

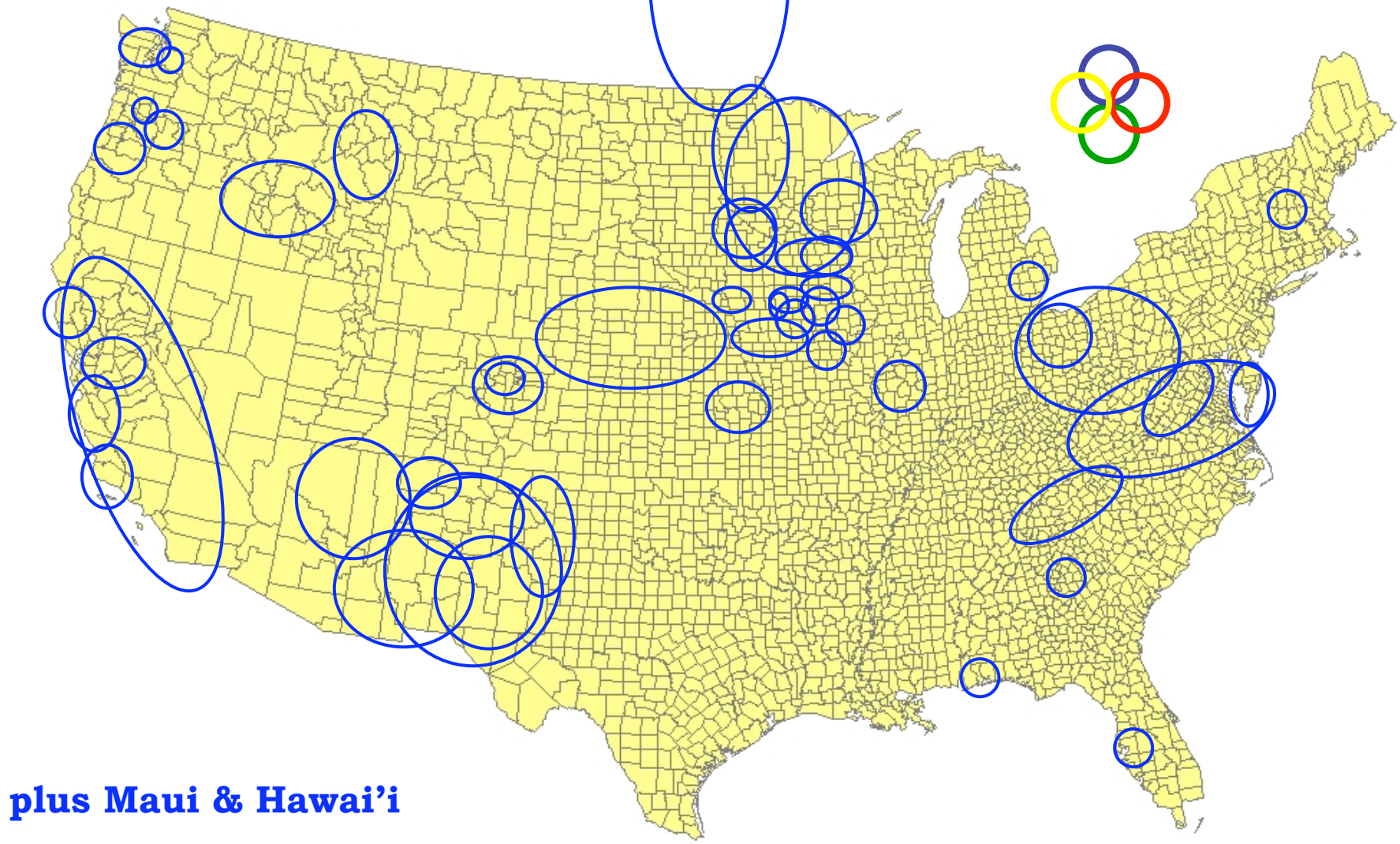


# Local Foods as Economic Recovery

**Ken Meter**  
Crossroads  
Resource Center  
(Minneapolis)

**No More Empty Pots**  
Omaha, Nebraska  
November 19, 2010

# “Finding Food in Farm Country” Studies



plus Maui & Hawai'i

**56 regions in 23 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**



## **Lorentz Meats (Cannon Falls)**

**Thriving niche markets:  
60 employees**

- **Beef & pork processing**
  - **Organic processing**
  - **Own national brand**
- **Custom work for nearby farms**



## **Lorentz Meats (Cannon Falls)**

**Beef processing:**

**Costs 35 cents/lb**

**Competes with 3 cents/lb**



## **Lorentz Meats (Cannon Falls)**

**Helps launch other businesses:**



**Thousand Hills Cattle Co.**

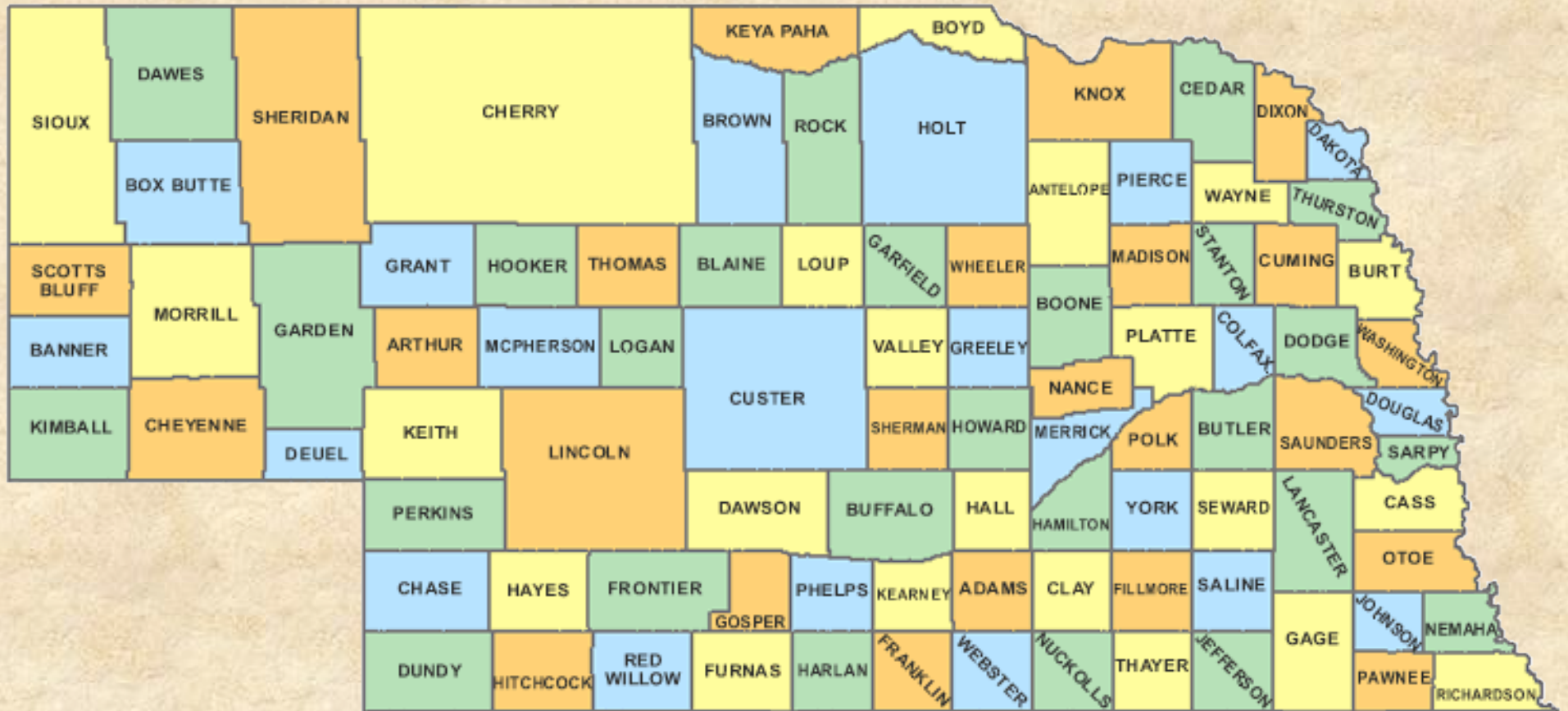


**Hillside Farmers' Co-op**





# Nebraska



Copyright 2005 digital-topo-maps.com

Source: Google Digital-Topo Maps



**Nebraska**

**47,712 farms**





**Nebraska**

**11,202 farms over 1,000 acres**

**8,851 farms less than 50 acres**



## **Nebraska**

**Nebraska farmers sold \$15 billion  
of commodities in 2007**

**This was 5% of  
U.S. farm production**



**Nebraska**

**Farmgate sales rose 60%  
from 2002 to 2007**

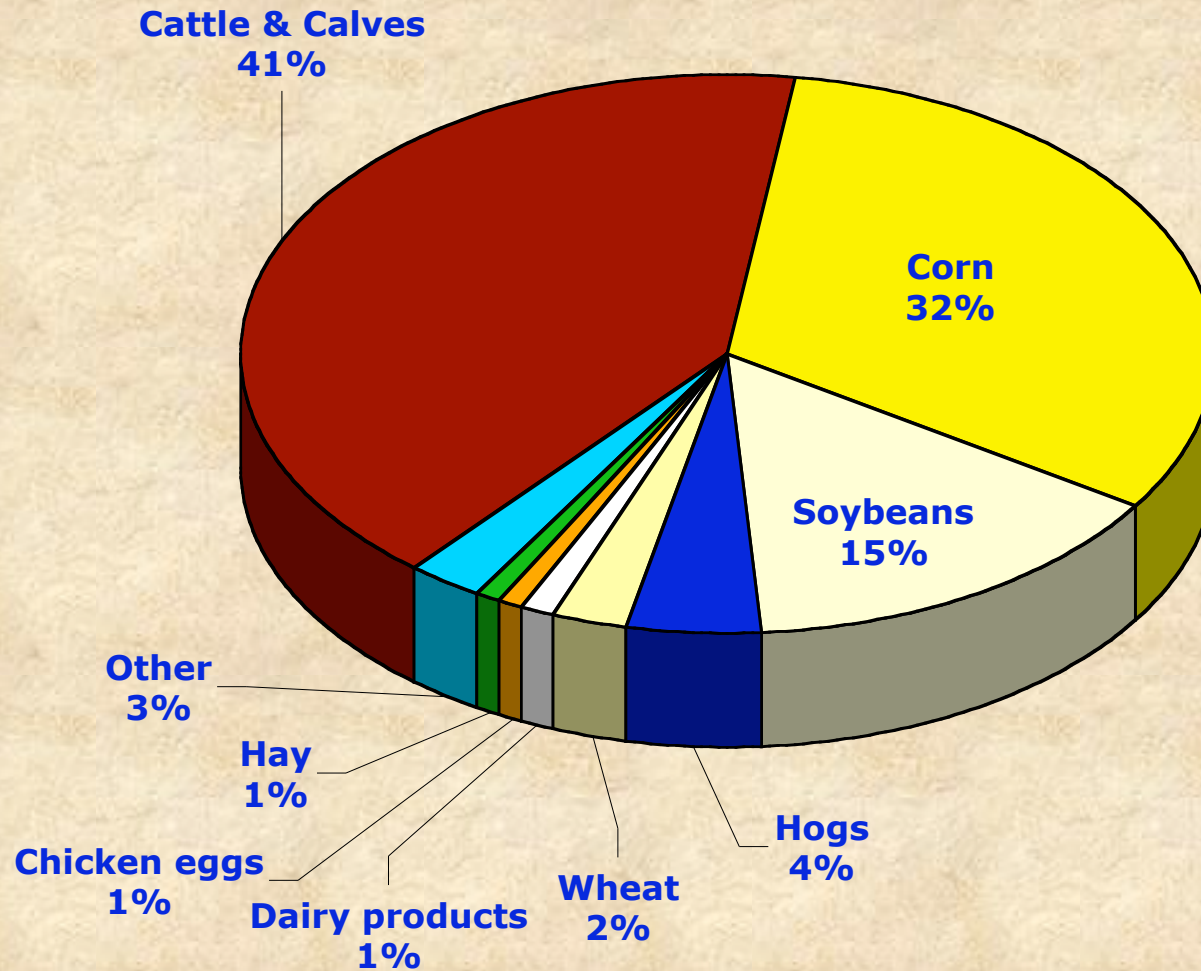


# Nebraska

<b>Cattle &amp; calves</b>	<b>\$6.2 billion</b>
<b>Corn</b>	<b>4.9</b>
<b>Soybeans</b>	<b>2.3</b>
<b>Hogs</b>	<b>0.7</b>



# Nebraska's top farm products



**95% of farm sales involve care & feeding of animals**



**Nebraska**

**Cattle sales rose 36%**

**YET...Number of operations fell 14%**

**(2002 - 2007)**

 **Nebraska**  
The logo consists of four interlocking rings in blue, yellow, red, and green, positioned to the left of the word "Nebraska" in a bold, dark red serif font.

**Potatoes were main vegetable crop**

**\$72 million sales (2009)**



**1,288 farms sold directly to consumers**

**Total direct sales: \$5.9 million**

**0.04% of total farm product sales**

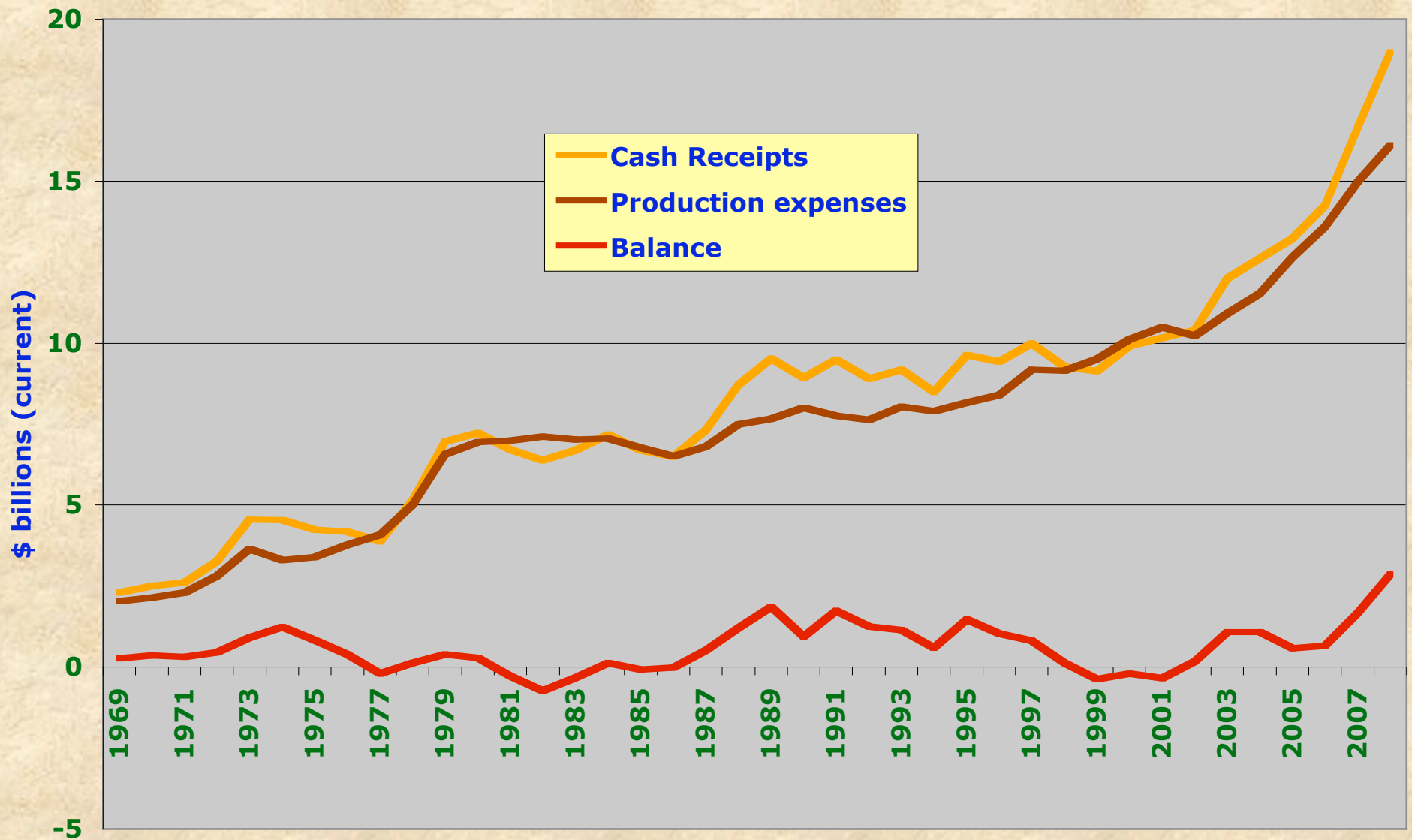


# Nebraska





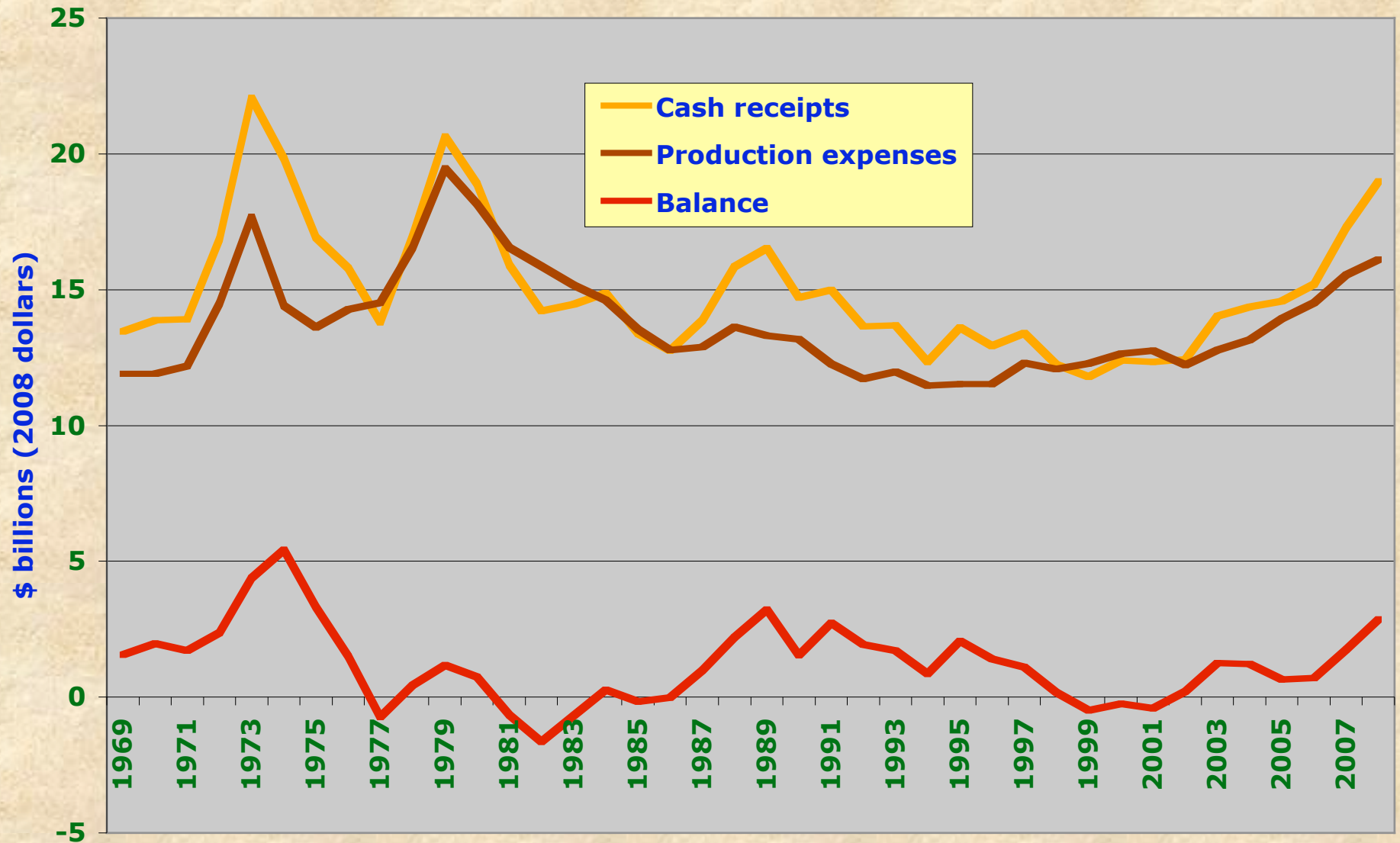
## Farm Production Balance in Nebraska, 1969-2008



Source: Bureau of Economic Analysis



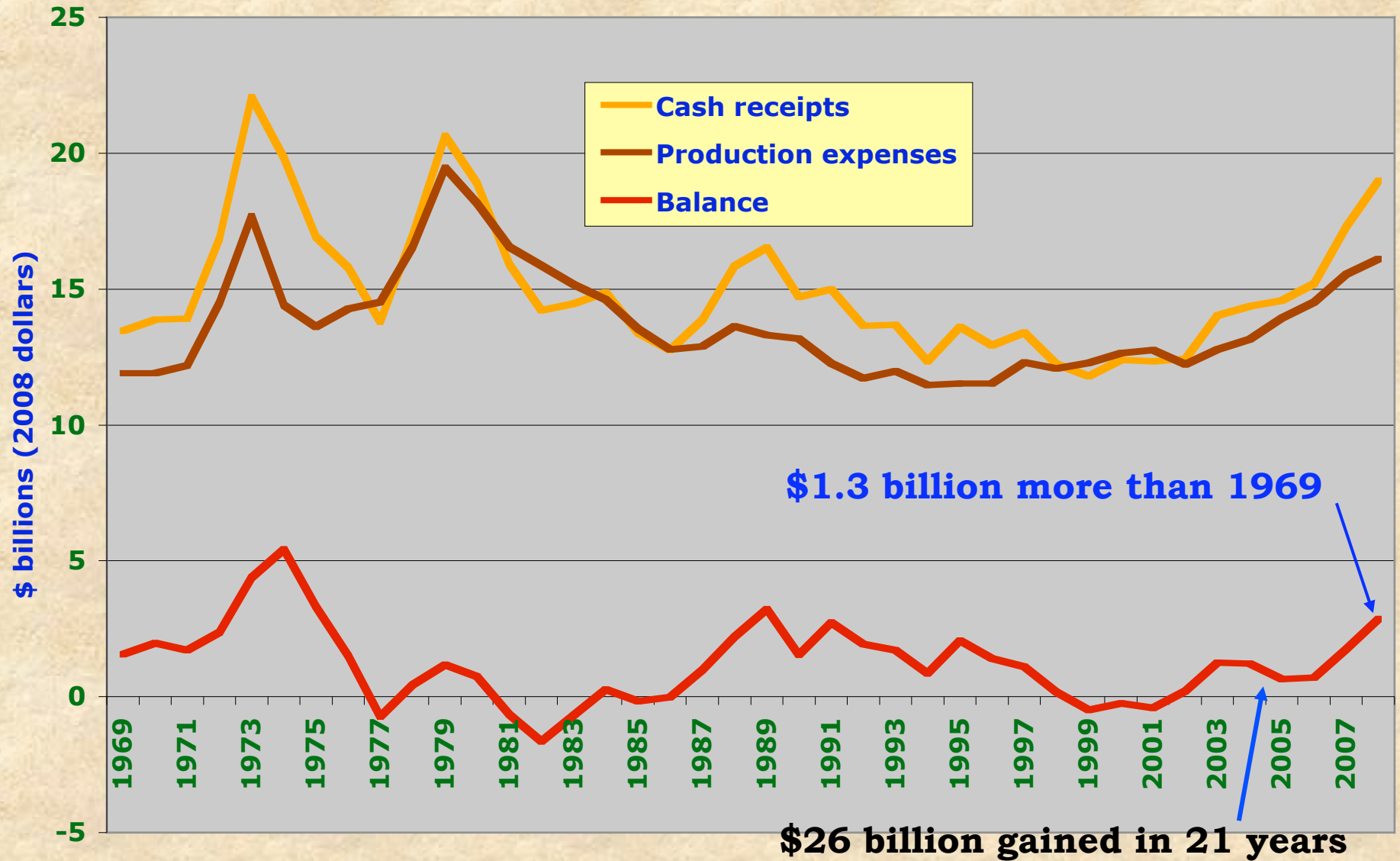
## Farm Production Balance in Nebraska, 1969-2008



Source: Bureau of Economic Analysis



## Farm Production Balance in Nebraska, 1969-2008



Source: Bureau of Economic Analysis



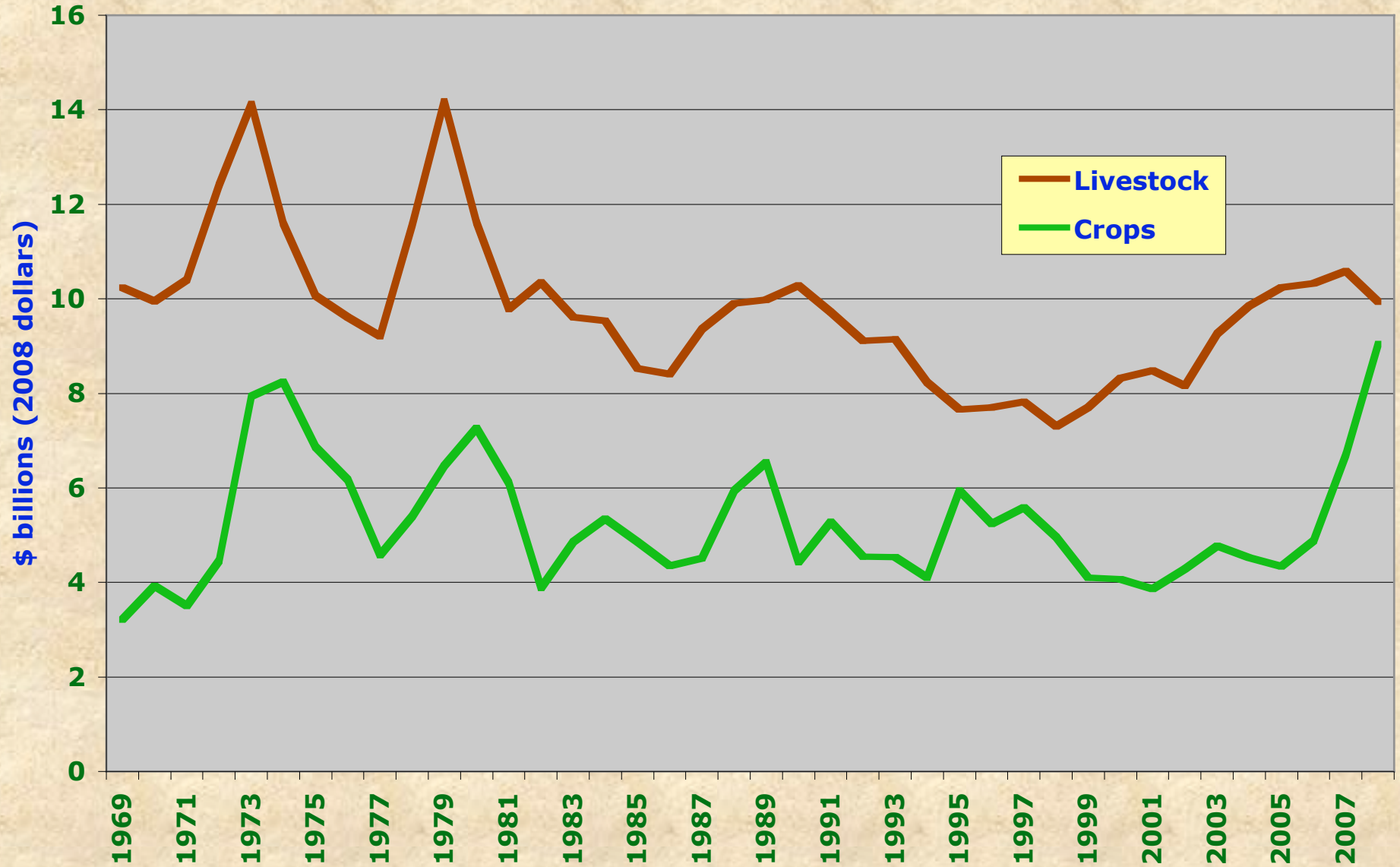
**Average gain from farm production:**

**\$1.3 billion per year**

**(1988-2008)**



## Crop and livestock sales in Nebraska, 1969-2008

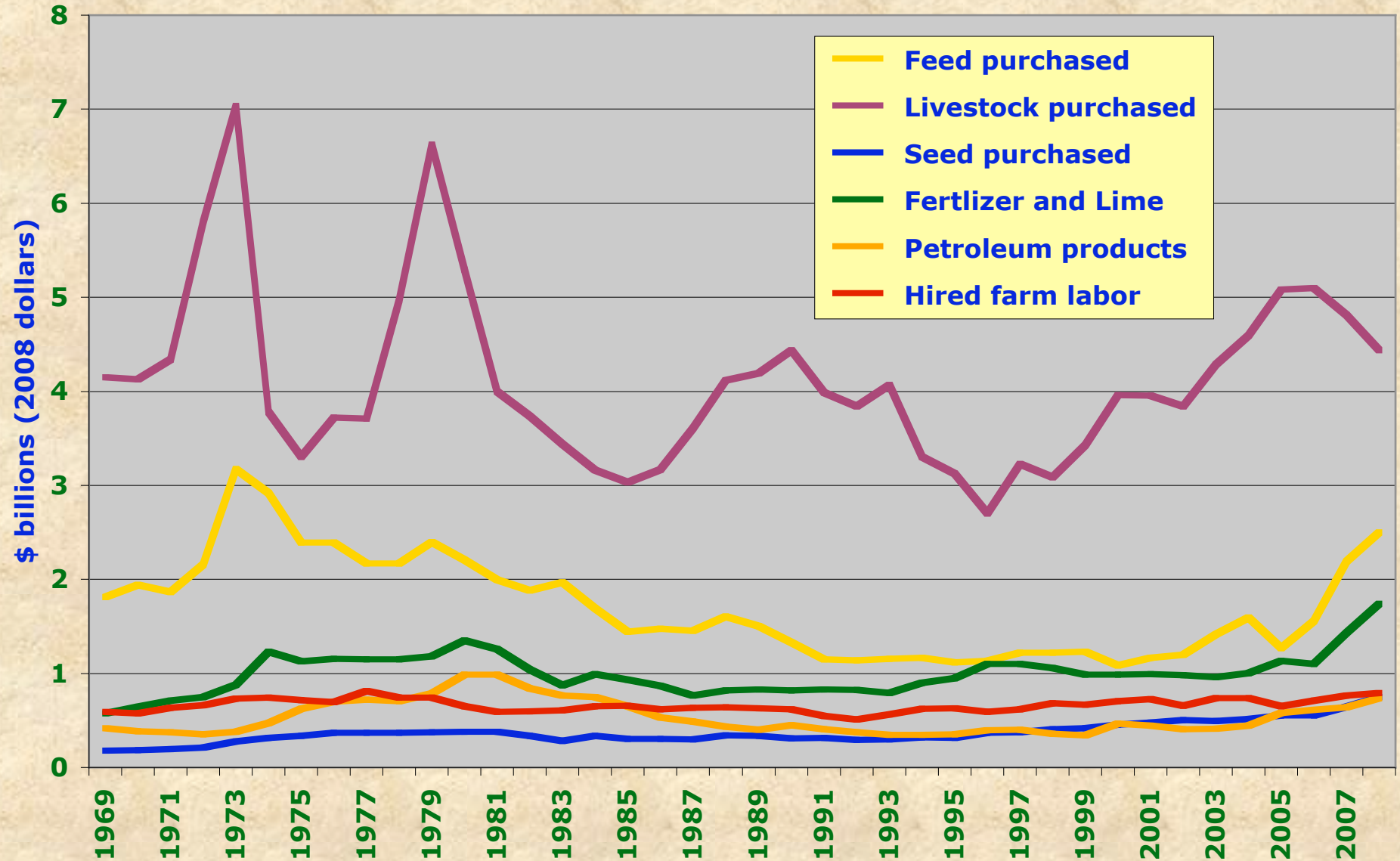


Source: Bureau of Economic Analysis





## Farm production expenses in Nebraska, 1969-2008



Source: Bureau of Economic Analysis



**\$6 billion of these farm inputs  
are purchased from outside the state**

**Source: Ken Meter using data from Agriculture Census 2007**



**Also a region of food consumers...**



# Finding Food in Nebraska

## Markets for food eaten at home


	millions
Meats, poultry, fish, and eggs	\$ 557
Fruits & vegetables	439
Cereals and bakery products	359
Dairy products	313
“Other,” incl. sweets, fats, & oils	953

Source: Census & BLS

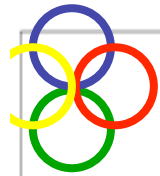


**Nebraskans buy \$4.4 billion of food:  
\$4 billion sourced outside of state**



 Nebraska





# Finding Food in Farm Country

All told, Nebraska...

- Gains **\$1.3 billion** in production
- Loses **\$6 billion** buying inputs
- Loses **\$4 billion** buying food

Potential wealth lost each year

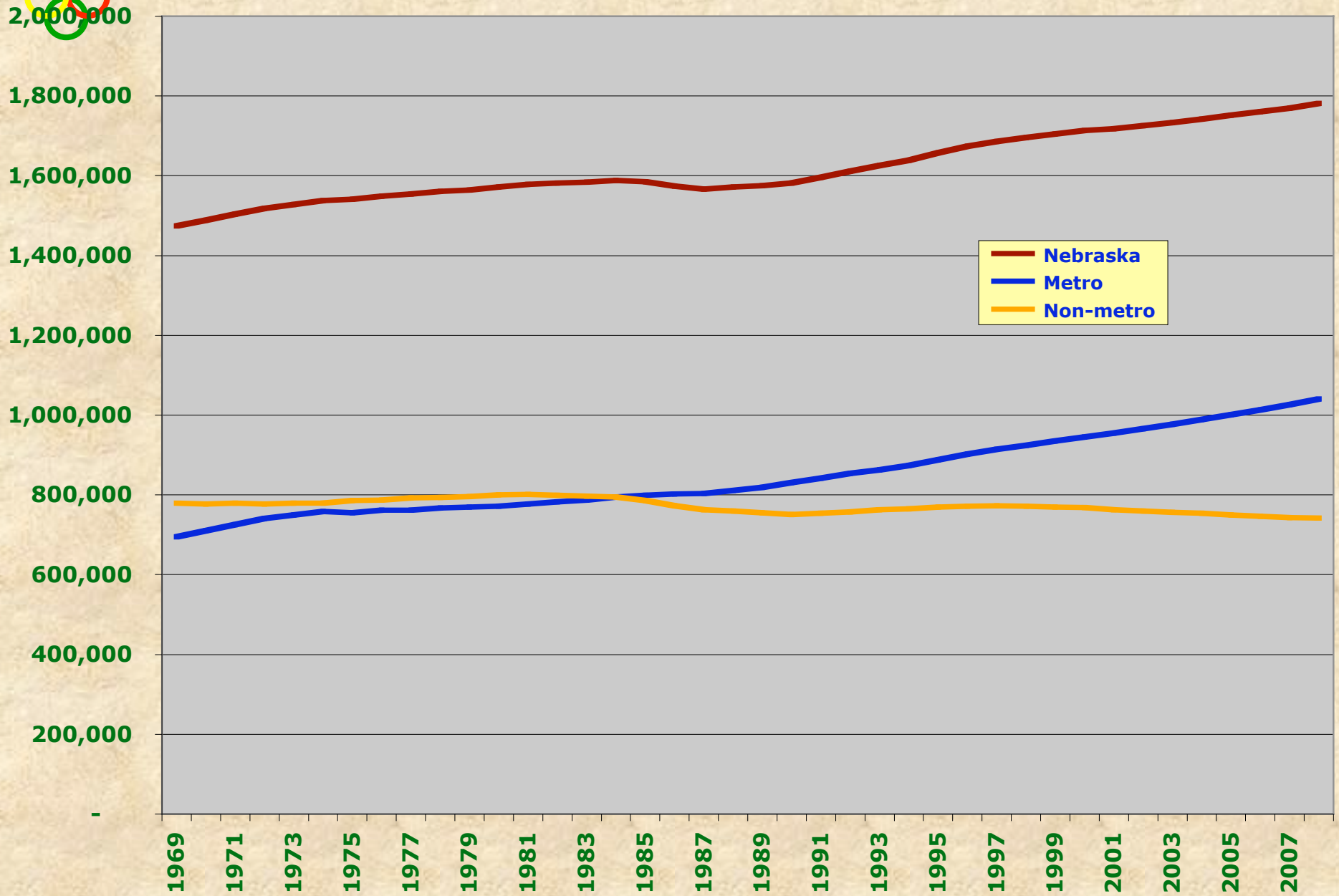


# Finding Food in Farm Country

**Total loss is:**

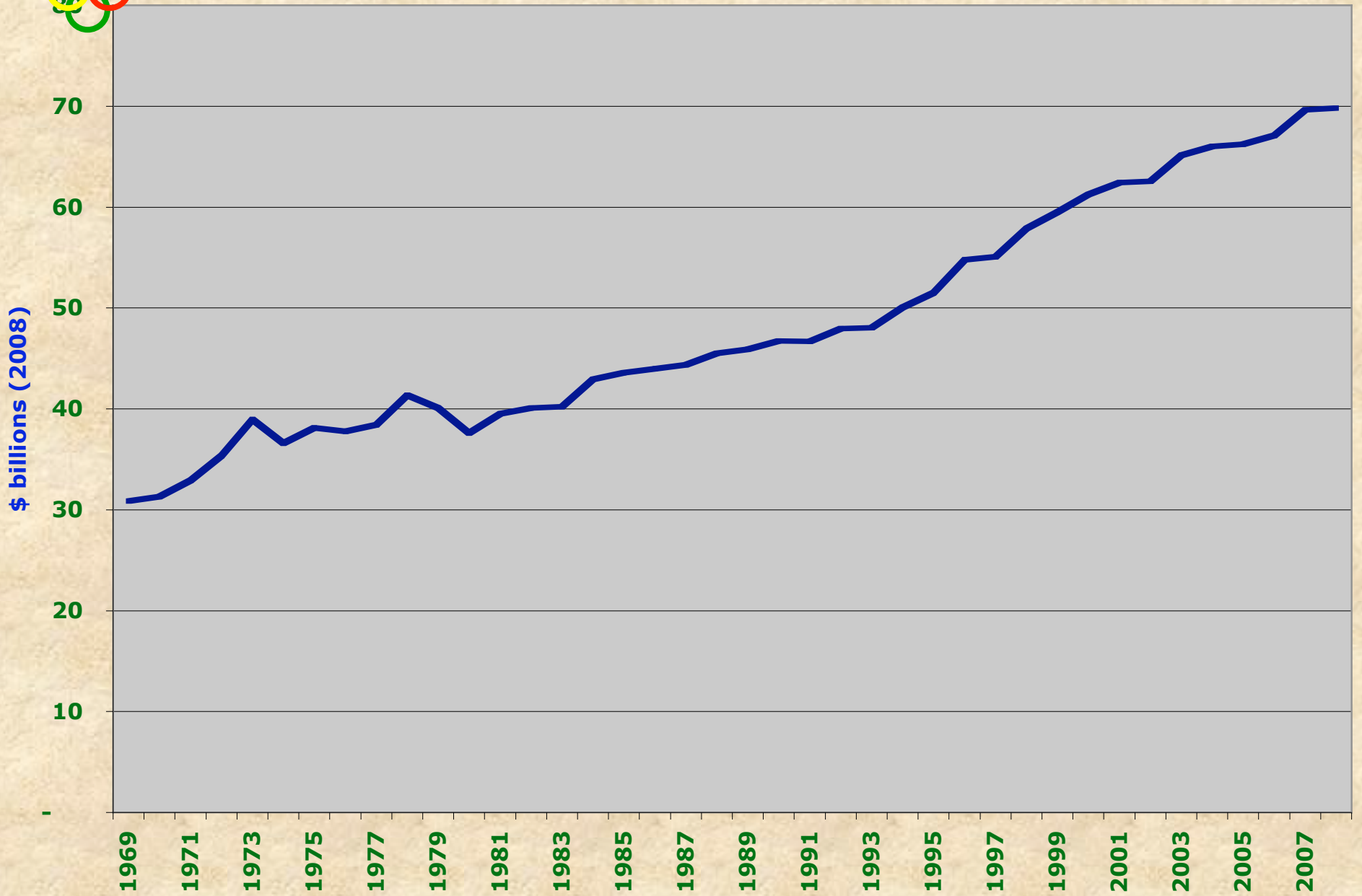
- **\$8.7 billion each year!**
- **Equals over half of value of all food commodities raised in the state**

# Nebraska Population, 1969 - 2008

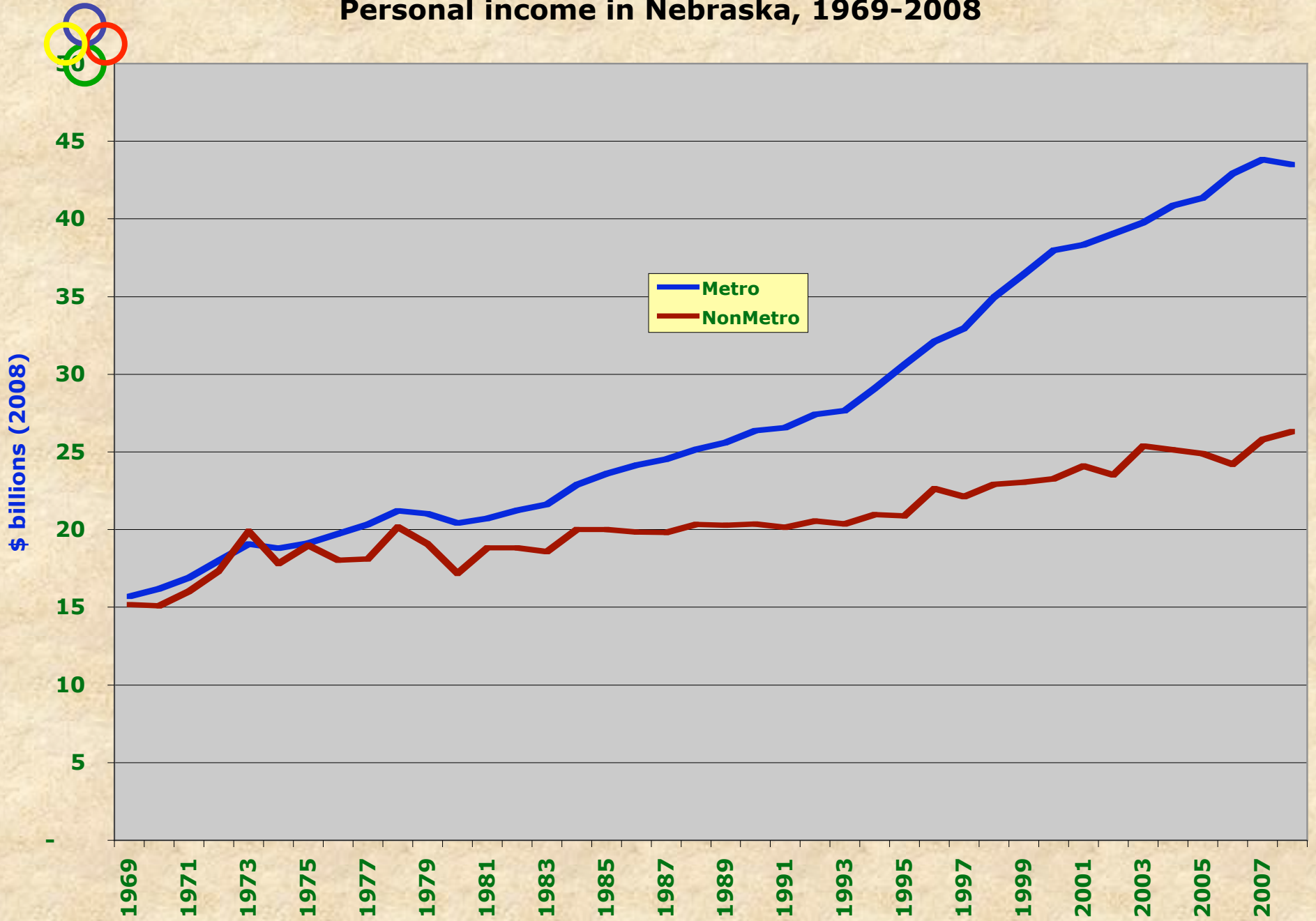




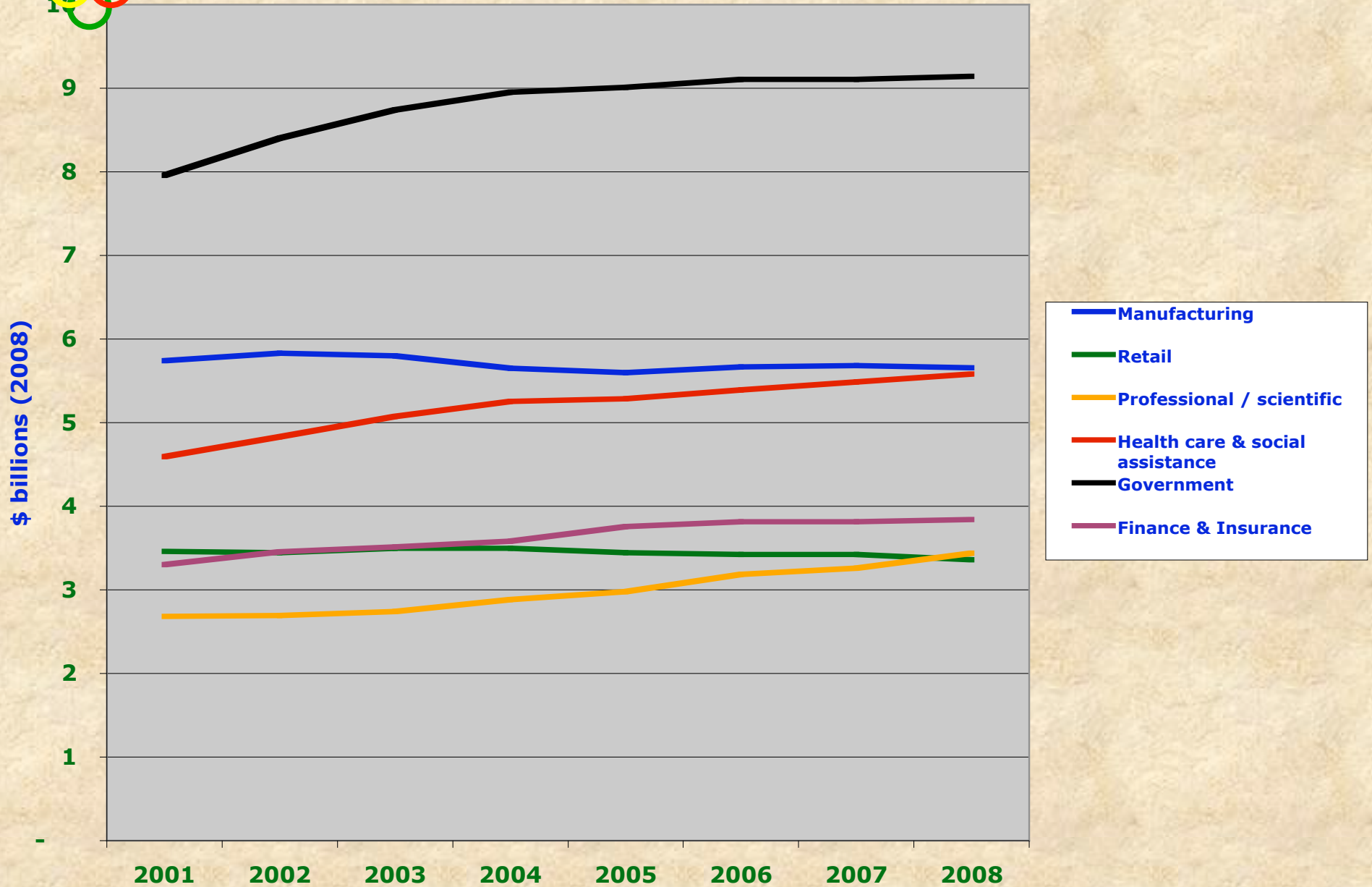
# Personal income in Nebraska, 1969 - 2008



# Personal income in Nebraska, 1969-2008

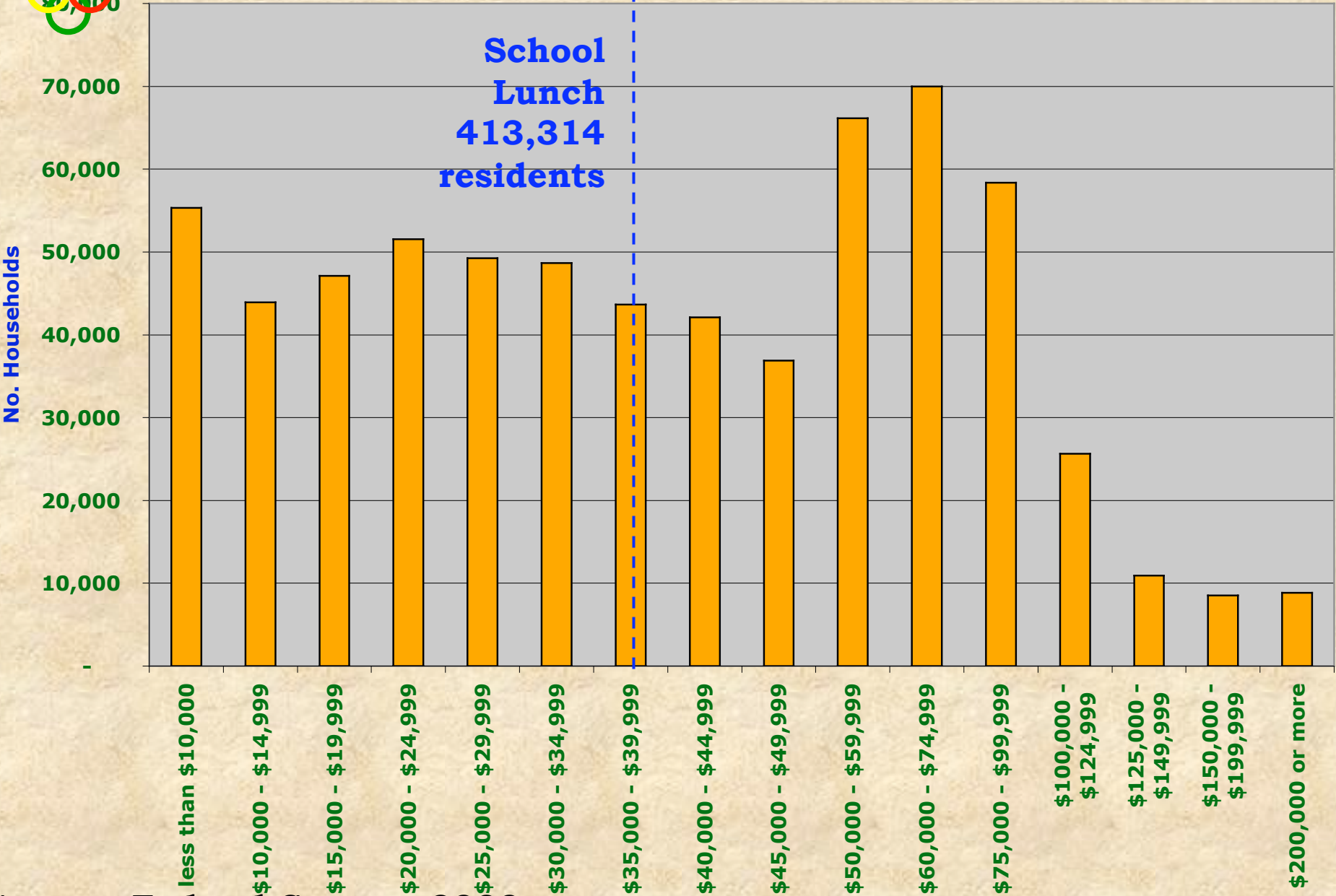


# Personal income in Nebraska, 2001 - 2008



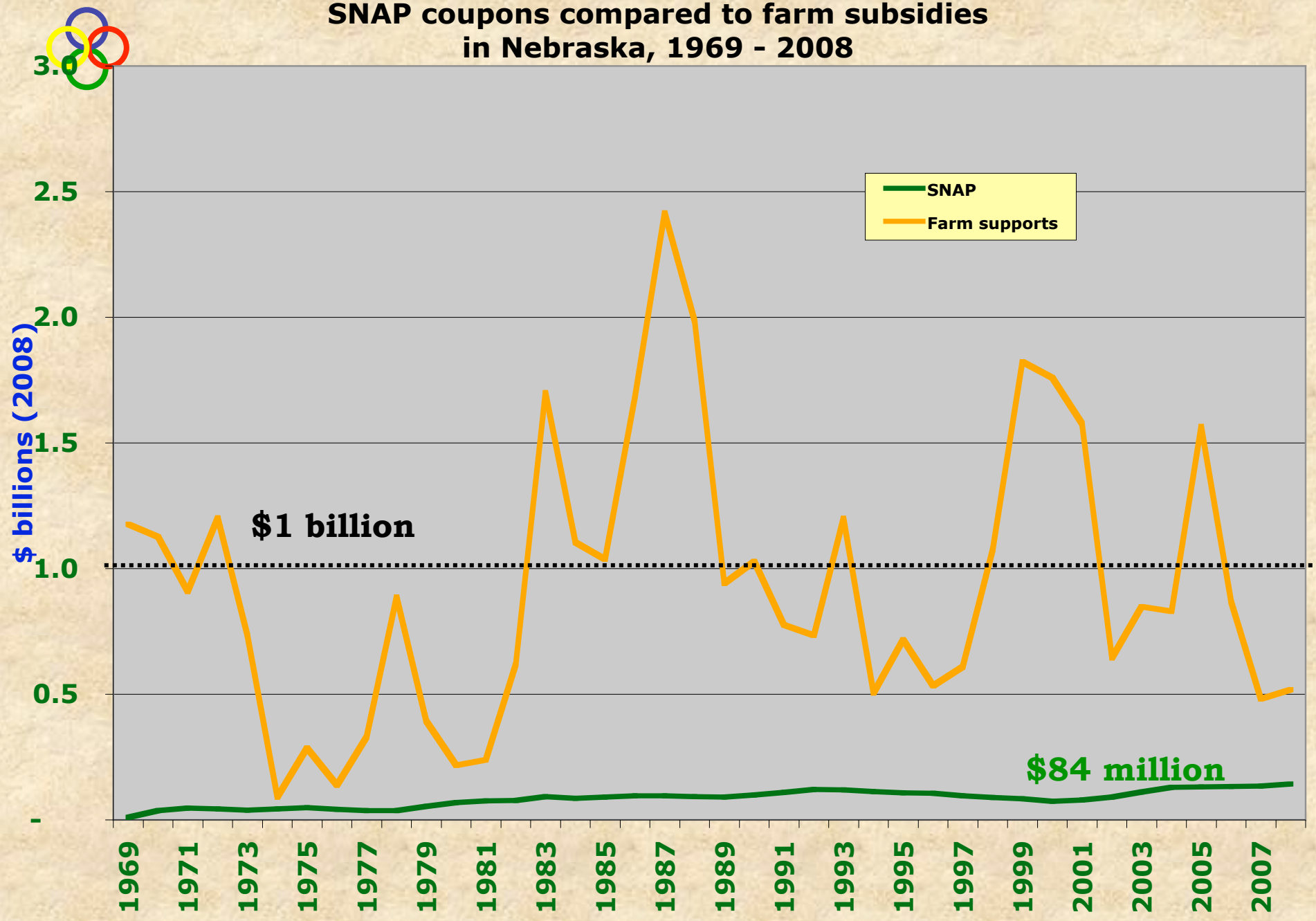


# Household income levels in Nebraska, 1999

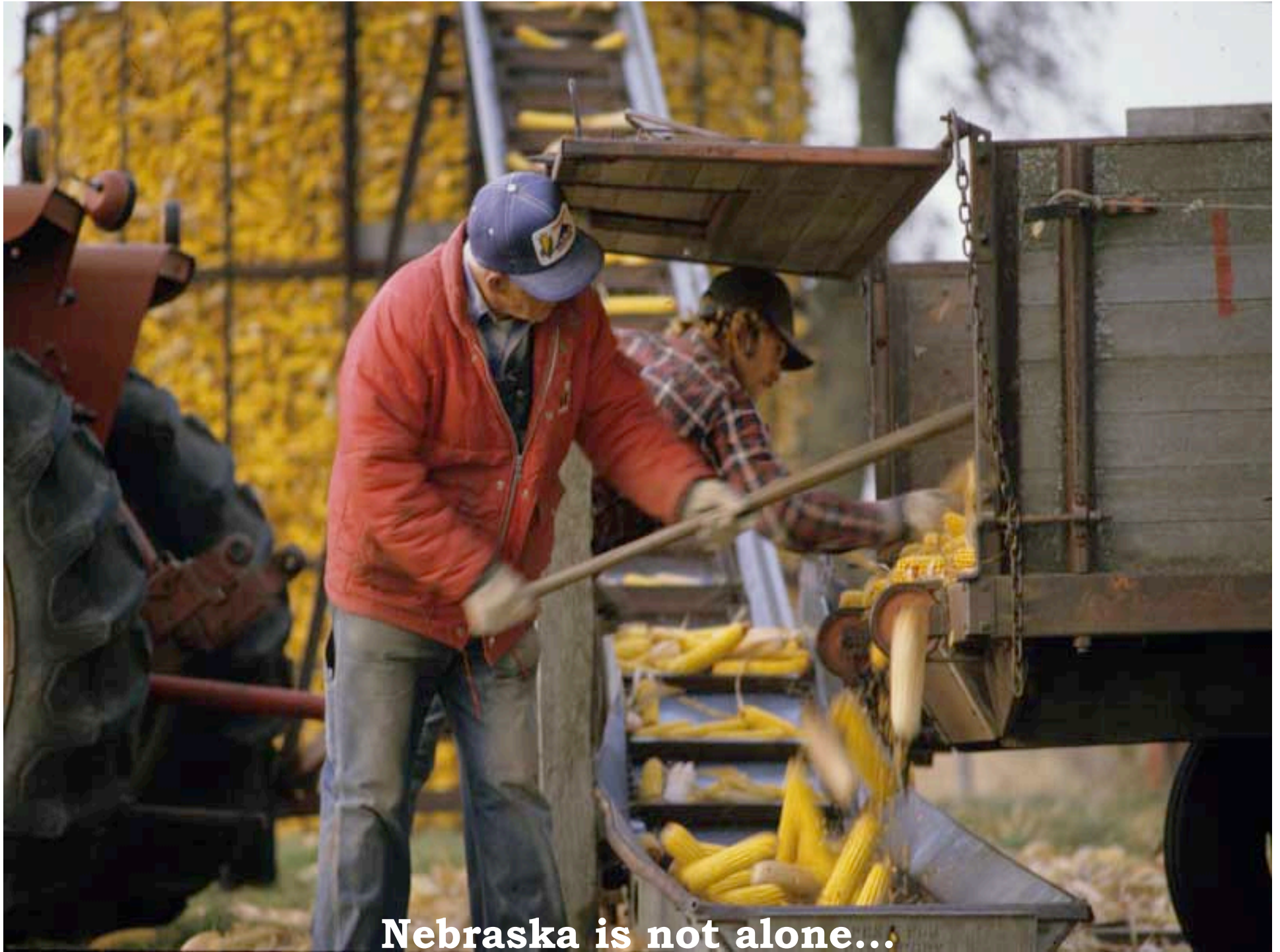


Source: Federal Census, 2000

# SNAP coupons compared to farm subsidies in Nebraska, 1969 - 2008







**Nebraska is not alone...**

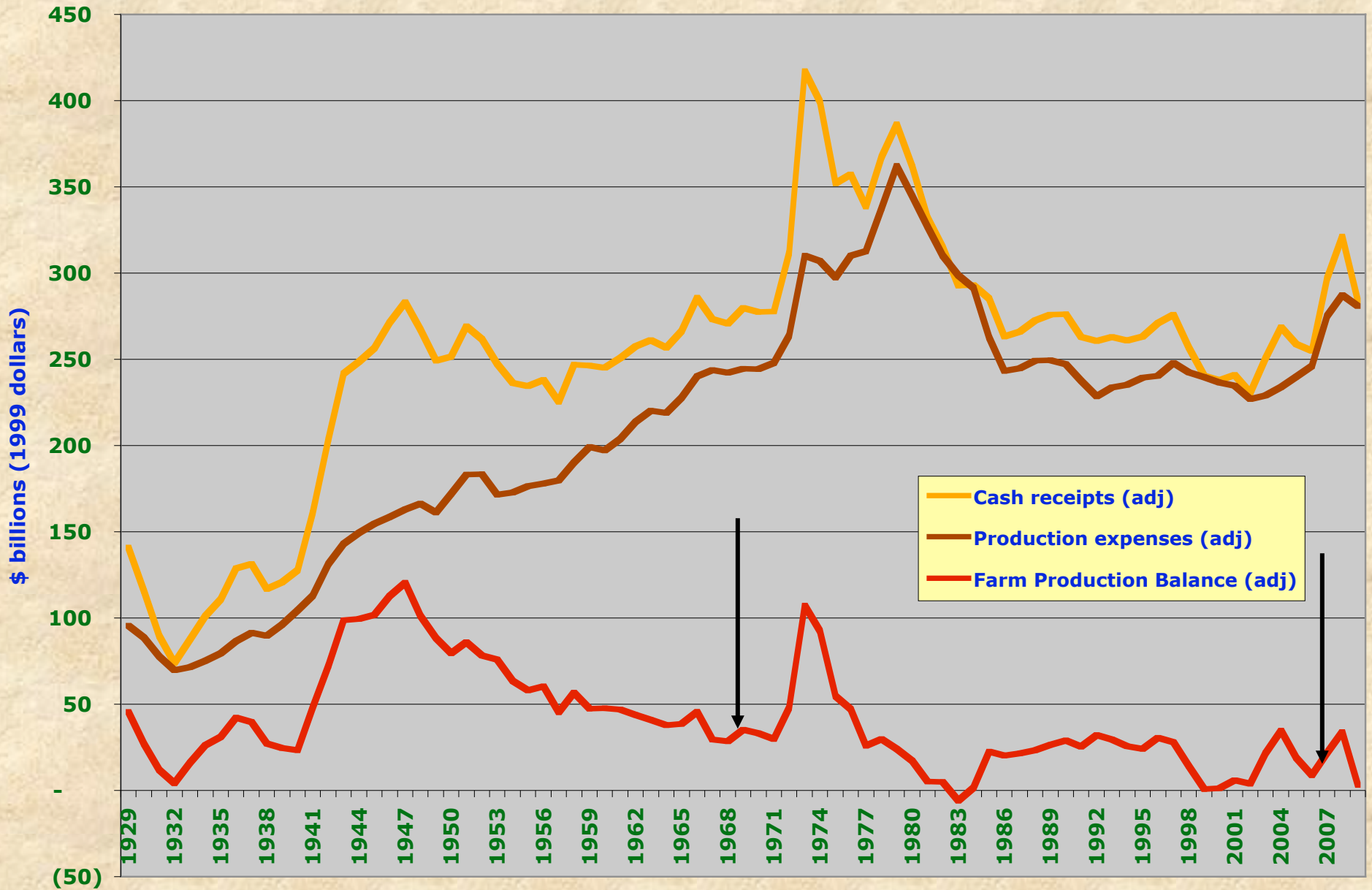


**U.S. data**

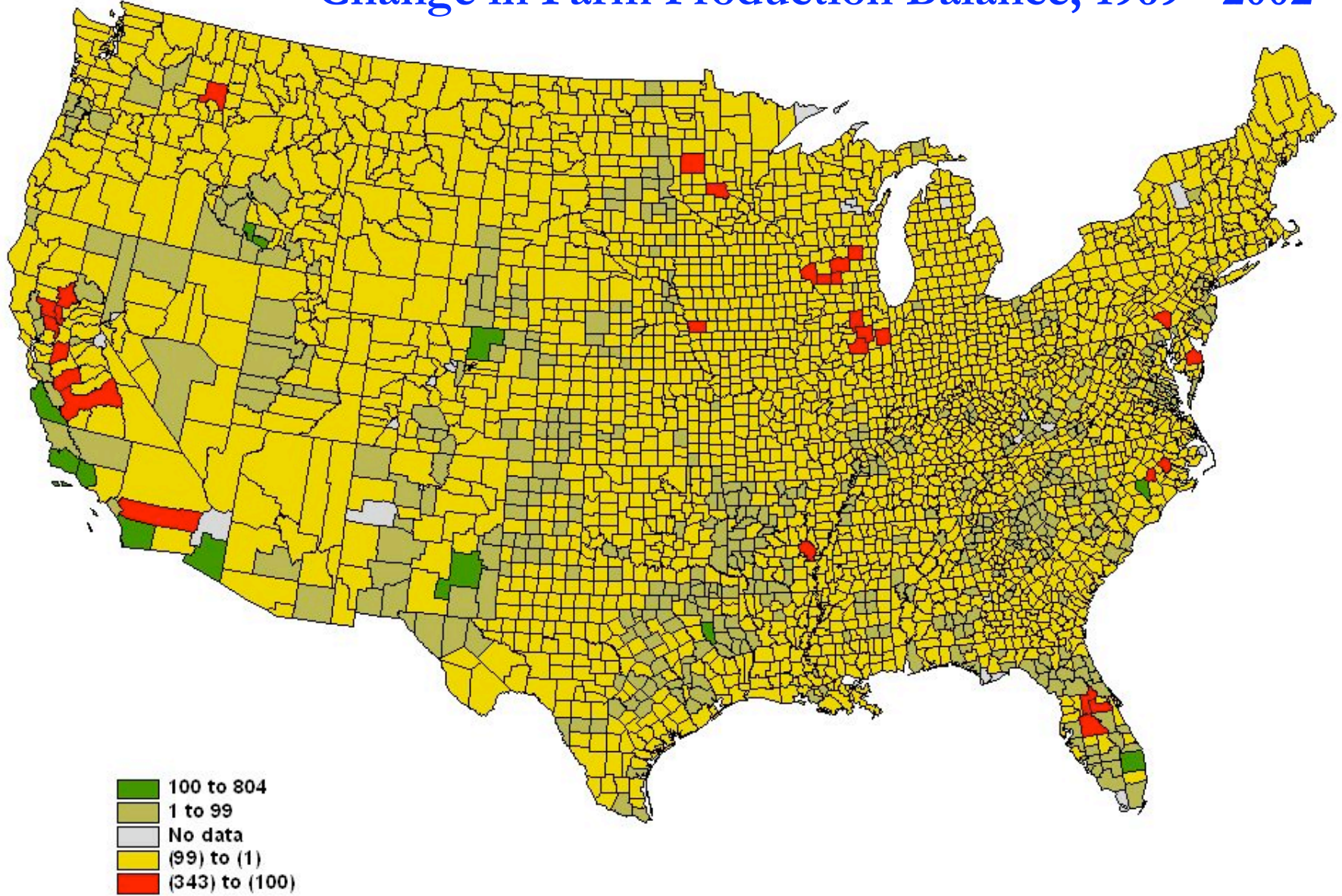


# Farm Production Balance in U.S., 1929 - 2009

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



## Change in Farm Production Balance, 1969 - 2002

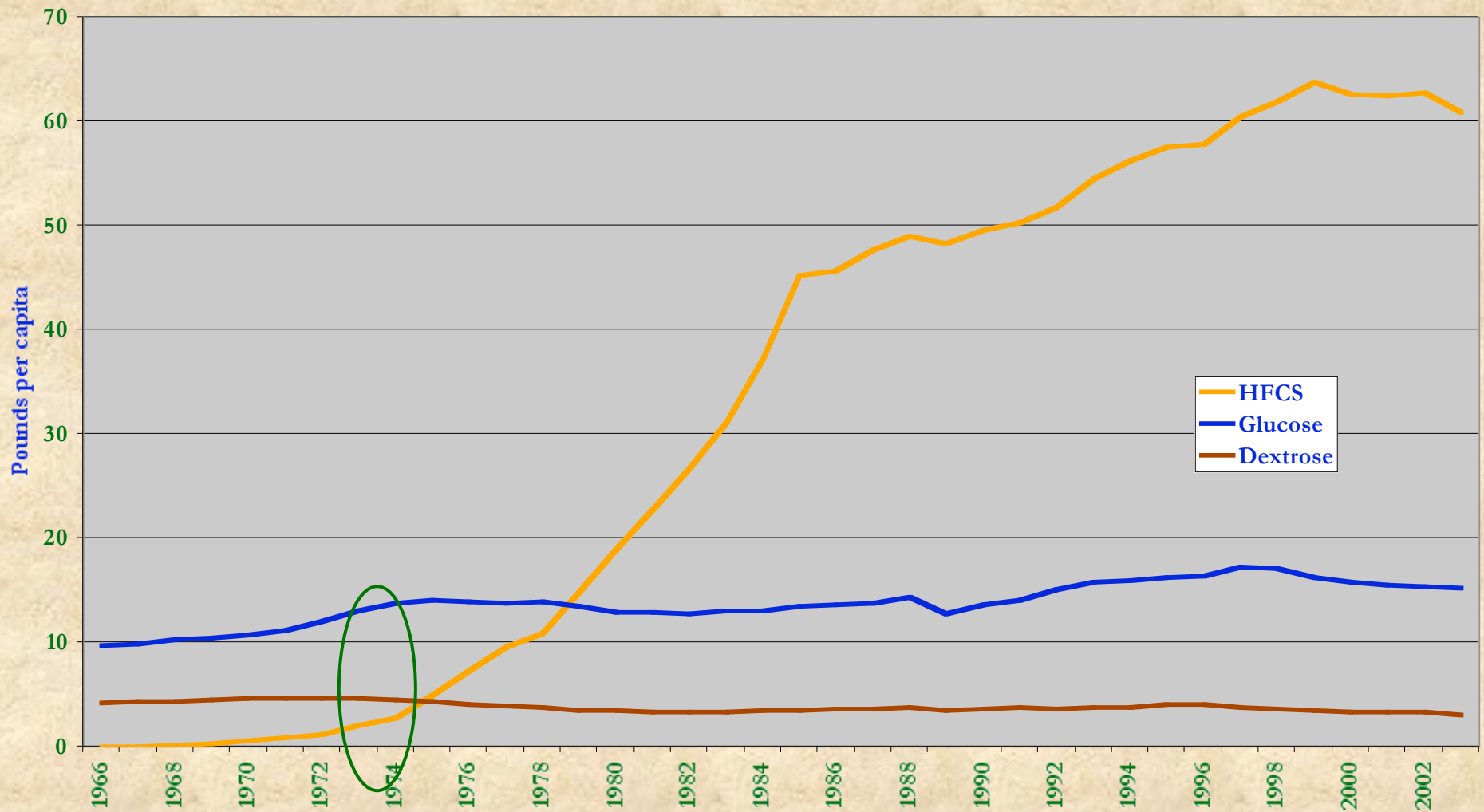


Map by Ken Meter, 2005

Source: BEA



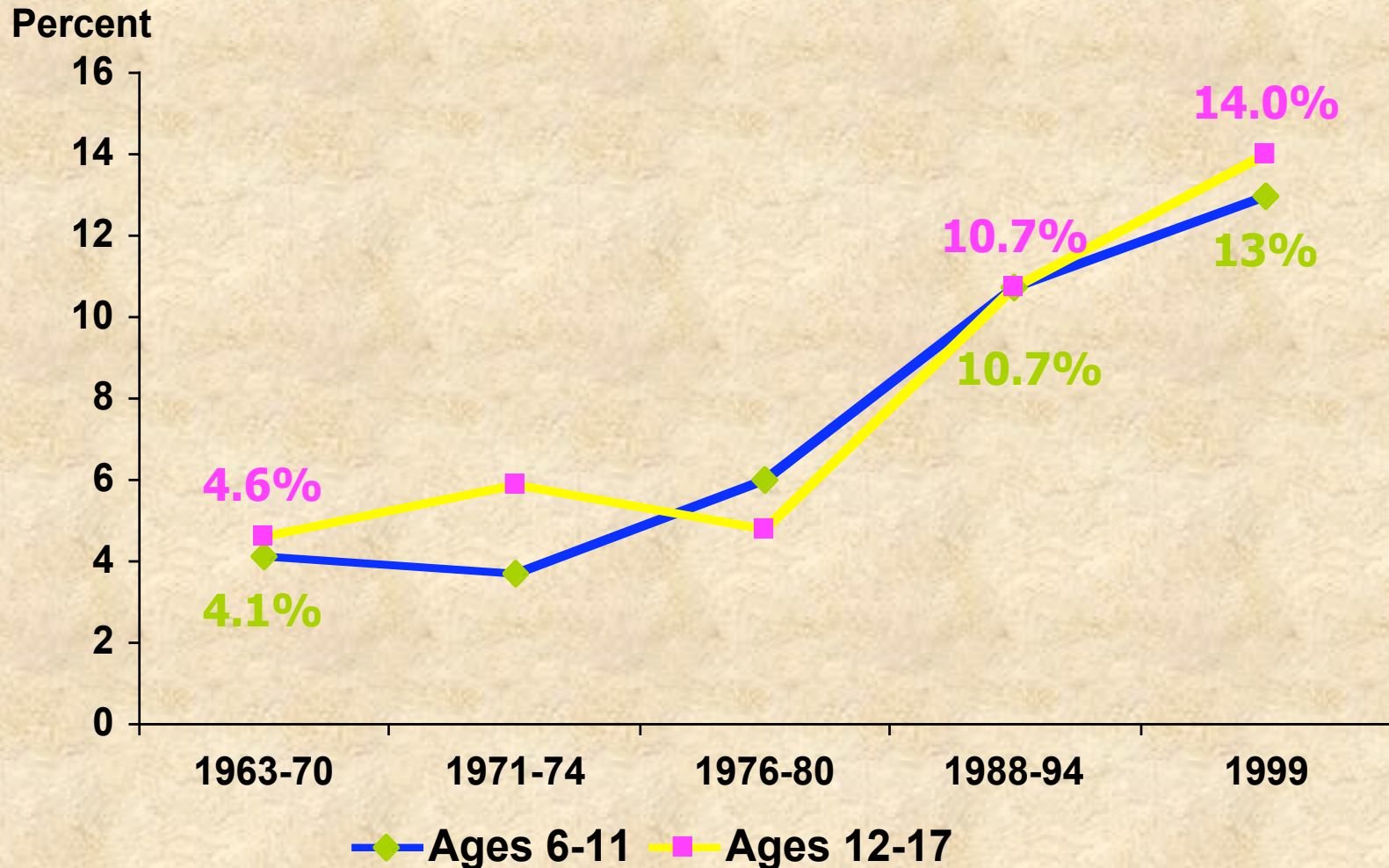
## Corn sweeteners consumed in U.S., 1966 - 2002



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.**

**Medical costs:  
\$152 billion per  
year**

**Sources: CDC/Walters/Pew Trust**



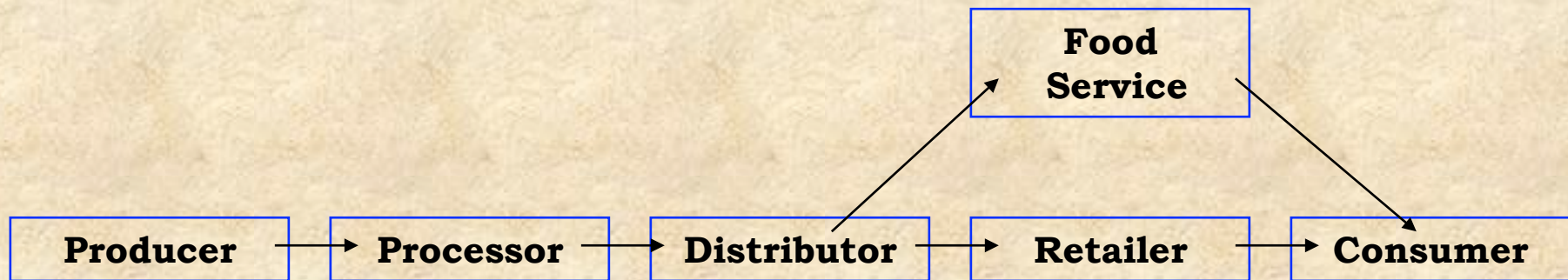
## **Health suffers**

**Medical costs of obesity are \$174 billion per year —**

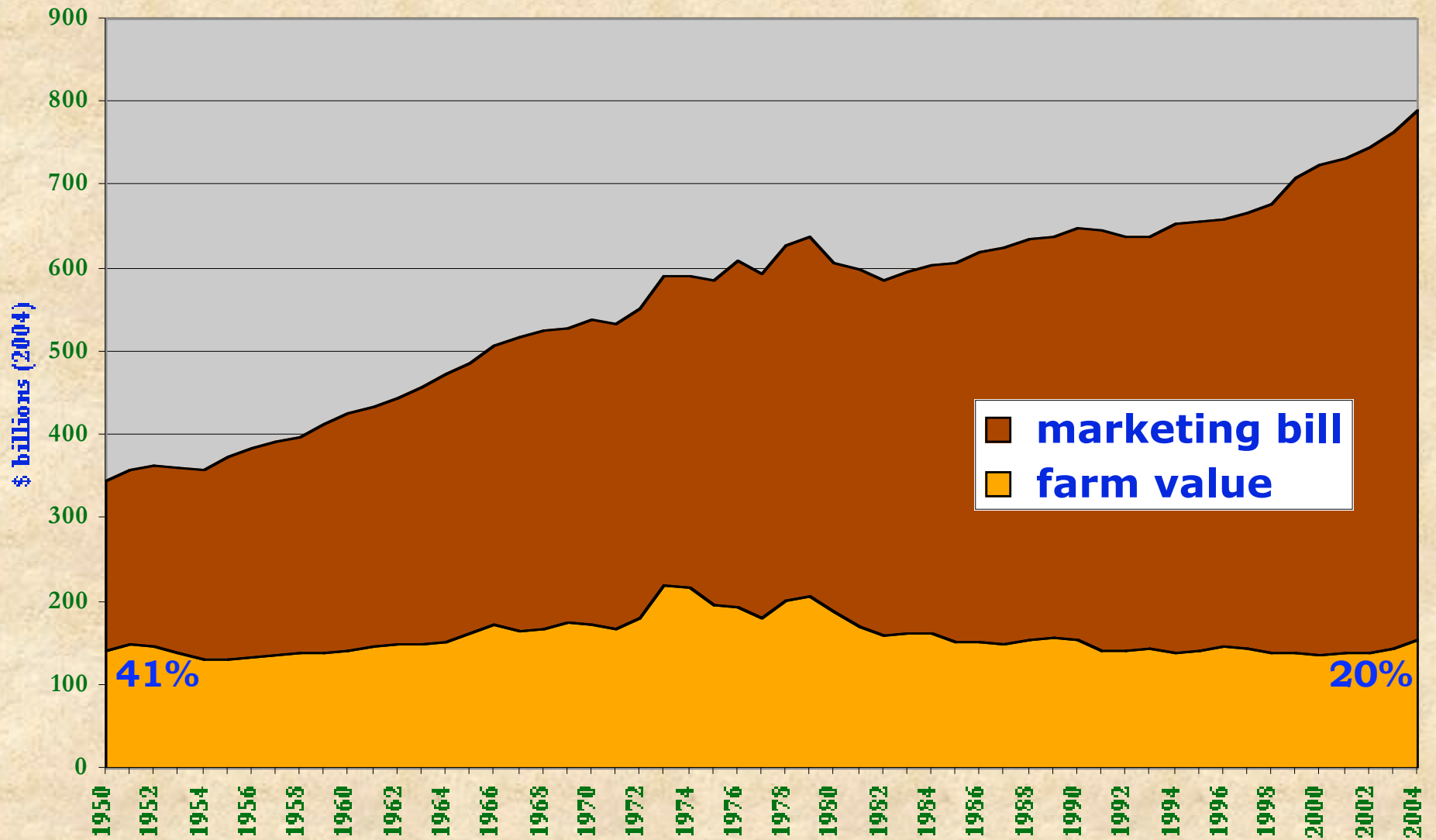
**Source: CDC/Walters, Harvard Public Health/Colditz**



## Value Chain



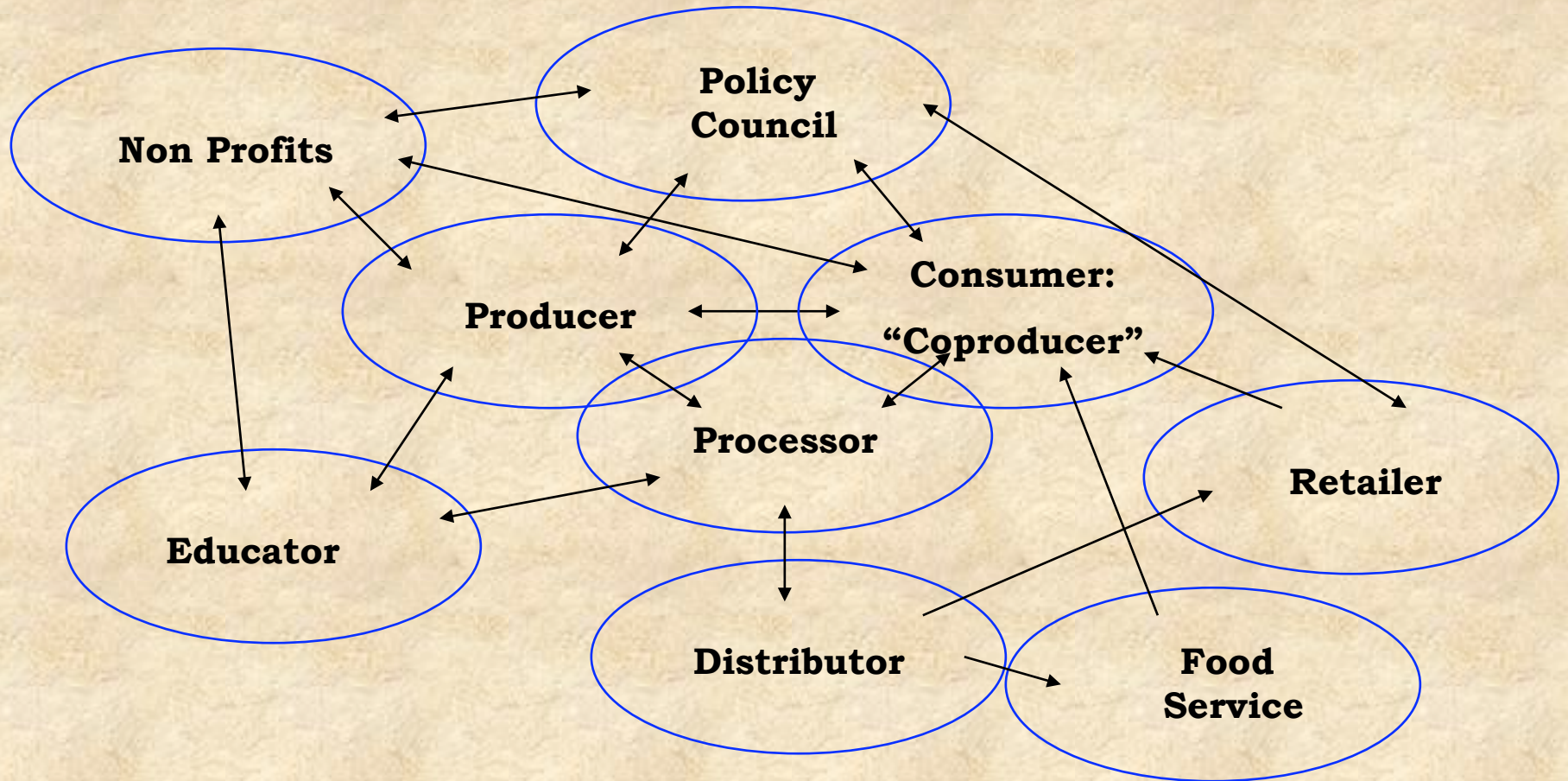
# Farmers' share of retail prices paid by consumers, 1950-2004



Source ERS; chart by Ken Meter, 2007

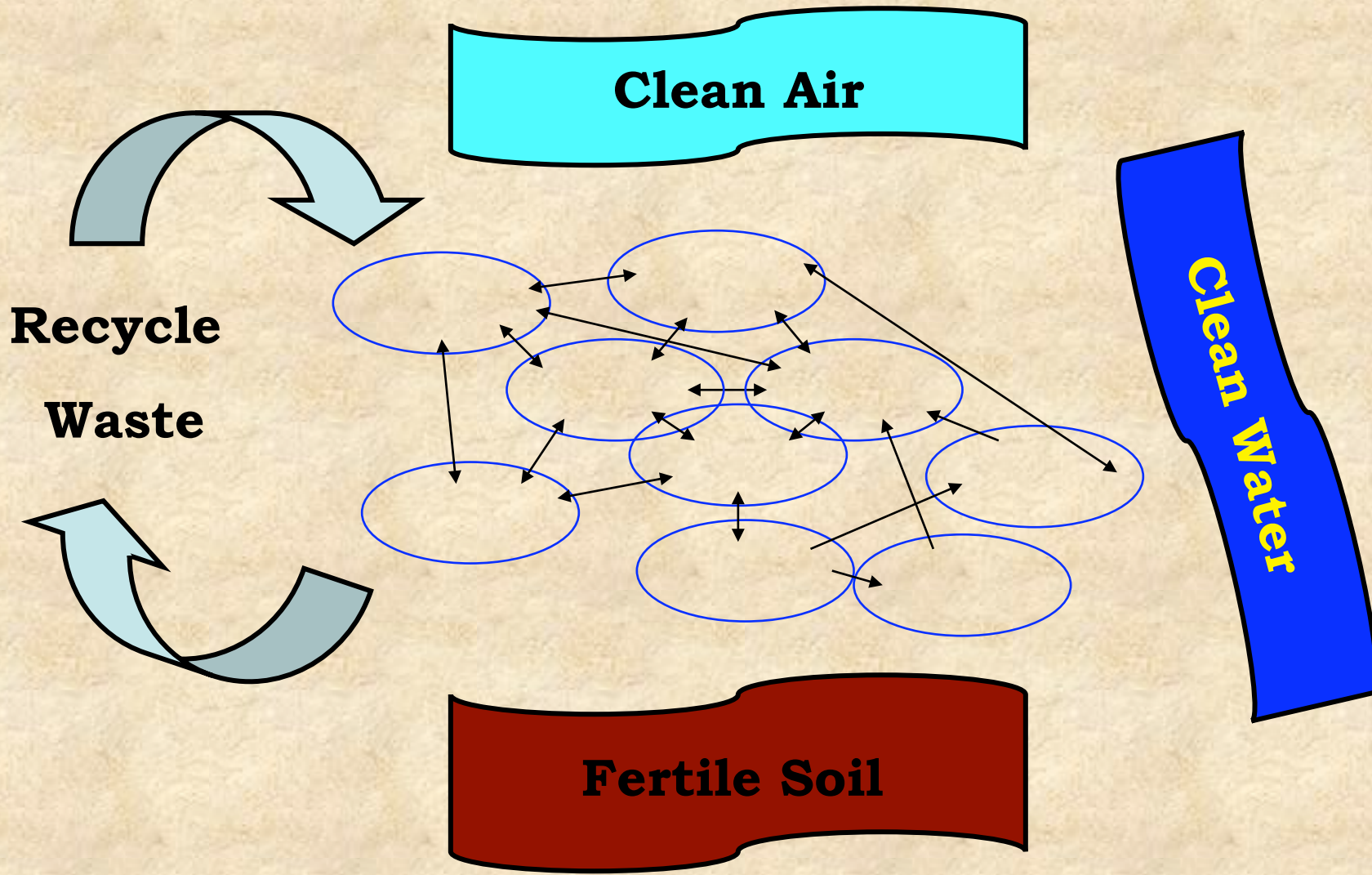


# Value Network





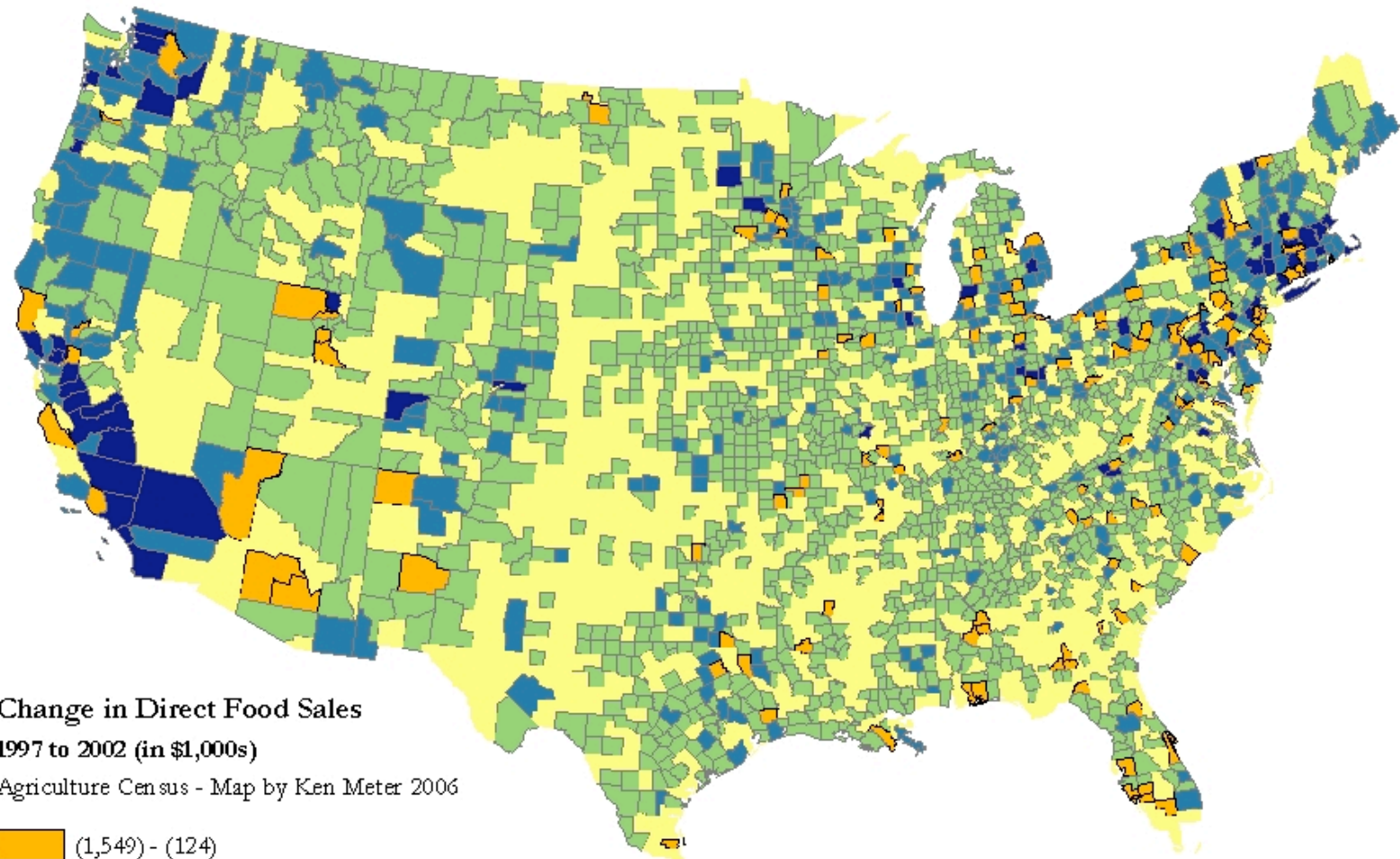
# Value Network operates in a Context












# Direct Food Sales



Change in Direct Food Sales  
1997 to 2002 (in \$1,000s)  
Agriculture Census - Map by Ken Meter 2006

-  (1,549) - (124)
-  (123) - 0
-  1 - 164
-  165 - 718
-  719 - 5,621



# **Innovative farm operations**

**Winter CSA  
Milan, Minnesota**

**Fresh fresh organic greens  
November to April**

**Sells only within 30 miles**



# Winter CSA — Milan, Minnesota



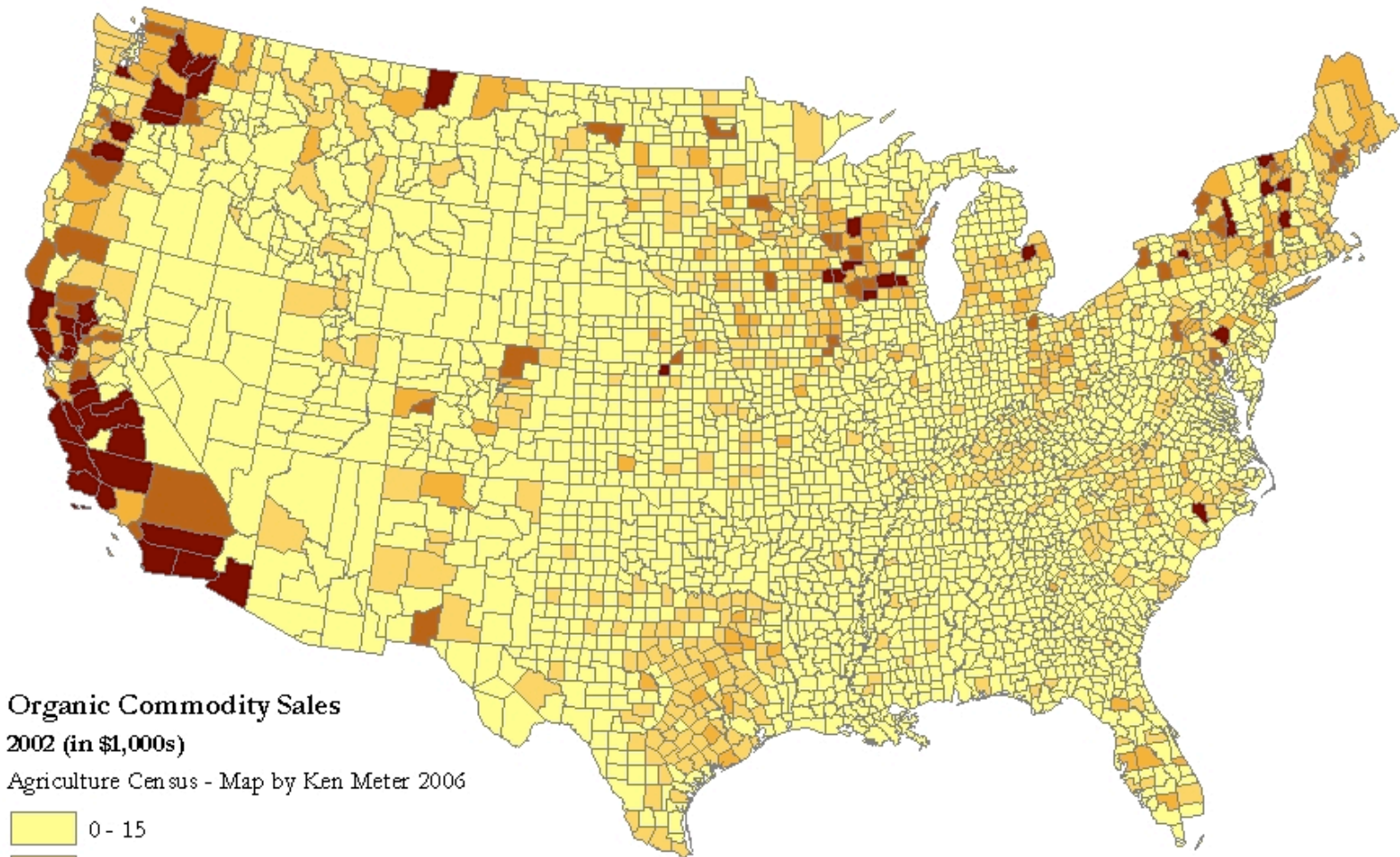


# Winter CSA — Milan, Minnesota





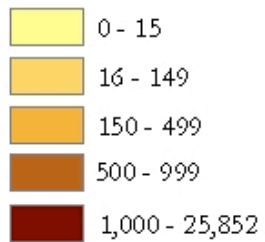
# Organic Sales



## Organic Commodity Sales

2002 (in \$1,000s)

Agriculture Census - Map by Ken Meter 2006

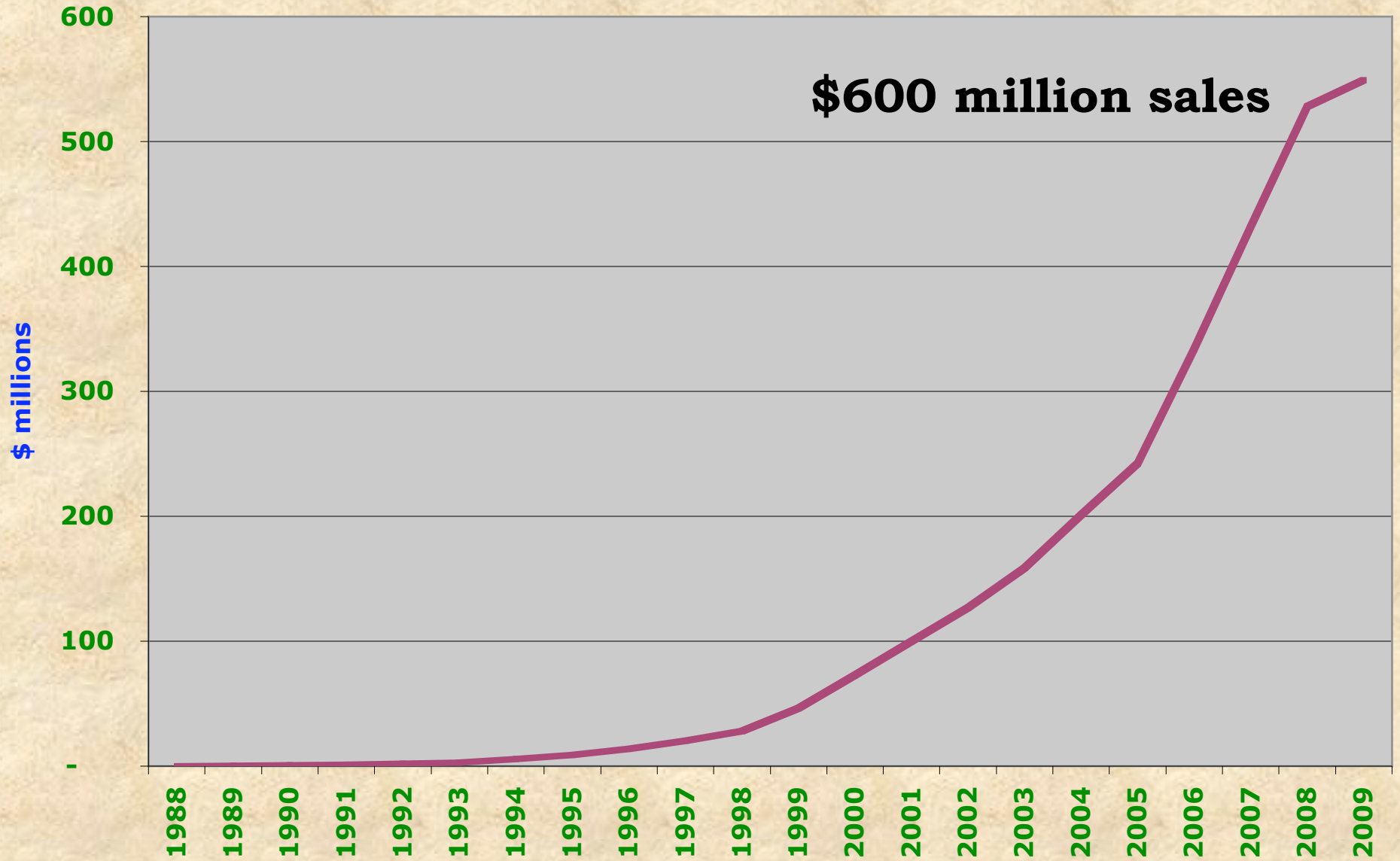




**Organic Valley**

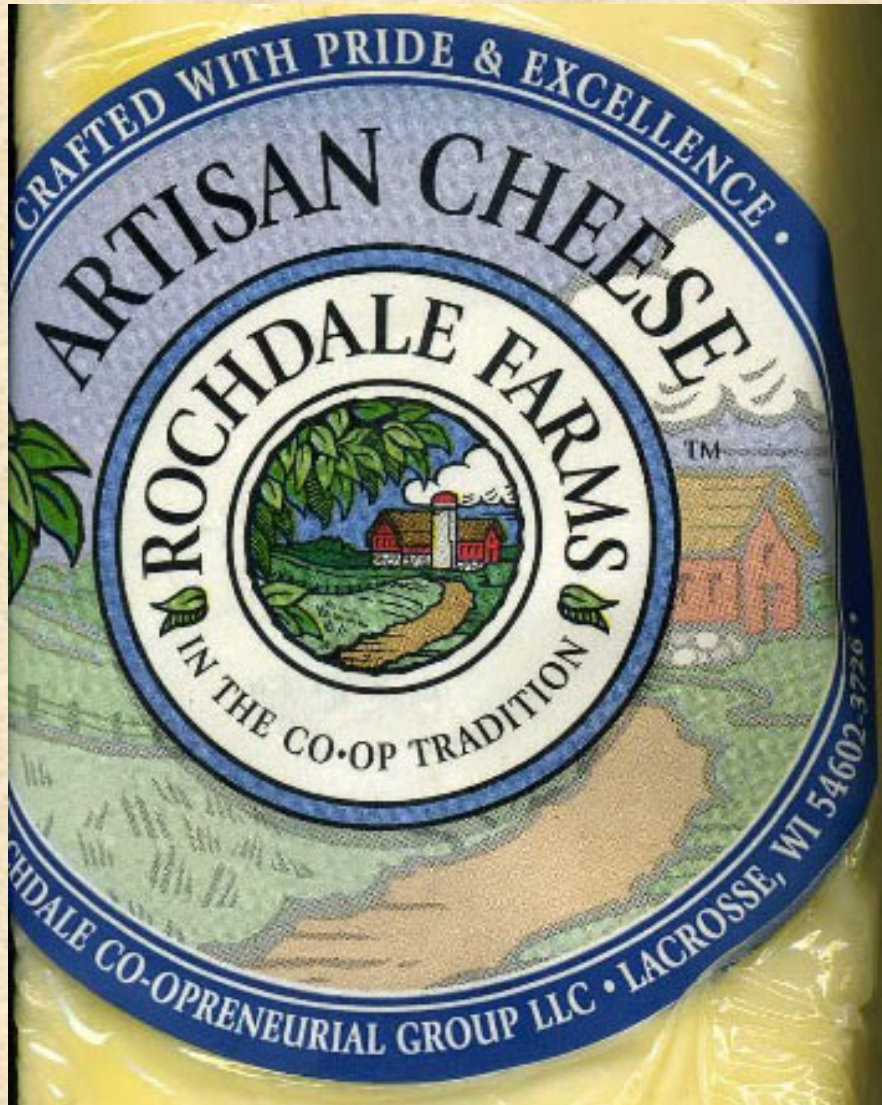


## Organic Valley sales, 1988 - 2009 (est)





# Rochdale Farms



**Raw milk  
cheeses  
for co-ops**



**Will Allen, Growing Power, Milwaukee**

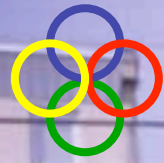




**Did you know:**  
Growing Power distributed over 2 million pounds of produce through the Market Basket program. Market Basket includes products from the Rainbow Farms Cooperative.



**Growing Power, Milwaukee**



# Greensgrow Gardens, Philadelphia





# **Greensgrow Gardens, Philadelphia**





# Greensgrow Gardens, Philadelphia



 **Greensgrow Gardens, Philadelphia**





## **Viroqua, Wisconsin**

- **Factory closes**
- **85 of best jobs lost**
- **Printing & packaging firm**



# Viroqua, Wisconsin





## **Viroqua, Wisconsin**

- **Economic Development Association buys building**
- **100,000 square feet**
- **Regional food processing center**

# **Viroqua Business Cluster**

**Produce  
Distributor 1**

**Produce  
Distributor 2**

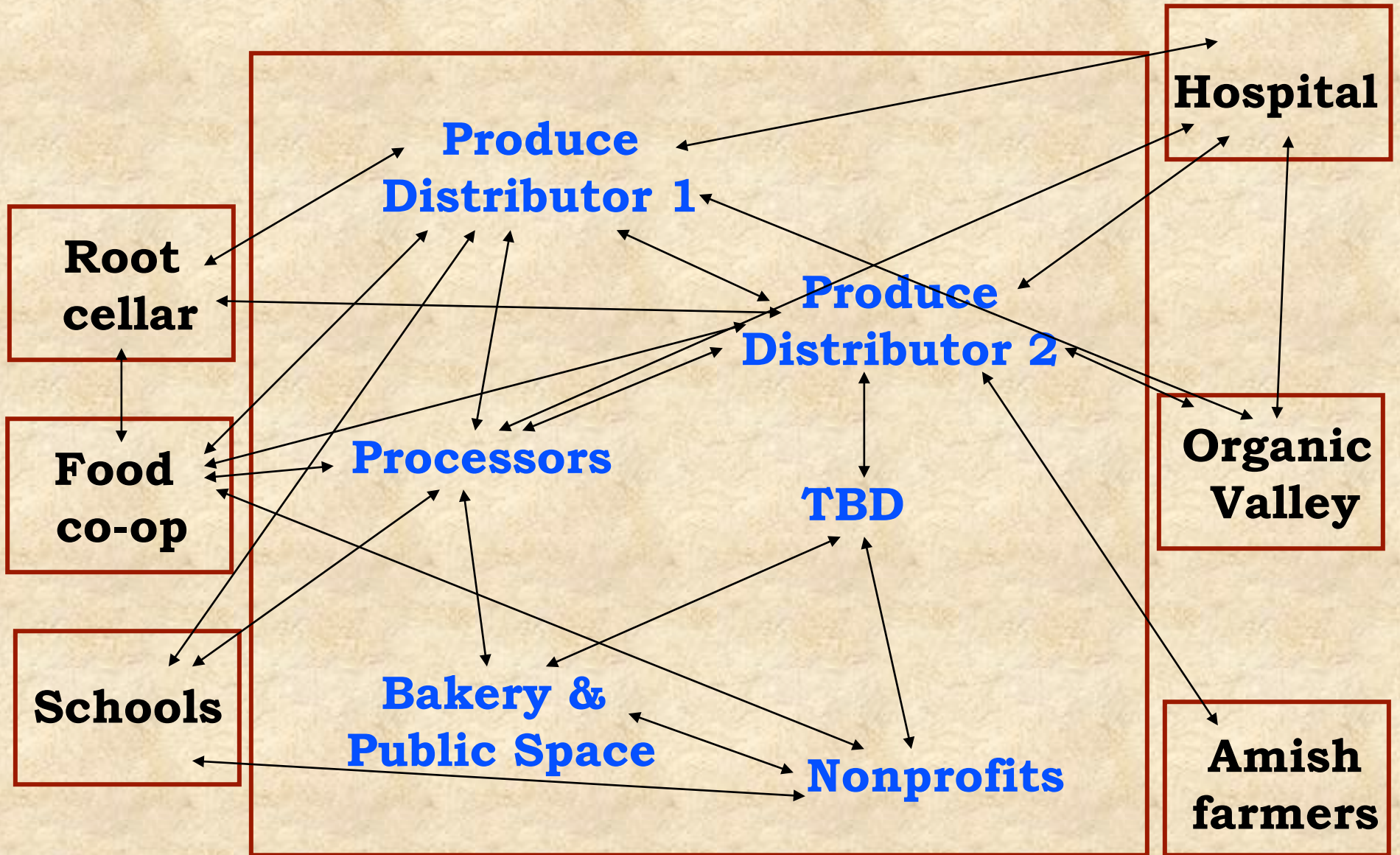
**Processors**

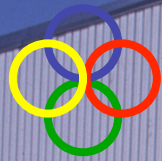
**TBD**

**Bakery &  
Public Space**

**Nonprofits**

# Viroqua Business Cluster





# Viroqua, Virginia





**Northfield, Minnesota**

**Hillside Farmers Co-op**

**Latino/Anglo Poultry Co-op**



# Hillside Farmers Co-op Northfield, Minnesota





# Production on 1/4-acre sites





**Process at larger scale, someday**



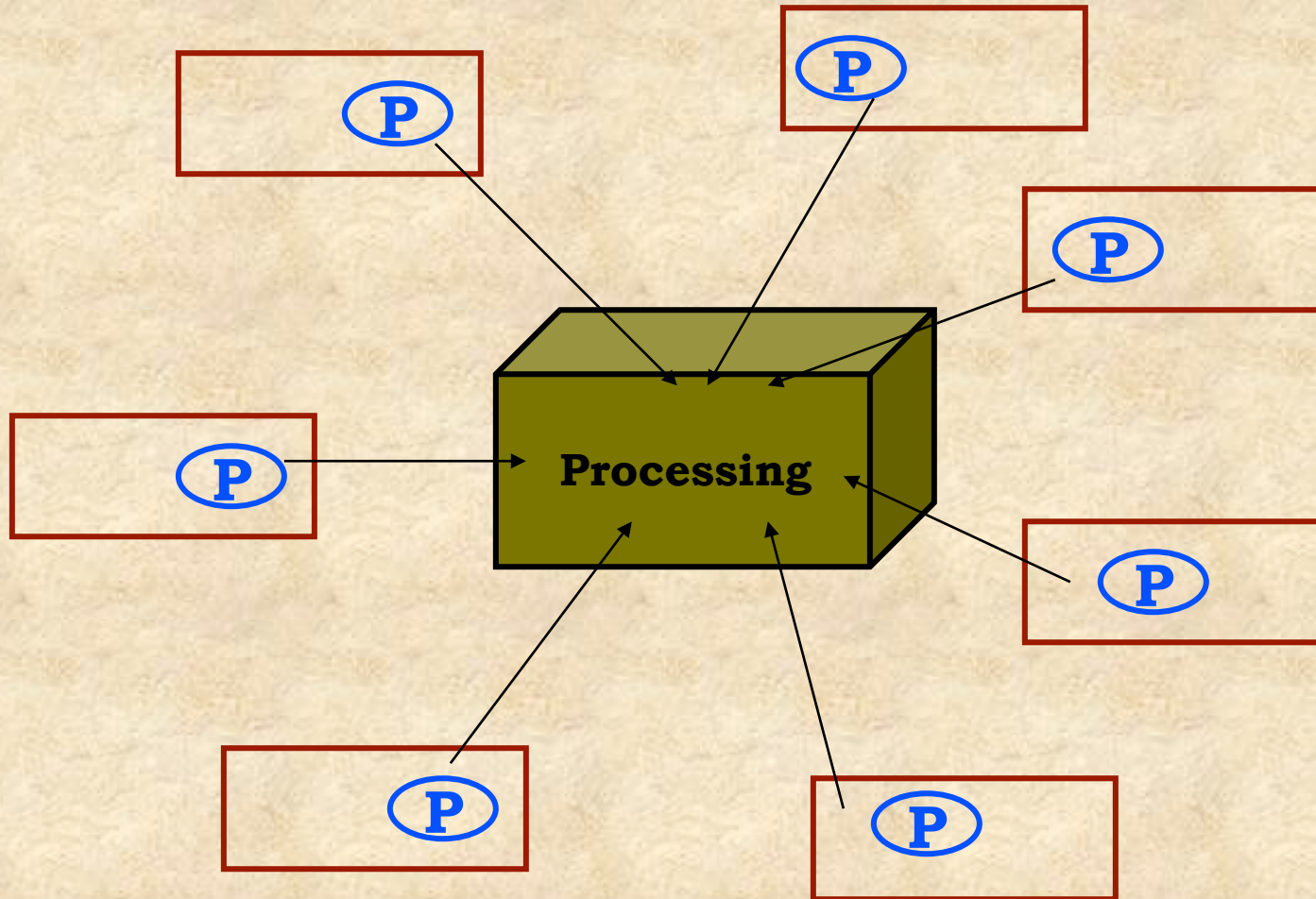


# Poultry Business Cluster



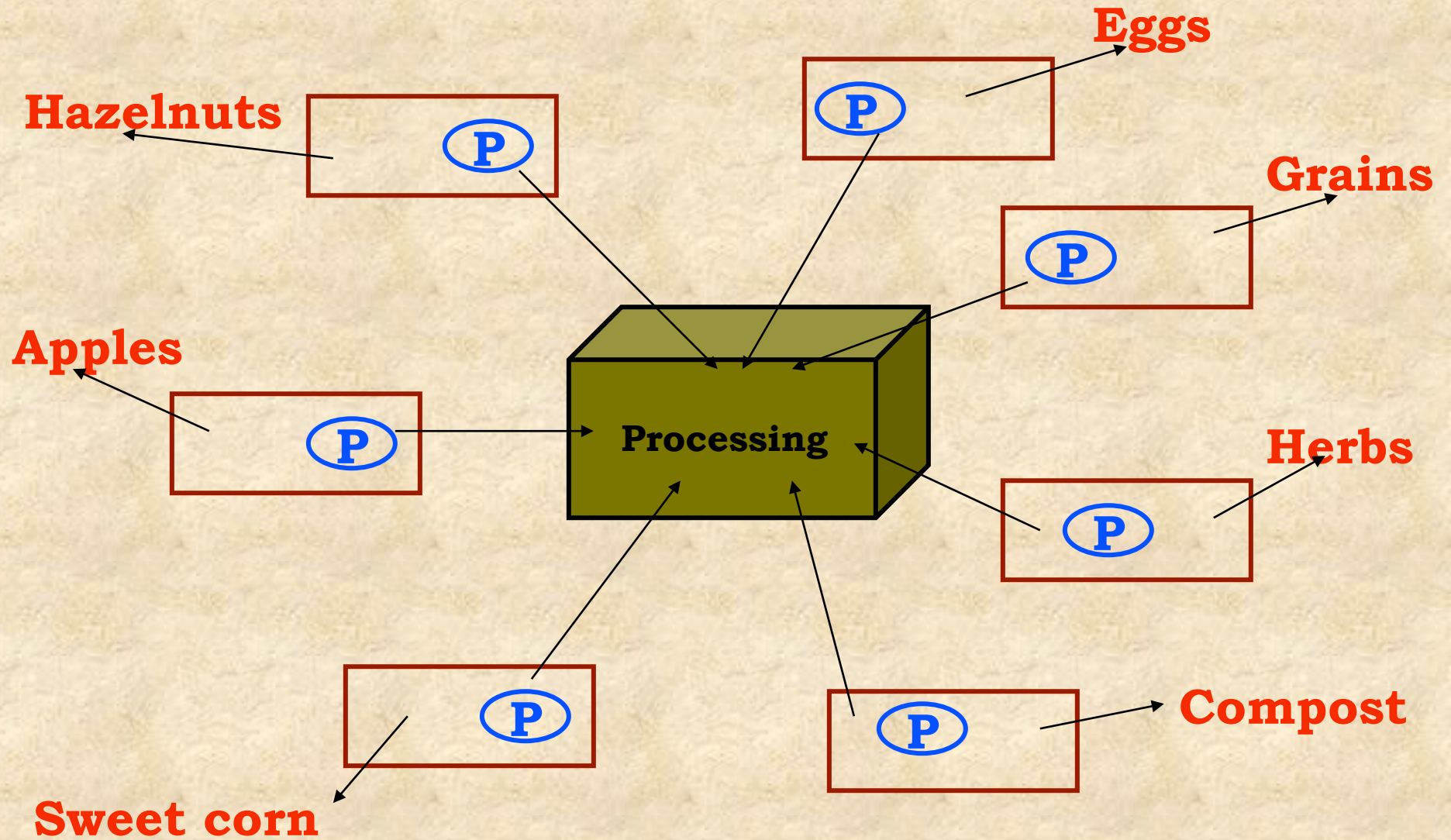


# Poultry Business Cluster





# Poultry Business Cluster





# **Elements of Success for Local Food Economies**

## **“Mapping the Minnesota Food Industry”**

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



## **Minnesota policy**

**Invest homeland security  
money in food planning**

**H1N1 virus — made plans to  
close borders**



# Vision for local food economies

**Build:**

**Health**

**Wealth**

**Connection**

**Capacity**

# **“Finding Food in Farm Country”**

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