Evaluating Economic Impacts of Local Food Purchasing in Several Market Channels in Black Hawk/Surrounding Counties

Kamyar Enshayan
University of Northern Iowa

Follow this and additional works at: http://lib.dr.iastate.edu/leopold_pubspapers

Part of the International and Community Nutrition Commons, and the Operations and Supply Chain Management Commons

Recommended Citation
http://lib.dr.iastate.edu/leopold_pubspapers/148

This Report is brought to you for free and open access by the Leopold Center for Sustainable Agriculture at Iowa State University Digital Repository. It has been accepted for inclusion in Leopold Center Pubs and Papers by an authorized administrator of Iowa State University Digital Repository. For more information, please contact digirep@iastate.edu.
Evaluating Economic Impacts of Local Food Purchasing in Several Market Channels in Black Hawk/Surrounding Counties

Abstract
This is a final report of work done by the UNI Local Foods Project and its impact in the northeast Iowa region. The work was supported by a mini-grant from the Regional Food Systems Working Group. The project has evolved to become the Northern Iowa Food & Farm Partnership.

Keywords
Community-based food systems, Supply networks, Environmental and economic impacts

Disciplines
International and Community Nutrition | Operations and Supply Chain Management

This report is available at Iowa State University Digital Repository: http://lib.dr.iastate.edu/leopold_pubspapers/148
Regional Food Systems Working Group Final Report

Evaluating economic impacts of local food purchasing in several market channels in Black Hawk and surrounding counties   RWG04-04

Kamyar Enshayan, Principle Investigator
Center for Energy and Environmental Education
University of Northern Iowa
Cedar Falls, IA 50614-0293
319-273-7575
kamyar.enshayan@uni.edu
Table of Contents

Executive Summary 3
Introduction 4
Methods 4
Findings 4
Conclusions 7
Outreach 8
Appendix 8
Executive Summary

The UNI Local Food Project worked with a number of grocery stores in our area to help them feature more locally grown products, provide in-store visibility, and community-wide publicity. We will also document the local food purchases in several market channels with participating hospitals, retirement homes, retailers, restaurants, and University of Northern Iowa Dining Services.

As a result, we were able to highlight local foods at small town grocery stores better, reached many more people through farm tours, and increased local food purchases by many more institutions. In 2003, we worked with 14 institutions, and in 2004 that grew to 23. Most importantly, these institutions purchased more than $465,000 in local food, twice as the year before. We have been able to document in more detail and set up the books for long term monitoring of such purchases.
Introduction

The UNI Local Food Project has worked with many institutional food buyers in NE Iowa to increase local food purchasing since 1997. All along we documented the local food purchases by each institution.

In 2003, in collaboration with PFI, we launched Buy Fresh, Buy Local consumer awareness campaign. The market channels included restaurants & institutions, farmers markets, and grocery retail. Our consumer survey has shown that our intensive marketing work with farmers markets drew more people there. Only 4 retailers joined the campaign and three of them did not fully participate. We significantly increased our retailer participants in 2004. We worked with 14 institutions in 2003 and 23 in 2004.

In 2004, there were several new developments: Hansen’s Dairy is now marketing their own bottled milk to various stores and individuals in our area; several grocery stores have pledged to feature more locally raised products; Buchanan County Hospital has committed to buy locally raised meats.

Methods

During the 2004 growing season we worked with 23 institutional food buyers accomplished the following:

Objective 1:
• Documented local food purchases of participating grocery stores, institutions and restaurants: product categories (meats, dairy, vegetables), number of local vendors, dollars spent on local food, total food expenditures, percent local. See the Findings section.
• Developed baseline data for the new participants

Objective 2:
• Approached more grocery stores and invited them to participate in the Buy Local campaign
• Provided in-store publicity assistance, highlighting local farmers the stores buy from (price cards, “We Sell Locally Grown Products Posters”…)
• Arranged two public events: A set of two farm tours and a public event to highlight a small town grocery store and the farmers who supply it.

Findings

This grant allowed us to take the time to follow up and document local food purchases for 23 institutional food buyers. We have shown as a result that in 2004 local food purchases by metro area institutions more than doubled. The next three tables show three key results.
Table 1. Local Food Purchases by Institutional Food Buyers in Black Hawk and Surrounding Counties, Iowa  2004

<table>
<thead>
<tr>
<th>Year</th>
<th>Number of Institutions</th>
<th>Type of Institutions</th>
<th>Local Food Expenditures</th>
</tr>
</thead>
<tbody>
<tr>
<td>1998</td>
<td>3</td>
<td>1 Restaurant, 1 College, 1 Hospital</td>
<td>$110,773</td>
</tr>
<tr>
<td>1999</td>
<td>3</td>
<td>1 Restaurant, 1 College, 1 Hospital</td>
<td>$134,573</td>
</tr>
<tr>
<td>2000</td>
<td>5</td>
<td>1 Restaurant, 1 College, 2 Hospitals, 1 Retirement Home</td>
<td>$173,406</td>
</tr>
<tr>
<td>2001</td>
<td>8</td>
<td>1 Restaurant, 2 Colleges, 4 Hospitals, 1 Retirement Home</td>
<td>$165,588</td>
</tr>
<tr>
<td>2002</td>
<td>7</td>
<td>2 Restaurants, 1 College, 1 Hospital, 2 Retirement Homes, 1 Grocery &amp; Retail</td>
<td>$200,730</td>
</tr>
<tr>
<td>2003</td>
<td>15</td>
<td>4 Restaurants, 1 College, 2 Hospitals, 3 Retirement Homes, 3 Grocery &amp; Retail</td>
<td>$226,954</td>
</tr>
<tr>
<td>2004</td>
<td>23</td>
<td>8 Restaurants, 1 College, 2 Hospitals, 3 Retirement Homes, 8 Grocery &amp; Retail</td>
<td>$465,361</td>
</tr>
</tbody>
</table>

We are excited about the above trends. We suspect that the doubling in 2004 has been due to more buyers, buying larger quantities, and the establishment of a new dairy processing business.

In Table 2 you will find the detailed local food purchases of two key institutions: Rudy’s and Bartels Lutheran Retirement Community.
Table 2.

2004 Local Food Expenditures
Bartels Lutheran Retirement Community
Waverly, Iowa

<table>
<thead>
<tr>
<th></th>
<th>Meat</th>
<th>Dairy</th>
<th>Vegetables</th>
<th>Baked Goods</th>
<th>Monthly Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>January</td>
<td>$3,341.92</td>
<td>$ 110.00</td>
<td>$ 60.00</td>
<td></td>
<td>$ 3,511.92</td>
</tr>
<tr>
<td>February</td>
<td>$484.66</td>
<td>$ 150.00</td>
<td></td>
<td></td>
<td>$ 634.66</td>
</tr>
<tr>
<td>March</td>
<td>$3,758.59</td>
<td>$ 570.00</td>
<td></td>
<td></td>
<td>$ 4,328.59</td>
</tr>
<tr>
<td>April</td>
<td>$2,264.18</td>
<td>$ 460.00</td>
<td>$ 142.50</td>
<td></td>
<td>$ 2,866.68</td>
</tr>
<tr>
<td>May</td>
<td>$1,135.91</td>
<td>$ 709.20</td>
<td>$ 760.83</td>
<td></td>
<td>$ 2,605.94</td>
</tr>
<tr>
<td>June</td>
<td>$2,979.77</td>
<td>$1,075.00</td>
<td>$ 288.00</td>
<td></td>
<td>$4,343.37</td>
</tr>
<tr>
<td>July</td>
<td>$917.68</td>
<td>$ 753.30</td>
<td>$ 366.00</td>
<td></td>
<td>$ 2,036.98</td>
</tr>
<tr>
<td>August</td>
<td>$3,433.49</td>
<td>$1,327.40</td>
<td>$ 521.00</td>
<td></td>
<td>$ 5,281.89</td>
</tr>
<tr>
<td>September</td>
<td>$567.10</td>
<td>$ 977.40</td>
<td>$ 525.50</td>
<td>$ 78.00</td>
<td>$ 2,148.00</td>
</tr>
<tr>
<td>October</td>
<td>$5,309.55</td>
<td>$ 982.80</td>
<td>$ 402.00</td>
<td>$ 37.50</td>
<td>$ 6,731.85</td>
</tr>
<tr>
<td>November</td>
<td>$739.65</td>
<td>$1,035.80</td>
<td>$ 321.70</td>
<td>$ 354.50</td>
<td>$ 2,451.65</td>
</tr>
<tr>
<td>December</td>
<td>$3,428.44</td>
<td>$1,863.60</td>
<td>$ 93.90</td>
<td></td>
<td>$ 5,385.94</td>
</tr>
</tbody>
</table>

Yearly Total | $28,360.96 | $9,755.10 | $3,681.43 | $530.00 | $42,327.47

Bartels purchases whole animals from a local farm, processed at Janesville Locker.

Rudy’s purchases are listed on the next page.
Roots Market, a natural foods grocery store in Cedar Falls, in 2004, purchased more than $50,000 worth of meat, produce, dairy, eggs, and wine from 37 local vendors.

Our farm tour was attended by more than 85 people. The tour featured a dairy farm with on-farm processing and a vegetable farm with an on-farm bakery.

We held a half-day “peak of the season fair” in Trear, IA to highlight Traer Grocery store and the farmers who supply it. More than 100 people attended.

Our in store publicity for the small town grocers has been popular with the store owners.

**Conclusions:**

We were successful at meeting our objectives. We involved more grocers and documented their local food purchases and helped them highlight local food in their stores.
Outreach

I have presented our results at the following events:

Jan 14-15 2005 AR/OK Horticulture Industry Show, Keynote and workshop
Jan 18 Clearlake, Iowa, Winn-Worth & Mason City area economic development
Jan 20 Northland Regional Council of Governments, Economic Development Committee, Waterloo, IA
Jan 27 Iowa Wesleyan College, 4-county economic development agencies
Jan 28, 05 Midwest Value-Added Conference, Eau Claire, WI, Keynote and workshop
Feb 18, 05 Marshalltown Alt. Ag. Conference
Feb 21 Quad Cities Chef Meeting
Feb 25 Wartburg College
March 23, 05 Middlebery College, VT

Appendix

1. Farm tour ad
2. Sunday March 20, 2005 Waterloo Courier report on our work
3. The door sign for grocers
A peck of apples,
A basket of produce,
A carton of milk

Celebrate the
PEAK OF THE SEASON
in Traer!

FEATURING:
Hansen Family Farm Fresh Dairy
Grilled Sandwiches and Brats
Locally grown food near you

Saturday, September 4th
10:00 a.m. – 2:00 p.m.

Traer Super Valu parking lot
(Traer, IA)

MORE INFORMATION:
Traer Super Valu
319-427-2680

UNI
Local Food Project
319-223-7755

BUY FRESH
BUY LOCAL

———

FARM TOURS
SATURDAY, JUNE 12

FARM 1: Hudson. 2 PM
Hansen’s
Farm Fresh Dairy
319-950-4234, freshmilksorlin.net

Directions: From Hwy 58 on the west side of Hudson. take D-35 west 1/2 miles until you come to Lincoln Rd. Turn left on Lincoln Rd. The farm is on the left.

FARM 2: Buckingham. 4 PM
Don & Ruth Beck’s
Porkland Farm
319-950-3729, beckwebaker@aol.com

Directions: From Hansen’s, go back to 58, go south (58 joins US 63 south). go south for 6 miles to D-52. Turn left and go 2-3/4 miles, the farm is on the left.

BUY FRESH
BUY LOCAL

For more information call 273-7575.