



FARM TO TABLE:

A feasibility study on the potential of a Farm to Table initiative for Springfield, Massachusetts.

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EXECUTIVE SUMMARY

Project Description

The intent of this practicum project was to complete a feasibility study on the potential of a Farm to Table initiative in Springfield, Massachusetts. This project idea came out of The Gasoline Alley Foundation, which is a business incubator dedicated to developing socially responsible and sustainable businesses in the Springfield area.

Through a series of meetings and initial research it was determined that this practicum project could best assist The Gasoline Alley Foundation in looking into this initiative through a feasibility study that would address market potential, possible distribution strategies and sustainable business models. The goal of this study was to determine if it would be possible to make healthy food from local farmers in the Pioneer Valley more accessible to the low income areas of Springfield.

Methodology and Process

In order to ensure that all critical issues were addressed, it was decided that the project would be broken down into three phases, each of which focused on a different critical issue. It was realized in the beginning that the success or failure of these issues were highly dependent on one another therefore the study was broken down into three phases. Phase I would be Supply because if there was no supply there could be no business. Phase II would be Demand because if there was Supply but no Demand there could be no business. Finally, Phase III would be Distribution Strategies and Sustainable Business Models as there could be Supply and Demand but if there was no way to get it in to the community and sustain the business the initiative simply would not be feasible.

Throughout each phase, the study involved utilizing many different forms of research, conducting multiple interviews with duty experts and farmers, as well as on-site visits with people or businesses currently practicing the Farm to Table concept.

Study Findings and Lessons Learned

Upon conclusion of this study it was determined that a Farm to Table initiative for the Springfield area is feasible. A significant issue though remains, and must be addressed. This business would be running on an extremely tight profit margin and therefore must run at minimal cost and be as efficient as possible. In order to do this ten key points have been recommended to Gasoline Alley that are intended to make the business successful and ensure it is sustainable. These key recommendations are as follows and are further detailed in the key recommendations section of this paper.

- Use aggregators
- Find ‘Food Champions’
- Anchor Customers
- Quality Controls
- Legal Contracts
- Capitalize the Business
- Cross Docking Logistics
- Accounts Payable / Receivables
- Minimize Delivery Radius
- Customized Software

The Future for a Farm to Table Initiative

It is recommended that this study be used to begin the process of writing a business plan and finding an initiative champion that is ready and able to take an idea like this to the next level. Throughout the study, the team came upon many individuals that are intent on seeing an initiative like this be successful. It is therefore recommended that the Contact List in Appendix A and the list of Massachusetts farmers that distribute to schools in Appendix B, be used to grow the initiative and put people in place to see this through to the end.

PROJECT BACKGROUND

The Gasoline Alley Foundation

The client for this project was Rob Thomas from The Gasoline Alley Foundation located in Springfield, Massachusetts. Gasoline Alley is a business incubator dedicated to developing socially responsible and sustainable businesses in the Springfield area.

Springfield Statistics

Since World War II, Springfield has faced an ever increasing amount of negative social and economic issues as a result of a steady decline in the manufacturing industry.¹ In 2008 the United States Census reported in its American Community Survey that 25% of the Springfield population lived below the poverty level, the per capita income was merely \$15, 232 and there was a 16% rate of unemployment.² Known for being one of the most dangerous cities in the United States, Springfield faces many challenges in trying to keep their citizens safe and healthy. According to several reports used in the conduct of this study, low income areas tend to be more at risk for debilitating health issues such as obesity. Between the years 2003 and 2007 overweight prevalence in the Western Massachusetts region increased from 52.7% to 62.2%; more than any other region in the Commonwealth of Massachusetts.³

Farm to Table and the Local Food Movement

One way Gasoline Alley believes that it can alleviate these social and economic issues within Springfield is through a Farm to Table initiative. Farm to Table is the concept of connecting communities to local farmers in order to make healthy food more accessible to more people. Farm to Table has been known in many communities to also help spur local economies and is often looked to as an excellent way to support local farmers and businesses.

According to a 2009 report from the market research company Mintel, “interest in locally procured foods and non food items (are) enjoying significant growth.”⁴ The report goes on to state that this growth is as a result of a number of powerful trends including but not limited to:

- a growing number of Americans adopting “Positive Eating” habits

¹ (The Center for Urban and Regional Policy, 2008)

² (Census, 2008)

³ (Division, 2007)

⁴ (Mintel International Group Limited, 2009)

- a Slow Food Movement that is moving across the country connecting the pleasure of eating food with a commitment to the community and the environment
- Americans being driven, as a result of the recession, to purchase from local merchants in the belief that it will support their local economies
- popular books and celebrities endorsing the concept of local procurement.

By harnessing the momentum of the local food movement and initiating a program that would make healthy and local food more accessible to the low income areas of Springfield, Gasoline Alley hopes to improve the community and the individual lives of the area's residents.

Gasoline Alley's Initial Project Proposal

The initial project scope from Gasoline Alley included a variety of ideas and questions surrounding the Farm to Table concept with the bottom line intent to make healthy food more accessible to the low income areas of Springfield. Included in the proposed project scope was the task to see if a Farm to Table repacking business staffed with at risk and hard to employ could work in Springfield. Ideally this business would:

- allow outlying farms to take advantage of a service to deliver their items in one truck to local stores and restaurants
- have farmers upload inventory to a web site and then have them deliver their goods to the repacking facility
- take orders and receive payment online
- deliver food via truck or bike
- pick up spoilage and run a composting program
- employ at-risk and developmentally challenged individuals
- have a retail store at the repacking facility
- host workshops on nutrition and food preparation.

The scope also proposed several questions that were seen as significant issues that needed to be addressed.

1. Is Springfield big enough to support this project?
2. Do existing businesses serve this need already?
3. Will products be priced competitively?

4. Will inner city families see value in local produce and other farm products?

While there was value in all of this proposed project, it was evident that it would be difficult to determine the feasibility of all these ideas and answer all of these questions.

Refined Practicum Proposal

After initial meetings with Thomas from Gasoline Alley and this team's project advisor, Professor Alan Robinson, it was determined that this practicum team could best assist Gasoline Alley by doing a feasibility study on a Farm to Table initiative for the Springfield area. Specifically, the study would focus on the market potential, possible distribution strategies and potential sustainable business models for a Farm to Table initiative.

Methodology

The methodology used in conducting this study included different forms of research, interviews, and on-site visits in order to observe current Farm to Table practices and food distribution.

Process

The process for this study was a series of stages that included all elements of the project methodology. In order to properly address all issues within the study the project followed a timeline that addressed the issues in this order and for these reasons:

Phase I – Supply

- If there was no supply, this initiative could not be successful.

Phase II – Demand

- If it was found that there was in fact supply but there was no one in the Springfield area interested in eating or purchasing from the supply, this initiative could not be successful.

Phase III – Distribution Strategies and Sustainable Business Models

- If it was found that there was in fact both supply and demand for local food but there was no feasible way to get the product to potential customers, this initiative could not be successful.

- If it was found that there was in fact supply, demand, and a feasible distribution strategy but there was no way to make the business a sustainable one within three years time, this initiative could not be successful.
- It is important to note that the client intends to apply for a grant that he believes would provide this initiative with enough money to support it for approximately three years.

Critical Issues

In order to ensure that this study was thorough and would answer the main question of the feasibility of a Farm to Table initiative in Springfield, critical issues that needed to be addressed were identified at the beginning of the project. These critical issues were as follows and are explained in detail throughout this paper.

Market Potential

- Identify Suppliers
- Identify Customers
- Market Drivers
- Current Substitutes and/or Alternatives
- Pricing

Distribution Strategies

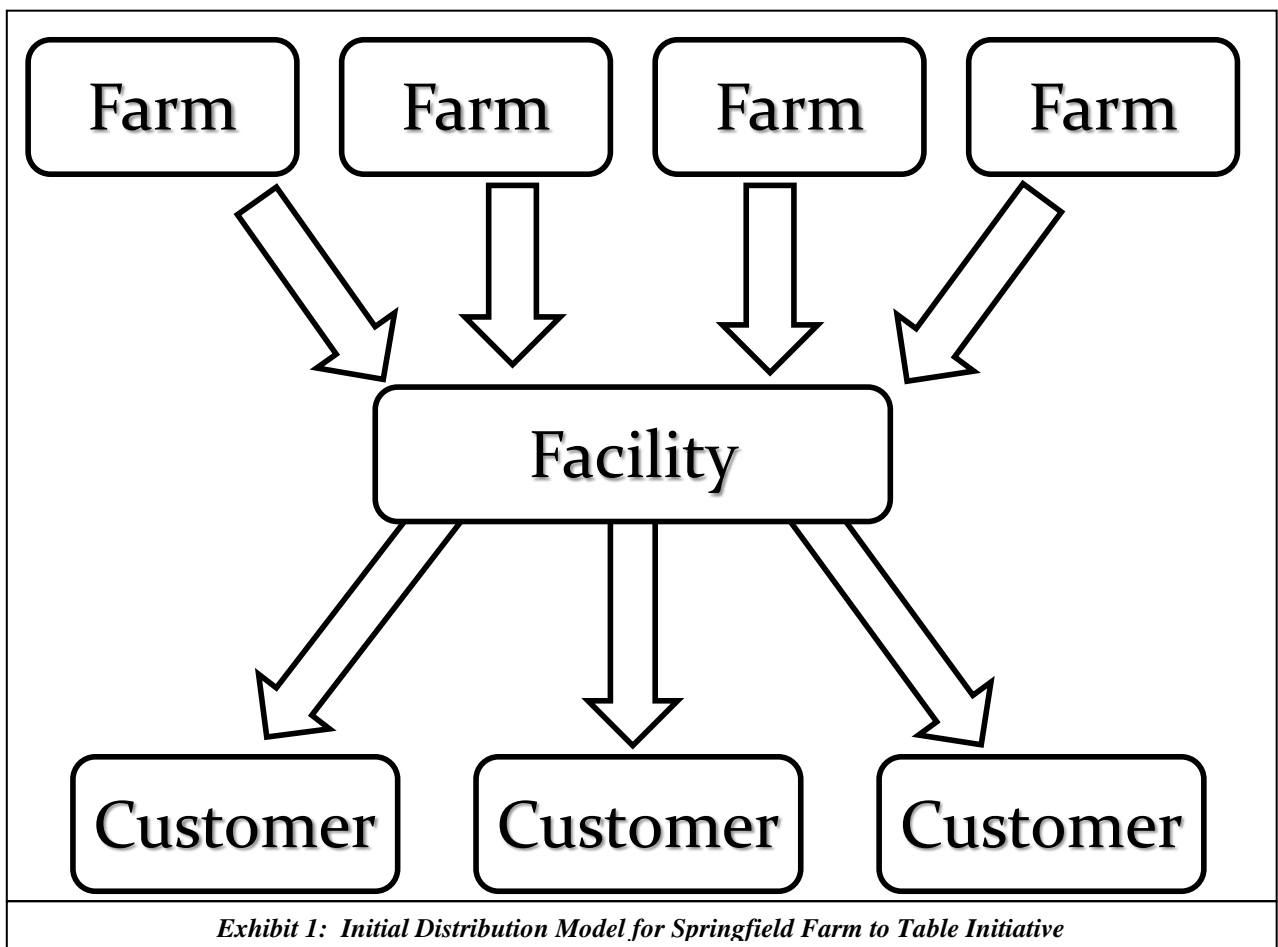
- Ordering Systems
- Cost Structure
- Logistical Issues

Sustainable Business Models

- Cash Flow

PHASE I – SUPPLY

In order for this business to get off the ground, there would need to be adequate supply. With this in mind the first issues addressed were that of finding out if there was adequate supply for the Springfield area and if there were farmers willing to deliver their goods to that area. The initial Farm to Table business model for this project resembled one where farmers delivered their goods to a facility in the Springfield area, it would then be repacked into individual customer orders and then lastly it would be distributed to the customers. See Exhibit 1.



It was originally believed that local farms in the Pioneer Valley would be willing to deliver their product directly to a facility in Springfield and that the system would be of great benefit to the farmer and customer. The benefit to the customer would be that they would have only one truck delivering to their location and the benefit to the farmer would be having to only make one large drop off to the Springfield distribution facility.

In order to determine the feasibility of this model it was determined that interviewing farmers would most be the best source of information. The team began by speaking with the Community Involved in Sustaining Agriculture (CISA) which is a non-profit that works to strengthen local agriculture by connecting the community with local farmers. Jessica Cook, CISA's Project Coordinator, gave the team some good insight as to how the relationship between farmers and businesses works and the pros and cons of a potential business like this for a local farmer. She also provided the team with several references for interviews including both farmers and people that participate in concepts similar to that of Farm to Table. Using her references as well as the CISA list of all local farmers, the team initiated contact with more than 40 farmers which developed into eight interviews. While different issues and ideas were raised and discussed in each interview, the team consistently asked these five questions to ensure that the most pertinent issues were addressed.

1. What produce do you grow at your farm?
2. Does your supply meet the demand or is there spoilage?
3. Would you need a truck to pick up your produce or would you be able to drop it off?
4. What incentives would you see from this program for both you and the community?
5. Would you participate in the Farm to Table Program?

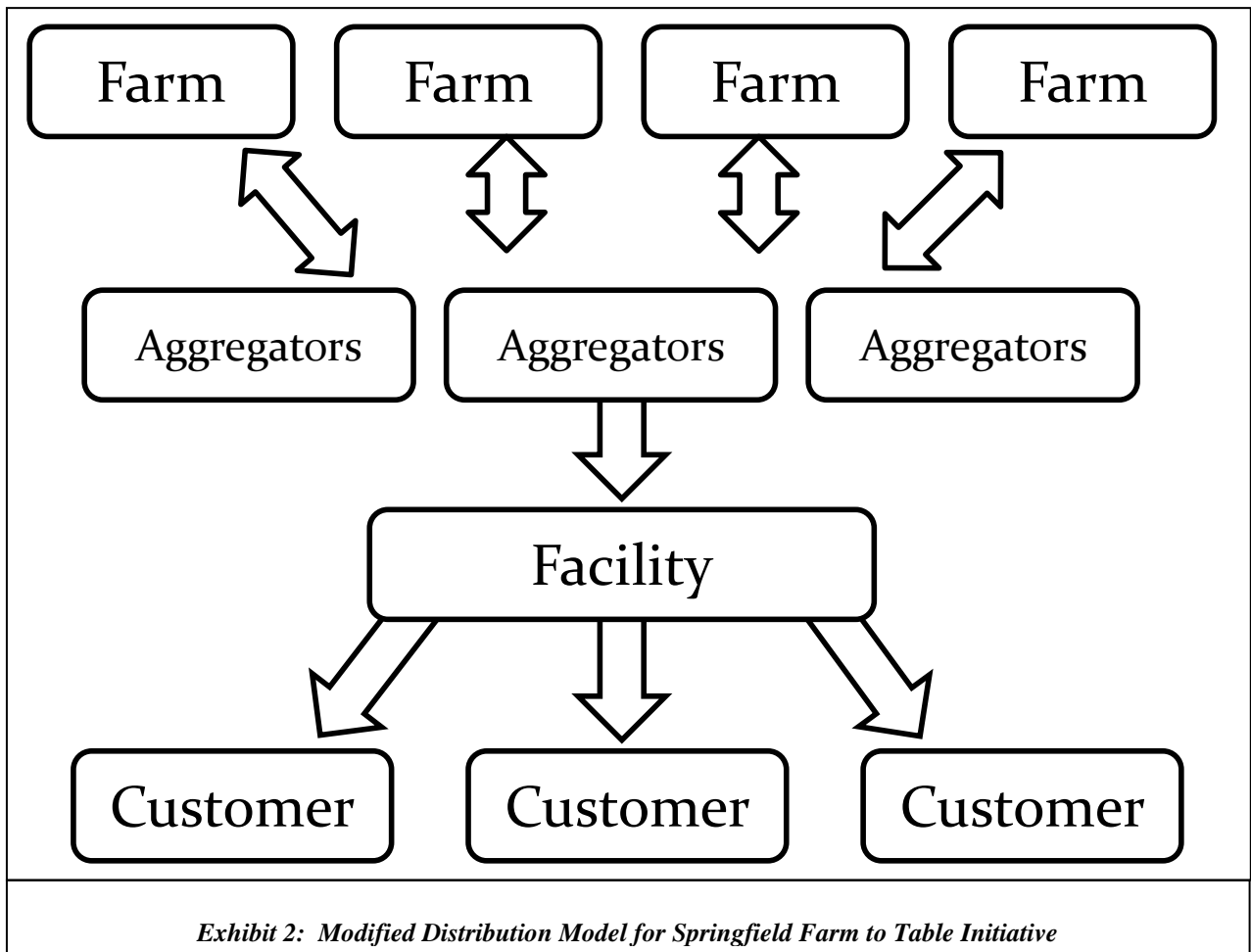
After reviewing all the farmer interviews, it was revealed that despite the team's and Gasoline Alley's original belief, many farmers did not in fact have excess supply. It was also found that most local farmers do not have the distribution capabilities to make deliveries to the Springfield area. While most of the farmers did agree with the concept and mission of a Farm to Table initiative they just could not see making the leap to becoming a potential supplier. This discovery led the team to believe that the study may come to a conclusion of unfeasibility, if there were in fact no farmers with the customer need or distribution capability to fill the supply requirement.

Aggregators

In many of the initial interviews, the name Joe Czajkowski was brought up again and again as a farmer that had the capability and capacity to be able to participate in this Farm to Table concept. Czajkowski is owner and operator of the 300+ acre Czajkowski Farm in Hadley, Massachusetts. In interviewing Czajkowski it was found that he is very receptive to the Farm to Table concept and currently serves many businesses in the Pioneer Valley as well as several large institutions such as the University of Massachusetts at Amherst, Westfield Public Schools, and Chicopee Public Schools. Curious as to how

Czajkowski was able to supply all his customers with 300 acres of land, the team asked him to break down his business model. It was revealed that Czajkowski actually sources his product from 30 local farms and then repacks the food into specific customer orders at his own facility.

Czajkowski also has his own distribution network. He owns his own delivery trucks as well as his own warehouse space enabling to keep his costs relatively low and comparable to many of the larger food distributors. After analyzing how Czajkowski makes his business work, the team coined the term “aggregators” for farmers like Czajkowski that fill their customer need by amassing products from many surrounding farmers. In this study, an aggregator would be any farmer that has the ability to work with smaller farms to sell product along with an established distribution model and is willing to deliver to Springfield. Armed with the knowledge gained from the interviews and specifically Czajkowski, the initial distribution model was modified to incorporate aggregators that would collect produce from many smaller famers and then deliver to the Springfield facility.



Another advantage of aggregators is that they can provide food distribution at lower prices than smaller farmers due to economies of scale. In addition to Czajkowski as a supplier the team also identified other large farmers with distribution capabilities such as the Pioneer Valley Growers Association and those listed in Appendix B. Having now determined that there was in fact supply and modifying the business model to include aggregators it was now critical to determine if there was enough demand to support a Farm to Table initiative.

PHASE II – DEMAND

In order to assess demand for the Springfield area, the team began by figuring out where and how Springfield residents get their food. An interview with the Food Bank of Western Massachusetts helped with answering this question as well as provided insight into the needs and desires of the local community for healthy food. Christina Maxwell is the Community Engagement Manager for the Food Bank of Western Massachusetts and informed the team that a strong demand for healthy foods in the Springfield area, specifically Mason Square, is evident through the significant year after year growth of a farmers market that they run in the area. Maxwell stated that each year more and more farmers are coming, more money is being spent, and most importantly more Supplemental Nutrition Assistance Program (SNAP) benefits, formerly known as food stamps, are being used at the market.⁵

Supermarkets and Bodegas

Confident that there was demand the team now decided that if healthy food was not easily accessible to the community, how were residents actually getting their food? The team noticed and learned about in several interviews that Springfield does not actually have many supermarkets and the majority of the residents do not have access to transportation to get to the few areas that do. This results in many residents turning to bodegas to get their groceries. Bodegas are corner convenience stores that usually carry a variety of ethnic foods as well as a limited amount of regular and exotic produce. In visiting these bodegas and speaking with store owners it was determined that these stores currently source their produce from as far away as Connecticut and New York and are price sensitive. This research led the team to believe that with adequate demand in Springfield, bodegas could be one way to enter the market as long as the business was able to keep prices low.

School Systems

School systems were another way that the team realized a large portion of the community gets food. That along with the idea that getting healthy local food into the schools would help the community and encourage food education as well as hopefully get kids excited about healthy food so that they grow up with those ideas.

Currently in Massachusetts there is a big push to get locally grown foods into the school systems. According to Kelly Erwin, a Managing Consultant for the Massachusetts Farm to School Project, there are 250 public school districts, private schools, and colleges that currently source a portion of their food

⁵ (Maxwell, 2010)

locally.⁶ Erwin explained that there really seemed to be momentum behind the Farm to School concept and that most every school district she worked with thus far had nothing but praise for the program and the idea.

Erwin referred the team to several school districts that she had personally connected to local farmers, including Czajkowski, so that the team could hear first-hand how they felt about the program. As the team did with the farmer interviews, four specific questions were asked across the board to ensure that the important issues were addressed.

1. How did you first start sourcing locally?
2. Did you have any pre-conceived notions regarding locally grown food?
3. Why do you continue to source locally?
4. Do you have any issues regarding the program?

In speaking with the University of Massachusetts at Amherst, the Chicopee School District and the Westfield School District it was almost as if the responses were scripted as they were so similar. Representatives from each of the schools commended the quality and freshness of the produce provided and experienced growth in the consumption of fruits and vegetables. They also marketed their participation in the Farm to School program to the students in hopes to educate them on healthy eating choices and in the case of the University of Massachusetts, to increase sales. When asked about the ease of ordering and receiving food from local vendors, each of the representatives had never had any significant problems. It was even stated that during a time when there was a slight mix up in orders, all it took was a simple call into Czajkowski and it was fixed immediately; something unlikely to happen when dealing with a large food distributor.

What the team then needed to address was the Springfield School System. A contentious issue with the Springfield schools is that all the cafeterias are operated by the management company Sodexo leaving little to no room for the entrance of local food. Erwin informed the team that Sodexo had made claims that they had purchased local food for Springfield schools but it hadn't been an amount significant in comparison to the other school districts.

The team spoke with Bill O'Brien, an Area Manager for Sodexo, to see how he views the Farm to School concept and any issues and challenges he could see for a Farm to Table initiative starting up in the Springfield area. According to O'Brien the reality is that management companies need to make a

⁶ (Erwin, 2010)

profit, but O'Brien did boast Sodexo's commitment to supporting local farmers. O'Brien mentioned that he tries his best to source locally especially when providing food to school summer programs, however, no figures were provided.

Having realized that the Springfield school system is not a viable customer, the team identified other potential school customers such as colleges and universities, preschools, private and charter schools and daycares.

Anchor Customer

The University of Massachusetts sources about 30% of its total produce through Czajkowski.⁷ Delivering such a high volume of food to one institution benefits Czajkowski in that it covers a majority of his overhead costs. Having this large customer allows Czajkowski's to have a distribution infrastructure thus enabling him to deliver to multiple smaller customers. The Farm to Table initiative would like to imitate that model by targeting anchor customers that can order consistently and in high volumes to cover the overhead costs for the initiative. With proceeds from that anchor customer, Farm to Table, will be able to reach their target market of low-income individuals in Springfield.

The team attempted to contact organizations in Springfield that were identified as potential anchor customers, unfortunately no customers that fit the anchor customer description responded. Some potential institutions the team saw as possible anchor customers were:

- Springfield Technical Community College
- American International College
- MassMutual
- Mercy Hospital
- Baystate Medical Center.

⁷ (Toong, 2010)

PHASE III - DISTRIBUTION AND BUSINESS MODELS

After looking at supply and demand the next step was to evaluate distribution strategies and business models. The approach taken was to examine distribution strategies and business models of other similar organizations. Specifically, the team was looking for delivery systems which the team found were commonly referred to as mobile markets. A mobile markets is the repacking of goods that have been delivered by the farmers and then the act of delivering those goods to the customers. In the search for mobile markets the team interviewed many food distributors which provided insight on the business of working with farmers and food distribution but overall were not models that applied to how the team saw this Farm to Table initiative.

Food Bank of Western Massachusetts

The first food distribution organization that the team interviewed was the Food Bank of Western Massachusetts. However, this organization is very large in terms of volume and facility size and their process was not applicable to a Farm to Table initiative. Also, the Food Bank of Western Massachusetts relies on government funding and donations. Therefore, although it was helpful to see a food distribution facility, it was a very different type of model than what this Farm to Table initiative would be.⁸

Lancaster Farm Fresh

Lancaster Farm Fresh was another food distributor that the team interviewed. Lancaster Farm Fresh is an Amish farmer co-op in Lancaster, Pennsylvania. Lancaster Farm Fresh does all of the marketing and selling for the farmers. The farmers give the co-op their customer lists and sell solely through the co-op. This division of labor lowers the costs and allows the farmer to focus on farming while the co-op handles the marketing and selling of the goods. This model requires full commitment on the part of the farmers and because it is a co-op is inherently different than the proposed Farm to Table initiative.⁹

The People's Grocery

The People's Grocery is based in Oakland, California and has recently discontinued their mobile market. Although the mobile market was not losing money, the People's Grocery found that it was not the most effective way to further their mission. The People's Grocery's mission is to get fresh local food into the hands of lower income individuals and found that the most effective way to do so was through a

⁸ (Maxwell, 2010)

⁹ (Crystle, 2010)

program they called the Grub Box. The Grub Box is similar to a Community Supported Agriculture (CSA) program where customers subscribe to buying a certain amount of produce each week. In a CSA customers are required to pay up front unlike the Grub Box. The way the Grub Box works is that there are certain customers who pay up front. These customers also pay a premium. This helps the People's Grocery lower the cost of the produce for the other customers. What the People's Grocery has found is that some customers were willing to pay a premium and pay in advance knowing that their purchase helped sustain the program and enabled the People's Grocery to make healthy local food more affordable for low income individuals.¹⁰

Marin Agricultural Institute

Marin Agricultural Institute located in Marin County, California also operated a mobile market that they called Farm to Fork but have recently partnered it to a larger food distributor known as Veritable Vegetable. Initially, they created an ordering system by phone and fax and found the administrative costs to be large and cumbersome.¹¹ A key takeaway from Marin Agricultural Institute was the necessity to have accounts payable be substantially longer than accounts receivable. The Marin Agricultural Institute paid their farmers once a month and asked their customers to pay every two weeks.¹²

Farm Fresh Rhode Island

The most relevant distribution model and business model that was looked at was Farm Fresh Rhode Island's (FFRI) Market Mobile. The Market Mobile is a for profit initiative of FFRI that delivers local food to local businesses. Market Mobile started in 2009 and has found early success reaching \$225,000 in revenues in its first year of operations. It has grown from three customers and \$371 in its first week of sales to 75 customers and more than \$8,000 in weekly sales.¹³ The Market Mobile was most relevant to the team's research as it was: distributing to a similar demographic, located in the same region of the country, and appeared economically viable. The problem with the other models was that they did not seem to be feasible for the Springfield area. A co-op was likely not an option with Springfield area farmers and the other models that the team looked at had been discontinued or forced to partner with a larger food distributor.

¹⁰ (Henderson, 2010)

¹¹ (Botting, 2010)

¹² (Smith, 2010)

¹³ (Mellion, 2010)

The main reason that the Market Mobile works is because of the low overhead costs. The Market Mobile operates on a 10% margin on the food it distributes. Therefore it had an income of \$22,500.¹⁴ Although it was only the first year, it is still indicative of the need for this type of business to minimize operating costs. The way that Market Mobile does so is by utilizing subsidized labor programs, such as AmeriCorps Vista and at-risk employment programs, and having customized software for administrative duties. The software enables FFRI to leverage their resources by handling all order processing, route planning and billing.

Ordering

The order processing is a major function of that software. The Market Mobile operates on a one day a week delivery to the customers and carries no inventory. The ordering process takes place online and is completed by the farmers and the customers. The weekly process begins on the weekend with the farmers going into the online system and uploading their inventory between Friday and Sunday. Then on Monday, the customers can go online and see the product availability for the week and place their orders. The customers’ orders are then sent to the respective farmers on Tuesday. Next the farmers deliver the goods to FFRI on Wednesday and Thursday where the goods are repacked into the customers’ orders and delivered to the customers on Thursday.¹⁵

Friday - Sunday	Farmers upload inventory
Monday	Customers order
Tuesday	Orders sent to farmers
Wednesday	Farmers deliver
Thursday	Farmers deliver Repack & deliver orders to customers

Exhibit 3: Farm Fresh Rhode Island Ordering Process

Distribution

On Tuesday when FFRI sends the orders to the farmers, the facility is set up based off of the weekly orders. The Market Mobile facility has bins for each customer with the customer names on

¹⁴ (Mellion, 2010)

¹⁵ (Mellion, 2010)

removable stickers placed on the wall above the bins. The software plans out a route based on the customers for the week and this then determines the order of the bins. In other words, the bins are labeled in order of first to be loaded on the truck and last to be delivered.

FFRI keeps two sets of order forms to ensure that all customers' orders are filled properly. Each farmer has an order form that lists all of the goods that the farmer is responsible for that week. This order form is checked off by a Market Mobile employee or volunteer when the farmer delivers the goods. These goods are then sorted into the customer bins. There is also an order form for each customer that is checked off once all of the farmers have made their deliveries. Once all of the customers' orders are verified, the bins are then loaded onto the truck. From there the goods are delivered into the hands of the customers.

Billing

One concern for Market Mobile is that they have unsteady cash flow. FFRI has agreed to pay the farmers every two weeks while also asking its customers to pay once every two weeks as well. Unfortunately, FFRI is not very aggressive about billing and many customers do not pay on time leaving FFRI with cash flow issues.

A Day in the Life of Farm Fresh Rhode Island

In order to fully understand FFRI's processes, the team took a trip out to Pawtucket, Rhode Island to shadow Hannah Mellion, FFRI's Markets Coordinator, throughout the day. The following pictures give a peek into a typical Thursday for the organization as they receive the deliveries from the farmers, repack the food into specific customer orders and then load up the truck and head out on the delivery route.

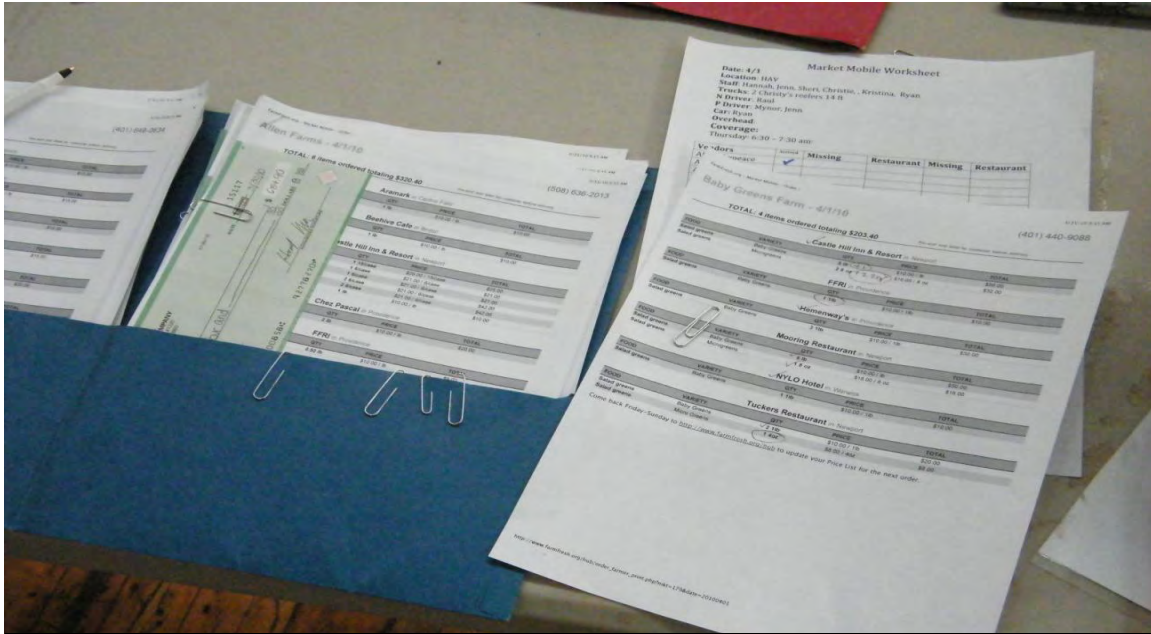


Figure 1
Order forms used to check off deliveries from the farmers.



Figure 2
Order forms used to check off customers specific orders.



Figure 3
Customer names are organized in order of delivery. Bins are then loaded under each customer name with the specific order.



Figure 4
An employee or volunteer goes through the order to ensure each item is present.



Figure 5
Orders are then loaded onto the truck in order of delivery.



Figure 6
Once the truck arrives at the customer's location, orders are removed from the truck.



Figure 7
The order is then brought into the customer and verified to ensure every item is present.

Working side by side with the FFRI employees and volunteers enabled the team to see just how well their business model works for them and really encouraged a realization by the team that this Farm to Table initiative may in fact actually be feasible for the Springfield area.

RECOMMENDATIONS AND KEYS TO SUCCESS

It has been determined that a Farm to Table initiative in the Springfield area is feasible. While the intention is for this business to be a non-profit it is important to note that due to the small profit margins that this business would be working on it must be run like any successful and sustainable for-profit business. Therefore, it is imperative for this business to be as efficient as possible while simultaneously minimizing costs throughout all aspects of its business model. Throughout this study, many factors have become evident that unless implemented will make or break the success of this Farm to Table initiative. Thus it is recommended that a Farm to Table initiative be started on the condition that the following “Keys to Success” are utilized.

Use Aggregators

As discussed in the supply section of this study, small farmers have neither the customer need or distribution capability to deliver to a Springfield repacking facility on their own. Through the use of an aggregator, the Farm to Table initiative is able to acquire a greater quantity as well as an assortment of foods at prices comparable to those of large food distributors.

Find “Food Champions”

“Food Champions” are those people that are dedicated to seeing their community have access to healthy foods. The Farm to Table initiative should be intent on initially seeking customers that are either Food Champions themselves or have Food Champions within the ranks of the business. By acquiring as many Food Champion customers as possible, the business is likely to have more flexibility as it faces different hurdles in its growth or price fluctuations as a result of different issues. Because Food Champion customers want first and foremost to get the food into the community, they would likely suffer some hardship to do so. Once there is a solid Food Champion customer base, it would then be more feasible to go after those customers who may need more convincing to buy local.

Anchor Customer

It is recommended that Farm to Table focus their initial efforts on finding a large customer such as a college or institution that the business could rely on to make repeat food purchases in large volume. This large volume is key to covering a portion of overhead costs that will come with operating the business. In conducting research, it was found that the Farm to Table initiative could have a variety of customers such as bodegas, restaurants, individual private and charter schools, etc. While it is promising that there is customer potential in the Springfield area, the majority of those initial customers would likely be purchasing in small volume. This will make it difficult for the business to cover its costs and maintain a steady cash flow. Having at least one dependable anchor customer will alleviate much of this issue and allow for the business to continue serving multiple smaller customers.

Quality Controls

Due to the tight margin that this business would be running on, it is imperative that it be as efficient as possible. It is therefore recommended that certain quality controls be implemented. One such quality control suggestion is to create an evaluation and selection process for potential suppliers. Because the efficiency of this business will be so highly dependent on the suppliers it chooses to work with, a selection process will help to ensure that the business works only with reliable suppliers that provide quality goods consistently on time, every time. This recommendation is by no means the only possible quality control, but it is determined that as the business grows, more quality control options will become apparent.

Legal Contracts

A critical concern that came to light in conducting the research for this study was the issue of customers or suppliers going directly to each other, as opposed to using a middleman such as this business. In speaking with the practicum advisor, it was recommended that a business like this utilize legal contracts to prevent this issue from taking place. By establishing relationships with both the customers and suppliers through legal contracts, there is greater guarantee that the system is not circumvented.

Capitalize the Business

It is recommended that the potential grant money be used to purchase big ticket items such as a delivery truck and the large refrigerators that will be required to store food at the facility. While leasing items such as these is an option, it is believed that taking advantage of the available money to purchase these items outright will minimize operating costs. Purchasing a delivery truck outright is also a more efficient option for the business in that it will not be necessary to determine every week where the truck(s) will be rented from.

Cross-Docking

Cross-docking is the practice of transferring incoming items to outgoing items eliminating the need for storage. FFRI utilizes this practice and thus it is recommended that the Farm to Table initiative follow this model. By doing so, carrying costs are eliminated or minimized as well as any costs associated with dealing with spoiled produce.

Accounts Payable / Receivable

Currently, FFRI expects its customers to pay their bills every two weeks. Unfortunately, many customers do not meet that expectation and their accounts receivable continues to grow. At the same time, the business has obligated itself to pay its farmers every two weeks. With this model, there is likely to be issues with cash flow and thus it is recommended that this Farm to Table initiative follow a model more like that of Marin Agricultural Institute. Marin Agricultural Institute requires their customers to pay every two weeks but pays its farmers only once a month.¹⁶ By extending their accounts payable to be longer than their accounts receivable they ensure a steadier cash flow for the business, especially in the event that several customers become delinquent in paying their bills.

It is also recommended that this business be more aggressive than FFRI was in tracking down delinquent customers to get them to pay their bills. One suggestion is to use the industry standard of applying late fees or other similar type charges to overdue bills.

Minimize Delivery Radius

FFRI's biggest expenses are all delivery related. FFRI has committed itself to delivering to all of Rhode Island. Every week the costs of leasing of the trucks, paying the drivers and the cost of fuel runs

¹⁶ (Smith, 2010)

the business about \$320. It is therefore recommended that this Farm to Table business limit its delivery radius to the Springfield area. This is sensible as the immediate goal is to get healthy and local food into the hands of low income individuals in Springfield, but were the business to grow, it is thought to ensure effectiveness and efficiency if it concentrates its efforts solely on the Springfield area.

Customized Software

As mentioned previously, FFRI is fortunate in that their executive director is an expert in software design and development. This allows FFRI to have fully customized software that effectively and efficiently handles the business's ordering, billing, invoicing, and even delivery route planning. By having such a multi-featured system that can be tweaked upon immediate employee or volunteer request, FFRI is able to keep its administrative costs extremely low. This is critical in a business such as FFRI where margins are tight and the few volunteers and employees are already working at capacity.

It is therefore recommended that this Farm to Table business find someone with similar skills to that of FFRI's executive director and design and develop a similar system that is ideal for this Springfield initiative. In conducting this study, the idea of leasing the software from FFRI was addressed with them, but they felt as though they weren't prepared for something like that at the time. They were, however, completely willing to pass on any and all information that would be useful in helping a business like this design and develop their own software, as they don't view a Springfield Farm to Table initiative as a competitor but as another non-profit working towards improving the community.

THE FUTURE OF THIS FARM TO TABLE INITIATIVE

Upon conclusion of this study, the team discussed the next steps for Gasoline Alley now that it has been determined that a Farm to Table initiative for Springfield is feasible. It is recommended that this study be used to begin the process of writing a business plan and finding an initiative champion that is ready and able to take an idea like this to the next level.

Throughout the study, the team came upon many individuals that are intent on seeing an initiative like this be successful. It is therefore recommended that the Contact List in Appendix A and the list of Massachusetts farmers that distribute to schools in Appendix B, be used to grow the initiative and put people in place to see this through to the end.

APPENDIX A: FARM TO TABLE CONTACT LIST

The following information was put together in order to assist those that may take this study to a different or higher level. Listed below are the most relevant points of contact interviewed or referred to throughout the course of this study.

General Business Information

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Enterprise Center
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General Farm to Table Information and the Local Food Movement

Chris Taylor and Thetis Sammons

Director and Producer
Food Fight – A Documentary Film
805-886-6308
pastoregirl@yahoo.com

Farmers and Supply

Joe Czajkowski

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Hadley, MA 01035
413-237-2615
debacz@aol.com

Jessica Cook

Program Coordinator
Community Involved in Sustaining Agriculture
413-665-7100
jess@buylocalfood.org

Sara Gideon

Owner / Farmer

Atlas Farm

sara@atlasfarm.com

Oona James

Owner / Farmer

Northampton Town Farm

413-586-7586

nohotownfarm@gmail.com

Sally Fitz

Owner/Farmer

Small Ones Farm

413-253-6788

smallonesfarm@att.net

Jeremy Barker-Plotkin

Owner / Farmer

Simple Gifts Farm

413-549-1585

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Daniel Kaplan

Owner / Farmer

Brookfield Farm

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Amy Crystle

CSA Manager

Lancaster Farm Fresh

717-656-3533

amy@lancasterfarmfresh.org

Demand

Christina Maxwell

Community Engagement Manager

Food Bank of Western Massachusetts

413-247-9738 extension #119

christinam@foodbankwma.org

Jessica Collins

Live Well Springfield
Partners for a Healthier Community, Inc.
P.O. Box 4895
Springfield, MA 01101-4895
413-749-2520
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Frank Martinez Nocito

Coalition Coordinator
Live Well Springfield
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413-794-1916
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School Interviews and Information

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Westfield, MA 01085
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Ken Toong

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Jane Williams

Purchasing Manager and Sustainability Officer
University of Massachusetts at Amherst
413-545-4740
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Joanne Lennon

Director of School Cafeterias
Chicopee Public Schools
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Distribution Strategies and Business Models

Hannah Mellion

Markets Coordinator
FFRI
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Leah Smith

Director of Outreach
Marin Agricultural Institute
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Nikki Henderson

Executive Director
People's Grocery
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Gerilyn Botting

Financial Manager
Veritable Vegetable
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APPENDIX B: DISTRIBUTORS SELLING TO MASSACHUSETTS SCHOOLS AND COLLEGES

Distributors selling to Massachusetts Schools and Colleges
Some schools buy product direct from farmers, others buy through distributors.
Here is a list of distributors that public school districts and colleges reported buying from during the 08-09 school year
 Researched by the Massachusetts Farm to School Project

Distributor	# of School Customers (approx.)	# of College customers (approx.)	Contact	Mailing Address	Email	Phone/Fax	Website
A. Simos & Co Inc	5			62 Avocado Street, Springfield, MA 01104-3304		(413) 734-8232	
ACME Pre-Pack	7	1	Mike Cane	76 Webster Place Ext. Worcester, MA 01603	info@acmeprepak.com	(508)799-4423, (508)752-6466, (800)922-8239	http://acmeprepak.com
Beacon Fruit & Produce Co.	1		Richard Menzer (owner)	Beacon Fruit & Produce Co. 119-120 New England Produce Chelsea, MA 02150	richm@beaconfruit.com	Phone: (617) 889-2011 Fax: (617) 889-7242	http://www.beaconfruit.com
Black River Produce	1	2	Mark Curran (owner)	449 River Street Route 106 North Springfield, VT 05150	mcurran@blackriverproduce.com	Telephone: 1 802 230 4800 FAX: 1 802 886 7490	http://www.blackriverproduce.com
Cahills Farmers Exchange	1		Stephen Cahill	206 Ricciuti Dr., Quincy, MA 02169-6458		(617) 471-9880	
Cirelli Foodservice	1			30 Commerce Blvd., Middleborough, MA 02346		1-800-242-0939	http://www.cirelli.com
City Fresh	1		JR Mercer	City Fresh Foods, PO Box 255698, Dorchester, MA 02125	omercer@cityfresh.com	(617)606-7123	http://www.cityfreshfoods.com
Costa Fruit & Produce Co.	65	4	Sheldon Borodkin	P.O. Box 290574	sales@freshidens.com	(617) 241-8007 x 8032 Fax: (617) 241-8718	http://www.freshidens.com
Demarco Produce Co	1		Charles Demarco	333 Commercial Street, Malden, ma 02148-7306	cdemarco@rosebudfarms.com	Phone: (781) 321-4020	
Donabedian Brothers Inc	1			475 S Broadway, Salem, NH 03079-4305		(603) 898-9781	
Fresh Point (formerly Fowler Hunting)	2	4	Robert Hence	105 Reserve Rd., Hartford CT, 06114	robert.hence@freshpoint.com	860-244-0407	http://www.fowlerproduce.com
Ginsberg Foods	0	1	Steve Hohneker	PO Box 17, Hudson NY 12534	shohneker@ginsbergs.com	518.828.4004 or 800.999.6006	http://www.ginsbergs.com
Guaranteed Fresh Produce Co.	4		Adam Weiner		vege@071275@yahoo.com	888-737-3745	
Holden Fruit & Produce Co Inc.	13			152 Beacham St, Everett, MA 02149		(617) 389-0204	
J & E Fruit and Produce	1			20 Province Lands Rd, Provincetown, MA 02657-1240		(508) 487-3627	

Joe Czajkowski Farm	19	2	Joe Czajkowski	86 Comins Road, Hadley MA		(413) 237-2615	
John De Francesco & Sons	1		Jeff De Francesco	53 Mason Street, Salem, MA 01970-2264	Phone only	(978) 744-3863	
Kapa Food Supply	3		Paul Gilbert	1 Summer St Webster, MA 01570	Phone only	508-943-5021	
Lambert's Fruit & Produce	1			325 Route 28, West Yarmouth, MA 02673		(508) 790-5954	
Lanni Orchards Inc.	41	1	Pat Lanni	294 CHASE RD RT 13, Lunenburg MA, 01462		978-582-6246	http://www.lanniorchards.net
Mattioff Produce	2			65 Elliot Tr, Grafton, MA 01519		508-839-2371	
Michaelson & Sons Inc	1			95 Avocado Stree, Springfield, MA 01104-3303		(413) 781-5810	
Nasiff Fruit Company	3			538 Plymouth Ave, Fall River, MA 02721	info@nasiffproduce.com	(508) 672-4292	http://www.nasiffproduce.com
Performance Food Group	5	1	John Carpenito	P.O. Box 3024, Springfield, MA, 01101-3024	jcarpenito@pfec.com	(800) 388-0257	http://www.pfeg.com/springfield
Preferred Meals	2			5240 St. Charles Rd., Berkeley IL, 60163		(484)678-6890	http://www.preferredmealsystems.com
Produce Company of New England, Inc. (has commodity foods contract)	3		Denis Mezheriskiy	424 Broad St., Fitchburg, MA 01420	idea617@gmail.com	(978)-343-4839, (800)462-2052, Fax (978)343-3966	
Purchase Express	1			Lowell, MA 01852		(978) 452-3930.	
Quinal Brothers Wholesale	5		Richard Quinal	11 Scobee Circle, Plymouth, MA 02360-4889	None	(508) 747-5565	No website
Russo's	2	1	Tony Russo	A. Russo & Sons Inc., 560 Pleasant Street, Watertown MA 02472		617-923-1500	http://www.russos.com
Sardilli Produce & Dairy Co. Inc.	0	1	Jason Sardilli	212 Locust Street, Hartford, Connecticut 05114	jsardilli@sardilliproduce.com	(860) 525-3237	http://www.sardilliproduce.com
Shabben Brothers	1		Paul Shabben	95 Haverhill Rd., Amesbury, MA 01913		978-388-6776	http://www.shabbenbros.com
Sid Walner & Son	30	11	Victor Simas	2301 Purchase Street, New Bedford MA 02746		800.423.8333 ext. 126	http://www.sidwalner.com
Squash Trucking Inc.	1	1	Margorie or Eric	1315 Federal Street, Belchertown, MA 01007.	margj@squash-inc.com or eric@squash-inc.com	(413) 256-8929	www.squash-inc.com
SySCO	9	5	Bill Long	380 South Worcester Street, Norton , MA 02766	long.w@hal.sySCO.com	(508)285-1000	http://hallsmith-sySCO.com
Thurston Foods	15		Rob DeFurio	30 Thurston Drive, Wallingford, CT 06492	rob@thurstonfoods.com	(800) 982-2227	http://www.thurstonfoods.com
US Foods	3	1		Centennial Industrial Park, One Technology Drive, Peabody, MA 01960 OR 201 Beacham Street, Everett, MA 02149		Peabody: 978.977.5100 OR Everett: 617-389-3300	www.boston.usfoods-service.com
Veggies R Us	1		Gabriel Almeida	35 Betsy Phillips Circle, Taunton, MA 02780	galmcda35@verizon.net	508-272-6910	http://vegies-r-usproduce.com
Whitney & Sons Inc.	3	1		814 East St., Pittsfield, MA 01201		(413) 445-4586	

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