

**The Local Food Connection Proceedings**  
***Linking Farmers, Ranchers, Fishers and Food Buyers***  
*February 2, 2009*  
*Lane Community College*

**Keynote Speaker: David Lively, Organically Grown Company**

Good morning. It is always a pleasure to spend time with people who feed and water me, as many of you do and have done. I was asked to address you today on the topic of Organically Grown Company, my mission and work for the last 29 years.

OGC is indeed a subject worthy of a documentary or perhaps a historical novel, dealing as it does with a broad span of time; multiple generations; brilliant, foolish, earnest and insane characters; battles over property and farming rights; money, power and ethics; the rising up of a counter-culture into the mainstream; and myriad mundane issues such as packaging, post-harvest handling, receiving, shipping, quality sorting of product, faxing, emailing and more emailing, delivery, collections and learning how to do three things at once while sitting at a desk with a plate of food in front of you. I also want to spend some time analyzing the claims that are made in the arguments for local food systems. And we'll see if we have time beyond that for other matters. First, I thought I would give you enough background on myself that you might be able to see how I got here.

I was born near the Pecos River, in New Mexico in the small town of Dexter. Roswell, home to a military base and some dead space aliens, was just to the north. My family moved to Arizona when I was 4 years old and when I was going into 5th grade we located to Glendale, northwest of Phoenix and at that time the second largest shipping point of fresh vegetables in the United States. Our downtown looked like Mayberry, RFD, with a town square that contained the library, a gazebo and tables for the old men to play cards at. My brother Tom and I and our friends spent our youth playing among turnip, green onion, lettuce and cotton fields and citrus groves.

In my travels over nearly 40 years, I have never lived in a city larger than Eugene and have no desire to ever do so. I moved to Veneta in 1979, after dropping out of Social Work school at Arizona State University, in order to live in a commune on 5 acres. By that time, I had read everything Stephen Gaskin had written, including *Hey Beatnik! This is the Farm Book*, which described in detail the efforts that had created a thousand acre organic farming commune in Tennessee. I often think that that was the last decision of large consequence I made in my life. It was a true break from who and what I had been. Leaving Phoenix felt like growing wings. Since then, every decision has just seemed to be a logical extension of what came before. Continual small steps rather than any big leaps.

In the commune, I worked with my brother and others in a 1/3 acre garden to feed ourselves. To earn money, we began selling some of our crops. In order to earn less money, we became full-time farmers. To market our crops, we reformed OGC from a non-profit to a for-profit. In order to make OGC work better for the growers, I left farming and became a member of the staff, serving as Field Manager and later Production Coordinator, supervising a full-time horticultural advisor, the brilliant and beautiful Lynn Coody, as well as a part-time field scout and a part-time entomologist.

To make OGC work better for our accounts as well as growers, I accepted the position of Marketing Director, currently supervising 3 marketing staff and 13 account representatives. In order to make the trade we work in better, we have pushed our presence into the larger organic arena, joining the Organic Trade Association and helping to found the Organic Produce Wholesalers Coalition and the Food Trade Sustainability Leadership Association. And in order to get my hands back into the wonderful soil of the Willamette Valley, three years ago Gina and I purchased 1/3 of an acre near River Road, where 9 garden beds and two fruit trees feed us several months a year on a 100 foot diet.

I have fought with retailers to get them to buy what I had grown rather than what they could get from California, at cheaper prices. I have fought with retailers to get them to buy what California's organic farmers grew, rather than what Oregon's conventional growers produced. I have even fought to get them to buy crops raised in distant locations because I thought the food was better than what was grown closer at hand or because I believed the distant farmer was better at their craft than the producer nearby. My perspective has moved from concern with a couple dozen garden beds farmed with French Intensive methods to the development of organic agriculture on a global scale. And back to my own backyard and the fate of my 10 Holy Mole passilla pepper plants.

I believe in thinking global and acting local, but I am just as interested in thinking about how to apply local to global. And in all of it, I believe that the ethics matter very, very much. At OGC, we declare in our company profile: "We understand that the growth of the organic food trade requires that the same values used to produce organic foods be used in conducting the business of selling them." I also believe that we are engaged in a global war between agro-ecology and agribusiness and consider myself a soldier within the ranks of the former and OGC a tool to be raised for the cause.

And always, whether in commune meetings to discuss the slamming of the back door or the fate of the goat, the early meetings of growers looking to improve their lot, or the recent meetings of the Food Trade Sustainability Leadership Association, I have believed in the strength of the group, as we looked for commonality, cooperation and consensus. As our business has grown from sales of just over \$100,00 in 1983 to over 70 million last year, the entrepreneur in me has always answered to the cooperator.

In the late 1970's and early 1980's, organic agriculture in the upper Willamette Valley was taking place primarily in communal settings of some sort, often on rented or leased ground. Growing operations included Butler Green, Thistle Organics, Laughing Turtle, High Water, Oregon Homegrown, Whitewater Organics, Stanley & Strawb, Karen Fryberger, Mountain Valley, Earthright Farm, Fir Oak, River's Turn.

And most significantly, Riverbrook Farm, which was in truth about the only organic outfit in the area that could legitimately call itself a farm. Worked by the third generation to live on the land since the early 1900's, over 100 acres in size, possessing wonderful top soil, clear and deep, producing acres of organic crops grown by crews that included people who would become an OSU soil scientist, an entomology professor, an upper manager for Green Giant, one of the first PhD level organic seedsmen in the United States, the international buyer for Cascadian Farms, and employees of OGC.

We were all friends, those early organic farmers located about Eugene, and we were knocking the crap out of each other in the marketplace. We had a very short window in which to produce our crops and make our money. We had very few accounts to sell to. There was no Lane County Farmers' Market, though it was being thought about. There were very few restaurants interested

in our product. Few of us had the money to purchase significant season extension devices such as green houses. We each made our own plans, and so often failed to serve what market there was. Four of us with slicer tomatoes, none with Romas. Three of us with early broccoli, none with late broccoli. The selling price of almost everything we grew was 20 cents a pound. Lettuce, 4 dollars a dozen. Tomatoes, 4 dollars a flat. We would deliver your store for an invoice of \$2.50. And thank you very much.

Our farms were like annuals, and you never were sure which ones would reseed themselves and be back next year. Our tools were rototillers and hoes; some had tractors, but not most; deliveries were typically made in unrefrigerated and open pick-up trucks; and all of our crops were packed in used boxes we scavenged from behind grocery stores. Russel Wolter, one of the first significant California organic farmers, had a great box for a dozen lettuce, and they were color coded: green for green leaf, red for red leaf, blue for butter lettuce. When I first met him in 1985, the first thing I did was thank him for the hundreds of boxes we had acquired from behind Sundance, New Frontier, The Kiva and The Community Store each winter.

In 1982, I made \$1.50 an hour for the 24 hundred hours I worked in 8 months farming vegetables crops. It was basically out of desperation and not because of our ideals that we decided to transition the non-profit organic grower support organization that had been formed in 1978, into a for-profit agricultural marketing cooperative whose doors opened in 1983. We wanted to farm and be successful at it. Instead, we were hiring others to farm for us at wages better than our own while we spent much of our time marketing, delivering and collecting money.

We never knew whether we were getting a fair price for our crops. We had no knowledge of the trade beyond the limits of the Willamette Valley. If we were going to stay on the farm and succeed there, we needed professional marketers who were in touch with the market on a daily basis. We needed to start talking to each other about our plans, and be willing to make the compromises that would ensure we all stayed in business and moved the organic movement forward. It was a lot of work, a lot of frustration.

It was only with the help of Lynn Crosby, our VISTA worker, that we were able to organize our thrashing efforts into swimming strokes. Our first two managers quit before we even opened our doors. A few years into the deal, our staff, which had neither insurance nor benefits because our employers also had neither, voted ourselves a pay decrease rather than see the cooperative fail. Our loans were collateralized by our bikes, stereos, backpacks and farm equipment. We did not always get along. Some meetings were very ugly affairs. More than one grower said, Forget it, this is not for me. Some accounts told us they would buy quantities that they didn't show up for, and we told growers to produce crops we could not find markets for.

There were big decisions to be made, the most significant being whether to become a full-scale wholesaler. That decision, like the one to rewrite our bylaws and become a for-profit business, was basically a practical matter, since we couldn't figure out a way to pay for facilities and employ staff with the marketing of our own crops, which were mostly for sale only during summer and fall months. And yet even as we made our way through the swamp, mostly blind and feeling for our way as we went where no one we knew had gone before, we found we were able to stay on our farms more days and enjoy the time there more.

Slowly, our staff found ways into a larger market, both in Lane County and beyond. Not only were they better at selling our crops than we had been, they knew when we should be getting better money. Renters and leasers of farmland began to purchase. Tractors took the place of tillers. It would still be several years before OGC turned a profit. And during that time we had

many systems and processes to build and much education to acquire. We developed a crop coordination process still in use today, by which nearly three dozen growers share the pie of our regional product line requirements. After spending several years in weekly meetings developing trust and communication and rewriting the organization's bylaws, that one came easier than expected. Others were more difficult. We could get away with some things locally that would not work when we began to service more distant markets.

I remember being at our dock one day when a long-haul truck pulled in to pick up product for delivery to Veritable Vegetable in San Francisco. The grower had not brought in the crop yet. Not good. When he finally arrived, it turned out that the crop was of poor quality. Green potatoes; poorly sized. Not good. The crop was packed in boxes that were not adequate to the task – long boxes with wooden slats and large gaps between the slats – my brother and I used to refer to them as gun boxes - and potatoes rolled out onto the ground and had to be put back in while the driver waited. Not good.

In those days, our growers only managed to successfully harvest 60% of what they planned to produce. Not good for the grower, not good for OGC's marketing efforts and cash flow, not good for other growers who had passed on those crops as part of our coordination effort. So we took steps. We began holding growers accountable to their timely interactions with our staff, accounts and transportation allies; we began to purchase new packaging in quantity, providing growers the best prices we could while insuring adequate protection for crops; we created a production department that helped growers attain education about how to scout fields, how to identify diseases and pests, and how to better maintain fertility.

Production levels went from 60 to 80% in only a few years. We began to insist on adequate post-harvest handling practices and equipment. We developed packing standards that referred to USDA standards, and today to those of Safeway and Kroger as well. The business moved on down the highway, growing more than 20% annually, on average. We added facilities, we added staff. In the late 80's, we developed a mission statement, Promoting Health Through Certified Organic Agriculture.

A few years ago, recognizing that the 20 year mission of mainstreaming that we had participated in had been accomplished, we decided we were up for another multi-decade challenge and so rewrote the mission, stripping out Certification, which was no longer the cutting edge but the law of the land, and inserting new language so that our mission now reads:

Promoting Health Through Organic Agriculture as a Leading Sustainable Organization.

We discussed the word Leading long and hard but ultimately accepted it, since it was the prod to push us assertively. Some argued that we can't even achieve sustainability and argued for "efficient" instead. But I remembered watching George McGovern discuss the mistake that the political left had made when it allowed the political right to seize the flag, morality, patriotism and apple pie as their own Icons, thinking it was only semantics and perhaps not realizing the power of the imagery. I argued that it is important that we engage in the dialogue about sustainability, or we will see it be another word that is taken captive, as Monsanto would certainly hope.

Today, OGC operates 3 facilities located in Eugene, Portland and Kent, Washington. We employ over 160 people. We pay wages at or above market in most instances, have a progressive benefit program and a 401K match. A few years back, we restructured the business from an ag marketing cooperative to an S-Corporation, which allowed us to include staff as owners. Today,

OGC is owned by more than 40 growers, retired growers and staff. This spring we will introduce an ESOP, and all of our staff will share in the success of our business as its owners.

We work with over 400 vendors. Those range from the largest organic farming operations in California and Washington to local people with a few chestnuts trees. 35% of our product line is sourced from farmers and orchardists in the Pacific Northwest. Our LADYBUG brand represents nearly 3 dozen growers located in Oregon, Washington and British Columbia. We service over 200 accounts including Kroger, Safeway and Albertsons, Amazon.com, Market of Choice and New Seasons, all of the 14 natural food cooperatives in the Pacific Northwest, some of the best restaurants going and Eugene's independent stores that have supported us for nearly 30 years, including Sundance, The Kiva, New Frontier, Capella and Red Barn.

We consider ourselves not only members of the organic foods trade, but the organic farming movement. Having found our incubation in a very supportive community, we return support to numerous causes and efforts locally. But we also look for big fish to fry. Some include: supporting Nash Huber's soil conservation efforts. When Nash Huber was selected at Farmer of the Year by American Farmland Trust in 2008, he was the first vegetable grower, first organic farmer and first farmer from the NW to be so recognized. His efforts to save farmland on the Olympic Peninsula have met with resistance from real estate developers and success has been mixed, but Nash is still at it.

Supporting The Organic Seed Alliance's suite against the USDA for allowing the introduction of Roundup Ready beet seed into the Willamette Valley. And, supporting The Organic Trade Association's legal fight in the mid-west to maintain the natural food trade's ability to make labeling claims such as rBGH and GMO free.

Through all of the rapid growth, dramatic fireworks and celebratory clinking of glasses, we have remained a business rooted in a local community and with attachment to the land we walk on and dig in. Many of our staff garden. Some sell at the Lane County Farmer's Market. Some even sell to OGC. Three of our employees have had significant ties to the Farmers' Market. One was the manager, another the Board president. Other employees have worked in Eugene's restaurants and bakeries. Many of our grower owners sell not only to us but directly to stores close to their farms, at Farmers' Markets and through CSAs.

The reality is, to be the feeders who we are – demanding the best from what we grow or buy, cook and present on our tables – requires that we maintain a complex web of supply. Local provisions are a big part of the picture, for it is the local aspect that reminds us of what nature has developed here, and what the seasons can supply us in abundance. Many moons ago, in the early 1980's, the growers creating OGC as a marketing tool held a fairly heated debate about what we would sell, just our own product or more, but it was fairly obvious that we would need to develop into a full-line year -round wholesaler.

Still, what would be our sourcing priorities? It wasn't really very difficult to determine, since everyone sitting in the room was as local as you could get. Local first, and build around it, and as the local supply increases in quantity and quality, bring it to the market, first near home and then wherever there might be demand. As it was then, so it is today.

A shifting of gears.

While my focus has moved from primarily local to regional and beyond, I have followed the development of the local movement and its messages closely. Here is what I think of some of them. I decided to rate them No, Yes and No, and Yes.

NO

FOOD SAFETY – It is a very serious mistake to attribute greater safety to locally grown foods, and if the claim continues to be made it will certainly come back to haunt the local foods movement, because eventually something is going to go wrong. Possibly very wrong. In 2008, we were approached by the federal government twice concerning products that were produced on farms that were selling at Farmers' Markets and through CSAs, as well as to us. There is very little, if any, reason to believe that your ability to look a farmer directly in the eye, or even to visit their farm, assures you of a greater degree of safety than if you ate food grown somewhere further away. Food safety is an issue for all farmers and all eaters, regardless of location.

The food we eat, whether grown by conventional or organic growers, whether it is grown close or far away, is pretty damned safe, in the short view. But the fact is, we exist within and as a part of nature, and nature also consists of and provides for some very scary - and for us, deadly - creatures. Nothing we do – whether it is growing food for direct sales, labeling and tracing every leaf of spinach from field to refrigerator, or destroying all wildlife existing within sight of farmland – will ever be enough to ensure food safety. The best bet, as far as I can see, is for us to produce food within systems that comply with as many natural aspects of our world as possible and deviate from the natural system no more than necessary, wherever our farms may be.

YES AND NO

FOOD SECURITY – mostly no, but this one is complicated, depending upon exactly what one means by security, mostly based upon whether we are talking short or long term. After 9/11, there were people who jumped on this one from a couple of short-term angles. One angle was, domestically grown food is going to be safer than imported. Another was, if we grow food locally, we will have it available in crises. Neither makes much sense to me.

The food supply can as easily be attacked within the United States as outside of it. In fact, the closer it is attacked to the point of consumption, the less likely the attack will be detected. And if the shit really hits the fan, it will be the responsibility of governments to seize the food supply for redistribution as it is needed, no matter where it was grown or who claims it is theirs based upon locality. A couple years ago, I attended a little powwow that Adam Bernstein, of Adam's Place, put together to discuss, informally, what kinds of crises might impact Eugene and how they would play out. At one point he made a comment about the responsibility of our chefs in such bad times. I couldn't imagine what role high-end chefs would play in such circumstances, but he showed me what I was missing.

Chefs, cooks, food prep people, know how to stretch food further than almost any householder, whether it means using the entire animal instead of only the steak and white meat parts, or making dishes that pull together ingredients for maximum nutrition. In his opinion, come a crises, we should probably set up all of our culinary artists in the biggest kitchen we can find and turn over all of our food to them. In a crises that impacts our ability to access food, this community will be looking not toward local producers, but Costco, Winco, Walmart, supermarkets, 7/11s, even OGC. Those locations are where our primary food stocks are, and it is unlikely to change anytime soon. And despite whatever we might say about local food security, we must hope that if a crises befalls us and not those in other communities, that they come to our aid.

When Hurricane Katrina hit, here was our experience at OGC, in dealing with very real food security issues. We first placed a call to the Red Cross, who told us to send money and not supplies. But everyone watching the tube knew that supplies were required, and not later, but NOW. Our next call was to Todd Linsky, head of sales at Cal Organic, the largest shipper of organic naked veg in the U.S. and second only to Earthbound in organic veg shipments, period. Todd said that he'd been told the same thing we had, but he also made a call we had not known to make, to H.E.B., the largest Texas based retail supermarket chain. H.E.B. told Todd that everything we had heard was crap and that all supplies were needed ASAP, because the citizens of New Orleans were on their way to Texas. Turned out that the best candidate for Czar of emergency food distribution was not an employee of the U.S. government, but a retired employee of H.E.B. He knew more about collection and distribution of food supplies than anyone on the Bush team. He told Todd, you find the truck, fill it and send it to me, and we'll get it to the people.

Our primary trucking partner, Cross Creek, out of Central Point, dedicated a truck to the effort, and it began loading fruit from CFFresh and Dovex in eastern Washington, took on more product at our facilities in Oregon and headed for Cal-Organic, where they finished stuffing it to the doors before it headed for Texas. Regional partners in Washington and Oregon, along with our strongest trading partner in California, provided 26 pallets of food to New Orleans residents now located in Texas. And that may be similar to what we deal with again. Because even if New Orleans had a strong local foods base, it was no longer functioning to need, and food security came via the care of companies and farms that NOLA's residents had never heard of.

On the other hand, there is the issue of the long-term ability of a people to feed themselves. I'll buy this one with cash. I believe that the two most important issues in food sustainability are water and seeds.

Seed. The very word is as profound as any word in the English language to me, up there with Love and Key. Truly, seed and love and key have very much in common. Seed and love. Now, in this equation, I don't mean the silly love between a couple that is the subject of 98% of the songs written in the last few centuries. I mean the love of life. The love of survival. The love that leads one to undertake acts intended to increase the ability of not only one's self, but of others to survive and prosper. I refer to love as it relates to dedication and effort and sacrifice. It is this love that has beat in the hearts of farmers for ages as they watched the growing of plants, as they watched the strengthening or weakening of their families and tribes as they ate those plants, as they watched which seeds maintained their vigor over time and determined which seeds to save for the next planting cycle. Because planting the right or wrong seed could be a matter of life and death.

Seed and key. I don't know about you, but I am both amazed and concerned about the power of keys. Especially my keys. The very point of them is that you can carry around these very small things that open things of considerable significance, when no one else can. In my case, this little ring holds keys to two cars, a house, the office at work, and two bikes. Lose this thing, and I lose access to all of those things. Within agriculture, seeds have been the keys that opened the doors to fields and orchards and the crops that grew in them and the feeding of people. And because those keys are so small and so essential, they have become a perfect point of attack for those powers that wish to take control of our agriculture and our food and our lives. Some of the most profound advocates of post-conventional agriculture, asked "what is the most important thing we can do?" will tell you – "save seed".

The local food movement can do us a great service on this front, and their efforts should be supported wholeheartedly. For we should not only save seed, we should buy the fruit of those seeds from farmers in our locales and regions. These are the seeds that will grow where we live, that will provide the nutrition appropriate for the climates we live in. At Tilt 20, more than a decade ago, someone asked Wendell Berry, the keynote speaker, about his advocacy of on-farm animals. Basically, Berry didn't think you could have a real farm without animals that defecated all over the ground for its fertility base and he figured that you should eat those animals after they were worn out from defecating all over that ground. The questioner wanted to know, "What if eating those animals is so bad for you that it kills you?" Wendell responded – having those animals on the land is so important that if eating them eventually kills you, you should just go ahead and die doing it. Less morbidly, I would advise that if a grower has found a seed that will grow in your area and feed you adequately, then you should buy that farmer's food whether you like the look or taste of it or not. Tell them your take on the food they produced and they will get better at being a seedsperson, but do not turn your back on their efforts, for they are serious and vital to our future freedom.

FRESHNESS – Can be, but I have seen a lot of locally grown crops that were in very dire straights when they reached market. In most cases, freshness is not a matter of distance, but condition. These are living beings we are talking about. They are going along doing their things as plants, and then they are separated, or dug up, or cut off and they become Produce.

Here is a letter I send to our staff each summer about July 1.

**GET IT COLD! KEEP IT COLD!**

Time and Temperature (heat) – together, they can make for a great vacation, but they are also the constant and DEADLY enemies of produce (harvested fruits and vegetables).

Here are the basic dynamics we are dealing with: Fruits and vegetables receive life force from their plants and become produce when they are harvested and prepared for market. Once harvested, fruits and vegetables cannot renew their life force, and so begins the race to see whether we can move them from the farm to the dinner plates of the shopper quickly enough that they still contain vital life-supporting nutrients when they get there. While produce cannot renew its life force, it will stay alive for as long as it can feed off of its own nutrients, and the time it takes to use those nutrients up is determined by its rate of respiration. Faster respiration = shorter life. What speeds respiration? Heat!

In general, the respiration rate doubles for every 10 degrees in temperature above 32 degrees F. Strawberries, however, will respire ten times faster at room temperature than at 32 degrees F. One day at room temperature will take as much life out of apples as 10 days at 30 degrees F. Sweet corn will burn up, through respiration, nearly half of its natural sugar in one day at room temperature, yet only 5% of the sugars are converted in one day at 32 degree F. 24/7/365, we are responsible for winning the race between time and produce vitality. This time of year, we run the race with a considerable handicap, as time picks up the ally of high temperatures.

It is very important that we remember the impact of heat upon the product we are responsible for. Produce coming in from local farms, few of which have adequate post harvest cooling equipment, especially needs to be put into our coolers ASAP, so that low temperatures can help slow respiration. And, whether local or not, no produce destined for refrigeration should be left on our floors any longer than is absolutely necessary. Produce temperature guides show that different temperatures are appropriate for various items, but only a few items should be held at temperatures above 50 degrees, and nothing should be exposed to temperatures over 70 degrees. If you see produce that appears to be loitering on our floors, please mention it to whomever is

responsible for ops activity at that time. Help us to get it cold and keep it cold! Remember, the cold chain is a lifeline.

**LOCAL ECONOMY** – 50-50, varying from community to community. In reality, there is no gain here, just redistribution. It is true that if we spend our money buying locally produced goods, that money mostly stays in the community. It is also true that if every community does that, our community will lose the dollars that companies bring here from their sales to other locales. Eugene has a number of great natural foods businesses that depend upon regional, national and international markets for their goods. Many of the Northwest's organic growers are in the same boat. The complete success of buy local campaigns will undo all of them. If you want to argue local for other reasons, do so. But to argue it for local economies is to see only part of the picture.

There are many products that come here from other places that are superior to what is produced here. In many cases, I support the best vendor, wherever they may be located and figure that the money I provide them will help to develop the community they work it, which in the end is probably as worthy of support as my own. I think it is important to look at what the development of organic and artisanal foods has meant to many cultures around the world.

**FOOD MILES** – This is an issue that has been greatly oversimplified. 1500 miles is a very generic figure that does not address numerous complexities. What was the mode of transportation? What was the alternative to bringing food from that distance? Is it the difference between petrol in a distribution vehicle and petrol in piles of greenhouse plastic making their way into our landfills? Is it the difference between petrol in a distribution vehicle and long-term storage of locally produced crops held in cold storage? Is it the difference between large fuel efficient vehicles - or in the case of OGC and United Natural Foods, fuel efficient vehicles driven with bio-fuels - and numerous less efficient small vehicles visiting the same stops?

**YES**

**FARMLAND AND ITS VALUES TO COMMUNITIES.** To preserve farmland, it must be farmed successfully. And there are not likely to be many communities beyond local ones that are aware of the condition of our farmbelts and dedicated to keeping them intact. Community members that are aware of and buying from local farms offer the best opportunity to maintain successful local farming efforts and all they can offer us in food, recreation, habitat preservation, beauty and more.

**RIPE.** Different than fresh. Ripe is about eating food at the perfect moment of its development and that is certainly done best on a local level.

**KNOWING THE PRODUCER.** I have met dozens of organic farmers located throughout the western United States and Mexico. Many great people. But I am in a unique position to do so. For the average eater, the best that can be done in most cases is to view a picture of these growers at the point of sales or visit their web sites, if they have them. But when it comes to local growers, you can stand next to them and sometimes even stand with them in their fields. You can share with them the pleasure you get from eating the food they produce, and they can explain to you what a joy and what a pain in the ass it was producing that food. Very few of us will be farmers, but because of local direct marketing, all of us can know them and something about the work they do.

**SEASONALITY.** Margaret Clark, an early pioneer in Washington's organic farming movement, once gave a talk in which she described the damage that the retailer's magic does. She was a

retailer and knew of what she spoke. The problem, she said, was that the retailer manages to convince the eater that all things are available in beautiful condition every day of the year. People get irate when they can't get organic lemons in the off season. They can't understand why tomatoes don't taste the same in December as in August. To eat local is to have the curtain pulled aside and to realize that in the world of food, in most locations things come and go.

There is a time for tomatoes and a time for parsnips, a time for lettuce and a time for cabbage, and a purpose to the rotations of the heavenly bodies that allows farmers to rest for a few weeks while studying their seed catalogs in the dead of winter. In the upper Willamette Valley, we are in that off season now. At OGC, even as we distribute organic produce from several other regions,

we have been holding our annual meetings with Northwest growers to determine what they will produce for us later this year and they are ordering seeds and fertilizers, preparing equipment and getting ready to start planting. Soon the frogs at Winter Green Farm in Noti will tell Jack Gray that it is spring. And soon many of you will shift into gear, opening Farmers' Markets and CSA's and contacting our chef's to discuss what will be on the menu. Maybe a few will even call us.

May the season, the soil and the sea bless each of you. Thank you.

## **WORKSHOPS**

### ***What are Potential Solutions for Transportation, Packaging and Storage? Part 1 – Case Studies***

Doug Frazier and Mazzi Ernandes (Eugene Local Foods), Larry Lev (Oregon State University). Moderator: Karl Morgenstern (EWEB). Notes by Lynne Fessenden (Willamette Farm and Food Coalition).

Action Items/Next Steps:

- I. Support Eugene Local Foods! And alternative CSA models.
- II. Create mobile storage units for farmers (both standard and refrigerated). Also, create equipment for small scale harvesting. Put our out of work fabricators to work!
- III. Create more small satellite farmers markets (instead of only big central ones).

Challenges:

- I. Logistics! Need refrigerated trucks and storage space; local hubs and aggregators; coordinating and distribution; and crop coordination.
- II. Farm Verification – sourcing, quality, and food safety.
- III. Lack of processing facilities: canneries, value-added.

### ***Do It Yourself: Starting a Commercial Kitchen for Creating Value Added Products***

Connie Rawlings-Dritsas (Blossom Vinegars), Bob Pedersen (Curtis Restaurant Equipment), Jack Gray (Winter Green Farm). Moderator: Connie Karr (Oregon Tilth). Notes by Jen Myers.

Connie Rawlings-Dritsas:

Background: Had my own business since 1992; on faculty of a Southern California masters program – nothing in my background is related to food production. Stumbled into vinegar production because I couldn't find a product I liked. I learned about the process of making vinegar, then contacted ODA and FDA. Dealing with them was an arduous process.

I took a course at the Food Innovations Center in Portland – they provide support for food entrepreneurs. Took a required OSU course. Looked into co-packers – none wanted to deal with

vinegars. Dr. Daschle in Corvallis was in charge of acidic food program. We rented space in a warehouse facility and need 2 licenses. Then, we started building a garage and turned it into a commercial kitchen.

We produce 24,000 bottles a year; it's a small operation. It was a simple process because it was a new building, not a retrofit of an existing building. My recommendations would be to check out zoning, license requirements, and codes.

Dos:

Do your homework. Find other people who have worked with your ODA inspector and get their advice about dealing with them.

Learn what categories you fall under in their system.

Don'ts:

Don't do anything without talking to ODA.

We had to meet specific requirements for insulation, wiring, electricity, amps, and gas. Plumbing was the biggest expense. You need refrigeration, a dish washer, and you need to be able to keep the product up off the floor. After it's built, you'll need to be inspected. The cost of construction was between \$3,000 and \$3,600. The stove and other appliances cost \$3,000. I only needed one license.

We produce all summer and bottle all winter. We use all fresh produce. We need a new site for storage. We found that it's impossible to rent commercial kitchen space in Portland.

We make 10-12 varieties of vinegar, all with local fruit except the organic lemons, which we buy from OGC.

Q: How big is your kitchen?

A: The size of a two-car garage.

Jack Gray:

We have a bit of a different focus because we're an on-farm operation. The farm is located in Noti, on the way to Florence. We have 170 acres, some of which we rent. 20-30 acres are in production of fresh market produce. We have a CSA, sell to five farmers markets, and sell some wholesale. We have beef cows, a lot of different things. We use a co-packer to produce our jams from excess berry crops.

We were producing basil for a pesto maker down south, but they encouraged us to do it ourselves onsite in 1994. The first step was to contact ODA. Farms can get away with a lot but still have to jump through a lot of hoops. Our organic license is through Oregon Tilth.

We created a 25' x 30' space as an extension to a barn. The barn is used as a refrigerated storage space. It cost about \$30,000 with the septic system. Having a reliable water source is very important in a farm setting.

A local ODA agent visited the site before we got started. We also have an annual inspection for E. Coli and coliform bacteria. You're required to put in a bathroom, a septic system, a legal way to dispose of waste water, a washable floor. We're still in the process of flooring. Inspectors vary on what they think is ok. We've been cut some slack. Floor drains are a must.

You can get a copy of the Oregon regulations from ODA. Chapter 603 Division 25 lays out the specs needed for buildings. It must be fly-proof, have hot water, screens on the windows...what's required depends on what kind of processing you're doing. We're not cooking anything, just grinding basil and adding olive oil. We grind it then put it in cold storage. We process once a day 1-2 days a week in July and August.

The FDA never sent inspectors to our facility until 9/11. They developed brochures on protecting the food supply from bio-terrorism – it seems like a waste of money.

Look for flexibility in design. You can get away with a farm building, but plan ahead. Put in extra capacity and room. You may be able to convert a space fairly simply.

Have a marketable product before thinking about creating your own facility. Regulations were not clear – know what questions you need to ask your ODA inspector to get the answers you need to know. Do your homework. Talk to others who've done it before and get their advice.

ODA, Oregon Tilth, FDA all require inspections. ODA is the primary inspector, Oregon Tilth does organic certification, and the FDA does labeling and bio-terrorism inspection. ODA is the one that will shut you down if something is going wrong.

Q: Do you process your own spread there?

A: No. We have a co-processor do our jams.

We harvest our basil with conveyors into a tote connected to a tractor. We bring the totes in and dump them into plastic bins. We wash it, then put it into a sterilizing sink with hydrogen peroxide – which is the organic method of sterilizing, then rinse it and dry it on a conveyor belt. We then put it through a large salad spinner, then it goes through the VCMs (Vertical Cutting Machines) and then we add olive oil to make a pesto base. We produce a pesto base that other people use to make pesto. We also produce some pesto on our own. All of it then goes into cold storage, then Sysco and DPI distribute it. We don't do retail and don't know if we want to. We bought another pesto company this summer.

Q: Do you buy basil from other farmers?

A: No. The farmers market and CSA produce take up most of our acreage. We increased our income with a value added product without needing to increase acreage in production more than a quarter-acre.

Q: How much acreage is in basil?

A: 1 & 2/3 acres are in basil. Now we play the inventory game – knowing what you have.

Q: There is a lack of processing plants for tomatoes in Corvallis. Would it make sense to process them there?

A: People don't grow sauce tomatoes here. We grow slicers. It's a break-even situation. The potential could be there.

#### Bob Pedersen:

We build restaurants. You'd be surprised how many people come without a business plan, don't know what they want to cook. They want to start or have started without making contact with ODA or FDA. Be ready to play the game with the authorities or else it will destroy you. I observed the ODA agents before I decided which one I could work with. It's a game to meet inspection standards. If you can get them on your side you can do anything, get things waived,

it's very important to have them on your side. People go into the business with their own ideas of what they can do – unprepared.

We don't sell much used equipment. Refrigeration equipment must be a few degrees colder than before the standards changed in 2007. The older equipment is often obsolete. Hoods must go 6' over the cook line. Connie did it extremely cheap. Cook hoods and dish washers are the most expensive investments.

Q: What are the markers when you're crossing barriers from a Class I hood to a Class II hood?

A: When you're producing grease. It varies. It gets back to being friends with the people who call the shots. A school in California was shut down because it was designed to be a one-story building and they built a second story. I negotiated with the inspectors for them. You need to build relationships.

Connie: Think really carefully about getting in the inspector's face. Work with them. It's like a marriage.

Bob: When you get to a stumbling block, say, 'What would you do if you were me?' And don't try to hide anything from them.

Q: Back to the hydrogen peroxide used to wash the basil. Do you have trouble getting the establishment to understand organic standards (not using bleach)? Do iodine solutions play a role?

A: (Jack) They can. I use an inline chlorinator for wash water and the product water is carbon filtered.

Q: I'm interested in mobile processing in truck trailers for microbreweries and catering scale. It's cheaper to convert a truck trailer than to build a building. It would be licensed the same as a Dutch Bros. coffee truck and you pay a \$500 usage fee for utilities. Trucks are in the waste stream. We could use it as a model for local processing that is worker-owned. It could be a pump to pull more locally grown product into the local market at a scale. Zoning is no problem.

Connie: A food inspector can tell you what equipment restaurants are selling. You need a 3-sink system with a separate drain in one of them. You need washable walls. The inspector should know you and your process so they can approve things based on what you're actually doing.

Q: You need to know your margins to see the value of the value-added process. Know all your ingredients and what you have to do to them.

Jack: Need certain equipment for a certain scale. Make sure you know what you need if your product takes off. Start basic and plan. Build in for growth.

Bob: It all gets back to good planning with short-term goals, mid-range goals and long-range goals in the back of your mind so you can proceed to the next step when it comes.

Q: Ranchers outside of Bend say there are no mobile slaughter trucks. Is that happening?

A: It's a matter of scale. ODA doesn't understand small scale. You need to educate your inspector so they know all your particulars beforehand.

Moderator: What is lacking in the industry? How can Cascade Pacific help?

Q: At what point do you decide to do it yourself and not go with a co-packer?

A: (Connie) Co-packers weren't interested because of the product I was making.

Jack: We're co-packing jam. There's no way that scale would work for us. For basil, we wanted to be on-farm for freshness.

Q: Are any of you having problems with local sourcing?

A: (Connie): Growers who ask every year how much they need to produce for me – that's what I need. My 1<sup>st</sup> preference is for local – as we scale up that's going to change. Do your research. Develop relationships with farmers.

Jack: Going organic was the biggest challenge – knowing the regulations. Unless you ask the right questions you won't get the right answers. Olive oil we source based on cost and taste. We want to go all organic but we don't know how cost feasible it will be.

Connie: The processor license and commercial kitchen license are very different. The processor's license is more rigorous because you're dealing with flow.

Q: The Organic Standards Review is another resource.

Q: Back to business plans. How do you figure out cost and price? Is it a crap shoot?

A: The market dictates price. Add up all the labor costs of the process.

Jack: Seriously look at your numbers. You can do time studies of the process to see how long it takes and how much you'll have to pay to have it done.

Connie: Every product is different. Every single part of it needs to be considered: the label, lid, what's in it, fruit, etc. There are also seasonal variations in the cost of fruit. You should prove your market before getting to this step. Use a co-packer to test your market beforehand. And know your markets.

Q: Is there a list of available places that you could rent commercial kitchens?

A: No. That's a good idea for Cascade Pacific. OSU rents their kitchen for \$100/hour.

Connie: The Food Innovation Center in Portland offers classes, has consultants who did my nutrition labels for a donation. They can work on product development.

Q: Cascade Pacific R&D could write a tough-love website, a reality check with details. I don't want to dissuade people but a checklist of necessary steps before getting started would be useful. So they know they need to know their margin, point price, sources, make sure they know how to do it themselves.

Connie: My whole first year was spent on R&D with a demo product, giving it away for feedback. I had the product but wanted to see if it was marketable.

Q: Lane Community College offers business assistance, business plan classes, and advisors.

Q: Sustainable Food Service.com – another resource geared towards food service. Regarding mobile units: There's a woman who does tea in a refurbished refrigerated storage tank she got for \$2,000. It would be a good option for farms.

Q: There's a grant proposal in to build an incubator with the Youth Corps in Lane County.

## ***Effective PR - How to Create a Buzz using Earned Media***

Amy Brown (SEED Public Relations), Steve Brown (Capital Press). Moderator: Sarah Johnson (Cascade Pacific RC&D). Notes by Debra Sorenson.

### **Earned Media**

Earned media is editorial coverage that can come in many forms. Forms include print and online stories, broadcast coverage, user generated content and outreach using list serves.

### **Investing in PR/Media Outreach**

A report by Launch Pad Research stated that 25% of businesses wish they had invested more resources in PR. On a scale of 1 to 5, PR is the 2<sup>nd</sup> most cost effective marketing activity, followed by websites and advertising that a business can invest in. Businesses need a blend of both PR and advertising.

### **Differences between PR and Advertising**

In advertising you control the message; when it will appear and who you will reach. In PR you have limited control over what the media will say and when but you gain valuable 3<sup>rd</sup> party credibility. There is a multiplier effect of earned media.

### **Media is changing**

Editorial content and ad pages are shrinking and layoffs are occurring. People are migrating towards more customized information sources. There is more of an online presence and freelancers are more valuable than ever before.

### **Today's editorial coverage of food/farms**

There is a lot of food coverage with an emphasis on local foods and farmers markets. Health issues, bolstering the local economy, the cost of food and food safety are all current topics being covered.

### **How to add PR to your toolkit**

Put together a simple PR plan and timeline. Think about your story and your competition. Also define your customers; what are they influenced by? What sets my product apart from the rest?

### **Define your customers**

Learn how to link to them through the media and online communities. When and where do they buy? What are they influenced by? Then begin building a media list/database.

Brush up on the news outlets you're targeting. What are the media looking for? Why will people want to hear what you have to say? Do you offer something that's contrary to a topic?

### **Contacting the Press**

When contacting the press consider their work days, deadlines and allow plenty of lead time to get your story printed. Remember the press is looking for both sides of a story so they may look for opposing viewpoints to your story.

### **Reaching reporters/press**

Before reaching the press, prepare your story. Think about what's new and unique about your story. You need to find an effective way to capture the press' attention. Be selective when contacting the press. Think about what you can offer different reporters in terms of your story. Is there a specific event or milestone or new experience that you can reveal? Be creative and compelling with your story; come up with a "hook" for your story. Remember that reporters are really busy. Do your homework beforehand so that you understand their coverage, both traditional and online. Remember accuracy and fact checking is important. You can ask to check

on specific facts with the reporter but keep in mind that if you demand to see or review the story before it goes to print, then chances are the story will not be printed. If you're concerned about certain facts being accurately printed then just let the reporter know that you want to make sure they'll be accurately described.

### **Tools for telling your story**

Typically use "one sheet" that describes the who, what, when, where and what you want to reveal or offer. Press releases should only be used when you have news to share such as event details, study results, grand openings, or when you're launching a new product. Press packets and gifts are nice but most may get forgotten.

### **Your website's connection to PR**

Your website is an important source for information about you and your organization. It's a great resource that may provide team bios, your company's history and where to find your products. You may even use it as a resource for images or videos. The press may use your website to provide background on your organization when writing a story. Remember that press coverage typically generates web traffic so be prepared.

\*A tip sheet with sites and additional resources will be up on Cascade Pacific RC&D's website after the LFC.

## ***Meat Inspection Logistics – progress towards a state inspection program***

Lauren Gwin (Oregon State University). Moderator: Megan Fehrman (Friends of Family Farmers). Notes by Chris Peterson (Ten Rivers Food Web)

Oregon had its own meat inspection program until 1971 when, like many other states, it chose to let the USDA take it over since USDA would pay for all meat inspections. However, today there is a huge bottleneck between supply and demand because of a lack of inspected facilities. Plenty of growers are willing to raise the animals and plenty of consumers would love to buy locally-produced meats, but laws and logistics—while not the entire problem—make it difficult. The slaughter/processing infrastructure bottleneck is the result of many factors and can't be entirely blamed on the loss of state meat inspection. However, restarting a state program could be part of a solution.

### **Question: Would reinstating a state meat inspection be the solution?**

*That question was the heart of a survey conducted by Catherine Durham, Jerry Gardner and Laura Anne Geise of the OSU Food Innovation Center in Portland.*

The USDA is the final authority on food safety and meat inspection. Twenty-five states have cooperative agreements with the USDA so they can operate poultry and meat inspection programs. These state programs must be at least equal to USDA standards in every way, including implementation and enforcement, regular audits, civil rights and mediation – every aspect. Two states have just meat inspection agreements. The USDA does a thorough audit of state programs every 1 to 5 years, depending on how the program is functioning. State inspected meat can be sold only in that state (though this is supposed to change per a provision in the 2007 Farm Bill). In states where there are no USDA inspected plants, animals must be taken out of state for processing if the meat is destined for interstate markets.

If Oregon were to adopt a meat inspection program, likely the only benefit would be that the people producers and processors would have to deal with would be in Salem, not out of state. Otherwise, all of the steps and regulations are the same. There is a lot of confusion about how the state rules would or would not differ from USDA's. For example, USDA does not require a separate ADA accessible bathroom for the USDA inspector. A USDA-approved mobile processing unit can arrange for the inspector to have access to the bathroom in the ranch house, or possibly a port-a-potty. The processor still needs clean aprons, access to a phone and an adequate place to keep records.

As part of the Food Innovation Center (FIC) survey, a review was conducted of existing cooperative agreements in other states to see how they do it, if they're happy with their programs and the year-in-year-out costs of the programs.

Currently, most processors in Oregon are on the west side of the state. For poultry exemptions, where a grower processes fewer than 20,000 birds per year, a USDA inspector does not have to be there at all times during slaughter, so you don't have that cost. However, you are not exempt from USDA rules. You get a visit twice a year and are open to spot inspections. You're also restricted on where you can sell the birds: only to those who will prepare it (individuals, restaurants, hotels and boarding houses but not grocery stores). Poultry processing exemptions are notoriously confusing, but the document is being revised and reissued.

There are custom-exempt facilities for meat without a full-time inspector. They are licensed by the state, which inspects them once or twice a year and can conduct surprise spot inspections. If a livestock producer takes animals to a custom-exempt facility, the meat can be used only by the producer and his family and non-paying guests. The only exception, for "freezer meat," is if the animal is sold live, and is thus the customer's property before slaughter. In that case, the customer pays the producer for the animal and the processing facility for the meat, which the customer picks up from the processor.

In USDA-inspected slaughter and processing of meat there must be an inspector present for every slaughter, to examine the animal ante-mortem and post-mortem (before and after slaughter). For processing (cut & wrap), the inspector need be there only for a portion of the processing day; he does not have to check every cut of meat. This allows the inspector to visit multiple plants in one day, which gives more plants access to inspection.

In Pendleton there is inspected processing, but no inspected slaughter. No point in having one without the other.

There are only twelve USDA-inspected facilities in Oregon. Very few have slaughter houses, as well. There are considerably more custom-only slaughter facilities. The idea is that, potentially, they could convert to state meat inspection.

In Vermont, there is a state inspection program where processors get started and learn how to operate under inspection. Many then upgrade to USDA. State-inspected meat is restricted to intra-state commerce. There is a provision in the 2007 Farm Bill that would allow for inter-state shipment of state-inspected meat since it has been processed under conditions at least equal to federal inspections. But that won't be allowed until the Food Safety and Inspection Service (FSIS) of USDA writes the rules (which will be published in draft form for public comment, probably in May, and then FSIS will revise and republish a final rule).

Forty-eight processors responded to the FIC study (29% USDA-inspected, 71% were custom-exempt or hold exempt poultry/rabbit licenses). The two top reasons custom plants said they aren't USDA inspected are (1) they're too small (2) and it costs too much; others said there's no demand from clients; they're too remote; or they're at full capacity. Too small to justify and too expensive are major hurdles, even if a state inspection program is instituted. A full-time inspector would have to be on hand to match USDA standards if the state starts inspecting again. Some custom facilities are interested in USDA inspection.

Some still feel the former state inspections program was better than USDA, but much of that has to do with the rise in food safety standards and all the reporting requirements, e.g. Hazard Analysis and Critical Control Point, which is now a decade old. Initially, implementing HACCP was a night-mare for all involved.

Current USDA-inspected processors see little need for a state program while those not USDA inspected are interested in it.

Comments in favor: more local control, access to decision-makers, less bureaucracy, etc.  
Comments against: wasting state money; should instead focus on reducing the cost of liability insurance (set according to category of processor).

Where do processors think they would be able to sell state-inspected meats? Mostly restaurants and retail. Custom processors see these as primary new channels for their meats.

Of the 69 livestock producers who responded to the survey, roughly half were already selling into alternative markets (farmers' markets, retail restaurants, etc.).

It's difficult to process hogs in this state because of the small number of facilities that take them. This may be due to how few hogs are raised in the state for retail markets, thus most processors haven't invested in equipment specific to hog slaughter and processing.

Only about a quarter of livestock producers travel less than 30 miles one way to a processor. The majority drive more than 90 miles one way, and 32% drive more than 150 miles one way. The price of gas and stress on animals make traveling such a distance difficult. Hence, producers are interested in more processing options. They say there are markets for it; they can switch to direct marketing and move from live sales to retail.

There is the perception that more custom processors would be more willing to transition to inspection under a state program because there is the perception that requirements will be easier to meet. Some feel food will also be more truly "local" if it's processed at a state-inspected facility. However, a local facility that's USDA-inspected is still local – and all requirements will be "at least equal to USDA standards" for state inspection.

New facilities can be very expensive to build and to run. Would state inspection cost less? That's not clear, but having more inspectors and the ability to do more processing may be the greatest benefit to producers and consumers. USDA has a serious inspector shortage.

*Can you sell custom meats at farmers' markets?*

No, people can sign up to purchase there, but they have to own the animal before it goes to the butcher.

Most producers were willing to pay for state inspections - \$0 to \$50 for lamb and \$0 - \$100 for cattle, especially if they make that up in reduced transport costs. An alternative would be an annual per-producer fee, plus a \$10/head fee, like the fee structure for brand inspection. Overall, the fee question didn't yield solid data on what people are willing to pay.

Costs: USDA can typically pay up to 50% of a cooperative program (this may be 60% per 2007 Farm Bill). USDA estimates that a 30-plant program would cost OR \$500,000/year (\$400,000/year if only 40%). North Dakota has 13 plants and the state's share is \$350,000/year. So, looking at our state budget, could we actually pay for this right now? Not likely, but maybe in future.

Capacity is only one of the problems. Many processors have capacity. The problem is livestock production tends to be seasonal and a processor needs year-round business to pay the year-round fixed costs, such as rent and utilities, and to keep skilled employees. How do processors store meat until it's needed? Coolers and freezers are added costs. After initial costs of processing facilities, who will be responsible for them year-round? There is a serious lack of training programs for processors. OSU meat science students are more likely to run processing plants, than be on-line butchers.

Is there demand for state-inspected meat? Is there a stigma to it? An OSU survey is asking potential buyers (retail, distributors, restaurants, etc.).

If you're a custom-exempt processor, how do you go about becoming inspected, be it state or USDA? What are the steps? The costs? Perhaps 2 or 3 custom-exempt processors will walk through the process to help determine answers.

How do we do more with what exists? How to solve the seasonality problem? How can producers and processors coordinate, e.g. on deliveries, to reduce costs and transportation? An example: The Northeast Livestock Processing Service Co. in NY was set up by a local conservation district. A woman serves as matchmaker, messenger and mediator between producers and processors. She finds appropriate processors for producers, schedules work, explains processing instructions, facilitates communication, etc. from smallest to greatest detail. This sort of broker could make the pieces that exist in Oregon now work better for everyone.

### **Questions/discussion:**

*Is USDA-certified mobile slaughtering being explored as a way to reduce the bottleneck?*

There are 3 USDA-inspected red meat mobile slaughter units (MSUs) (plus one nearly up and running) and at least one poultry MSU operating under exemption now. An extension agent in Grant county said they ran the numbers to see if it would pencil out, but couldn't get there. They ended up building a stationary plant. A mobile unit was cost-effective in WA, though. Northeast OR is looking into it. Nevada estimated they needed two mobile slaughter units to meet the capacity of surveyed producers. The Island Grown Farmers' Cooperative in the San Juan Islands has done fine with just one. They slaughter two days/week and process the other three. More mobile units hasn't penciled out in OR, but doesn't mean it can't. It depends on driving distances and if there is a processing plant nearby. One on the verge of happening in CA had trouble with the issue of what to do with the carcasses afterward.

On-farm composting of carcasses: If you're a rancher who does on-farm slaughter, you can compost the offal on-farm. If you're a slaughter facility you can compost on site, but you have to get a DEQ permit, which is a lot more expensive. If a facility finds a farm willing to accept offal

for composting, they can work with the ODA, which is less expensive. There is no longer a rendering plant in OR.

It's very difficult to do anything with lamb offal because of scrapies. A lot of landfills won't take that, though they may take offal of other species, for a fee.

Most producers in this workshop sell freezer meat to family and friends. Some are expanding through buying clubs, though that can be a bit more complicated. The problem can be that customers want just certain cuts of meat. Key to success is getting customers willing to take other cuts.

*How can processors like Four Star sell jerky?*

There's a retail exemption that allows butchers and other retailers to bring in carcasses or boxed meat that has been slaughtered under USDA inspection, further process the meat while not under inspection, and sell it out of their own meat case, as long as it stays under a certain dollar amount. This may not be what Four Star does, but there may be another type of exemption allowing for a certain dollar amount of value-added products like jerky.

*Is it legal to process more than one species of animal at a plant?*

Yes, it's legal and common (e.g. beef, lamb, bison and goat); to add poultry or hogs to the mix will require different equipment, which could be too expensive unless the plant has steady throughput. Poultry and red meat are typically done on different days, per the plant's HACCP and other food safety requirements. The Niche Meat Processor Assistance Network did a case study of a very small plant in Kansas City that does mixed species, meat and poultry, and they do them on different days.

Are custom exempt plants required to sample for chemical residues, e.g. antibiotics or PCBs, in their meat? I don't know. USDA – or state-inspected plants are required to do regular sampling. Some may have a little lab on site so they don't have to send at least some of the samples out. Don't know about custom facilities, if this is part of their twice-yearly inspection.

Next steps:

- Get a better handle on costs of restarting and maintaining a state meat inspection program: costs to taxpayer (state or federal) and costs to processors to transition and operate.
- What is the economic benefit (jobs)? Could bring dozens, not hundreds, of jobs? Will more facilities open?
- Find opportunities for local producers and processors to supply schools in their communities – would be better for all involved.
- Opportunity for retailers and producers to educate consumers – market the idea.
- Share some of the best-case studies, such as food-buying clubs in other states, going into schools, etc. to help producers know about potential strategies.
- Family Farms website: “Now That's a Good Idea” [www.friendsoffamilyfarmers.org](http://www.friendsoffamilyfarmers.org)
- Mentor apprenticeships for new processors
- Gauge demand (retail, distributors, restaurants, institutional) for state-inspected meat.

### ***Local Food Connection for Beginners***

Rocky Maselli (Marché Restaurant), David Hoyle (Creative Growers), Bill Genne (First Alternative Natural Foods Co-op). Moderator: Kelly Hoell (Good Company). Notes by Jen

Brown (Corvallis Environmental Center)

KH: We will be talking about the art of selling and buying direct. First the panelists will introduce themselves, then we have some prepared questions, then there will be time for questions from the audience.

DH: We have 20 acres and are certified organic. We grow a bit of everything. We have been direct marketing to restaurants since 1996. 85% of our business is in the Portland area. We've worked out a lot of the kinks with Marche. We also have institutional accounts—some to University of Portland, and Lewis and Clark. We are a custom harvest farm: we won't pick it unless it is sold. We would rather plow a crop under. That means we have to have a good relationship with the buyers. Communication is the key.

RM: I am the executive chef and managing partner of Marche. Marche opened in 1998. We have 2 cafes. Marche means market—the restaurant group's core philosophy: going to central market to buy local seasonal products. The menu changes weekly. We are committed to working with local farms and farmers. We start with what is available, and develop the menu from there. Local and seasonal means the best ingredients at their peak. They are ripe and fresh. I received a culinary degree in San Francisco. This region (the NW/Willamette Valley) has everything we need for great cuisine. It is exceptional, on par with Italy, France....

BG: First Alternative has 2 stores in Corvallis. Each year we sell \$2million worth of produce and work with 40 local growers. Some bring a few flats of berries, some a few \$100,000 worth of produce. 99% of the produce sold is certified organic, organic exempt, or transitional. Ideally it is both local and organic. One of the challenges is to educate customers to buy local—to not want bananas and red bell peppers year round.

KH: What are the benefits of selling direct?

DH: More money ☺. Lots of clients are owners/chefs, wanting specialty items. This allows me to charge more. To be in tune with the chefs, we do some value added by doing some of the prep. I often get comments on our products cleanliness. Items are double and triple washed. We destem products in the field. It is more fun to work with chefs. We can sell to OGC and other distributors, but selling direct is more interesting.

Audience: GMO—what is your philosophy on GMO?

RM: I traveled twice to Terra Madre. The globalization of food is a huge concern. GMO seeds by agribusiness lead to huge problems that we are facing. Working with localized food is better. Buying local is a solution. That local food cost more is an obstacle. But chefs and growers can focus on where you are and celebrate it. Food should travel less, people should travel more. Go get it direct. There is some signs of hope. Organizations like Slow Food are getting more political. If you want to make a difference, vote with your dollars. Read Michael Pollen.

DH: It is a personal issue. Technology has its place. There are lots of people who need to eat, and we can't produce enough food without technology. But we need appropriate technology. We need more research. The goal is to feed people.

KH: Let's get back to the question....

RM: The benefits of sourcing direct. It is a pain in the ass and a lot of work. Quality is the benefit. You don't have to do much to the food at all. Tomatoes only need salt and pepper. It is not always easy, but it is quality. Keeping your dollars local is another benefit. Supporting farmers like Dave, and not a big corporation, even though big companies can give a better price.

BG: Benefits are taste, quality, relationships. Developing local relationships. Getting to know the families and farm workers. It is an interdependent relationship. It promotes and values sustainability.

Audience: How do you keep menus going when the weather changes?

RM: You change the menu. And you have companies like OGC.

DH: We are a year-round producer.

RM: Right, there is still local produce. Though this is a tough season (winter) to do local. And you stretch local to California.

KH: How about the challenges. What are the challenges to buying and selling direct?

DH: We've moved beyond the cool-chic to a better quality product. Further from the field means a shorter shelf life. So while local costs more, there is less waste. The challenges are:  
Big ego chefs—you're dealing with 30 personalities.  
Distribution—30 accounts and deliveries 2-3 times a week  
Turnover in restaurants is rampant. Each time, you have to find a new relationship.  
The economy. A lot of restaurants are closing.

RM: It is a commitment. And it is counter intuitive. You could make more money not going local. Ordering is harder—we work with 23 different farmers with deliveries on any given day. The food cost percentage is higher. The relationships take more time. It is a commitment. And with turnover, there is re-training, which takes time.

BG: Consistency. Communication. Keeping customers happy. They don't always understand why they can't get a product. And dealing directly with farms—they have to deal with the vagaries of weather, etc, and then pass it on to the market. Relationship building takes time.

KH: Let's talk about price. Why is buying direct more expensive? How can you make a case for buying direct?

DH: We're working with a misconception. Labor is a big cost. Technology is out there. Dealing with weed pressure is a big expense. There are machines that have cameras and sensors....I have 10 guys in the field with hand hoes. Large scale ag has massive distribution that can swallow costs. But the gap is closing. My products are comparable on what I am producing. I am comparable to OGC. I have a break even budget.

RM: Price is obvious. Ask how is that possible? Scale—big farms undercut local producers. But quality is what I would build the business case on.

BG: We try to promote value over price. There are hidden costs—even at Cal Organic. We need to be looking at water, labor, social justice issues. We are fighting perception over the reality of

artificially low food costs....The challenge is getting people aware of the hidden environmental social issues. The value is the life cycle cost.

Audience: What about people who can't afford it?

BG: We don't want to be elitist. We have a couple of programs. We have a Market Basket program. We have sales on items in bulk. We sell staples at a low margin. We have rotating sales on produce to make it affordable. We are sensitive to it—customers want local organics at a low price.

RM: Low income shoppers can use their Oregon Trail Card at the Farmers' Markets. "Good Clean Fair"—that is Slow Food's motto.

DH: Most CSAs have a low-income rate or donated shares. We donate food to Food for Lane County and Linn Benton Food Share (?). We can also market visually challenged food to others.

Audience: What about charging more for food that comes further?

BG: This comes up a lot. We are often asked to mark up distance products. The biggest resistance is from local growers. They want our prices on their products in line with the Farmers Market prices. They don't want to be undercut there.

KH: Describe the ideal farmer or buyer characteristics.

DH: Pay on time. Deep pockets ☺. I'm very lucky. I have lots of clients. The ideal buyer is flexible. They understand the elements of production. My burden is to be consistent. To have a good product. Communication is important. An ideal customer is someone I get along with.

RM: Diversity. Someone always looking for new product. New seeds, new breeds.

BG: Quality is the #1 concern. So many good growers in the Willamette Valley. Growing practices—farms where everything is organic. Trust & working relationship: growers who share the Coop's values to make the region a better place.

KH: How would you develop new relationships w/ folks? How would you find new buyers or new farmers if needed?

RM: When we started, we had 3-4 farms on our menu. Now we have so many that they are listed on the back of the menu. I go to farmers markets and talk to the farmers and make new relationships. We deal with 27 farms. People come to us all the time. Stay open minded. The Chef's Collaborative is a national resource, with local chapters.

DH: Now there are a lot of growers at Chef's Collaborative. To attract new buyers, bring something different to the buyer.

BG: The internet is also a great resource.

From audience: There is the Willamette Farm & Food Coalition, Locally Grown, the Farmer-Chef Connection, and Ecotrust's new Food Hub.

DH: Be on top of your game. Know your customer. Cultivate relationships. Knock on doors. Bring samples. It is what you can bring to the table that gets you in the door.

Audience: To DH—Who is your largest customer?

DH: Collectively, restaurants. But the university is our largest individual account.

Audience: How do you market to restaurants?

DH: Grow something outside your comfort zone.

RM: We sat down with seed catalogs and farmers....

DH: Know your customer and cater your pitch. Know their menu.

Audience: What can we learn from other cultures and regions?

DH: That is what we are doing. We are a young version of the European model. I'm not growing vegetables, I'm growing soil. Focus all the way to the end product.

RM: Forgetting what we've learned for the 100 years.

BG: There is room for improvement. We could do better getting more out of our food grown locally. We have \$2 million in sales –22% are grower direct accounts. It is surprising because in Aug/September, 80% of our produce is grower direct. But bananas and avocados are our #1 seller 12 months a year. Educating the consumer about locally grown and about seasonality. About changing eating habits. We are trying to increase the percentage of grower direct sales each year.

***Finding Effective Solutions in Oregon for Transportation, Packaging and Storage – Part 2***  
Peter Bloome (Oregon Solutions) Karl Morgenstern (EWEB). Moderator: Lynne Fessenden (Willamette Farm and Food Coalition). Notes by Kelly Hoell (Good Company)

- I. Welcome and Introductions
- II. Background on EWEB's interest in this topic – protect drinking water in the McKenzie River by:
  - a. keeping farmers economically viable to keep farmland as farmland
  - b. providing resources and working with farmers to help them to transition to increasingly sustainable practices
- III. Background on the Oregon Solutions project recently convened around infrastructure issues related to increasing the quantity of local food purchased by institutions
  - a. See attached background sheets
- IV. Identified challenges and opportunities in the aggregation, processing, storage and delivery of local food to institutional buyers.

#### Challenges:

- Lack of kitchens / cooking staff (at institutions)
- Challenges with inflexible legislation / rules for processing and multi-use facilities (especially related to small processors and meat processing)
- Lack of meat processing facilities
- Lack of processing facilities (lack of investment to allow existing processors to scale up to meet the needs of institutional buyers)
- Lack of labor on farms
- Lack of leadership / momentum to take on these issues (cooperatives, entrepreneurs, community leadership, etc.)
- Lack of refrigeration space on farms (this is related to a lack of funding)
- Lack of commitment on the part of farmers to work together on these issues (problems with communication, ideas must make business sense, meeting the needs of all involved, flexibility, knowledge of resources, etc.)
- Lack of investment funding for physical infrastructure on farms
- Lack of an online communication tool to find local farmers / buyers and resources to support local food
- Lack of distribution services to serve local farmers
- Cost of energy / impacts of energy use on the environment (climate change)
- Discussion of risk management

#### Opportunities:

- WPA-style activities to build soil (i.e, leasing garden space in small plots to farmers to grow grains or other products in demand in this area)
- Eugene fairgrounds as potential location for a Eugene food hub – storage, processing, refrigeration, transportation pick-up / drop-off, knowledge / info sharing (in coordination with Extension). This could be a potential model for other communities as well.
- Electronic system opportunities (Eugene Local Foods, Food Hub, other...) for market transparency, knowledge transfer, etc.
- Mobile processing facilities
- Database of available resources (space, storage, refrigeration, etc.)
- Backhaul opportunities for delivery
- Education – understanding the true costs of food production, school education, rural heritage education, local food education, connection with tourism, urban/rural dialogue
- Non-biased scientific study and education
- Use out of work manufacturing / fabrication facilities to build food infrastructure / farm tools / machinery
- Develop a funding structure to support additional infrastructure development on farms and related to local food issues
- Find existing resources first before building something new
- Expand capacity of Extension services to include additional networking opportunities
- Capitalize and leverage public interest in environmental / local food issues
- Start small with institutional buyers (look for a niche – example organic burrito bar at UO and Hummingbird Wholesale's involvement)

### **Oregon Solutions Lane County Food Distribution Project** **Project Description**

**Project Purpose:** Assist institutional food buyers in Lane County (schools, universities, hospitals) in sourcing more food from local farms.

**Problem Statement:** Institutional buyers in Lane County are not able to easily source locally grown products due to a number of barriers including: quantity, seasonality, processing, delivery, food safety, cost, making the right connections, convenience, and insurance.

**Project Goals:**

- Address challenges in the aggregation, processing, storage, and distribution infrastructure
- Conduct a set of experiments (things to try) during the 2009 growing season that will point to future opportunities
- Document commitments in a Declaration of Cooperation (DOC)

**Oregon Solutions:** A program of the National Policy Consensus Center at Portland State University that builds solutions to community based problems through collaborative efforts of business, government and non-profit organizations.

**Timeline:** First meeting on January 26 followed by a second meeting on February 20 and a DOC signing event on March 6. Some sub-group work addressing challenges is expected in February. A reconvening meeting will be held during November/December to assess what has been learned.

**Participants:** Input and participation is needed from institutional food buyers, farmers, distributors, processors, storage facility managers, and others.

**Desired Outcomes of the first meeting:**

- Group understanding of the Oregon Solutions process and the role of the DOC
- Agreement on the major challenges to greater institutional purchase of food from local farms.
- Work groups established to determine what we will try during the 2009 growing season.
- Dates of future meetings

**Steering Committee:**

Senator Floyd Prozanski	Project Convener
Rick Wright	Project Convener
Karl Morgenstern	EWEB
Kelly Hoell	Good Company
Lynne Fessenden	Willamette Farm and Food Coalition
Megan Kemple	Willamette Farm and Food Coalition
Deborah Kane	Ecotrust
Kim Travis	Oregon Solutions
Peter Bloome	Project Manager

***Effective Marketing – Using Your Advertising Dollars Wisely***

Danuta Pfeiffer (Oregon Country Trails). Moderator: Amy McCann (Willamette Farm and Food Coalition). Notes by Jen Myers.

Danuta:

Oregon Country Trails is the only agri-tourism program in the Pacific Northwest and possibly in the world. We offer self-guided tour maps for Lane, Lincoln and Benton counties to encourage tourism in rural areas. Our mission is to make rural businesses sustainable.

History: The Long Tom Grange Daffodil Festival attracts 15,000 visitors a year. Seven miles of daffodils lead up to the range, where we feature alpacas, lamas, fiber artists, and wagon rides. The project all started with the Men of the Long Tom Range calendar project to raise money for local schools. Men from the community posed naked to create a calendar. We created our own protesters to attract the media. The campaign was so successful it went around the world – we sold the calendar online and raised \$650,000. We were able to restore the music department, the science lab, we purchased 1<sup>st</sup>-12<sup>th</sup> grade textbooks. We were at the front end of a trend. We lost a few friends but we also gained friends. What was important is that we really bonded as a community.

After that project, we wanted to do more together as a community. The Long Tom area has lots of vineyards. It was a scattered, rural community. Bicyclists came through, and we wondered how we could pitch tourism in the region, joining businesses together to create packages. So businesses started to link up and we created the trail system. People with a winery teamed up with the artist next door, teamed up with the restaurant owner down the street. A limo company brought people out to tour our organic farms. Produce stands have become the most important part of the country trail system.

We have what we call Guerrillas on the Block – major farms and wineries that ground the tour, that will always be there and will always be open. In between we scatter smaller entrepreneurs. We have an artist who didn't have a studio who built a gallery to show her work & other local artists' work. "Off-site members" can show their art on the trail at other folks' studios. The artist tripled her sales: she's now selling her artwork across the country and online. Her husband is a Master Gardener and their home has become a destination garden. He'll give you samples to take home. A visit to their house is a 2-hour stop. They love entertaining.

We created the Dancing Rain Guesthouse from an artist studio because there aren't a lot of country B&Bs. Our Daily Bread is an old church converted into a restaurant. They cater our festivals and events. We have 80 members of the Oregon Country Trail system now. Marie from Saturn Farm has yurt tours and is thinking of opening up her land to bicyclists and boy scouts for overnight stays. She's also the general manager for the farmers' market in Veneta and is planning to open one in Junction City. We also host many festivals to highlight the artists. The blueberry festival is in its 3<sup>rd</sup> year. The first year 500 people came. The second year 2,000 people attended and the third year 4,000 people attended, so we've really had exponential growth.

We feature Hazelnut Hill, Alsea goat cheese, we have fishing holes along the trails. In fact there is a research station along the trail that is studying salmon spawning in 7 miles of underground water pipes that create fish spawning streams.

There's a kayak shack in Waldport run by high school students. We sell postcards of the Oregon Country Trail in every stop. We have a website where people can buy directly from the vendors online. All the vendors go through the same PayPal account.

This is a state model for tourism. It's not just wineries, not just restaurants, arts, B&Bs, CSAs, etc. We capture all that Oregon has to offer. It's the only branded agri-tourism system in the region.

There is a big difference between advertising and publicity. Advertising is expensive. Publicity is free. Be a guerrilla who strategizes, thinks and plan. Create something out of nothing. Publicity is your friend.

Obama's inauguration was the biggest event, watched by the most people, in human history. Who was taking advantage of this free publicity? I wrote a press release, got my wine served at Obama's table during the lunch, and suddenly all the networks were talking about my wine that day. No one else took advantage of it. You are not isolated from the rest of the world. Be aware of trends and dovetail with what's going on around you. All it takes is imagination. How do you dovetail with established events and get national exposure? You've got to know: Who you are, who your customers are, and who you're marketing to. Are you marketing to your neighbors? Your town? Do you want to go bigger?

Imagine you own a pancake shop. There's a balloon festival coming up nearby. You could give away a pancake breakfast to everyone that goes up on the balloons, or a free breakfast back on the ground, or a pancake squashing contest for bicyclists, or a pancake painting contest. The key to think about is how do you get who you are and what you have to offer into a larger market?

Think about the importance of collaboration. Bring in other people, brainstorm together. We have a presentation now called the Trail in a Box. If a community has the vision with at least 10 people interested in becoming a trail, we'll integrate them into the trail system with our events, brochures, festivals, etc. It costs \$100/year for a business to join the trail system.

Q: What do your vendors do for insurance?

A: Sometimes their own insurance will cover it. Sometimes they need to add an ADA bathroom. Buildings of 900 sq feet or less do not require inspection. A lot of farms already have insurance because they already host visitors. People who can't get insurance for one reason or another become off-site members of the trail system. We also have a link on our website to insurance companies that will help rural enterprises.

Q: 100\$/year doesn't seem like enough to sustain the project. How do you make money?

A: We're not doing it for profit. We have sponsors, I'm the only employee and I'm not paid. We get grants from Cascade Pacific and Lane County Tourism for the website and a training to teach our vendors how to take orders online. We've done it all on a shoestring. The State of Oregon might get behind the project and help out with promotion and funding.

We put brochures out at the tourism offices, the chamber of commerce, etc. The bigger the number of people involved, the bigger the buzz. It's amazing what people can do when they collaborate. The Blueberry Festival was a small idea that really took off. This year we had 4,000 people and we made a little bit of money. Now people are expecting the festival. We host an Apple Harvest Festival, a Berry Bash, we soak the county commissioners in a dunk tank – that's been popular. We decided to host a wine festival at Lone Pine Farm. Ten wineries came and 2,000 people showed up. This year we will double it in size.

Q: Is Oregon Country Trail incorporated?

A: No. We are a branch of an LCC, Vertical Rush marketing company. It is membership-driven. Each artist booth donates 15% of their sales to Oregon Country Trails. It's essentially a marketing cooperative.

It's very energy-driven though. The idea is collaboration – networks are much more than the sum of their parts. The city is now creating a venue for a farmers' market in Junction City. All you

have to do is get a community excited about a possibility – about what can be done. When you overlap advertising, marketing and publicity, word of mouth grows. Use your connections.

Q: How far apart are the businesses on the trails?

A: The Long Tom Trail is 40 miles. It's a nice bike ride. The Alsea Valley Trail runs from Philomath to the coast. You can't do a trail in a day. Many stops require 2 hours of time. You want people to come back. People have even started investing in their property, cleaning up, filling potholes, knowing they're going to have visitors.

Q: How do you suggest we use this strategy to develop our markets?

A: We had a community. People in cities want an experience of authenticity and want to know where their food comes from. We call it 'Where the boots meet the suits.' Give them a reason to get out of their cars when they go on a drive to the country. We've made it as easy as we know how to get people out.

Q: What happened to the Lorraine Branch Trail?

A: We had some resistance from people who thought we were bringing in buses and billboards. It was then that I realized you have to be invited into a town with buy-in, rather than approach a town as an outsider. That was a big learning curve for us.

Q: Networking helps you understand publicity angles, how you're associated with other things that are happening. Everyone starts reciprocally advertising for each other.

On Mother's Day a nursery was planning to have a big day, and they invited all the other trail members to have booths at the nursery.

Q: Have members given feedback as to whether this has increased their sales?

A: Yes. We have 80 members and I turn people away in the summer, tell them to call me when things slow down. It's now bigger than I can handle. We've reached a critical mass where it's working. We've created community – that's the most important thing. We all go Christmas shopping at each other's stores now. Bringing in people from the outside is the icing on the cake. People wouldn't be building storefronts and bathrooms if it wasn't working.

We've got an idea for a Blueberry Bus. We'll hire a limo company that converted a van into a limo to drive folks from Eugene to the Blueberry Festival. If you have something visual, you can get the media there. Write a good press release. In the upper right corner write Press Release. Then put the Date, Contact: Name and phone number, and then a title of what you're doing to make the editor take notice. Make it three paragraphs maximum. It shouldn't be longer than one page. Have a subtitle under the title that's bolded and underlined.

Start it with the town you're writing from. Then write one or two sentences that say what you're doing. The next sentence should say when. Then where and why. And then shut up. They won't read any more. Put three ###s at the bottom so they know the press release is done.

Make sure there's something to see at your event. People in the press are always hungry – offer them free food. Make sure there's something for them to take a picture of. Give them a hook.

Once you have a nice press release, it's important to know where to go with it. Send it to staff who would be most likely to respond. Send it to half a dozen reporters. And send it to the editor. Send it to the news director at TV stations. Follow up with a phone call. 'Did you get the press release? Are you sending someone? What time should I expect them?'

Know their deadlines. Weekends are good because there's not much going on. Tuesdays are the worst days.

Q: How far in advance do you send it?

A: A month. Layer it. Remind them with follow-up.

Look for other options to get your event into the paper. There is a business notes section, a food section, a community notes section.

Q: How would you market a food book?

A: Get celebrities on board. Collaborate. Use publicity that isn't mainstream or expected.

Moderator: Brainstorm session – ideas for taking this back to your own business?

Collaboration is key, linking the community together to promote each other's businesses and the energy that comes from working together.

The difference between publicity and advertising.

Networking – the importance of word of mouth publicity.

We have to remember that we are our own consumer base – farmers want to buy from other farmers.

The spirit of community and empowering people to grow that community.

### ***Institutional Purchasing***

Cory Schreiber (ODA) and Richard Turnbull (University Housing & Dining Services, OSU).

Moderator: Megan Kemple (Willamette Farm and Food Coalition). Notes by Jen Brown (Corvallis Environmental Center)

RT: From PowerPoint presentation:

OSUs focus is: 1) healthy people; 2) healthy community; and 3) healthy economy. We have 16 restaurants on campus, and 1 grocery store with a focus on organic, plus we do catering. Dining services is an a la carte program. We serve 9,000 meals a day, and 2.1 million a year.

Issues: Customer Expectations

- Use of organic/sustainable
- Exceptions to buying local
- Vegetarian and vegan options
- Waste reduction

Experience—communal

- Anytime, anything, anywhere
- Culturally diverse foods: Mediterranean, Latin American, Asian
- Customized culinary experience
- Integrated sustainability practices

Organic and other sustainably grown foods

- Support local
- Buy local meat, bakery, eggs, berries
- Soon to come is more local foods

Audience: Do you do education about your local and seasonal menus?

RT: No. We put out limited information. That hasn't been a clear focus.

Audience: Are you looking to purchase through wholesalers or direct from growers?

RT: Both, but our preference is through distributors. Minimizes deliveries/traffic on campus.

CS: Farm to School is a focus for ODA. Local Lunch program in Portland brings attention to the issue. Consumers aren't the growing market—institutions are. Most have their own cafeteria—that's where the volume purchasing is. How do we educate the end user to use more local products at home? What are the barriers to selling direct? What about coops? The Food Hub is getting developed at Ecotrust.

ODA did a survey of 240 K-12 school districts about local food. 217 returned the survey—showing there is a high level of interest. 37% didn't know if their vendors carried local. 33% purchased local in the last year. 51% didn't. 67% of schools have salad bars. Pizza is the most popular entrée. Chicken nuggets is next. Two thirds of respondents said 55% of students eat at school—47% are in the free and reduced lunch program. There is a marketing opportunity to schools—60% want more local.

Issues schools face are money: they only have \$1.09 per lunch. Milk is \$.22, they use commodity dollars for meat and cheese. Another issue is “where do I find my farmer?” And distribution.

(Cory can email out the ODA survey)

Audience: The harvest and the school year don't coincide. How viable is locally canned food? Is there a K-12 market?

RT: I think so. Years ago dozens of processing plants existed in the Willamette Valley.

Audience: Isn't the biggest hurdle cost? We can't compete with CA or Mexico?

CS: We need to think about distribution alternatives.

Audience: How do you compete? Lettuce here will cost 3 times as much as from CA and Mexico.

RT: Balance. We have a food budget, but tremendous flexibility. We can do small amounts of more expensive local food without hurting the bottom line.

Audience:...Davis Farms grows tomatoes in the off season....

RT: Right, we might pair that with a gourmet burger. With pairing and menu mix we can get creative.

MK: How can institutions connect with farmers?

CS: Farmers markets. ODA does not offer a resource that lists all farmers in Oregon.

Audience: I had no luck with farmers at farmers markets. No one would talk to me. I'm from a school district.

Audience: Are any institutions asking farmers "What can you sell me X at?" or "Can you X next year at Y price for me?"

CS: We are experimenting with that with Harvest of the Month items.

Hummingbird Wholesale: We do contract out whenever possible.

Audience: I'm a U of O student. I am working on Project Tomato. On one day in Sept. we want to process 900lbs of tomatoes for sauce and want to forward contract. This will supply one week worth of one product on one campus.

Audience: Eugene used to have a place where you could can your own....

MK: We have the example of Wintergreen Farm and Bethel School District. Wintergreen called Willamette Food and Farms with extra potatoes and carrots, and we acted as broker and connected them with the school district.

Wintergreen: That was unusual. We try not to have surplus.

Bethel School District: that worked well because it was not a perishable product.

MK: Schools can also be an outlet for transitional crops before they are certified organic.

Audience: What about farmers having more access to institutions? How does a farmer get a list of institutions?

Audience: Wouldn't it be great if there were a real time list?

CS: That is Food Hub.

Larry Lev: Could buying local be a selling point for OSU?

RT: Yes. We're not marketing as well as we could. We are beginners at this. We've only been at it 2-3 years. We're making connections.

Audience: I went to OSU and I never knew...

Audience: What spurred OSU to start buying local?

RT: My own awareness about what was going on in the agricultural community. I attended a culinary institute conference, and it was eye opening. McDonalds, Monsanto, all the big guys were there. I became aware of agricultural practices in the U.S. and started reading. There is a whole other way of delivering food. This is a personal quest.

MK: A goal is to get down some Action Items by the end of this workshop....

- Marketing and education to parents
- Not making local a premium product only
- Support Farm to School legislation
- The commodities program is counterproductive to local foods—support a change in the national farm bill legislation

Audience: The farm bill is only for agribusiness if small farmers don't take it back.

### ***Growing and Selling Beans and Grains Locally***

Harry MacCormack (Sunbow Farm) & Gian Mercurio (Stalford Seed Farms). Moderator: Chris Peterson (Ten Rivers Food Web). Notes by Debra Sorenson.

#### Gian Mercurio, Stalford Seed Farms

- Need to develop our own way of growing beans based on our clay soil
- Stalford farms has grown both white wheat and red wheat
- More yield with the white wheat
- Uses both conventional and organic farming methods
- Know your soil, land and microclimate
- Need to realize that there will be good and bad growing years no matter what
- Important to keep in mind that organic seed doesn't work well under conventional farming conditions and vice versa
- Soil borne fungal infections
  - Fungal infections can live in the soil for a period of time
  - You must put crops at least on a 3 year rotation or even 4
  - Rotation should be in this order: stalk, grass, bean
    - Stalford farms grew potatoes after beans and that turned out really well
- There is room in the local market for conventional farming practices, organic farming practices and for both large and small farms
- We need to support transition from conventional to organic production

#### Harry MacCormack, Sunbow Farm

- Affects on the growing season and ripening period
  - As an example, last year's cold periods and the late freeze in June
- Harvesting by hand is hard work but harvesting by machine is difficult for dry beans

- There is a field data paper available on the Mud City Press website
- More interested in the vitamin/mineral/amino acid content of crops rather than just the protein content
- Costs associated with growing for local markets
  - Sell by the pound rather than by the bushel
- Sold some white wheat at last year's farmer's market
  - Discovered that the public is willing to pay up to \$2 per pound for white wheat that is locally produced
- Grains and beans are the basis for our food system so it's important to grow more locally
- We can expand from just growing wheat; there are other types of grains available that we could grow here
- Importance of harvest conditions and food storage

**Local Food Connection Planning Committee:**

Karen Strohmeier (Cascade Pacific RC&D), Connie Karr (Oregon Tilth), Karl Morgenstern (EWEB/ Cascade Pacific RC&D), Larry Lev (OSU), Lynne Fessenden (Willamette Farm and Food Coalition), Chris Peterson (Ten Rivers Food Web), Paula Westgate (LCC), Tim Hill (LCC) and Debra Sohm Lawson.