

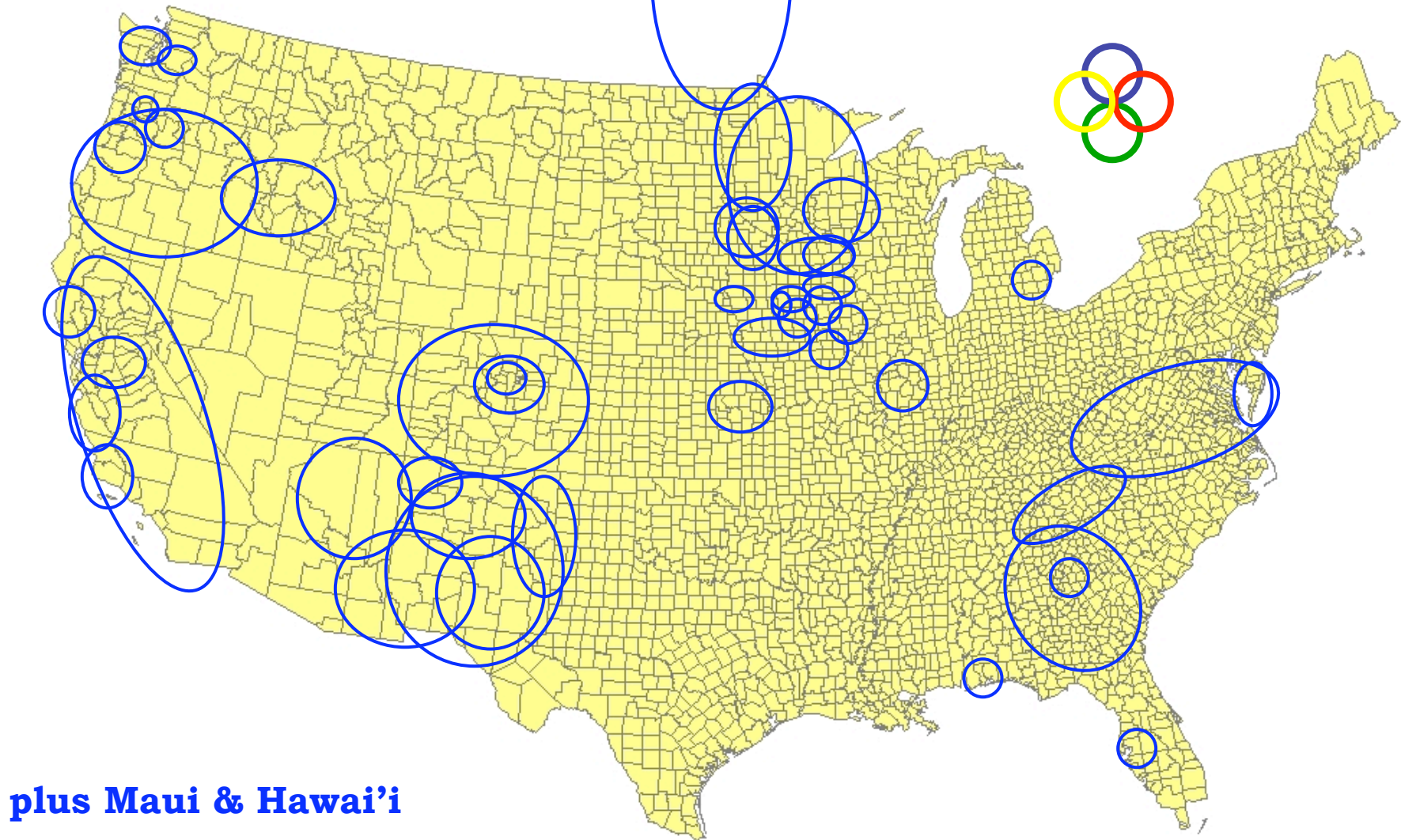


Developing our Local Food Economy

Ken Meter
Crossroads
Resource Center
(Minneapolis)

**Mendocino County Food
Summit
Ukiah, California
May 19, 2010**

“Finding Food in Farm Country” Studies



plus Maui & Hawai'i

50 regions in 22 states & one province



Local Farm & Food Economies

**The perspectives of the
communities where food is
produced and eaten...**

...are often overlooked



Vision for local food economies

Build:

Health

Wealth

Connection

Capacity



**The current food system takes
wealth out of our communities**





“Local” foods may be the best path toward economic recovery



Local action matters

**State and local governments
spend **\$50 billion** each year to
subsidize economic development**

“Local” is a shorthand....



Photo: DSC



**Goal: to build
Community-Based
Food Systems**

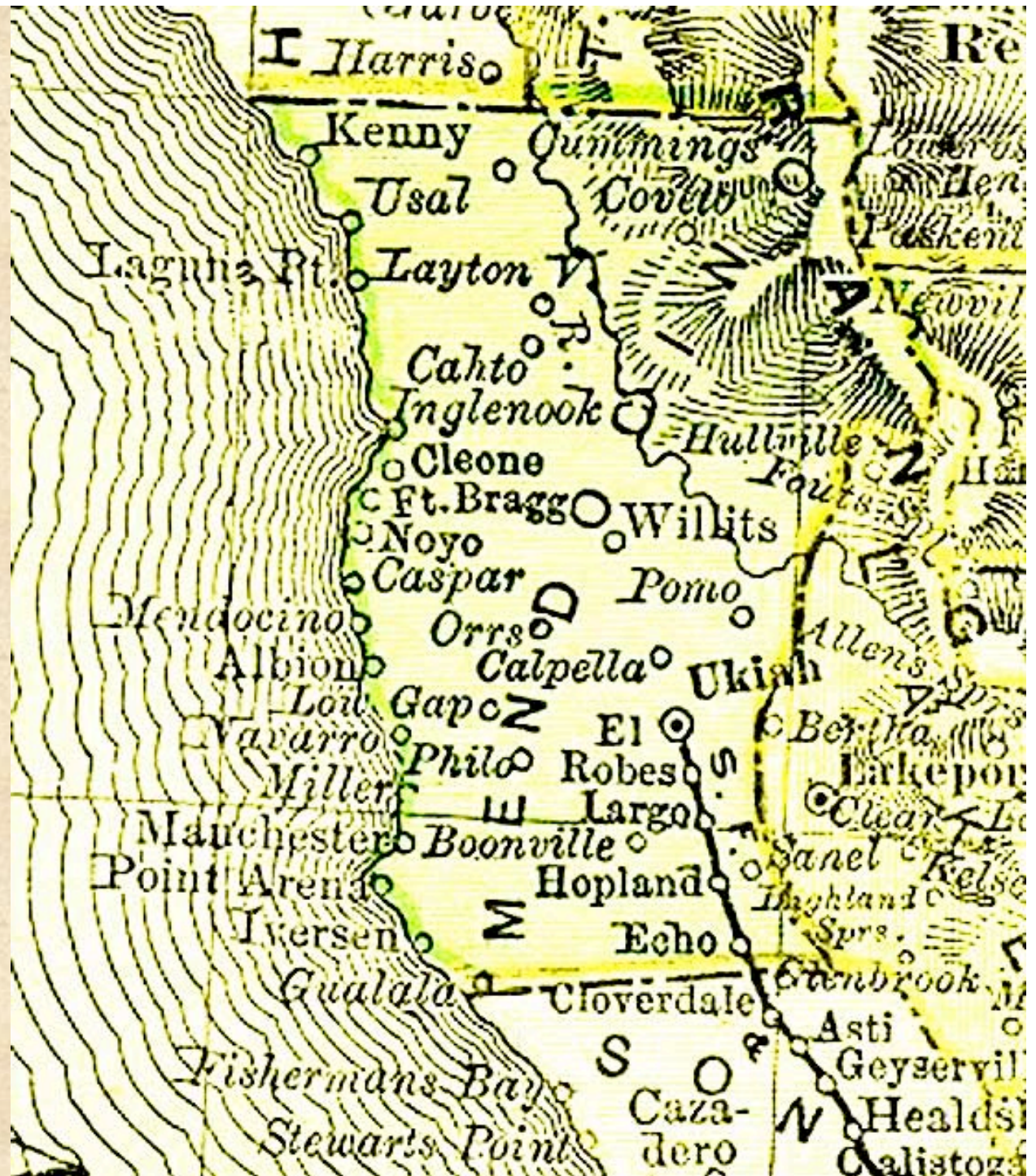


Photo: DSC





Mendocino County



U.S. Atlas 1895



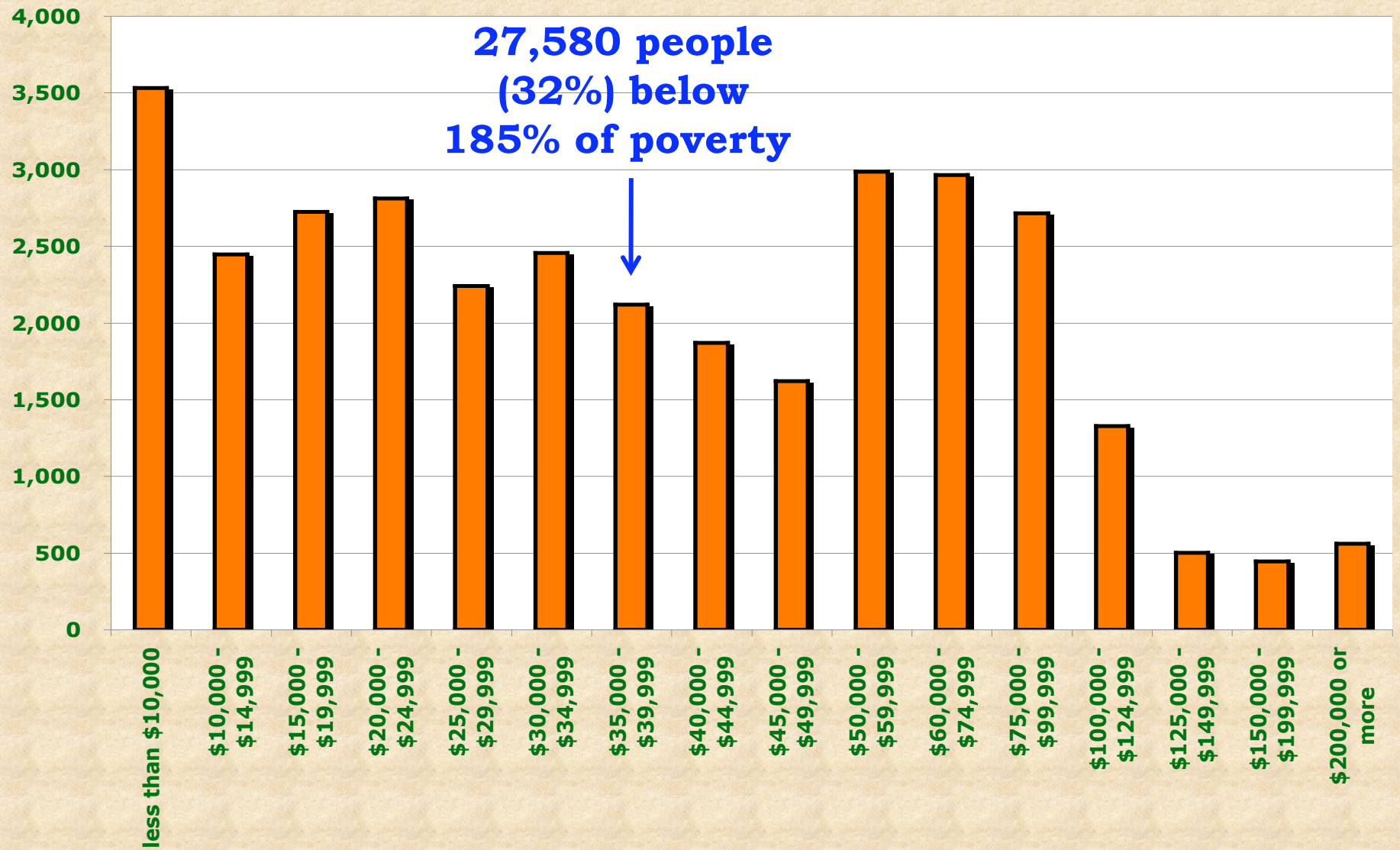
Mendocino County

- **86,000 residents**
- **Earn \$2.8 billion income each year**

Source: Federal Census 2000, BEA



Mendocino County





Healthy Eating

**58% of county residents eat the
recommended 5 fruits &
vegetables each day**

(better than CA average)

Source: California Health Indicators Survey (2005)



Health suffers

**One of every four
county residents
is uninsured**

Source: California Health Indicators Survey (2005)



Health suffers

**51% of county
residents are
overweight or
obese**

(better than CA average)



Mendocino County's Food & Farm Economy

- 1,136 farms
- Average size 536 acres
(171% of California average)

Source: USDA Census of Agriculture 2007



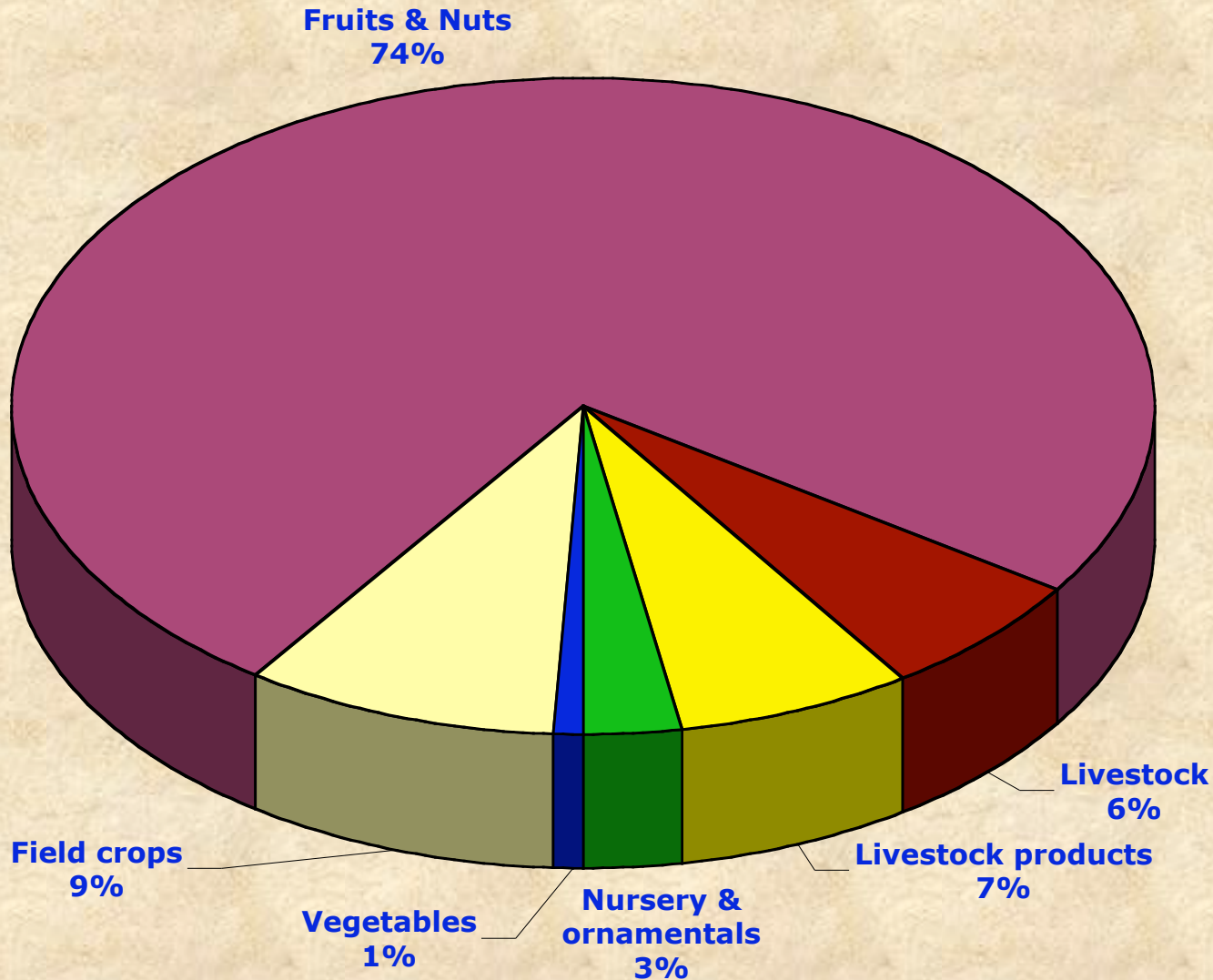
Mendocino County's Food & Farm Economy

- **52% of farms sell less than \$10,000**
- **15% sell more than \$100,000**

Source: USDA Census of Agriculture 2007



Key commodities in Mendocino County





Mendocino County's Key Commodities

	\$ millions
Wine grapes	\$75.3
Timber	74.6
Bartlett Pears	14.0
Cattle & Calves	6.3
Milk	6.2
Nursery	3.6
Bosc Pears	1.5
Apples	1.4
Red Pears	1.4



145 farms sell organic products

Photo: DSC

\$6.7 million in sales



Mendocino County's Food & Farm Economy

- **59 vegetable farms**
- **1 million sales**

Source: USDA Census of Agriculture 2007



Mendocino County's Food & Farm Economy

- **138 farms sell direct to consumers
(9% decrease)**
- **\$1.2 million sales
(100% increase)**

Source: USDA Census of Agriculture 2007



Mendocino County's Food & Farm Economy

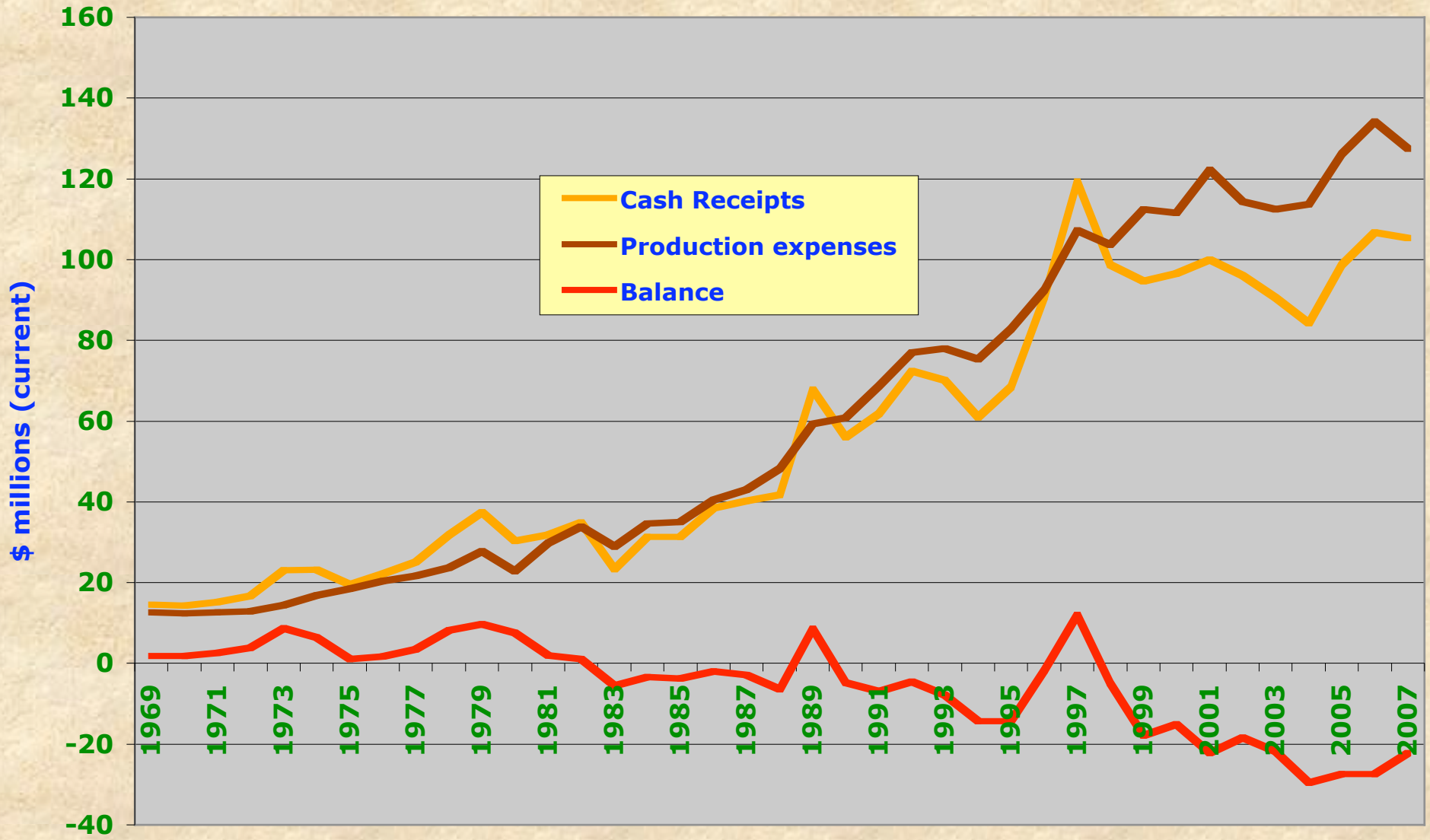
**Direct sales are 1% of farm
sales —
twice national average!**

Source: USDA Census of Agriculture 2007



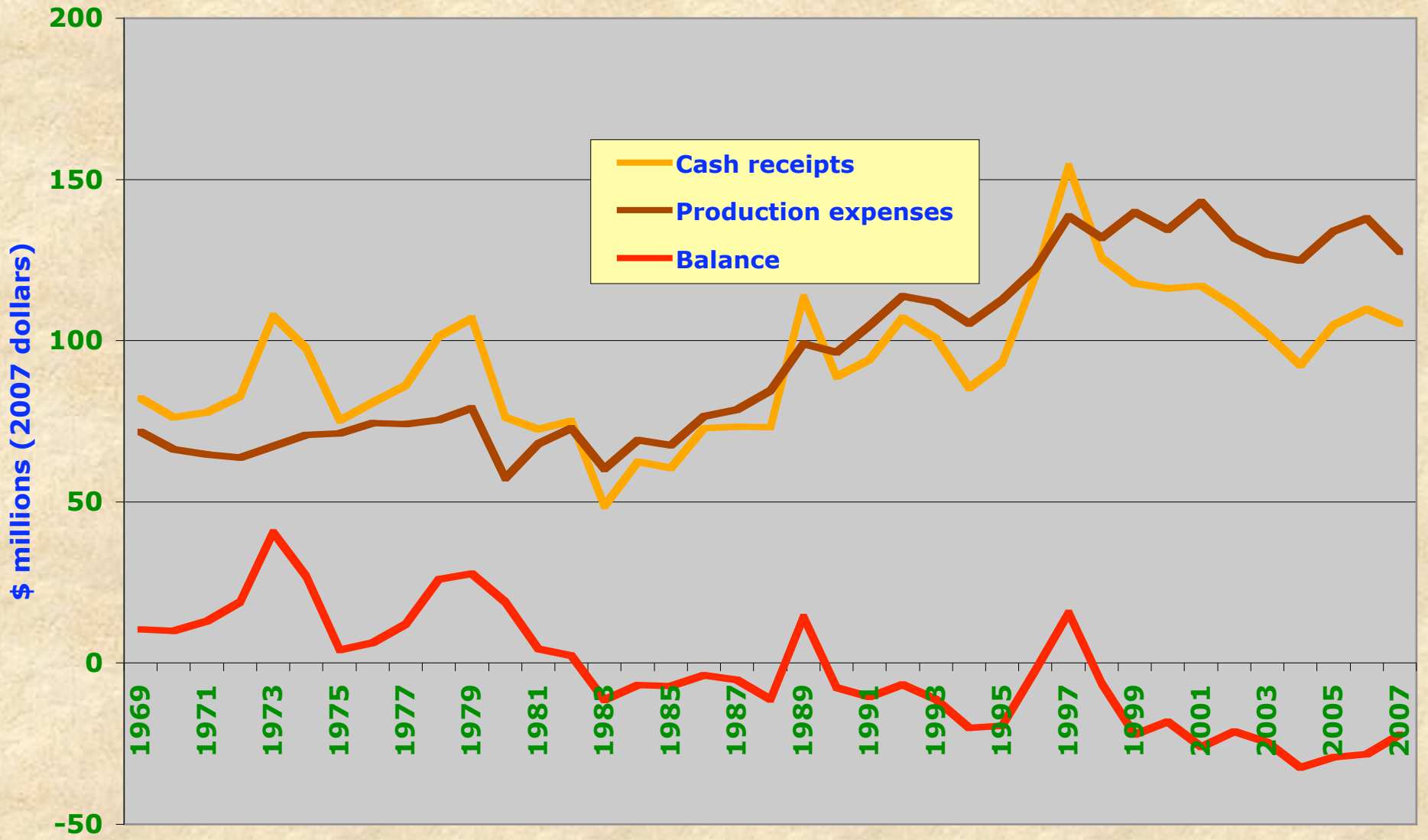


Farm Production Balance in Mendocino County, California, 1969-2007



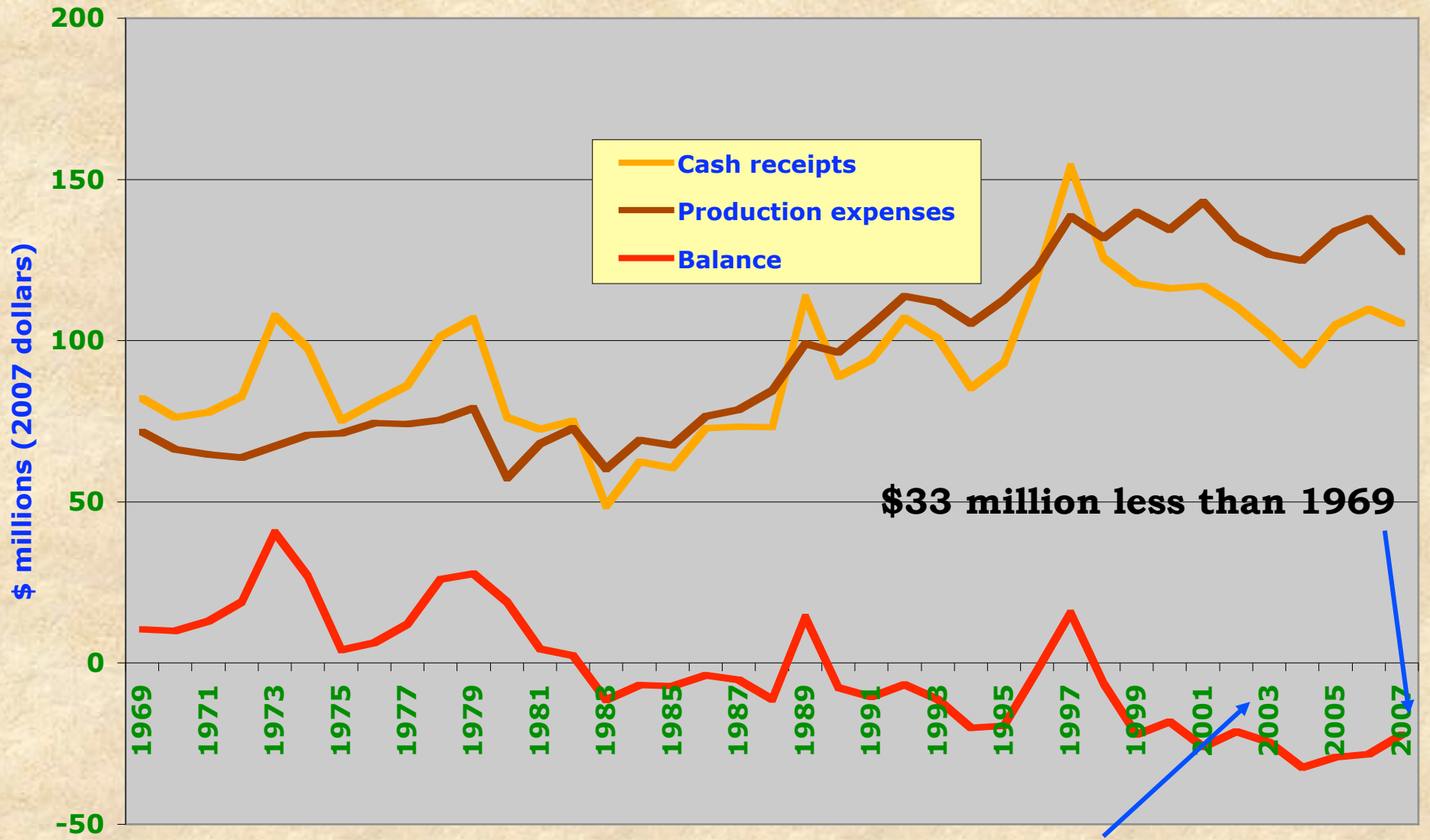


Farm Production Balance in Mendocino County, California, 1969-2007





Farm Production Balance in Mendocino County, California, 1969-2007



Bureau of Economic Analysis

\$268 million lost since 1993

\$33 million less than 1969



Mendocino County farmers sell an average of \$110 million of crops and livestock

Spend \$128 million to raise them

(1993-2007 average)

Average loss: \$18 million per year



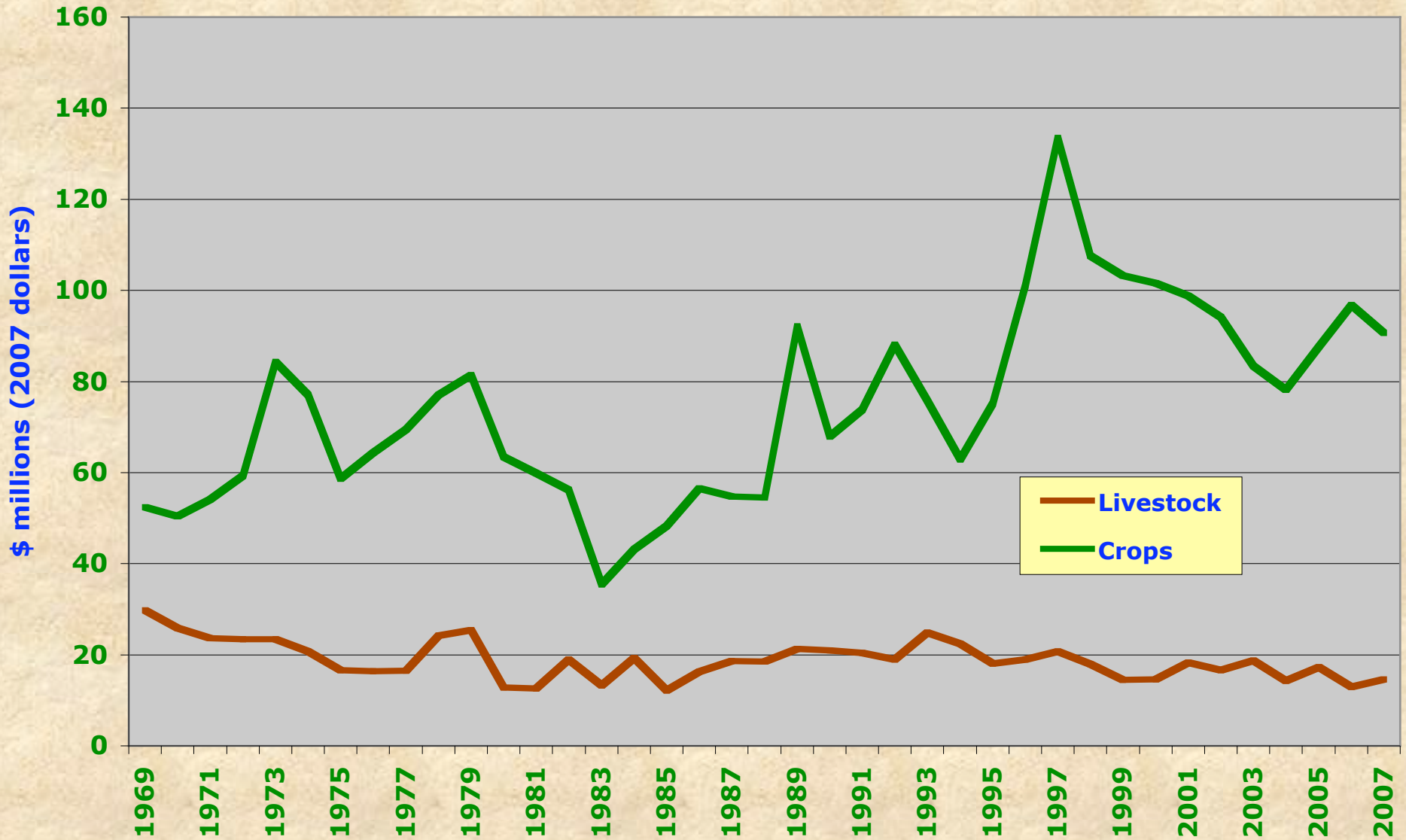
**63% of all farms
reported net
losses in 2007
— after
subsidies**



USDA Census of Agriculture 2007



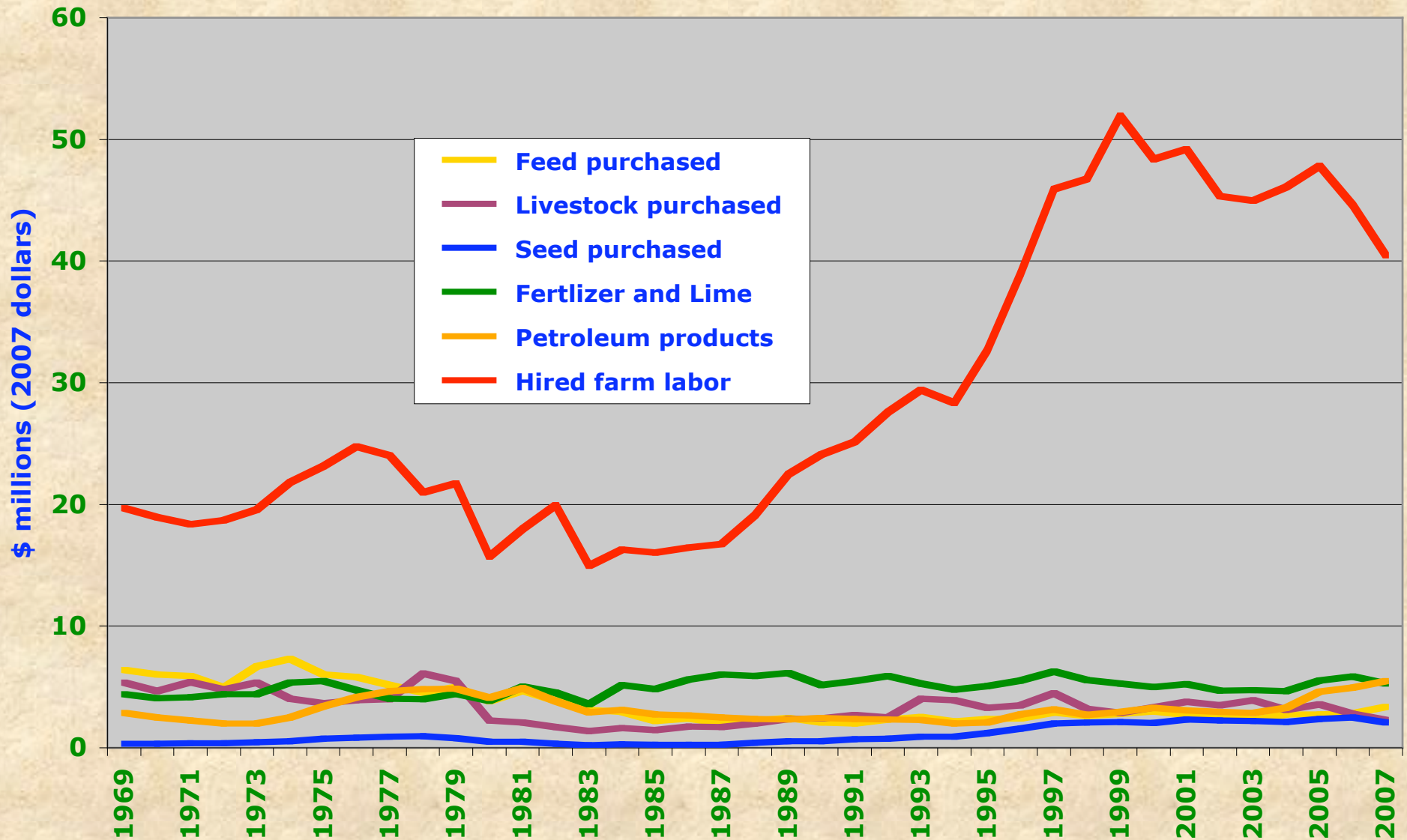
Crop and livestock sales in Mendocino County, California, 1969-2007







Farm production expenses in Mendocino County, California, 1969-2007





**\$65 million of these farm inputs
are purchased from outside the region**

Source: Ken Meter using data from Agriculture Census 2007



**Using local inputs
would reduce
these losses**

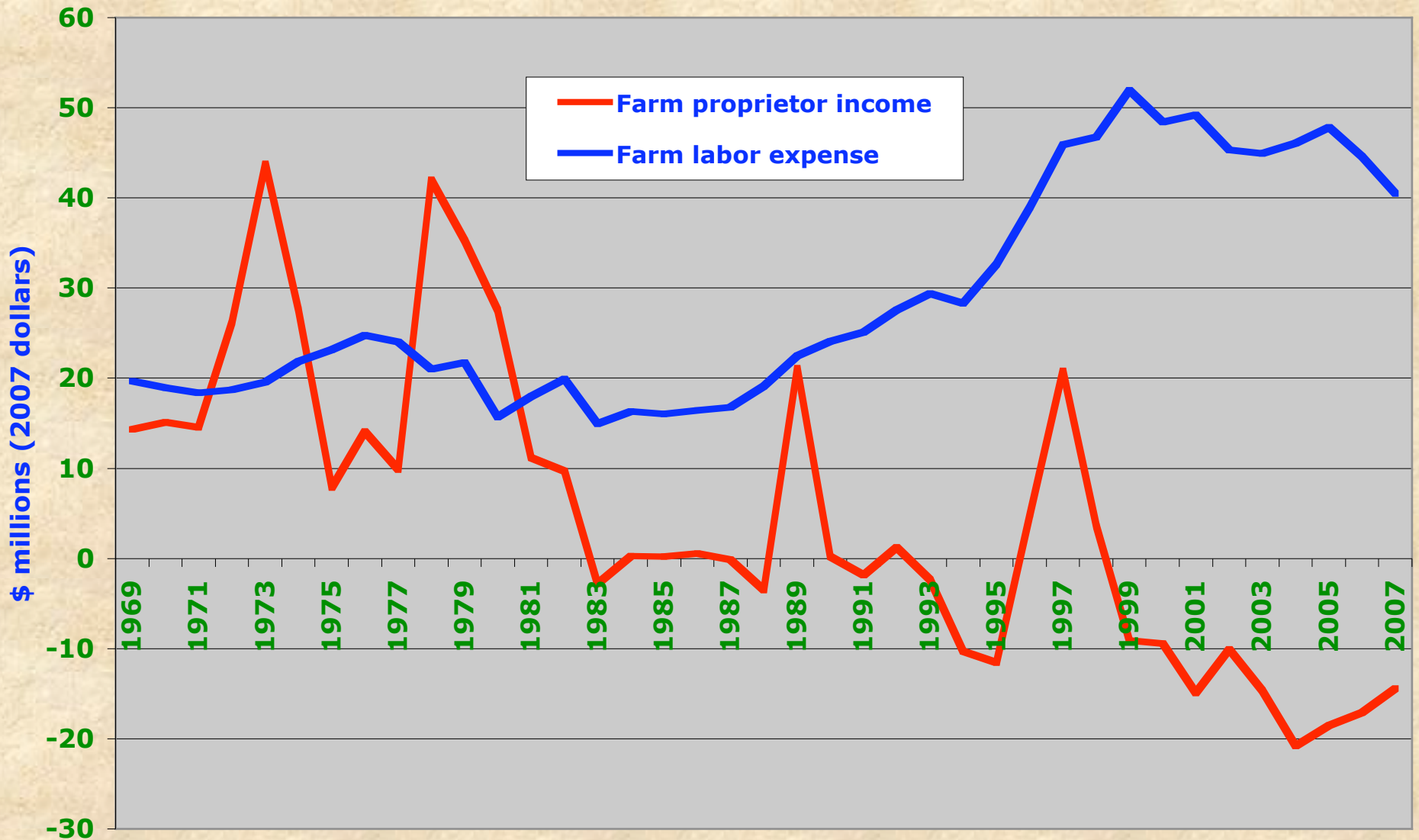


Ways to localize input costs

- **Grow organically**
- **Produce compost @ large scale**
- **Produce more green energy**
- **Reduce the scale of technology**
- **Manufacture more equipment**
- **Save seeds for next year's planting**



Farm proprietor income and labor costs in Mendocino County, California, 1969-2007





Also a region of food consumers...



Finding Food in Farm Country

As farmers struggle...

- **Consumers buy \$233 million of food each year**

- **\$210 million from outside region**

Source: Ken Meter using Bureau of Labor Statistics



Mendocino County

Markets for food eaten at home

	millions
Meats, poultry, fish, and eggs	\$ 29
Fruits & vegetables	26
Cereals and bakery products	18
Dairy products	16
“Other,” incl. sweets, fats, & oils	48

Source: Census & BLS



Mendocino County

**If consumers bought only 15% of
their food directly from local farms:**

**\$20 million of new farm income
earned each year**

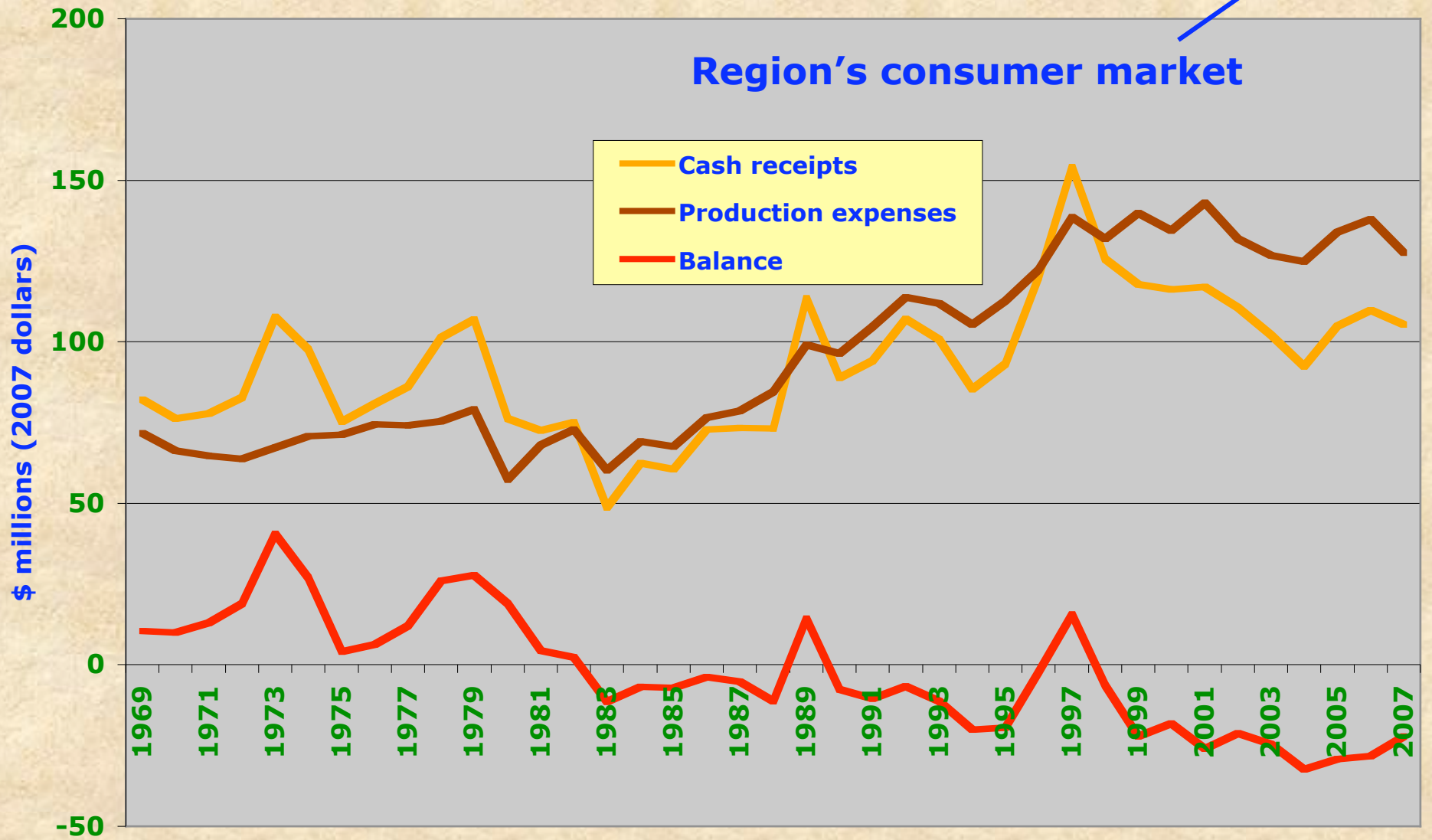
Enough to cover current production losses



The good news is...



Current farm income compared to Mendocino County consumer market



Source: BEA and BLS



All told, Mendocino County...

- **Loses \$18 million in production**
- **Loses \$65 million buying inputs**
- **Loses \$210 million buying food**

Potential wealth lost each year



Finding Food in Farm Country

Total loss is:

- **\$293 million each year!**
- **This is nearly 3 times the value of all food commodities raised in region**



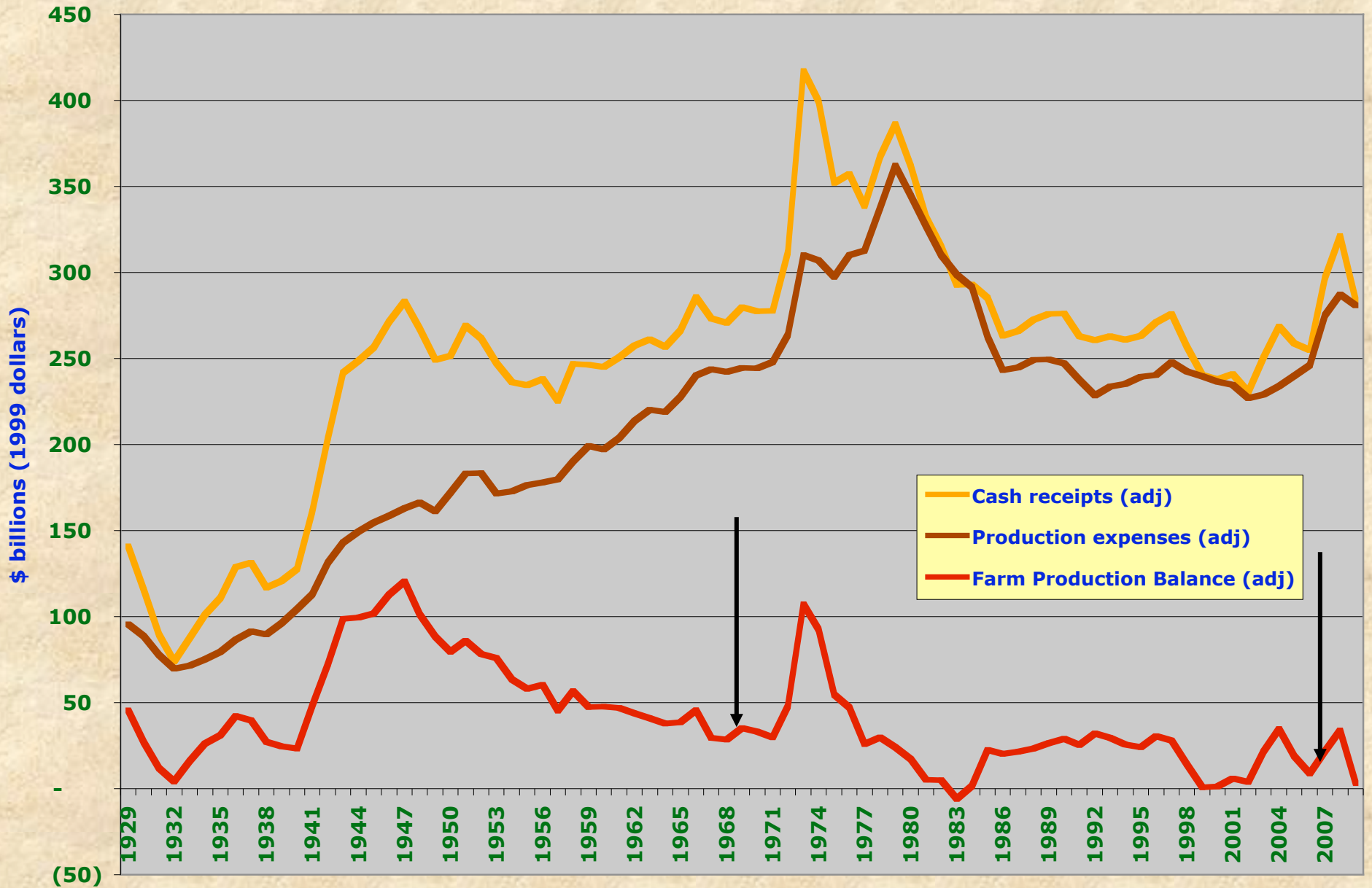


U.S. data

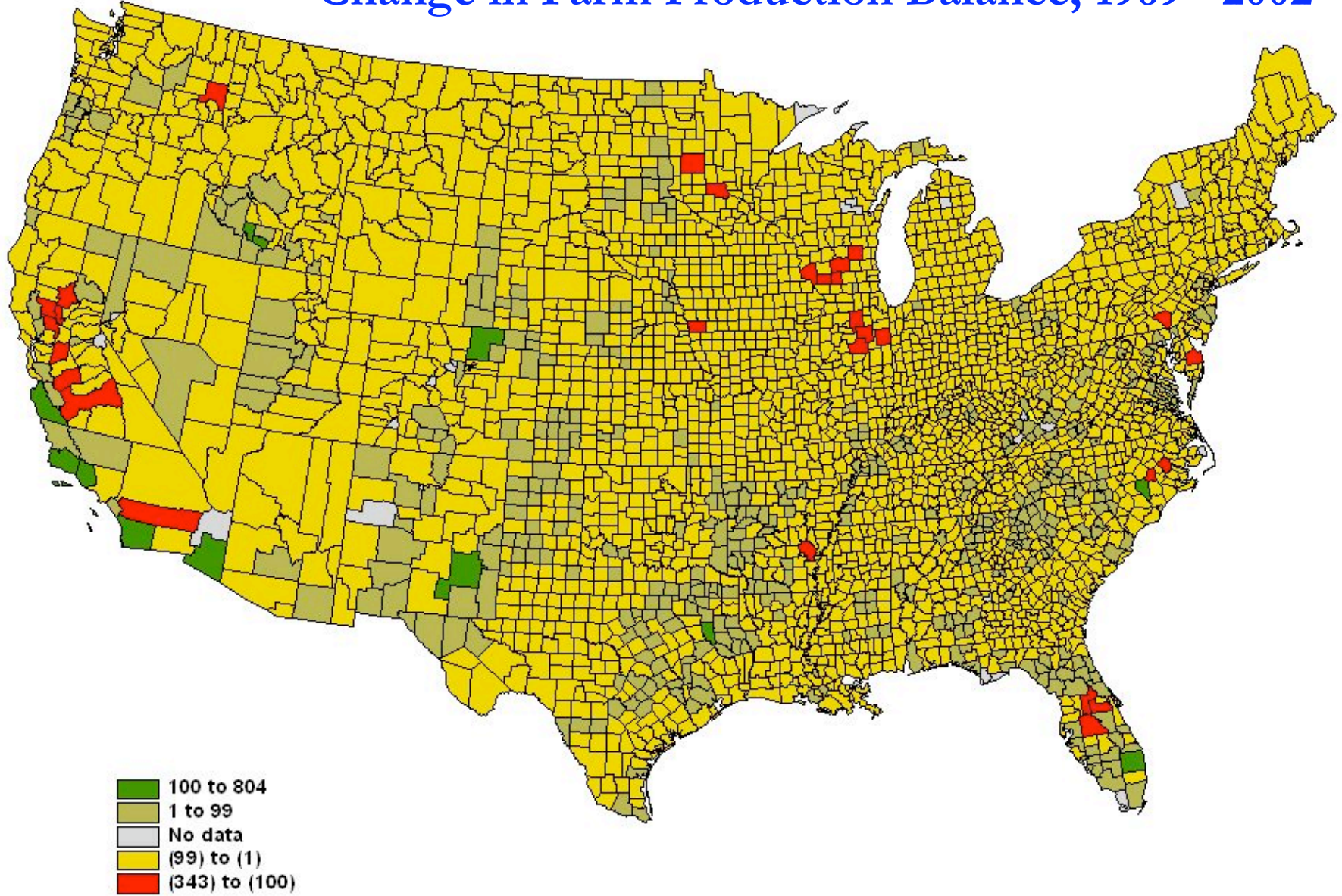


Farm Production Balance in U.S., 1929 - 2009

Source: USDA/ERS. Chart by Ken Meter, 2009



Change in Farm Production Balance, 1969 - 2002

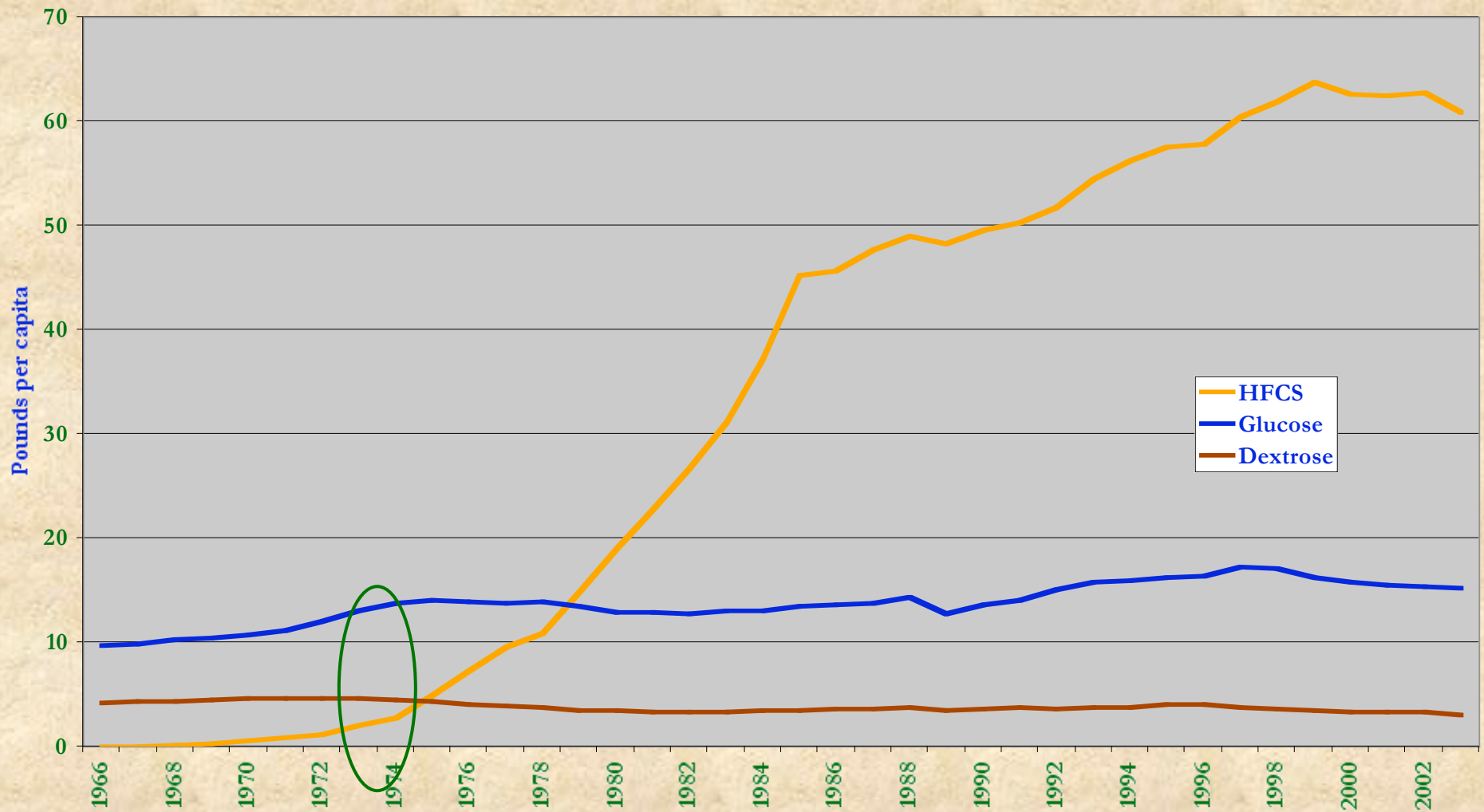


Map by Ken Meter, 2005

Source: BEA



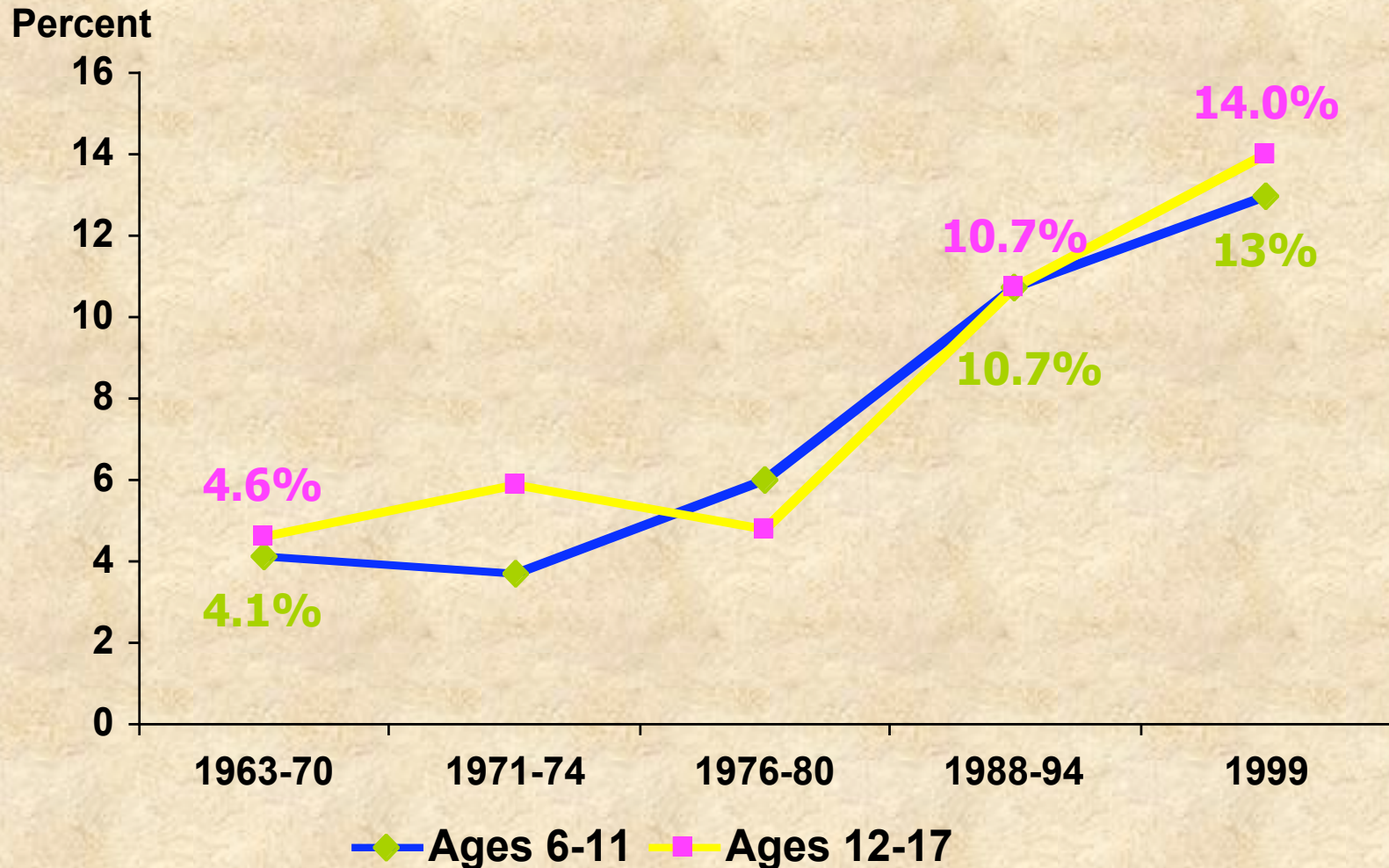
Corn sweeteners consumed in U.S., 1966 - 2002



Source: USDA/ERS — chart by Ken Meter, 2006



U.S. Youth Who are Overweight Percent by Age



≥95th percentile for BMI by age and sex, based on NHANES I reference data
Source: Troiano RP, Flegal KM. Pediatrics 1998;101(3):497-504. NHANES 1999, National Center for Health Statistics. Chart by Melinda Hemmelgarn



Growing Power, Milwaukee



Consumption out of balance

- **50% of U.S. public school students qualify for free / reduced lunch**
- **10% of households are “food insecure”**



Health suffers

- 5,000 deaths due to food poisoning each year in U.S.**

Sources: CDC/Walters



Health suffers

Medical costs of obesity are \$147 billion per year —

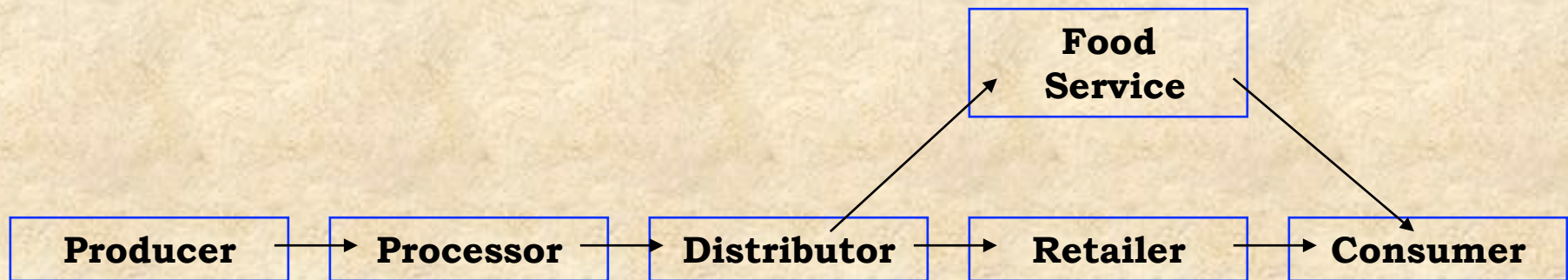
Half of what farmers earn selling commodities!

Source: CDC/Walters, Harvard Public Health/Colditz

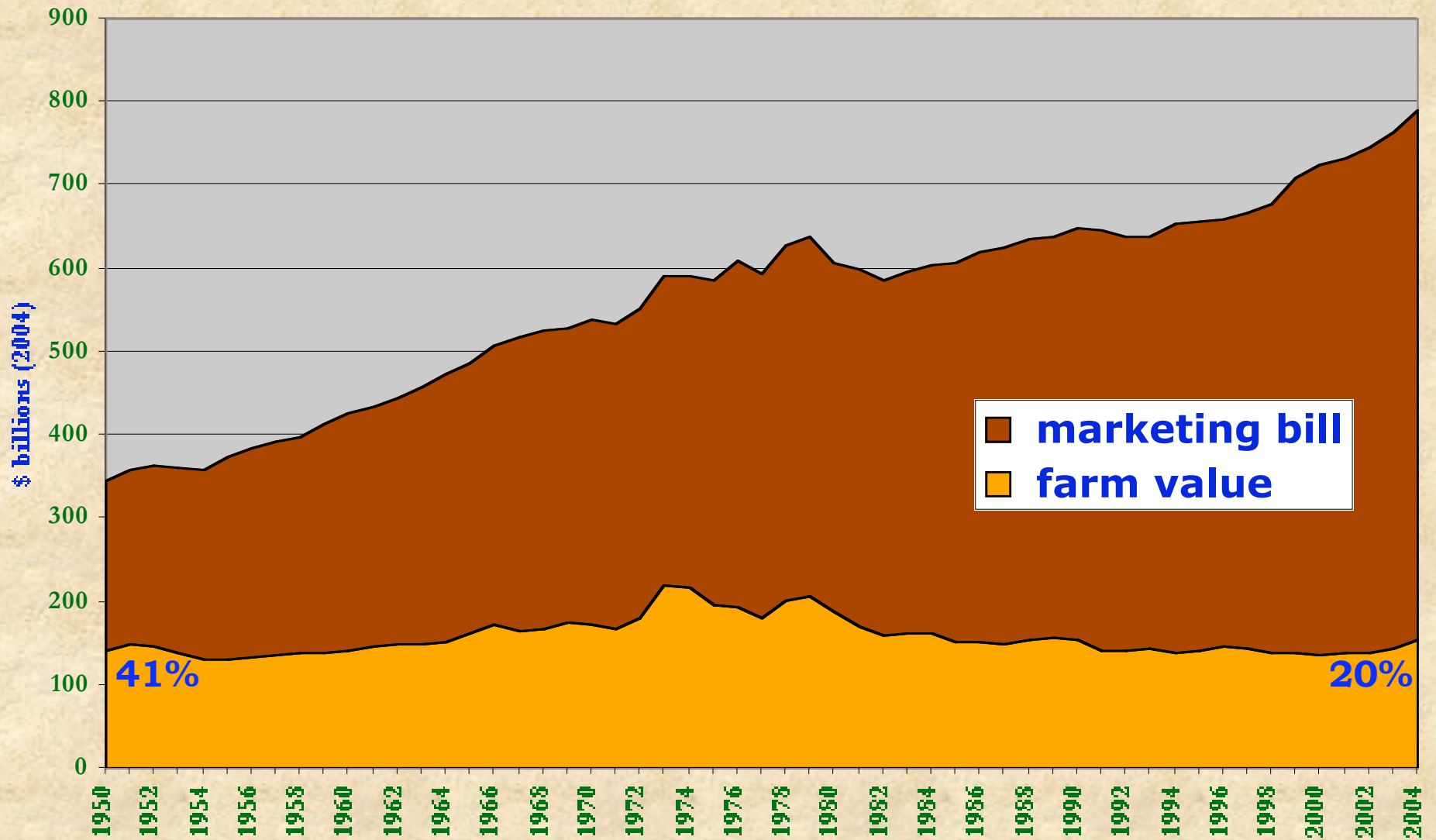




Value Chain



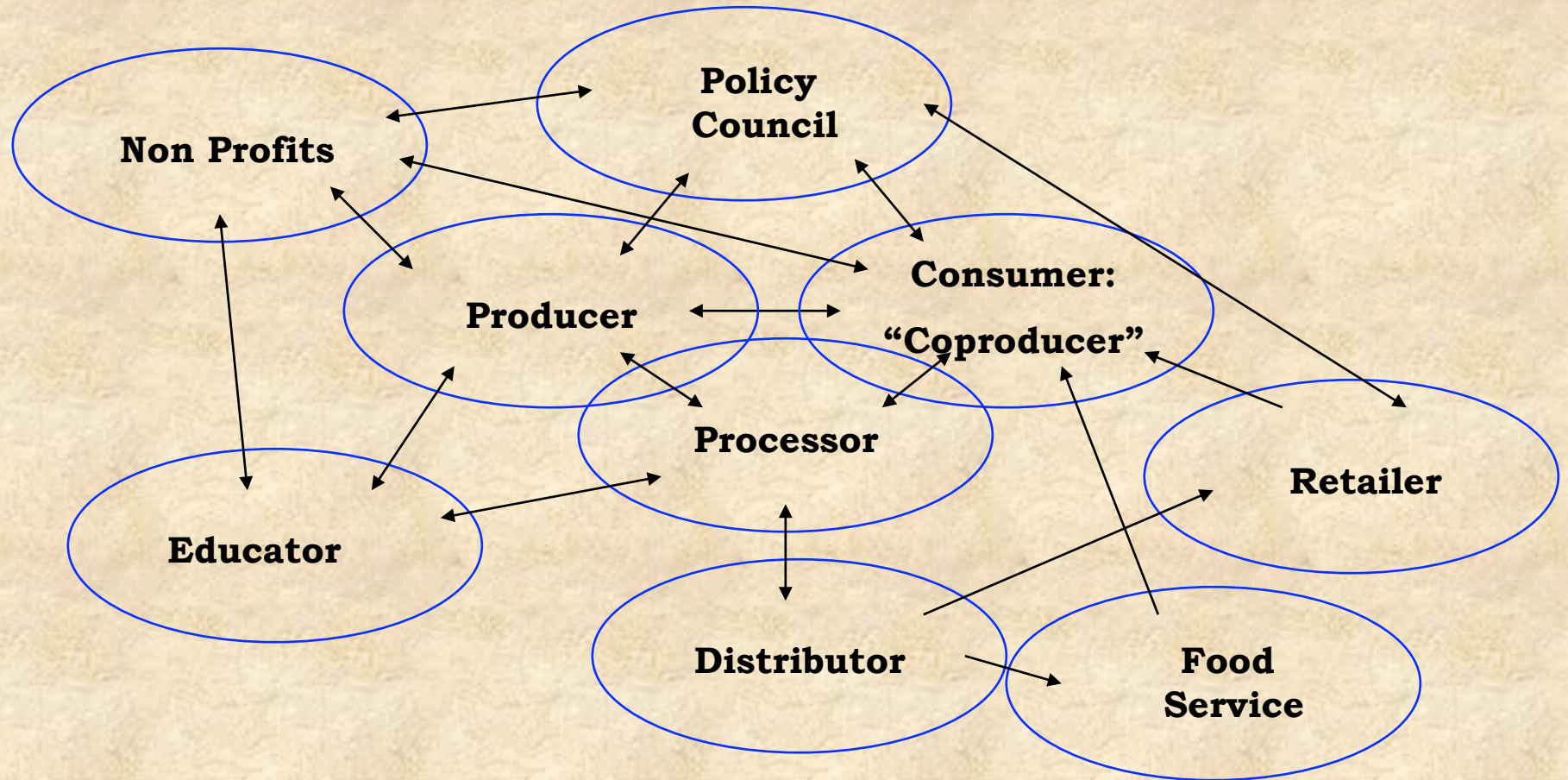
Farmers' share of retail prices paid by consumers, 1950-2004



Source ERS; chart by Ken Meter, 2007



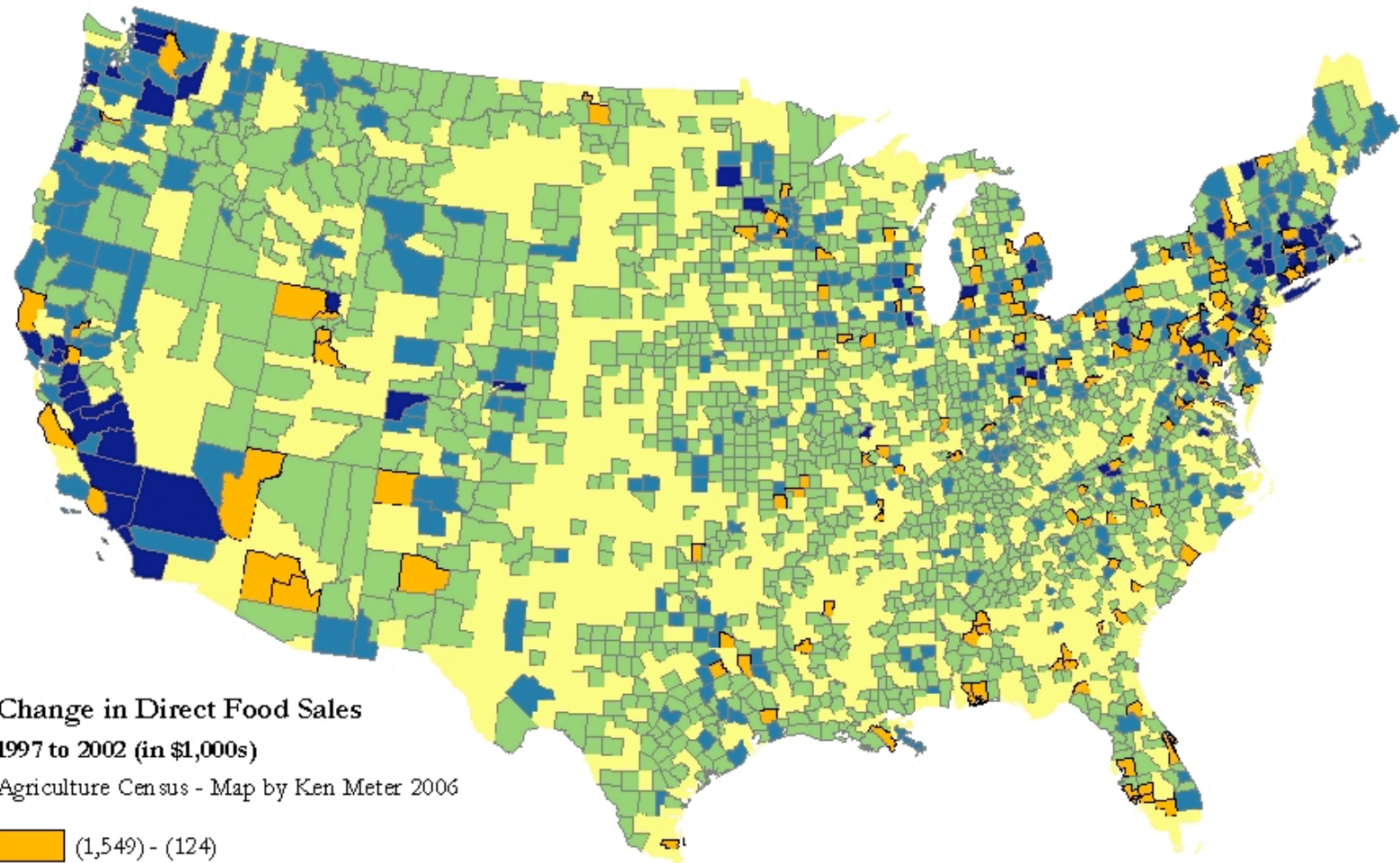
Value Network







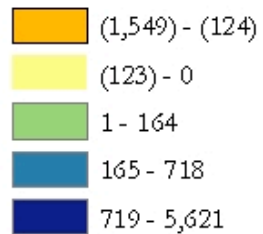
Direct Food Sales



Change in Direct Food Sales

1997 to 2002 (in \$1,000s)

Agriculture Census - Map by Ken Meter 2006





Innovative farm operations

**Winter CSA
Milan, Minnesota**

**Fresh fresh organic greens
November to April**

Sells only within 30 miles



Winter CSA — Milan, Minnesota





Winter CSA — Milan, Minnesota



Jobs, Fruit & Veggies, and Black Hawk County region

**If Black Hawk region residents
purchased locally grown fruits
and vegetables just **3 months** out
of the year:**

- **475 new jobs**
- **\$6.3 million in labor income
added to local economy**

David Swenson, ISU Economist





Will Allen, Growing Power, Milwaukee

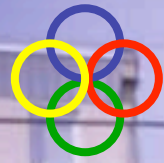




Did you know:
Growing Power distributed over 2 million pounds of produce through the Market Basket program. Market Basket includes products from the Rainbow Farms Cooperative.



Growing Power, Milwaukee



Greensgrow Gardens, Philadelphia





Greensgrow Gardens, Philadelphia





Greensgrow Gardens, Philadelphia



 **Greensgrow Gardens, Philadelphia**





Burlington, Vermont

“Community Supported Bread”

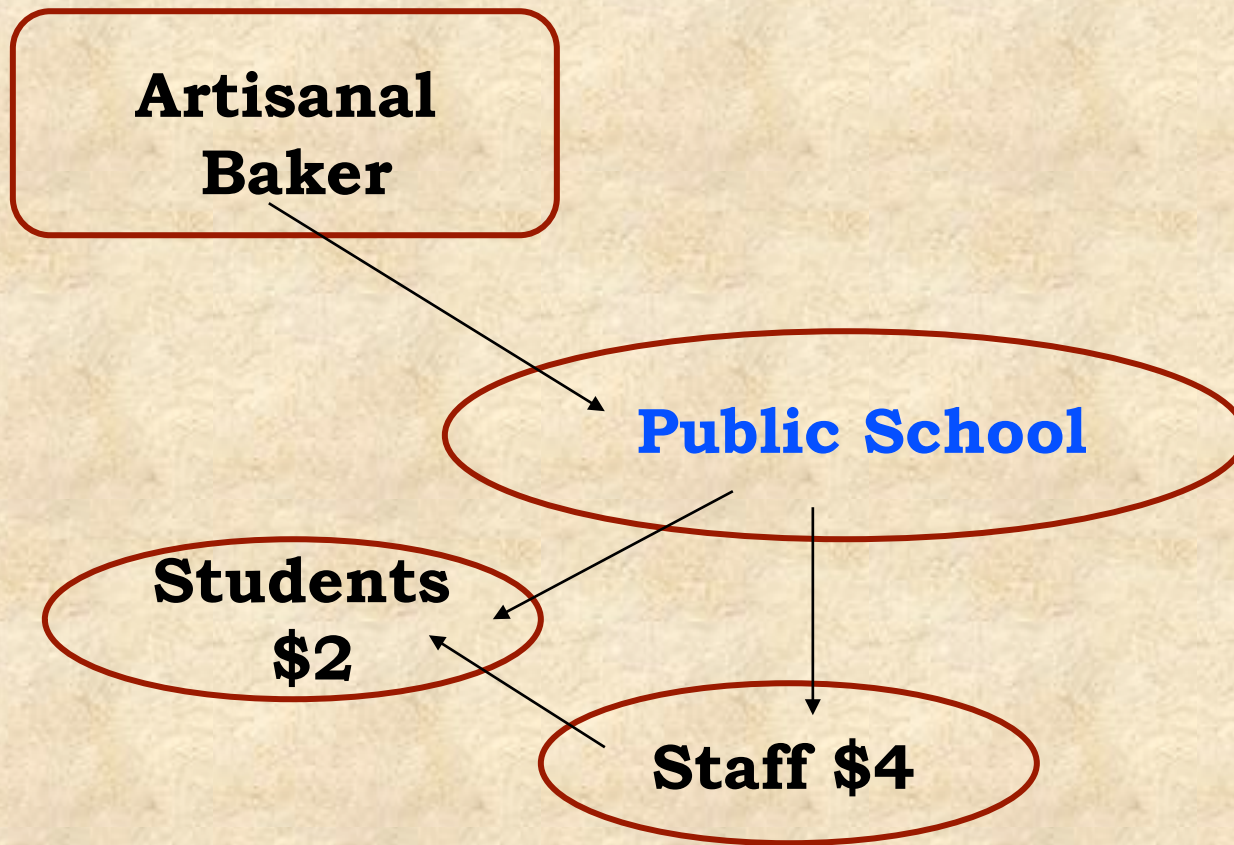
Bakery to public school



Burlington, Vermont

“Community Supported Bread”

**NO ADDED
COST!**





Viroqua, Wisconsin

**Economic Development
Association buys former factory**

100,000 square feet!

Regional food processing center



Viroqua, Wisconsin





Viroqua Business Cluster

**Produce
Distributor 1**

**Produce
Distributor 2**

Processors

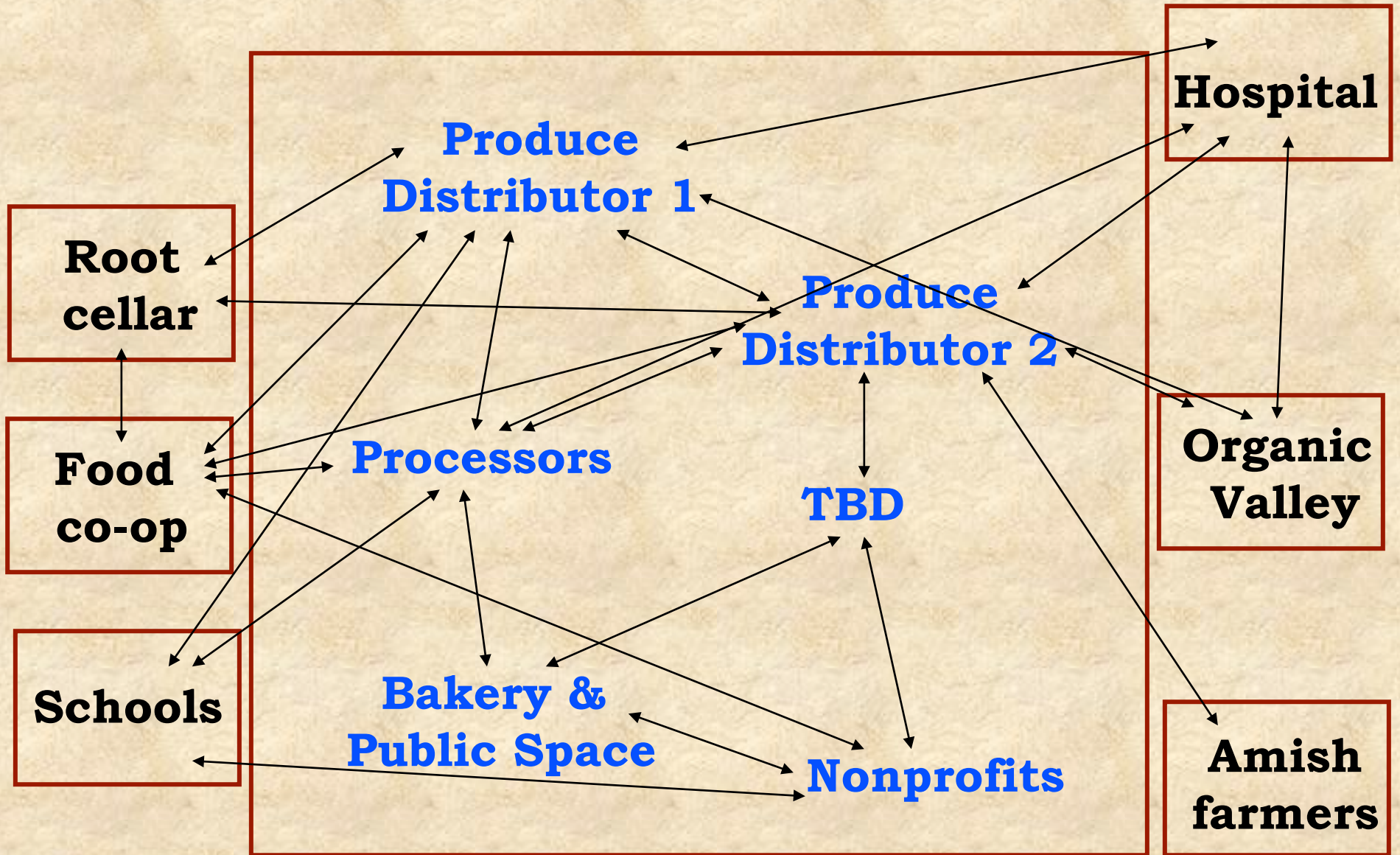
TBD

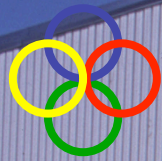
**Bakery &
Public Space**

Nonprofits



Viroqua Business Cluster





Viroqua, Wisconsin





Eau Claire, Wisconsin

Producers & Buyers Co-op

- **Farmers**
- **Hospital Food Service**
- **Distributors**
- **Truckers**

Model Adopted by Viroqua



Northfield, Minnesota

“Home on the Range” Poultry

Latino/Anglo Co-op



“Home on the Range” Poultry Northfield, Minnesota





Production on scattered $\frac{1}{4}$ -acre sites





Process at large scale, someday





What is the proper scale?

Production is best at small size;

**Processing may be better
at larger size**



What is the proper scale?

Should producers get larger, or

Should processors scale down?

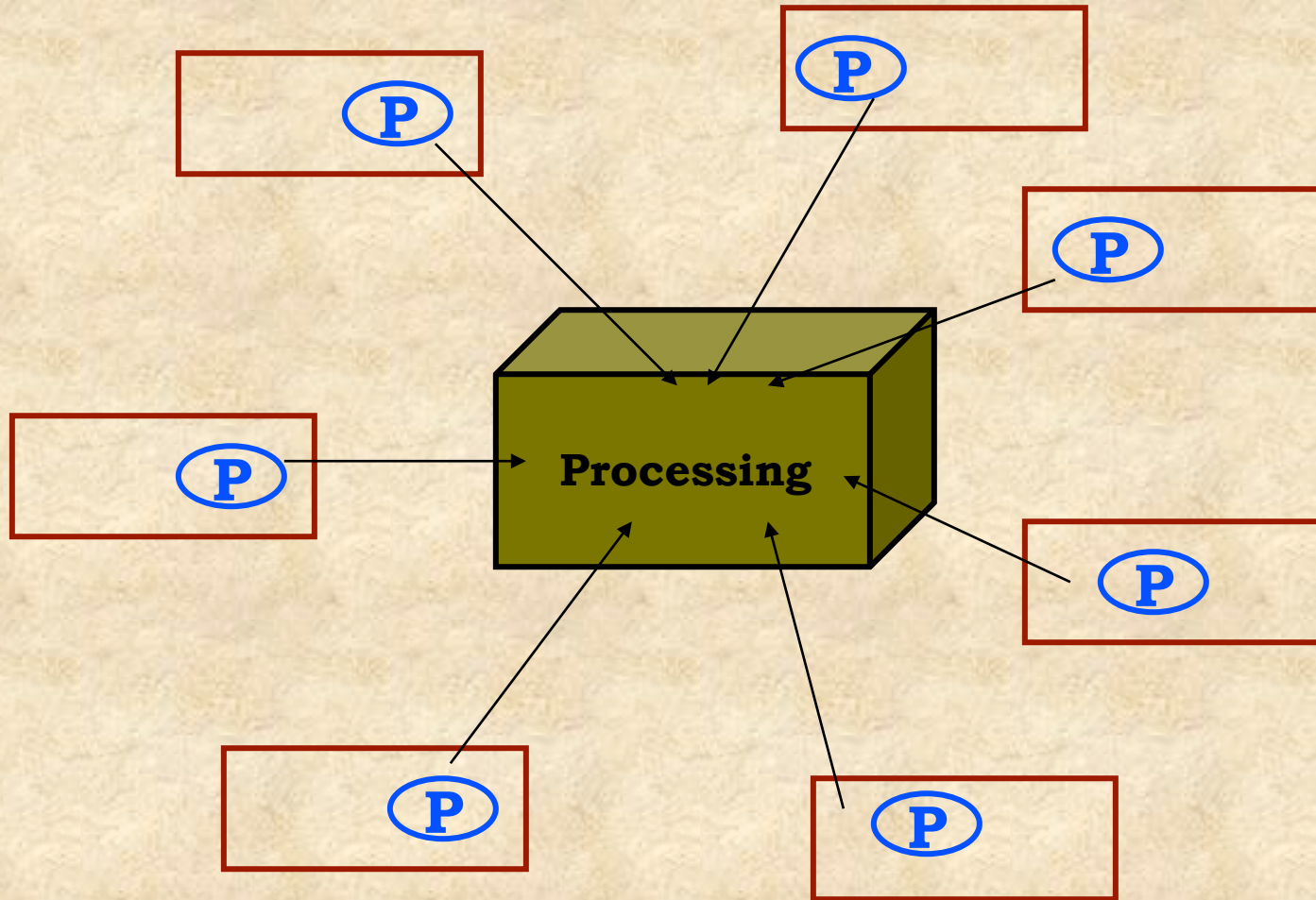


Poultry Business Cluster



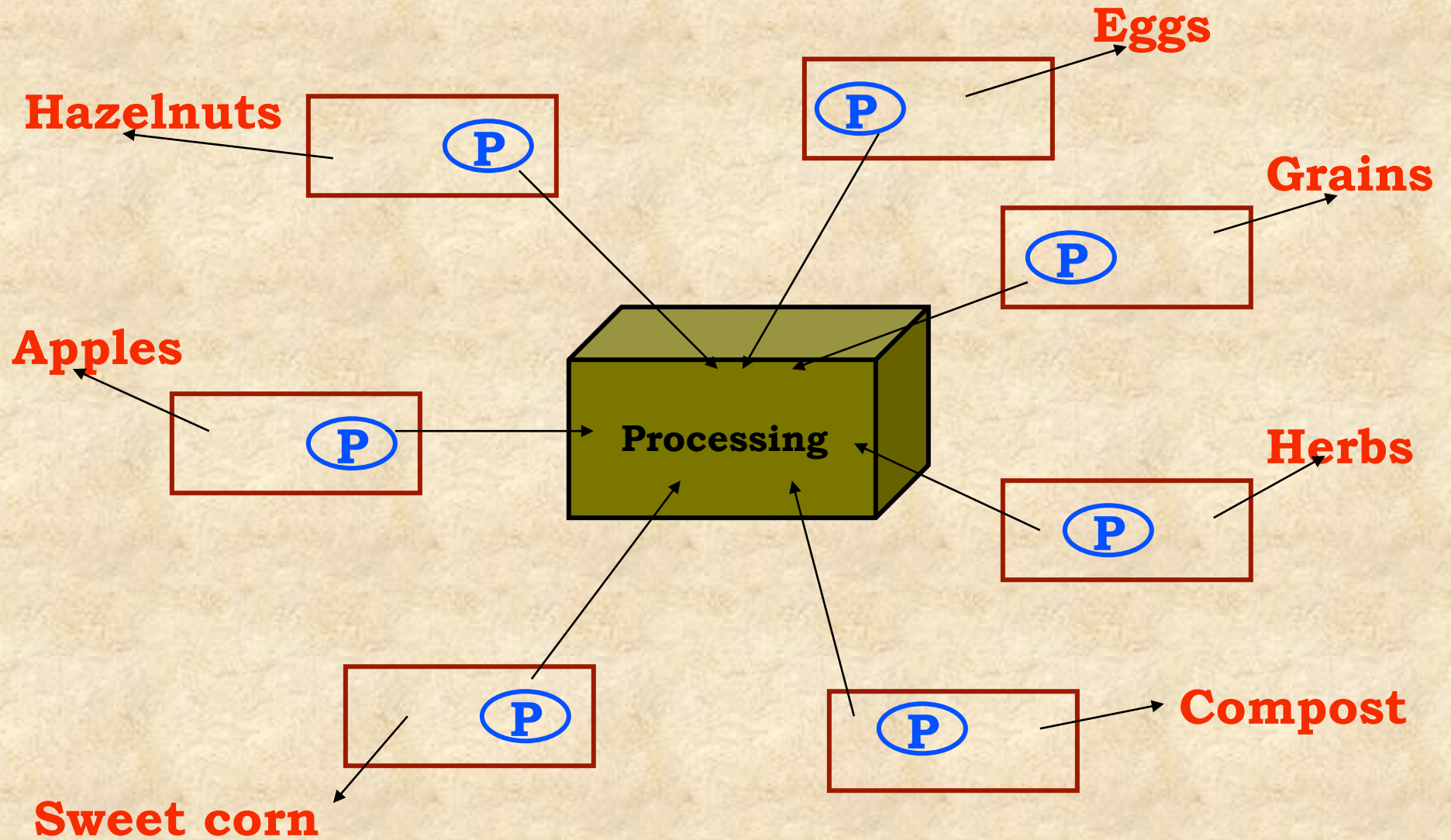


Poultry Business Cluster





Poultry Business Cluster





Regi Haslett-Marroquin





Food spending cycles through economy

Multiplier studies:

SW Wisconsin (farms)	2.2 – 2.6
NE Iowa (local food)	1.91
Oregon (schools)	1.87
Michigan (fruits & vegs)	1.34
Iowa (mainstream)	1.3

Sources: Larry Swain, UWRF, David Swenson, ISU, Kaiser Permanente /Ecotrust, Hamm et al, MSU, Swenson, ISU



Elements of Success for Local Food Economies

“Mapping the Minnesota Food Industry”

- **Relationships**
- **Resilience**
- **Recycling**



Vision for local food economies

Build:

Health

Wealth

Connection

Capacity

“Finding Food in Farm Country”

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