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

Emily Edmonds | CEFS – NCGT | November 15, 2016
www.ncgrowingtogether.org | www.localfoodeconomies.org
NC Growing Together
at the Center for Environmental Farming Systems

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.

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

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.

This material is based upon work that is supported by the National Institute of Food and Agriculture, United States Department of Agriculture, under award no. 2013-68004-20363. Any opinions, findings, recommendations, or conclusions expressed in this publication are those of the author(s) and do not necessarily reflect the view of the U.S. Department of Agriculture.
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

- 75% 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 8th 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)

- Fiber: 27.7%
- Forestry: 17.1%
- Farming & production: 18.8%
- Food manufacturing: 9.4%
- Wholesaling: 6.9%
- Retailing: 4.1%

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.*
COMMON ISSUES IN DEVELOPING FARM AND FOOD BUSINESSES

Succession

Who farms next?
- 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
- 2016: 40 acres per hour
- Prime soils & water access

Economics

Regional impacts
- 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
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

Alamance County
LOCAL FARMS AND FOOD PROFILE
DATA FROM 2012 & 2007 USDA CENSUS

83,551
ACRES
OF FARMS
IN ALAMANCE COUNTY

DOWN 5%
FROM 2007

$16,000
GROSS REVENUE
FROM AGRITOURISM
& RECREATIONAL ACTIVITY

114
ACRES
AVERAGE SIZE
OF FARM

DOWN 3%
FROM 2007

8
FARMS WITH
AGRITOURISM &
RECREATIONAL ACTIVITY

UP 14%
FROM 2007

WWW.LOCALFOODECONOMIES.ORG
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
Data sources used in this presentation include:

- UNC School of Government Local Food Resources: [https://www.sog.unc.edu/search/#!/search/local%20food](https://www.sog.unc.edu/search/#!/search/local%20food)
- APA Food Systems Planning Working Group: [https://www.linkedin.com/groups/3930672/profile](https://www.linkedin.com/groups/3930672/profile)
- National Farmland Trust, 2016: [https://www.farmland.org/our-work/areas-of-focus/farmland](https://www.farmland.org/our-work/areas-of-focus/farmland)

Special thanks to Donald Belk, AICP, N-Focus Planning; Erin Sullivan White, Community Food Lab; Debbie Hamrick, NC Farm Bureau; and Jonathan Q. Morgan, Associate Professor of Public Administration and Government, UNC School of Government, for their time and expertise in assisting the Resilient Local Food Economies initiative.
Amanda Bradshaw
Sampson County Small Business Center, former Extension agent

Tiffany Henry
Jackson County Small Business Center, Appalachian Farm School

Chad Oliphant
Co-Founder, CEO, Smiling Hara Tempeh

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