
Brief and update on projects written by **Amy Rosenthal**

**Background**

Institutional food procurement, particularly farm to school (FTS), has received a great deal of attention from agri-food scholars and practitioners, as it offers significant potential to sustain demand for alternative food products. FTS combines the procurement of locally grown foods with experiential education, to leverage the magnitude of expenditures by schools and create lasting demand for healthful and sustainable food. To date, school meal programs have mostly used a farm-direct model, in which local farmers deliver food directly to schools; however, this model poses many obstacles to large school districts that demand product on a greater scale.

The agri-food community has also focused much attention on the concept of the value chain (VC). VCs differ from traditional supply chains in key ways, such as adding value to products through differentiation and using strategic partnerships that benefit all chain participants. They are a promising mechanism to create markets for midscale farming, important given the decline of midscale farms and the associated loss of consumer choice, rural economic prosperity, environmental stewardship, and social capital.

**Study theory and approach**

This paper posits that VCs may be able to address some of the barriers to FTS procurement experienced by large school districts by supplying high quality food, in the proper form and quantity for school food service, along with the “story” intact for education and marketing efforts. At the same time, the VC provides a needed outlet for product from midscale farms and may offer farmers a greater share of the value generated along the supply chain.

This exploratory analysis discusses efforts to apply the concept of VCs to supply chain development in two real world pilot efforts to create VCs for midscale farms to supply large school districts with regional foods. The authors emphasize lessons learned on the ground and potential roles for community partners and scholars.

**Case studies**

These cases were the first two pilot districts of the School Food FOCUS Learning Lab program, which engages selected large school districts in a collaborative research process to discover methods for transforming food options within their operations. Each Lab brings school food service professionals and their community partners together with research and technical assistance to tackle procurement goals.

While Learning Labs may focus on several priority supply chains, this paper concentrates on the ones that best demonstrates VC principles: fresh, local produce at Saint Paul Public Schools, and pasture-raised, local beef at Denver Public Schools.

**Saint Paul Public Schools**

Saint Paul Public Schools (SPPS) in Minnesota wanted to serve more locally grown fresh produce in their school meals, both to enhance their nutrition education goals and to benefit local farmers by ensuring a fair price and transparency in their system for awarding business. The Learning Lab team developed a request for proposals (RFP) to solicit bids on local produce and worked closely with school foodservice professionals, the district’s current processor-distributors, and farmers to ensure feedback from all participants. From Sept.–Dec. 2009, SPPS purchased 173,000 lbs. of local produce for US$130,000, representing about 40% of the district’s total produce purchases. Interviews with two local farms supplying the produce found general satisfaction with the pricing and other arrangements.

**Denver Public Schools**

Through their involvement with FOCUS, Denver (Colorado) Public Schools (DPS) wanted to source locally produced beef. The Learning Lab met with a rancher who also operated a meat-processing plant and retail outlet. He continually had a surplus of ground beef, which DPS was interested in; however, the district could use only a limited amount in raw form. A quick-chill processor
worked with DPS to develop products that used the excess beef and fitted the district’s needs. From Sept. 2010 to May 2011, DPS bought 137,010 lbs. of local beef from the quick-chill processor, as precooked crumbles, hamburger patties, and raw ground meat, at a cost of about US$349,000. All DPS schools served dishes using the local meat about once a week.

Results and discussion
These cases demonstrate the possibilities and positive outcomes of partnerships between large schools and VC actors. The two cases have many similarities that can provide insight into developing these partnerships:

- Each VC partner bought assets and needs that had to be recognized and addressed in order for the VC to function. In the case of DPS, the rancher had a surplus of ground beef, the quick-chill processor had the capacity and expertise to cook and distribute, and DPS had demand for the raw product but needed outside assistance to develop the appropriate finished item. Aligning these capacities and needs to form (and hopefully sustain) the VC meant it was necessary for each actor to learn from and about the others.
- School foodservice professionals deal with extremely tight budgets and generally do not have extra time and staff to devote to new projects. External resources from FOCUS were necessary to facilitate the efforts to research and experiment.
- Purchasing surplus products for which producers lacked good markets created price points acceptable to districts while providing secondary income for farmers. Farmers continued to use sales of higher quality products (e.g., retail-grade produce and high quality steaks) as their primary income.
- Lack of capacity, the seasonality of produce, and the need for lower price points are major barriers for school districts looking to purchase regional products. Working through obstacles to reach goals has encouraged the districts to think about possibilities for change and take steps in new directions.
- Partnerships among scholars, school foodservice professionals, and community partners were key to success:
  - Community partners provided needed outside expertise and dedicated significant time.
  - Both SPPS and DPS chose to work with vendors who had prior experience in the school food market and could bring capacities and skills in aggregation and processing that the school districts lacked.
  - Both VCs benefited from face-to-face meetings among a range of partners to discuss capacities, needs, and constraints, which fostered communication and trust.

Suggestions for partners and scholars
Community partners and scholars can play important roles in forming partnerships that support sustainable school food procurement. They can:
- Use contacts and knowledge of local food supply chains to investigate, propose, arrange, and monitor VCs.
- Serve as a liaison between schools and vendors, translating language and business practices that one side may not readily understand.
- Find strategies to institutionalize efforts within the school district, such as creating vendor agreements, inserting language into RFPs, changing school or district policies, or writing memoranda of understanding.
- Recognize that outside funding and effort may be needed to bring about wholesale changes.

In all cases, partners to districts should be careful to respect the schools’ knowledge of their business and their desire to serve quality food by working to understand the district’s operating environment, constraints and culture.

Projects Update, Nov. 2014: Saint Paul Public Schools continues to purchase regional produce, with an estimated 130,000 lbs. procured in school year 2013–14. For the current school year (2014–15), their RFP from produce vendors includes a geographic preference (a preference given to farms located within a certain radius of the district) and asks vendors to provide the origin of all regional produce.

Denver Public Schools was unable to purchase regional beef after the 2010–2011 school year due to an increase in the price and concerns about product consistency. However, they are pursuing regional meat purchases through collaboration with a company that provides Colorado-raised and processed chicken products.

These developments underscore two points made by the article’s authors: (1) the importance of institutionalizing value chain efforts through bid language, such as an RFP, and (2) price point is a major barrier to purchasing regionally, given the financial constraints faced by school districts.