



# WELCOME TO THE FEAST NEWSLETTER

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Welcome to the first issue of our newsletter! So many things are happening here at the Food System Economic Partnership that it's hard to narrow down the range of items to include in our premier issue. We hope the following articles will give you a feel for the scope of work and the kinds of projects we are embarking on. Many people are working hard, with many excellent ideas and goals.

Our world is full of promise, possibility and actual results! We are in the strategic planning and organizational development stage and at the same time also in the "Wow! Look what happened in the last year!" stage. It is exciting, gratifying and most of all, it continues to grow.

## WHERE WE ARE GOING

BY SUSAN SCHMIDT

We certainly live in an interesting time, particularly here in Southeastern Michigan. Much focus is on the faltering manufacturing based economy which for generations has provided a secure prosperity for the region. Although not in the news very much and therefore not top of mind for many citizens, our food system is also at a crossroads. As with the other sectors of the economy, it must adapt to prosper within a changed society. The change that FSEP seeks involves a new paradigm that in many ways returns to an old principle of local sustainability. Perhaps the poet, Wendell Berry, said it best as he recorded his reactions to the 9/11 attacks. "Starting with the economies of food and farming, we should promote at home, and encourage abroad, the ideal of local self sufficiency. We should recognize that this is the surest, the safest, and the cheapest way for the world to live. We should not countenance the loss or destruction of any local capacity to produce necessary goods."

The leadership of FSEP is composed of a diverse, highly committed group of individuals representing numerous groups of stakeholders in the regional food system. Some member groups are obvious, like growers and producers, county extension agents, and end users like food buyers. The food system, however, is complex and interwoven into the very

fabric of our communities. Therefore other members of our group include those involved in economic development, county government and social and cultural entities. Something we share in common is our passion for this work. Although the interests we represent as individuals are varied, these differences are also our strength. Our differing perspectives on existing opportunities and challenges, and visions of a desired future provide fertile ground for a productive exchange of ideas and the creation of plans for real and lasting change in the food system.

This is no small task we have undertaken. Many of the circumstances and unseen forces that have created the existing divide between rural producers and urban consumers can seem insurmountable and in truth, some of them are. FSEP has formulated a multifaceted strategy to examine the issues surrounding current realities of production, distribution, consumption and access in Southeast Michigan. Built on this basis of knowledge, FSEP provides a network of resources, systems and business models that will serve to bridge the gaps in our regional food economy. Further we actively strive to educate and energize our constituents, partners and community leaders regarding the positive changes in the food system as they come to fruition.

As FSEP moves forward, we continue to evolve and grow as an organization through the efforts of our dedicated leadership team and the growing support system of collaborating partners in the region and beyond. We believe in our mission, values and vision and will work tirelessly towards a positive future for foodways in Southeastern Michigan.

SUSAN SCHMIDT IS THE DIRECTOR OF FOOD SERVICES AND CATERING FOR THE HENRY FORD MUSEUM AT GREENFIELD VILLAGE, IN DEARBORN, MICHIGAN.

## THE RESTAURANT INDUSTRY: UP CLOSE AND PERSONAL:

BY PHIL TOCCO & GETACHEW ABATE

An emerging way of approaching community and economic development is to encourage local use of resources developed and distributed locally. The "Local First" movement in Grand Rapids ([www.localfirst.com](http://www.localfirst.com)) is exemplary of this type of community & economic development approach. It engages consumers to patronize locally owned businesses, thereby encouraging a local multiplier of these dollars spent.

Direct marketing to alternative consumer channels is a focus of priority to commodity groups such as the Michigan Vegetable Council. Restaurants are one of the major alternative wholesale and retail channels that local producers, processors and distributors can use to increase sales from their products and services.

Restaurants play a significant role in the U.S. economy. In 2004, sales through restaurants were estimated at \$450 billion. Their impact on regional economies through increased tax revenues and additional jobs is widely known. With the continuous rise in away-from-home consumption of foods, the economic impact of the restaurant industry is expected to grow in the coming years. One of the critical issues that gained special attention in recent years is the role of restaurants in supporting local and regional food systems. Current efforts focus on finding ways to better link these local suppliers with restaurants. Despite these efforts, no adequate research has been done to address the challenges and opportunities of using these outlets to strengthen local food economies.

FSEP's Research Subcommittee has partnered with MSU Extension in Jackson County and MSU's Urban Collaborators to obtain an intern to help develop a body of knowledge about the restaurant industry. The intern will begin the process of finding out these challenges and opportunities to facilitate a greater linkage of local farmers with local restaurants.

FSEP will convene three focus groups, one each in Jackson, Ann Arbor and Detroit, consisting of 8-10 chefs/restauranteurs. The chefs will be questioned to identify issues and needs in buying locally grown or processed foods. The intern will use the information gathered from these focus groups to develop a survey instrument that will be distributed to 250 restaurants in the three city centers. Information will be gathered as to the desirability to feature local foods in menus as well as the forms which they should be sold.

PHIL TOCCO IS A SPECIALIST IN AGRICULTURAL MARKETING AND LAND USE IN THE JACKSON COUNTY EXTENSION SERVICE. GETACHEW ABATE IS THE PRODUCT MARKETING ANALYST WITH THE MICHIGAN STATE UNIVERSITY PRODUCT CENTER FOR AGRICULTURAL AND NATURAL RESOURCES.

## PROCESS AND SUCCESS: ESTABLISHING AN INNER CITY FOOD BUYING CLUB

BY MIKE SCORE

The Michigan Coalition of Black Farmers called me two years ago, asking for help in improving access to high quality, nutritious food in the Chene Ferry neighborhood on Detroit's east side.

As an Agricultural Innovation Counselor with the MSU Product Center it fit within my work assignment to assist the group in development of a business plan. They believed a farmers' market could be successful in the neighborhood.

The Coalition met regularly over a 10 week period to write their plan. They used their business plan to apply for, and receive \$5,000 in grants from MSU's Project GREEN to launch a farmers market. They printed fliers to distribute in the neighborhood, built farm market stalls, and purchased produce to retail in the neighborhood. To make a long story short, the market failed.

Going back to the drawing board, Coalition members met with neighborhood residents. During a meeting at Peacemaker's Ministries, a faith-based mission on Chene Street. Neighbors said that they did want improved access to fresh produce, They informed the coalition that grocery purchases, for the most part, are made using food stamps. The Coalition did not have an electronic benefits transfer machine needed to accept food stamps.

The Coalition re-approached establishment of a food business. In early 2005 they established an LLC to form a food purchasing cooperative through Mercy House, a subsidiary of Peacemaker's. The buyers' club was run on a pilot scale to test their business model, and to work out the logistics of supplying groceries in a low-income urban area. Consumers purchasing goods through the club ordered and pre-paid for food on Tuesdays. Orders were filled on Fridays. Individual orders were grouped into wholesale orders. Overhead costs were added to wholesale prices to establish retail prices. The net result was fresh produce, available in the Chene Ferry neighborhood, without inventory losses. The pilot operation was conducted using cash

for grocery purchase. Because neighborhood residents could not continue using cash in this way for an extended period of time, the pilot program was closed.

In April, 2005 they applied for an electronic benefits machine through USDA. Applying for the machine took longer than anticipated. As frustrating as the wait was, good things happened during summer, 2005. The group worked with MSUE to train interested neighborhood residents in urban gardening. The Coalition of Black Farmers worked through MSUE to receive a grant through the MSU Land Policy Program. Grant funds were used to train neighborhood residents in food system entrepreneurship. Melinda Curtis, a magazine publisher and consultant to MDA, connected neighborhood residents with a Petland store in Novi. Petland hired neighborhood residents to raise rabbits for sale through the Novi retail outlet.

The application for an electronic benefit reader was approved in September, 2005. It took until early 2006 for management issues within the food buyers' club to be resolved. By January, 2006, the club was ready for a full-scale launch! Neighborhood residents can now purchase fresh produce weekly. In summer, 2006 they will have the choice of purchasing vegetables from neighborhood gardens, Detroit's Eastern Market, or participating local farms from southeast Michigan. This is a dramatic change. Before our work reached a successful conclusion, access to fresh produce was very limited. It is now available, and will soon be abundant!

MIKE SCORE IS THE DIRECTOR OF THE FOOD SYSTEM ECONOMIC PARTNERSHIP IN CONJUNCTION WITH HIS POSITION AS AN EDUCATOR AT THE MICHIGAN STATE UNIVERSITY EXTENSION SERVICE.

# INTERNS COMING TO HELP!

AN FSEP INTERVIEW WITH:  
LAURA KAMINSKI

## How did you first find out about FSEP?

I found out about FSEP through several of my fellow students at the University of Michigan's School of Natural Resources and Environment who were looking to recruit people to work with them on a master's project focusing on local food security.

## What were you doing in your work or personal life when you first heard about us?

I was halfway through my first semester of graduate school at U of M and was looking for a topic for my master's project.

## Why and how did you choose to get involved?

I attended a conference sponsored by Michigan State University's Land Use Policy Program in 2004 and was captivated by a presentation there on local food systems in and around Detroit. Ever since then, I've been looking for ways to work on food security issues in some capacity. When I found out that one of the proposed master's projects was on local food security, I decided to choose that project.

## What kinds of things are you doing that relate to the FSEP vision and mission?

The focus of my graduate education is on sustainable systems and my master's project will be in direct support of FSEP's vision and mission. We will be analyzing the local food system and preparing a profile of the food system community. As a local resident, I support the Ann Arbor Farmers' Market by purchasing local foods there.

## What is your "day job" ? And what part of the world are you currently living in?

In addition to being a full-time student, I'm also a research associate for the Ann Arbor based Great Lakes Commission -- a non-profit organization dedicated to the use, management, and protection of the region's water, land, and other natural resources. At the GLC, I work on a range of issues from soil erosion to water conservation to sustainable development. Much of this work focuses on outreach to a diverse range of stakeholders among the eight Great Lakes

states and two provinces. I'm currently living in Ann Arbor and have lived here off and on for the last nine years.

## Do you have any personal interests or viewpoints that you'd like to share with us?

I'm a strong advocate for water conservation and the reduction of soil erosion that adds to the sedimentation in our rivers and lakes. After working on these issues for the last three years, I am most frustrated by individuals who do not understand that their actions influence the broader ecosystem.

## Where do you see FSEP going in the next five years?

The FSEP leadership team seems to be making great strides in reaching out to new audiences and educating people on the importance of a strong and viable local food system. In the next five years, I see FSEP gaining more exposure within communities and business circles through their annual conference and other outreach initiatives.

## What are you most looking forward to seeing FSEP achieve?

I look forward to FSEP continuing to build partnerships and networks within southeast Michigan as well as attaining funding to expand its existing work.

## Is there anything else that you would like people to know about FSEP?

After attending my first FSEP leadership team meeting in January, I was very impressed at the level of dedication shown by all of the members. With such great people involved, I am confident that FSEP will continue to grow and strengthen its membership and mission and will achieve great successes within the region.

LAURA KAMINSKI IS A GRADUATE STUDENT AT BOTH THE UNIVERSITY OF MICHIGAN SCHOOL OF NATURAL RESOURCES AND THE ENVIRONMENT AND THE SCHOOL OF BUSINESS. SHE IS ONE OF A TEAM OF FIVE STUDENTS WORKING WITH FSEP TO DEVELOP A COMPLETE FOOD SYSTEM MAP FOR THE FIVE COUNTY REGION.

# FEASIBILITY STUDY UNDERWAY FOR USDA-INSPECTED MEAT PROCESSING

BY MIKE SCORE

Farmers, consumers, and retailers have a common interest: improving access to meat products from local livestock farms. Livestock production in the five-county FSEP region is substantial. According to Michigan Agricultural Statistics Service local farmers annually raise 22,000 hogs, 92,000 beef cattle, 23,000 sheep, and more than 20,000 hens for poultry production.

Interest in buying meat directly from regional farmers is driven by several factors. Consumers frequently hear news reports about food safety issues and unfair labor practices in the global marketplace. Knowing where and how food is produced responds effectively to local consumer concerns. Buying local meat also strengthens the profitability of nearby farms, helping the local economy and keeping scenic rural landscapes in our counties.

Insufficient access to USDA-inspected meat processing facilities in southeast Michigan limits sale of meat from local farms. There are three large USDA-inspected processors in Detroit, and smaller processors in Hillsdale and Union City. The larger packers in Detroit are designed for high-volume orders. They also are not geographically located in a way that meets the needs of livestock producers in Washtenaw, Lenawee, and Jackson counties. Smaller-scale processors west of the FSEP region add transportation overhead costs to local farm businesses. Traveling west to process meat for markets that are largely east of livestock farming operations is expensive, and waiting periods for getting livestock into the processor has often been two months or more.

A small group of livestock producers has taken these factors into consideration. Their approach to overcoming barriers to expanding sale of local meat through retail outlets has been to develop a written business plan for a new USDA-inspected processing facility.

This group of farmers worked through the MSU Product Center to write a business plan for their new venture. Upon completion of the business plan they formed an LLC and are now operating under the name, Southeast Michigan Meat Processing. The company was successful in applying for grants from the Lenawee Agricultural Advisory Group and the MSU Product Center. Grant funds are being used to hire The Hale Group out of Boston to complete a feasibility study for the proposed operation. The study will be completed in February, 2006. If the study is favorable, participating farmers will consider building a new processing facility to service farmers in the five-county FSEP region.

MIKE SCORE IS THE DIRECTOR OF THE FOOD SYSTEM ECONOMIC PARTNERSHIP IN CONJUNCTION WITH HIS POSITION AS AN EDUCATOR AT THE MICHIGAN STATE UNIVERSITY EXTENSION SERVICE.

# THE VALUE OF PLACE BASED DEVELOPMENT

BY MICHAEL W. HAMM

There are five counties in the FSEP region: Wayne, Washtenaw, Jackson, Lenawee and Monroe. These counties have a combined population of about 2.8 million people. These people eat about 3.3 billion pounds of food every year (this doesn't include coffee, tea, soda or alcohol). Simultaneously, the region and the state are losing mid-sized farms and farms that support a family's livelihood; between 1997-2002 Michigan lost 1341 farms between 180 and 1000 acres. The question is, where will the region's current residents, their offspring, and new residents get their food in the future?

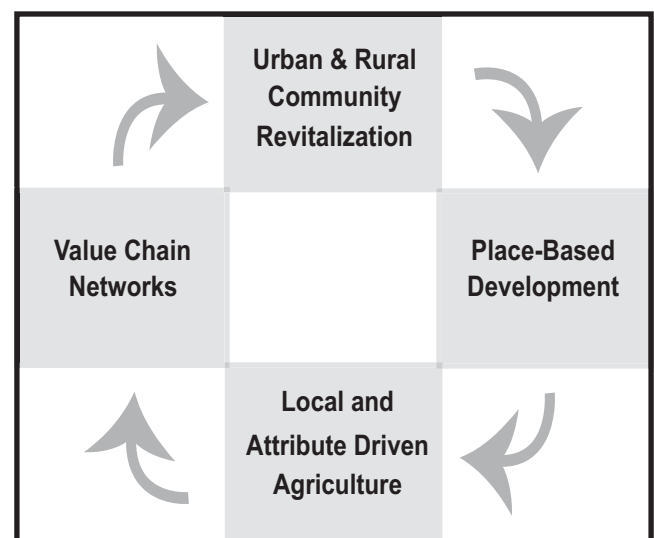
I contend that maintaining a diverse scale of local and regional agriculture is the lifeblood of a sustainable food supply that can continue to provide nourishing sustenance for future generations. This definitely includes these 'farms of the middle' as well as those smaller and larger. What to do? I am firmly convinced that place-based development in which the quality of the agricultural product is assured and where people can identify with the origin/production practices contained in the food they purchase and eat is the only solution for stemming a continuing spiral of loss and consolidation in the food system. This is most simply portrayed in the accompanying figure where place-based-development through the vehicle of local and attribute-driven agriculture, distributed to consumers through a series of value-chain networks is a key strategy for rural and urban community revitalization.

This is why, to me, the Food System Economic Partnership is not just important but critical. Its strategy of bringing a broad array of people, governments, organizations and businesses together as a way to identify points of mutual interest, build new business enterprises and get good food to people is key to building new associations for the 21st century.

Central to this place-based agricultural development are the farmers of the region; without them there is no food. I think there is both a social and economic value and a social good in encouraging farmer-driven exploration of new strategies for producing food that can be distributed in local markets; both through direct market channels like farmers markets and indirect

market channels such as restaurants, grocery stores and schools. Since there are relatively few venues for farmers to access small amounts of money to explore these ideas, I committed \$12,000 from my MSU endowment funds for this purpose over the next several years. I look forward to working with FSEP and the farmers of the Southeast Region in identifying ways to link farmers with consumers in mutually beneficial ways.

MICHAEL W. HAMM IS THE C.S. MOTT CHAIR IN SUSTAINABLE AGRICULTURE AT MICHIGAN STATE UNIVERSITY



# THE VIEW ON THE GROUND

BY MICHAEL DIRAMIO

The Food System Economic Partnership is a “start-up.” As is the case in most any start-up business, there has been a sense of calculated risk—will this, can this work? There has also been a good deal of action in the face of uncertainty—is this the right course of action? Do we have the necessary resources and buy-in of partners? When you launch a project so fundamentally innovative and different from what exists, as we are in FSEP, you must have courage in the face of risk and uncertainty. It also helps to be prepared and have a sense of urgency—a need to make progress swiftly and effectively.

Faced with these challenges, we have made significant progress toward our goals in the following areas:

## ORGANIZATIONAL DEVELOPMENT

FSEP has established agreements with five county administrations and engaged leaders from over 25 farm organizations, food-related businesses, prominent institutions and community groups, and resource providers. In addition, we have:

- Established FSEP as a non-profit organization.
- Hosted monthly leadership team meetings across the region. Activities have included strategic planning, project development, and committee work around various project/work areas.
- Worked with an organizational development consultant to organize two day-long retreats for community leaders that produced FSEP values, mission, vision and goals for 2006 and 2007. Details of the strategic plan are still being finalized.

## FINANCING

FSEP is leveraging the contributions of project partners to build capacity and maximize impact and value from programmatic activities. In the area of financing specifically, FSEP has leveraged partner contributions to attract additional investments and establish a budget of over \$200K for the first two years of the project. We are preparing proposals and making efforts to raise the investment level considerably.

## OUTREACH AND EDUCATION

The FSEP initiative was officially launched at the Southeast Michigan regional Agricultural Economic Development Conference hosted by MSU Extension in March 2005. Since that time, FSEP has hosted community leaders on educational field trips to locations around the region, including: Eastern Market in Detroit, DuRussel potato farm in Manchester, SYSCO’s distribution facility in Canton, the Michigan Chestnut Growers Cooperative in Jackson, the MSU Agricultural Learning Center and Freshbread Mushroom Farm in the Adrian area.

## RESEARCH

FSEP has made significant progress on a research agenda to support entrepreneurs, decision-makers and citizens of the region interested in improving the food system:

- Scope of Work – developed short-, medium- and long-term research scope of work in collaboration with the MSU Product Center, CS Mott Group, Writing in Digital Environments (WIDE) center, and the University of Michigan.
- Baseline Assessment and Background Research – working with a University of Michigan graduate student research team to develop a literature review and food system profile.
- Food System Inventory/Mapping – planning a comprehensive study of market opportunities in each sector from producer through end user. We have begun a study of restaurant sector opportunities in Detroit, Ann Arbor and Jackson. We have also begun to create GIS maps of food-related business information acquired to date.
- Product Market Feasibility Studies – Beginning a study of grain processing market opportunities; we have also developed USDA proposals for two value-added producer project studies, with underwriting support from Dr. Michael Hamm of MSU.
- Software Development – Working with the MSU Writing in Digital Environments research center. We have plans to develop software tools for entrepreneurs, policymakers, and citizens

## PROJECTS/BUSINESS DEVELOPMENT

Several on-the-ground projects are being facilitated and/or supported by FSEP:

- Local meat processing facility – currently conducting a feasibility study and seeking additional investors.
- Food Buyers Cooperatives – pilot tested in fall 2005 in downtown Detroit neighborhood; managers of this project are gearing up for a formal launch in early 2006. Similar efforts in Ypsilanti and Adrian are currently being planned.
- Ethanol Processing Facility – provided support for launching the facility in Lenawee County.
- Farm-to-School Program – we are currently collaborating with several organizations to link together and package resources that will make it possible to bring local food into schools and improve the health and education of children.

## FSEP CONFERENCE: MARCH 15, 2006

The topic of the first annual FSEP conference is “Building a Better Food System in Southeast Michigan.” It will be held at the SYSCO Foods Conference Center in Canton. There will be presentations, workshops and opportunities for networking among farmers, food businesses and institutions, community leaders and interested citizens. Visit [www.fsepmichigan.org](http://www.fsepmichigan.org) for more details and to register!

## THE FUTURE

FSEP continues to grow and evolve at a rapid pace. I am anxious to see us reach our full potential in this region. Yet, I often need to remind myself of my friend and colleague Tom Guthrie’s mantra for success, “Be patient, and be persistent!” With dedication and just purpose, things will happen when they are meant to. The FSEP visioning and strategic planning process has given us the recipe for changing the food system for the better. Our community leadership team, our sense of common purpose, and the combined resources of our network offer many of the necessary ingredients. It is now time to cook up a feast of opportunities!

MICHAEL DIRAMIO IS THE DEPUTY DIRECTOR OF FOOD SYSTEM ECONOMIC PARTNERSHIP

## IN SUMMARY IN THE LAST YEAR, FSEP HAS:

- Clarified its mission and goals.
- Formed meaningful work teams.
- Begun working with entrepreneurs in the five county area to develop written business plans for new ventures.
- Some ventures are nearing launch or in early stages of launch.
- Received funding for research into the food system.
- Has begun a literature review to explore opportunities in grain processing and retail sales in the region.
- Begun work to fund support of farm-to-school initiatives in the region.
- Received funding approval for broader research on potential food system development.
- Partnered with Washtenaw County to develop databases for GIS mapping of the regional food system.

This has all been achieved because of the tremendous partnerships that are being forged. People are joining together and working hard with one another to make their vision into reality. This is the true definition of the word SUCCESS.

## FOOD SYSTEM ECONOMIC PARTNERSHIP OUR MISSION

FSEP EXISTS TO CATALYZE CHANGE IN THE FOOD SYSTEM OF SOUTHEASTERN MICHIGAN. WE PROVIDE RESEARCH, EDUCATION, AND OUTREACH WITH URBAN AND RURAL PARTNERSHIPS RESULTING IN AGRICULTURAL DEVELOPMENT OPPORTUNITIES, SUSTAINABLE COMMUNITIES AND HEALTHY LOCAL ECONOMIES

The offices of the Food System Economic Partnership are located at 705 North Zeeb Road, in Ann Arbor, Michigan. The office general information phone number is 734/222-6859.