Wisconsin’s Farm to Institution Procurement Strategy

Aligning the supply and demand for local food in Wisconsin’s cafeterias.

National Good Food Network Conference
March 28th, 2018
Marlie Wilson & Kymm Mutch
Workshop Agenda

- Introductions
- *Procurement Strategy* Overview
  - Goals, Methods, & Results
  - Opportunities & Challenges
  - Questions & Discussion
- Small Group Discussions
- Takeaways & Closing
Introductions
Wisconsin’s Farm to Institution Procurement Strategy

Now Serving Yogurt from a Cow near you
Wisconsin: The Dairy State
Farm to School 101

Source: National Farm to School Network
Farm to School

Source: Amazing Grace Family Farm
Benefits of Farm to School

- Economic Development
- Public Health
- Education
- Environment
- Community Engagement

Source: National Farm to School Network
Farm to Institution

Leveraging the power of schools, hospitals, universities, early care centers, correctional facilities, and other cafeteria settings to improve health outcomes and support local farmers.
Challenges to Farm to Institution Efforts

- Logistical Infrastructure
- Producer Capacity
- Foodservice Capacity
- Pricing
- Exclusion from Primary Distribution Channels

Source: Frederik Broden, Modern Farmer
The Institutional Supply Chain

Source: Mutch Better Food, LLC
The Farm to Institution Procurement Strategy

Connecting Wisconsin-grown products to Wisconsin’s cafeterias

Sources (from left): WMTV News (NBC), Amazing Grace Family Farm, REAP Food Group, Wisconsin Vegetable & Potato Association, Westby Cooperative Creamery
Procurement Strategy Objectives

1. **5 Wisconsin-grown target food products**: applesauce, frozen broccoli florets, fresh carrot coins, potato wedges, and yogurt.

2. Identify **necessary volume and price points** for local target items to compete

3. Increase access to **fresh, high-quality, clean label products** for schools, hospitals, and universities, while **increasing markets** for producers.
The Strategy

- DATA ANALYSIS
- PILOT PURCHASES
- STAKEHOLDER ENGAGEMENT
- EVALUATION
Graduate students with the UW-Madison Grainger Center for Supply Chain Management analyzed **purchasing data** from Madison Metropolitan School District (MMSD) and CESA Purchasing.

- Looked for **price points, volume, and common product specifications** ordered by school districts through Gordon Food Service (broadline distributor) and produce distributors.
DATA ANALYSIS

STAKEHOLDER ENGAGEMENT

PILOT PURCHASES

EVALUATION

- Held informational **meetings and webinars** for farmers, processors, distributors, and foodservice
- Learned more about **price sensitivity** and **product specifications**
- Contacted producers to learn **volume** and **interest**
- Coached producers and processors through **vendor onboarding paperwork**
Organized **pilot purchases** of the product with participating school districts and other institutions

Designers created **sell sheets** and **cafeteria promotional materials** to encourage foodservice directors to purchase and promote
UW-Madison Center for Integrated Agricultural Systems served as **project evaluator** to track **supply chain relationships** and understand **project impact**.
Procurement Strategy Results
Frozen Broccoli Florets

Wisconsin Grown Broccoli Florets

Local / Fresh / Flavorful

Source: DATCP
Purchasing data analysis: $85,000 (CESA districts)
- Purchased as florets, fresh and frozen
- 30# case: $0.76/lb
- 6-4# case: $0.94/lb

Source: UW-Madison Grainger Center for Supply Chain Management
**STAKEHOLDER ENGAGEMENT**

Source: Amazing Grace Family Farm

**PILOT PURCHASES**

- Amazing Grace Farm: fresh broccoli for V Marchese
- Introduced to Sharing Spaces Kitchen (Prairie du Chein, WI) at Procurement Strategy meeting
- Processed ~19,000 pounds of broccoli this summer/fall for use in Milwaukee Public Schools through US Foods
- Sharing Spaces was unprepared for storage costs; stopped processing
- Connection to Maglio Companies for fresh broccoli florets
Broccoli Processing

Source: Barry Hottmann, Sharing Spaces Kitchen
WISCONSIN GROWN BROCCOLI FLORETS

Processed by:

Farm:
Item number:
Description:
Case specs:
Case price:
Storage information:

WISCONSIN BROCCOLI SOUP

Yield: 64 servings
8 oz unsalted butter
2 cups chopped onion
10 cups diced potato, peeled
24 cups Wisconsin-grown broccoli florets
4 cups heavy cream
2 tbsp black pepper
2 lbs salt
1 tsp white pepper
2 tbsp granulated garlic
24 cups 2% milk

1 tsp hot sauce
2 tbsp white wine vinegar
2 cups shredded cheddar cheese

1. Sauté butter, onion and potatoes until slightly softened.
2. Add the rest of ingredients and simmer for 1 hour.
3. Thicken with cornstarch and water if needed.

Critical Control Point: Hold at 160°F or higher for hot service.

Recipe adapted from Home Grown: Farm to School Recipes of Wisconsin, from the Wisconsin Department of Public Instruction.

Every order comes with free materials to promote Wisconsin-grown broccoli florets in your cafeteria.

Wisconsin Department of Agriculture, Trade and Consumer Protection
2811 Agriculture Drive, P.O. Box 8911, Madison, WI 53708-8911

Local / Fresh / Flavorful

WISCONSIN GROWN BROCCOLI FLORETS
Promotional Materials for the Cafeteria

WISCONSIN GROWN BROCCOLI FLORETS

DIG IN!
Applesauce & Slices

Source: WMTV News
**DATA ANALYSIS**

**Applesauce:**
- $177,521 in applesauce
- Average $0.28/cup
- Source: MI/PA

**Apple slices:**
- $306,650 in apple slices
- Average $0.23/2.4 oz serving pack
- Source: MI & WI

Source: UW-Madison Grainger Center for Supply Chain Management
WI Innovation Kitchens met with foodservice at *Procurement Strategy* meeting, March 2016
- WInK invested in applesauce cupping equipment
- Selling to UW Hospital and Epic Systems, Inc, but higher price point (0.38/cup) & barrier with distributors

Source: Wisconsin Innovation Kitchen
WISCONSIN GROWN APPLESAUCE
Support Local Farmers

WISCONSIN GROWN APPLESAUCE

WISCONSIN APPLE CRISP

Yield: 50 servings (2/3 cup portion size)

- 62.5 lbs. Granny Smith Apples
- 88 oz. Applesauce
- 1/3 cup Lemon juice
- 1 cup White sugar
- 1/2 cup Cinnamon
- 3 1/4 cups Oatmeal
- 2 cups Brown sugar
- 2 cups Flour
- 1/2 cup Butter

1. Chop apples into chunks about 1 inch thick and toss with lemon juice in a large bowl.
2. Add the sugar and cinnamon to the apples and toss to coat evenly.
3. Add the applesauce and stir to combine.
4. Completely melt butter in microwave-safe bowl, microwaving for about 2 minutes.
5. In a separate bowl, combine oatmeal, brown sugar, flour and melted butter until cookie doughlike consistency is reached.
6. Create a 3x3"x2" pan and pour apple mixture into pan. Spread to mixture is evenly distributed on pan.
7. Pour oatmeal mixture on top and spread so it evenly covers the apple mixture.
8. Bake in a conventional oven at 350 degrees F for 80 minutes. Crisp top should be golden brown.

Recipe adapted from "Home Grown Farm to School Recipes of Wisconsin" from the Wisconsin Department of Public Instruction.

Every order comes with free materials to promote Wisconsin-grown applesauce in your cafeteria while supplies last.

Wisconsin Department of Agriculture, Trade and Consumer Protection
2811 Agriculture Drive, P.O. Box 8911, Madison, WI 53708-8911
Cafeteria Promotional Materials

Now Serving

Apple Sauce

From an Orchard Near You!
Connection with Richland Hills on WI apple slices
20% apples used from WI orchard (50% goal in 5 years)
Had been vendor with USDA Unprocessed Fruit & Vegetable Pilot Program; helped get back on list after GAP lapse kicked them off
Future opportunity to help them source supplemental apples from WI
Wisconsin Farm to Institution Procurement Strategy

Lessons Learned
Value of data analysis

Yogurt sales from CESA and MMSD: While most yogurt sales are for individual cups, the single most demanded product spec was for a 5-lb tub of non-fat vanilla yogurt.

Source: Grainger Center for Supply Chain management
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<th>Aligning demand to open distributor SKUs</th>
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- Slotting new SKUs at low volumes adds complexity and inefficiency to distributor systems
- Demand alignment increases volume and decreases price
- Leveraging buying power of private business cafeterias, hospitals, and colleges can provide opportunity for schools to access same product
Technical assistance for farmers and small processors; foodservice staff
Aligning values with broadline distributors is difficult but critical

Source: Davos Construction Company
Coordinators must balance other values and considerations with “local”

- Price
- Shelf life
- Product quality
- Ingredient list
- Ability to meet school meal pattern requirements
- Packaging size
Food system coordinators play an important role

Procurement Strategy organizers convening a meeting of stakeholders, March 2016. Source: Marlie Wilson
Emerging Research Questions

- More **data collection** across institutional types
  - Velocity report analysis
  - Price sensitivity and preferences
- Building new relationships with **processors**
- **Measuring value** of supply chain development for producers

Source: Amazing Grace Family Farm
Supply Chain Opportunities

- Exploring distributor incentives
  - Overcoming the “pay to play”
  - Using prime vendor contracts & negotiations as tool
- Coordinating menus between institutions (and institutional types!) to feature local products
- How do we share the cost of investment across the supply chain?
Questions?

Source: Maglio Companies
Small Group Discussions
Contact Us

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