Food Security, Entrepreneurship and Value Added

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Food Security

“when all people at all times have access to sufficient, safe, nutritious food to maintain a healthy and active life.”

- World Food Summit of 1996
Challenges to Food Security

• Increasing food prices
• Climate change
• Genetically engineered crops
• Competition for land
• Limited research support
• Global population increase

- Powledge, “Food Insecurity: An Overview”, 2012
“Value-added products are defined as follows:

• A change in the physical state or form of the product.
• The production of a product in a manner that enhances its value, as demonstrated through a business plan.
• The physical segregation of an agricultural commodity or product in a manner that results in the enhancement of the value of that commodity or product.”

USDA, Rural Business Development
Challenges to Value-Added Agriculture

• Subsidization of the wrong products (e.g. processed foods)
• Subsidization of wrong practices (e.g. use of fossil fuels and toxic pesticides)

- *Factory Farming,* “Agriculture Must Adopt More Sustainable Farming Methods,” 2013
Links Between Food Security and Value-Added Agriculture

• Sustainable practices
• The need for innovation = entrepreneurship (most appropriately social entrepreneurship)
Dees’s Definition of Social Entrepreneurship

“Social entrepreneurs play the role of change agents in the social sector by:

• Adopting a mission to create and sustain social value (not just private value);
• Recognizing and relentlessly pursuing new opportunities to serve that mission;
• Engaging in a process of continuous innovation, adaptation, and learning;
• Acting boldly without being limited by resources currently in hand; and
• Exhibiting a heightened sense of accountability to the constituencies served and for the outcomes created.”

- J. Gregory Dees, 1998
Benefits of Entrepreneurial Thinking & Acting in Food Production

• Recognizes market opportunities to add value by lowering costs, improving quality, and bettering access
• Orients activities to the customer
• Fosters creativity
• Generates wealth and social return on investment (SROI)
• Encourages productive networking
Examples From Practice

- Founders: Tim McCollum and Brett Beach, former Peace Corps volunteers
- Assist cocoa bean farmers in sustainable agriculture in Madagascar
- For-profit chocolate makers
- Operate chocolate factory
- Recently received $2.5 million in VC investment

Examples From Practice

**Local Garden** (in Vancouver):

- Verticrop system: hydroponics, no pesticides/herbicides, automated light, recirculated water
- To local retailers & restaurants within 24 hours of harvest
- Year-round production
- Start-up funding from Vancity’s Community Capital
- City provides low-cost 10-year lease

-Berman, “Salad Towers,” 2013
Examples From Practice

Civic Entrepreneurship – Boston, MA

- Promotes urban farming
- Created an “Open Space” District (1980s) to permit a more diverse set of uses for open land
- Developed Green Smart Growth Overlay District (2010): permits food production, food-oriented retail, and food production incubator uses
- Brought together citizen groups, nonprofit sector and city government

-Maloney, “Putting Paradise in the Parking Lot,” 2013
Recommendations for Fostering Entrepreneurship for Food Security/Value Added

• Encourage networking of entrepreneurs through the use of co-working spaces
• Foster innovation through business plan/business model competitions for entrepreneurs and/or intermediaries (e.g. NYC’s Competition THRIVE)
• Provide technical assistance, access to space, and access to capital through business incubators/accelerators
• Encourage community foundations to invest in start-up businesses (e.g. Center for Rural Entrepreneurship’s TOW program)
• Build business coaching programs to facilitate skill building by entrepreneurs (e.g. Entrepreneurial League System)
• Support youth entrepreneurship in local communities and regions
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