

Institutional Food Program Programme d'alimentation institutionnelle

Learning Group Convening

Oct 14 – 16, 2014

Rencontre, Groupe d'apprentissage

**THE J.W. McCONNELL
FAMILY FOUNDATION**

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**FSC
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Food
Secure
Canada

Réseau
pour une alimentation
durable

Institutional Food Program

Joint program seeks to influence the supply chain and the food served by institutions to support local, sustainable food systems

- Economic
- Environmental
- Social

Seeking to share ideas in this presentation to explore during the convening to help refine this evolving “Theory of Change”, essentially what are all of the building blocks and steps to get to our long-term goal.

“Theory of Change”

Better understand what supports, incentives and learning opportunities are needed to embed procurement changes within mainstream procurement practices, catalyse change and to share the stories and mechanisms of success across Canada.

Looking at issues in shifting procurement local, sustainable foods

- At an institution level
- At a landscape level
- And how they may be related

Procurement landscape

Supply chain

- Several large corporations dominate, little source-identification
- Local, sustainable supply challenges with distribution/scaling

Food service

- Many self-operated
- Several large corporations

Institutional priorities

- Food is generally not core mandate, it is a service where delivery on budget is primary

Overall system of institutions

- Huge range of scale, knowledge and facilities

How can we begin to change this system?

What tools are needed?

What strategies are going to be effective?

What relationships need to be developed/
information shared?

What research needs to be done?

What policies do we need?

Barriers for food service to source local



- Cost; Low-margin business model
- Administrative burden of doing more ordering; Staff doing more prep
- Bureaucratic/food safety restrictions
- Challenges of quality and consistency of product
- Established relationships and practices

= Change adversity since current system is easy, consistent, cheap

Barriers for producers sell to BPS market

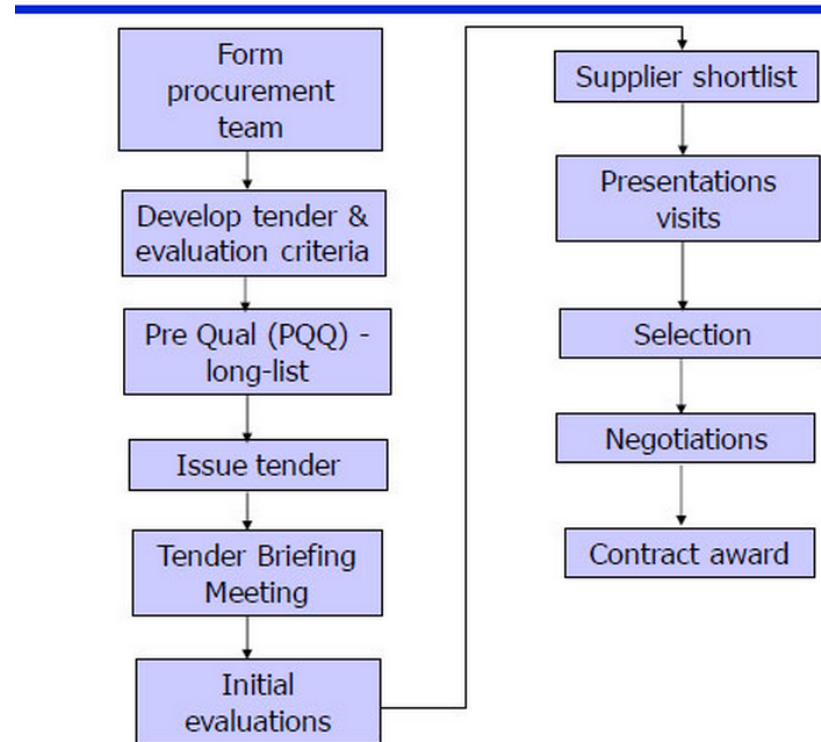
- Little physical infrastructure for regional farms to efficiently pack or aggregate their product
- Business viability and expansion issues
- BPS systems mostly not able to handle fresh whole product
- Distribution/buyer food safety requirements
- Broadline systems can't differentiate well
- Seasonality
- Price and perceptions about price
- Is it profitable?



Policy/Practices that limit potential change

- Food procurement processes tend to favour broadline distributors (scale)
- Trade agreements
- Buyer and supplier often do not agree on definition of local food
- Menu planning processes complex
- industry promotion and rebate fees

Tender Procurement Process



Important Questions for Food Service



What are your goals in doing this work?

What is your capacity to change menus/systems to better meet supply (allow source-identification)?

How will you get the resources you need?

Important Questions for Producers

- Do you have products food service wants?
- Should product be branded collectively or keep the face of the farmer?
- Do you want to distribute directly or list with broad line distributor?
- What supports are needed in terms of business planning, financing, resources for aggregation services?
- Can the institutional market be profitable?



Institutions & producers have similar needs

- Need to better understand the 'other' system; build relationships
- Change will require dialogue with food service management companies and distributors who dominate this system
- Menus re-designed to meet supply/Producers better understand the needs of their customers
- Plan for incremental changes
- Be part of networks for tools and stay motivated
- Support from leadership/policy
- Need for cultural shifts

Potential drivers at landscape level

Consumer demand

– tasty, healthy, source-identified

Local food offers solutions to a range of problems

Food hubs

Collective impact strategies

Network of networks



Consumer demand – taste, transparency

- Consumers want “local” “healthy” “sustainable” (even if sometimes they aren’t clear on what it means)
- Food service management companies are interested in better meeting the needs of their customers
- There has been success of demand driving change in campus and schools, less clear driver in healthcare
- We shouldn’t underestimate the power of taste to drive innovation (Menus of Change)

Local food offers solutions

- Increase sustainability of institutions (reducing carbon footprint)
- Increase efficiencies in food service such as reduced waste (often from menu redesign)
- Increase client/staff satisfaction
- Healthcare leaders are interested in addressing antibiotic resistance issues
- Healthier eating helps to reduce chronic diseases related to diet

Prevalent Inefficient Regional Distribution

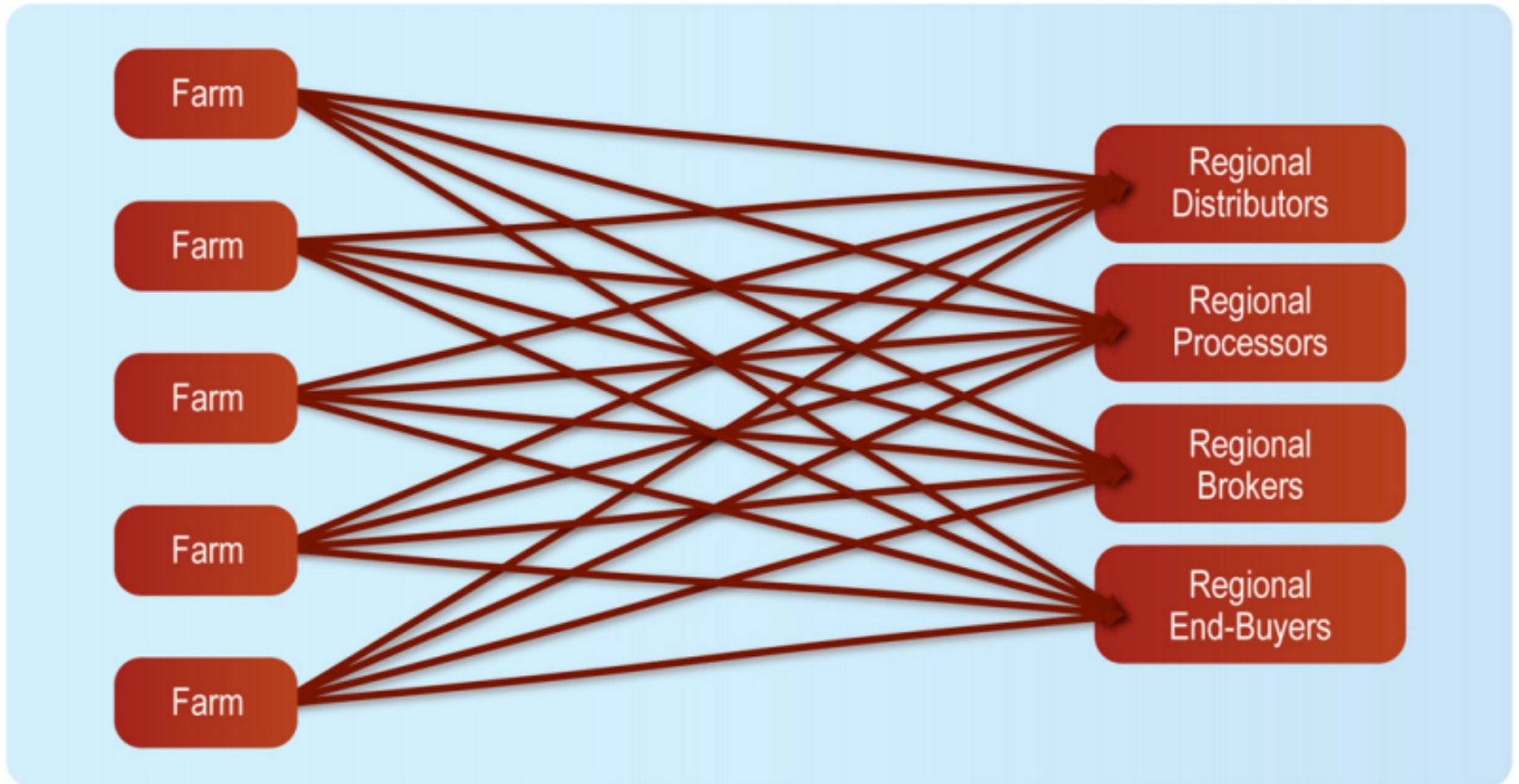
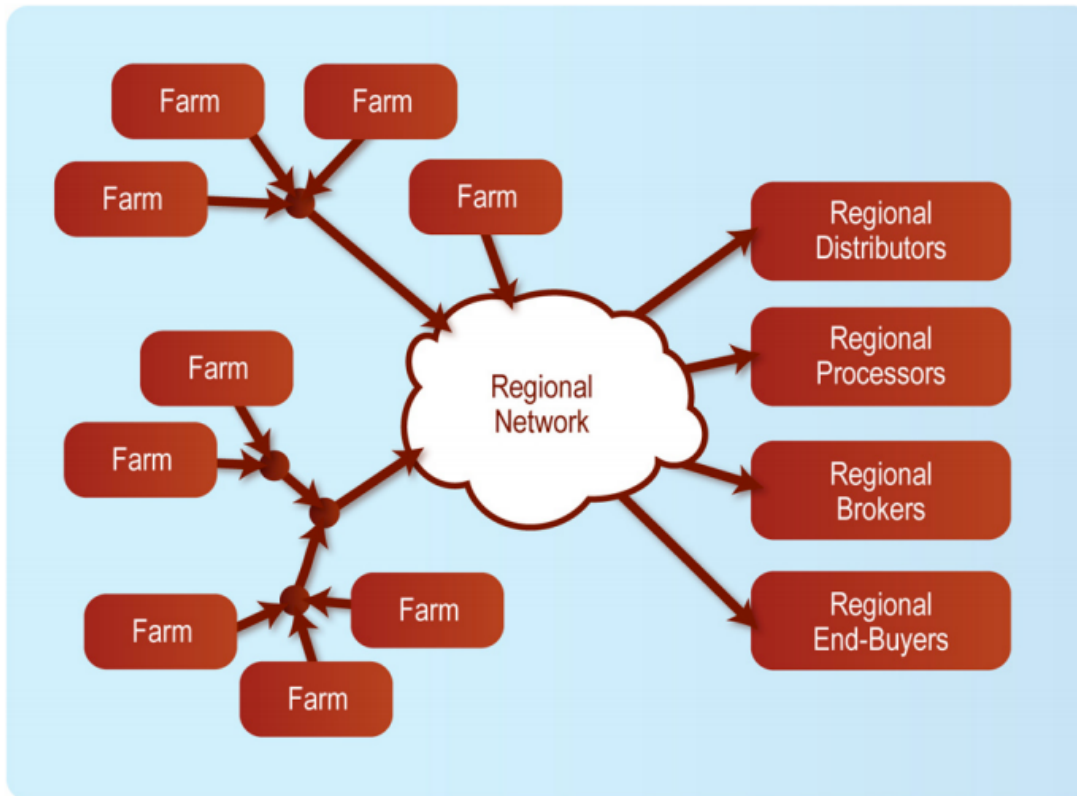


Figure 2. Prevalent Inefficient Regional Distribution

Food hubs

Food hubs are a promising scaling up strategy for local food to building supply chain into significant volumes



Food hubs

Wide field of experimentation, with many different models but the essentials are:

- Bring farmer networks, food safety protocols and logistics and marketing strengths together to create value
- Offer an opportunity for retailers and food service companies, large and small, to team up with food hubs so they can differentiate themselves with local food programs and satisfy strong consumer demand
- Potential node for aggregation into large distribution channels

Caveat, there are other supply models

Producers and institutions of a similar scale can do business with each other

Example, Santa Monica Farmers Market Salad Bar Program at schools



**Santa Monica and
Riverside Salad Bars**

Collective impact

Collective impact is the commitment of a group of actors from different sectors to a common agenda for solving a complex social problem.

More rigorous than collaboration

Five conditions of success:

Common Agenda

Shared Measurement

Mutually Reinforcing Activities

Continuous Communication (what are we learning)

Backbone support

Starting with Shared Measurement?

Shared Measurement: All participating organizations **agree on the ways success will be measured and reported**, with a short list of common indicators identified and used for learning and improvement.

The ‘why’ (generally applies to projects)

- Realization of important benefits to “strategic” stakeholders through incremental benefits (economic and emotive)
- delivery is the key to sustaining commitment to strategy; *people prefer their benefits earlier than later*

Health Care Without Harm – Survey Results

Quick Survey Stats: Cost Strategies	Percent of facilities
Focus on food waste reduction	76% (44/58)
Adjust pricing as needed	69% (40/58)
Streamline inventory	40% (23/58)
Explain reasons for increased pricing to cafeteria patrons	38% (22/58)
Reduce spend on other budget items	31% (18/58)
Purchase direct from farmer	31% (18/58)
Increase pricing on less healthy items	29% (17/58)
Increase budget	26% (15/58)
Switch to room service model	22% (13/58)
Commit to purchasing a specific volume	21% (12/58)
Buy animals such as beef cattle whole and have them processed to meet facility needs	5% (3/58)

Network of Networks

FSC Networks

- Local, Sustainable Food Systems Network
- Children and Food Network

8th Assembly of Food Secure Canada, November 13-16, 2014 in Halifax, Nova Scotia

Other actors including:

Greenbelt, Équiterre, Farm to Cafeteria Canada, Meal Exchange, My Sustainable Canada, Food Matters Manitoba, Canadian Coalition for the Green Health Care



How do we put this all together?

Institutional Food Fund Grantees – Learning Group

Online Toolkit of resources for Food Service Manager

Conversations with food service management companies and distributors

Working to link emerging food hubs with the institutional market

What kind of policy work needs to be done?

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