

DISTRIBUTION MODELS FOR FARM TO SCHOOL

With farm to school programs, the transport of farm products to the schools is in many cases the most challenging issue to be addressed. There is no “one size fits all”, as individual circumstances differ greatly. Some of the issues to consider are: school district size and the existence of central kitchens or satellite kitchens; the storage capacity of the schools; the existence of farmer cooperatives or networks; the capacity of these networks to deliver; the distance involved with deliveries; the volume and type of products desired; and the amount of staff time needed to research and develop the distribution method. Below are descriptions of four distribution methods, and the advantages and disadvantages of each. Whatever method is chosen, it should address the needs of both farmers and food service, in order to be successful over time.

I. Food service staff buys direct from individual farmers.

Many school food service directors from around the country have initiated purchasing relationships with farmers, and buy directly from those farmers. There are many benefits to this procurement method, as food service staff can: request specific products in the form they need them; work out details and issues without a middle man; become familiar with what the farmer grows, and even request that farmers plant specific items for them. One additional advantage is that buying from individual farmers may exempt the purchase from bidding requirements as the total amount may be below the required bid minimum. (Food service directors are required to put out to bid any order greater than a specific dollar amount. For example, a school district may require that any purchase over \$15,000 must go out for at least three bids. However, if the purchase is less than \$15,000, the school is not required to obtain bids. The amount of the bid requirement can be defined at the school, school district or state level.)

The disadvantages of this procurement method become apparent if food service staff is buying from a number of farmers. Buying from individual farmers entails increased administration and paperwork. This can be quite overwhelming for a food service director who has been ordering all or most of their produce from one broker. There would be a transition from making one phone call to order product, to multiple calls, multiple invoices, and coordinating multiple deliveries. In addition, a broker is generally able to provide a greater variety of produce than farmers, who are selling only what is in season and what they grow.

II. School food service works with a farmer cooperative.

In this model, farmers in a cooperative, or informal network, pool their resources to develop a group distribution strategy. While some farmer coops are focused solely on production, others are also involved in the marketing and distribution of farm products. Buying from a farmers' cooperative helps the school food service director reduce the time spent on the administrative tasks involved in ordering, receiving orders, invoicing and payment. In this way, ordering is done through one person representing multiple farmers and in some cases, one delivery is made for multiple farmers. Another advantage is that cooperatives, or informal networks, can generally offer a wider variety of produce and a more consistent supply than one individual farmer.

Some farmer cooperatives have also been able to purchase cold storage facilities, a truck for delivery, and processing facilities to produce value-added products. This is a particularly helpful strategy in colder climates with a limited growing season, and is a benefit for food service staff, as they greatly appreciate receiving a bag of broccoli florets instead of a whole head of broccoli. Many school district food services do not have the labor or equipment necessary to do this kind of minimal processing.

The biggest disadvantage is that farmer networks, cooperatives or otherwise, do not exist in all regions of the country. Some new farmer networks and cooperatives have been formed as a result of the

demand from institutional sales, but their numbers are limited. This model also limits contact with the individual farmers growing for the schools.

One alternative to buying from an organized farmer network is to have one farmer, or a staff person from a non-profit organization, handle some of the administrative tasks. One person could act on behalf of farmers, taking orders from food service and then contacting farmers to fill them. The school district would send one invoice to the intermediary person who would then handle the paperwork.

III. School food service orders locally grown food through a traditional wholesaler.

In this scenario, food service works with a distributor who purchases from local farms. Since food service directors already purchase from brokers or distributors, this allows them to maintain an existing relationship, as well as purchase other items that farmers are not able to provide. This method also allows for centralized billing, delivery and payment - but cuts farmers out of the communication loop with the food service director.

The major disadvantage of buying through a distributor is that it is difficult to know how diligent the distributor is being in attempting to source local product. Buying from local farmers may or may not be a top priority for a distributor who tries to fill an order with the least expensive product available. Unless the distributor is already aware of local farms, he or she may not be willing to make the additional effort to find them.

In some instances, wholesalers have worked very well with local farmers. One step food service can take is to request access to the buying records of the broker, showing the origins of the product. This can also be a requirement written into an agreement with the broker. In this model it is still important that food service staff familiarize themselves with the availability and seasonality of the products in their region in order to make reasonable requests of the wholesaler who may be responsible for sourcing the products.

IV. School food service purchase regional products at the farmers' market.

This strategy relies on farmers' markets for purchasing locally grown products. In this scenario, the food service staff contact the farmer one or two days in advance of the farmers' market, placing their order by fax or phone. The farmer then brings that order to the farmers' market, in addition to what he or she plans to sell that day through the market. In most cases, schools use their own truck and driver, and a buyer from the school or district goes to the local farmers' market to pick up the pre-ordered product. This option is only feasible where the farmers' market season and the school calendar coincide - in places with year-round school, or moderate climates with year-round farmers' markets.

Buying directly from a farmer at a farmers' market has the advantage of working face-to-face with growers, who know their competition is at the market as well. It also gives food service staff the opportunity to inspect the product quality, and see first-hand what other products are available. Farmers benefit from this arrangement since they can make two farm deliveries in one location - one to the farmers' market, and one to the school. This can also help to lower the price for the product, as only one trip is needed for both deliveries. However, buying at farmers' markets can also be time consuming, as this kind of shopping involves much more labor than a phone call to a distributor.

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