

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 it is approved by LFPP staff. 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 your assigned grant specialist to avoid delays:

LFPP Phone: 202-720-2731; Email: 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.

Report Date Range: <i>(e.g. September 30, 20XX-September 29, 20XX)</i>	October 1, 2014-September 30, 2016
Authorized Representative Name:	Ann Karlen
Authorized Representative Phone:	215-386-5211 x101
Authorized Representative Email:	ann@fairfoodphilly.org
Recipient Organization Name:	Fair Food
Project Title as Stated on Grant Agreement:	Produce Distribution Improvement Project
Grant Agreement Number: <i>(e.g. 14-LFPPX-XX-XXXX)</i>	14-LFPPX-PA-0149
Year Grant was Awarded:	2014
Project City/State:	Philadelphia, PA
Total Awarded Budget:	\$91,852

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LFPP staff may contact you to follow up for long-term success stories. Who may we contact?

Same Authorized Representative listed above (check if applicable).

Different individual: Name: Annemarie Vaeni; Email: annemarie@fairfoodphilly.org; Phone: 215-386-5211 x102

1. State the goals/objectives of your project as outlined in the grant narrative and/or approved by LFPP staff. If the goals/objectives from the narrative have changed from the grant narrative, please highlight those changes (e.g. “new objective”, “new contact”, “new consultant”, etc.). You may add additional goals/objectives if necessary. For each item below, qualitatively discuss the progress made and indicate the impact on the community, if any.

i. Goal/Objective 1: Barefoot Boy will develop into a credible brand for fresh high quality local produce through enhancements to its operations and communications strategy

a. Progress Made: We contract an IT firm to design website content, and with a design firm with significant experience in local food retail and marketing, to prepare marketing collateral for the trade show appearances. This was the first time FarmArt has done this kind of outreach to the conventional and sustainable food communities to promote their local product program, Barefoot Boy. In addition to marketing materials for potential customers, visual components of the booth such as backdrops and display plans were created and executed as part of this project.

FarmArt successfully implemented Silver Creek’s online ordering portal in late 2015 and has since been in use on FarmArt’s website. Redesigning the website took longer than anticipated and ultimately required us to bring in a new contractor who was able to work closely with FarmArt to achieve their desired outcome.

b. Impact on Community: Improvements to FarmArt’s website promote their local line, Barefoot Boy (BB), and their commitment to local food and farmers to their current restaurant and retail customers, potential customers, and supermarket buyers. This sets a positive example to source and promote local to FarmArt’s competition, other wholesale produce distributors based in the Philadelphia area, and FarmArt’s current and potential customers, thereby driving demand for local food at the wholesale level.

ii. Goal/Objective 2: FarmArt’s business with retail grocery stores under the Barefoot Boy brand will grow from 5% (approximately \$750,000) to 10% (approximately \$1,500,000) by the end of the grant period.

a. Progress Made: This goal proved challenging due to BB’s reliance on very few customers at the beginning of the project period. As a result of personnel changes in early 2015 BB’s largest customer shifted a significant portion of its purchasing elsewhere. The resulting decrease in sales demonstrated the need for more customers. Our project activities, however, provided the BB brand an opportunity to cushion this blow by diversifying their customer base through the relationship we built with another local grocery chain.

Moreover, through this experience our team learned a great deal about the procurement practices of conventional chain grocery stores, and FarmArt/BB staff are well positioned to grow the local retail produce program each season for the next several years. Fair Food has gained a great deal of insight into public-private partnerships like this one as well as how the conventional retail produce industry works; the BB team had the opportunity not only to strengthen their business by securing new customers, but also to develop the

sales experience and marketing materials that will serve them well into the next several seasons as they grow their retail program.

b. Impact on Community: As Barefoot Boy sales grow, more produce will be purchased from small and midsize farms to meet growing demand. As local produce is made more available at an appropriate scale, price level, and high level of customer service and convenience, the attitudes of conventional supermarket produce buyers' and produce staff at these stores will become more positive, decreasing perceived barriers to adding local produce selections. In addition, the new grocery customer has led to local produce and local produce marketing and messaging in low-income/low-access areas. While not an original intended impact of this project, we are thrilled to report that Barefoot Boy's local produce was able to reach this new consumer base.

iii. Goal/Objective 3: Fair Food will expand its capacity as a value chain facilitator by engaging with two previously disparate food system actors: a traditional produce distributor and a large-scale grocery chains.

a. Progress Made: In addition to experiencing the successes and progress as well as delays and frustrations of value chain coordination in a new market segment, we have learned a great deal about what we can expect from our partners in the industry, like produce distributors and buyers, who do this work in a more traditional way. While the solutions we offer might be comprehensive and well researched, it's not always possible for partners to adopt new ideas and implement them all at once.

b. Impact on Community: Fair Food's knowledge of the conventional and supermarket produce community has been greatly deepened by this project, with FarmArt exhibiting at our annual local food expo, the Philly Farm and Food Fest, on April 10, 2016. We have learned that progress in the conventional produce industry comes incrementally, and as an organization that works from within the sustainable and local food community, it is important to take that into account as we expand our work to adjacent regions and less developed values-based food supply chains. We have also learned how better to collaborate with a partner like FarmArt, which is a very successful family-run business that wants to expand into new arenas and build more sustainable practices and products into its operations but doesn't always know where to start. With the knowledge gained from this experience, Fair Food has recently partnered with another produce distributor to assist in developing their local vendors.

2. Quantify the overall impact of the project on the intended beneficiaries, if applicable, from the baseline date (the start of the award performance period, September 30, 20__). Include further explanation if necessary.

- i. Number of direct jobs created: 0
- ii. Number of jobs retained: 1
- iii. Number of indirect jobs created: 0
- iv. Number of markets expanded: 0
- v. Number of new markets established: 1

- vi. Market sales increased by \$156,248 and increased by 11%.
 - vii. Number of farmers/producers that have benefited from the project: 29 new vendors retained by FarmArt to source from beginning in May 2015
 - a. Percent Increase: Not applicable
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?
Through this project, we established a relationship with a local supermarket franchise that specializes in opening grocery stores in previously underserved neighborhoods/food deserts.
4. Discuss your community partnerships.
- i. Who are your community partners?
Our community partners include the local farmers in Fair Food and FarmArt's respective networks. In addition, urban farmers and nonprofit managers who have worked with BB's current and prospective customers assisted with the development of our outreach and strategy, and Philly-area food hubs contributed advice and expertise from their experience selling to the supermarket customer segment. Finally, the BB customer retail managers and produce buyers have also become partners through this project.
 - ii. How have they contributed to the overall results of the LFPP project?
In addition to the contributions included in the previous section, these partners provided us with valuable feedback about Barefoot Boy's approach, offerings, marketing materials and point of sale signage concepts. They have also shared general insight about their consumer base at different stores and general information on produce sales at different stores.
 - iii. How will they continue to contribute to your project's future activities, beyond the performance period of this LFPP grant?
The assistance provided by these partners will continue to inform FarmArt's procurement and sales strategy well beyond the scope of this grant period. Moreover, the insight and feedback of our community partners has also increased the value chain coordination support Fair Food is able to provide across the value chain moving forward.
5. Did you use contractors to conduct the work? If so, how did their work contribute to the results of the LFPP project?
Our partners at FarmArt acted as contractors for this project, carrying out the actual work of executing produce procurement and sales while Fair Food concentrated on producer and customer research, outreach, and relationship building; managing workflow and communications between FarmArt and other contractors; assisting with the development of marketing and website content; and scouting design contractors for web, branding, and printed marketing materials. Our IT and design contractors provided invaluable technical and marketing support and materials that allowed FarmArt to increase and improve the profile of the Barefoot Boy brand.
6. Have you publicized any results yet?*
- No.
 - i. If yes, how did you publicize the results?
 - ii. To whom did you publicize the results?
 - iii. How many stakeholders (i.e. people, entities) did you reach?

*Send any publicity information (brochures, announcements, newsletters, etc.) electronically along with this report. Non-electronic promotional items should be digitally photographed and emailed with this report (do not send the actual item).

7. Have you collected any feedback from your community and additional stakeholders about your work?

No.

- i. If so, how did you collect the information?
- ii. What feedback was relayed (specific comments)?

8. Budget Summary:

- i. As part of the LFPP closeout procedures, you are required to submit the SF-425 (Final Federal Financial Report). Check here if you have completed the SF-425 and are submitting it with this report: X
- ii. Did the project generate any income?

No

a. If yes, how much was generated and how was it used to further the objectives of the award?

9. Lessons Learned:

- i. Summarize any lessons learned. Draw from positive experiences (e.g. good ideas that improved project efficiency or saved money) and negative experiences (e.g. what did not go well and what needs to be changed).

Fair Food's knowledge of the conventional and supermarket produce community has been greatly deepened by this project, and, through our collaboration as well as their participation at our annual local foods expo, the Philly Farm and Food Fest, FarmArt's knowledge of the local food marketplace has been deepened as well.

As noted previously in this report, Fair Food has gained a great deal of insight into public-private partnerships as well as how the conventional retail produce industry works. While the solutions we offer might be comprehensive and well researched, it's not always possible for partners in larger, more traditional operations to adopt new ideas and implement them all at once.

- ii. If goals or outcome measures were not achieved, identify and share the lessons learned to help others expedite problem-solving:

Goal #2 of increasing Barefoot Boy sales by 5-10% was not achieved largely, as mentioned, due to an unexpected shift in the procurement practices of the brand's largest customer. The overall impact of this shift was mitigated due to the addition of a new customer to FarmArt's customer base. This suggests that in some cases growth is a less important goal than a diverse customer base that can cushion a local food supplier against unexpected changes in the marketplace.

- iii. Describe any lessons learned in the administration of the project that might be helpful for others who would want to implement a similar project:

We have learned that changes in the conventional produce industry come incrementally, and as an organization that works from within the sustainable and local food community, it is important to take that into account as we expand our work to adjacent regions and less developed values-based food supply chains. We have also learned how better to collaborate with a partner like FarmArt, which is a very successful family-run business that wants to

expand into new arenas and build more sustainable practices and products into its operations but doesn't always know where to start.

10. Future Work:

- i. How will you continue the work of this project beyond the performance period? In other words, how will you parlay the results of your project's work to benefit future community goals and initiatives? Include information about community impact and outreach, anticipated increases in markets and/or sales, estimated number of jobs retained/created, and any other information you'd like to share about the future of your project.

This work was rooted in expanding market opportunities for local producers surrounding Philadelphia. Beyond the performance period, FarmArt will take the lessons, contacts and marketing materials forward to continue to promote local food to their current and potential customers- benefiting the farmers in their network and the local food system as a whole.

Additionally, the work with FarmArt's Barefoot Boy brand has strengthened Fair Food's ability to act as a value chain coordinator and we continue to connect local producers with new buyers in the region. In addition, Fair Food has embarked on a new Wholesale Cheese Program. The lesson of diversifying one's customer base, learned from the FarmArt LFPP has been instrumental in how we think about our business plan. While we have attracted some high-volume restaurant clients, we have learned to focus on a diversity of clients so that month over month sales can continue to grow regardless of one pillar client's changes.

- ii. Do you have any recommendations for future activities and, if applicable, an outline of next steps or additional research that might advance the project goals?

Based on Fair Food's experience with this project, it is our belief that an extended timeline of engagement coupled with additional resources (time and funding) for evaluation of impacts would greatly advance the goals of this project or a similar project.