

# GROWING FOOD & FARM BUSINESSES IN NORTH CAROLINA

Growing Relationships, Harvesting Impacts:

How Small Business Developers Can Strengthen and Support  
Local and Regional Food Economies in North Carolina

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[www.ncgrowingtogether.org](http://www.ncgrowingtogether.org) | [www.localfoodeconomies.org](http://www.localfoodeconomies.org)

## NC Growing Together at the Center for Environmental Farming Systems



### Farmer capacity

- Food safety, market channels, production techniques, buyer connections



### Supply chain expansion

- Wholesale and institutional partner connections, infrastructure assessment and business feasibility



### Producer & processor capacity

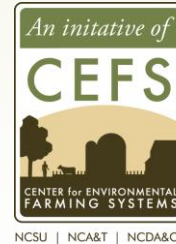
- Resource development for meat, dairy, seafood, produce, and value-added products



### Supportive business environments

- Local government integration; small business development and support for food-based entrepreneurs

North Carolina Growing Together is a five-year USDA-funded project aiming to strengthen and expand local and regional food supply chains and to model this work for other geographies in the U.S.



## NC GROWING TOGETHER

*Connecting Local Foods  
to Mainstream Markets*

Born and raised in Western North Carolina, I received an MPA from UNC-Chapel Hill's School of Government and worked on a number of economic development & food systems projects across the East Coast.

I grew up on farms, owned a farm-to-table restaurant, ran a regional food policy council, and generally adore food in all its forms. Especially cheeses.

I currently live in the Triangle with my family, where I enjoy reading, traveling, and, of course, pulling for the Tarheels and the Green Bay Packers.



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## Common food system terms and definitions

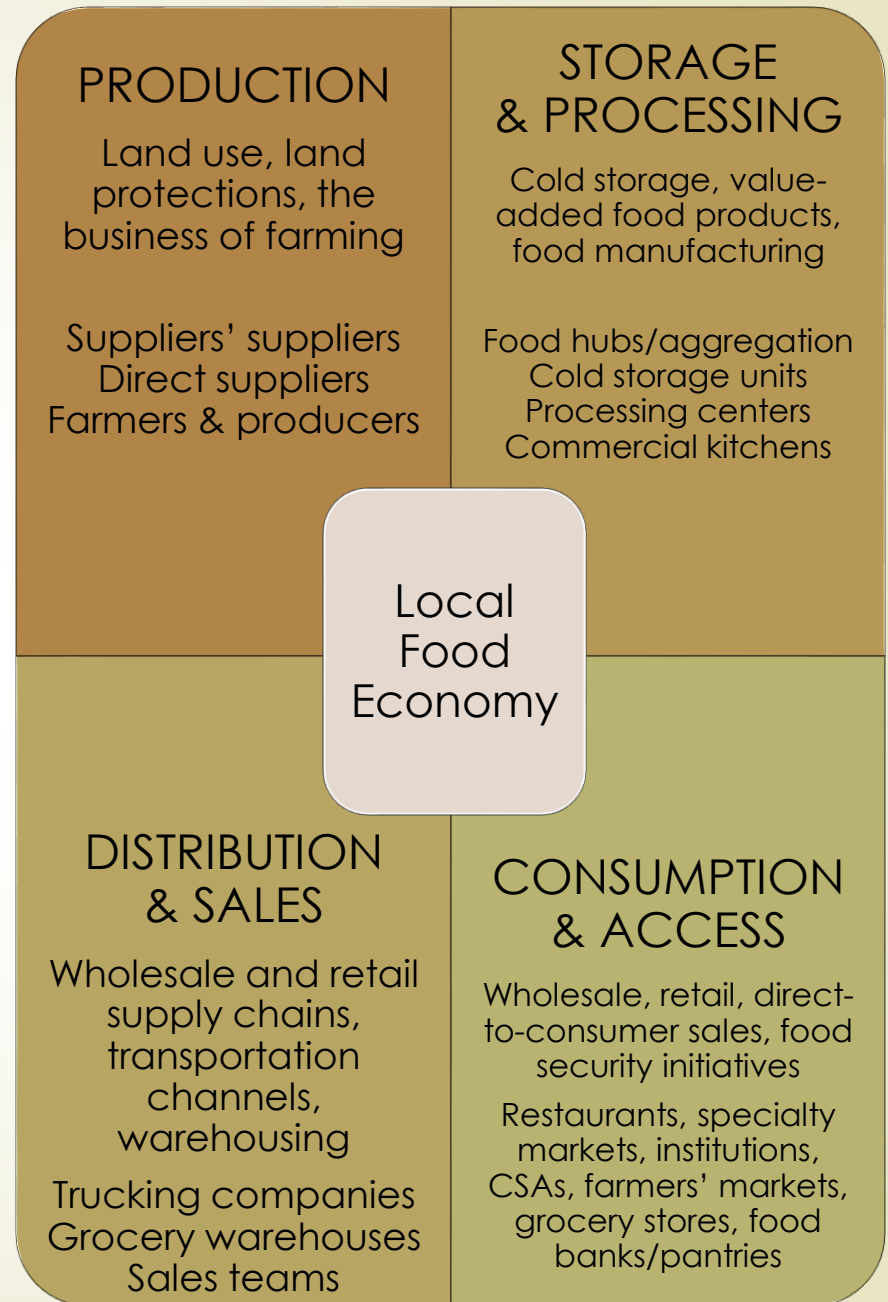


- ▶ **Agricultural Economic Development**
  - ▶ Encompasses financial and regulatory structures that encourage farm success
  - ▶ Includes policies that impact food processors and other supply chain businesses, including transportation
- ▶ **Aggregation**
  - ▶ Popular “food hub” and other ag center function, pulling together smaller volumes of agricultural products into larger orders for wholesale markets
  - ▶ Some food hubs serve additional purposes
- ▶ **Food Access & Consumption**
  - ▶ Covers emergency and non-emergency food access for people at all income levels
  - ▶ Includes front-line food services like pantries and kitchens
  - ▶ Also includes topics like access to healthy foods, food desert prevalence, distance to food sources, and other factors
- ▶ **GAP & FSMA**
  - ▶ GAP: Good Agricultural Practices, voluntary USDA certification program (req. by some buyers)
  - ▶ GHP: Good Handling Practices (similar, but for food processing facilities)
  - ▶ FSMA: update to ancient food safety regulations; not connected to GAP
- ▶ **The Great Variety of Kitchens**
  - ▶ Shared-use kitchens, commercial kitchens, co-op kitchens...

## Local Food Economies

Local food economies encompass everything that is associated with a local food system.

This includes the entire food supply chain – from production to consumption – as well as affiliated businesses and structures.



# Local Food Supply Chains

## Producer Inputs

seeds, equipment, stock, land, water

## Production

land, water, the business of farming, technique, methods, labor, certifications

## Storage & Processing

harvest, cooling & storage, packing, processing, food manufacturing, aggregation

## Distribution & Sales

wholesale/retail, institutional buyers, chefs, trucking, warehousing, sales teams

## Consumption & Access

grocery & retail outlets, foodservice, food banks/pantries, farmers markets

# NATIONAL AG STATISTICS



of American consumers  
**prefer food grown in the U.S.** from regional sources



**13 million acres of farmland**

needed to produce the minimum daily requirement of fruits and veggies in the US for US consumers by 2020



US Farmers' markets have increased

**350%**  
since 1994



USDA has maintained farm-to-fork initiatives since 2000

# N.C. AG STATISTICS



Agriculture & agribusiness account for **1/6 of NC's income and employees.**



Total income in Agriculture and Food industries in NC is **\$84.5 billion (a 14.6% share of NC income).**



NC ranks **8<sup>th</sup> in the nation** for agricultural production. More than **17% of gross state product** is contributed by food, forest and fiber industries.



Of all NC farms, almost 75% are family-owned small to medium-sized businesses reporting less than \$100,000 in farm revenue per year.

## So, what's local?

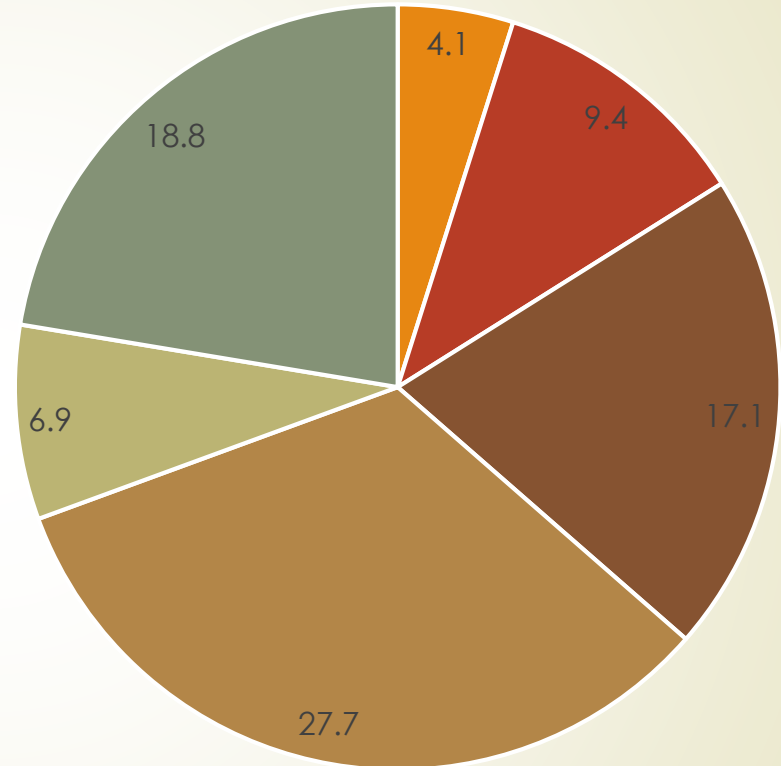
Food systems are unique to the geographic, cultural, and market attributes of their regions. Local and regional governments are encouraged to create their own definitions of "local" foods for use in branding and marketing efforts.

*\*Data sources are provided on the final slide.*



# NORTH CAROLINA'S FOOD ECONOMY

\$84 billion in Agriculture, Food, and  
Forestry Industries  
(Sept. 2016)



Data provided by Mike Walden, Reynolds  
Distinguished Professor and Extension  
Economist, N.C. State University, College of  
Agriculture and Life Sciences

*\*Data sources are provided on the final slide.*

- Fiber
- Forestry
- Farming & production
- Food manufacturing
- Wholesaling
- Retailing

# COMMON ISSUES IN DEVELOPING FARM AND FOOD BUSINESSES



## Succession

### Who farms next?

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- Average age of NC farmer: 59
- Average age of US farmer: 55
- Opportunities for rural youth (countering the “brain drain” problem)

## Land Loss

### Prioritizing farm-conscious growth

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- 2016: 40 acres per hour
- Prime soils & water access

## Economics

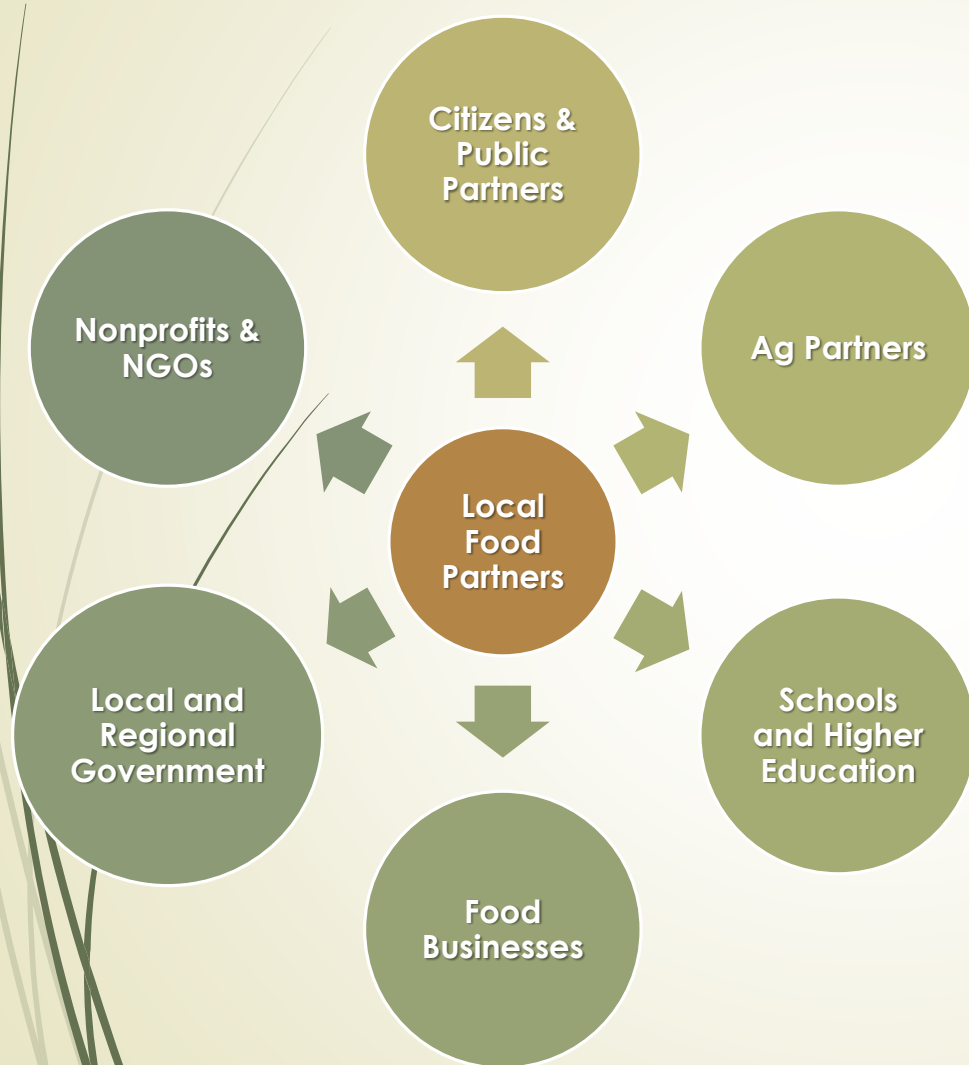
### Regional impacts

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- Economic impact of agriculture & food entrepreneurship
- Entrepreneurship & the resiliency of small- and mid-scale business networks
- Rural-urban market relationships
- Revitalization of downtowns, vacant land, and urban centers
- Systems approach: private-sector opportunities across multiple industries
- Agritourism



# COLLABORATIVE OPPORTUNITIES IN LOCAL FOOD ECONOMIES



## Leveraging Collaboration for Successful Projects

*The development of local food economies relies on nontraditional partners and a regional approach to infrastructure, transportation and land use.*

### PARTNERS

- ▶ Traditional partners (other local government staff, councils of government)
- ▶ Ag partners (Extension Service, NCDA)
- ▶ Nontraditional partners (public health, transportation & infrastructure, small business centers & workforce development, SWCDs)
- ▶ Community partners (food councils, nonprofits, faith-based groups)
- ▶ Higher education partners (universities and community colleges)
- ▶ Nonprofits & NGOs
- ▶ Social networks

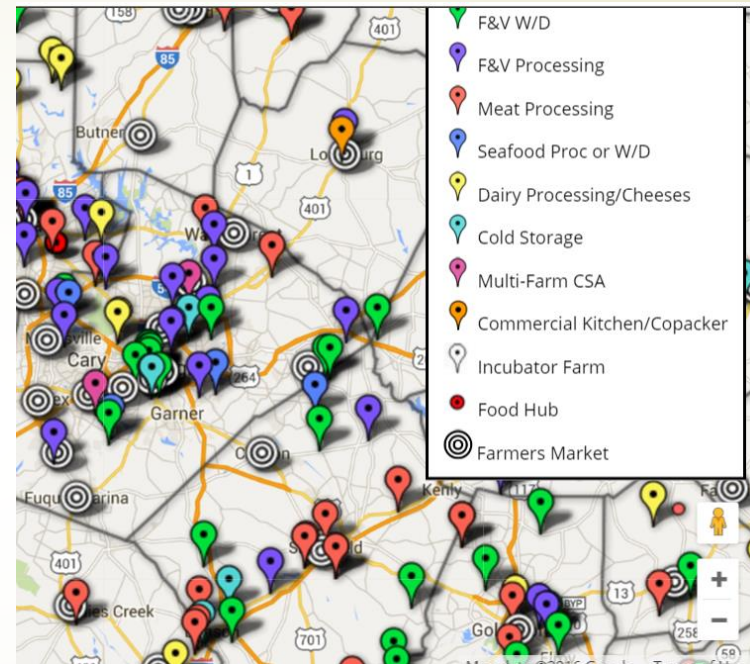
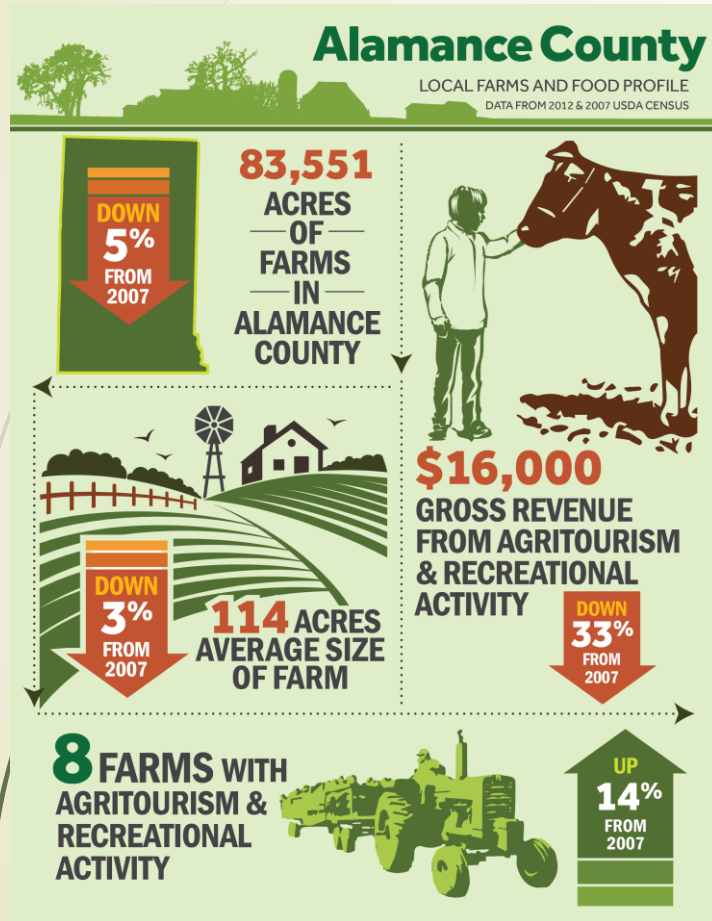
# STRONG FOOD SYSTEMS RELY ON SMALL BUSINESS ASSISTANCE PROVIDERS.



Local food systems need the unique skills, capacities, and abilities of local and regional business developers:

- Knowledge of local business & government environments
- Partnerships with workforce development, economic development
- A deep knowledge of community and local markets
- Partnerships & experience in tourism and marketing strategies
- Knowledge of community input & feasibility processes
- Access to technologies and innovations
- Interaction with state and federal agencies
- Access to funding, financing, and technical assistance
- Evaluation & impact analysis

# NCGT & CEFS: RESOURCES AND TOOLS



**COMMUNITY FOOD STRATEGIES**



[WWW.LOCALFOODECONOMIES.ORG](http://WWW.LOCALFOODECONOMIES.ORG)

## NATIONAL & STATE RESOURCES AND TOOLS

USDA's [Economic Impact of Local Foods Toolkit](#)

USDA's [Farm to Fork](#) Resources

[American Planning Association](#)

[Southern SAWG](#)

[National Institutes of Health](#)

Food Environment Database (resources by county): <http://www.ers.usda.gov/data-products/food-environment-atlas.aspx>

USDA Economic Impact of Local Foods Toolkit: [www.localfoodeconomics.com](http://www.localfoodeconomics.com)

NC Department of Agriculture

[www.ncagr.gov](http://www.ncagr.gov)

NC Cooperative Extension

<https://www.ces.ncsu.edu/local-county-center/>

## NORTH CAROLINA SUCCESS STORIES

Comprehensive & Strategic Planning: Agricultural Economic Development Plans

- Example: [Henderson County](#), [Durham County](#)

Community Food System Assessments

- Example: [Cape Fear COG](#)

Infrastructure/supply chain mapping analysis

- Example: [LFI Map](#); [Piedmont Triad Regional Council](#)

Regional agricultural economic development directors

- Examples: [Durham](#), Henderson, Polk, [Orange](#)

Regional support & coordination for food policy councils and/or food collaboratives

- See [Community Food Strategies](#)' work with councils of government

Business development & entrepreneurship

- Examples: [Appalachian Farm School](#), [Vance-Granville Ag Entrepreneurship Program](#), [Piedmont Food & Ag Processing Center](#)

Zoning and land use strategies & policies

- Examples: [Town of Matthews](#), [City of Winston-Salem/Forsyth County](#)



# QUESTIONS?

[www.localfoodeconomies.org](http://www.localfoodeconomies.org)  
[www.ncgrowingtogether.org](http://www.ncgrowingtogether.org)

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**Agriculture not only gives riches to a nation –  
but the only ones she can call her own.**

*Samuel Johnson*

## Data sources used in this presentation include:

- NC Agriculture & Agribusiness Statistics, NCSU, 2016:  
[https://www.cals.ncsu.edu/agcomm/news-center/wp-content/uploads/2016/05/2015\\_083-WaldenAgBusinessReport-051116.pdf](https://www.cals.ncsu.edu/agcomm/news-center/wp-content/uploads/2016/05/2015_083-WaldenAgBusinessReport-051116.pdf)
- USDA ERS & AMS, 2011-2016, citations from Community & Local Government Guide to Developing Local Food Systems, CEFS, NCSU: <https://cefs.ncsu.edu/resources/a-community-and-local-government-guide-to-developing-local-food-systems-in-north-carolina-2013/>
- Growing Food Connections Policy Database, SUNY-Buffalo, 2016: <http://growingfoodconnections.org/tools-resources/policy-database/general-search-policy-database/>
- UNC School of Government Local Food Resources: <https://www.sog.unc.edu/search/#!/search/local%20food>
- Farmland Information Center, 2016: <http://www.farmlandinfo.org/statistics>
- APA Food Systems Planning Working Group: <https://www.linkedin.com/groups/3930672/profile>
- National Farmland Trust, 2016: <https://www.farmland.org/our-work/areas-of-focus/farmland>

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**Michael McDonald**

**Client Services Manager, Blue Ridge Food Ventures**

## **Big Impacts in North Carolina:**

How SBC and SBTDC have already helped food & farm businesses, and new opportunities for the future