

From Farm to Factory

From Farm to Factory:

Linking New York State Producers and New York City Food Processors

Project Partners:

New York State Department of Agriculture & Markets

New York Industrial Retention Network, a project of Pratt Center for Community Development

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The purpose of the project was to demonstrate the potential to meet NYC food processors' demand for New York State-grown foods through two distinct local distribution pilots. One pilot represented larger scale farmer to processor relationships and the second, those of smaller farms and small or micro-processors. From planning to implementation, the project took place from October of 2009 through February of 2011, taking advantage of the 2010 New York growing season for produce. Seven farmers and eight food processors benefited directly from the project and additional businesses will benefit through future promotion and technical assistance that are being institutionalized within New York State Department of Agriculture's and New York Industrial Retention Network's processes. All but one of the resulting relationships or "matches" are expected to continue beyond the project. However, the project uncovered a number of challenges for the farm to food processor value chain: availability of produce/short season for key vegetables, general availability of organic produce for larger scale buyers, competitive pricing, farmers' limited value-added processing capacity, and small processors' delivery requirements for orders too small to add up financially for farmers. Results suggest that there is a solid opportunity for farm to factory when price and convenience is competitive with existing supply. Processors may be willing to pay somewhat more for New York products if local is part of their value propositions. Future New York farmer efforts to expand into the NYC processor market should focus on buyers with purchase volumes high enough to justify direct delivery and companies that include local sourcing in their business models.

Final Report

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Statement of the Issue

Across the United States, local food systems are taking center stage for public policy directives, economic development strategies, and community development initiatives. In New York City, legislation has recently been introduced to encourage city agencies to procure foods from New York State. Since NYC's first Greenmarket opened more than 30 years ago, the growing interest amongst consumers regarding the origin of their food has fueled an explosion in farm direct retail outlets. The city is home to 120 farmers' markets. There are over 100 city-based community supported agriculture (CSA) pick up sites. Many restaurants source local food and promote their farmers. The NYC Department of Education, SchoolFood, responsible for producing nearly 900,000 meals a day for public school children, is making efforts to source locally-grown vegetables and dairy products. In addition, New York City is home to hundreds of food processing companies that employ approximately 15,000 people. These companies are already vital to New York City's current food system and stand to play a major role in meeting the consumer demand for regionally grown and processed foods as well as becoming a market opportunity for New York farmers.

The link between upstate farmers and downstate food processors has not been fully explored. While some informal local supplying does exist, these relationships could be more robust and create additional economic development opportunities in New York City and on a statewide level.

In fall 2007, New York Industrial Retention Network (NYIRN) conducted a brief, online survey of its network of food manufacturers to gain a sense of the demand for locally-grown ingredients. The survey was distributed to approximately 800 businesses with a 6% response rate. Results revealed an interest and a perceived advantage on the part of manufacturers to increase the use of local ingredients in their products. A sizable majority of these businesses sensed a growing consumer preference for goods manufactured with local ingredients, and expressed an interest in a marketing strategy and/or certification acknowledging a product's use of a local supply chain.

Two years prior to NYIRN's survey, NYS Department of Agriculture & Markets (NYSDAM), funded through USDA AMS, commissioned a study to assess the demand for a wholesale farmers' markets in New York City. The following conclusions were drawn:

1. Local sourcing for food products had perceived benefits including greater food quality and safety, and for some, a desire to support local farms.
2. Additional information was needed to estimate whether local supply could meet the type and volume of ingredients required by manufacturers and other food businesses.
3. It was difficult for buyers to secure sources of locally-grown ingredients due to a lack of information and resources to connect upstate and downstate parties.

By combining these two studies, several issues were revealed that need to be addressed in order to foster a localized supply chain of growers and buyers in New York State. These include:

- Need for validation through practice of the interest of manufacturers to increase the use of local ingredients in their products.
- Manufacturers' need for assistance in developing a marketing strategy and/or certification acknowledging a product's use of a local supply chain.

- Local farmers may be interested in supplying to downstate food processors, but can they provide the correct type and volume of ingredients required by manufacturers and other food businesses?
- Do interested farmers have distribution capacity to serve NYC food processors at a variety of farmer and customer scales?
- Both growers and buyers require more information and resources in order to make the upstate-downstate connection.

The Approach: Farm to Factory Pilot Project

NYSDAM and NYIRN collaborated on two pilot projects which sought to demonstrate the New York City food processors' demand for New York State-grown foods as well as foster new supply and demand associations between upstate farmers and downstate food processors that would lead to long term business relationships. Two pilots were deemed necessary to separately address the diverse needs of large supplier to large buyer supply chains and those of small-scale farmers and processors.

The following goals were developed to set the course for strengthening a local supply chain within New York State's food system.

Goal 1: Determine the overall scale and composition of demand for locally-grown ingredients among New York City food manufacturers.

Goal 2: Identify new markets for a set of suppliers and producers.

Goal 3: Identify ways to market locally-sourced products and facilitate local sourcing.

In order to meet the list of goals, the project team undertook a variety of strategies laid out in phases to engage farmers and food processors as well as shepherd the two groups through the course of the project.

Roles: Collaboration Between Public & Private Agencies

There were three primary group members that worked together throughout the course of the pilot projects: NYIRN, NYSDAM, and local food and farming consultant Glenda Neff.

NYIRN served as the project manager for the *Farm to Factory* pilots. In this role, the organization was responsible for managing the internal work plan and group communications. In addition, it was the point of contact for the food processing companies, chief outreach coordinator for the surveys conducted before and after the pilot was underway, and a participant in the “meet and greet” events. NYIRN conducted the demand-side research for the pilot and submitted contact information and ingredient volumes to NYIRN's counterpart— farm consultant, Glenda Neff. Ms. Neff then identified the appropriate farmer(s) to make the connection between buyer and grower.

NYSDAM determined the project scope of work and supplied its own staff to assist with supply-side research in identifying potential farmers to sell their produce to downstate food processors. In addition NYSDAM also reached out to the food processors throughout the life of the project to encourage interest amongst the companies as well as facilitate communication between the farmer and buyer. NYSDAM's interface with other organizations providing agricultural economic development and marketing support

was critical to the match making between farmer and buyer. Finally, NYSDAM used this project to offer the opportunity to food processors to join its Pride of New York program as a marketing benefit.

Glenda Neff was the primary point of contact with the New York State farmers. Through her network of growers, Ms. Neff promoted the pilots and enlisted farm participants. She developed a database of potential farm suppliers and collected data on available produce and other agricultural products that were of interest to the food processors. In the early matches between farmer and food processor, it became clear that communication assistance was critical to making the sale (more to be discussed in the *Challenges* section of this report). Ms. Neff worked diligently to ensure pricing and delivery times were solidified and followed up consistently with the farmer regarding recent sales. She also visited several of these farms to see and learn more about their operations, capabilities, and future business plans.

Three other entities also contributed to this project:

Finger Lakes Organic Growers Cooperative (FLO) is a member-owned cooperative of certified organic farms producing vegetables, fruit, herbs, and nuts. FLO's manager informed the members about the pilot and the opportunity to grow produce for a new customer.

Regional Access is a twenty year old distribution business that provides specialty and gourmet products throughout New York State. Regional Access sells and distributes FLO produce, as well as many other NY-grown and processed foods. Ms. Neff worked with FLO and Regional Access to source certified-organic ingredients.

Greenmarket manages a network of farmers markets throughout New York City, including the Wholesale Greenmarket located at the Fulton Fish Market at Hunts Point. Greenmarket offered to have its retail markets serve as a drop off and pick up locale for both farmers and the small food processing companies. Distribution from the Wholesale Greenmarket was not possible for this pilot, but options are being explored and Greenmarket will continue to be a significant partner in our subsequent pilot (now underway), *Farm to Bakery*.

Project Process and Results

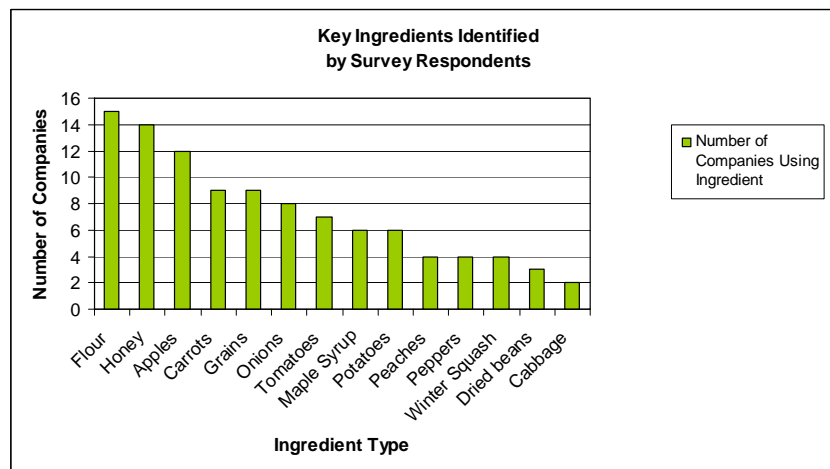
In Phase 1—*Manufacturer Demand-Side Research*, NYIRN reached out to a larger pool of food processors in fall 2009 to learn more about the ingredients being used as well as gauge individual companies’ interest in participating in the pilot. Both electronic and paper versions were sent to the city’s food processors—47 responses were received, 29 of which asked for NYIRN to follow up regarding their potential participation in the pilot project. The responses were input into a database, which documented ingredient types and volumes. Table 1 indicates the primary sub-sectors in which respondent companies are classified.

Table 1 Respondents by Sub-Sector¹

Top Sub-Sectors	No. of Companies
Bakery	20
Appetizers/Sauces	4
Meat/Poultry	4
Chocolate	3
Preserved Fruit	3
Total	34²

Survey analysis revealed 14 key ingredients being used by the respondents. Chart 1 lists these ingredients and indicates the number of respondents using the particular ingredient in their product. The top three most frequently cited by companies were flour (15), honey (14), and apples (12).

Chart 1 Key Ingredients



¹ The number of companies is lower than the number of respondents as some companies did not indicate their primary sub-sector on the survey.

Company Recruitment

After tabulating the survey results, NYIRN called the companies that requested follow up and collected more specific data on the ingredients they were interested in sourcing locally. The volume of ingredients, frequency of ordering, and delivery method were also documented. Originally it was anticipated that one pilot would be conducted using a large food processor and a second would encompass small food producers and include a distribution component. After the follow up interviews were completed, along with a series of meet and greet events, the team decided to include three major processors, one large distributor/processor, and 7 small processors in the project.

In Phase 2: *Farmer Supply-side Research*, NYSDAM's Supply-side Consultant reached out to potential farms with a questionnaire that asked for information to understand the following characteristics among the growers:

- Available products/volume
- Current distribution capacity (direct/indirect)
- Processing/value-added/packaging capabilities
- Food quality, safety and sustainability certifications (US Grade #1, GAP, USDA Organic, Certified Natural NY; Food Alliance; and others)

The opportunity to participate in the pilot was publicized through the NYS Vegetable Growers Association (340 members), NY Apple Association (674 farmers), Empire Honey Producers (300+ members), NYS Maple Producers Association (500 members), and NYC Greenmarket (226 producers). Questionnaires were sent to over 65 producers; 26 growers returned questionnaires and were interviewed. The consultant selected potential suppliers based on the key ingredients used by the food companies that were chosen for the pilots and the suppliers' ability to deliver to New York City.

Many bakeries that responded to the NYIRN survey were interested in flours from New York-grown wheat and other grains. The consultant researched the capacity in NY State to provide bread and pastry flour milled from New York-grown grains. Mills and farmers were interviewed and information for 12 mills (10 in New York, two in Pennsylvania) that are purchasing New York-grown grains was compiled. Due to project findings and current development efforts in the New York grains sector, the team chose to collaborate on a follow up project proposal, *Farm to Bakery*, to adequately address the needs of grains farmers, millers, and bakers. The project has since been funded by USDA, AMS through the Federal-State Marketing Improvement Program (FSMIP).

The project team decided to focus *Farm to Factory* on fruits and vegetables. While there was also interest in local honey, New York supply is limited. Meet and greet events were directed toward small processors and served two purposes: 1) explore the opportunities for localized distribution nodes at various farmers markets throughout the city and 2) as a recruitment tool to enroll smaller farms into the pilot. We invited both the growers and food processors to the following three events:

Table 2 Event Summary

Event	Goals	Impact and Outcomes
Fort Greene Farmers Market, Brooklyn June 19, 2010	The goal was to introduce Brooklyn-based processors to larger scale growers who sell wholesale as well as retail. Fort Greene is centrally located in Brooklyn and parking is manageable in comparison to other markets.	Four processors were provided individual tours and introductions. Three processors RSVP'd, but did not attend. Two of the four made purchases on the day and will continue to work with the farms. Sahadi's and retail and wholesale business did not buy for its food processing arm, but made a connection with Red Jacket Orchards for its retail store.
Wholesale Greenmarket, Hunts Point, Bronx July 27, 2010	The goal was to make grower introductions and understand if there was enough volume to merit a delivery option. Another goal was to use the project to increase grower participation in Wholesale Greenmarket.	Larger buyers, Gourmet Guru and Dynamic Health Labs (juice) participated in the tour. Small producer, Mother-in-Law Kimchee, connected with Hoeffner Farms. J. Glebocki Farms kicked off participation in the Wholesale Greenmarket.
Greenmarket's program, A <i>Conversation with Value-Added Processors</i> August 18, 2010	The goal of the meeting was to introduce small processors to Greenmarket farmers as well as introduce farmers interested in value-added processing to resources in and nearby New York City.	Seventeen small processors, including three Greenmarket farmer-processors and 11 farmers interested in promoting to processors and their own value-added processing opportunities were present. Presentations were made by service providers (incubator kitchens, contract manufacturers), successful small processors, policy analyst Sarah Brannen of New York City Council on city incentives for processors, the Farm to Factory team, the Wholesale Greenmarket, and farmers hoping to sell into the processing sector.

In Phase 3: *Pilot Implementation*, processors were matched with farmers that could meet their product and delivery requirements. Fundamental to the project was the premise that the *Farm to Factory* team would make producer recommendations to participating processors based on producer capacity to meet variety, quantity and delivery requirements. The *Farm to Factory* team did not participate in sales calls or price negotiations. Each processor received contact details for three farms that best met its requirements. The buyer was free to contact the farmers for pricing and detailed product information. It was up to the *Farm to Factory* team to make sure contacts were made and each relationship progressed. Participating processors and farmers agreed to provide the project team with sales and volume information that resulted from any new relationships.

Fifteen fruit and vegetable farmers agreed to participate in the pilot and were recommended to buyers (see Appendix I for the full list of all interested producers). The buyers chose to work with seven of the fifteen. There was also interest among three maple producers and four local grain millers. The final participating processors did not use maple in their ingredients. The grain farmer survey responses were the basis for the follow-up *Farm to Bakery* Pilot.

Pilot Project Participants—New York State Farmers and New York City Food Processors

Table 3 New York State Farmer Pilot Participants

New York State Farmer	Products
Frank Dagele Dagele Brothers Produce Florida, NY 10921	Beets, cabbage, carrots, cucumbers, onions, peppers, potatoes, tomatoes, winter squash, zucchini
Andrew Gurda Davandjer Farms Pine Island, NY	Romaine
John Glebocki J. Glebocki Farms Goshen, NY www.glebockifarms.com	Beets, cabbage, carrots, cucumbers, onions, peppers, potatoes, tomatoes, winter squash, zucchini spring mix, baby greens
Guy Jones Blooming Hill Farm Blooming Grove, NY http://www.bloominghillfarm.com	200 varieties of vegetables (including over 30 varieties of tomatoes, 24 varieties of greens)
Daniel King Rexcroft Farm LLC Athens, NY http://www.rexcroftfarm.com/	Beets, cabbage, carrots, cucumbers, onions, peppers, potatoes, tomatoes, winter squash, zucchini
Finger Lakes Organic ³ Growers Co-operative Janet Cawley, Manager www.fingerlakesorganic.com	Certified organic vegetables, fruits, herbs, and nuts
Jim Bittner	Brining cherries, tart cherries – frozen

³ New York State cooperative

New York State Farmer	Products
Singer Farms Appleton, NY http://www.singerfarms.com	certified organic apples for juice or processing peaches – frozen, sliced

Table 4 New York City Food Processor Pilot Participants

New York City Food Processor	Specialty	No. of Employees
Large Pilot		
Gourmet Boutique 144-02 158th Street Jamaica, NY 11434 http://gourmetboutique.com/	Packaged salads	200
Dell's Maraschino Cherries 175-177 Dikeman St. Brooklyn, NY 11231 http://dellscherry.com	Maraschino cherries	24
Water Lilies⁴ 45-10 19th Ave. Astoria, NY 11105 http://www.waterliliesfood.com	Frozen Asian appetizers and entrees (regular and USDA organic)	30+
Baldor Foods 155 Food Center Drive Bronx, New York 10474 http://www.baldorfood.com	Specialty food distributor and processor	600+
Small Pilot		
The DP Chutney Collective Greenpoint, Brooklyn http://thedpchutneycollective.blogspot.com/	Bottled chutney	1
Mother in Law Kimchi New York, NY http://www.milkimchi.com/	Kimchi	1
Brooklyn Brine Co. 180 Franklin Street Brooklyn, NY 11222 http://www.brooklynbrine.com	Gourmet pickles	2
New York Naturals 925 Bergen St. #102 Brooklyn, NY 11238 http://www.nynaturals.com/	Dried kale chips	4

⁴ Water Lilies' conventional egg rolls are approved products for use by NYC Dept. of Education, SchoolFood.

New York City Food Processor	Specialty	No. of Employees
the good batch 155 Columbia Street Brooklyn, NY http://thegoodbatch.com/	Belgian stroopwaffles	1
Blue Sky Bakery 53 5th Avenue Brooklyn, NY 11217 http://www.blueskybakery.net	Muffins, scones, and cookies	4
Baked 359 Van Brunt Street Brooklyn, NY 11231 http://www.bakednyc.com	Cakes, cookies, brownies, and other desserts	10

The majority of the project staff time was spent on the implementation phase of the project providing matchmaking support and following up with farmers and processors to keep relationships moving forward and track results.

Results: New York State Farmers and New York City Food Processor Matches

The *Farm to Factory* pilot projects led to 8 matches between upstate farmers and downstate food processors. There were 29 varieties of produce and agricultural products bought and sold (see Table 5). The traceable transactions totaled 82,588 pounds of New York State agricultural produce used by the New York City food manufacturing sector and \$41,703 of revenue for farmers and suppliers. The smaller farms and small processors presented a challenge in tracking this data, especially due to the small size of farm direct, cash transactions, which took place at farmers markets.

Two of the intended matches, Baked and Blue Sky Bakery, were moved to the *Farm to Bakery* project. As small bakers, the companies were unwilling to pick up at farmers markets, and were not be matched with farmers due to small order sizes, need for delivery and price sensitivity. Grain products are higher volume and central to these businesses.

Mother-in-Law Kimchee was a good product match for Hoeffner Farms of the Wholesale Greenmarket, but a match could not be made this year due to lack of delivery options from Wholesale Greenmarket. This distribution issue will be further addressed in part by the 2011 Farm to Bakery Project which will include a formal Wholesale Greenmarket distribution pilot.

Table 5 **Product Types Sold**

Product	
Apples	Onion (Red, Spanish)
Apricots	
Bell pepper	Parsley (Curly Fresh)
Cabbage (Organic and Conventional)	Pears
Cabbage White Large Heads	Peppers (Green Raw Medium, Mix Sun Tan, Red Raw)
Carrots	Plums
Celery	Potatoes (Red B Domestic)
Cherries	Quince
Corn	Ramps (wild leeks)
Cucumbers (Kirby)	Scallions
Eggplant Raw	Sun chokes
Honey	Swiss Chard
Kale	Tomatoes (Red and Green)
Okra	Zucchini

Summary of Project Matches

Following is a summary of farmer-food processor matches, the volume purchased, average price per ingredient, and total cost to the food processor. The buying frequency has also been captured, and ranges from a single purchase to bi-weekly and weekly. The largest purchase was 30,000 pounds of cherries sold by Singer Farms to a Michigan processor for pitting and brining, with the arrangement that Dell's Maraschino Cherries would buy those same cherries. Beyond cherries, the highest volume of produce in demand was cabbage (both conventional and organic), peppers (all varieties), and potatoes which sold at 18,075, 7,250, and 6,000 pounds respectively.

Large Pilot

Gourmet Boutique and Dagele Brothers Produce

Purchase dates: 7/16/10-11/5/10

Frequency: Weekly

Distribution Method: Farm direct delivery

Product	Total LBs Purchased	Total Cost
Cabbage Green	4,000	\$435.00
Cabbage White Large Heads	4,000	\$300.00
Carrots Raw loose	250	\$55.00
Celery Raw	1,500	\$1,152.00
Eggplant	1,200	\$1,017.50
Garlic		\$660.00
Onion (25# Jumbo red)	500	\$160.00
Onion (Red)	3,125	\$1,696.25
Onion (Spanish)	3,250	\$1,115.00
Parsley (Curly Fresh)		\$239.00
Parsley (Plain)		\$87.00
Peppers (Green Raw Medium)	1,750	\$1,350.00
Peppers (Mix)	2,000	\$1,435.50
Peppers (Red Raw)	3,500	\$4,777.50
Peppers (Sun Tan)	400	\$520.00
Potatoes (Red B Domestic)	6,000	\$2,390.00
Swiss Chard	276	\$458.25
Tomatoes 6x6	150	\$114.00
	27,901	\$17,962.00

Gourmet Boutique is a large producer of packaged salads with 200+ employees located in Jamaica, Queens. Dagele Brothers Farm is a midsized producer and distributor of diverse vegetable crops located in Florida, NY. The company also distributes oranges.

While Gourmet Boutique has trucks and capacity to pick up produce, the company was seeking producers who could deliver direct to the factory. Gourmet Boutique uses more than 6,500 pounds of vegetables each week that are widely available in New York, including items such as cabbage and potatoes that are available for most of the year. Volume requirements limited the business opportunity to larger conventional growers who had agreed to participate in the pilot project, Dagele Brothers Farm, Eden Valley Growers, and Hoeffner Farms. Hoeffner sells at Wholesale Greenmarket in Hunts Point, Bronx, NY. Gourmet Boutique chose to work with Dagele. Dagele Brothers also aggregates additional Orange County, NY produce and delivered product from Davandjer Farms.

The pilot project was successful to both parties, resulting in \$17,962 in revenues for Dagele Brothers and Davandjer. The companies plan to continue working together and with more time to plan. Due to Gourmet Boutique’s produce usage, this relationship has great potential to grow, especially with more planning for 2011.

Dell’s Maraschino Cherries and Singer Farms (through Travers City Coop)

Purchase date: 7/1/10

Frequency: Once

Distribution Method: Not applicable

Product	Total LBs Purchased	Total Cost
Cherries	30,000	\$15,900 to Travers City Coop, MI \$6,000 to Dells

Dell’s Maraschino Cherries has been processing cherries in Red Hook Brooklyn since 1948. The conventional maraschino cherry industry is extremely price competitive and the industry relies primarily on Northwest, Michigan and Eastern European brined, pitted cherries. New York State no longer has the capacity to brine and pit cherries. Singer Farms is one of the last growers of brining cherries in NY. In order to provide the finished product to Dell’s, the cherries needed to be shipped to Travers City Coop in Michigan. The MI farmer cooperative was paid \$15,000 for 30,000 lbs of Singer Farms cherries, only \$6000 of this went back to Singer Farms. Singer Farms was satisfied with the price and terms.

The farmer considered and researched investment in brining capacity. However, due to the toxicity of the conventional process and thus, high OSHA requirements, the farmer has decided not to pursue this. He will continue to research more sustainable brining techniques. He is considering the overall value of the variety of brining cherries and is contemplating replacing the trees with other fruit. Dell’s hopes to continue working with Singer Farms.

Water Lilies – Dagele Brothers

Purchase dates: 8/12/10-9/1/10; 9/23/10-10/22/10

Frequency: Bi-weekly

Distribution Method: Farm direct delivery

Product	Total LBs Purchased	Total Cost
Cabbage	12,000	\$2,900.00
Scallions	870	\$210.00
Onions	200	\$64.00
Celery	1,550	\$542.50
Carrots	500	\$132.00
	<i>15,120</i>	<i>\$3,848.50</i>

Water Lilies Food is a producer of Asian appetizers and entrees, both conventional and USDA organic. The company employs an estimated 40 people. KidSmart, a California processor of foods for schools, on contract with NYC Department of Education, SchoolFood, contracted with Water Lilies to make healthy vegetarian egg rolls for Northeast schools. The KidSmart product is Pride of NY as it is processed in the state, but did not include local ingredients prior to the *Farm to Factory* project.

For carrots, cabbage and scallions for Water Lilies’ conventional egg roll used by NYC schools, the company was matched with Eden Valley Growers, Dagele & Davandjer Farms, Hoeffner Farms, and Pedersen Farms. Water Lilies chose to work with Dagele Farms. While Water Lilies was interested in sourcing local foods, it took additional follow up from the project team to move this relationship forward. The primary product ordered was cabbage available into March. Since the last October order, the farmer has been in touch with Water Lilies a number of time, but has been told that price is an obstacle although the farmers pricing is competitively aligned with the commodities market.

Water Lilies and Finger Lakes Organics (FLO) via Regional Access

Purchase dates: 9/21/10-11/2/10

Frequency: Weekly

Distribution Method: Via Regional Access

Product	Total LBs Purchased	Total Cost
Organic Cabbage	6,075	\$2,673.00

Finger Lakes Organic Growers Cooperative is a member-owned wholesaler of certified organic vegetables, herbs, fruits, and nuts in operation since 1986. There are 24 member farms. Water Lilies was seeking organic cabbage. During spring conversations, Water Lilies representatives expressed a desire for cabbage earlier than the expected August delivery date. FLO member, Willow Grove Farm, opted to attempt to grow an earlier variety of cabbage. It was not a variety known to the buyer and thus required testing by Water Lilies to make sure it could meet flavor, size and texture needs. The spec and taste

protocol delayed delivery. The product passed the tests, but due to delays, the product was no longer available by the time it was approved.

Water Lilies began purchasing cabbage in September when the variety it was looking for was harvested. The company purchased into November until the supply was exhausted. There was not an organic storage variety available to accommodate this demand.

FLO plans to continue working with Water Lilies and to plan ahead to increase capacity to meet volume needs. Although price was an issue for Water Lilies for organic products, it did not represent the same barrier as it did for conventional cabbage purchases. The company is willing to pay a premium for organic as their organic line can command a premium price.

Baldor & Dagele Brothers/Davandjer

Delivery date – 9/16/10

Frequency – Once

Distribution Method: Farm direct delivery

Product	Total LBs Purchased	Total Cost
Romaine	100 cases/2400 lbs	Donated for test.

Baldor Specialty Foods, founded in 1991, is a “one-stop shop” distributor of specialty foods with a strong expertise in fresh produce. Baldor has its main corporate headquarters, warehousing and distribution center in a 200,000 sf facility on 15 acres in Hunts Point, the Bronx. The company employs 600 people. Baldor Freshcuts is the fresh processing division of the company dedicated to cleaning and cutting fresh produce to order.

NYSDAM has been working closely with Orange County growers, Cornell Cooperative Extension and NYC Department of Education (DOE), SchoolFood to provide local washed, bagged romaine to the city’s public schools. There have been major investments in salad bars for school cafeterias as well as regular salad offerings within the school menus. NYC schools has also replaced iceberg lettuce, which is less nutritious than romaine and cannot be grown locally in the Northeast, with romaine. From July 2009 through June 2010, SchoolFood purchased 667,167 lbs of romaine, 18,464 cases of iceberg lettuce and 73,495 5lb. bags of salad mix demonstrating a major opportunity for local washed, cut romaine.

After more than two years of research and efforts to develop NY packaged romaine for public schools, NYSDAM has identified Baldor as one of, if not the only existing facility in the state with the capacity to wash, cut and bag salad greens. Dagele Brothers farm is interested in developing relationships specifically with the city school system and other public institutions. Dagele Brothers and Davandjer Farm grow romaine for the regional retail grocery market, so have demonstrated capacity to meet NYC Department of Education’s (DOE) demand for romaine during the season from May through October.

Baldor and Dagele Brothers agreed to a test run of 100 cases of donated romaine which took place on September 16, 2010. NYC DOE, SchoolFood received the processed romaine on September 17th for a two-week test of the products flavor, quality and storage capability. The quality was very high. The

product varies from California romaine in its color and flavor and texture. It is a much deeper green leaf, more flavorful variety with lower water content. The test results were positive.

Next steps are for Baldor and Dagele Brothers to negotiate a fair price for the farmer that will still allow for a price point that will work for NYC SchoolFood. These discussions are currently underway. Conversations to date have sent up some flags that while Dagele Brothers prices are very competitive with the market, Baldor is interested in lower pricing.

Small Pilot

Of the 6 small processors interested in participating in the pilot, the team was able to facilitate matches for four.

Brooklyn Brine – Blooming Hill Farm

Purchase Dates: 4/10/10

Distribution Method: Farm direct delivery

Product	Total LBs Purchased	Total Cost
Sun chokes	100	\$100.00
Ramps (wild leeks)	80	\$480.00
	180	\$580.00

Brooklyn Brine is a small, but rapidly expanding pickler based in Brooklyn. During the project the company had one full-time employee, its owner. The project team worked with Shamus to coordinate an order with Blooming Hill Farms. Farmer, Guy Jones, produces over 300 vegetable varieties, including rarer items such as the sunchoke and ramps ordered by Brooklyn Brine. At the time of the project, Brooklyn Brine was too small to meet order requirements of larger, more cost effective growers. The company has since struck a national deal with Williams-Sonoma and is ramping up ingredient volume and staff. Shamus will continue to work with the Department to identify local suppliers.

Guy Jones price points were an obstacle to moving forward. Again, order volume may make a difference for the 2011 growing season.

The D.P. Chutney Collective – J. Glebocki Farms

Purchase Dates: June 19 – ongoing

Distribution Method: Market pick-up

Product	Total LBs Purchased	Total Cost
Carrots	10	\$7.50
Corn	16	\$4.50
Green tomatoes	10	\$15
Zucchini	10	\$18
Okra	10	\$20

Product	Total LBs Purchased	Total Cost
Onion	10	\$5.50
Bell pepper	10	\$15
Cucumbers (Kirby)	10	\$15
	96	\$100.50*

*estimated amounts and costs for one pick-up based on feedback from owner Drake Page.

D.P. Chutney Collective is a one-employee-owner processor of chutneys and mustards located in Greenpoint, Brooklyn. The company participated in the Fort Greene farmers market tour where a connection was made with Glebocki Farms. Due to its size and volume, Drake Page, owner, picked up product at the market. The above reflects one market pick-up. Page continues to work with Glebocki Farms. It has been a very positive relationship. Order volumes are small, but Page is part of a network of micro-processors in Brooklyn. His success with the farm could lead to additional leads for the Glebocki.

The D.P. Chutney Collective – Red Jacket Orchards

Purchase Dates: June 2009 to present

Frequency: Continues to purchase from supplier

Distribution Method: Market pick-up

Product	Total LBs Purchased	Total Cost
Apples	10	\$9.99
Pears	10	\$11
Apricots	8	\$16
Plums	10	\$20
Quince	8	\$20
<i>Total*</i>	46	\$76.99

*estimated amounts and costs for one pick-up based on feedback from owner Drake Page.

The D.P. Chutney Collective also connected with Red Jacket at the Fort Greene Farmers Market tour. Due to the fact that the company is picking up, exchanging cash at market, the farmer has no records of transactions and the company has limited capacity for the tracking required by this project. Page was unable to give us Red Jacket data, but continues to work with Red Jacket, picking up at multiple market sites.

The Good Batch – Rexcroft Farms

Date: June 2009, one-time

Distribution Method: Market pick-up

Product	Total LBS Purchased	Total Cost
Honey (5 gallon)	60lb	\$200

The Good Batch is a micro-processor of stroopwaffles, Danish waffle cookies with honey filling. The owner, Anna Gordon, was seeking a local source for honey. She connected with Rexcroft Farms at the Fort Greene. At the time, the 5 gallon drum provided over one month's worth of honey for her production. The company is growing and is expected to source from Rexcroft during the farm's 2011 honey season.

New York Naturals – J. Glebocki Farms

New York Naturals – J. Glebocki Farms

Purchase Dates: 10/18 and 10/26/10

Frequency: Twice

Distribution Method: direct delivery

Product	Total LBS Purchased	Total Cost
Kale	30 cases/720 lb	\$360 est.

New York Naturals is a small processor of kale chips. During the height of the project the company was new and just building its business in NYC specialty food and health food stores. It is now rapidly expanding into Whole Foods and other grocery chains. The processor joined the pilot later in the project. We were able to match New York Naturals with Glebocki Farms, but it was the end of the main kale season. There was one order, and then discussions of Glebocki planting for New York Naturals for the 2011 season.

Due to the company's expansion, there is great interest in getting a larger volume of local kale that is pre-washed with stems removed/cut. Joe Orr, the owner, has reached out to Dagele Brothers and Glebocki Farms for the coming season.

Challenges & Lessons Learned

Farm to Factory was a successful pilot project on several levels. New business relationships were formed between New York State farmers and New York City food processors—some of which we anticipate to be long-lasting. In addition, all of the small pilot participants indicated that local sourcing was a priority for their company and its business model. Those that were unable to make a match indicated that they would still be interested in learning about new opportunities for local sourcing options. However, this pilot also revealed a series of barriers that must be addressed in order to establish and grow the local supply chain.

The primary challenges we encountered throughout the project (at both the large and small scales) were in the areas of:

- **Distribution**
- **Availability of organic produce**
- **Consistent quality & availability**
- **Processing capabilities**
- **Competitive and variable pricing**
- **Buyer commitment**

Distribution is a key factor to ensuring a reliable sourcing relationship between the farmer and food processor. We discovered that both large and small firms prefer if not require direct delivery to their facilities. From the buyer perspective, direct delivery cuts the cost of time and labor in picking up the ingredients from an alternate location, and micro-processors in NYC may not even have a vehicle to consistently use for pick-up at a farmers' market or other site. The growers appear to be willing to provide a delivery service for substantial orders or will use a distributor such as Regional Access. In some instances, we have reports of farmers delivering to the small processors. However, this is not an ideal strategy if it creates additional truck trips that can become costly to the farmers in terms of time and fuel and harmful to the environment as a result of additional air emissions.

The project team pursued other distribution strategies for the start-up or micro-processors because many respondents noted that incorporating locally grown ingredients into their products was core to their business philosophy. Yet the majority of small processors are run by owners who also have a day job, which can lead to off-hour production times and less availability to leave the facility and pick up ingredients elsewhere. Thus we proposed utilizing the city's farmers markets as alternative locations that would sell wholesale and hold consistent hours, lending themselves to both grower and buyer schedules.

The network of urban farmers markets now operating throughout New York City has reached 120. All of the participating small processors were located in Brooklyn, which has 33 farmers markets, including 11 Greenmarkets with at which a number of farmers are willing to provide wholesale pricing, and which are open at various times and days throughout the week. When surveyed, four out of five participants said they would be willing to pick up their produce and other local ingredients at one of these neighborhood markets, however, only two actually did this. Small processors were introduced to growers who sell at multiple Greenmarket locations. These growers do sell and deliver to wholesale customers located near their Greenmarket sites, if the order meets minimum requirements.

Conclusions and next steps

Efforts to make this a viable option for more growers and buyers will be resumed in the *Farm to Bakery* pilot project with the Wholesale Greenmarket as well as retail Greenmarkets.

Availability of New York-grown organic produce in sufficient volume for the wholesale processing market was a challenge. Finger Lakes Organic Growers Cooperative (FLO) is a supplier of a wide variety of certified organic produce to NY City retail markets. FLO was able to provide cabbage and carrots to meet the needs of Water Lilies organic line for a short period of time.

Conclusions and next steps

The pilot with Water Lilies shows an opportunity to grow the supply of organic produce for the processor market. NYS Department of Ag & Markets might play a role, such as, to help organic growers and associations like FLO expand their capacity.

Consistency and quality were issues for both farmers and food processors, but for separate reasons. The variety, size, and quantity of an ingredient are crucial to a food processor—especially because their products have been developed using only certain types and sizes of an ingredient. An unexpected variation can lead to quality control issues with the flavor profile of a product, pose difficulties or a risk of damaging the processing equipment. In addition, several instances were reported where the produce arrived unclean, forcing the manufacturer to spend extra time and labor in preparing the item for processing.

Conversely, farmers were at risk of not making the sale if the food company determined it could not use the ingredient once it had already been delivered because the produce did not meet their requirements. In the few instances reported, the farmer was willing to take back the unwanted items. But, if a crop is harvested for a specific processor, as in the case of the earlier variety of cabbage tested by Water Lilies, this can result in the farmer having too little time to find new customers for unsold yields.

Availability of produce was a challenge for processors. Some food companies reported that when a farmer did not have enough of an ingredient to fulfill an order, it created extra work as they had to contact additional suppliers to complete an order.

Conclusions and next steps

Grower and buyer need to have in-depth communication as early as possible, ideally during the winter before seed orders. Both parties will benefit: the farmer will gain an understanding of the processes and requirements for the ultimate end product and identify appropriate varieties; the company will learn about the farms, varieties and seasonality. The timeline for the pilots was designed for this communication to begin in early 2010, but proved challenging to get communications started, as it is a change in the customary procedures of food manufacturing buyers.

Additional **processing capabilities** of the produce may have yielded a higher price for the farmers. Dell's agreed to purchase 30,000 lbs of brined and pitted cherries that were grown by Singer Farms. Unfortunately, New York State lacks any facility to pit and brine the cherries. Singer Farms sold 1.5 tons of cherries to Traverse City Coop, which pitted, brined and sold them to Dell's for its maraschino processing. The concern here is twofold: the farmer receives a lower price for the cherries because they need to be sold immediately after harvest at the "going price." If the farmer could pit and brine the

cherries, they could be stored and sold later, with more possible opportunity for price negotiation. Further, the economic multiplier effect of the local sourcing was not fully maximized since the cherries had to be sent out of the region for additional processing.

In another instance, New York Naturals, a small manufacturer who produces a seasoned dry kale product, reported that he would have been willing to pay more for additional processing of the kale. The added steps would have included washing and chopping of the kale stems. Labor costs are high and time is short for food processors in New York City. They are therefore willing to pay extra for steps taken higher in the supply chain to ease processing.

Conclusions and next steps

Both the brining cherries and kale pilots demonstrate the need and opportunities for building capacity on the farm or with other businesses for processing steps.

Competitive pricing is important for all parties involved. The economic case must be made at both ends of the supply chain in order for local sourcing to be successful. Overall, we received positive feedback from the large-scale food processors when asked if the cost of the local produce was comparable to what they paid for ingredients sourced out of the region.

The pilot was less successful in terms of a competitive price point for small processors. We attribute this issue to an economy of scale (orders are too small) and an inconsistent pricing strategy amongst the farmers. While, for the most part, prices were comparable, there was an extreme case where one company purchasing two to three bushels of pickles was able to buy them from a supplier in New Jersey for \$12-\$17/bushel. When the company sought to buy from a participating farmer, they were quoted \$1.50/lb. (there are 50 lbs. in one bushel), equaling \$75 or a \$58-\$63 higher cost. Several companies in this segment of the pilot found it easier and cost neutral to order from their current supplier than engage with the New York State farmer. While these prices reflect a comparison between a retail-priced specialty cucumber and a wholesale-priced commodity variety, and are not indicative of typical wholesale pricing for New York-grown produce, it raised a red flag for the processor. While the study results by no means encourage farmers to undervalue products for the processing market, it is clear that processors need resources to identify those farmers that fit their specifications, including pricing, to avoid time wasted on poor fits such as the one described above.

Although the growers who sold to the larger processors did offer competitive prices, they need to see the volume per delivery increase to make a sustainable margin. Small and mid-size growers who have a business model of selling mostly to retail outlets at higher wholesale prices can benefit from identifying locally-focused small processors willing to pay those higher prices. Consistent sales, opportunities to sell less than “perfect” produce for processing, and the potentially higher purchase volumes may also justify considering pricing specifically for the processor market.

Conclusions and next steps

Growers, food manufacturers, NYS Ag & Markets and non-profits such as NYIRN can leverage the added value of locally grown ingredients with marketing efforts that highlight local, such as the Pride of New York program. This did play a role with several of these pilots who are hoping to gain access to retail shelf space or institutional buyers. For example, Dell’s Maraschino Cherries participated in the pilot specifically to appeal to larger retailers including Wegman’s and Walmart that use the Pride of New

York program to identify locally grown and processed products. Through the Pride program, Dell's was able to connect with new buyer contacts.

As mentioned above, the New York State farmers in these pilots would like to have communications and information exchanged very early, ideally before seed is ordered for the coming season. Growers do not want a contract, but in order to supply large volumes do need to reach an understanding with the food processing companies that, if quality is met, prices are reasonably competitive, and expected harvest time is clear and up-to-date, the buyer will be ready to place orders. This is, however, contrary to the business practice of manufacturers who order fresh produce based on week-to-week sales and production needs.

A secondary goal of the project was to encourage processors to be more flexible or responsive to New York produce varieties when in season, for the ingredients of at least some of their product line. While smaller artisan processors preparing by hand have flexibility to experiment with new products, larger processors have complex systems and thus complex testing procedures. The examples of Baldor and Water Lilies demonstrated that testing new ingredients can take time. Two to three weeks lost during New York's short growing season can have significant impact on farmer sales and product availability. Short seasons and testing may result in a year-long sales cycle in some cases. But, if potential sales are significant, as they are in the case of chopped romaine for the NYC Department of Education, it can be a worthwhile time investment for the farmer.

Replicating the Model

There is great opportunity to replicate the *Farm to Factory* model in other urban areas. The benefits surmount the challenges in terms of economic development prospects, positive environmental impacts, and a simplified food supply chain. And while the *Challenges & Lessons Learned* section detailed several barriers, there are several successes from which to build. **Most notably, all of the food processors that participated in this project stated that they will continue to seek opportunities to procure ingredients that are available from local farmers.** All but one company committed to continue ordering with their current grower. Those that were unable to buy (for various reasons) remain interested and optimistic that New York farmers can be found to provide them with locally-grown ingredients for their products.

In order to increase interest and commitment among growers and buyers both NYIRN and NYSDAM will continue to promote the pilot on their respective websites. NYIRN will develop additional tools to avoid foreseen challenges that we experienced during the pilot. These items will also be posted on the websites to ensure easy and wide access for manufacturers, especially those who have not yet made a match. Some of these tools will include:

- ‘Top 10 Things to Do When Ordering Locally’ – a one-pager for manufacturers to use as a quick reference when talking with a grower.
- List of New York State farmers (participants and new members) who are interested in selling to the New York City marketplace.
- Promotion of NYSDAM’s Pride of NY® program—a low-cost marketing program that highlights a New York State’s agricultural products.
- Participating farmers will be included in NY MarketMaker™.

More information is available at the NYS Agriculture & Markets website at <http://www.agmkt.state.ny.us/ap/ftf/>.

Appendix I: Farm to Factory Suppliers



Product availability is subject to change.

Vegetables

Eden Valley Growers David Walczak Jennifer Yuhas Gary Balone	P 716-992-9721 dnwedenvally@roadrunner.com	cabbage, peppers, summer squash, corn, eggplant, grape tomatoes, winter squash, leafy lettuces... seasonal produce list at www.edenvallygrowers.com
Sam Tassone Tassone Farms 7993 N. Vernon Rd Cicero, NY 13039	P 315-699-3442 F 315-699-1396	cabbage, peppers, tomatoes, winter squash, zucchini
Pat or Joseph Sidoti Sidoti Produce Farms PO Box 127 325 Pulaski Hwy Pine Island, NY 10969	P 845-258-4866 F 845-258-5049	onions, winter squash
Andrew Gurda Davandjer Farms PO Box 361 Pine Island, NY 10969	P 845-258-4422 F 845-258-4852 agurda@optonline.net	beets, cabbage, carrots, cucumbers, onions, winter squash, zucchini
Frank Dagele Dagele Brothers Produce 40 Stream Drive Florida, NY 10921	P 845-651-4590 F 845-651-6888 dagelebr@warwick.net	beets, cabbage, carrots, cucumbers, onions, peppers, potatoes, tomatoes, winter squash, zucchini
Jack Hoeffner Hoeffner Farms 405 Goodwill Rd Montgomery, NY 12549	P 845-457-3453 F 845-427-9924 jhoeffe@frontiernet.net	beets, cabbage, cucumbers, eggplant, peppers, potatoes, tomatoes, winter squash, zucchini
Rick Minkus Rick Minkus Farms Inc 101 Celery Ave New Hampton, NY 10958	P 845-374-7708 F 845-355-2836	onions, winter squash spring mix, arugula, spinach - 3# packs
Rick & Laura Pedersen Pedersen Farms PO Box 176 Seneca Castle, NY 14547	P 315-781-0482 F 315-781-1526 pedersen@rochester.rr.com www.pedersenfarms.com	asparagus, zucchini, cabbage, pickling cucumbers, cauliflower, winter squash, pumpkins, grape and cherry tomatoes, both OG and conventional grain, OG edamame
John Glebocki J. Glebocki Farms 9 Maloney Lane Goshen, NY 10924	P 845-651-8088 john@glebockifarms.com www.glebockifarms.com	beets, cabbage, carrots, cucumbers, onions, peppers, potatoes, tomatoes, winter squash, zucchini spring mix, baby greens
Kenneth A. Migliorelli Migliorelli Farm LLC 46 Freeborn Lane Tivoli, NY 12583	P 845-757-3276 F 845-757-3278 ken@migliorelli.com www.migliorelli.com	beets, carrots, tomatoes, zucchini apples, peaches, pears
Guy Jones Blooming Hill Farm 1251 Rt. 208 Blooming Grove, NY 10914	P 845-782-7310 F 845-774-1045 bloominghillguy@yahoo.com www.bloominghillfarm.com	

Vegetables continued...

Daniel & Ted King Rexcroft Farm LLC 389 Leeds-Athens Rd Athens, NY 12015	P 518-945-1244 F 518-945-1244 dhk863@mhccable.com www.rexcroftfarm.com	beets, cabbage, carrots, cucumbers, onions, peppers, potatoes, tomatoes, winter squash, zucchini
Finger Lakes Organic Growers Co-operative Janet Cawley	P 315-587-4597 flo.coop@gmail.com www.fingerlakesorganic.com	See list and harvest season at www.fingerlakesorganic.com

Fruits

Jim Bittner Singer Farms 6620 Lake Rd Appleton, NY 14008	P 716-778-7330 F 716-778-7713 jim@singerfarms.com www.singerfarms.com	apples for juice or peeling peaches – frozen, sliced cherries – tarts frozen brining cherries
Brian Nicholson Red Jacket Orchards 957 Rtes 5 & 20 Geneva, NY 14456 Ethan Poole Red Jacket Orchards 957 Rtes 5 & 20 Geneva, NY 14456	P 315-787-0104 F 315-781-2875 epoole@redjacketorchards.com www.redjacketorchards.com	apples, peaches, cherries, strawberries, apricots, plums (sugar and European), nectarines, grapes
Kenneth A. Migliorelli Migliorelli Farm LLC 46 Freeborn Lane Tivoli, NY 12583	P 845-757-3276 F 845-757-3278 ken@migliorelli.com www.migliorelli.com	apples, peaches, pears beets, carrots, tomatoes, zucchini
Kevin Bowman Bowman Orchards LLC 152 Sugar Hill Rd Rexford, NY 12148	P 518-371-2042 F 518-371-2058 baumanapples@yahoo.com www.baumanorchards.com	apples, peaches, winter squash dried apples, apple cider

Maple

Dwayne Hill Shaver Hill & Wood Home-stead Maple Syrup 335 Cornell Rd Stamford, NY 12167	P 607-652-6792 F 607-652-7590 shahill@pronetisp.net www.shaverhillfarm.com	maple syrup sweet sorghum granulated maple sugar maple cream maple sugar (molded candy)
David Campbell Mapleland Farms 647 Bunker Hill Rd Salem, NY 12865	P 518-854-7669 dave@maplelandfarms.com www.maplelandfarms.com	maple syrup granulated maple sugar maple cream
Lyle & Dottie Merle Merle Maple Farm 1884 Route 98 Attica, NY 14011	Merle Maple Farm P & F 585-535-7136 lyleanddottie@merlemaple.com www.merlemaple.com	maple syrup – 5 gal bag in box, Extra- Dark (Grade B) for cooking pure granulated maple sugar – 24# box maple cream – 25# pail

Flour/Grains

Tycho Dan sales rep for Cayuga Pure Organics & Farmer Ground Cayuga Pure Organics 18 Banks Rd Brooktondale, NY 14817	P 607-229-4483 F 607-273-2621 (call first) tycho@cporganics.com www.cporganics.com	Farmer Ground flours – wheat bread, wheat pastry, buckwheat, rye, spelt cornmeal, polenta, faro (emmer), wheat & spelt berries, whole live oat groats, whole barley
Log City Milling David Smith, VP 251 Townline Rd King Ferry, NY, 13081	P 315-364-7192 lcmilling@gmail.com http://logcitymilling.com	Split operation conventional & organic Pastry flour from local soft wheat Can grind other grains to customer specs Capacity: 1000 bushels/day Roller mills “better quality than stone ground”
Champlain Valley Milling Inc Sam Sherman POB 454 31 Champlain Ave Westport, NY 12993	Phone 518-962-4711 Fax 518-962-8799	Whole and white bread flour, pastry, spelt, rye, kamut, and cornmeal flours, cracked grains, and grain and seed mixes

Appendix II: Processor Overview



Linking NY State Farmers and NY City Food Processors

A project of the NY Industrial Retention Network and
NYS Department of Agriculture & Markets

The New York Industrial Retention Network (NYIRN) and the New York State Department of Agriculture & Markets, supported by a grant from the USDA Federal-State Marketing Program, have launched *Farm to Factory: Linking NY State Producers and NY City Food Processors*. This pilot project aims to strengthen the regional supply chain and facilitate the use of locally grown ingredients by food manufacturers and processors in New York City. Starting in November 2009, the project has an 18 month timeline.

While much attention has been given to the ‘locavore’ movement, where individuals commit to eating food grown or produced locally, fewer programs have focused on food manufacturers in order to support their use of locally grown ingredients. *Farm to Factory* fills this gap, building upon the rich agricultural economy of New York State and the many food manufacturers located in New York City. New York is a leader in agriculture: top products include milk, apples, cabbage, sweet corn, and snap beans and the state is ranked fifth nationally in fresh market vegetable production. New York City has a vibrant food manufacturing sector, with over 900 companies and 19,000 employees, and an annual estimated output of \$5 billion.

Farm to Factory strengthens the connections between upstate and downstate businesses, and seeks to develop economic opportunities for both. Farmers can expand their buyer base, and food companies can develop and market product lines to meet growing consumer demand for local ingredients.

Farm to Factory provides general assistance to farmers and food companies, including:

- Outreach and education related to sourcing locally grown ingredients
- Customized referrals to manufacturers of growers who produce key ingredients
- Outreach and information about the Hunts Point Wholesale Farmers Market

Companies selected to participate in the pilot program receive further assistance, including:

- Facilitation of sourcing relationships
- Distribution options
- Marketing assistance

The research and findings from the pilot program will be used to determine what is needed to scale up efforts to provide local ingredients to a greater percentage of the more than 900 food processors operating in New York City.

About the project team:

The New York Industrial Retention Network (NYIRN) is a non-profit economic development organization established in 1997 to strengthen New York City's manufacturing sector and promote sustainable development. NYIRN promotes products made in New York City through www.madeinnyc.org. More info at www.nyirn.org.

The New York State Department of Agriculture & Markets' mission is to foster a competitive food and agriculture industry that benefits producers and consumers alike. The pilot program is managed by the Urban Food Systems Program. More info at www.agmkt.state.ny.us/.

Glenda Neff is a consultant to agriculture and food businesses and non-profits with a focus on projects that build local economies and food systems. She is based in Auburn, NY.

For information about *Farm to Factory*, contact Tzipora Lubarr at NYIRN: 212- tlubarr@nyirn.org.



Appendix III: Farmer Overview



We are looking for a variety of farm products, in a range of weekly volumes, to supply a select number of NYC food manufacturers.

From Farm to Factory:

Linking NYS Food Producers to NY City Food Processors

- Do you sell your products into the New York City wholesale market?
- Are you selling at the Greenmarket or other farmers' markets in NY City, and interested in selling wholesale to other NY City businesses as well?
- Would you like to test out the wholesale market to NY City food manufacturers who are looking for quality NY farm ingredients?

From Farm to Factory: Linking NY State Food Producers to NY City Food Processors is a pilot program that might assist your farm to expand sales into wholesale markets in NY City.

The NY State Department of Ag & Markets has received funding from the USDA to conduct **Farm to Factory** pilot projects during 2010 to help NY City food manufacturing companies purchase NY farm ingredients. These are bakeries and food processors in the five boroughs of NY City who are making pastries, soups, salads, sauces and other food products. They see a market demand for “locally-grown” and appreciate the quality and taste of New York farm products.

Interested in participating in the NYC Farm to Factory Pilot?

Complete and return the questionnaire to:

**Glenda Neff
Farm to Factory
133 South St.
Auburn, NY 13021
FAX: 315-253-7988
PH: 315-255-6958**

Or request the questionnaire by email: xxxx@xxxx.com

For more information, contact Glenda Neff at xxx-xxx-xxxx or xxxx@xxxx.com. Thank you in advance for your time and interest in the Farm to Factory pilot project.

The Farm to Factory pilot project team consists of NYS Department of Ag & Markets (Christine Grace), the NY Industrial Retention Center (a NY City economic development organization), and consultant Glenda Neff.

Appendix IV: Supplier Survey Questions

PLEASE RETURN THE QUESTIONNAIRE BY FAX OR EMAIL TO:

XXX

Contact Information

Name _____

Farm Name _____

Address _____

City _____ ZIP _____

Phone _____ FAX _____

Email _____

Web Site _____

1. Please list your major crops and the approximate size of your annual harvest in pounds.

Crop	HARVEST VOLUME (POUNDS)

2. Do you currently sell into wholesale channels?

YES NO

3. If YES, how does your product get delivered to customers? Please mark all that apply.

We ship via commercial freight (incl independent truckers, UPS, etc)

We sell at Wholesale Farmers' Markets

List: _____

We sell wholesale/to distributors at the Hunt's Point Terminal Market.

We sell wholesale through our stand at one or more farmers' markets:

List: _____

We share trucking with other growers in our region.

We share trucking through a packer, co-operative or producers' association.
Please specify:

We have a distributor(s) Please specify:

4. Are your sales seasonal OR year-round ?

5. Do you market your products with any of these labels?

Pride of NY USDA Organic Certified Natural NY
 Food Alliance GAP other: _____

6. Do you offer any minimal processing of product – e.g. cut, chopped, peeled?
YES NO

7. If minimal processing is offered, which products and what processing?

8. Any other comments or information you think we should know about your farm business?

THANK YOU!

Appendix V: Buyer Survey Questions

1. Intro

NYIRN and the NY State Dept. of Agriculture and Markets have received funding from the USDA for a pilot program *From Farm to Factory: Linking NY State Producers and NY City Food Processors*.

Two pilot projects will be conducted this year to connect City food manufacturers with NY State growers, to facilitate the use of locally-grown ingredients. Participating manufacturers will receive assistance in identifying new sourcing opportunities, dealing with logistics of the distribution process, and marketing their products. The pilot program will help determine what is needed to scale-up efforts to strengthen the supply chain between NYC food manufacturers and NY State growers.

Please complete this SHORT survey to help us get a better sense of the issues faced in sourcing locally-grown ingredients. This survey will also help us select companies to participate in the pilot program.

Please complete this survey by **October 21, 2009**.

NYIRN is an independent, city-wide not-for-profit organization that helps manufacturers in New York City, based on principles of economic and environmental justice and sustainability. www.nyirn.org.

For more info, contact tlubarr@nyirn.org or 212-404-6990 x 16.

2. From Farm to Factory

1. What are your major products?

Product 1	<input type="text"/>
Product 2	<input type="text"/>
Product 3	<input type="text"/>

2. Have you asked your supplier about locally-grown/produced ingredients? (Local is defined as NY state or nearby NJ, CT, MA, PA, or VT)

- Yes
 No

3. Does your supplier readily provide you with information about its sources of locally-grown/produced items? (e.g. produce, dairy, grains, meats, honey, maple syrup and other regional products).

- Yes
 No
 Don't Know

4. How do you believe the market is changing for products that use locally-grown ingredients?

- Growing
- Staying the same
- Shrinking

3. From Farm to Factory

1. How might using locally-grown materials affect your product?

	Much Higher	Higher	No Effect	Lower	Much Lower
Freshness/Quality	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Production Cost	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Cost to Customer	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Environmental impact	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

2. Are you currently using locally-grown ingredients in your products?

- Yes
- No

4. From Farm to Factory

**1. Where do you currently purchase these locally-grown ingredients?
(check all that apply)**

- Hunts Point Cooperative Market
- NYC-BASED Independent Distributor
- Independent Distributor OUTSIDE of NYC, e.g. Regional Access, Angello's, Basis
- Jobber
- Farm
- Other NYC manufacturer

Other (please specify)

2. What is your primary reason for sourcing local ingredients?

- Market demand
- Quality
- Company mission
- Key product attribute
- Cost savings
- Existing relationships

Other (please specify)

5. From Farm to Factory

1. The following is a list of items which are grown/produced in New York State on a significant scale. Please indicate which are key ingredients for your products:

- | | |
|--|--|
| <input type="checkbox"/> Apples | <input type="checkbox"/> Maple Syrup |
| <input type="checkbox"/> Cabbage | <input type="checkbox"/> Onions |
| <input type="checkbox"/> Carrots | <input type="checkbox"/> Peaches |
| <input type="checkbox"/> Dried beans | <input type="checkbox"/> Peppers |
| <input type="checkbox"/> Flour | <input type="checkbox"/> Potatoes |
| <input type="checkbox"/> Grains (other than flour, ex. buckwheat, spelt, oats, millet) | <input type="checkbox"/> Tomatoes |
| <input type="checkbox"/> Honey | <input type="checkbox"/> Winter Squash |

Other locally-grown ingredients

2. Please indicate the volume PER WEEK that you typically use of each ingredient. Where appropriate, indicate whether you order this item seasonally or year-round.

Apples	<input type="text"/>
Cabbage	<input type="text"/>
Carrots	<input type="text"/>
Dried beans	<input type="text"/>
Flour	<input type="text"/>
Grains (other than flour)	<input type="text"/>
Honey	<input type="text"/>
Maple Syrup	<input type="text"/>
Onions	<input type="text"/>
Peaches	<input type="text"/>
Peppers	<input type="text"/>
Potatoes	<input type="text"/>
Tomatoes	<input type="text"/>
Winter Squash	<input type="text"/>
Other locally-grown ingredients	<input type="text"/>

6. From Farm to Factory

1. Please rate the following items 1-7 according to their importance in preventing you from sourcing locally (1 is the most important factor, 7 is the least important):

	1	2	3	4	5	6	7
Can't find sources (markets, distributors, suppliers, etc.)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Difficulty finding specific ingredients	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Higher Cost	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Limited quantity	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Poorer quality	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Seasonality of ingredients	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Difficulty finding space to store local ingredients	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

2. If you started using locally-grown materials would you incorporate it into your business marketing (i.e. *Our products are made of ingredients from New York State*)?

- All the time
- Sometimes
- Never
- We already do

7. From Farm to Factory

1. Please rate the following factors in sourcing ingredients:

	Very Important	Important	Not Important
Cost	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Taste	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Appearance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Seasonal availability	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Labeled organic	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Comment

2. Does seasonal availability affect how you order ingredients?

- No
- Yes. If yes, how?

3. Does packaging affect how you order your ingredients?

- No
- Yes. If yes, how?

8. From Farm to Factory

1. Do you want NYIRN to follow up with you about potential participation in the pilot program? Participants will receive assistance in identifying new sourcing opportunities, distribution logistics, and marketing. (Please note: by clicking yes, there is no obligation to participate.)

- Yes
- No

2. Contact Info:

Name	<input type="text"/>
Company	<input type="text"/>
Address	<input type="text"/>
City	<input type="text"/>
ZIP	<input type="text"/>
Email	<input type="text"/>
Phone Number	<input type="text"/>

3. General Comments