

Food and Society

I. Building Regional Markets and Communities

Summary

This initiative aims to bring together farmers, distributors and community groups to develop viable regional distribution networks and infrastructures called “values-based supply chains.” Identifying regional suppliers is a key ingredient. Understanding how these distribution networks can work more effectively is essential as businesses scale up successful models in regional food systems. One type of supply chain focuses on farm to institution and farm to school programs. Farm to school programs have been shown to increase school children’s consumption of fresh fruits and vegetables and promote healthful food choices. Farm-to-institution programs strengthen relationships between farmers, food services and the community and help students, hospital clients and other develop healthful eating habits. This initiative focuses on understanding how these new supply chains work best and measures their impacts on the environment, farmers’ incomes, and people’s health.

Problem statement/ Baseline

- Small and mid-scale family farmers in California are struggling to stay economically viable with current market conditions. Although gross income has continued to increase for the largest farms, income has been flat or has decreased for small and mid-scale family farmers.ⁱ
- Regional distribution and processing infrastructure is inadequate for many mid-scale producers who want to access regional markets. Concentration in the processing and retailing industries has escalated in the last 25 years.ⁱⁱ
- Many consumers find it difficult to stay healthy in a climate that markets unhealthy food to the youngest and most vulnerable.^{iii, iv} Obesity and diet-related diseases are increasing in our society, especially among children.^v Overweight is now a health problem for pre-school children 2-5 years.^{vi}

Structural issues/ Broad drivers shaping change

- Farm policy and USDA research provides proportionally more support to the largest farms (fewest in number) and to basic agricultural commodities such as corn, soybeans, wheat compared to specialty crops, which include fruits and vegetables.
- Global markets and large agrifood enterprises and retailers have contributed to escalating concentration in the food industry.
- Lifestyle changes including more sedentary habits and lack of health care for many has contributed to an increase in diet-related diseases.
- Massive food advertizing budgets have contributed to poor dietary practices.
- Increasing urbanization has contributed to fewer families coming from farm families or understanding where their food comes from.

Strategic opportunity

- The USDA has launched “Know Your Farmer/ Know Your Food” Initiative.^{vii}
- Large retailers, distributors and food service companies (eg Whole Foods, Walmart, Safeway, Sysco, Sodexo, Aramark, Chartwells, Bon Appetit Management Company) are interested in sourcing locally.
- Schools, universities and hospitals are beginning to source more locally and sustainably.^{viii}
- Communities are looking for ways to connect with regional growers and simultaneously support local economic development.

Desired outcomes

- A greater diversity of distribution networks, infrastructures and marketing initiatives focused on regional, sustainable foods, benefiting regional growers.
- More consumers are aware of where their food comes from and willing to invest in buying and cooking more regional, sustainable food for their families.
- Children consume more healthful, sustainable, regional food at school and learn how it is grown, who grows it.
- Institutional procurement and retail sales shift toward a higher percentage of regional, sustainable foods offered and institutions and retailers aggressively market these foods to their customers.
- Educational programs and materials are available at many entry points (farmers, distributors, food buyers, food service, community organizations) about how they can participate in more sustainable, regional markets.

Key Partners

- Food service directors, school/college/university food service administrators
- Distributors, processors
- Farmers
- Ag organizations, ag/food NGOs (CAFF, Slow Food, Roots of Change, Farm bureaus, commodity groups)
- State, local and national policymakers [especially concerning Child Nutrition Reauthorization Act in 2009/2010; interest from Vilsack, Merrigan]
- Public health departments (local, state), nutrition professionals
- CA Dept of Agriculture
- UCCE (both farm and consumer science advisors, faculty)
- Research community (food system, ag econ, rural soc, nutrition)
- Business leaders, lenders, banks
- Community development organizations
- Regional planners (SACOG, Valley Vision)

Activities

- Connecting Farms to Institutions. Conduct applied research, evaluation and outreach to understand how programs can be more effective in getting regional, sustainable food from “farm to fork” and how such programs might be ramped up.
- Farm to school. Conduct evaluation, applied research, public outreach, and share results with local, state and national policymakers about how to improve and expand programs. We also research the impacts of these programs on children’s consumption patterns.
- Values-based supply chain research. Conduct applied research on new distribution networks that bring regional foods from mid-scale farms to institutions and retailers.
- Fresh fruit/vegetable training for teachers, food service. Train food service personnel, and teachers about how to utilize more healthful, sustainable, regional foods in their school settings.
- Local agriculture marketing research. Conduct applied research on regional (county, region-eg Capay Valley, Sacramento Valley) agricultural marketing organizations or the potential for local marketing campaigns.

Process

- SAREP competitive grants to UCCE, researchers, communities
- Collaborative research/outreach projects (extramural funding) with UC, other universities, colleges, JCs, NGOs
- Expand SAREP/ASI staffing to coordinate activities more effectively (at least 1 additional FTE-extramural at first)

Resources needed for 5 years

Total need: \$1.5 million

- Competitive grants @ \$200K/yr for 5 years = \$1 M
 - Research grants
 - Education grants
 - Grants specifically for grad students
- Collaborative research (extramural) @ \$100K/yr for 5 years = \$500K
- *Additional SAREP/ASI staffing (using extramural funds) dedicated to FAS @ \$60K for 5 years = \$300K [use for all 4 initiatives]*

Current extramural grants: \$950,000

Additional need: \$0.55 million

ⁱ Data from 2007 Ag Census; graph created by Courtney Riggle, UC Small Farm Center.

ⁱⁱ In the U.S., concentration in grocery retailing has doubled since 1997; five companies now control almost 50% of grocery retailing. In 2006, Wal-Mart's sales were nearly twice as high as Kroger, the second runner up. Four companies slaughter over 80% of beef in the U.S. (Hendrickson and Heffernan 2007).

ⁱⁱⁱ How marketing influences children and youth is the focus of the 2005 IOM report, *Food Marketing to Children and Youth: Threat or Opportunity?* The report provides the most comprehensive review to date of the scientific evidence on the influence of food marketing on diets and diet-related health of children and youth. The study was requested by Congress and sponsored by the U.S. Centers for Disease Control and Prevention (CDC). The report finds that current food and beverage marketing practices puts children's long-term health at risk.

^{iv} An NBER study (Currie, DellaVigna, Moretti and Pathania, 2009) on "The effect of Fast Food Restaurants on Obesity" found that a fast food restaurant within 1/10th mile of a school is associated with at least a 5.2% increase in obesity rates in 9th grade children. There is also an effect at .25 miles and .5 miles.

^v Overweight among school-age children increased 60% from 11% to 19% (1988/1994 – 2003/2004) according to CDC/NCHS NHANES survey

^{vi} Overweight among pre-school children ages 2-5 yrs doubled from 7% to 14% from 1988/1994 to 2003/2004.

^{vii} WASHINGTON, Sept. 15, 2009 – Agriculture Deputy Secretary Kathleen Merrigan announced a new initiative to better connect children to their food and create opportunities for local farmers to provide their harvest to schools in their communities as part of USDA's 'Know Your Farmer, Know Your Food' initiative. USDA's Agricultural Marketing Service (AMS) and Food and Nutrition Service (FNS) will team together and form 'Farm to School Tactical Teams' to assist school administrators as they transition to purchasing more locally grown foods.

^{viii} Sodexo, the multibilliondollar international food service management and facilities management corporation, hosted a sustainability conference here at UC Davis Feb 2-4, 2009. The conference was the SEED Conference - Sustainability and Environmental Expert Development. The conference included a group of Sodexo managers and corporate leaders from across the nation. One of the main foci was on sustainable, regionally sourced food.