested to “explain why people should care about paying more when they are on a budget” and that “consumers habitually shop at Food Max and discount stores; no time to shop at farmer’s markets.” They are used to one-stop shopping – “getting the most product for the dollar without understanding value of the product.”

*Educational Opportunities*:

The education that farmers offered primarily focused on experiential education that emphasized “farming, food, seasonality and nutrition.” One commented about the need to “teach people to recognize the value of “unprocessed off the farm, fruit and veggies” instead of “washed, waxed, shined.” Or put another way, “organics have bug holes.” Education needed to be “from the grassroots up” like “Farm-to-Fork dinners held on farms so customers could see how their food is grown and get a taste of it prepared by local chefs.” In-store demonstrations were also lauded.

**Objective: Health**

Promote food/health connection where locally grown, nutritious food is recognized as a component of preventative health care.

**Tactics:**

*Models and Potential Collaborators:*

Since the connections between health and nutrition have been ongoing, there is a strong list of potential collaborators from this field including: Kaiser Permanente, United Health Group, Central Valley Health Network, Senior Resource Center, CCROPP (Central California Regional Obesity Prevention Program) and EOC (Economic Opportunity Commission).

*Research:*

Participant recommended two potential research areas:

* Research other potential models or collaborators
* Research connecting diet/food with health/wellness.

*Leverage Existing Activities:*

Two specific examples were discussed regarding (1) Dr. Mary who started farmer’s markets around hospitals and is interested in prevention and (2) Ivonne DerTorosian who can advise on existing activities.

*Things to Consider:*

How do we access, identify and communicate with health care professionals so farmers and producers interested in healthy food and communities can collaborate with health professionals to be ambassadors for healthy food systems.

*Educational Opportunities*:

There are numerous potential educational activities connecting the food system to health benefits. School nurses, health classes, food service directors, physical education and fitness centers are all among the venues mentioned to facilitate educational projects related to the food system.

**Objective: Schools**

Engage educational institutions and methods to: 1) market product into schools by navigating and challenging institutional barriers; and 2) foster healthy eating habits among students through local foods.

**Tactics:**

*Models and Potential Collaborators:*

Extensive community development and participatory research has gone into working with schools. Foremost, perhaps, has been the renewed interest in school gardents. School lunch programs and their Food Service Directors are also obvious targets for engagement, outreach, and information. Some model’s, like Loren Werth’s Food 4 Thought and the Real Food Challenge seek to get healthy food into higher education institutions and universities. Tim Galarneau (UC Santa Cruz) has a student food organization to get local sustainably grown food onto campus and pubic schools.

The Community Alliance with Family Farmers (CAFF) has had experience getting food to kids locally. There are numerous avenues to connecting with kids including as partners with their classroom teachers (i.e. biology, environmental science) or even television shows like Jamie Oliver exposing school lunches and highlighted food insecurity. CA Agriculture in the Classroom is another functioning model using food and farming to expand children’s educational experience.

*Research:*

Participants noted that there was a need to understand the school meals and snacks programs and process in order for local farmers to be able to tap in to this market and potentially be involved with school gardens.

* Why don’t schools buy local? Is it policy or supply? Who are the decision makers? Can 10% of the food service budget be allocated to local food?
* With respect to Food Service Directors, what are their needs? How can we work with them? Identify those directors who want to source locally. Also Contact Ann Evans about improving nutrition in schools and farm to school programs.
* What are the new USDA guidelines?

*Leverage Existing Activities:*

There were significant references made, including to the P.T.A., Food 4 Thought, and school gardens. More specifically, Chris Velez is working with Sierra High’s Environmental Science Department. Alternaively, the Farm to School Work Group from South Tulare County (Susan Elizabeth) was recommended.

Another aspect of education was the exchange of information: Who are the food service directors? Who are the local producers? Can we utilize the existing programs while making them more beneficial for farmers?

*Things to Consider:*

The possibilities seem limitless (as were the suggestions). A participant considered creating a website for schools to learn about seasonality and availability of produce at local farms. Another suggested starting a Farm to School work group or pilot project. And another mentioned having farm stands set up at schools where CSA’s are having boxes of local produce picked up, then participating parents can inform others of how to join the CSA. Once again, a particular high school farm to school program at Sierra High School was mentioned for integrating cooking, nutrition and education on seasonality. Finally, some suggestions promoted the idea of education parents and others to become advocates for policy and systems change.

*Educational Opportunities*:

As well as those mentioned above, other suggestions considered (1) experiential education relating to farming, food and nutrition, and (2) school field trips to farms.

*Information Needed:*

Food Service Directors were mentioned as important links to getting fresh, local food into schools. For example, these directors would be the links between purchasing produce from local farmers, coordinating and managing its preparation and distribution to schools. They would need to know who the farmers were to purchase direct.

**Objective: Community Education**

Re-establish public recognition of the importance of local agriculture

**Tactics:**

*Models and Potential Collaborators:*

Some models that were mentioned included: Sunset magazines – Savor the Central Coast, work of the EOC’s Jenson Vang, and the public broadcasting stations.

*Leverage Existing Activities:*

Farmers and participants commented on a number of community education projects. Farm to Fork Dinners held on the farm would help customers see how their food is grown and get to taste it prepared by local chefs. Another suggestion was a chef’s challenge at farmer’s markets where they could be invited to compete in a cook-off of a featured item like asparagus. The challenge would teach consumers different ways of cooking produce. Other venues mentioned were: the Tulare County Farm Bureau’s Bounty of the County, Exeter’s Foodie Fest, Art in the Orchard and the Cherry Blossom Festival; a spring event bringing community members to a local farm.

Some focus was devoted to academic institutions and universities. These included: CSUF Internships, Statewide “Know a Farmer Campaign” (December 13th at Fresno State), “I Love Farmers – They Feed my Soul” (Cal Poly SLO student group), U Pick Weekend (Fresno State) and the Culinary program (Fresno State).

*Things to Consider:*

The meeting’s participants were highly engaged in brainstorming community education ideas. Overall, their sentiments could be summarized in the idea of re-establishing public recognition of the importance of local agriculture for economic and health reasons.This could be done through traditional methods like advertising and mass media exposure or innovative ways to get the community involved such as through jam making, biscuit making and school gardens. Agritourism was connected with the development of local and regional identities through farm stays and visits, rural B&B’s, day care and school visits, school field trips to engage students in hands-on learning, hosting a local public field day on seasonality or promoting other aspects of local agriculture. Community events like the Fresno Chili Pepper Festival were mentioned as opportunities for food-based, community education that was celebratory and regional.

*Educational Opportunities*:

There was a wide breadth of feedback regarding the educational opportunities for the community. A number of comments identified the lack of basic food preparation skills in the general population – especially with youth. And more refined focus of this concern was to teach people to prepare local, seasonal dishes. The Parent’s University was given as an example of such a venue. An instrumental approach to this idea was to “teach people to use what we produce.” With respect to schools, the limited budgets for field trips presented a challenge to “taking kids out to the farm.”

Self-assessment was part of the process. Some farmers mentioned that their skills need to be reshaped, for example in improving their direct sales rather than having a broker.

**Objective: Access (by underserved groups)**

Increase access to local foods for underserved and low income neighborhoods.

*Models and Potential Collaborators:*

Models such as Fresno Metro Ministries and the Community Garden Coalition were suggested.

*Research:*

The “access problem” mostly presented an opportunity to the farmers in the meetings. Yet, they were puzzled over how to connect the various anti-hunger and anti-poverty programs that funded low income residents to purchase food, such as WIC, with their local markets.

* How do we make what we grow accessible to the underserved through alternative payment methods?
* How can we increase availability in the stores that the underserved patronize, connecting price point and feeding programs?

*Leverage Existing Activities:*

There are numerous public, private, religious and non-profit projects that are currently operating in the region. Some of the most notable for participants were: community gardens through Fresno Metro Ministries and Community Garden Coalition which reach all corners of a community, the work of local food pantries, programs like the Fresno Rescue Mission’s project to come and pick up donated fresh produce, and finally gleaning at Fresno State’s Bulldog Pantry.

*Things to Consider:*

A high priority were underserved feeding programs like SNAP and WIC.

**Theme II: Getting Product to Market**

**Objective: Aggregation**

Aggregate product to achieve volume and variety that meets the needs of vendors in local and regional markets.

**Tactics:**

*Research:*

Farmers were highly interested in aggregating their product in order to distribute it in volume needed for larger markets. Central questions for them were:

* Can a cooperative provide aggregation for local growers? What working models exist of businesses, non-profits, cooperatives or other entities exist that function to aggregate and distribute local produce?
* What are the logistics of aggregating fresh produce in volume?

*Leverage Existing Activities:*

CSA’s were offered as examples of aggregation - purchasing products from a variety of local farmers so customers have increased diversity. The Capay Valley Farm shop is a currently functioning model. Also, the Yolo County FSA is doing work on aggregation. CAFF tried to do aggregation and failed, which offers lessons learned from their efforts.

*Things to Consider:*

The logistics of aggregating product was a difficult problem that farmers had obviously spent time previously trying to solve. Farmers saw the need to combine the pick-up and delivery of goods and product. In order to do this efficiently, they consider forming partnerships or cooperatives of regional partners to allow for year round supply. They questioned how this could be accomplished in an economically viable way?

The farmers considered creating a venue or outlet in a high traffic area so there are multiple products for multiple patrons. An example may be seen in farmers markets where diversified product is integrated.

Further questions arose:

* Can aggregating entity also market product?
* Can an aggregation center keep a list of available local product so buyers can deal with one source rather than calling individual farmers?
* Can farmers aggregate produce as well as labor/expertise (one farmer sells, while the others farm)?

*Educational Opportunities*:

One concept was in-store farmers markets for retail outlets (Savemart, Vons, etc.).

**Objective: Distribution**

Retain a unique farm identity emphasizing seasonality while moving year-round product to market.**Tactics:**

*Models and Potential Collaborators:*

A variety of models were suggested. One comment mentioned forming a year round, inside and out, farmer’s market with deli and restaurant with art. Another straightforward consideration was to see product directly at local markets (i.e. Mar-Vals). Finally, a list of items included farmers markets, CSA’s, roadside co-ops, direct web sales. Farmers felt that cooperatives could help small farmers to become economically viable.

*Research:*

There were a number of issues to be studied regarding distribution:

* Where should distribution points be? What areas should be focused on? Who would do the selling? Is this just the creation of another broker? Can we create a box label to name both the distributor and the particular farm the product came from?
* What would a collaborative look like? Not generic – a universal box with personalized label perhaps. How would producers network to funnel aggregated product into alternative distribution channels?
* Is a food service distribution center for small scale farms feasible?
* Identify secondary markets for the “rest of the crop.” Bring and sell all of the crop in the marketplace.
* How to bring year round products to market? Need to build markets. Farmers want to keep the “ta-da” moment, which is not there anymore (i.e. when the first fruit of the season arrives in the market). How to bring back seasonality?
* How do we maximize relationships? Resist jumping around with partners (purchasers, markets, etc.) Emphasize continuity through good and bad times.

*Leverage Existing Activities:*

Since CSA’s were a familiar model, farmers turned to them as the easiest one to consider. They asked if CSA’s could be modified to fit other systems like schools, businesses, etc.? Or could CSA’s like Willey Farms in Madera do local distributing - is it feasible to expand this and sell to Willey Farm who would distribute the combined product?

Another existing model is Food 4 Thought, which purchases small fruit and sells them to schools (which would normally be thrown away).

*Things to Consider:*

A concise explanation of the problem was stated, “There is a need to consolidate or aggregate product in volume, then market product while maintaining local identity associated with the value(s) of a particular farm, but how would the product be moved to market? At a community market? At one location? Mobile?

Would the distributor be responsible for cooling, cold storage and transportation? After aggregation, can a distribution facility charge per delivery (for example, $2/delivery) for home delivery of product with student labor. Extra produce can be sold to another purchaser.

Currently, middlemen and brokers are being marginalized, which is an advantage for direct marketers? Retail however is also consolidating and profit margins are getting pinched. Domestic brokers are going out of business (though it is the international brokers who are getting more business. Ex. Mexico).

The goal of both “bringing back seasonality” to the retail market and “large retailers like Walmart’s demand for year round product” need to be examined together. One farmer suggested a partnership with a farmer outside of the area so that they would be able to ship year round. National chain stores pose an accounts receivable problem for small farmers however; when dealing with stores of a national chain, it is not uncommon for them to pay upwards of 75 days later (a long time for smaller businesses).

Another issue of marketing is that people need to know the individual farmer and the quality of their product. One farmer commented, “If product is to be aggregated and distributed, you may lose the ability to tell that story and for people to identify with the label.” There was a desire to keep their particular labels but also to participate in cooperative distribution and some aspects of marketing. If such a cooperative model was developed, one farmer noted, “there is the need to match the volume and capability of each small grower as a best fit to the overall distribution needs.

*Educational Opportunities*:

There was a sentiment that “consumers don’t look at labels,” which was an impediment to seeking high returns on some parts of marketing product. If consumers personally knew where their food came from it would help them understand an array of important issues that farmers face in anonymity every day. If consumers could understand the added value of local or sustainably produced offered to them, they would be more open to spending more resources to eat these products.

*Information Needed:*

There were quite a few unanswered questions for the farmers. How would distribution needs be accessed? What role, if any, would middlemen and wholesale brokers take? How would excess product be handled? (Generally the local market cannot absorb all the product from any one grower at any particular time.)

Farmers wondered where to market their product. One suggested that each retail chain’s store could have a CSA or other direct marketing inside as part of their operations.

**Objective: Collaborations**

Network and collaborate in marketing, aggregation and distribution of regional produce.

**Tactics:**

*Models and Potential Collaborators:*

One well known model envisioned by the farmers was the Capay Valley Farm Shop near Yolo County, California.

*Research:*

Some of the questions that participating farmers sought answers for included:

* How can producers be networked into funneling product into alternate distribution?
* How can small producers sell all of their product?
* How can a cooperative work? Perhaps a cooperative with individual identity. (ex. “California Grown” or “fresh.”)

*Leverage Existing Activities:*

Participants observed that collaborations exist today related to product, time and resource exchanges. In addition, large retail outlets are unresponsive to local and regional food, which makes the importance of these alternative models important to sustaining smaller farmers.

*Things to Consider:*

Most farmers are independent, so how do we tap into a larger network and support system? They also do not generally have the time to farm, market product, do book keeping, and work off of the farm. How to balance these demands with working in collaboration? Fundamentally, the price has to allow the farmer to stay in business - maximize dollars back to the acre.

A recommendation was to hire someone who understands practices and “self-assessment” of people’s actual capabilities to analyze a potential cooperative. There was overall agreement on the need for a collaborative effort to establish an outlet in a high traffic area market local product to them..

One farmer observed, ‘Not every market wants the same thing. Three or four pieces to the puzzle: high end (perfect and big produce); middle and slightly inferior quality; small fruit; and off grade. Each is a piece of the puzzle…and we need to find a home for all product.

*Educational Opportunities*:

Other ways of collaboration we brought up were public relations and training efforts. Also, farmers thought that the general public needed to be educated on the importance of seasonality. They added, “Bring glamour back so product stands out!”

**Objective: Regulations**

Share information on regulations and facilitate policy outcomes supportive of local food consumption.

**Tactics:**

*Models and Potential Collaborators:*

Some suggested that Ag Vision and the California Roundtable for Ag and the Environment were working on this issue.

*Research:*

One problem was that food safety regulations were connected to large scale food processors and distribution. What is the cost associated with them for smaller farmers? The public and regulators need to understand food safety issues better. Other suggestions included:

* The need to research tax incentives to keep encourage local food (ex. increase food stamp incentives to buy direct from farmers). It was recognized that counties control and authorize food stamps.
* A farmer mentioned that farmers can get twice the purchasing power if product is purchased from a farmer or farmers market rather than a supermarket.
* Research the liberalization of laws on direct marketing.
* Why do regulations restrict entrepreneurship? (Tulare County allows fruit stands to be grandfathered; others don’t; however, they have to be product specific or cannot sell product from other farmers.)

*Things to Consider:*

An important issue with regulations were the costs of regulation and customer requests for more transparency in where their food comes from in labeling. In addition, the expense of paperwork to become certified organic was seen as a barrier to others getting certified. Could there be third party audits with accreditation?

There was a strong feeling that “farmers are buried under regulations they needed to meet.” Another comment was that “Government regulations, taxation and programs interfere with supply and demand at federal, state and county levels.” Finally, one farmer noted, “Science-based industry mandates are coming. New food safety requirement – below $500K the grower is not responsible (as currently written) – were going to be stricter.”

In order to address these concerns, some considered hiring someone through the cooperative who knows about regulations since farmers needed help to meet some standards.

*Educational Opportunities*:

Are regulations originally designed to examine problems associated with large-scale production? If so, how do they affect farmers at all levels and do they make small producers uncompetitive?

**Appendix I I – Producer/Banker Dialogue**

A question and answer dialogue (summarized in the main body of this report) following Anderson’s presentation:

SARE Producer #1: “Would a producer need to go through hoops for a 2-3 month harvest season bridge loan?”

Anderson: “Our primary loans are on land ( they use land as collateral). If you are seeking a little loan, a better argument to make is that it can turn into a big loan.”

SARE Facilitator #1: “Are revolving loans possible? How can we drive the cost of making a loan down?”

Anderson: “If someone has a history with the bank, it is great. If not, getting the original track record is important.”

SARE Retailer #1: “Now that land values have changed, how does that effect lending?”

Anderson: “We haven’t seen a decrease in 20 acre parcels. Do drive-bys and quickly assess values, then ask borrower if it is worth it.”

SARE Producer #2: “You said you are not interested in small loans . . .?”

Hultquist: “You have to restate that.”

Anderson: “Yeah, we make small loans of $50,000 but the interest is high.”

SARE Retailer #1: “Are aggregation and distribution cooperatives high risk? How many studies have been done on them? Would each grower have to risk land?”

Anderson: “Farm Credit is a co-op. We love co-ops! U.S. Ag Bank is a co-op. We are merging with Ag for Co-ops and this is where Jeana comes in.”

Hultquist: “Banks will look at members as the strength of a co-op, but the co-op would receive the loan.”

SARE Facilitator #1: “Loans to co-ops are different than loans to individuals . . . Maybe part of the Implementation Plan is to talk to Bank of Co-ops for start up costs? Co-ops are hard to finance. The history of a business creates confidence which makes funding start ups so difficult to finance.”

Hultquist: “April 11-12 in San Francisco there is a conference called “Agriculture 2.0” for sustainable ag businesses. Look at [www.agriculture20.com](http://www.agriculture20.com). It costs $2,000 to attend. Michael Dimock and A.G. Kamamura will open it.”

Dimock: “It will be interesting to see the language they are using so business plans can be framed in their language. It is a wild conference. People are investing in different things – like Syngenta with GMO meat.

SARE Retailer #1: “Business plan writers are needed. As farmers, we need access to people who can take our words and put it in language that can be funded. We should have this in the Implementation Plan.”

Hultquist: “Rod Carter is a business writer and consultant ([www.keepthefarm.com](http://www.keepthefarm.com)).”

Additional resources were suggested:

* Debbie Raven (559-438-9680) of the Valley Small Business Association which offers business loans and producer grants.
* Sally Tripp at U.S.D.A. Rural Development which funds business investments and have funding.
* Richard Brassfield (559-709-2699) Regional Director for Rural Development

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1. See Pothukuchi et. al. (2002) for more detailed explanations of these community food assessments and information on how to obtain copies of them. [↑](#footnote-ref-1)