

Veggie Van Business Analysis Report



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Prepared for: Community Nutrition Partnership, Farmer Foodshare, and UNC's
Center for Health Promotion and Disease Prevention

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Executive Summary

The objective of this report is to analyze Community Nutrition Partnership's Veggie Van program in order to provide recommendations on how it can achieve financial sustainability.

After performing a break-even analysis, it was determined that Veggie Van would need to sell over 13,000 shares (over six times its current volume) at an average sales price of just under \$17 and earn over \$223,000 in sales revenue in order to break-even without the use of grants. Recommendations for reaching this level of sales include increasing marketing to attract new customers and retain current customers, increasing share prices, and/or merging with Farmer Foodshare's POP Market. Next steps should involve CNP and Farmer Foodshare reviewing the information provided in each business analysis report as well as working through the Green Cart Financial Model together.

Organization Overview

History

Community Nutrition Partnership (CNP) is a 501c(3) nonprofit organization located in Durham, North Carolina. It was established in 2009 by Lucia Leone and Rachel Tabak, two PhD candidates in the Nutrition Intervention and Policy program at the University of North Carolina's Gillings School of Public Health. Their original idea was prompted by the increase in the prevalence of food insecurity and poor nutrition during The Great Recession. To help counteract this increase, the two doctoral students considered starting a nonprofit restaurant that would serve healthy food at prices comparable to fast food restaurants. By using local, seasonal food, they could maintain low costs and grow a financially viable business that could fund nutrition education. They entered their idea in the Carolina Challenge—a business venture competition held at UNC Kenan-Flagler Business School—ultimately winning an honorable mention.

The positive feedback from the Chapel Hill community during the competition proved there was an interest in improving nutrition and food access in lower-income communities through local food. With this in mind, Lucia and Rachel launched CNP in 2009 by offering Cooking Matters, cooking classes with the goal of providing nutrition education to people with limited incomes. In September 2011, with \$500 of start-up funds and two volunteers, CNP launched the Veggie Van mobile market program by serving one lower-income housing site with around 100 households. The first business model involved buying left-over shares at cost from the Produce Box and selling small and large shares for \$10 and \$15, respectively. When the Produce Box suspended operations for the winter, CNP partnered with Eastern Carolina Organics (ECO)

to deliver shares to UNC Gillings School of Public Health, initiating Veggie Van’s workplace delivery service.

From January 2011 to December 2013, CNP partnered with other organizations focused on improving the local food system under the two-year Blue Cross & Blue Shield of North Carolina Foundation Healthy Communities Grant and Green Cart Program¹. Partner organizations included Farmer Foodshare, Inter-Faith Food Shuttle, Eastern Carolina Organics, and The Produce Box. The Green Cart Program’s goal was to operate 12 mobile market sites that served at least 25 people per site each market day, or 300 people across all sites. While CNP did not reach the 12 site goal, it did reach over 200 people even with a limited number of sites and decided it was more worthwhile to focus on increasing the size of each site versus expanding the number of sites.

The pricing model has also evolved since the initial one price option. In early 2013, after receiving encouragement from doctors at the Piedmont Health Center, Veggie Van started offering the regular, break-even price in addition to its low, community-supported price. In fall 2014, CNP used customer focus groups to determine whether Veggie Van should add a third, supporter price that would cover another customer’s share, with the program incorporating the third price after receiving positive results from the focus groups.

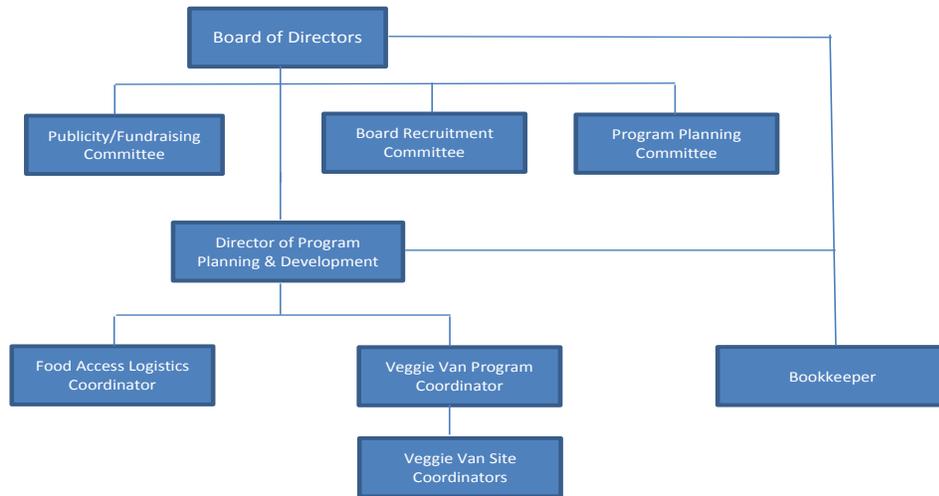
Throughout the organization’s history, CNP has stayed faithful to its vision and mission (see the corresponding sections below) and will strive to do so as it evolves in the future.

Personnel and Board of Directors

The Veggie Van staff includes two full-time staff—a Director of Programming and Development and a Program Coordinator—and four part-time staff—a Food Access Logistics Coordinator, Bookkeeper, and two Site Coordinators. See Figure 1 for CNP’s Organizational Chart and Figure 2 for Veggie Van’s Staff Position Descriptions.

Figure 1: CNP’s Organizational Chart

¹ <http://hpdp.unc.edu/research/projects/north-carolina-green-cart-program/>



Source: CNP Prospective Board Member Package

Figure 2: Veggie Van Organizational Chart

Veggie Van Staff Positions			
Position	Full-time or Part-Time?	Salary	Responsibilities
Director of Program Planning & Development	Full-time	\$48,000	Short- and long-term strategic planning, including fundraising; Managing President-directed assignments; Developing community and partner relations; overseeing program staff and operations; evaluating and improving business operations
Food Access Logistics Coordinator	Part-time	\$32,000	Accepting and checking quality of deliveries; Weighing, assembling and counting various quantities of vegetables and fruit; Assisting site coordinators with delivery preparations, including loading and unloading vehicles; Ensuring proper storage and disposal of produce; Ensuring sanitation of work stations
Bookkeeper	Part-time	\$15/hour	Filing and paying wage and sales taxes; Creating grant invoices; Deposit donations; Pay rent, utilities, and insurance bills; Recordkeeping
Veggie Van Program Coordinator	Full-time	\$10/hour	Scheduling and staffing weekly mobile markets and workplace delivery; Ordering and monitoring produce inventory; Overseeing weekly customer newsletters, volunteer requests, and customer service issues; Coordinating new mobile market sites
Veggie Van Site Coordinators (2)	Part-time	\$250/month stipend	Assisting with tasks and activities pertaining to distribution logistics and pick-up management

CNP's Board of Directors currently consists of three experienced health behavior, health policy, and business professionals²³:

Lucia Leone, PhD, President. Lucia Leone is the co-founder and President of CNP. Lucia is currently an Assistant Professor in Department of Community Health and Health Behavior at the University at Buffalo. Her research involves multi-level interventions designed to increase healthy behaviors including fruit and vegetable consumption, physical activity, and cancer screening among vulnerable populations. She received her doctorate from Department of Nutrition at UNC Gillings School of Global Public Health and her Bachelor's degree in Health and Societies from the University of Pennsylvania.

Lindsey Haynes-Maslow, PhD, MHA, Treasurer. Lindsey Haynes-Maslow is a food systems and health analyst in the Food & Environment Program at the Union of Concerned Scientists in Washington, DC. Lindsey researches and advocates for policies that lead to healthy, sustainable food and farming systems. She has a Ph.D. in Health Policy and Management from the University of North Carolina at Chapel Hill. She also earned a Masters in healthcare administration and a Bachelor's in public health from the University of North Carolina at Chapel Hill.

Brianna Honea, MBA. Brianna Honea is the Business Director of the Women's Birth & Wellness Center in Chapel Hill, NC. Brianna brings more than 10 years of experience in nonprofit medical management. Brianna earned her Bachelor's degree in marketing and Masters of Business Administration from East Carolina University.

Vision

To have healthier low-income communities where the demand for local, affordable food is satisfied, and traditionally disadvantaged farms are financially sustainable.

Mission Statement

"Veggie Van uses market-based approaches to increase access to healthy, local food for people of all incomes and backgrounds."⁴

Products and Services

² CNP is waiting to fill open Board Member positions until a strategic plan is decided on. Open positions include Chair, Vice Chair, and Secretary

³ Board of Directors' descriptions are from the Prospective Board Member Package

⁴ <http://www.cnpsc.org/index.php/about-us>

Veggie Van provides low-income communities with shares of local, high-quality seasonal produce sourced year-round from small- to mid-sized farms. The program also sells individual produce items. However, since Veggie Van passes the cost savings it receives from buying in bulk on to the customer, the shares are the best value for costumers. The produce mix in a share, or box, varies depending on the season, availability, and customer preferences when they can be accommodated, but the produce mix in each share is consistent within a given week.

In order to keep share prices affordable for all income levels, Veggie Van offers a sliding-scale pricing model as well as the option of choosing small or large share sizes. The small share generally feeds 2-3 people for a week whereas the large share generally feeds 3-5 people. Veggie Van allows each customer to choose the price-level he or she is comfortable paying, without requiring proof of income and provides the following as a guide (figure 3):

Figure 3: Sliding-scale Pricing Model



Source: CNP Mobile Market Policies Report

The program provides two distinct services to distribute the box shares the community: a mobile market and workplace deliveries.

Mobile Market. The Veggie Van Mobile Market brings produce to community centers in Chapel Hill and Durham with sites chosen based on partner relationships, high foot-traffic potential, and convenience for low-income residents. Since many low-income residents claim unreliable transportation as a main deterrent to shopping at local produce markets, selecting site locations that are well-positioned in the community is an important strategic decision for Veggie Van. During the 2014 calendar year, the program managed five mobile market sites in the RTP region selling a total of 1,524 shares and made plans to open four additional sites in 2015. The sites include often-visited healthcare centers and community spaces, such as a recreation center and a public library. Mobile market customers can pre-order shares on a weekly basis or walk-up on the day of the market. Furthermore, the mobile market sites accept SNAP/WIC benefits.

Veggie Van Mobile Market Sites and Shares Sold During 2014		
	2014 Shares	% of Total Shares
Durham Health Department	1149	75.39%
Piedmont Health	115	7.55%
Durham Tech	125	8.2%
Cornwallis	34	2.23%
Charles Drew	101	6.63%
Total	1,524	100%

*Four additional sites will be added in 2015 through a partnership between Veggie Van and the Durham County government: Durham County Library, Duke Family Medicine Center, Lincoln Community Health Center, and Walltown Park Recreation Center

*As of the end of 2014, Durham Tech and Cornwallis are no longer mobile market sites.

Veggie Van Mobile Market Pricing Options						
Mobile Market Price Levels*	Community-Supported**		Regular		Supporter	
	Small	Large	Small	Large	Small	Large
Share size						
Single share	\$10	\$15	\$17	\$22	\$24	\$29
Auto-payment (weekly or bi-weekly share from any location)	\$8	\$12	\$15	\$20	\$22	\$27
Package of 3 shares	\$9	\$13.50	\$16	\$21	\$23	\$28

*Prices include tax and are lower for EBT users since they are tax-exempt.

**Community-supported prices are not available online

Workplace Subscriptions. Veggie Van offers workplace deliveries for those customers who value an extra level of convenience. In 2014, Veggie Van served about 160 subscribers at an average of seven Chapel Hill/Durham workplaces per session (4 sessions per year). The sites included

the University of North Carolina, health centers, and apartment complexes among others. The workplace delivery service offers similar pricing options as the mobile market, however, the community-supported price is not available. Veggie Van’s workplace delivery service also requires customers to pay a multi-week enrollment or pass ranging from bi-weekly to 12-week subscriptions.

Workplace Delivery Pricing Options				
Workplace Delivery Pricing Levels	Regular		Supporter	
	Small	Large	Small	Large
Share size				
12-weeks (enrollment)- can skip one week	\$17	\$22	\$24	\$29
6-week pass (must be used w/in 3 months)	\$18	\$24	\$24	\$29
Two-week (trial offer)	\$18	\$24	\$24	\$29
Auto-renew (box every week or every other week)*	\$18	\$24	n/a	

*The auto-renew option has an additional \$5.00 set-up fee.

Suppliers

Veggie Van currently sources its produce from two local aggregators whose missions align with CNP: Eastern Carolina Organics (ECO) and Farmer Foodshare (FFS), with the majority of produce coming from the later (about 70% FFS vs. 30% ECO).

Eastern Carolina Organics, Durham, NC. Established in 2004, ECO is a farmer-owned organization that supports organic farmers while increasing the availability of local organic produce. The organization educates farmers and the public about the benefits of organic produce, assists farmers in transitioning to organic, and markets and distributes produce to retailers, restaurants, and buying clubs. In 2013, ECO brought in \$3.8 million in sales, worked with over 100 farmers, and had 13 full-time employees. Eighty percent of ECO’s sales are returned to the farmers, enhancing farmer’s livelihoods and enabling sustainable land use practices.⁵

⁵ <http://www.easterncarolinaorganics.com/about.php>

Farmer Foodshare’s POP Market, Durham, NC. Initiated in 2012, the POP Market connects North Carolina “farmers that are excluded from traditional markets, including (but not limited to) farmers of color, women farmers, and beginning farmers,” with nutritionally underserved communities. Its dual mission seeks to “improve the livelihood and well-being of growers and eaters alike.”⁶

Each week, CNP reviews a list of available produce and chooses a variety based on grocery store price comparisons. If the price of an item from ECO or FFS is substantially higher than what a customer could find in a local grocery store, CNP will refrain from buying that item. The organization ensures that each share has a price point of \$7.50 and receives formal and informal feedback on customer preferences.

Only after the produce mix and quantities are set for the week do the suppliers harvest the selected crops. The farmers deliver the produce to ECO and FFS who in turn deliver the produce to CNP. Since FFS and CNP currently share cold storage space in their co-rented warehouse, this second delivery step is eliminated. CNP then arranges the shares to be distributed via the mobile market sites or workplace delivery. Customers usually receive their shares within 2 days of the produce being harvested to ensure fresh, high-quality produce.

Competitive Analysis

Potential Local Competitors

According to the Feeding America Map the Meal Gap 2015 report, 18.2% of Durham County’s population was food insecure in 2013 (approximately 50,380 people), and 15.4% of Orange County’s population was food insecure (approximately 20,900 people).⁷ Meanwhile, North Carolina is the eighth largest farming state in the United States. In addition to Farmer Foodshare and Community Nutrition Partnership, the local organizations summarized in Figures 4 - 8 recognize the importance of a stronger local food system and are working towards that.

Figure 4: Local Food Organization (Potential Competitor)

Produce Box	Location: Triangle, Wilmington, Charlotte and the Triad
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⁶ <http://www.popfood.org/about/>

⁷ http://www.feedingamerica.org/hunger-in-america/our-research/map-the-meal-gap/2013/NC_AllCounties_CDs_MMG_2013.pdf

	Date Started:	2007
	Model Details:	<p><u>CSA Subscription:</u></p> <ul style="list-style-type: none"> ▪ Home or workplace delivery; school/corporate partnerships; hero and community boxes ▪ Changes made by 9pm on Sunday evening and delivery on Wednesdays, Thursdays, and Fridays ▪ \$18 annual membership fee (automatic renewal) ▪ 6 different box options ranging from \$23 to \$29+, including most popular veggies only, organic/pesticide-free only, and build your own box options <p><u>Additional services:</u></p> <ul style="list-style-type: none"> ▪ Business lunch-n-learns and tastings ▪ Online recipes
	Competitive Advantage:	<ul style="list-style-type: none"> ▪ Flexibility in box items and delivery location
	Website:	http://www.theproducebox.com/

Figure 5: Local Food Organization (Potential Competitor)

Inter-Faith Food Shuttle (IFFS)	Location:	Raleigh, NC
	Date Started:	1989
	Model Details:	<p><u>Mobile Market:</u></p> <ul style="list-style-type: none"> ▪ Monthly deliveries to over 36 sites in Wake, Durham, Nash, Johnston, & Edgecombe counties ▪ Partners with medical mobile markets to provide “prescription produce” <p><u>Other services:</u></p> <ul style="list-style-type: none"> ▪ “Food Matters” nutrition lessons and cooking demonstrations ▪ Community gardens program
	Competitive Advantage:	<ul style="list-style-type: none"> ▪ Produce is free. IFFS tried switching to a pay model, but it was difficult to start charging for something customers had received for free so the organization returned to a donation model.
	Website:	http://foodshuttle.org/we-feed/mobile-markets/

Figure 6: Local Food Organization (Potential Competitor)

Papa Spuds	Location:	Online; Delivery to Raleigh, Wake Forest, Cary/Morrisville, Durham, Chapel Hill, Apex, Holly Springs, Fuquay-Varina
	Date Started:	2008
	Model Details:	<ul style="list-style-type: none"> ▪ 3 box sizes: small (1-2 people; \$19/week), regular (2-4 people; \$24/week), and family (4-6 people; \$44/week) ▪ Weekly or bi-weekly delivery (holds allowed) ▪ Local, organic, pesticide-free, conventional ▪ Customer's choose items (produce, value-added such as breads and scones) ▪ Lists farmers' weekly harvests online; 200 food products/week ▪ Custom and auto share selections ordered online; custom shares based on credit system
	Competitive Advantage:	<ul style="list-style-type: none"> ▪ Recipe kits with provided items; Customer/farmer communication through ratings listed on the online store and farmer's website and info is listed with item; Custom boxes
	Website:	http://papaspuds.com/

Figure 7: Local Food Organization (Potential Competitor)

Grocer On Wheels	Location:	Southeast Raleigh/Wake County
	Date Started:	2013
	Model Details:	<p><u>Mobile Market:</u></p> <ul style="list-style-type: none"> ▪ Accepts EBT/SNAP ▪ Free delivery in Southeast Raleigh; delivery fees outside of area ▪ Delivery service to multi-use properties if 10 or more customers ▪ Mix of 21 produce and meat items ▪ Mission is to provide local food to food insecure areas <p><u>Other services:</u> Nutritional education via theatre</p>
	Competitive Advantage:	Pre-order 24 hours prior to delivery (text or call)
	Website:	http://www.grocersonwheels.com/

Figure 8: Local Food Organization (Potential Competitor)

LomoMarket	Location:	Durham
	Date Started:	2012
	Model Details:	<ul style="list-style-type: none"> ▪ Goal is to locally source at least 75% of items from NC; some organic ▪ Meat, fish, produce, Grab&Go, flowers, and other specialty items available through walk-through mobile market ▪ Payment through Paypal only ▪ Supplier information and recipes listed under each item on website; plus Q&A interviews with featured suppliers ▪ 18 sites; Market Maker program that allows people to vote for new sites
	Competitive Advantage:	Variety of product options; communication of farmer information and recipes
	Website:	http://lomomarket.com/

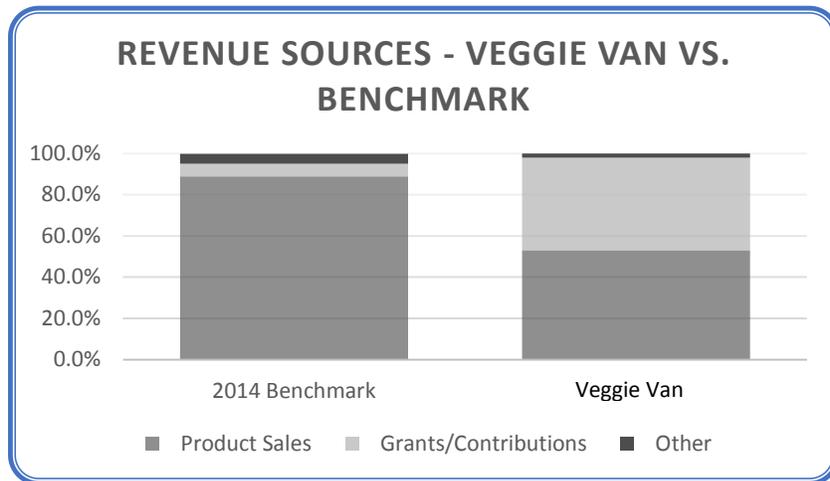
SWOT Analysis of CNP's Veggie Van

<p style="text-align: center;"><u>Strengths</u></p> <ul style="list-style-type: none"> ▪ Strong connection to University of North Carolina and its network of students/alumni/professors. ▪ Dual-mission of supporting disadvantaged farmers as well as low-income communities ▪ High quality produce ▪ Successful reach in low-income communities 	<p style="text-align: center;"><u>Weaknesses</u></p> <ul style="list-style-type: none"> ▪ Marketing. Online presence (blogs, social media updates, website information) is not strong when compared to local competition and national analogs. ▪ Fundraising. Limited to no fundraising and partnership with local community events ▪ High employee/board turnover; current board is too small and members are strained ▪ Data collection is not consistent ▪ Only one main supplier; supplier power is high
<p style="text-align: center;"><u>Opportunities</u></p> <ul style="list-style-type: none"> ▪ Take advantage of connection to UNC and create partnerships with undergraduate dorms and graduate programs as well as participate as speakers in local food-related conferences, such as Kenan-Flagler Business School's Food Con. ▪ Increase communication between farmers and buyers through transparency of farm source of individual items, buyer ratings on each item, and buyers visiting farms ▪ Provide "light processing"-- items that increase convenience such as chopped and/or peeled vegetables for easy-to-make salads, snacks, and soups. 	<p style="text-align: center;"><u>Threats</u></p> <ul style="list-style-type: none"> ▪ Strong local competition that could prevent access to new buyers/markets, especially without wanting to take customers from competition ▪ Price fluctuations, such as increases in supplier costs, gas, etc. ▪ Weather. A poor growing season can seriously affect production/quality and Veggie Van's ability to meet demand. ▪ Potential for organizations with similar dual-mission to enter market

Financial Analysis

Revenues

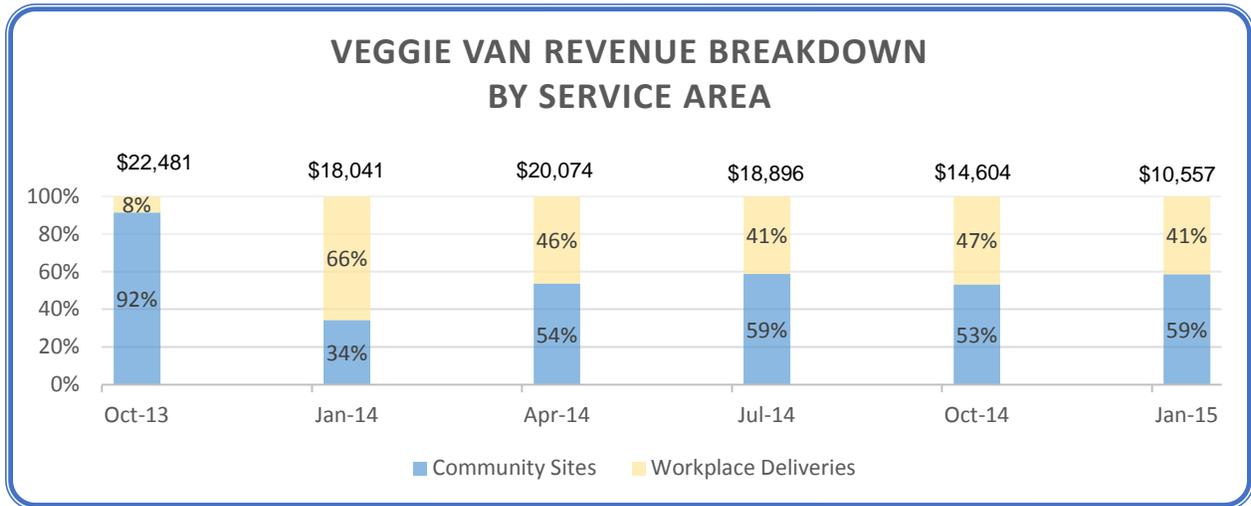
In CNP's FY ending July 2014, Veggie Van received an estimated 45% of its revenues from outside grants and contributions. Using the 2014 Food Hub Benchmarking Study as a comparison, Veggie Van's dependence on grant funding is more than seven times the national average of 6.45%. Here you can see the revenue breakdown for both Veggie Van and the national benchmark.



Earned revenue makes up an estimated 53% of Veggie Van's total income. According to CNP's most recent P&L Reports from quarters ending February 2014 to January 2015, each of Veggie Van's two services—community sites and workplace deliveries—provide around half of the program's total earned income with community sites consistently representing the slight majority. In the quarters ending October 2013 and January 2014, there was more variation in the revenue breakdown by service line and the workplace delivery service brought in the majority of earned income in the quarter ending January 2014.

While revenue from community sites accounted for about 56% of the estimated 2,718 shares sold in 2014 (see Graph 1), the majority of the shares sold were at the community supported price. Since the workplace subscription service does not offer the lower-priced community supported option, it has a higher average sales price and generated more revenue per unit sold.

Graph 1: Revenue by Service Area

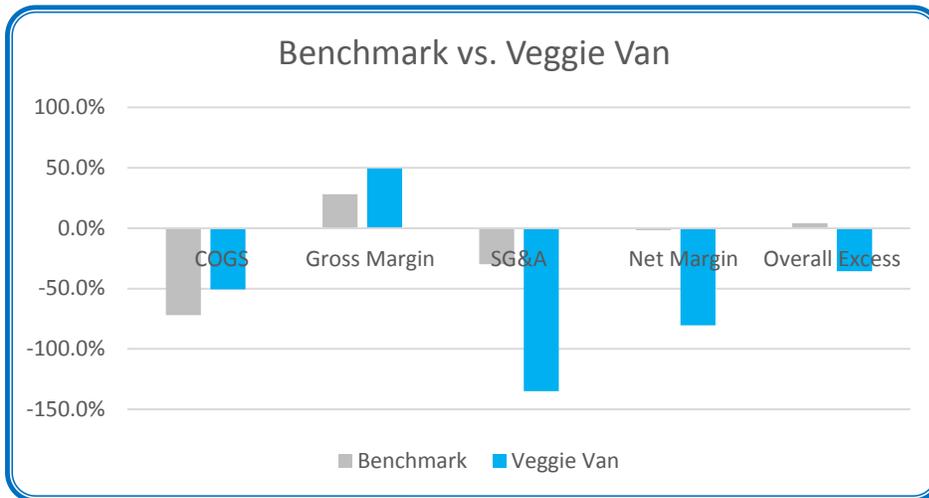


Earned revenue has also been decreasing since the quarter ending in April 2014, with a 35% decrease in sales revenue from quarters ending in October 2013 and October 2014 and a 41.5% decrease in sales revenue from quarters ending January 204 and January 2015.

Expenses

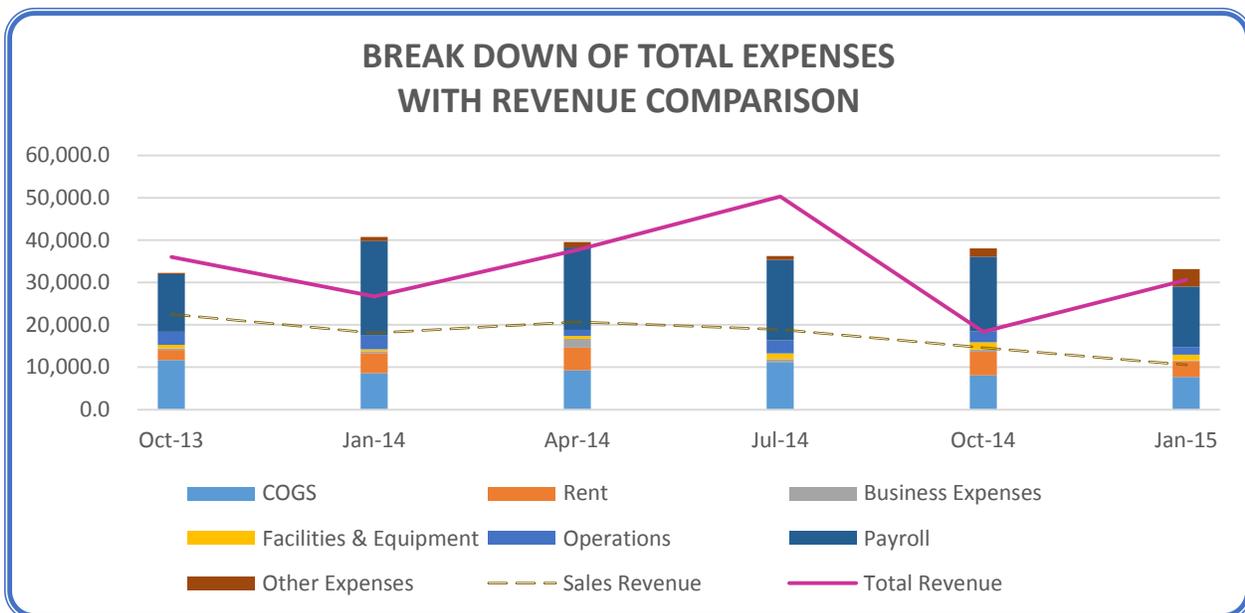
Veggie Van’s expenses are made up of two main categories: cost of goods sold (COGS) and selling, general, and administrative (SG&A) expenses. Compared to the national benchmark, Veggie Van’s COGS margin in FY 14’ was lower than average while its SG&A margin was significantly higher than average. Veggie Van’s payroll margin is Veggie Van’s largest expense and is approximately three times larger than the national benchmark, which partly explains the large variance in the two SG&A margins. See Graph 2 below.

Graph 2: Expenses



Veggie Van’s break down of expenses is shown in Figure 24 below. **Out of the six financial quarters examined, only two had sufficient total revenues to cover expenses and zero of the six earned sufficient sales revenue to cover total expenses.** On average, **earned income only covered half of total expenses**, with an approximate deficit of \$17,500. Payroll and COGS were the two largest expenses, with rent being the third largest. However, rent expense was offset by revenue coming from Farmer Foodshare’s portion of shared office space. The Total Revenue line represents income from sales, grants, contributions, and other income.

Graph 3: Total Expenses



An important measure of financial health—and one that nonprofits should be especially sure to monitor—is the **Days Cash ratio, which measures the number of days of operating expenses that a nonprofit could pay with its current cash available.** Using CNP’s IRS Forms 990 to find data on its cash assets and expenses, Chart 2 shows that while Veggie Van’s Days Cash ratio is above the recommended 30 day minimum, it has decreased by approximately 50% from the previous year.

Chart 2: Days Cash Ratio

	2012	2013
Cash and equivalents	\$30,378.70	\$15,545.60
Expenses	\$104,266.00	\$100,907.00
Days Cash	106	56

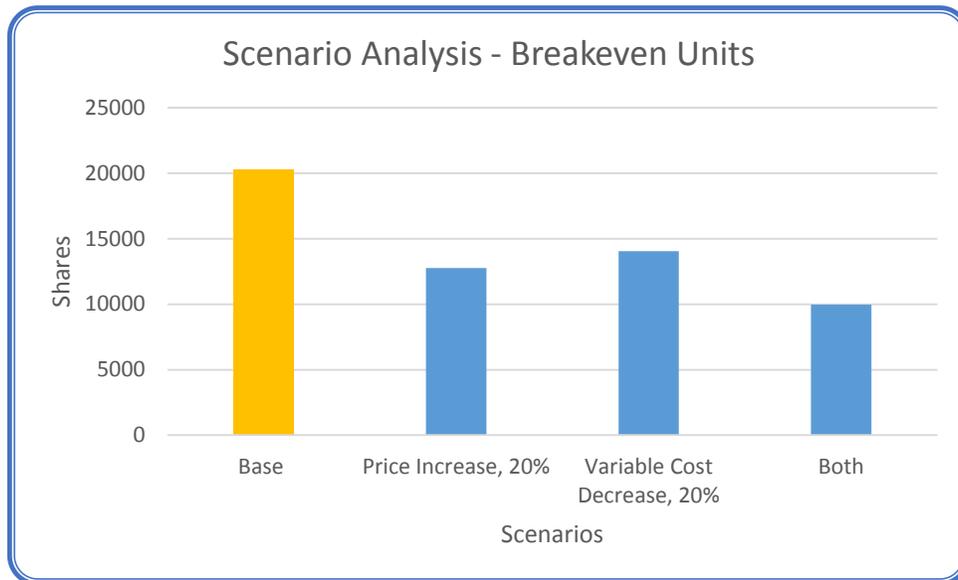
Break-Even Analysis

In FY 2014, Veggie Van had \$1,869.50 in net income after receiving \$66,367.50 in grant funding and selling an estimated 2,718 shares. In order to break-even without the use of grants at an average sales price of just under \$17, Veggie Van would **need to sell over 13,000 shares** (over six times its current volume) **and earn over \$223,000 in sales revenue.** By analyzing Veggie Van’s sales at a more detailed level of share type, share size, and service option, the break-even point increases to approximately 20,000 shares.

In addition to selling more shares, Veggie Van has the option of raising its prices, reducing its costs, or trying a combination of all three strategies to reduce its reliance on grants and still make a profit. Graph 4 on the next page shows how three different scenarios—a price increase of 20%, a decrease in variable costs of 20%, and both a price increase and cost decrease of 20%—result in different break even volume levels, with the last scenario being the most favorable scenario since it requires the fewest units. CNP can use the Green Cart Financial Model to test how other changes to Veggie Van’s business model will result in different breakeven units and sales revenue requirements to reach target operating income.⁸

⁸ See the Green Cart Financial Model for detailed calculations and assumptions.

Graph 4: 3 Scenarios with Break Even Volume Levels



Keys to Success

Revenue-Generating Recommendations

In order to reach its breakeven point without depending on grant funding, Veggie Van needs to increase its earned revenue by up to \$140,000. To accomplish this growth, CNP should focus on attracting new customers and reducing customer churn—particularly customers who can pay the regular or supporter prices—and updating their pricing.

Increase Volume. The greatest opportunity for increasing new customers and retaining current customers that pay the regular and supporter prices is to 1.) Increase branding and marketing of its dual-mission, and 2.) Increase customer communication and partnerships with workplaces/multi-home complexes for deliveries.

The local area has many options for customers who can pay standard farmer’s market prices for local, fresh produce. **To persuade these customers to choose Veggie Van, CNP needs to better connect with and promote its role in the local community.** CNP has a presence on Facebook and Twitter, but it is mostly using the social media outlets as a way to advertise its mobile market and workplace delivery locations and limited-time sales. CNP can improve its social media presence and marketing effect by:

- **Sharing related news articles.** According to the Pew Research Center survey on Facebook News, 64% of U.S. adults use Facebook with 30% turning to the site for news and 16% use Twitter with 8% getting news from the site. The reason adults use these sites for news is because they allow them to like or follow issues they care about, filtering out the rest. The same study found that 65% of Facebook News Consumers want to read news about people, events, and current issues in their community via Facebook.

CNP can attract community members who care about supporting local farmers and low-income communities by sharing news articles related to national and local developments in public health and agriculture, as well as promoting community events that support CNP's mission. By giving community members an incentive to follow CNP and share its posts, Veggie Van will not only see a greater number of followers, but also increase program awareness among potential customers who will pay the regular and supporter prices. CNP could also create a Pinterest board related to CSA recipes.

- **Highlight personal impact stories.** To engage the community in CNP's dual-mission, Veggie Van should connect customers with other customers and the farmers that supply Veggie Van's produce. One of the main benefits of buying local from a farmer's market or CSA is the increased connection with the people who grow food, and the reason why people voluntarily choose to pay the elevated supporter price is because they care about improving the well-being of their neighbors. However, Veggie Van's business model doesn't provide the same community interaction as traditional farmer's markets and CSA's located on local farms. This is partly because the farmers aren't directly selling the produce and partly because the majority of customers paying regular and supporter prices are using the workplace delivery service while the people benefiting from Veggie Van's affordable, community-supported prices are buying from the community sites.

To better express the impact Veggie Van's regular and supporter customers have on the local community, CNP should share photos, videos, and personal interviews of families and farmers. Visuals and descriptions of who is being helped by the mobile market and who is doing the helping humanize Veggie Van's mission and remind current and potential customers why Veggie Van is different from its local competitors. Interviews can be directly related to how Veggie Van's service is impacting lives in the community, but can also just focus on details of the individuals (e.g. hobbies, interesting fact, favorite local event, etc.).

- **Interactive posts.** To persuade customers and farmers to voluntarily share their stories, Veggie Van should embrace a sharing community as part of their business culture. It could do so through photo contests of families cooking together, sharing recipes of how customers used produce items in that week's share, and online voting with real-time

results on where the next new community and workplace/multi-home delivery sites should be located. To encourage participation, CNP could raffle off items/gift certificates donated by local businesses or a free share and employees should be encouraged to participate.

Additional marketing ideas for CNP to consider include: partnerships with primary and secondary schools (e.g. \$10 went to every school mentioned during a Produce Box subscription enrollment), speaking at conferences such as UNC Kenan-Flagler Business School and Duke University's Fuqua Business School "Food Con", and partnering with food- and beverage-related events in the community. Moreover, CNP should work with its supplier, Farmer Foodshare, to host farm visits where customers can help harvest produce and talk directly with farmers. Such events would not only strengthen Veggie Van's brand, but would allow communication and understanding between the different stakeholders, leading to greater insights on each of their needs and how Veggie Van can better meet those needs.

Point-of-sale branding should focus on increased transparency of where each individual produce item was originally sourced, including farm name and agricultural practices, and CNP should provide easy-to-follow recipes on how to use that week's produce. The recipes should at least give one snack and lunch or dinner suggestion, try to use almost every item in that week's share (especially less familiar items) and limit the need to buy additional ingredients. Other considerations should include the amount of prep/cook time, healthy versions of traditional southern/cultural dishes, and educating members on what types of vegetables/fruits they should expect in future weeks. For examples, a few websites with CSA-related recipes are listed in the "Additional Resources" section.

To improve workplace delivery sales specifically, Veggie Van should use its strong position within the UNC and local university community. After speaking with former customers at the UNC, a common theme mentioned was the need for greater communication with CNP in the form of increased marketing to faculty and students within the individual school/site as well as notification that the site may close due to not meeting minimum customer levels. Former customers were otherwise pleased with Veggie Van's quality and service and, if given small incentives—even just the knowledge that the site was in danger of closing—they would've been more active in persuading colleagues to join. Other suggestions included making it easier for customers to connect with other customers interested in splitting a share since it is usually too much produce for one person to use in a week. CNP should also look into partnership opportunities available in the Research Triangle Park Area similar to the multi-farm CSA program at Research Triangle Institute International.⁹

⁹ <http://asapconnections.org/downloads/workplace-csa-models.pdf>

In order to increase customers that otherwise lack access to affordable, fresh food, CNP should consider the below best practices for food hubs that accept EBT/SNAP/WIC benefits:

EBT/SNAP Benefits for Food Hubs – Ideas in Practice

- **SNAP match program.** For every \$1 of SNAP funds used, some markets raise funds to provide an additional \$1 from the market, doubling the purchasing power of SNAP customers. Program managers generally agreed that a dollar for dollar match with a \$20 maximum was the best incentive structure.¹⁰
 - Look to local businesses for donations —Internet providers, auto dealers, hospitals, fitness centers, and others.
 - Other similar double value programs include Fair Food’s Double Dollars (in Philadelphia), Fair Food Network’s Double-Up Food Bucks (in Michigan), and Roots of Change’s California Farmers’ Market Consortium (CFMC).
- **Target AmeriCorps volunteers that use SNAP.** They are more likely to be familiar with and immediately interested in the benefits of a CSA and can help promote it within the communities where they work.¹¹
- Avoid any processes or forms of tokens that may leave the SNAP recipient feeling isolated or singled out.
- **Participate in community events that attract EBT/SNAP/WIC recipients.** For example, WIC programs provide classes on benefits as well as nutrition education. Classes are an opportunity to get people engaged in the local food system and to chat about how fresh food can be made available in a way that works for them.¹²
- **Sliding-scale limits.** Provide only as many community-supported shares as supporter shares sold or otherwise limit the number of community-supported shares available for sale, with other customers having to pay the regular price. Give preference to EBT/SNAP benefit recipients.
- **Easy-to-follow instructions.** Display concise, picture-based instructions on how to use SNAP/EBT benefits on the organization’s website and at pick-up sites. Even people with excellent verbal and written skills can be put off or intimidated by written directions.
- **Survey EBT/SNAP users and track sales.** Research how to better serve these customers and track sites that have the most participants, buying consistency, and walk-in vs. pre-ordered shares.

Increase Prices. Veggie Van’s regular price is lower than similar business models, with the average price around \$23/ share. Other programs with a lower, community-supported pricing option, such as Greensgrow which has a SNAP box for \$6.50, charge a much higher regular price than Veggie Van (approximately \$33 in Greensgrow’s case). CNP should use the Green Cart Financial Model to determine the best pricing option for the program’s needs.

¹⁰ (http://ecologycenter.org/wp-content/uploads/2013/11/2013-Cluster-Evaluation-Final-Report_-final_10.4.13.pdf)

¹¹ <http://www.volunteernc.org/ameriCorps/AmeriCorpsinNC.aspx>

¹² <http://wvfoodandfarm.org/wp-content/uploads/2015/01/WVFFCSnapToolkit.pdf>

Increase Fundraising. Recently, CNP's Veggie Van program hasn't secured fundraising money. This is partly due to the limited size of the Board of Directors who are stretched too thin. CNP should look into recruiting a board member with extensive development experience since the program is missing out on an opportunity to increase revenue. Some suggested fundraising opportunities include partnering with local food and beverage-related events in the community, hosting farm-to-fork events on suppliers' farms, and empowering customers to fundraise by creating an easy-to-duplicate fundraising toolkit and providing incentives such as discounts on shares.

Cost-Reduction Recommendations

It is unlikely that Veggie Van could reduce its costs by a significant amount as the COGS margin is already much lower than the national benchmark and only having one supplier limits Veggie Van's power in negotiating produce mark-ups.

The one cost that is substantially higher than the national benchmark and warrants attention is payroll. If revenues increase to the breakeven level of sales of \$223,245, the payroll margin would decrease from its current level of 49% to 33% (with payroll expenses remaining constant), but that is still about double the benchmark margin of 18%. However, given CNP's recent turnover issues, CNP should focus on retaining talented employees and adequately paying employees is key to retention. Instead, CNP should further research options such as making a portion of executive pay dependent on meeting certain metrics, such as the increase in sales volume. Moreover, if CNP finds it necessary to increase staff to implement any of the revenue generating recommendations above, it should use its connections at UNC and location within close proximity to other universities to attract talented interns and graduate school project teams that won't increase payroll expenses.

Merger Analysis

Another strategy to reduce costs is for Veggie Van to merge with its supplier, Farmer Foodshare's POP Market.

As shown in the “Merger Analysis” tab in the Green Cart Financial Model, a merger between CNP’s Veggie Van and Farmer Foodshare’s POP Market could create a better financial position for both nonprofits in the long run. Additional non-financial synergies exist between the two programs, including strengthening both organizations’ missions and branding within the local market. To further investigate the financial and non-financial synergies between the two organizations, CNP and Farmer Foodshare should review and discuss the information provided in both business analysis reports, the Green Cart Financial Model, and the research provided in the “Additional Resources” section to determine whether or not to pursue the merger. Highlighted below are potential cost benefits as well as potential risks from merging.

Potential Cost Savings from Merger

- Eliminating the 20% mark-up POP Market charges CNP and using a higher markup for direct-to-consumer sales,
- Continuing to split cooler, rent, and utility expenses as well as other expenses that would be otherwise incurred from delivering product from aggregation location to end users,¹³
- Reducing payroll expenses since only one Executive Director would be required,
- Splitting additional business expenses, possibly including website maintenance, subscriptions, bank fees, and accounting fees.

Potential Risks from Merger

- Customer concerns and confusion about the details of the change
 - Mitigation: Extensive marketing and publicity about the merger to communicate what the exact changes are and how they will affect (if at all) current and potential customers.
- Mission creep
 - Mitigation: Research on national analogs and the local competitive market suggests a hybrid model is the best structure for Veggie Van and POP Market to compete successfully in the local market. The two programs have similar dual missions and merging would increase their ability to meet their missions.
- Employee/board member resistance
 - Mitigation: CNP and Farmer Foodshare are unlikely to have 100% buy-in from every staff and board member in the two organizations. Open communication is key as merger integration is most successful from the bottom up, or from the staff up to the Directors.

The field of nonprofit mergers is in the early stages of development and, therefore, no agreed on merger frameworks or processes exist. However, it is recommended that CNP and Farmer Foodshare follow the three-stage model highlighted below to continue the merger assessment process:

¹³ Farmer Foodshare is moving out of the current shared office space with CNP into the Durham Bull City Cool Food Hub

Three-Stage Merger Model¹⁴

1.) Feasibility Assessment

- Form a Collaboration Committee including the directors, the board presidents, and one other board member from each nonprofit to oversee Feasibility and Implementation phases.
- Determine hopes and aspirations (e.g. improved or expanded programming, greater efficiencies, staff improvement, and competitive advantage) and document fears and concerns
- Exchange documentation and hire outside council to perform due diligence¹⁵
- Have the committee assess feasibility:
 - Will a significant number of joint hopes and aspirations be achieved?
 - Can concerns be mitigated?
 - Are there sufficient financial, organizational, and cultural strengths in both organizations?

At the end of this stage, the committee should get a tentative go or a clear no-go from both boards.

2.) Implementation Planning

Have the committee address how to implement the following tasks:

- Integrating administrative systems
- Executive Director selections
- Compensation planning
- Financial planning and budget development
- Organizational structure
- Program integration
- Communication to stakeholders, regulators, and media
- Create a formal merger agreement.

3.) Integration.

Put the plans from the Implementation Planning phase into practice to integrate the two organizations, making sure to involve staff and board members and maintaining open communication throughout transition.

One overall recommendation for CNP is to increase sales data collection, including customer name, price and share size option selected, and individual comments on satisfaction/suggestions. The organization can use the data to analyze differences across site locations and determine customer churn rate and potential causes.

Additional Resources

Nonprofit Mergers

- <http://theallianceconference.org/wp-content/uploads/2013/10/JudyAlnes.pdf>

¹⁴ McLaughlin, Thomas A. *Nonprofit Mergers and Alliances : A Strategic Planning Guide* (2nd Edition).

¹⁵ The business analysis reports contain the majority of recommended documentation, however, CNP and Farmer Foodshare should also exchange employee benefit information, a year's worth of board minutes, operating procedure manuals, and program metrics.

- <http://www.bridgespan.org/getattachment/32acf152-73b4-4658-aae8-f3d29c6eb4b6/NonprofitCollaborations.aspx>

Recipes

- <http://www.thekitchn.com/3-ways-to-cook-any-vegetable-in-your-csa-box-love-your-vegetables-205127>
- <http://www.earlymorningfarm.com/recipe-index/>
- <http://www.memberassembler.com/hub>
- <http://www.greencitymarket.org/recipes/>

Social Media

- <http://www.miniwebtool.com/random-name-picker> (Help you choose a contest participant at random)
- <https://moz.com/blog/online-marketing-tips-for-nonprofits>
- <http://www.nptechforgood.com/>

Other

- <http://www.classy.org/blog/category/nonprofit-fundraising/>
- <http://www.businessmodelgeneration.com/canvas/bmc>
- <http://www.wholesomewave.org/resources/>

Appendix

National Trends

Rising institutional and consumer demand for local food in the United States has led to local food sales reaching an estimated \$6.1 billion in 2012.¹⁶ “In 2012, 163,675 farms (7.8 percent of U.S. farms) were marketing foods locally. Of these farms, 30 percent used a combination of direct-to-consumer and intermediated channels, or only intermediated channels.”¹⁷

A regional food hub is an increasingly popular intermediary for farmers, with over 300 hubs identified by USDA in 2014. Food hub business models vary based on the needs of the producers, consumers, and communities they serve, however, they can generally be categorized under three overarching models:

Wholesale (23% of nonprofit food hubs¹⁸). The food hub buys produce and other value-added items from local farmers and sells to businesses and institutions, such as restaurants, schools, and grocers.

Direct-to-Consumer (43%). As the name states, this model sells directly to individual consumers and includes multi-farm CSAs, buying clubs, online farmers markets, and mobile markets. The hub is responsible for marketing, aggregating, packaging, and distributing products directly to consumers.

Hybrid (21%). Combines Direct-to-Consumer and Wholesale models selling to both institutional buyers and individuals.

Given the increasing importance of food hubs in the local food system, universities and other institutions with a focus on food systems have recently begun collecting and analyzing the various food hub business models in order to determine best practices in achieving financial sustainability. The following tables list key findings from three studies: 1.) The 2013 National Food Hub Survey¹⁹ published by Michigan State University’s Center for Regional Food Systems & The Wallace Center at Winrock International, 2.) The 2013 Food Hubs Initiative²⁰ by the Local Economies Project and The New World Foundation, and 3.) Financial Snapshot of Mobile Fresh Markets in North America²¹ commissioned by the Greater Vancouver Food Bank Society. Below is a breakdown of key findings on food hubs—mobile markets, in particular—and financial sustainability.

2013 National Food Hub Survey – Key Findings

- The average food hub’s sales in 2012 exceeded \$3.7 million, with the majority of food hubs

¹⁶ <http://farmersmarketcoalition.org/wp-content/uploads/2015/02/Trends-in-U.S.-Local-and-Regional-Food-Systems.pdf>

¹⁷ Ibid.

¹⁸ Ibid.

¹⁹ <http://foodsystems.msu.edu/uploads/files/2013-food-hub-survey.pdf>

²⁰ <http://www.localeconomiesproject.org/documents/food-hubs-initiative-report.pdf>

²¹ <http://www.urbanfoodstrategies.com/wp-content/uploads/2014/06/Financial-Snapshot-of-Mobile-Fresh-Markets-in-North-America.pdf>

supporting their businesses with little or no grant assistance—including food hubs that identified as nonprofits.

- 75% of food hubs were located in metro counties. The proportion of food hubs that reported being “highly dependent” on grant funding was much higher for the regions in nonmetropolitan counties that are not adjacent to a metro area (33%) than for the average region (17%).
- Food hubs with less than \$500,000 annually (52% of survey responders) were more likely to only work with one or two types of customers than those with larger revenues, which tended to have a more diverse customer base.
- Close to half of the survey responders said their food hub was either highly dependent (17%) or somewhat dependent (32%) on outside grants.
 - Nonprofit food hubs were much more likely to have indicated they were highly reliant on outside funding (38% of nonprofits) as well as food hubs with language in their mission statements related to increasing consumer awareness (25%), justice and/or equity (29%) or reshaping the food system (35%).
 - Food hubs that had larger numbers of producers were more likely to have indicated that they were not at all dependent on outside funding.
 - Food hubs with the following community-related activities were more likely to have indicated they highly rely on grant funding: paid employment opportunities for youth (47% highly dependent), accepts SNAP benefits (22%), matching programs for SNAP (36%), nutrition or cooking education (26%), and operating a mobile market (27%).
Operating a mobile market had the smallest percentage of respondents who indicated that they didn’t rely on grant funding at all (27%).

2013 Food Hubs Initiative – Key Findings

Just over half of the 12 food hubs studied were either breaking-even or turning a profit.

- All of the financially viable food hub had more than 10 years of experience and median annual sales of \$1.5 million
- The other food hubs only had at most four years of experience and had a much lower median annual sales of approximately \$600,000

These findings suggest food hubs need to exceed \$600,000 in annual sales to break-even, with the likelihood that the break-even point is closer to \$1.5 million.

A mismatch in payment schedules caused cash flow issues for many of the hubs and farmers are more willing to work with the hub if they were paid quickly.

- Half of the hubs reported they invoice buyers on a one-month schedule, with buyers taking up to 60 or 90 days to pay them.

2014 Financial Snapshot of Mobile Fresh Markets – Key Findings

- The average mobile market serves 8 locations and operates 4 days/week on a seasonal basis.
- Average net margin on products is 24%
- 0 of the 14 mobile markets were breaking even without grant support

To establish a break-even model for mobile markets, the study recommends three key strategies:

- Reduce labor costs
- Increase the average net margin on purchases, and
- Increase revenues per selling hour

Antilogs

While many food hubs have succeeded with and without grants, some food hubs have been forced to close down or to re-focus their business model due to lack of adequate cash flow. The chart below highlights two cases that can provide beneficial lessons for current and potential food hubs.

Chart 1: Traditional Food Hub Comparison

	Grasshopper Distribution ²²	Growers Collaborative ²³
Location	Louisville, KY	Davis, CA

²² PDF Grasshopper Distribution

²³ Growers Collaborative

Legal Structure	For-Profit LLC	Non-profit
Business Model	Hybrid	Distributor
Markets	Subscription box shares; restaurants	Schools, hospitals, hunger-relief agencies
Years in operation	7; 2006 to 2013	5 (before re-focusing away from distribution and towards branding); 2005 to 2010
Break-even point Needed	500 CSA subscriptions at 40% mark-up	\$2 million in annual sales with 40% mark-up and 20% grant funding
Reasons for Failure	<ul style="list-style-type: none"> ➤ <u>Wholesale model:</u> <ul style="list-style-type: none"> ➤ Unable to provide an advantage in terms of convenience, price, quality, or selection to restaurant, retail, or institutional buyers who could work with individual growers; ➤ Lack of adequate supply from producers coupled with Grasshopper’s lack of expertise in logistics and inadequate infrastructure (e.g. cold storage) to effectively aggregate multiple producers to large orders ➤ <u>CSA model:</u> <ul style="list-style-type: none"> ➤ Weekly churn of subscribers was too high, with only 1/3 of customers loyal ➤ Lack of proper communication and coordination in complex logistics 	<ul style="list-style-type: none"> ➤ Institutional buyers want pre-processed and easily processed product, which can be cost-prohibitive for some buyers ➤ Mainline food distributors account for 80% of institutional food market making it difficult to compete as a distributor ➤ Difficulty securing capital
Lessons Learned	<ul style="list-style-type: none"> ▪ Need leadership with specialized expertise in business model focus area, high staff retention, and a balanced board ▪ Ensure quality by developing post-harvest handling protocols and clear criteria for rejection ▪ Be wary of mission creep. Stick to the organization’s mission and focus on gaining expertise 	<ul style="list-style-type: none"> ▪ Focus on core competencies ▪ As local food distribution systems are scaled to the wholesale level, greater attention must be paid to the crucial role of product aggregation and marketing. ▪ Private-nonprofit distribution partnerships may reduce the cost and infrastructure barriers that prevent new, small and minority growers from reaching local wholesale markets ▪ By sourcing from farms of various sizes, Growers Collaborative is able to meet wholesale volumes while ensuring a place in the market for small and minority farmers.

Analogs

Research on food hubs with mobile/pop markets suggests the hybrid model is the most prevalent and successful. Below are a few case studies of hybrid food hub models that are successfully addressing their communities’ needs:

Case Study 1: Hybrid Food Hubs

Greensgrow Farms	Location:	Camden, PA
	Date Started:	Summer 2011
	Business Model:	Nonprofit; Hybrid
	Markets:	Mobile market delivering to schools, senior centers, block parties, etc.; CSA; SNAP CSA
	Additional Details:	<p><u>SNAP Box</u>: \$6.50 per week</p> <p><u>CSA</u>:</p> <ul style="list-style-type: none"> ▪ Over 80 producers ▪ Full 24-week season \$800, Half-share \$475 (only the half share option is available during winter) ▪ Pre-pay in full or 3 installments ▪ 500 shares sold annually, including 40 SNAP boxes <p><u>Mobile Market</u>: 10 sites; mostly senior centers; 6 of the locations are served every week and the remaining locations are served every two weeks</p> <p><u>Other Services</u>: Cooking demonstrations, on-site nutritional counseling, health and wellness checks, assistance in applying for food assistance programs. Part of the larger Greensgrow Philadelphia Project, which includes a farm, community kitchen, and other services.</p>
	Financially Viable?	2012 revenues from produce sales = \$1.5M and cost of goods sold = \$780K (Overhead allocation unknown)
Reference:	http://www.greengrow.org/mobile-markets/	

Case Study 2: Hybrid Food Hub

Farm Fresh Rhode Island	Location:	Pawtucket, RI
	Date Started:	Mobile Market, 2004; Veggie Box, 2009
	Business Model:	Nonprofit; Hybrid

	Markets:	CSA; Mobile Market; Schools, restaurants, supermarkets, hospitals, workplaces
	Additional Details:	<p><u>Mobile Market:</u></p> <ul style="list-style-type: none"> ▪ Producers: ~60 ▪ Year- round ▪ Beyond produce: dairy, meat, seafood, granola ▪ 18% of sales goes to costs of delivery <p><u>CSA:</u></p> <ul style="list-style-type: none"> ▪ Boxes cost \$25/week, and payment is made in full for one month at a time; annual \$6 registration fee ▪ Bi-weekly and weekly options ▪ Accepts SNAP; “Fresh Bucks/Bonus Bucks” program in which participants using SNAP benefits at farmers markets get \$2 free to spend for every \$5 of SNAP benefits ▪ 14 sites; partnership with YMCA’s <p><u>Other Services:</u> Farmer’s Market, Community Kitchen.</p>
	Financially Viable?	Unknown
	Reference:	http://www.farmfreshri.org/

Case Study 3: Hybrid Food Hub

Local Food Hub	Location:	Charlottesville, VA
	Date Started:	2009
	Business Model:	Nonprofit; Farm to business/institution; Pop up market

	Markets:	Schools, restaurants, supermarkets, retail operations, caterers, buying clubs, nonprofits, food banks
	Additional Details:	<ul style="list-style-type: none"> ▪ Over 75 farmers; farms with less than 5 acres to more than 100 acre farms ▪ Delivery 5 days a week ▪ 20-25% markup <p><u>Pop Up Market:</u> Partner with local non-profits and businesses to host 'pop-up markets' that accept EBT and have lower prices for consumers in low-income neighborhoods</p> <p><u>Other services:</u> production planning, networking, marketing assistance, and educational opportunities</p> <p>Their website also has a resource library for producers.</p>
	Lessons Learned:	<ul style="list-style-type: none"> ▪ Importance of food safety in retaining customers ▪ Have clearly defined requirements of your growers ▪ Beware of mission creep
	Financially Viable?	<p>Approximately one-quarter of revenue derives from sales, half from grants, and the remainder from individual contributions. Local Food Hub is moving in the direction of its distribution warehouse being self-sustaining, while its programming will continue to be community-supported.</p> <p>Sold over \$900K worth of produce</p>
	Reference:	http://localfoodhub.org/

Case Study 4: Hybrid Food Hub

Gorge Grown Food Network	Location:	Hood River, Oregon
	Date Started:	2008
	Business Model:	Nonprofit; Hybrid

Markets:	Mobile market servicing senior centers, schools, and restaurants
Additional Details:	<p><u>Mobile Market:</u></p> <ul style="list-style-type: none"> ▪ Purchases produce for approximately 75% of retail price, allowing 25% to cover overhead costs. Some food, particularly from large fruit growers, is purchased at a negotiated price between retail and wholesale. ▪ Work with up to 20 farmers and produce is labeled with its location of origin and farm name. ▪ Farmers receive payment immediately which is an incentive for small and big farms to participate. ▪ Unsold produce is sold to local chefs and donated to the local Meals on Wheels program ▪ Only operates during the summer months ▪ Accepts SNAP benefits ▪ Distributes recipe cards <p><u>Other services:</u></p> <ul style="list-style-type: none"> ▪ Farmers markets (one specifically for Hispanic communities) ▪ Facilitates producer working groups where farmers collaborate to solve common problems ▪ Online resources for producers
Financially Viable?	\$1,100 in sales each week from both cash and foods stamps. Requires only a small amount of outside funding (approximately \$5,000) to break even based on revenue.
References:	http://www.gorgegrown.com/ http://michaelfields.org/wp-content/uploads/2010/12/farmers-market-2.0.pdf