

Local Food Promotion Program Interim Performance Report

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Report Date Range: <i>(e.g. October 1-March 31, 20XX)</i>	September 30, 2015 – September 29, 2017
Today's Date:	12/15/2017
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Recipient Organization Name:	MANNA FoodBank
Project Title as Stated on Grant Agreement:	MANNA FoodBank's Local Produce Sourcing Initiative
Grant Agreement Number: <i>(e.g. 14-LFPPX-XX-XXXX)</i>	15LFPPNC0119
Year Grant was Awarded:	2015
Project City/State:	Asheville, NC
Total Awarded Budget:	\$99,660 Federal funds + \$34,250 match = \$133,910

1. State the goals/objectives of your project as outlined in the grant narrative and/or approved by LFPP staff.

Goal/Objective 1: INCREASED QUANTITY OF PRODUCE

"Increase by 23% the total quantity of locally sourced produce reaching the MANNA market network, from a baseline of 2.6 million lbs/yr (2014) to 3.2 million lbs/yr (2017). This quantity of local produce represents 80% of all produce we will source."

Progress Made on Goal #1:

Through increased networking and strengthening relationships with suppliers we have increased our overall quantity of produce and exceeded this goal. The average per year local produce during this project period was 3,567,281, exceeding our 12 month goal of 3.2 million pounds per year by 11%.

Our product inventory records for the project period of 9/30/15 through 9/29/17 show the following quantities of produce received at our new cooler space:

- a) total pounds of produce purchased from local (*) suppliers: 2,140,526 lbs
- b) total pounds of produce donated from local(*) suppliers: 4,994,036 lbs
- a+b = TOTAL pounds local produce during project period: 7,134,562 lbs

On a per year average, this equates to 3,567,281 pounds per year.

() 'local' food is defined by the USDA-LFPP as food that is raised, produced, aggregated, processed and distributed within a region, so that the total distance transported is not more than 400 miles from origin of the food to final market. In our case the final market is anywhere within the 16 county area served by MANNA. We have verified that all the suppliers in this tally, including the areas where produce would be sourced from in the case of packing companies, is within 400 mile of our service area.*

Tasks that contributed to this success include expanding our network of donors and other local produce suppliers, increasing storage and distribution capacities both internally and at partner agencies, and improving our operating efficiencies to maximize product flow and distribution. Combined, these tasks have allowed us to increase quantities of locally sourced produce in effort to keep up with the increased need we are experiencing throughout our service area. Specific tasks conducted in effort to create and strengthen supplier relationships are listed in detail in Goal #2. Once we have these relationships, our Food Sourcing Director tracks pounds and trends of key donor partnerships and swiftly responds to changes.

Strong donor relationships are crucial, and our Food Sourcing Director is in regular and direct communication with our partners to support a seamless donation process. We have found it is important to share with donating sources where the food is going, the impact their contributions are having on people in need in their community, and the potential tax incentives available from their donation.

To successfully manage the logistics of increased produce it is important to recognize that summer months are much busier than winter months, and winter months often require additional sourcing. Our success in acquiring, sorting, and distributing the summer rush of produce is largely due to:

- 1) Our vast network of volunteers who cull and sort the produce. MANNA had 6,215 volunteers donate nearly 70,000 total hours of volunteer time in 2016. Volunteers assist many departments, including food sourcing;
- 2) The increased capacity and efficiency of our warehouse and cooler space that was partially funded through this award. The priority in our renovations was to increase our cooler and freezer space in effort to increase the amount of fresh produce and other perishable foods we are able to distribute. The increase of our freezer capacity by 400% and our cooler capacity by 171% has allowed us to acquire, store, and distribute significantly more perishable foods;
- 3) Our operations team coordinates logistics to store and distribute the increase in produce. When we assessed and implemented increased freezer and cooler space, we improved our operational efficiencies in order to keep up with the increasing need we are experiencing throughout the network;
- 4) Our professional fleet of drivers distribute to our 222 partner agencies throughout our 6,434 square mile rural and mountainous service area;
- 5) Utilizing innovative distribution methods to increase the amount of produce we are able to distribute. Our MANNA Express distribution method is a "just in time" delivery service that delivers produce and other perishable foods directly to clients utilizing a refrigerated box truck driven by volunteers. Given the short shelf life of produce, this method of distribution allows us to move product from the refrigerated truck directly to clients during our partners' normal distribution time, expanding their capacity to distribute perishable foods. Piloted in 2015, MANNA Express provided 346,000 additional pounds in of predominantly healthy, perishable food in 2016 and to date has distributed over 850,000 additional pounds directly to people in need;
- 6) Increasing agency capacities. As we increase our internal capacity, in order to make a bigger impact in our community and our ability to distribute more food, we worked to increase our partner agencies capacities. Refrigerators and freezers donated by ThermoFisher Scientific have helped to increase our partner agencies capacity to store and distribute perishable foods. The wholesale value of their donations since we began our partnership in 2006 is over \$850,000, which includes 151 units donated in 2016 alone. The true value of Thermo Fisher's donation is the increase in healthy, nutritionally dense foods that our partners are able to store and distribute to people in need in their community, literally transforming the nutritional value of food that ends up on people's plates.

In 2017 we established the first regional produce pod in North Carolina, providing a regional hub for partner agencies to pick up fresh produce. Establishing the produce pod in a rural county has increased access and decreased drive time for many rural partners, enabling them to pick up more produce, more often, and in turn increase the amount of produce they distribute to their clients. With capacity increases at both MANNA and partner agencies, we are better able to store and distribute the increase in quantity of produce we are now able to acquire.

Impact of Goal #1 on Community:

The impact on the community of Western North Carolina is twofold:

- 1) Increased quantities of healthy foods are now available to individual clients who access food through our network of 222 partner agencies.
- 2) Cost savings realized by the food suppliers who are now able to donate more of their surplus or unmarketable produce (that would otherwise be sent to landfill) to the MANNA warehouse as well as more business for those suppliers from whom we purchase produce (see goal 3).

Goal/Objective 2: MORE PARTICIPATING SUPPLIERS

"Increase the number of participating local suppliers from 21 at baseline to a target number of 27 (by 2017), with a focus on North Carolina products."

Progress Made on Goal #2:

We have reached our goal and increased the number of participating local suppliers from our 2014 baseline data of 21 to a total of 63 suppliers within 400 miles during the project period. They are mostly growers, as well as a few produce packing houses.

Our goal was to recruit additional local supplier partners through our own outreach in our area as well as through the work of the "Farm to Food Bank" produce specialist, hired by the NC State Association of Food Banks to connect more NC growers with the food bank network in our state. We have increased our partnership with the State Association of North Carolina Food Banks. Their produce specialist has helped us to procure produce from new sources in the Eastern part of North Carolina, such as sweet potatoes, cabbage, and carrots. This stepped-up sourcing activity would not have been possible without the new commercial-scale cooler at our facility. We are now able to actively recruit many more food supplier prospects knowing that we have the physical capacity to accommodate their product.

Tasks involved in increasing our network of suppliers include: 1) attending trade shows and conferences; 2) inviting donors to community and MANNA events; 3) word of mouth, especially referrals from existing partners like packing houses; 4) advertising with the MANNA truck when picking up at neighboring farms. Of these, word of mouth appears to be the most influential tool for attracting new suppliers. Farmers speak fondly of our commitment to the community, as well as our reliability and ease to work with. When others learn about our program and how reliable and dependable we are, word gets out. When our MANNA truck goes to pick up food at farms, people also learn about our programs through the advertisement on the truck.

In terms of eliminating barriers for suppliers, we work to make donating as simple and easy as possible. If a supplier has large crates full of tomatoes and wants the crates back, we pick up the tomatoes and return the crates. Volunteers repack and bag the tomatoes, and the crates are returned promptly and in good condition. We work with our suppliers and their schedules and make our partnership as convenient as possible for them.

Impact of Goal #2 on the Community:

By working with both large and small operations, we have a well-rounded portfolio of local suppliers whose contributions range from 26 pounds (Fishel Organic Farm, Grassy Creek NC) to 1.9 million pounds (Flavor 1st Growers and Packers), and many in between. Whether a small or large operation, farmers take pride in their crop and in the event they are not able to sell all of it, we provide a convenient option in which they know that it goes to good use. In addition, we are helping more produce suppliers in NC and other states with their operating costs. Every pound of produce given to MANNA is a pound diverted from the landfill, which yields significant cost savings for the producer.

We are in the initial stages of exploring a partnership with a Feeding America initiative based out of Atlanta. This will be a regional "mixing" center that will capture and distribute produce donations for food banks. This partnership has great potential to help supplement our inventory in our "off season" during the winter so that we can increase our winter produce supply and consistently provide healthy fruits and vegetables to the people we serve.

Goal/Objective 3: COST SAVINGS TO PRODUCERS

"Through these increases, realize an economic benefit to the group of participating suppliers of approximately \$31,300/year, due to the project."

Progress Made on Goal #3:

We calculate economic benefit to the suppliers in two ways: the money saved from diverting surplus or non-marketable produce from the landfill (which entails expenses in transport and tipping fees), and the recovery fee that we pay to certain food suppliers. The monthly cumulative benefit for the agricultural partners was \$6,867/month (from disposal cost savings) + \$9,811 /month (income from recovery fees) = \$16,678/month. Detailed calculations of these amounts are documented but not presented here due to the 6-page limit for this report.

Impact of Goal #3 on the Community:

Disposing of fruits and vegetables that suppliers are not able to sell costs them time and money. By picking up unsold product, or purchasing product at a reduced rate, we are saving them disposal costs and giving them an

opportunity to contribute to people in need throughout Western North Carolina (WNC). Taking remaining product encourages future production by providing a convenient option to move excess product and alleviating some concern of over growing because they know they can contribute any excess to a good cause. MANNA supports our local farmers for their hard work and puts their product to good use. In addition to reducing or eliminating disposal costs, farmers are able to receive some tax benefits from their donation. We provide a Food Donation Tax Incentive handout that was created Feeding America, in effort to provide details about food donation tax incentives.

2. Quantify the overall impact of the project on the intended beneficiaries, if applicable. Include further explanation if necessary.

Note that job creation and expansion of markets were not among the performance measures proposed for this project. These are all marked "N/A". We are tracking overall product distribution in our network as well as economic benefit to our business partners, as explained in the Goal reporting in questions 1 and 2 above.

- i. Number of direct jobs created: 0
- ii. Number of jobs retained: 0
- iii. Number of indirect jobs created: N/A
- iv. Number of markets expanded: 1
- v. Number of new markets established: 1
- vi. Market sales increased by \$N/A and increased by N/A %. N/A
- vii. **Number of farmers/producers that have benefited from the project: 63**

The total number of produce suppliers within our 400-mile project area is now 63 (compare with 21 at baseline). Further details on these producers as well as the economic benefit from the project can be found under Goal #2 and Goal #3, described under Question 1 of this report.

3. Did you expand your customer base by reaching new populations such as new ethnic groups, additional low income/low access populations, new businesses, etc.? If so, how?

Our customer base can be interpreted as two distinct groups: the food insecure population in WNC (reached through our partner network) and, secondly, the produce suppliers we partner with to obtain product. We are serving our partner agency network of 222 community-based organizations who in turn serve low-income and distressed populations in their communities. In our 16 county service area, 4 out of 5 households that we serve report a yearly income of \$20,000 or less, and 9 out of 10 households report buying the cheapest food available, which is often void of nutritional content, in effort to enough to eat.

The number of partner agency sites we work with was not expected to expand in number through this funding, however they have increased the quantity of nutritionally dense foods to encourage (F2Es) – especially fresh fruits and vegetables, as a result of this project. As the healthiest food is often the most perishable food, the ability to acquire, store, and distribute more produce as a result of this funding has allowed us to increase the nutritional value of the food we provide. Of the 16.4 million pounds of food that MANNA distributed in 2016, 31% was fresh produce and 68.2% was classified as F2Es. The provision of healthy food to tens of thousands of people in need is a tangible, necessary, and continual outcome of our work.

Recognizing the connection between food insecurity and health, our Food Distribution Program continues to emphasize nutritionally dense food in our acquisition and distribution to partner agencies throughout WNC. A culture of nutrition and health in the MANNA food distribution network is growing. In the fall of 2016 we launched two new initiatives for health: on-site nutrition education and a clinic referral project. These projects are on their second year and we have had incredible results of increasing fruit and vegetable consumption by pairing our distributions with cooking demonstrations, healthy recipes, produce preparation and storage tips, and in the process, deepening our relationship with our community.

Meals per Person in Need (MPIN) is a Feeding America measure of the efficiency and equitability of a food distribution program. We are proud that we have achieved a top rating in all 16 counties, demonstrating that we reach even the most remote areas of our largely rural, mountainous 6,434 square mile service area. We are still, however, continuing to gather targeted data and pursue opportunities to better serve the areas in our community at the highest risk and with the fewest food resources as we continue working toward our vision to end hunger in Western North Carolina.

4. Discuss your community partnerships.

Who are your community partners? On the acquisition side, many food industry partners: growers, packers, distributors, retailers. On the distribution side: a network of 222 hunger relief agencies across 16 counties.

How have they contributed to the results you've already achieved?

Both types of partners – acquisition and distribution – are indispensable to the continuing operation of our food distribution program, which is supplying over 16 million pounds/year to people in need.

Our food source partners contribute by making available large quantities of wholesale-priced, below market priced, or donated perishable foods to fill our commercial freezer and cooler.

The counties that this program supports are largely rural, mountainous communities with limited access to grocery stores and discount centers like Walmart. The rural nature of these communities makes access to fresh fruits and vegetables even more difficult.

Our partner agencies contribute to the goals of this LFPP-funded project by agreeing to accept larger quantities of perishable foods on their distribution days (which has been made easier with the Produce Pod, MANNA Express distributions, and Thermo Fisher Scientific donations). Additionally, by switching their distribution mode from pre-made boxes to a 'client's choice' or 'fresh market' display, partners are increasing the selection of fresh produce available to clients. Thirdly, by participating in nutrition education, partners are positively changing the clients' food selection behaviors. Not every partner agency is doing all three of these things, but the number of participating agencies is steadily increasing. Through evidence-based nutritional programming and increased access to healthy food, we are supporting a paradigm shift in food availability and client behavior.

How will they contribute to future results?

Our Food Distribution Program makes it possible for individuals and families to stabilize their lives and stop the domino effect of poverty and poor health. We are working every day to reach the farthest corners in effort to help as many people in need as we can. Due to our vast network of both supply and distribution partners, and the increased capacity to store produce at both MANNA and our partner agencies, we are able to continue to expand these efforts.

5. Are you using contractors to conduct the work? N/A

6. Have you publicized any results yet? Yes

If yes, how did you publicize the results? We publicized the completion of the commercial cooler, along with other major renovations, in the communications that announced the successful conclusion of the Space to Erase Hunger capital campaign. Stories were published in our own newsletter, local news, as well as written updates to donors.

To whom did you publicize the results? To our base of support of approximately 11,000 newsletter subscribers, as well as some broad community coverage with TV and newspaper stories.

How many stakeholders (i.e. people, entities) did you reach? The estimated audience is around 11,000.

7. Have you collected any feedback thus far about your work? Yes

If so, how did you collect the information? Feedback on this project is of three types: a) response of the food donors in terms of pounds of produce given; b) response of the partner agencies receiving additional quantities of fresh produce; and c) the feedback from our donors.

What feedback have you collected thus far (specific comments)? The positive response of our agricultural partners is evident in the large increase of fresh produce we are receiving from them. The response from the partner agencies, as collected by our Agency Relations Department, has been mixed and depends largely on the size and capabilities of the partner site. Larger partners with adequate storage and frequent distribution days are happy to absorb as much perishable product as we are able to deliver to them. The smaller, less well equipped partners, need help with their own refrigerated space. Fortunately, we have had 151 units donated by an industry partner in 2016 to help increase capacities, our MANNA Express distributions are providing real-time delivery of produce and other nutritionally dense foods during pantry distribution times, and the produce pod is increasing access in rural counties.

We conducted a produce pilot this year that has had excellent results. The intent was to increase the amount of produce that is being delivered through our mobile distributions. Our partner agencies order food the week prior and do so according to current inventory in stock. Occasionally the produce listed the week prior is no longer available when their order is being packed and therefore was not included in the order. For this pilot, we worked with 20 agencies to increase our understanding of their maximum produce capacities. In the event the specific item they ordered was not available when their order was picked at the warehouse (for example, watermelon), we would replace it with a different produce item (for example, cantaloupe). By managing expectations that produce may change from original order but that produce would not exceed their maximum capacity, we are able to distribute more produce to these partners. This pilot has been well received and has increased our ability to distribute more produce to partners through our mobile deliveries.

8. Budget Summary:

- i. SF-425 completed and submitted with report? Final SF 425 was submitted with previous report, no additional funds to report.*
- ii. Did the project generate any income? No*

9. Lessons Learned:

- 1) Strong supplier relationships are crucial, and our Food Sourcing Director is in regular and direct communication with our partners to support a seamless donation process. We have found it is important to share with donating sources where the food is going, the impact their contributions are having on people in need in their community, and the potential tax incentives available from their donation.
- 2) As we increase our internal capacity, in order to make a bigger impact in our community and our ability to distribute more food, we must also work to increase our partner agencies capacities. We can only acquire and distribute as much produce as our partners are able to store and distribute. Innovative approaches like MANNA Express, the Produce Pod, and our extraordinary partnership with ThermoFisher have contributed to our success.
- 3) In addition to providing more produce, we need to continue our efforts to increase produce consumption through education. Through our strategy of working with local partner agencies to administer relevant nutritional Nudges during client distributions such as recipes, cooking demonstrations, and by providing nutritional guidance, we have increased the amount of produce that our clients consume.
- 4) Our positive relationships with packing houses have been instrumental in increasing the number of local suppliers we work with. Packing houses work with a large variety of sources and make referrals to MANNA when there is additional produce available for purchase or donation.

10. Future Work:

- The increase of our freezer capacity by 400% and our cooler capacity by 171% has allowed us to acquire, store, and distribute significantly more perishable foods. By increasing our local sources of produce and expanding our supplier base, we are able to provide a continuous supply of produce, even in winter months, to the over 100,000 food insecure people in our service area.
- We will continue to strengthen partner agency capacities to store and distribute more perishable food so that as we have more produce available, our partners have the capacity to distribute it.
- We will continue to explore and expand additional distribution methods like MANNA Express and the Produce Pod to maximize produce distribution. We are working to expand our produce pilot throughout the network.
- In addition to providing more produce, we are expanding our efforts to increase produce consumption through education. We have hired a full time dietician who is working in collaboration with community resources to provide nutrition programming to our partners, including cooking demonstrations, recipes cards with storage tips, produce nutrition cards, and additional nutrition education. In a survey last year of over 600 clients, 94% reported that healthier food has become available at their pantry and over 80% of clients surveyed reported that the healthy food they have received at their pantry helps them manage their chronic disease.

- We will continue to encourage the client choice method of distribution, which allows clients to individually select the produce and other food items that they would like to eat. This method of client distribution, along with nutrition education, increases the amount of produce that our partners are able to distribute.
- MANNA's ultimate goal of our nutrition programming is improved health outcomes for food-insecure individuals. An analysis of our region's community health priorities shows that 14 out of 16 counties have identified chronic disease prevention, healthy eating, or nutrition as a top health priority. By increasing access to nutritious food and ongoing nutrition education supported by evidence-based practices, we are addressing health priorities identified in Community Health Assessments throughout our region.
- We are exploring opportunities to expand our network into areas identified as 'pantry deserts.' A pantry desert is an area with high food insecurity rates without access to a food pantry. Although we are currently working with over 220 partner agencies throughout the region and distributing a record 1.4 million pounds of food each month, there remain pockets of need that we are not reaching. A Mobile Pantry is the most cost-effective and efficient means to reach these food and pantry deserts throughout our 6,434 square mile service area of largely rural, mountainous terrain. The difference between our daily Mobile deliveries, MANNA Express distributions, and our Mobile Pantry is that the Mobile Pantry does not require a partner agency for distribution. This pantry will allow us to distribute more produce to people who do not have access to other food resources.
- As a result of our successful capacity expansions and our increase in local produce suppliers, the provision of healthy food to tens of thousands of people in need is a tangible, necessary, and continual outcome of our work.