USING LOCAL FOOD BANKS TO PROMOTE SUSTAINABILITY OF SMALL AND LIMITED RESOURCE FARMS

Presentation at the Project Director Meeting
Prosperity for Small and Medium-Sized Farms and Rural Communities Programs
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GROWING FOODS LOCALLY

- Sponsors: Lowcountry Food Bank (LCFB) and Clemson University

- Project Goals:
  - Provide nutritious food to food bank clients
  - Use the local food assistance system to grow small farms
  - Promote local community economic development
  - Transform how food banks operate

**Findings from LCFB Study**

- Increased farm profits
- Increased crop yields
- Improved crop quality
- Provided impetus for exploring possibility of “scaling up” the project in the rest of S.C.
Local Supply Can be More Profitable

“Producers receive a greater share of retail prices in local food supply chains than they do in mainstream chains... about equal to more than seven times the price received in mainstream chains” (King 2010)

“... farms and businesses in local supply chains can still be successful if they offer unique product characteristics or services, diversify their operations, and have access to processing and distribution services” (King, 2010)
**FOOD BANKS AND FARM SUSTAINABILITY RESEARCH**

**Research Methodology**
- Undertake Contingent Valuation Methods to evaluate consumer preferences
- Survey of small/medium-sized farms to analyze the current potential supply of local grown products
- Develop local networks between food banks and farmers to supply food products needed by local food banks
- Use IMPLAN models to estimate and compare impacts with those of mainstream marketing channels

**Expected Outcomes**
- Changes in Knowledge
- Consumer Preferences
- Demand for local farm products
- To whom to promote locally grown products
- Availability of local produce from local region producers
Demand Side: Consumer Survey

- A mail survey was sent to 6,000 randomly selected households in the Upstate region of South Carolina.
- The Upstate region accounts for roughly 36.9% of South Carolina's overall population.
- The total number of surveys in our sample was 103 with 46.1% fruits and vegetables and 53.9% animal products surveys.
## Demand Side: Consumer Survey

### Table 3.1 Choice Experiment Attributes and Levels

<table>
<thead>
<tr>
<th>Attribute</th>
<th>Level</th>
</tr>
</thead>
<tbody>
<tr>
<td>Growing Location</td>
<td>Local (SC grown)</td>
</tr>
<tr>
<td></td>
<td>Out-of-State</td>
</tr>
<tr>
<td>Price of Product</td>
<td>Average price</td>
</tr>
<tr>
<td></td>
<td>10% more than average</td>
</tr>
<tr>
<td></td>
<td>20% more than average</td>
</tr>
<tr>
<td></td>
<td>30% more than average</td>
</tr>
<tr>
<td></td>
<td>40% more than average</td>
</tr>
<tr>
<td>Donation Aspect</td>
<td>Included donation</td>
</tr>
<tr>
<td></td>
<td>None (donation not included)</td>
</tr>
</tbody>
</table>
## Preferences & Experiences with Food Banks and Other Questions

<table>
<thead>
<tr>
<th>Question</th>
<th>Yes</th>
<th>No</th>
<th>Uncertain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Do you know what a food bank is and/or what it does?</td>
<td>80.6 %</td>
<td>9.7 %</td>
<td>8.7 %</td>
</tr>
<tr>
<td>Have you donated money to a food bank in the past 5 years?</td>
<td>42.7 %</td>
<td>41.8 %</td>
<td>3.9 %</td>
</tr>
<tr>
<td>Have you donated time to a food bank in the past 5 years?</td>
<td>14.6 %</td>
<td>67.0 %</td>
<td>3.9 %</td>
</tr>
<tr>
<td>Have you donated food to a food bank in the past 5 years?</td>
<td>65.1 %</td>
<td>27.2 %</td>
<td>3.9 %</td>
</tr>
<tr>
<td>Would you be willing to participate in a marketing system that connects local farms and local food bank?</td>
<td>35.3 %</td>
<td>15.7 %</td>
<td>46.1 %</td>
</tr>
<tr>
<td>Would you be more likely to shop at a grocery store that clearly stated that it would donate a portion of the profits generated from sales of local farm products to local food banks?</td>
<td>70.6 %</td>
<td>6.9 %</td>
<td>20.6 %</td>
</tr>
<tr>
<td>Do you work / have you ever worked in the agricultural industry?</td>
<td>19.0 %</td>
<td>81.0 %</td>
<td>n/a</td>
</tr>
<tr>
<td>Do you work / have you ever worked for a non-profit organization (volunteered or paid) in the past 5 years?</td>
<td>42.9 %</td>
<td>57.1 %</td>
<td>n/a</td>
</tr>
</tbody>
</table>
SUPPLY SIDE: FARMER SURVEY

- Small and medium sized farms in the Upstate region with less than $100,000 in annual sales will be identified by county extension agents in each of the upstate counties.
- Also, using farmer networks and associations to identify farmers (e.g., Carolina Farm Stewardship Association, Beginner Farmer Program, etc.)
- Only preliminary responses to date
## Supply Side: Farmer Survey

### What would help to increase the local sale of your products?
- More research on local crop pest management solutions
- A local currency
- Courses for farmer’s markets coordinators.
- Marketing
- More production capacity
- Year-round farmers’ markets
- Consumer education to point out the benefits of buying locally, and to encourage more rather than less spending on local products

### Other Upstate Farmer Responses
- No need for new markets
- Production is now about ideal
- There are current problems with water, especially high cost per gallon
- Providing a social safety net for low-income households is government’s role, not farmers
Preliminary Findings of Consumer & Farmer Surveys

- Consumers willing to pay 18% more for locally grown products and 5% more for products including a donation.
- WTP for fruits and vegetables was nearly 23%, and for animal products nearly 15%.
- 80% of farmer respondents currently donate product to emergency relief services, food banks, or similar organizations.
- Nearly 55% percent farmer respondents say “maybe” willing to dedicate a portion of their crops' harvest for sale to food banks, depending on price.
- 90% farmer respondents say willing to attend a meeting with other farmers to discuss the possibilities of opening new local markets.
- Farmer responses suggest differences between Lowcountry and Upstate conditions.
FOR FURTHER INFORMATION

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