

Appendix 1: Case studies at a glance

Enterprise	Alsum Produce	Cherry Capital Foods	Co-op Partners Warehouse
	Friesland, WI Privately held company Production, aggregation, distribution and marketing www.alsum.com	Traverse City, MI LLC Distribution and marketing cherrycapitalfoodsllc.blogspot.com	St. Paul, MN Subsidiary of a natural foods co-op Aggregation, distribution and branding www.cooppartners.coop
Years in operation	36	2	10
Number of employees	130 full-time: 28 office; 63 grading and packing; 6 maintenance; 27 drivers; 6 mechanics. 20 additional employees are hired for harvest.	7: 5 full-time plus additional seasonal employees as needed.	29: 2 quality control; 9 warehouse; 6 drivers; 2 accounting; 2 buyers; 7 sales; 1 manager.
Product offerings	Complete produce line available in a three-state region (Wisconsin, Iowa, Illinois); potato and onions available across the eastern half of the United States.	Products available year-round include juices, condiments, eggs, meat and cheese, as well as frozen, dried and canned goods. Organic, conventional, and sustainably grown produce is available seasonally. All products are sourced in Michigan.	Over 200 organic produce items as well as organic milk, cheese and yogurt; soy products; fresh juices and smoothies; sauces; deli items; condiments; dry goods.
Services	Grower, packer and shipper of potatoes; onion repacker; marketing and distribution.	Marketing, distribution, some pack-size training and guidance on GAP/HACCP protocol.	Drop-ship and traditional warehouse aggregation, local deliveries within the Twin Cities, billing and marketing.
Grower requirements	Liability and product insurance. Organic certification is required for Alsum to pack organic product.	Some growers already have GAP certification. This will be a requirement for all by 2010. While some are certified organic, all growers are encouraged to use sustainable production practices.	More than 98 percent of all product is certified organic. Co-op Partners relies more on transparency and relationships than GAP certification and HACCP approval with its local producers.
Suppliers	Regional and national growers ranging in size, volume and certification, as well as some wholesale distributors. Alsum works with 300-400 suppliers, 60 of whom are in Wisconsin.	Close to 50 farms and farmers' markets supply fresh and processed greens, vegetables, meat, cheese and specialty food products.	Co-op Partners sources regionally and nationally, featuring products from over thirty Wisconsin and Minnesota producers. When regionally grown product is not available, goods are sourced primarily from CA and WA.
Customers	1) Regional independent grocers, grocery chains, state institutions and school systems in Wisconsin and northern Illinois; 2) Grocers and food service distributors in the eastern United States.	150+ schools, institutions, restaurants, hotels, grocery stores, independent food service operations, child and family services, colleges, universities, caterers, farm stands and farmers' market vendors.	Retail co-ops and natural food stores throughout the Upper Midwest.
Pricing	Prices are established according to the local market. Alsum has begun to lock in some prices, but trends suggest that both growers and distributors prefer the open market.	Predominantly by negotiation. Base purchasing prices generally correspond to terminal prices with an added premium for "local."	Co-op Partners negotiates prices directly with local growers. Mark-up ranges from 16-25 percent depending on product perishability. Prices are set in advance or determined as needed.
Volume	N/A	\$500,000 worth of product sold in 2008. 2010 sales are expected to exceed \$1 million.	~ \$4 million worth of local product out of approximately \$13 million total annual sales in 2008.

Enterprise	Fennimore Produce Auction	Growers Collaborative	GROWN Locally
	Fennimore, WI Auction Grower, aggregator and distributor www.timslackauctionrealty.com	Davis, CA Non-profit Aggregation, distribution and branding www.growerscollaborative.org	Northeastern IA Producer co-op Grower, aggregator and distributor www.grownlocally.com
Years in operation	2	4	9
Number of employees	None. Administrative support and auction services are provided by the auction company.	9: 4 in Greater Los Angeles; 5 in the Greater Bay Area. Employees include drivers, operations managers, regional managers and a farmer outreach coordinator.	One full-time coordinator
Product offerings	Fresh produce, flower baskets, flower flats and garden plants. Special sales feature quilts, furniture and other items.	Fresh, retail and processing quality fruit and vegetables, available seasonally. 100 products available in the summer; 30 products available in the winter.	Fresh produce and herbs, meat, honey, flowers, fruit and berries.
Services	Order-buyer purchasing service for wholesale buyers not attending the auction, marketing to local buyers and product aggregation.	Production and packing assistance, marketing, distribution and branding.	Production, marketing, distribution, storage and branding.
Grower requirements	Produce must be grown within 150 miles of the auction. It must be packed and graded according to industry standards.	Suppliers meet a range of production standards. Some are GAP and organic certified. The collaborative audits all of its farms to ensure compliance with conventional safety and production standards. Buyers can review all of the collaborative's farmers and their growing methods on its website.	Growers follow organic standards; not all are certified. Growers comply with GAP but are not certified. Well water tests are required for on-farm washing facilities. The co-op has a manual of post-harvest handling standards which it is revising to accommodate large-volume sales to institutions.
Suppliers	Any grower within 100 miles can bring produce to the auction. Suppliers are predominantly area Amish farmers. About 35 growers are represented at each auction.	25 in Southern California and 100 in the Bay Area. Farms range in size from 4 to 400+ acres.	22 member farms
Customers	Primary customers include roadside stands. Secondary customers include grocery stores and food service buyers.	70 institutions, 40 of which are regular customers. These include public and private schools, colleges, universities and hospitals, as well as Meals-on-Wheels and other buyers.	Institutions such as colleges and nursing homes, and households.
Pricing	Prices are determined by bidding.	Farmers set prices that the organization is able to meet because demand outpaces supply. The premium paid by food service operators for local food is minimal relative to the marketing benefits gained from local food sourcing.	Co-op committees establish tentative prices based on past sales and cost of production. They recalibrate prices throughout the growing season, as needed.
Volume	About \$11,000 per auction. The Tim Slack Auction and Realty, LLC Buyer Program is presently seeking grant support for the auction, which is not yet financially self-sustaining.	N/A	~ \$100,000 in 2009

Enterprise	High Desert Foods	Organic Valley Produce Program	Provisions International
	Durango, CO LLLP Small processor www.highdesertfoods.com	La Farge, WI Producer co-op Production support, aggregation, marketing and branding www.organicvalley.coop/products/produce/	White River Junction, VT LLC Distribution and marketing www.provisionsintl.com
Years in operation	10	21	23
Number of employees	5: office, production and maintenance. Most jobs are close to full-time during the peak season; hours decline during the off-season.	Over 500 total. The produce program has 7: 5 full-time, year-round employees and 2 seasonal employees including a program manager, sales coordinator, office assistant, pool coordinator, warehouse manager and 2 warehouse staff.	21: 4 sales, 2 purchasers, 1 bookkeeper, 1 general manager, and additional hauling and warehouse staff.
Product offerings	Fruit confitures, tomato sauce, dried tomatoes, nut mixes and coffee.	USDA Number 1 product: brassicas; peas and beans; potatoes; melons; cucurbits; winter squash; leafy greens; onions and garlic; tomatoes and eggplants; root vegetables; berries; and miscellaneous vegetables.	Cheese, meat, oil, vinegar, baking supplies, condiments and other specialty foods from Europe and New England; emphasis on artisanal cheese.
Services	Outlet for number two fruit; exploring co-packing opportunities.	Production support, training, marketing, merchandising and distribution.	Marketing, delivery, in-store tastings, sales and regional hauling.
Grower requirements	Emphasis on small-scale, sustainable growing practices. Most fruit and other primary ingredients are sourced from organic and/or local growers. Products range from 70 to 100 percent organic.	Growers must be certified organic. Organic Valley's distribution center is Primus Lab-audited, per produce customer request. Organic Valley does not require GAP certification but it provides annual GAP training for its producers and is in the process of developing an internal farm sanitation audit process. Organic Valley carries liability insurance for its members.	Provisions International visits all its regional suppliers' facilities. Some of its suppliers are organic, but this is not emphasized. Product flavor and quality are the main drivers for sourcing.
Suppliers	10+ orchards in Colorado and New Mexico, with supplemental product coming primarily from California and Washington.	150 growers primarily in Wisconsin, Indiana, Missouri, Minnesota and Iowa. The majority are Amish growers farming between one and thirty acres in southwestern Wisconsin. Many growers supplement their vegetable production income with other on- and off-farm revenues. Organic Valley sources from both individual operations and smaller grower cooperatives.	25 regional cheese suppliers. Distributes anywhere from 100 percent to a small percentage of a supplier's product, depending on the scale of production and the number and size of accounts suppliers have established on their own.
Customers	Consumer-direct online; natural and specialty food stores nationally. The company is exploring community-based sales.	Approximately 40 buyers nationally, with 15 located in the Midwest. Most customers are natural foods distributors or distribution centers for grocery retailers.	Regional chefs and specialty retailers
Pricing	Typically uses terminal pricing for organic number two (processing grade) products, with some variability depending on purchase volume and other factors.	Farmers are paid a biweekly base price determined by highest historical sales price minus freight and commission, and the minimum needed for profitability. Post-season, farmers are paid a pooling bonus—the difference between revenues and base prices after freight and commission. The produce program operates on a 20 percent commission on product sold.	Pricing is established through negotiation with suppliers. In many cases, Provisions International orchestrates all of the distribution needs for regional cheese producers and simply charges a percentage for the service.
Volume	N/A	The produce program is budgeted to sell \$3 million in 2009.	N/A

Enterprise	University of Wisconsin - Madison Dining Services Madison, WI Auxiliary of the University of Wisconsin Institutional buyer www.housing.wisc.edu/dining/	Wescott Agri Products Elgin, MN Privately held company Grower, aggregator and distributor www.wescottorchard.com
Years in operation	30+	35+
Number of employees	1,300+: 44 managerial staff, 80 hourly staff and 1,200 students.	35: 1 CFO; 4 accounting and administrative staff; 1 operations manager; 4 account managers; 4 warehouse/distribution staff; 15 packers; 5 drivers; 1 production supervisor.
Product offerings	Produce, dairy products, baked goods, tofu, tempeh, eggs, cheese and meat. Some foods are processed, but not grown, locally.	Tree fruit. Wescott grows product and sources regional varieties when they are in season. However, in order to meet year-round customer demand for mainstream varieties, they also source varieties from Washington State and the Southern Hemisphere.
Services	N/A	Production assistance, washing, packing, marketing, aggregation and distribution.
Grower requirements	Most produce must be refrigerated below 40° F. Produce processors must be inspected semi-annually and meet standards for keeping product cool and controlling microbes. Delivery vehicles must be enclosed, refrigerated and clean.	Wescott has GAP transitional certification and follows wholesale packing standards. It is working with a number of its growers to institute sustainable production practices that exceed industry standards. All production locations are inspected by independent, third-party certifiers.
Suppliers	Approximately 40 growers and food distributors including local enterprises such as Organic Valley and the campus dairy.	25 regional producers growing 30 apple varieties, with additional growers in Washington State and the Southern Hemisphere.
Customers	16,000 University of Wisconsin-Madison students, staff and faculty annually.	105 customers in a five-state region (WI, MN, IA, ND, SD). Their customer base is about 70 percent retail buyers and 30 percent distributors.
Pricing	Students living in the residence halls purchase à la carte items at a discounted rate. Cash customers pay 60 percent more than residents. Vendor contracts are awarded through a competitive bidding process that considers cost, quality and other criteria.	Wescott sets prices according to market conditions. Strong relationships and trust between Wescott and its growers are critical. Westcott enters into season-long contracts with specific retailers and offers transactional pricing for other customers. Some contracts are for volume commitments only, with prices fluctuating with the market. Other contracts are for price and volume commitments.
Volume	Total annual food budget in 2008-2009 was \$8,574,256, 12.5 percent of which was spent on locally grown product. Food sourced from the UW-Madison dairy accounted for approximately 65 percent of this spending. An additional \$3,424,653 was spent on locally processed goods.	N/A