

Sustainable Food Hubs

Survey Results and Infographics

A Webinar with Katie Nolan (OMAFRA), Kendal Donahue (OMAFRA), Phil Mount (JustFood) and Alison Blay-Palmer (Laurier Centre for Sustainable Food Systems)



JustFood



Social Sciences and Humanities
Research Council of Canada

Conseil de recherches en
sciences humaines du Canada

Canada

An outline map of the province of Ontario, Canada, serves as a background for the text. The map is a simple black line drawing showing the province's borders and major geographical features like the Great Lakes and the St. Lawrence River.

Sustainable Food Hubs in Ontario Survey and Infographics

What is a food hub?

Food hubs are actual or virtual spaces that collect and distribute food to processors, retailers, restaurants, and/or consumers.

Food hubs can also provide space for other activities including food preparation, handling, processing, education, and/or training.

What do we mean by “sustainable food”?

Sustainable food systems demonstrate varying degrees of economic viability, social justice/equity, and ecological regeneration from seed to plate

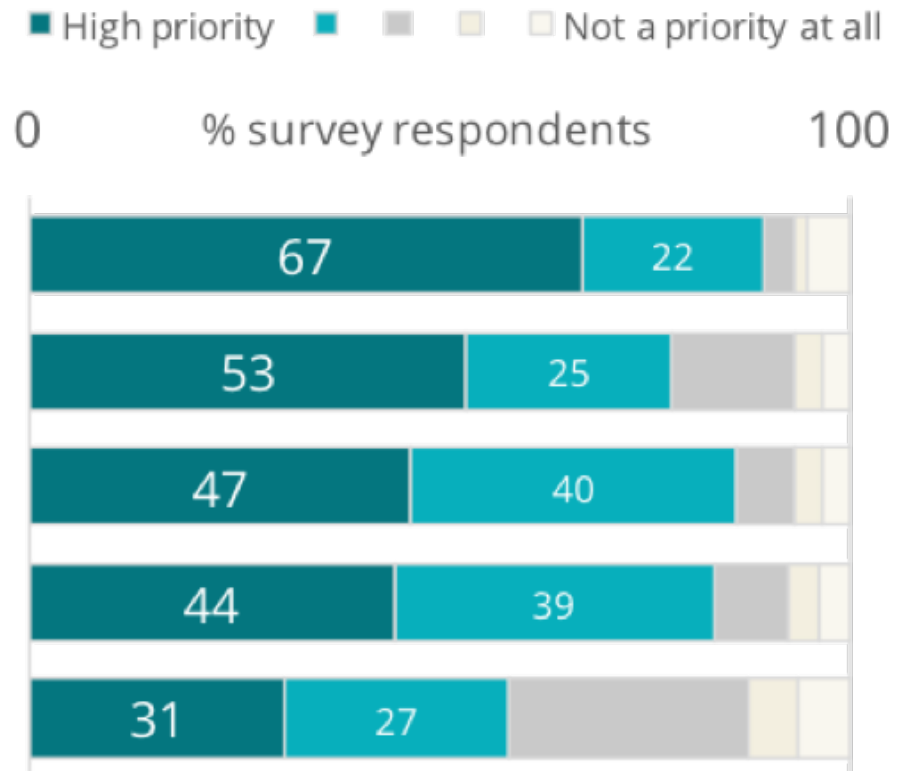
Defining and Valuing Local and Sustainable Food



Local and Sustainable Food Values

Top values for respondents are **where the product is grown, sustainable and ecological production, and profitability.**

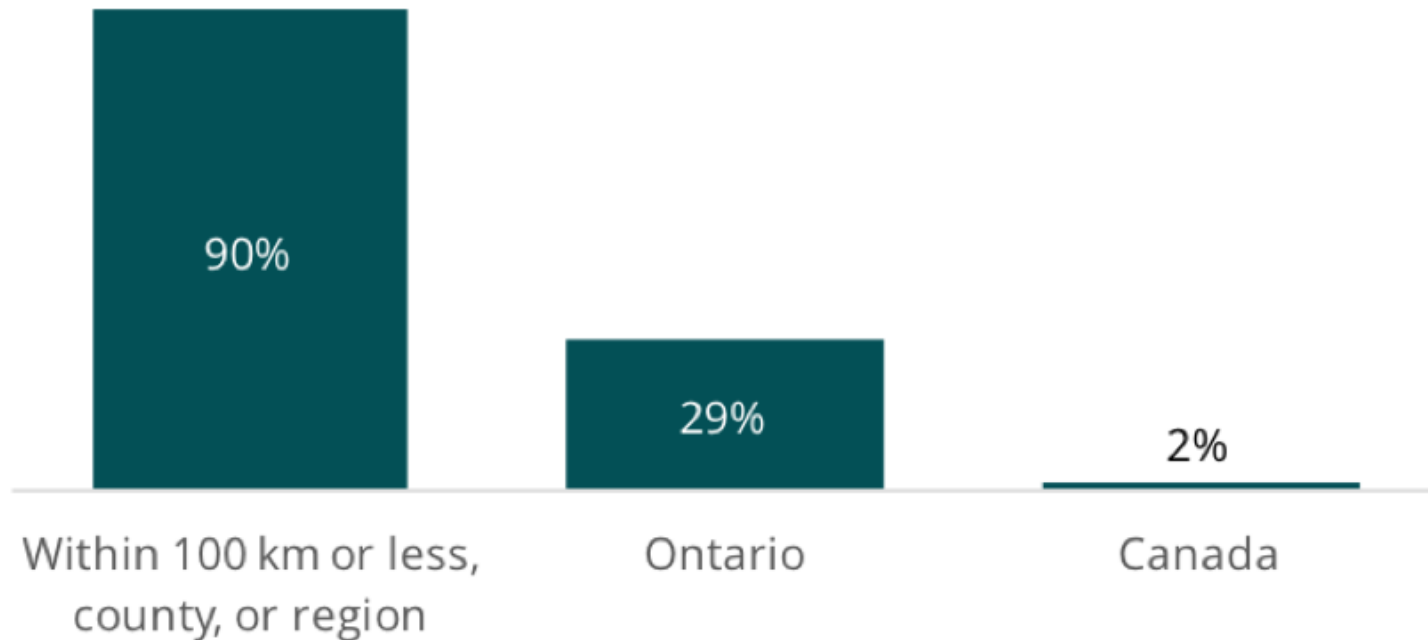
How personally important are the following **values** to your work?





Local Food Definitions

“Local food” means within 100km, county, or region, for most respondents. About a third define local as within the province. Note that participants could define “local” using more than one category.



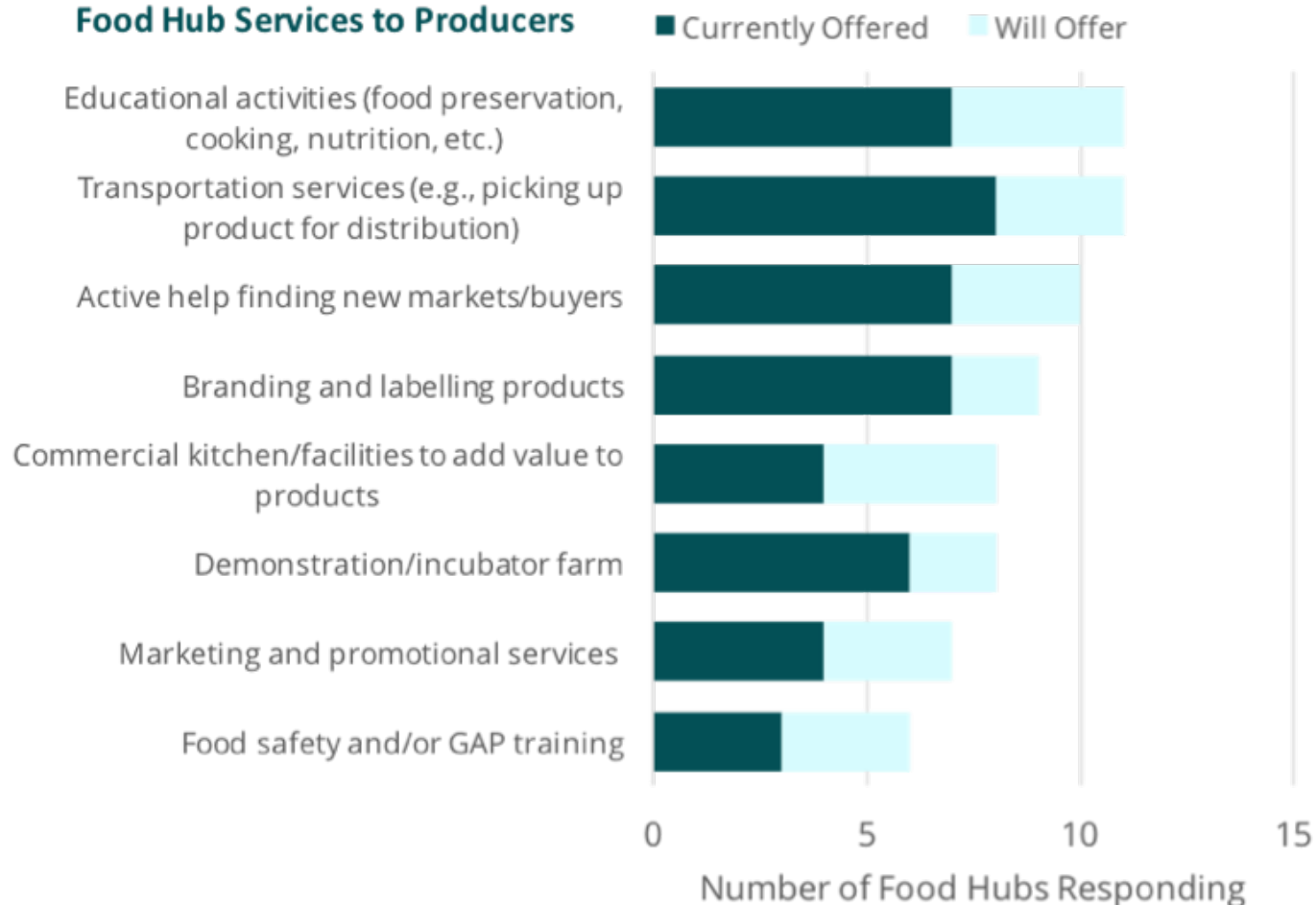
How respondents define "local food" (n=63)

**Local and Sustainable Food
Hubs Add Value for Producers
and Community**



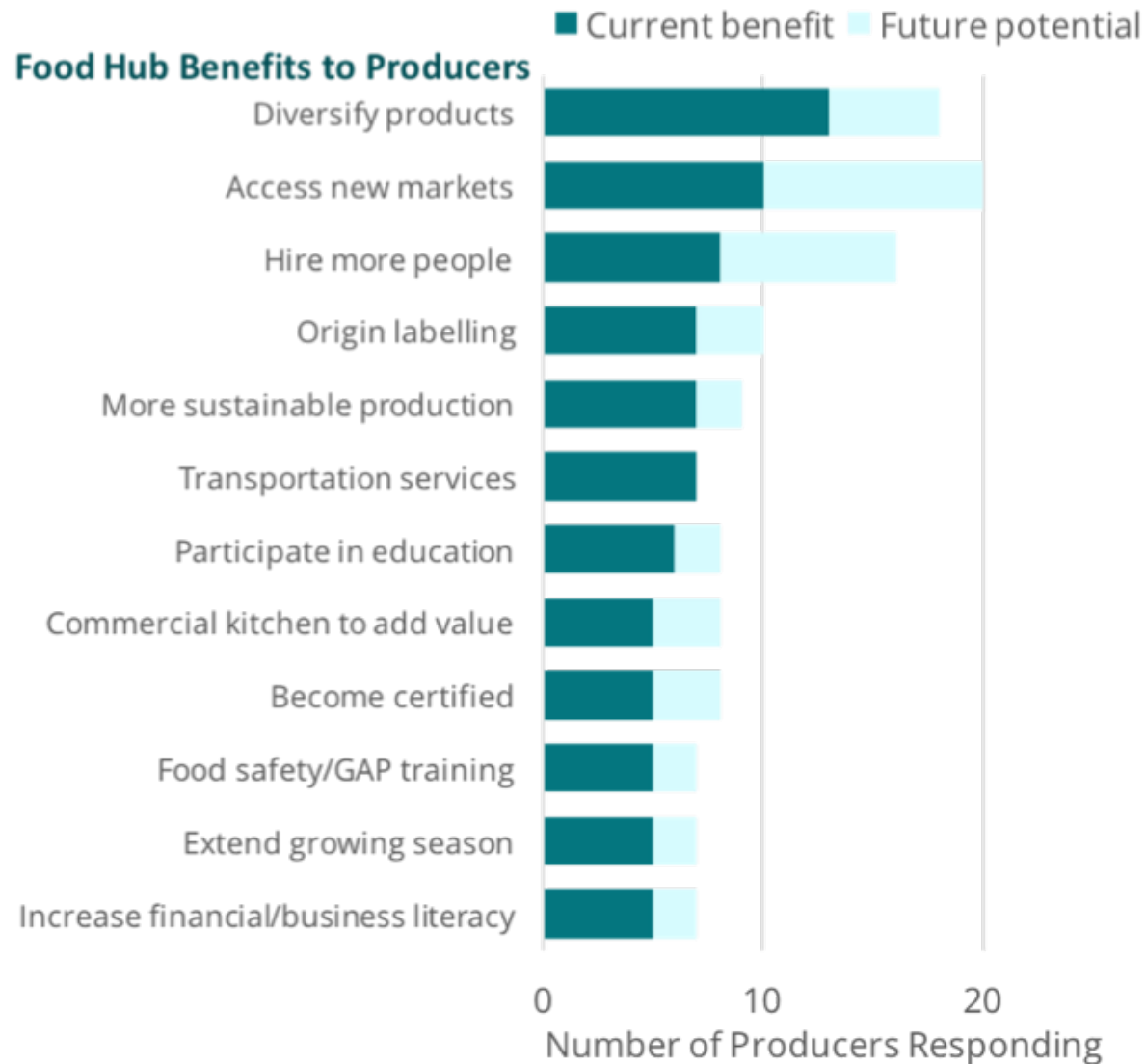
Food Hub Services to Producers

Food hubs report that the most important services they provide to producers are **transport services**, **educational activities**, **market growth assistance**, and **branding/labelling**. Commercial kitchens and additional educational activities are top future service opportunities.



Food Hub Benefits to Producers

Producers report benefiting from food hubs through **access to new markets, product diversification, and help with hiring**. Access to new markets and staff shows particular potential for future benefit.





Food Hub Services to Community

Youth employment, food donation, and community education are top food hub services to communities. Nutrition and cooking education are the most popular planned future service.





Sustainable Food Hubs in Ontario Webinar January 31, 2018

Kendal Donahue and Katie Nolan
Regional Economic Development Branch
Ontario Ministry of Agriculture, Food and Rural Affairs

CORPORATE PROGRAM SUPPORT

Research Funding Programs

- New Directions, OMAFRA-U of Guelph Partnership, Knowledge Translation & Transfer
- 31 projects specific to local food since 2002
- Four specific to food hubs
- Tend to be large, collaborative, multi-year projects
- All projects have some element of supporting Ontario agriculture and rural communities

Funding Support for Local Food

Local Food Fund 2013-15

- \$21 million spent
- 150 projects
- \$98 million leveraged

Growing Forward 2 2015-17

- \$8.1 million
- 162 projects
- Support for local food projects, organizations & collaborations, businesses

Greenbelt Fund 2010-15

- \$13 million
- Various projects to support local food purchases by Broader Public Sector

Local Food Investment Fund 2015 to date

- \$4,312,774 allocated
- 99 projects

REGIONAL PROGRAM SUPPORT

Regional Support for Local Food Research

- Disseminate survey to our networks
- Invite research updates to key events (e.g. Eastern Ontario Local Food Conference)
- Participate in webinars!



Research

- Northern Ontario Agri-Food Strategy
- Dairy processing strategy with DFO
- Meat processing study
- NOFIA doing economic analysis on growing hops
- Local food Business Retention + Expansion

Training



- Eastern Ontario Local Food Conference: early themes dealt with Scaling Up, Value Chains, etc.
- Selling Food to Ontario
- Sector-Based Workshops
- GF2 workshops



Selling Food to Ontario
Regulations, Marketing and Scaling Up Sustainably
(Formerly "Getting Serious about Food Regulations")
Two Rivers Food Hub
The Galopau Centre, 341 Queen St. Smith Falls

You CAN grow your food business. Whether you are a home-based business, a producer interested in value-added products, or a small enterprise looking to achieve retail success, this workshop is for you!

We will learn about:

- Where to go for key regulatory information for your business
- How to comply with labelling, food safety, and other regulations
- How other food businesses were able to reach their goals, using local resources
- How to create marketing that will contribute to your success

A panel of regulatory experts from all three levels of food regulation will be present: federal, provincial and public health. Together, they can help guide you through the information you need to know. You will also hear from three food business entrepreneurs who have successfully used a shared commercial kitchen space to expand into retail markets. Then, a marketing session will help you understand how to get your product on retail shelves.

DETAILS AT WWW.EASTONTLOCALFOOD.CA

TWO RIVERS FOOD HUB
Ontario

Date: Feb 21, 2018 Cost: \$35 plus HST
Time: 9am to 3pm [REGISTER](#)

Business Supports

- Support businesses directly
 - Connecting businesses with resources
 - Helping navigate regulations and programs
 - Reviewing business plans
- Working on key issues or lending support
- Working with ag associations, municipalities, economic development organizations and other Ministries

Organizational Support

- Food policy councils:
 - Participating in various ways, bringing an agriculture perspective, providing ag stats
- Facilitation
- Organizational Development Resources

Congratulations!

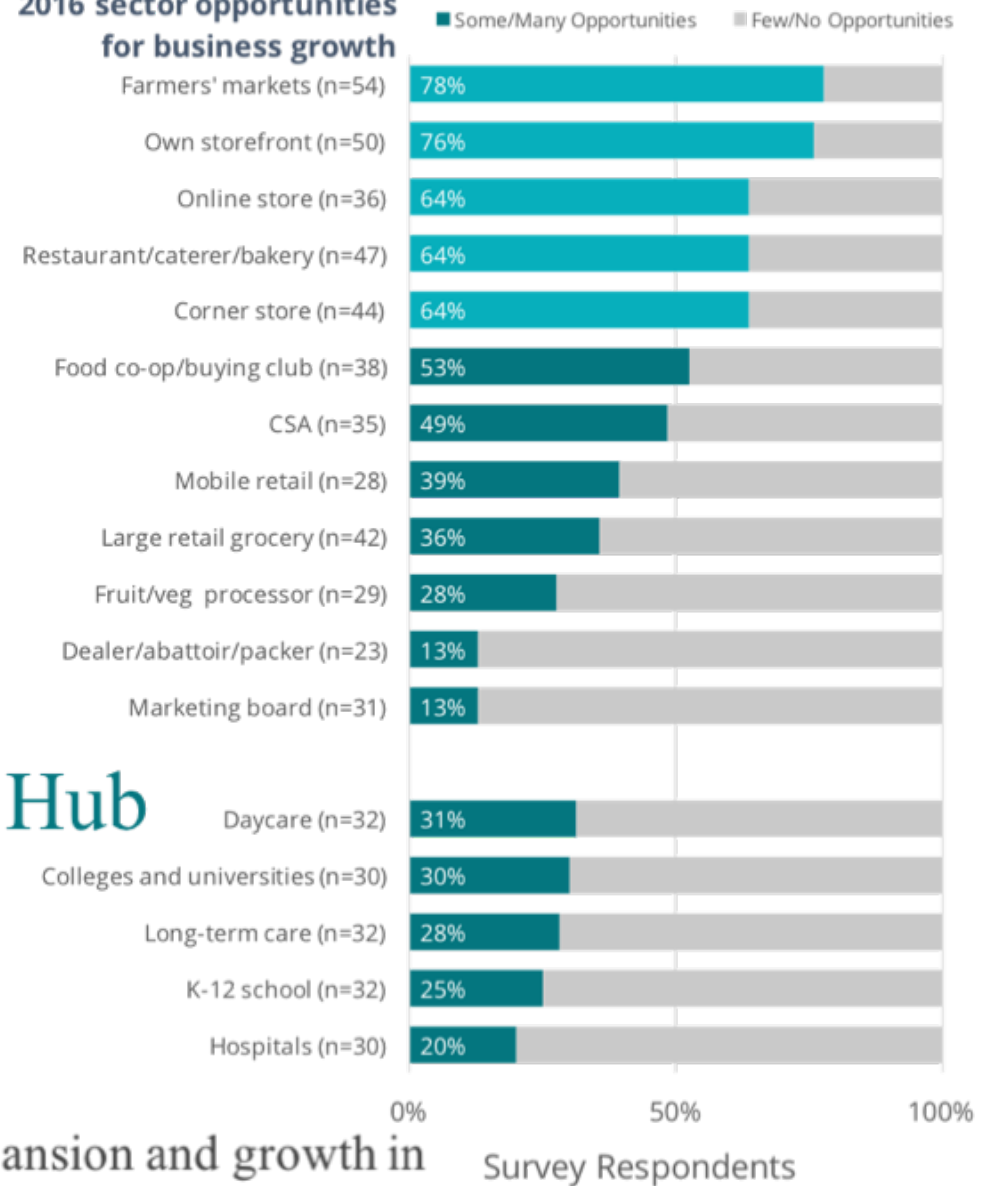
Questions?

Expansion Opportunities for Food Hubs



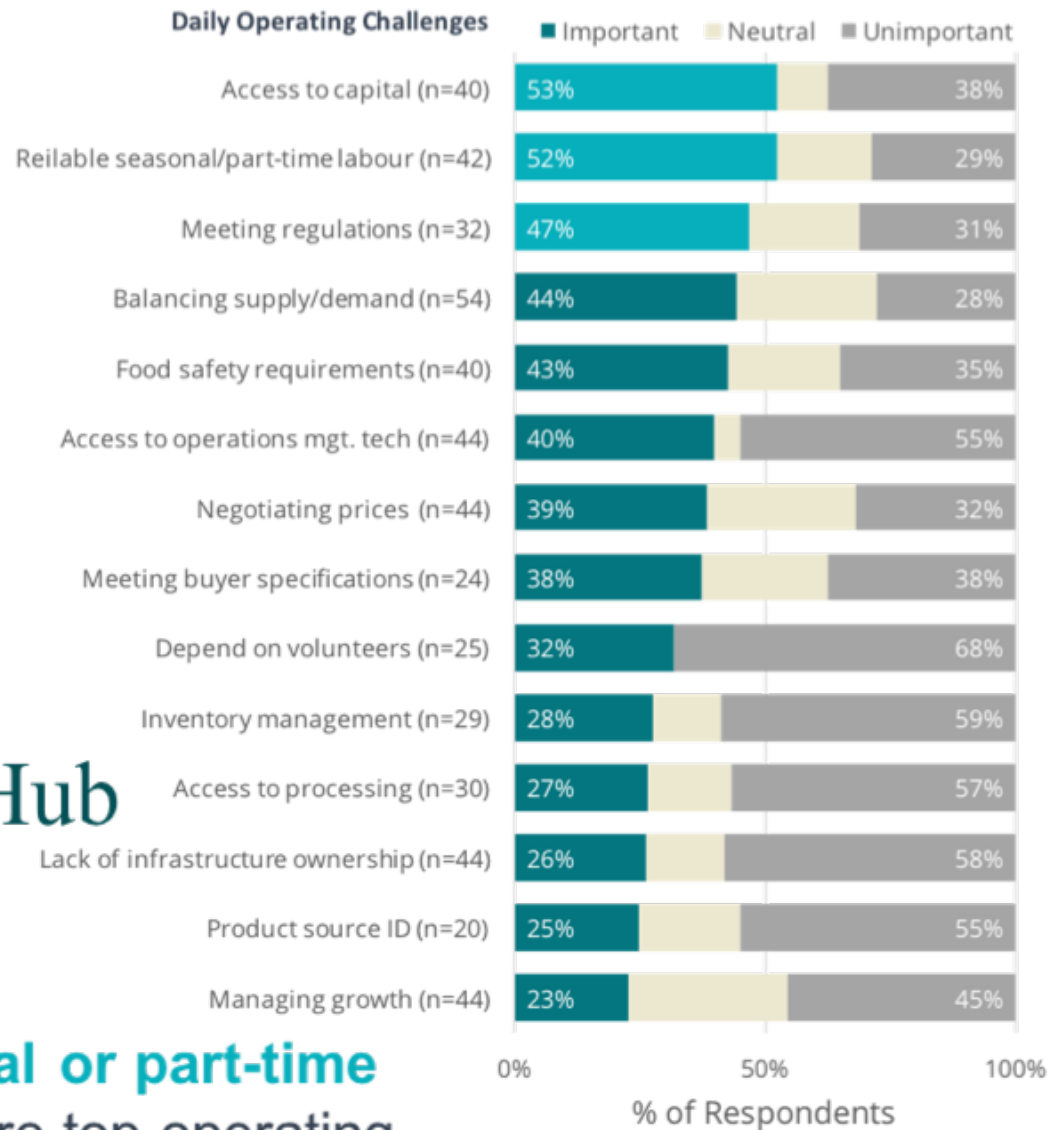
Opportunities for Food Hub Expansion

2016 sector opportunities for business growth



Food Hubs see the most opportunities for expansion and growth in **farmers markets and storefronts**, as well as **online stores, restaurants, and corner stores**.

Challenges to Food Hub Expansion



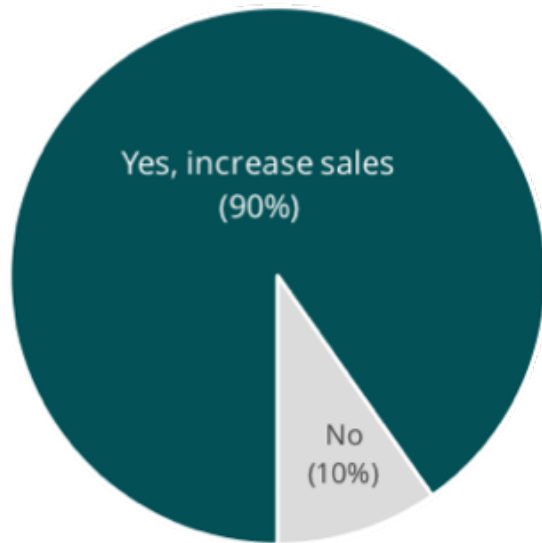
Access to capital, reliable seasonal or part-time labour, and meeting regulations are top operating challenges.

Expansion Opportunities for Producers

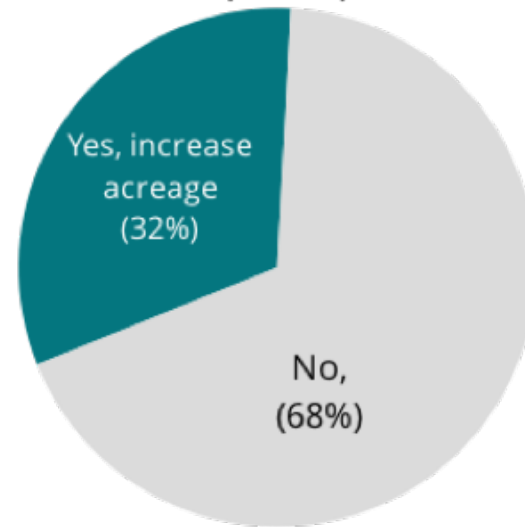
Most producers want to expand sales, but not acreage



Almost all producers (90%) wanted to **increase their overall sales**. (n=82)



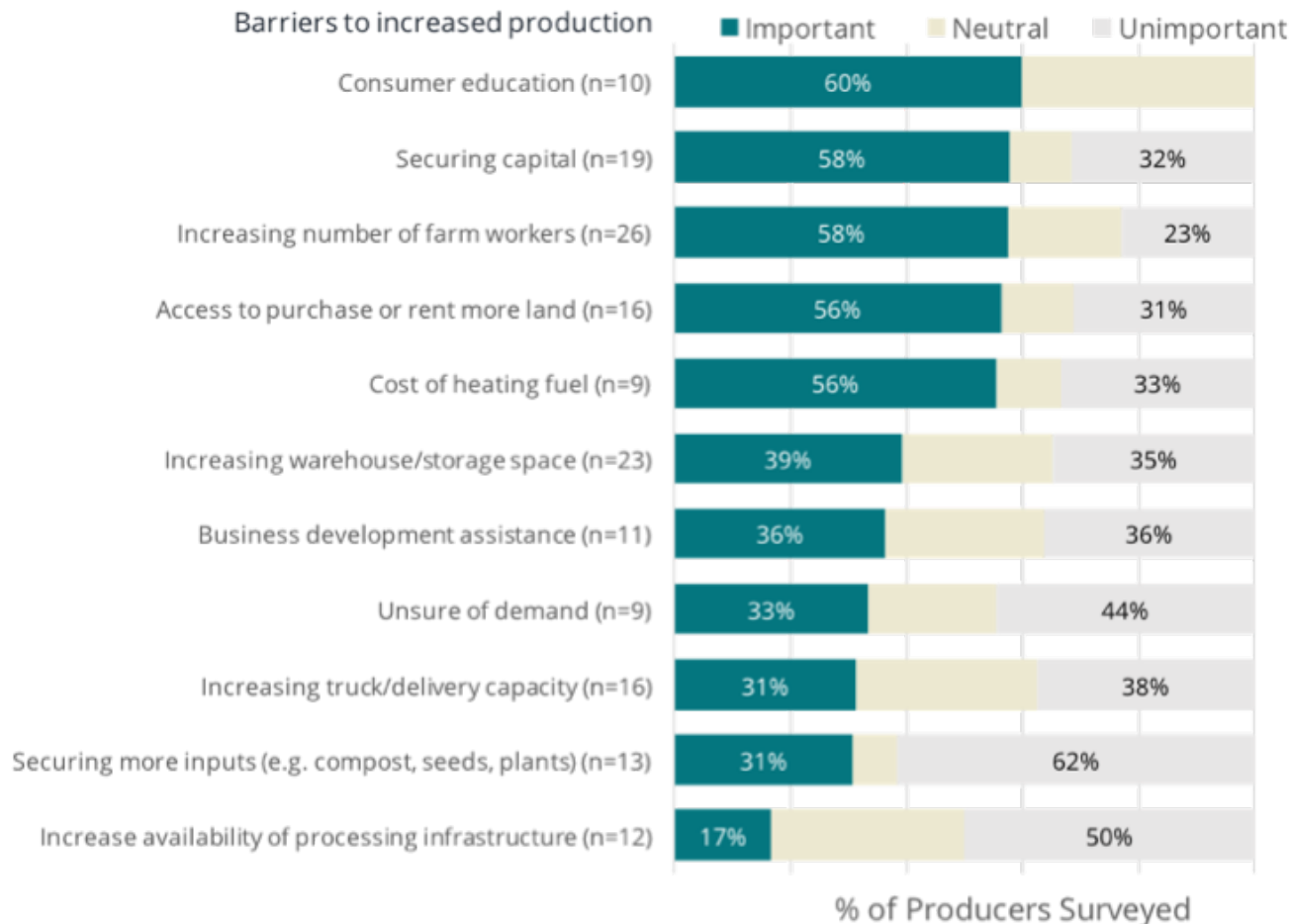
Only about a third of producers surveyed (32%) wanted to **increase their acreage** under production. (n=72)





Successful expansion needs to address barriers

Consumer education, securing capital, increasing farm labour, access to land, and heating fuel were the biggest barriers to expansion for producers.

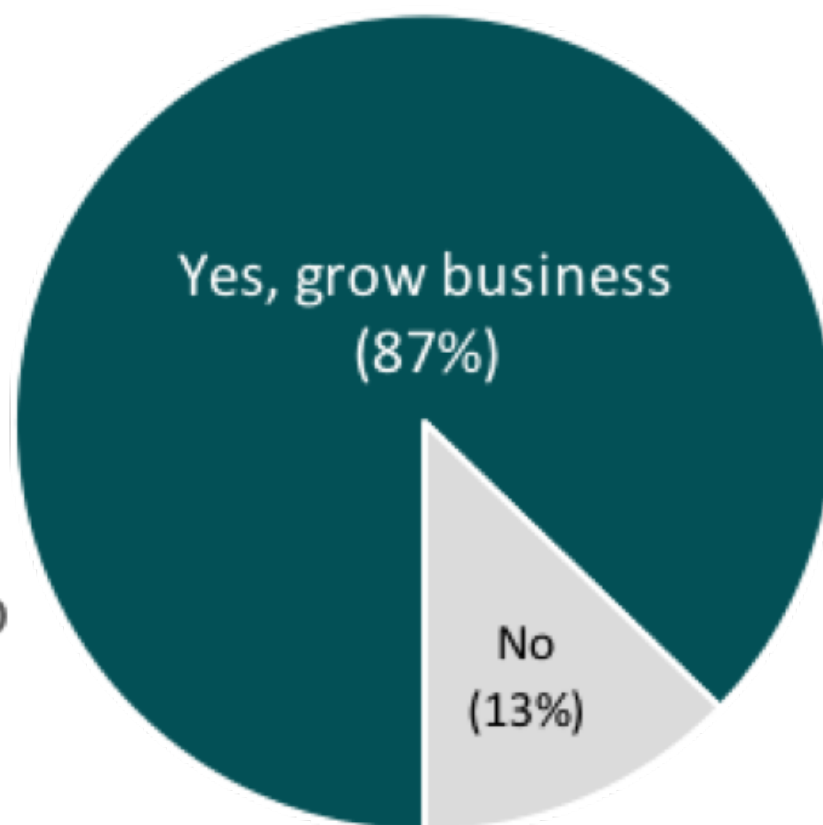


Expansion Opportunities for Processors and Distributors

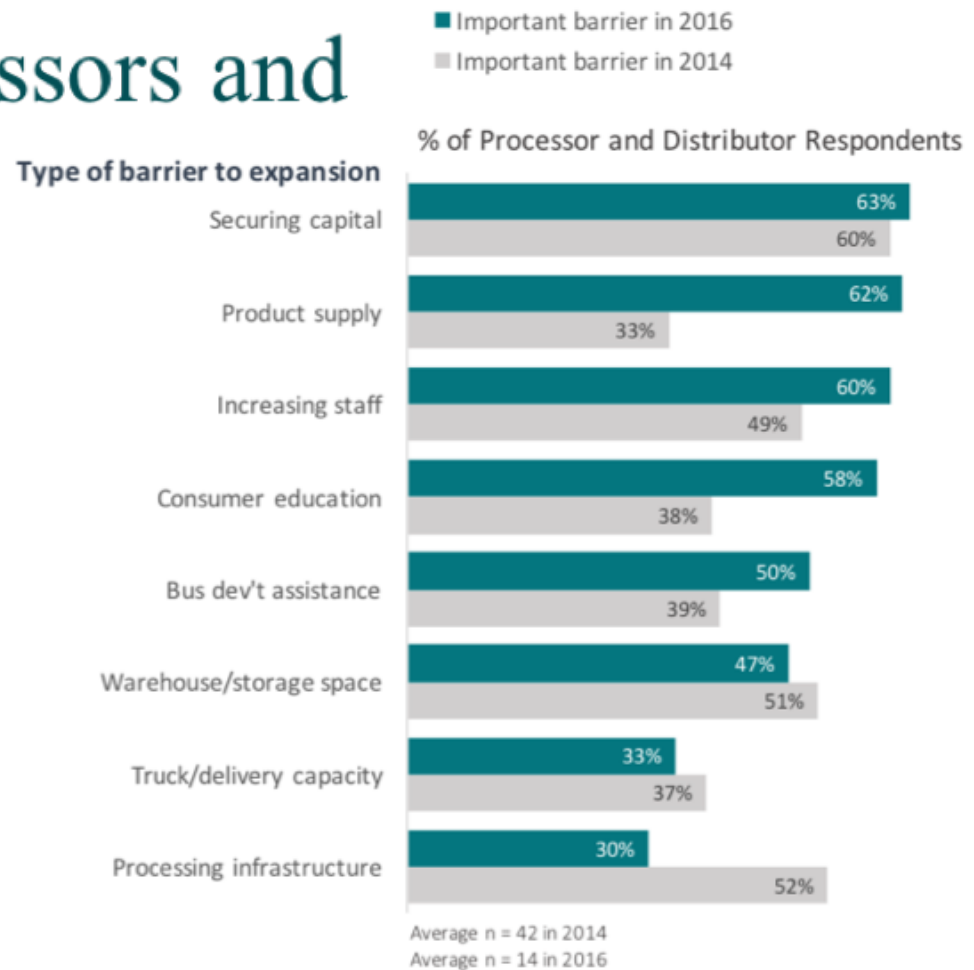
Most processors and distributors want to grow their business

Most processors and distributors surveyed in 2016 wanted to grow their business (n=45).

The percentage who wanted to grow their business was also 87% in the 2014 survey (n=95)



There are barriers to expansion for processors and distributors



Securing capital remains top barrier to expansion for processors and distributors. Compared to 2014, **product supply** and **need for consumer education** may be more significant barriers, whereas processing infrastructure is less of a barrier.

**Practical Considerations for Food
Hubs:
Insights from Just Food Ottawa**

Practical Considerations for Food Hubs: Insights from Just Food Ottawa

- Scale of operations
- Role in the value chain
- Mission
 - Continuum from 'enhancing food supply chains'
→ 'engaging food systems change' (JAFSCD 2018)
- Governance

FoodShare, Toronto



30,519

Good Food Boxes delivered in 2016

565,930

lbs of fresh vegetables and fruits distributed in 2016

109

Good Food Box drop-offs across Toronto in 2015

Rideau Regional Centre, Smiths Falls

TWO RIVERS
FOOD HUB

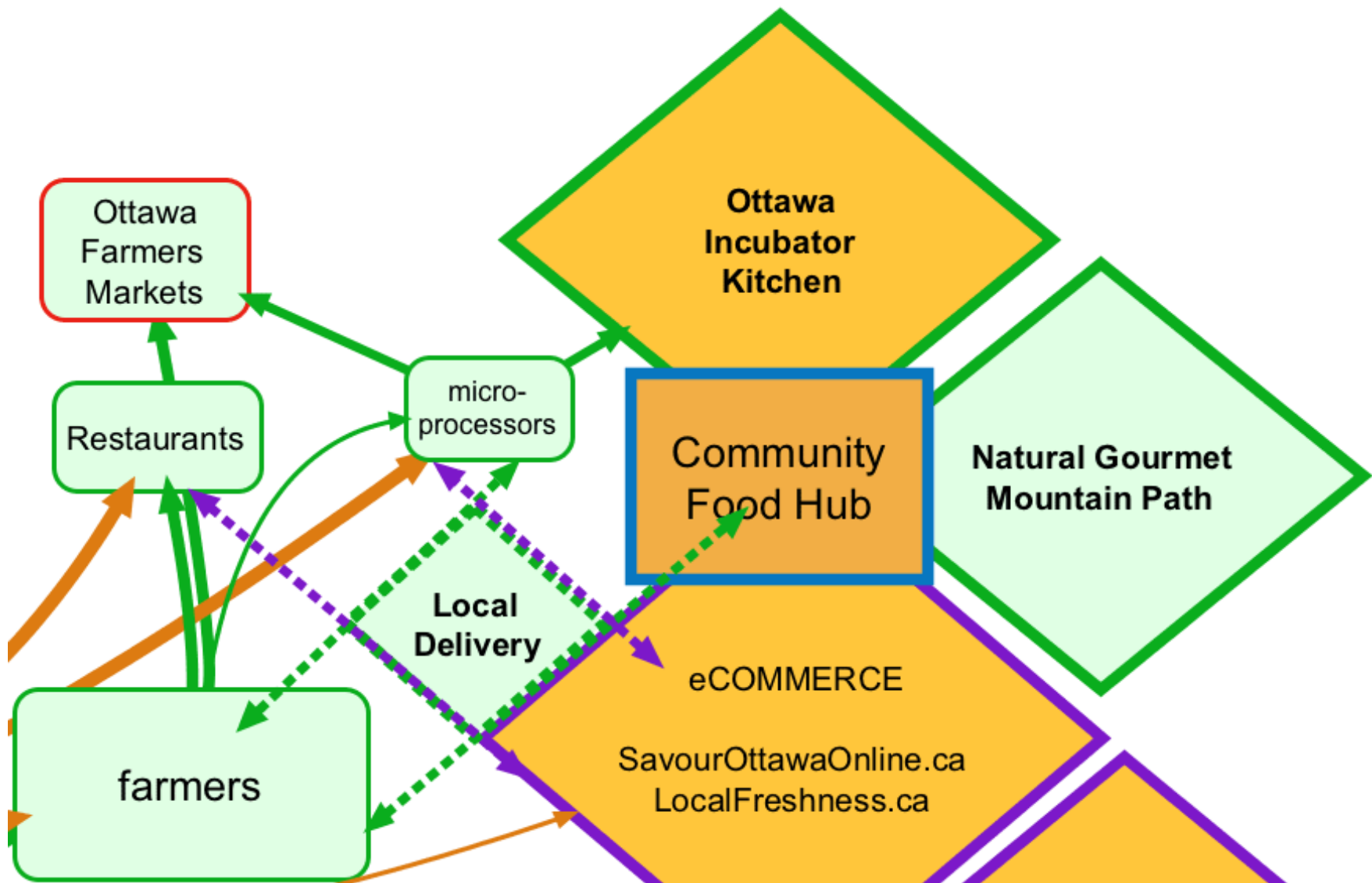




Commercial Kitchen Rentals

TWO RIVERS
FOOD HUB







The Kitchen

24/7 access to an equipped commercial kitchen with facility services.



Ingredient Sourcing

Source ingredients from our vast list of wholesalers. Looking for something special? We can find it.



Scaling Up

Scaling up production can be tricky. We'll help you get the recipe just right!



Packaging

Get your product retail-ready with attractive packaging that is CFIA compliant & shelf stable.



Marketing

Reach more customers & increase sales with brand building, social media, & point of sale materials.



Distribution

Save your time driving – we'll get your product to retailers & foodservice in Ontario & Western Quebec!



Events & Demos

Exhibit with us at local events at a reduced rate & at our in-house demo days open to chefs and buyers.



Network & Resources

Get connected to business resources such as funding, educational seminars and supporting programs.



**Distributor, Manufacturer and Co-packer of
Awesome
Natural & Organic Foods**



Great Buns Bakery



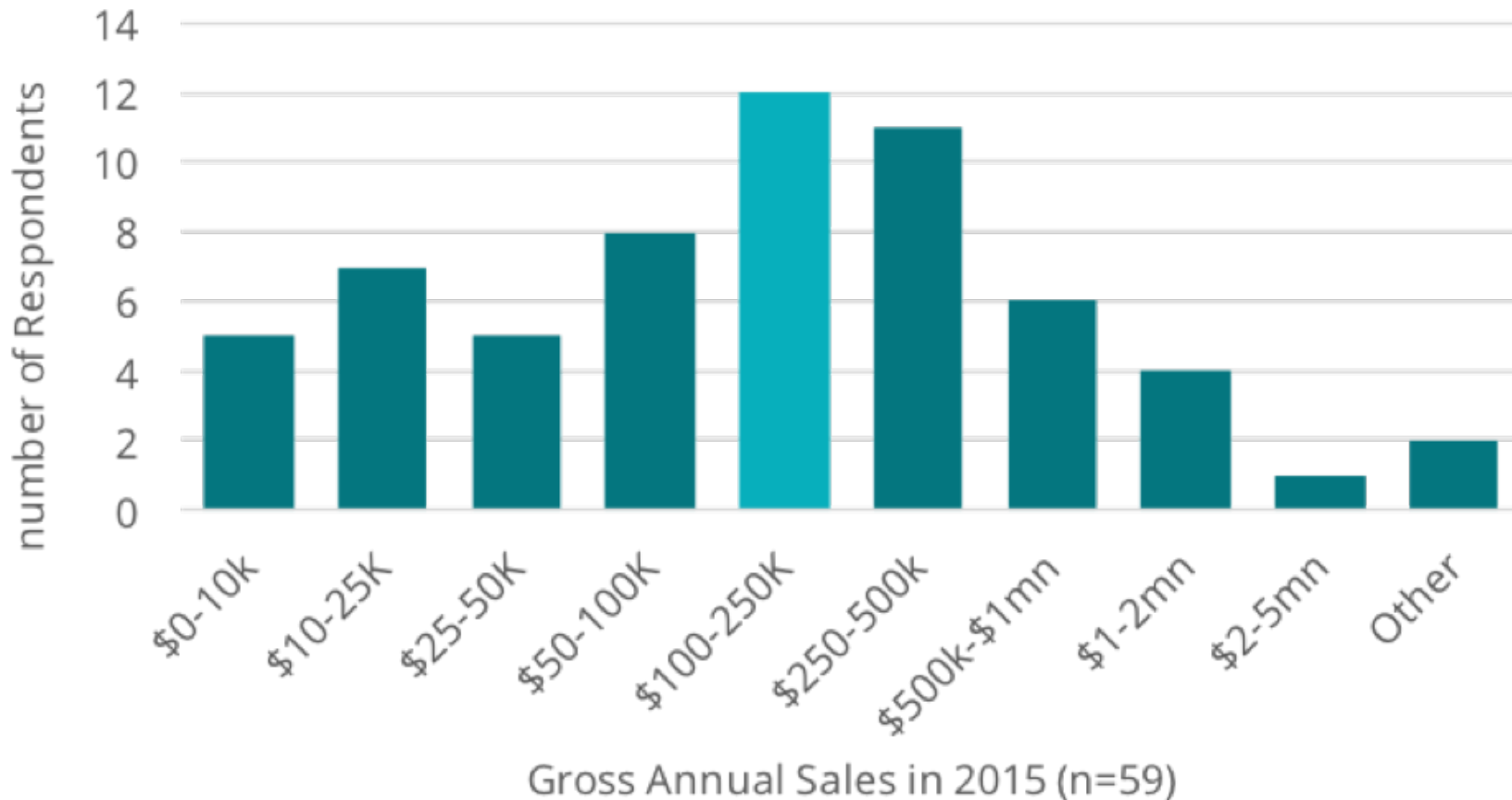
Questions?

Sales and Funding Sources for Local and Sustainable Food Hubs



Sales

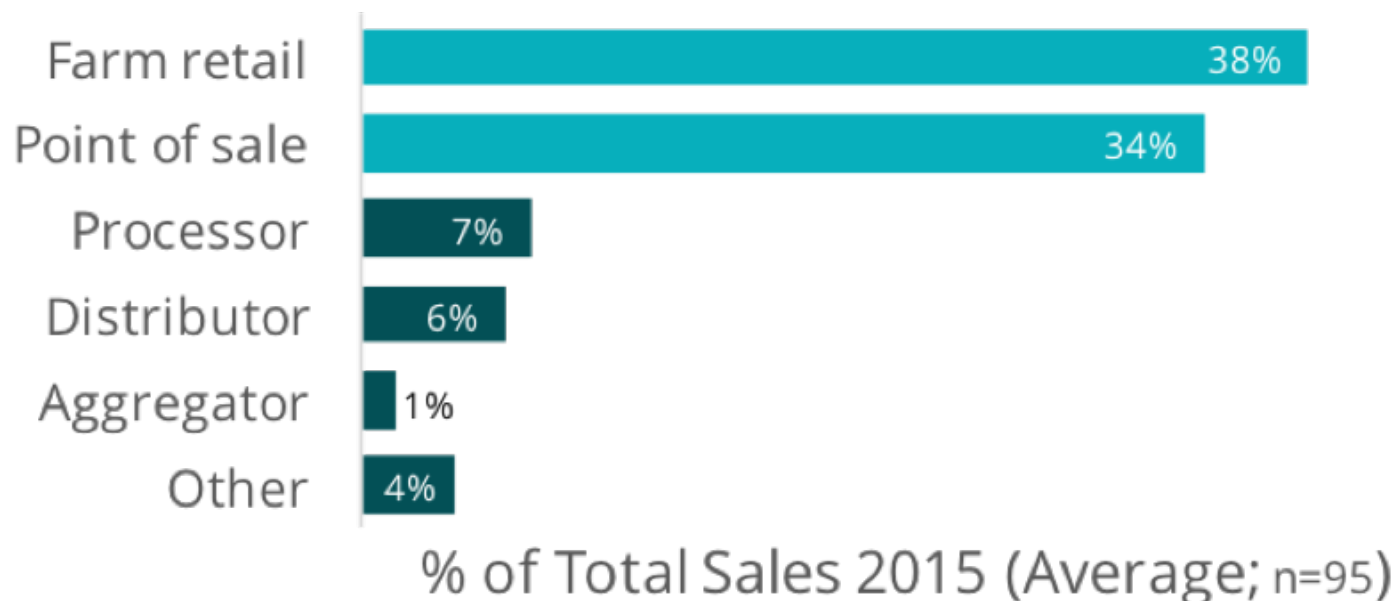
The **median gross annual** sales for respondents was **\$100-250k**. About 1 in 5 respondents earned \$25k or less annually.



About **70%** of **average total sales** are from **farm retail** and **point of sale** (to final customer).

The remaining sales come from food processors, distributors, aggregators, and other groups.

Total Sales From:



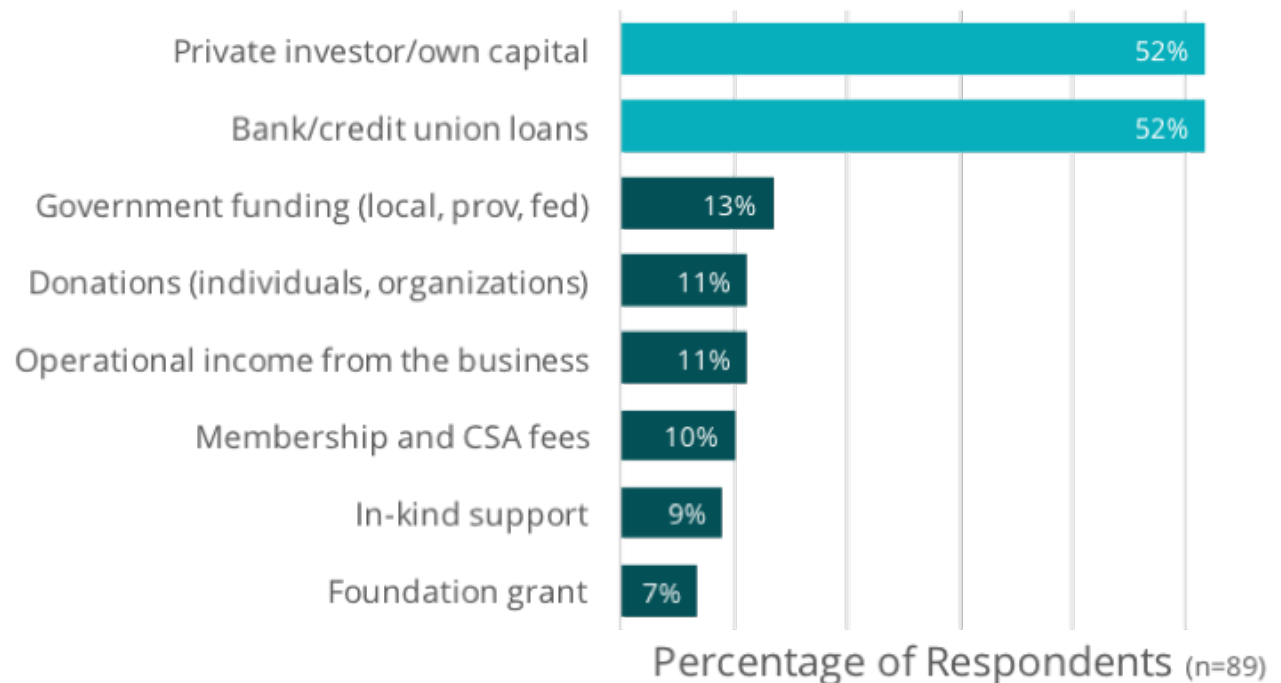
Funding Sources and Barriers



For about half of respondents, start-up funds were secured from **private capital**, and **loans from banks/credit unions**.

Government funding, donations, operational income, membership fees, in-kind support, and grants were other important **start-up revenue sources**.

Top start-up funding sources

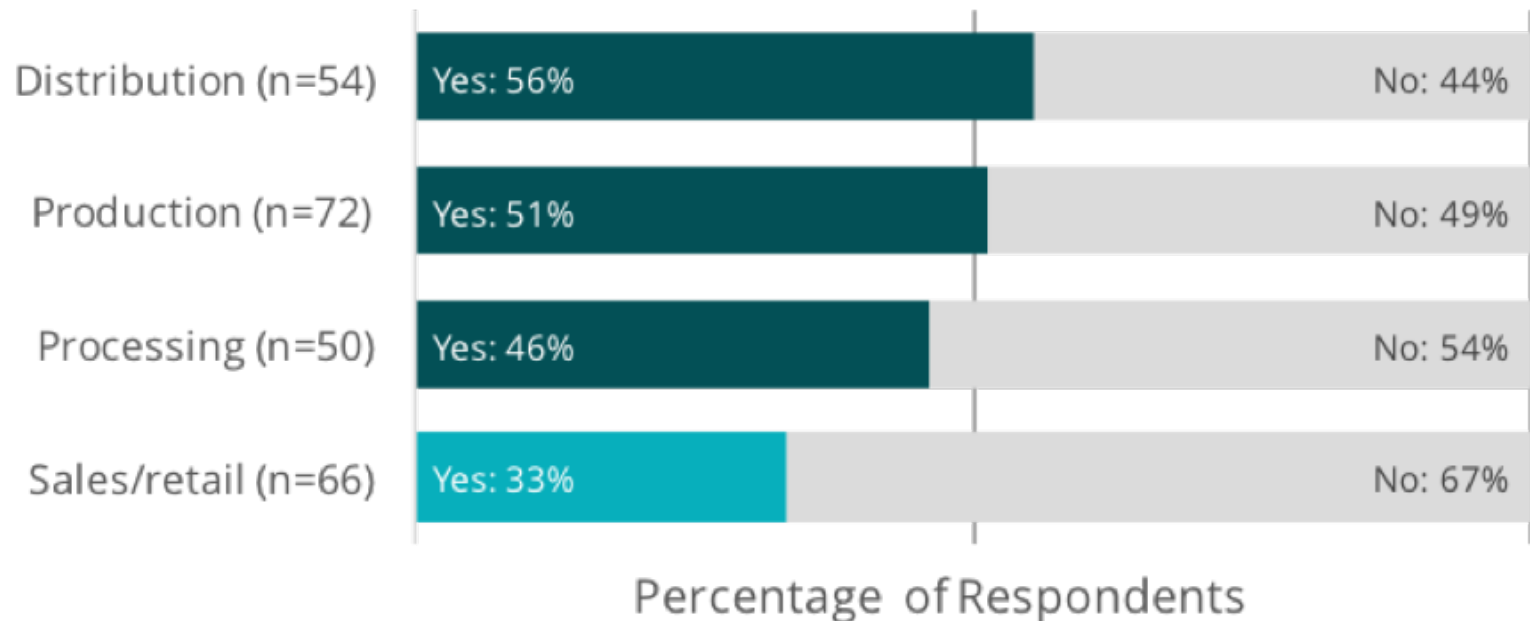


Funding Sources and Barriers



About half of respondents reported lack of funds as a barrier to expanding their **distribution, production, and processing**.

Has lack of funding prevented expansion into:



Increasing local and sustainable food sales

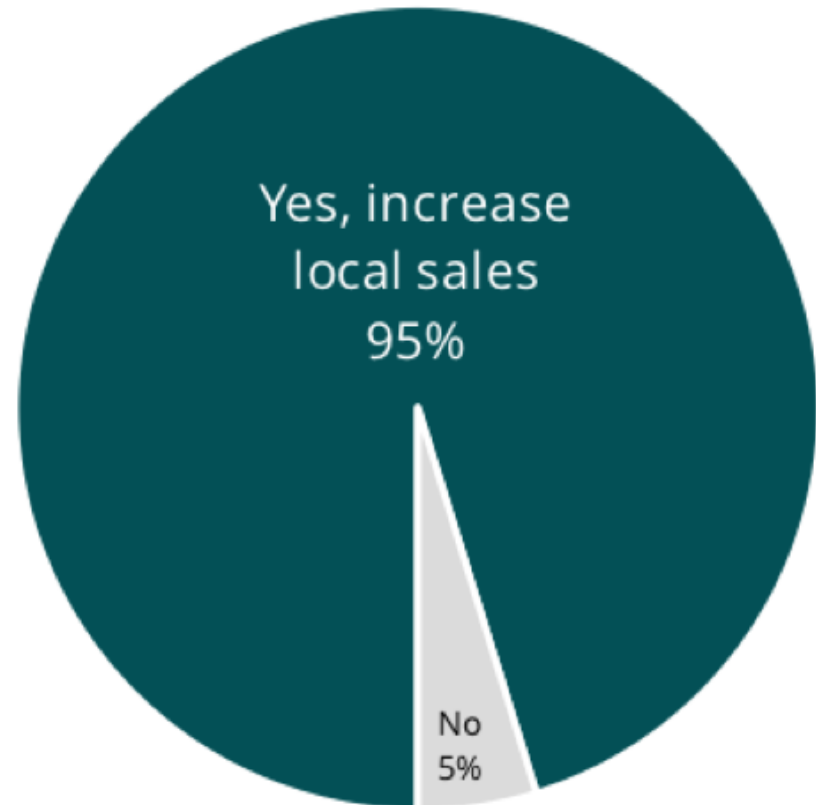
Increasing local sales is an ongoing priority



In 2014, almost all respondents (98%) wanted to increase local sales. (n=127)

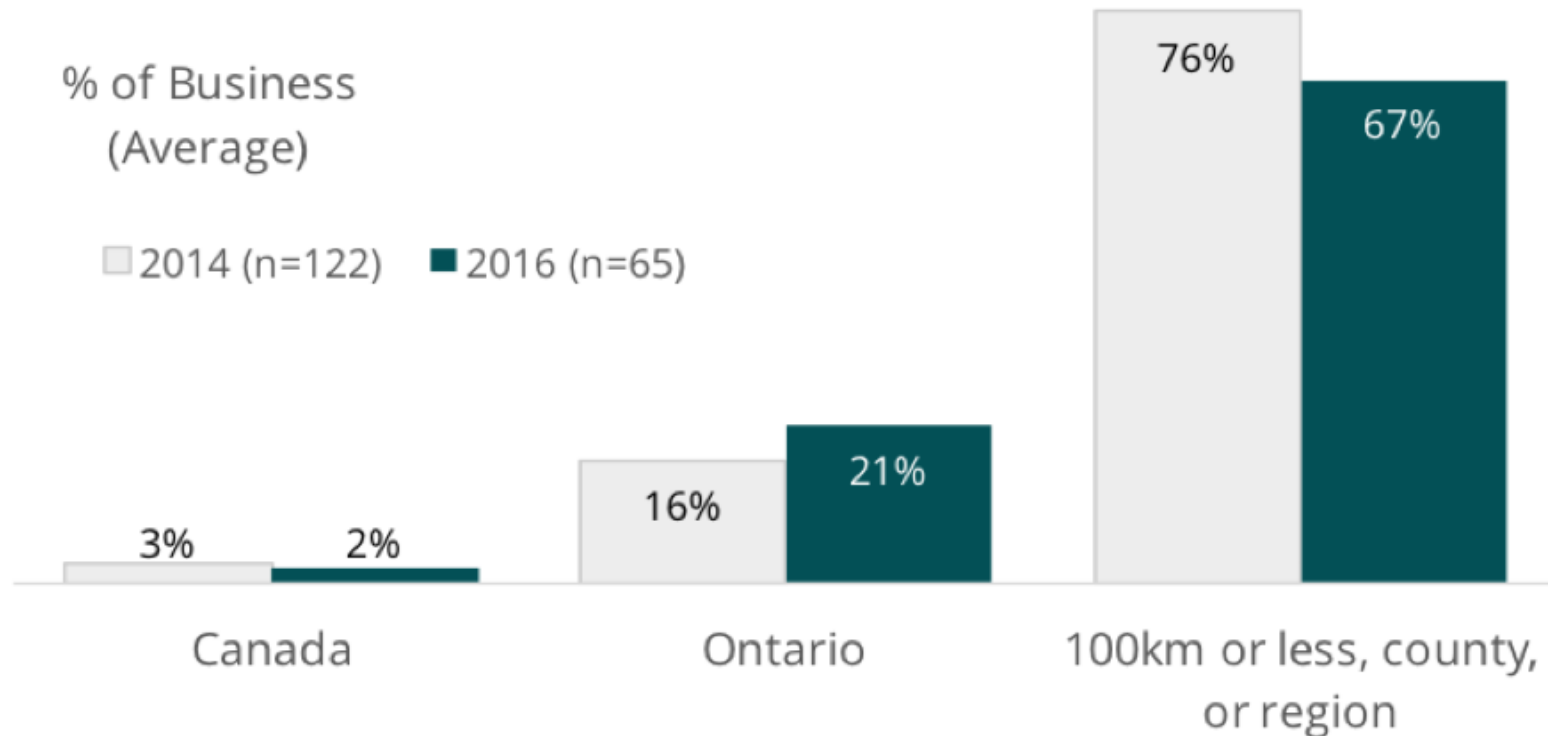


In 2016, almost all respondents (95%) still wanted to increase local sales. (n=63)



Local sales are a key source of business

Across all respondents, **customers and buyers within 100km provided about two thirds of all business** although down from 76% in 2014.



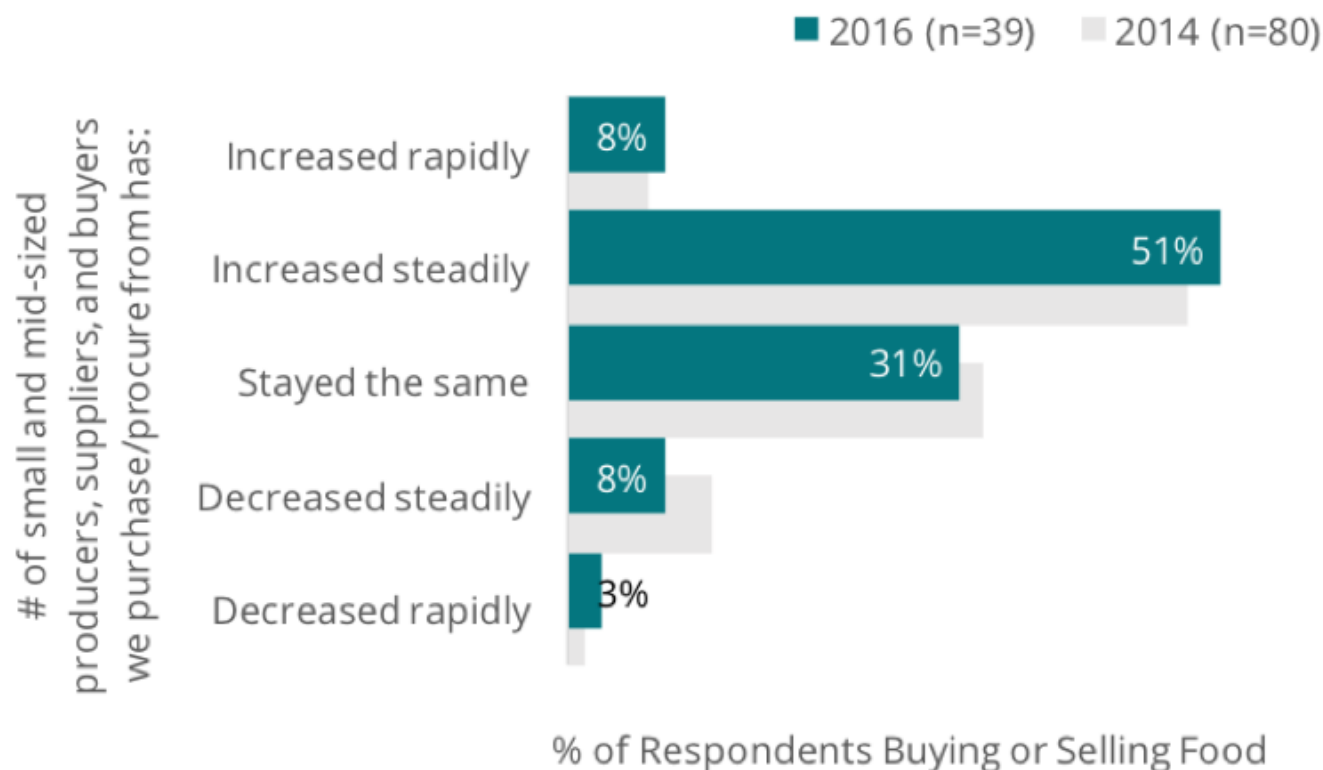
There are emerging opportunities among suppliers

With similar results in 2014 and 2016*, over the life of respondents' businesses, the **number of small and mid-sized suppliers** has:

Increased steadily for about half of respondents.

Stayed the same for about a third.

Decreased for only a minority.

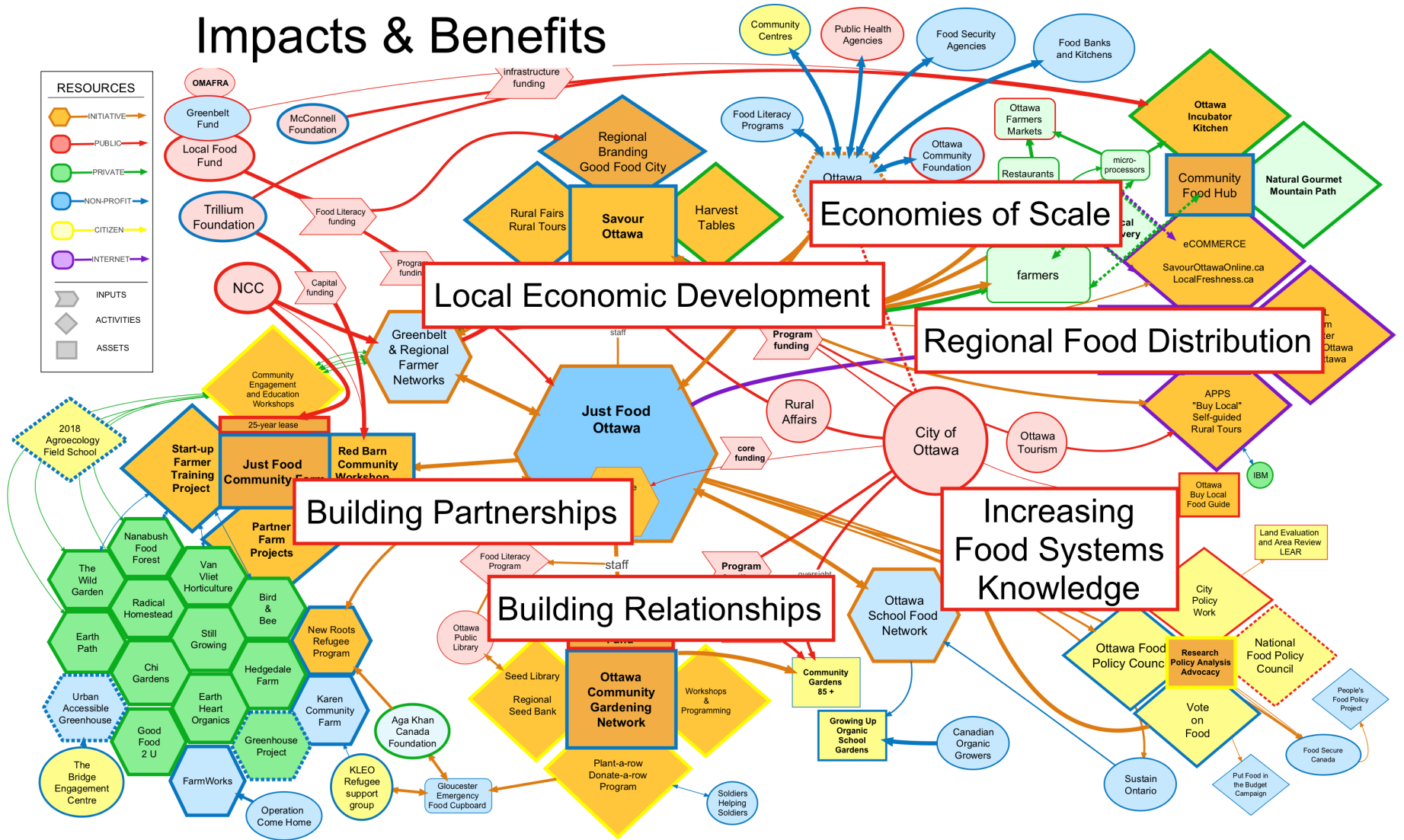
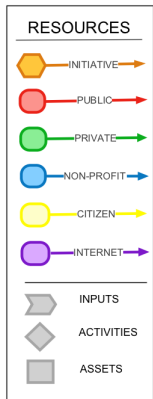


Practical Considerations for Food Hubs: Innovation, Collaboration and Perspiration

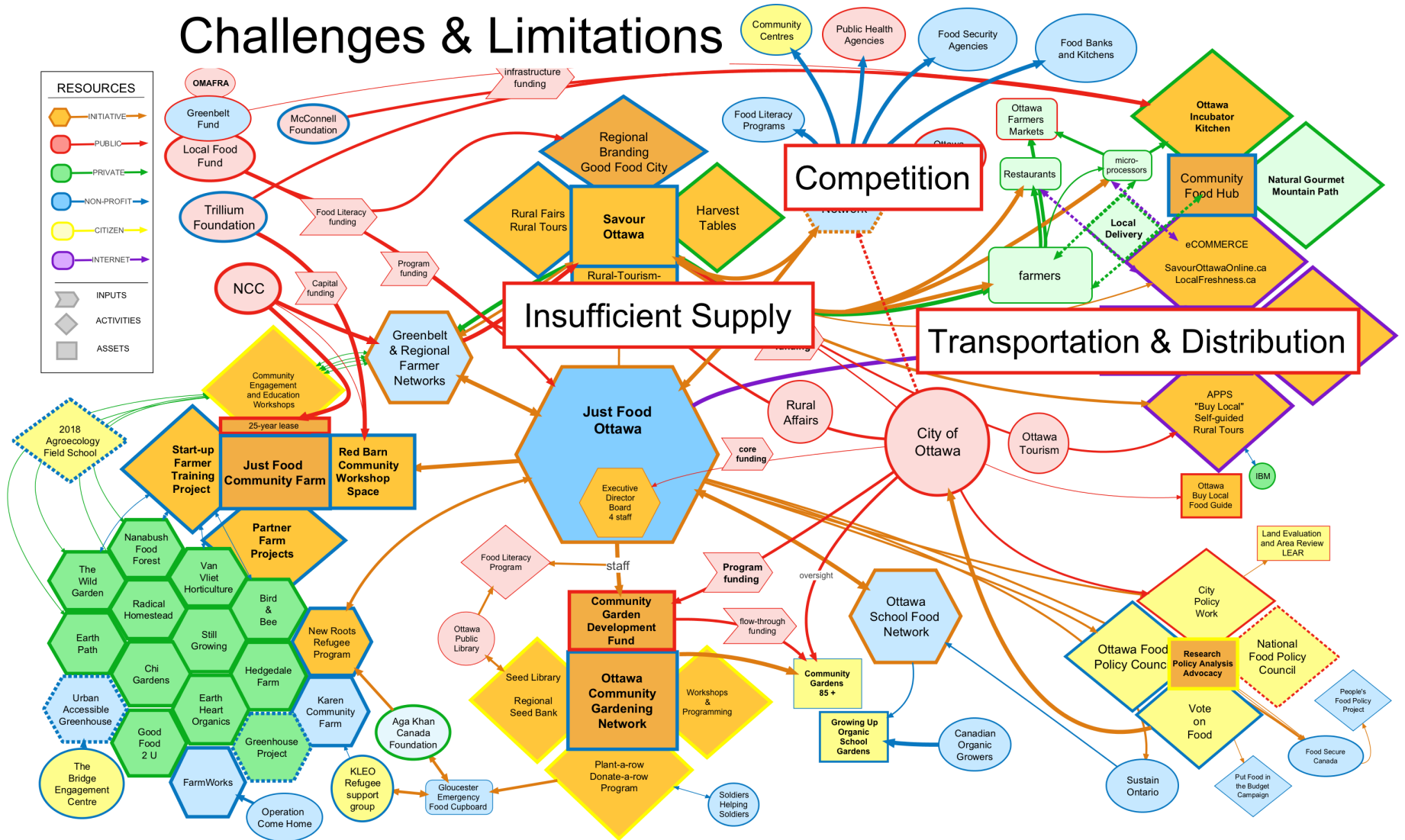
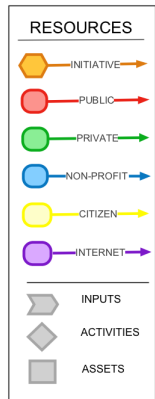
Practical Considerations for Food Hubs: Innovation, Collaboration and Perspiration

- **Impacts & Benefits**
- **Challenges and Limitations**
- **Keys to Success**

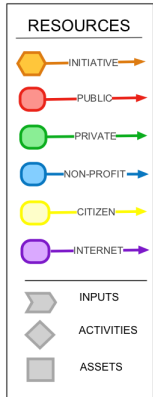
Impacts & Benefits



Challenges & Limitations



Keys to Success



The Value Chain



The Value Chain

**Food
Supply
Chain**

**Food
Systems
Change**



Questions?

<https://fledgerresearch.ca/resources-results/food-hubs-in-ontario/>



Centre for
Sustainable
Food Systems



FLEdGE
Food: Locally Embedded, Globally Engaged

Many thanks!



Ontario



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