

**Local Food Promotion Program (LFPP)  
Final Performance Report**

The final performance report summarizes the outcome of your LFPP award objectives. As stated in the LFPP Terms and Conditions, you will not be eligible for future LFPP or Farmers Market Promotion Program grant funding unless all close-out procedures are completed, including satisfactory submission of this final performance report.

This final report will be made available to the public once LFPP staff approves it. Write the report in a way that promotes your project's accomplishments, as this document will serve as not only a learning tool, but a promotional tool to support local and regional food programs. Particularly, recipients are expected to provide both qualitative and quantitative results to convey the activities and accomplishments of the work.

The report is limited to 10 pages and is due **within 90 days** of the project's performance period end date, or sooner if the project is complete. Provide answers to each question, or answer "not applicable" where necessary. It is recommended that you email or fax your completed performance report to LFPP staff to avoid delays:

LFPP Phone: 202-720-2731; Email: [USDALFPPQuestions@ams.usda.gov](mailto:USDALFPPQuestions@ams.usda.gov); Fax: 202-720-0300

Should you need to mail your documents via hard copy, contact LFPP staff to obtain mailing instructions.

<b>Report Date Range:</b> <i>(e.g. September 30, 20XX-September 29, 20XX)</i>	September 30, 2014 – September 29, 2015
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<b>Recipient Organization Name:</b>	Eat Greater Des Moines
<b>Project Title as Stated on Grant Agreement:</b>	Using A Local Food Box Approach to Plan for Aggregation and Distribution in Metro Des Moines
<b>Grant Agreement Number:</b> <i>(e.g. 14-LFPPX-XX-XXXX)</i>	14-LFPPX-IA -0052
<b>Year Grant was Awarded:</b>	2014
<b>Project City/State:</b>	Des Moines, Iowa
<b>Total Awarded Budget:</b>	\$25,000

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The issue:

One existing gap in the greater Des Moines market is the lack of wholesale-level aggregation and distribution of local food products. This gap is a limiting factor in creating access to more local foods for more consumers. With the concentrated population in metro Des Moines, addressing this gap potentially increases demand for growers' products and keeps consumers supporting local markets.

The project approach:

The lack of a wholesale aggregation and distribution site was addressed in this project using a Local Food Box approach since it provided the opportunity to "practice" local aggregation and distribution on a small scale. The Local Food Box, is a year-round, weekly box of locally grown food products. Food box contents are purchased and aggregated together from multiple farmers. Consumers order online and pay for a food box one week ahead of receiving their order. Varied local food product combinations are included within each box. Boxes are delivered to customers at a convenient pick up location.

1. Project Goals:

Goal 1: Develop a sustainable business plan for a local food business enterprise to aggregate and distribute locally grown and value-added products using a food box approach.

a. Progress Made: Complete. Sustainable business plan is included in attachments.

b. Impact on Community: This business plan can be used by other organizations that are developing an aggregation and distribution hub operation. Although each situation is unique, there are some fundamental steps that will be similar.

Goal 2: Determine required supply and demand levels of products for the food box program to be transported within 400 miles of metro Des Moines.

a. Progress Made: Complete. Through the producer stakeholder meetings, supply levels were met for the pilot demand of 40 total food boxes. See spreadsheet in attachments.

b. Impact on Community: Producers selling to the local food box program knew that they needed product to sell to meet the demand for 40 boxes so it was a guaranteed market for them. Consumers were able to enjoy local products from a variety of farms in Iowa and to get to know the growers through features on growers in the weekly newsletter.

Goal 3: Determine pricing levels to sustain the local food business enterprise.

a. Progress Made: Complete. Spreadsheets of all products and quantities for the food boxes have been determined for the 12-week pilot study. The pricing levels have been set such that pilot expenses will be covered. See pilot budget in attachments.

b. Impact on Community: All food box producers were paid a fair price for the products sold to the Local Food Box program. Feedback from producers was positive in the sense of the prices paid as well as having a guaranteed market to sell to during the 12-week pilot. The price of the food box for consumers remained at \$27 per box, and the majority of the consumers expressed that the value was at least equal to the product they received. Some thought the price was low for the products received.

Goal 4: Evaluate needs and sources for software, warehousing, and marketing.

a. Progress made: Complete. Information was collected on the following possible software programs- Local Orbit, Farmingo, Local Food Marketplace, and Prudent Produce. Warehousing options were researched and include the Iowa Food Coop aggregation site, and the DesMoinesArts building (a new artisan-based project in downtown Des Moines). Marketing plan ideas for the Food Box program were determined through a Request for Proposal (RFP) approach. Ten25Design was selected from the RFPs received. Since no budget was included in the LFPP grant to purchase software or implement a marketing plan, a budget for software and marketing will be incorporated in the expansion of the Local Food Box program.

b. Impact on Community: The marketing company, Ten25Design, is located in West Des Moines. They have been very interested in our food box program, and came to observe the aggregation process at the Des Moines Social Club during the pilot. They are flexible and willing to focus on one aspect of their proposal (such as branding and marketing) only depending on the budget during expansion. Software programming needs are difficult to evaluate until expansion starts occurring. We have discussed Local Food Marketplace with aggregators in western and eastern Iowa. This might be the best software for our Local Food Box program plus it could interface with others throughout the state.

Goal 5: Conduct and evaluate a pilot study with limited aggregation and distribution of food boxes from the Des Moines Social Club to test feasibility.

a. Progress made: Complete. The pilot study was conducted from June 11, 2015 through August 27, 2015. There were 40 total food boxes aggregated and distributed to two separate worksites, Easter Seals and Principal Financial. Consumers paid for food boxes through Dwolla, a local online payment system that allowed for recurring weekly payments. The food box consumers completed a pre-and post-pilot survey, and face-to-face meetings held at each worksite at the start, mid-point, and end of the pilot period. Survey results and minutes from the in-person consumer meetings are in the attachments. ISU Design Lab evaluated the experiential portion of the pilot and these reports are in the attachments.

b. Impact on Community: The Local Food Box provided a means for 40 consumers to experience locally grown food for a 12-week period. They were given the opportunity to continue with the program following the pilot period. Consumers overall were pleased with the program as reported in their phone interviews. (Summary in attachments) Producers were pleased with the program and all plan to continue with the expansion. Money spent by consumers to purchase food boxes (\$12,960) stayed in Iowa as payment to farmers, FarmTable delivery, and Eat Greater Des Moines staff managing aggregation of local products and distribution of food boxes.

Goal 6: Disseminate planning project outcomes broadly.

a. Progress made: Once approved, this final report will be shared with all partners, producers, and members of the initial stakeholder group. It will also be shared with the Regional Food System Working Groups in Iowa as well as ISU Extension. It will also be posted on the Eat Greater Des Moines website as a resource.

b. Impact on Community: Information contained in this report will serve as a resource for others in the development of aggregation and distribution businesses in metro Des Moines, in Iowa, and beyond.

2. Project impact:

i. Number of direct jobs created: 1 (part time assistant manager focusing on producer communication and collaboration for pilot)

ii. Number of jobs retained: 1 part time

iii. Number of indirect jobs created: 0

iv. Number of markets expanded: 2 (Eat Greater Des Moines food box market, and FarmTable Delivery with added business for delivering products for food boxes.

v. Number of new markets established: 1 (Local Food Box as a new market for producers to sell to and for consumers to purchase from.)

vi. Market sales increased by \$13,086 (or 100% as an entirely new market).

vii. Number of farmers/producers that have benefited from the project: 32

a. Percent Increase: we do not have access to know what percent increase in sales occurred for each participating producer, but the Local Food Box was a new market for all who participated.

3. Expansion of customer base:

We expanded our customer base in the sense that this was a new program in metro Des Moines. We reached out to two work sites for employee participation in the pilot program and as drop-off sites. One site was Easter Seals, a non-profit organization whose mission is to provide independence, hope and support by providing exceptional services to ensure all people with disabilities or special needs and their families have equal opportunities to live, learn, work

and play in their communities. The other, Principal Financial, a for-profit corporation whose mission is to grow businesses, individuals and institutional clients in select markets worldwide to achieve financial security and success, resulting in excellent shareholder value. Producers who grew product and sold to the Local Food Box program included refugee growers at Global Greens Farm, an initiative of Lutheran Services in Iowa. Since the Local Food Box program was new, it provided a whole new market for all producers selling into it. All producers would like to continue selling to the Local Food Box program as it expands.

#### 4. Community partnerships:

**Des Moines Social Club** donated space during the 12-week pilot period for aggregation of the food box contents and a space to assemble the food boxes. The Social Club has become a “public” pick up site now with our program expansion. By “public”, we mean that anyone who does not have a pickup offered at their work site can pick up his or her weekly box at the Social Club.

**Lutheran Services in Iowa (LSI)** helped connect EGDM with Principal Financial and facilitated their participation in the pilot. LSI also reached out to Valley Community Center to help facilitate borrowing their refrigerated truck for food box transport during the pilot. LSI continues to be a supportive partner and encourages their refugee farmers to sell their fresh produce to our program.

**Valley Community Center** donated the use of their truck each Thursday for 12 weeks from 11:30 AM to 6:00 PM for EGDM to transport fresh produce to the aggregation site, and then to deliver the food boxes to Easter Seals and Principal Financial for customer pick up. Although, Valley was willing to continue to donate use of their truck for our program expansion, the location of the truck in relation to the new aggregation site (at the Iowa Food Coop) is not convenient and would add too much travel time.

**Easter Seals** collaborated with EGDM on the pilot by offering the opportunity to their employees and accommodating a pick up site inside their office building. Easter Sales also worked with EGDM staff to involve some of their clientele in volunteering to assemble the Local Food Boxes at the Des Moines Social Club. Easter Seals managers helped to promote the program to their employees, and helped to oversee their volunteers. Easter Seals has continued as a drop off site for their employees and for LSI employees as well.

**Principal Financial (PF)** managers offered a space for food box orientation for their employees and helped promote the program to a limited number of their employees. PF also helped facilitate a space in the employee parking lot for the food boxes to be picked up. Principal

Financial potentially will offer the Local Food Box to all of their employees in the spring once it is approved through their corporate committee process.

#### 5. Contractors used:

Eat Greater Des Moines hired Iowa State University Design Lab to assist with the experiential measures of the customers', work site managers', and producer experiences with the Local Food Box. These reports are in attachments. The part time grant assistant, Tony Thompson, was also hired as an independent contractor. As a producer, Tony reached out and communicated with other producers for the Local Food Box. Tony also focused on product standards, product mix, quantities, packaging, pricing, aggregation and delivery.

#### 6. Publicizing results:

i. In working on expansion of the Local Food Box program, we developed one simple handout describing the program and included with this report. Tony Thompson, our Food Box Manager, also created a new website: [www.lofobo.com](http://www.lofobo.com)

ii. We reached out to additional organizations that expressed interest in the Local Food Box program during the pilot. These included Easter Seals, Polk County Health Department, Iowa Department of Public Health, Des Moines Social Club, and UnityPoint Healthcare.

iii. We met face-to-face with 17 individuals, and many more who have visited [www.lofobo.com](http://www.lofobo.com)

7. Have you collected any feedback from your community and additional stakeholders about your work? We have not collected feedback, however, we did continually share the status of our pilot project and plans for expansion with Eat Greater Des Moines Board of Directors and at our quarterly Health Food Stakeholder meetings.

#### 8. Budget Summary:

We have completed the SF-425 and are submitting it with this report:

Did the project generate any income? Yes.

Income from the sale of Local Food Boxes during the pilot totaled \$13,0686.50 as outlined in the Profit & Loss Report in attachments. Income was used to pay expenses including payment to producers, FarmTable Delivery for delivery of dairy products for the food boxes, and supplies such as boxes and bags. Use of income for payment directly for food box expenses furthered the project goal of working to develop a sustainable business model.

#### 9. Lessons Learned:

### Good ideas and opportunities:

1. A Local Food Box can be a viable way to reach customers with local food products.
2. Convenience of drop off and variety of food box contents were very positive aspects of the boxes for consumers.
3. Customers like receiving a reminder to pick up their food box either the day before or the morning of the drop off.
4. Customers prefer an electronic newsletter format and like receiving recipes and information on the farms that are supplying their food products.
5. Connecting customers through a Facebook page can be beneficial as demonstrated by the Easter Seals internal Facebook page
6. Customers prefer consistency in value of food box contents from week to week.
7. Customers prefer an easy way to provide feedback and suggestions regarding the Local Food Box with an option to remain anonymous.
8. There was a significant reduction from the pre-pilot survey in the number of consumers reporting that they did not know where to buy locally grown food compared to the post-pilot survey results. Education provided in the newsletter on local food and where to find it in metro Des Moines may have impacted this outcome.
9. Provide a combination of products in each box that can work together into a few recipe ideas or a meal theme.
10. As the food box program expands, purchasing some items in bulk and repackaging could reduce cost of products.
11. Policies at drop-off sites may vary greatly based on the organization and it may take 6-8 weeks to make all necessary arrangements to add a new site.
12. Software needs are better determined as the program is scaled up to a higher number of food boxes. Coordinating with other aggregators in the state on the same software or compatible software will potentially be very helpful.

### Opportunities to improve:

1. More education is needed for customers to understand the value of the local food box, and what eating locally entails including seasonal and variety limitations at times.

2. The Dwolla format for setting up recurring payments required submitting personal bank information. This was a barrier for some customers to use this payment method.
3. Avoid unusual flavors of products that customers have never tried, e.g. provide plain feta cheese first, and then try something more exotic (as cherry horseradish).
4. Invoices need to be received from each local producer who delivers directly as well as through a delivery service before any payment is sent. Such policies regarding payment procedures should be developed from the outset.
5. Electronic, recurring payments need to be monitored to learn of missed payments as soon as possible.
6. Paying producers near-retail prices will not work. Being able to pay “fair” rates is important and getting to higher numbers of boxes will help, but using wholesale pricing may be necessary. The extra value to producers can be marketing of their products and extra value to customers is delivery.
7. Customer surveys should include a question on whether the Local Food Box pilot experience impacted their interest and willingness to buy locally grown food.
8. Customer survey numbers were small for the pilot program to support any significant outcomes, however, as the customer base expands, survey reporting could provide significant data.
  - i. If goals or outcome measures were not achieved, identify and share the lessons learned to help others expedite problem solving: All were met.
  - ii. Lessons learned in the administration of the project that might be helpful for others who would want to implement a similar project: Policies regarding payments from customers as well as to and from producers, need to be in place from the start. Not having thought this through resulted in time spent contacting customers who were not making weekly payments, and deciphering invoices that did not match from the delivery service and the farms.
10. Future Work:
  - i. We have expanded the number of Local Food Boxes and the number of drop off sites since the end of the pilot. We are currently providing 67 boxes each week with products from 50 producers and delivering to four drop off locations. Our goal is to reach 80 food boxes as soon as we can, and eventually increase to several hundred boxes in spring 2016. More consumers are having the opportunity to taste local foods and to cook with them. More producers are benefitting from selling to this new market. Education through the weekly electronic

newsletter (sample attached) continues with the goal that more consumers appreciate the value of local food and continue to purchase it either through the food box or other sources in the community. The assistant manager in the pilot is now our part time food box manager, and as food box numbers grow this spring, we anticipate the manager position eventually being full time funded through the additional income from more food boxes sold.

ii. One recommendation to others working on aggregation and distribution is to keep the product simple at first. We purposefully chose one type of food box for the pilot and have continued that as we have expanded our food box number. Eventually, we may add the option for consumers to purchase additional amounts of a limited number of products such as milk and eggs. In the spring, we will consider adding a second food box option such as all produce. We have submitted a proposal to the Leopold Center for Sustainable Agriculture at Iowa State University to fund additional small equipment (hand trucks, pallet trucks, caging, etc.) that will be needed as we increase the food box number to several hundred at our final aggregation location in the DesMoinesArts building.