The growing local and sustainable food movements have spurred new opportunities for family farmers, food processors, and rural and urban businesses.
Local and organic agriculture offers significant opportunities for jobs and economic development, while providing consumers quality food that matches their values.
Locally-produced food is strongly supported by a majority of the U.S. public.
"I would be willing to pay more for food that is grown locally, near where I live, rather than far away."

“Locally Grown Food is the latest student cause... The new activist phrase on campus is Eat Local.”

_Time Magazine_, “What’s Cooking on Campus”
Illinois Local Food Sales

Why Wholesale?

- Diversify revenue
- Selling direct can be time intensive
- Bigger share of the “Food Dollar”
- Predictable demand
What do Wholesale Buyers Want?

- Field heat must be removed with proper cooling.
- Cold Chain must be maintained.
- Products must be sorted, and graded, and packed.
- Food safety requirements must be met.
- Large quantities preferred - many prefer pallets.
- Production should yield consistent weekly supply.
- Producers must build relationships with buyers and stay in touch.
Identifying Wholesale Markets

- Distributors
- Directly to retailers
- Directly to restaurants
- Home Delivery Services
- Institutions
Chicago Public Schools Committed to Purchasing Local Food

Chartwells has begun to purchase as much local food as possible in order to produce 400,000 meals a day for its customer, the Chicago Public Schools.
Whole Foods Market is Seeking Illinois Grown Food
Meeting Wholesale Buyers

- Call them on the phone
- Send them a letter
- Drop by their place of business
- Referral from other vendors
- FamilyFarmed.org EXPO and other trade shows
- Meet the Buyer events
Farmers Build Relationships

- Share with them farm history, background, the type of crops grown.
- During the season, bring by samples, preferably a full case properly packed.
- Provide them with Price Sheets.
Issues to Address With Buyers

- What Products and Volumes?
- What communication do they prefer?
  - Phone, Fax, Email, etc.
- Best time of the week, day to seek orders.
- Best time of week for fill orders.
- What type of packaging?
Maintaining Communication

- Inform buyers of expected harvest dates and quantities.
- Update buyers weekly with the following information:
  Planned harvest dates for specific items.
  How long specific items will be available.
Pricing

- Wholesale prices are 50 to 90% less than direct.
- Key to profitability in wholesale markets is volume and consistent sales throughout the growing season.
Negotiating Grower Agreements

- Types of crops
- Varieties, sizes, and grade
- Amounts and how often
- Price
- Size, count, and weight of pack
- Payment terms
- Insurance needs
- Exclusivity
Return on Investment

- Leopold Center’s Return on Investment Calculator
Shipping

- Farmer can deliver to buyers
- Producer pools
- Buyer picks up on back haul
  - Whole Foods Market
  - Goodness Greeness
Billing

- Confirmation of buyers order
- Packing slip with shipment
- Final Invoice
Proper Post Harvest Handling

All produce is still alive and is breathing. More respiration means:
• Fewer nutrients
• Less flavor
• Drying out
• Lost weight
• Shorter shelf life

Proper post harvest handling will make food taste better, be more nutritious for a longer period of time, and be worth more.
A higher respiration rate = a more perishable vegetable. Lower respiration rate = longer storage or shelf life. Temp. influences respiration: for every 18°F increase in temp the rate of decay increases 2x-3x. Rapid cooling to the commodity's lowest safe temperature is most critical for those with inherently higher respiration rates.

<table>
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<th>Low</th>
<th>Moderate</th>
<th>High</th>
<th>Extremely high</th>
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<td>potatoes (immature)</td>
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<tr>
<td>beets</td>
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Pre-Cooling & Refrigeration

Photos courtesy of NCSU Agricultural Extension Service
Half-Cooling Time

Figure 11.2
Typical cooling curve for perishable products. Cooling times are typical for large fruit, like peaches, exposed to moderate amounts of airflow.

- Initial product temperature
- Average product temperature
- $1/2$ cool
- $3/4$ cool
- Air temperature
- $7/8$ cool
- $15/16$ cool

Product temperature ($^\circ$C)

Hours of cooling

0 4 8 12 16 20
Marketability

Broccoli yellowing scale
score of 3 or higher = unmarketable

1  2  3  4  5

Photo by: Don Edwards

Trevor Suslow and Marita Cantwell
Department of Plant Sciences, University of California, Davis, CA 95616
Uniformity & Grading

- USDA Grades
  - Fancy and #1 grades will return more revenue. These are primarily sold in retail outlets.
  - But #2 grades can also be sold: to foodservice, restaurants, and processors.

- Be consistent
  - Pay attention to color, size, and overall visual quality.

- Standard containers
- Use PLU stickers
Packing it Right

The Wrong Way

The Right Way

Photos: Dennis Fiser
Farm and Packhouse Efficiency

Inefficient design

U-shaped design

Shared workstation design

University of Wisconsin Healthy Farmers, Healthy Profits Project, December, 2000; Second Edition.
Food Safety

Physical
  Glass, metal, rocks, plastic, bone, bullets

Chemical
  Pesticides, heavy metals, cleaners

Biological
  Bacteria, viruses, parasites, manure
GAP Certification & Wholesale

Many wholesale buyers require Good Agricultural Practices (GAP) certification. What is GAP?
Good Agricultural Practices (GAP)

Key issues for GAP Certification:
- Water
- Manure, Compost, and Nutrients
- Worker Health & Hygiene
- Field Sanitation
- Packing Facility
- Transportation
- Trace back & Record-keeping
Farm Safety Food Plan

- Manure storage and handling
- Animal exclusion
- Irrigation and drainage management
- Equipment Sanitation
- Harvest and Postharvest handling
- Employee Training
- Toilet and hand washing facilities
- Crisis management strategy
Disadvantages of Wholesale

- Little direct-to-consumer contact
- More crop specialization
- More planning and communication with suppliers and retailers
- Deferred payment
- More post harvest handling requirements
- More risk that product will be rejected for quality
- More emphasis on logistics
- Need to fulfill contracts and purchase orders
Advantages of Wholesale

- Access to established customer base and demand
- Streamlined storage and transportation facilitation
- Reduced product quality risks through better handling
- Increased crop specialization
- Easier placement for lower grades
- Big Checks
How We Can Help
FamilyFarmed.org: A Portal for Values-Driven Buyers and Consumers to Meet Producers

- Public education
- Website
- EXPO
- Market-making
FamilyFarmed.org Website

Click here for links to all the exhibitors at the 2008 FamilyFarmed EXPO

IN THE SPOTLIGHT

FamilyFarmed EXPO Celebrates Local Food
On the weekend before Thanksgiving, the FamilyFarmed EXPO welcomed local food fans, area family farmers, artisan producers, prominent speakers, industry buyers and local celebrity chefs to meet, network and learn from each other.
Read the story.

Wholesale Success

IN THE NEWS

Great Local Food At Your Doorstep
For complete story click here
David and Susan Cleverdon run Kinnikinnick Farm, a thirty-acre organic market garden. David has been farming their land for 11 years and produces a lovely array of mostly vegetables that includes arugula, baby lettuce mix, Italian cooking greens, chicories, heirloom tomatoes, squash, beets, garlic, and shell beans. Susan has an off-farm job at nearby Beloit College.

David does his farm work with the help of a six-person staff—and nine Jack Russell Terriers: Nym, Tinker, Cooper, Spencer, Prudy, Tessa, Riley, Piper and Annie.

Why is growing organic a priority for your family?
We never really asked ourselves that question. The truth is, we never considered growing any other way. Years ago we started our first backyard garden. We read everything about gardening we could get our hands on and concluded that doing it organically was the only way that made sense. I still think that’s the case. After a few years the garden became an integral part of our household economy. It grew and grew. Finally, it got out of hand. And morphed into our farm. The question of priority never arose.
Meet the Buyers Events

- Buyers from Whole Foods Market, Sodexo, Goodness Greenness, Meijer, Hospitals, SYSCO, Fresh Picks, and others attend
- Locations include FamilyFarmed.org EXPO, Chicago, others
FamilyFarmed EXPO
Trade show and consumer educational programming targeting:

- Family Farmers and local food artisans
- Supermarkets
- Processors
- Distributors
- Institutional buyers
- Restaurants
- Farmers market administrators
Financing Farm To Fork

- Educates investors, bankers, and other financiers about business opportunities in the local and sustainable food niche.
- Brings economic development professionals into the emerging movement.
- Links farmers and food business owners with capital.
- Strong focus on infrastructure development, such as packinghouses, to support local foods.
Mayor Richard Daley and Goodness Greenness CEO Bob Scaman, and Bill Kurtis enjoyed the FamilyFarmed.org EXPO.
Ready to Grow

- Funded by the Illinois Department of Agriculture
- Creating a Business Plan for the Creation of a Central Illinois Packhouse for Fruits and Vegetables
Resources

- Jim Slama
- FamilyFarmed.org
- Jimslama@familyfarmed.org
- 708-763-9920
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- FamilyFarmed.org
- Jimslama@familyfarmed.org
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