

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>	September 30, 2014-September 29, 2016
Authorized Representative Name:	M. James Faison
Authorized Representative Phone:	804 925 2644x101
Authorized Representative Email:	james@miltonslocal.com
Recipient Organization Name:	Green Harvest Capital LLC d/b/a Milton's Local
Project Title as Stated on Grant Agreement:	Developing Coordinated Distribution, Aggregation and Marketing of Locally Produced Swine and Cattle Products to Benefit Farmers, Wholesalers and End-Consumers.
Grant Agreement Number: <i>(e.g. 14-LFPPX-XX-XXXX)</i>	14-LFPPX-VA-0164
Year Grant was Awarded:	2014
Project City/State:	Richmond, Va.
Total Awarded Budget:	\$98,790.00

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).

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Different individual: Name: _____; Email: _____; Phone: _____

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:** Enhance the supply chain for locally produced beef and pork through wholesale channels, increase sales to wholesale clients and reduce farmers’ resources expended on delivery.
 - a. **Progress Made:** We made significant progress as evidenced by our addition of large grocery accounts such as Wegmans, and MOM’s Organic Markets. We provide the marketing, sales, and logistics so that our farmers do not have to expend resources on those functions, but instead can focus on farming and ranching.
 - b. **Impact on Community:** We had a positive impact on the local food community in three primary ways: (i) we were able to increase the sales of locally sourced meat, thereby providing our farmers more income; (ii) we made substantial investments in marketing and branding, which had the positive effects of increasing the awareness and profile of locally sourced meats; and (iii) we partnered with local and regional processors to harvest our meat, which not only provided those processors with more revenue to upgrade their facilities, but also exposed them to the requirements necessary to work with large grocers.
- ii. **Goal/Objective 2:** To develop appropriate marketing strategies for the successful expansion of local meat sales, alleviate the need for farmers to meet varying wholesale buyers’ branding requirements and enhance Milton’s Local’s brand to streamline the marketing of locally produced meat from multiple farmers to multiple markets.
 - a. **Progress Made:** We are incredibly proud of our marketing accomplishments that have helped build awareness of the importance of sourcing local meat. Not only did we win the “Shelf Showdown” competition at the Fancy Food Show in NYC, the largest specialty food show in the United States, but we also won the NEXTY Award that is presented by the Natural Products Expo, which is the largest natural products trade show on the east coast. All of the meat that we used was sourced from our network of local and regional farms, which we actively promote. The increased brand awareness allows our farmers to coalesce around one brand, versus multiple brands, thereby encouraging them to focus their efforts on production instead of deploying resources on disparate marketing campaigns.
 - b. **Impact on Community:** Our marketing efforts are critical to increasing sales. It also allows our farmers to shift the marketing burden away from their individual operations, which they may not have the resources to support, to Milton’s Local. As our marketing efforts continue to be more successful, it allows us to source more meat from our local producers, thereby increasing their revenue and their time on the farm.
- iii. **Goal/Objective 3:** Centralize storage facilities in order to enhance distribution logistics and expand aggregation of local farmers to increase volume capabilities.
 - a. **Progress Made:** We have centralized our facilities in that we are working from one storage facility that has multiple temperature zones. However, as we grow we would like to move into our own dedicated facility so that we can have more

control over the temperature zones, as well as implement inventory tracking systems that would improve our logistics.

b. Impact on Community: Centralizing our facilities allowed us to deploy more resources towards marketing and sales versus logistics, as our inventory and personnel were not spread out across multiple facilities. Moving into our own dedicated facility with greater temperature control will allow us to buy more meat from local farmers, as we will be able to store that meat “fresh” longer, which our foodservice accounts prefer.

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, 2014). Include further explanation if necessary.

- i. Number of direct jobs created: 4
- ii. Number of jobs retained: 1
- iii. Number of indirect jobs created: n/a
- iv. Number of markets expanded: 2 (Richmond, Va. and Washington, D.C.)
- v. Number of new markets established: 6 (Hampton Roads, Va., Northern Virginia, Southern Maryland, Metro-Baltimore, Metro-Philadelphia, Southern New Jersey).
- vi. Market sales increased by \$insert dollars and increased by insert percentage%. We expect market sales to increase by \$465,660 from year-end 2014 to year-end 2016, which is an increase of 552%.
- vii. Number of farmers/producers that have benefited from the project: 35
 - a. Percent Increase: 169%

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? We expanded our customer base primarily two ways: (i) partnering with grocers who expanded retail locations, which introduced our meats into new markets; and (ii) by working with mission based non-profits and community organizations such as Arcadia and Tricycle Gardens, who introduced our meats into low income neighborhoods in Richmond, Va. and Metro-Washington, D.C.

4. Discuss your community partnerships.

- i. Who are your community partners? Tricycle Gardens, 31st Baptist Church, Virginia State University College of Agriculture, Wallace Center, Chesapeake Alliance for Sustainable Agriculture, Southside Community Development and Housing Corporation
- ii. How have they contributed to the overall results of the LFPP project? Our partners have been incredibly helpful in connection with (i) sharing and developing best practices, (ii) recruiting new farmers, and (iii) building brand awareness.
- iii. How will they continue to contribute to your project’s future activities, beyond the performance period of this LFPP grant? Local food systems are becoming an increasingly more important element of the supply chain. As local food transitions from becoming niche to mainstream, it is important to build a network of peers and best practices to grow our respective businesses. Our partners will continue to play a critical role in improving our infrastructure and internal systems.

5. Did you use contractors to conduct the work? If so, how did their work contribute to the results of the LFPP project? Yes, we used contractors to help with our sales efforts early on. They were helpful with respect to developing training and accountability protocols for our sales force. As our sales force became better trained, they were able to more effectively tell the story of our farmers

and the importance of sourcing local meat. In turn, sales increased, which allowed us to buy more from our farmers.

6. Have you publicized any results yet?* Yes.
 - i. If yes, how did you publicize the results? We shared our results through speaking on panels, at conferences and at trade shows that are geared towards farming, sustainable agriculture, sustainable food, local food systems and specialty food.
 - ii. To whom did you publicize the results? Yale School of Agriculture and Environmental Studies, Future Harvest Casa, Virginia Agribusinesses Council, Virginia Small Farm Conference, Natural Products Expo, Fancy Food Show, WTOP, NBC, CBS, ABC, FOX, PBS (all local affiliates) and Berkeley Food Institute.
 - iii. How many stakeholders (i.e. people, entities) did you reach? Through our television and radio outreach efforts we were able to broadcast through mediums that have listeners/viewers in the hundreds of thousands. In addition, each of the panels at the industry trade shows had in-person audiences of several hundred.

*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). Yes.

7. Have you collected any feedback from your community and additional stakeholders about your work?
 - i. If so, how did you collect the information? We circulated surveys from our farmers as well as directly interviewed core clients and suppliers. The farmer questionnaires included eight questions and various subparts including: (i) how would you describe your experience working with Milton's Local; (ii) have you seen an increase in sales since beginning work with Milton's Local; (iii) have you seen any change in "off-farm" time spent delivering and marketing your products; (iv) what is your main source of sales; (v) how would you rate your satisfaction with Milton's Local; (vi) what would you like to see Milton's Local improve upon; (vii) what has Milton's Local been successful at; and (viii) would you recommend Milton's Local to fellow farmers. The questionnaires were circulated to all of our farmers. We also placed reminder calls to encourage our farmers to complete the questionnaires. In the end, only five completed the questionnaire.
 - ii. What feedback was relayed (specific comments)?

"Milton's Local has allowed me to continue to grow my business in a direction that can be very frustrating—restaurants. By partnering with Milton's Local, my restaurant sales have increased over 28% this summer. This growth is spectacular considering the summer is normally my slow time. Milton's Local has provided a pathway for my family farm to grow and remain healthy." Papa Weaver

"I love working with Milton's Local because of the people that run the company. James' commitment to high quality and sustainability make it an easy decision for me to bring their product into the kitchen." The Red Hen

"I enjoy working with Milton's Local because of their attention to detail, the knowledge they have of their products and their commitment to working with farmers who raise their animals appropriately. It's great to have in-depth conversations about the animals and what cuts are coming in. I put a lot of effort in to creating a menu based around

responsibly sourced ingredients and having Milton's right there to answer any questions I have or provide me with specific items has been fantastic." Boundary Stone

"I love Milton's Local. I'm local, and grew up 10 miles from one of their farms." Pub & The People

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:
- ii. Did the project generate any income? Revenue yes, income no.
 - a. If yes, how much was generated and how was it used to further the objectives of the award? n/a

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). The supply chain for animal proteins is very different than for produce. For animal proteins, the supply chain must include a processor. For produce, it is different as the washing, cleaning and packaging can be done on the farm, especially if the farms are GAP certified. Consequently, local/regional animal proteins generally cost substantially more than their commodity counterparts because the processing cost is much higher. It is difficult to convince buyers to pay the price premium for local/regionally sourced raw meats. It is much more achievable to market and sell local/regionally sourced value added meats at a price premium. We learned that the key to building a successful local/regional meat business is through value added offerings.
- ii. If goals or outcome measures were not achieved, identify and share the lessons learned to help others expedite problem-solving: We achieved our goals in that we substantially increased the number of farmers that we are able to work with, as well as substantially increased the amount of money that we were able to spend on our farmers.
- 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: The LFPP staff was amazing. They recognized that objectives may change for new enterprises, and they were flexible and willing to work with us in connection with making changes to our original proposals. We had nothing but great experiences with the LFPP team.

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. The lessons that we learned during the duration of the grant were critically important to growing our business. It will enable us to create more jobs, as we aim to hire three more full time employees during the next twelve months, in addition to ten part time workers to help with our marketing and branding efforts. We also intend to not only work with more farmers, as we are targeting adding another ten, but also increase our total spend on our farmers. Over the next twelve months, we would like to spend close to \$1 million dollars on sourcing all natural beef and pork. We are also sharing our lessons

to the larger community both through writing academic papers and speaking on panels that are oriented towards growing local/regional food economies.

- 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? For local/regional food systems that want to increase meat consumption, it is critical that the availability, capacity and pricing of processors is adequately researched and considered.