St. Louis Food Hub and Mobile Market

Presentation for
2012 Illinois Specialty Crops, Agritourism and Organic Conference

Carol Coren

January 11, 2012
Reaching New Markets

- Farmer-formed, Missouri “for profit” social enterprise launched in 2007
- Self supporting businesses focused on aggregation, distribution and sales of locally grown and produced farm foods
  - 23,000 sf Sappington Farmers Market Supermarket
  - Farm to Family CSA offering consumers discount prices for weekly purchases of local food assortments
  - Wholesale fresh food distribution to schools, daycare centers, restaurants, institutions
  - Mobile Merchandising service brings healthy foods to St. Louis and East St. Louis food deserts
- Sponsored development of St. Louis Food Hub scheduled to open as an Urban Agriculture Center in 2012
Focus on “Local Food”

US Food Expenditures\(^1\)

- Other Production ($578 billion)
- Locally Produced ($5 billion)

Local Purchase Frequency\(^2\)

- Produce
- Dairy
- Prepared
- Meat
- Jams
- Honey
- Other

Channels For Local Food Expenditures\(^3\)

- Direct (57%)
- Supermarkets (12%)
- Specialized Retail Stores (7%)
- Other (24%)

\(^1\) 2007 National USDA-ERS Data
\(^2\) Estimations based on Mintel’s Nov 2008 Survey on Frequency of Purchase of “local” goods
\(^3\) 2008 USDA-ERS Survey Data
Business Mission

• Provide farmers in St. Louis area food shed with reliable, efficient distribution channels
• Provide consumers and institutional purchasers with affordable locally grown and locally produced foods and grocery items
Value Proposition

Claim primacy as supplier and seller of locally grown and produced foods in St. Louis area

- **Relationships** with farmers and food entrepreneurs
- **Reputation** of Sappington Farmers Market for selling fresh, affordably priced, local foods since the 1930s
- **Experience** as a collaborator in public health, obesity abatement and community service initiatives
- **Engagement** in community and customer service programs
**Population** (Census 2010):
City of St. Louis: 319,294
City of East St. Louis: 27,006
St. Louis MSA (MO/IL): 2,812,896

**Characteristics**
City Median Age: 34 (25.7% under 18)
City Residents’ Ethnicities: 49.2% African American; 43.9 % Caucasian; 3.5% Latino, 2.9% Asian
Poverty Rate: 24.6% live below poverty line (MERIC 2007 Report)

**Income** (MERIC 2009)
Region Average Income: $43,244
City per capita income: $32,026
St. Louis Food Hub

- 33,000 sf Food Market featuring locally grown and produced products.

- 29,000 sf Food Aggregation, Processing and Distribution Facility that will source, prepare and package regionally produced food for distribution.
Food Hub Benefits

- 200 new skilled and unskilled jobs
- Increased tax base for city
- Reduction in carbon footprint for food transportation
- Provides consumers in city’s largest food desert with access to affordable, healthy foods
- Provides schools and businesses with consistent and easier access to healthy, local food options
- Small lot market channel for family farmers
- Education: St. Louis University involvement in Food Processing/Nutrition Support Programs/Business Incubation
Sappington Farmers Markets

- 23,000 sq. ft. store turns produce 6 times a day
- 32,000 sq. ft. store being built at Built at Lafayette Square
- Feature local foods supplied through Food Hub’s Mobile Market
- Provide distribution and test markets for Value Added Farm Foods
- Pay premium prices for locally grown foods
- Support crop planning with standing orders
- Promote producers of the Local Foods sold throughout the year
Food Hub Services: Processing

- Fresh products will be made into salads, ready to eat products, and packaged items for sale at Farm to Family supermarkets and the Mobile Market
  - *Farm to Family brand signifies local food products*
- Seconds and Surplus Foods can be processed into products for year round uses by institutional customers
- Modified Atmosphere Packaging (MAP) and Instant Quick Freeze practices will extend life of locally grown items purchased for Farm to Family Sales
- Contract processing for local businesses
Food Hub Services: Mobile Market Aggregation/Distribution

- Farm to Family Naturally Picks Up or Receives Supplies of Farm Foods
- Packages according to buyers’ requirements
- Distributes as both wholesaler and retailer
  - Store sales
  - Restaurant, School, Institutions and corner stores
  - Mobile Market
- Currently using Sappington Farmers Market’s limited storage space for Food Hub aggregation, packaging and distribution
Mobile Market: Buyers

Sell Healthy, Affordable Foods
- Eggs, butter, honey, specialty cheeses, meats, poultry, whole foods from 200 Farmers
- Processed and Packaged Items from small-scale local food processors and farm-food producers such as peanut butter produced on farms in the F2F food supply chain
- Quality produce secured from out of region growers with whom F2F has supply contracts
- Quality produce secured from St. Louis Food Terminal brokers

Retail to Consumers
- Food Vending at community service agencies and churches in metro area food deserts
- CSA Subscriptions and Healthy Food Sacks: fresh foods from area growers
- Information, education and health screening programs highlighting links between diet and health

Wholesale to Markets, Institutions, Restaurants, Businesses
- Produce for Farm to Family supermarkets in St. Louis (Marlborough and Lafayette Square)
- B2B to St. Louis area school districts, institutions, restaurants
- B2B to St. Louis area food processors, food services and caterers
- B2B  Food Distributor to St. Louis area corner stores, discount stores beverage outlets will participate in a Mobile Market Delivery service program
Mobile Market: Farmers

- Assure access to urban markets
- Aggregate small lots at farms in region
- Transport small lots
- Developing an online logistics service that allows for efficient routing of goods from farmers to B2B customers through the Food Hub and Mobile Market delivery services
- Opportunities to participate in farm product packing, packaging and processing services at the St. Louis Food Hub
Mobile Market: Institution Sales

2010 Survey of Missouri School Food Directors by State
University researchers showed unmet market demand

- 88.3% (317) wanted to purchase local food
- 4.5% (16) were purchasing local food

Obstacles
- Inadequate or unreliable supply
- Cost
- Purchasing protocols, requirements

Recommendations
- Single, central purchasing source
- Identify Farms (traceability)

Primary reasons for wanting to use locally grown food
- Support food system, local community, economy, and farmers
- Promotes healthier diets by encouraging increased consumption of fresh fruits and vegetables.
Mobile Market: Farm to School Food Services

Aggregate and deliver locally grown produce to 5 districts including City of St. Louis
Mobile Market: St. Louis Community Service Sales

Food Desert residents face costly food access challenges

- One mile trips by public transit to grocery stores
- High prices for low quality, high calorie convenience foods
- Reliance on Liquor Stores and Convenience Stores ill equipped to sell bulk quantity, affordably priced staples, fresh fruits and vegetables

Year-round Mobile Markets bring local foods, fruits, vegetables to urban communities that rely on SNAP

- Co-sponsored by Public Health and Daycare Centers
- St. Louis METRO plans to host markets at transit centers
- Merchandise mix highlights local, seasonal fruits, vegetables, eggs, grains, peanut butter, spices, jams, staples
- Circulate nutrition information, recipes, food preparation tips to encourage customers to eat local, fresh, whole foods
Mobile Market: CSA

Growing Season

Winter Season
Mobile Market/Food Hub
Farm Suppliers Sought

- Farmers within 3 hour drive to St. Louis
- Growers of Meat, Poultry, Specialty Crops, Grains, Eggs, Legumes, Honey, Teas, Spices
- Dairy operators: milk, cheese, butter, yogurt,
- Aggregation Site Coordinators (farm locations where small lots can be brought for pick-ups)
- Value Added Food Producers
- Artisan Food Producers
- Crop Plan Suppliers (Pricing Premiums for Crops)
- Drivers/Delivery Service Operators for Aggregation Sites
8400 Watson Road
St. Louis, MO MO 63119
(314) 843-7848
www.sappingtonfarmersmkt.com
carolcoren@cornerstone-ventures.com

www.cornerstone-ventures.com