ASAP

Appalachian
Sustainable
Agriculture
Project

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ASAP Local Food Research Center

Mission: To assess the economic, social, and environmental impacts of food system localization through applied, systems-based, collaborative research.

- Grounded in ASAP's theory of change: localizing food systems strengthens local economies, boosts farm profitability, increases sustainable production practices, and improves individual and public health

Research will explore questions such as:

- ❖How do experiences with local food and farms affect consumers' perceptions, purchasing decisions, relationships with food, eating habits, and health?
- ❖How are changes in demand for local food affecting production practices, farm profitability, and regional food infrastructure and local food distribution networks?
- ❖What are the real economic impacts of localizing food production and consumption?
- ❖What are the unintended consequences of localizing food production and consumption? How are these consequences hindering or supporting localization efforts?

"Growing Local"

- Funder: SARE Large System
- Objectives: Long-term scientific research into the underlying assumptions at the foundation of the emerging local food movement.
- Partners: UNCA, UNC
- Timeline: 3 years (up to 9)
- Application: Iterative
  - Research helps us understand how the food system is changing, informs the development of strategies to further localization efforts, evaluate the impacts of those strategies, etc.

Keeping the Value with the Farm:

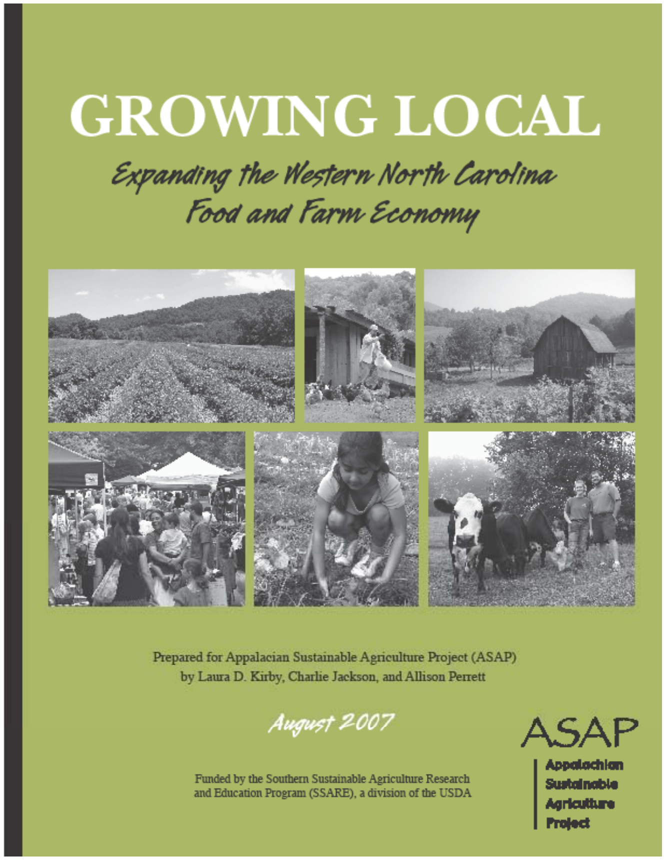
Expanding Market Opportunities Through Regional Branding

- ❖ Funder: NIFA AFRI
- ❖ Objectives: Develop and implement effective messaging and marketing strategies for a model local food branding program
- ❖ Partners: UNCA, Clemson, retailers
- ❖ Timeline: 4 years
- ❖ Application: this is an "integrated" project
  - ❖ Evaluate impact of specific promotional strategies on consumer purchasing
  - ❖ Apply the results of research to branding messages and promotional strategies and to buyer/frontline personnel outreach strategies

ASAP Assessments

- A local food (market) assessment increases understanding of the current food system in a community—what food and farm products are currently produced in the region, how much of what is produced is also consumed in the region—and enables decision makers to choose the most appropriate and viable strategies to expand the availability of local food in the area.
- Recent Completed Assessments
  - Chattanooga, TN
  - Clay County, NC
  - Johnson County, TN
  - Mount Pleasant, SC
  - Watauga County, NC

- What is currently produced here
- How much is consumed here now
- What is the potential for increase
- Where do changes need to occur




For WNC the total current (2007) annual desire by consumers and businesses for locally grown food equals $36.5 million for fresh fruits and vegetables and nearly $452 million for all types of food
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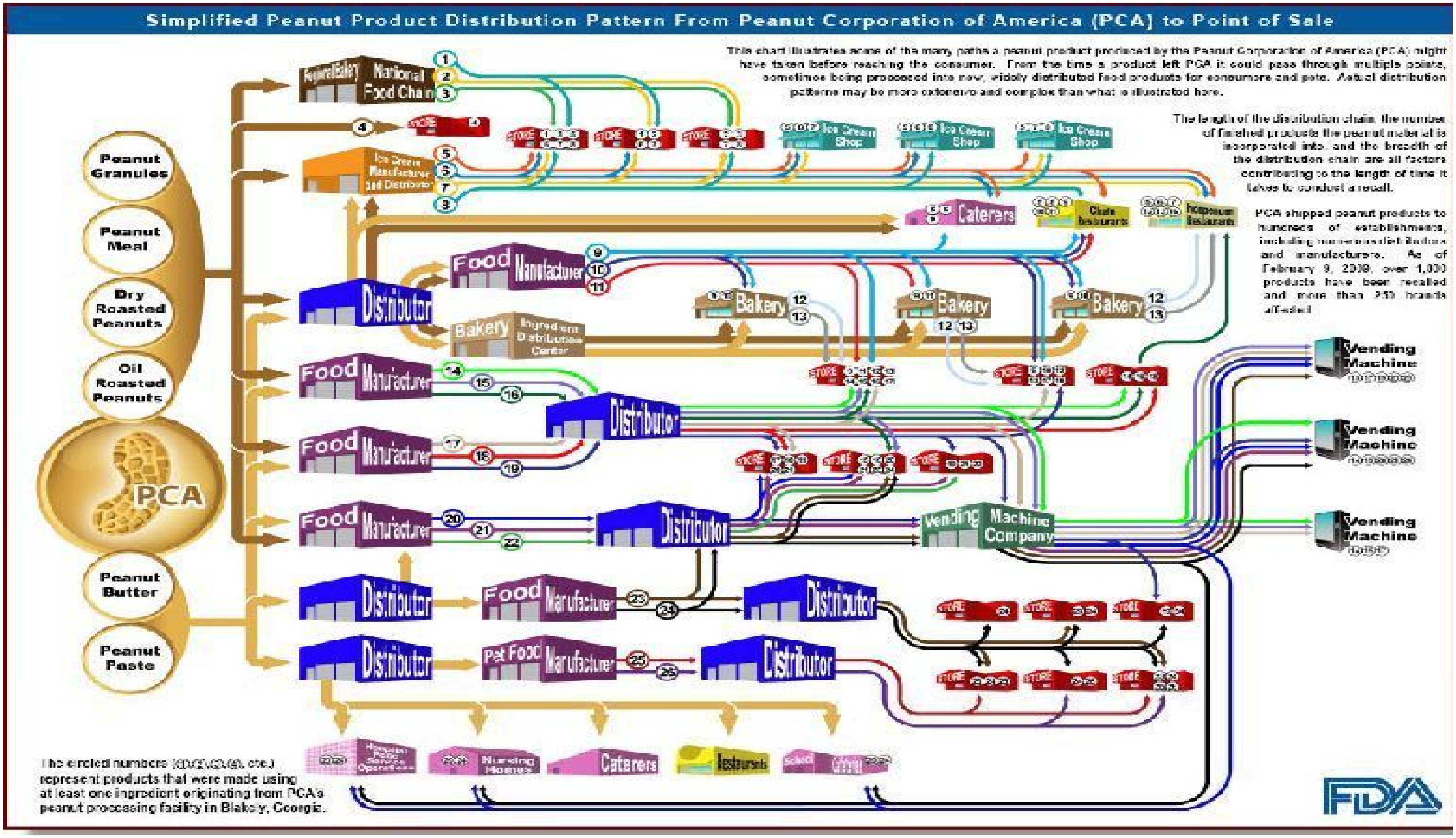

Simplified Peanut Product Distribution Pattern From Peanut Corporation of America (PCA) to Point of Sale
This chart illustrates some of the many paths a peanut product produced by the Peanut Corporation of America (PCA) might have taken before reaching the consumer. From the time a product left PCA it could pass through multiple points, sometimes being processed into new, widely distributed food products for consumers and pets. Actual distribution patterns may be more extensive and complex than what is illustrated here.
The length of the distribution chain, the number of finished products the peanut material is incorporated into, and the breadth of the distribution chain are all factors contributing to the length of time it takes to conduct a recall.
PCA shipped peanut products to hundreds of establishments, including and manufacturers. As of February 9, 2009, over 1,000 products have been recalled
Peanut Granules
Peanut Meal
Dry Roasted Peanuts
Oil Roasted Peanuts
PCA
Peanut Butter
Peanut Paste
National Food Chain
Ice Cream Manufacturer and Distributor
Distributor
Food Manufacturer
Bakery Ingredient Distribution Center
Bakery
Ice Cream Shop
Caterers
Chain Restaurants
Vending Machine
Vending Machine Company
Pet Food Manufacturer
Nursing Homes
Caterers
Restaurants
School Cafeteria
STORE
The circled numbers represent products that were made using at least one ingredient originating from PCA's peanut processing facility in Blakely, Georgia.
FDA

2008 industry group value-added

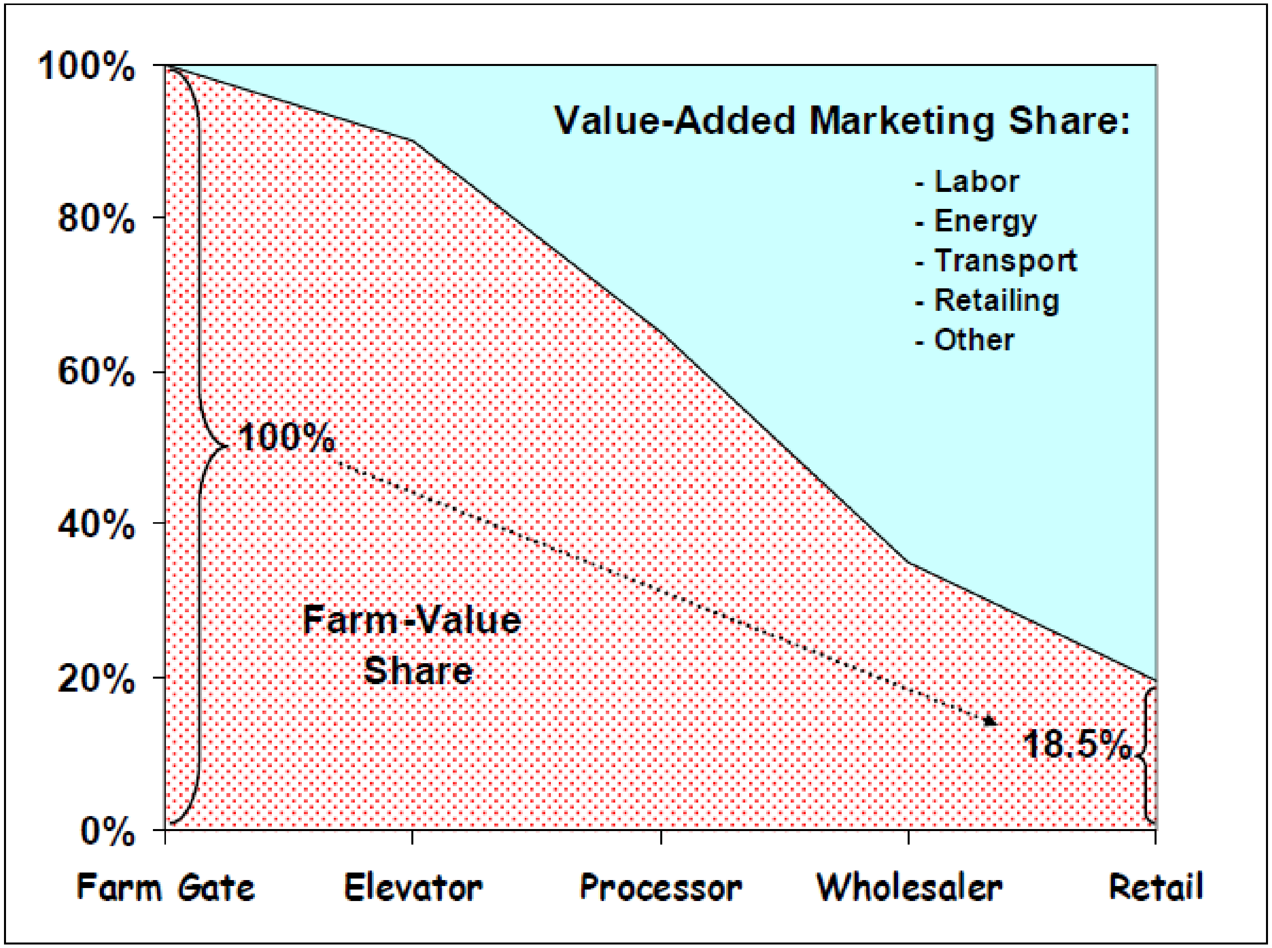
“Other” comprises advertising (2.0¢) and legal and accounting (1.8¢).

Source: USDA, Economic Research Service.

$$farm\ share = i'_a \cdot \left[x_a^{net} - \overline{S\_m_a} \cdot y_a^{fd} \right] \div i'_C \cdot \left[\left(\bar{i}_C - \overline{S\_m_c} \right) \cdot y_C^{fd} \right]$$

Figure 1. Value Added to Farm Products Along the Marketing Chain

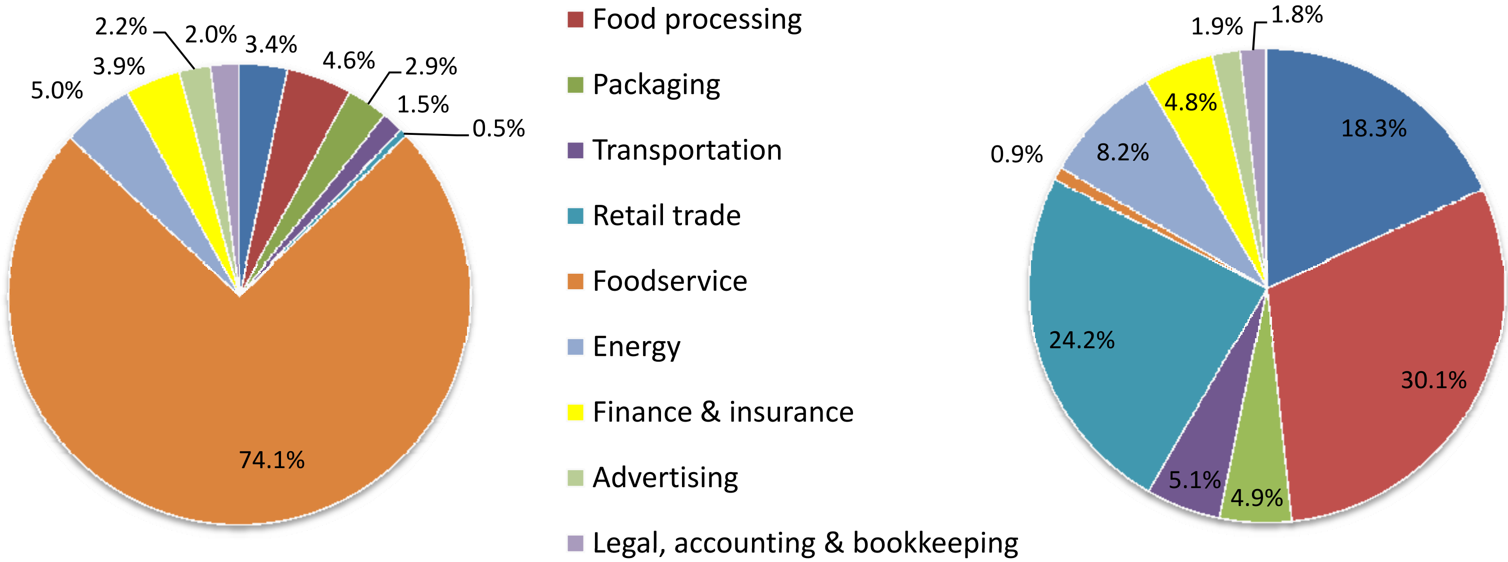
(average farm-value share of retail food prices as %)



Source: The retail share is for 2006 from ERS, USDA. All other category shares are imputed by CRS.

Food Dollar Cost Components: Away From Home Consumption

Food Dollar Cost Components: At Home Consumption



How are the costs of each industry group distribued among primary factors?

Industry Group	Total	Primary Factors			
		Imports	Output Taxes	Property Income	Salary & Benefits
All industries	100¢	7.8¢	8.4¢	33¢	50.8¢
Farm & Agribusiness	11.6¢	1.4¢	0.3¢	7¢	2.9¢
Food processing	18.6¢	1.2¢	0.9¢	5.6¢	10.9¢
Packaging	4¢	1.1¢	0.1¢	1¢	1.8¢
Transportation	3.5¢	0.2¢	0.1¢	1.1¢	2¢
Retail trade	13.6¢	0.3¢	2.6¢	3.2¢	7.5¢
Foodservices	33.7¢	0.8¢	3.4¢	9.2¢	20.3¢
Energy	6.8¢	2.5¢	0.6¢	2.3¢	1.3¢
Finance & Insurance	4.4¢	0.2¢	0.2¢	1.9¢	2.1¢
Advertising	2¢	0.1¢	0.1¢	0.8¢	1¢
Legal & accounting	1.8¢	0¢	0.1¢	0.7¢	1¢

Values may not sum to totals due to rounding
Source: ERS/USDA

This table is a cross- tabulation of industry group value added (costs) by primary factors of production.

MARKET SHARE OF RETAIL PRODUCE SALES FOR SELECTED FRUITS AND VEGETABLES					
VEGETABLES	% OF TOTAL PRODUCE SALES IN 2010	VEGETABLES (CONTINUED)	% OF TOTAL PRODUCE SALES IN 2010	FRUITS	% OF TOTAL PRODUCE SALES IN 2010
Apples	7.1%	Asparagus	1.4%	Leeks	0.1%
Berries	2.8%	Beans	0.8%	Mushrooms	2.2%
Cantaloupe	1.7%	Beets	0.1%	Onion	4.3%
Cherries	1.9%	Broccoli	1.7%	Lettuce	2.2%
Grapes	6.4%	Cabbage	0.7%	Peas	0.3%
Nectarines	0.8%	Carrots	2.5%	Peppers (Bell)	2.6%
Melons	0.7%	Cauliflower	0.6%	Potatoes	5.7%
Peaches	1.2%	Celery	1.5%	Pumpkins	0.2%
Pears	1.1%	Corn (Sweet)	1.2%	Radishes	0.2%
Plums	0.6%	Cucumbers	1.7%	Romaine	1.1%
Strawberries	4.9%	Eggplant	0.2%	Spinach	0.6%
Watermelon	2.4%	Garlic	0.5%	Sprouts	0.1%
		Green Onion	0.5%	Squash	1.4%
		Greens	0.3%	Sweet Potatoes	1.0%
		Herbs	1.0%	Tomatoes	7.5%
Column Totals	31.6%		14.7%		29.4%
TOTAL SHARE OF PRODUCE MARKET THAT CAN BE GROWN IN WNC: 75.7%					

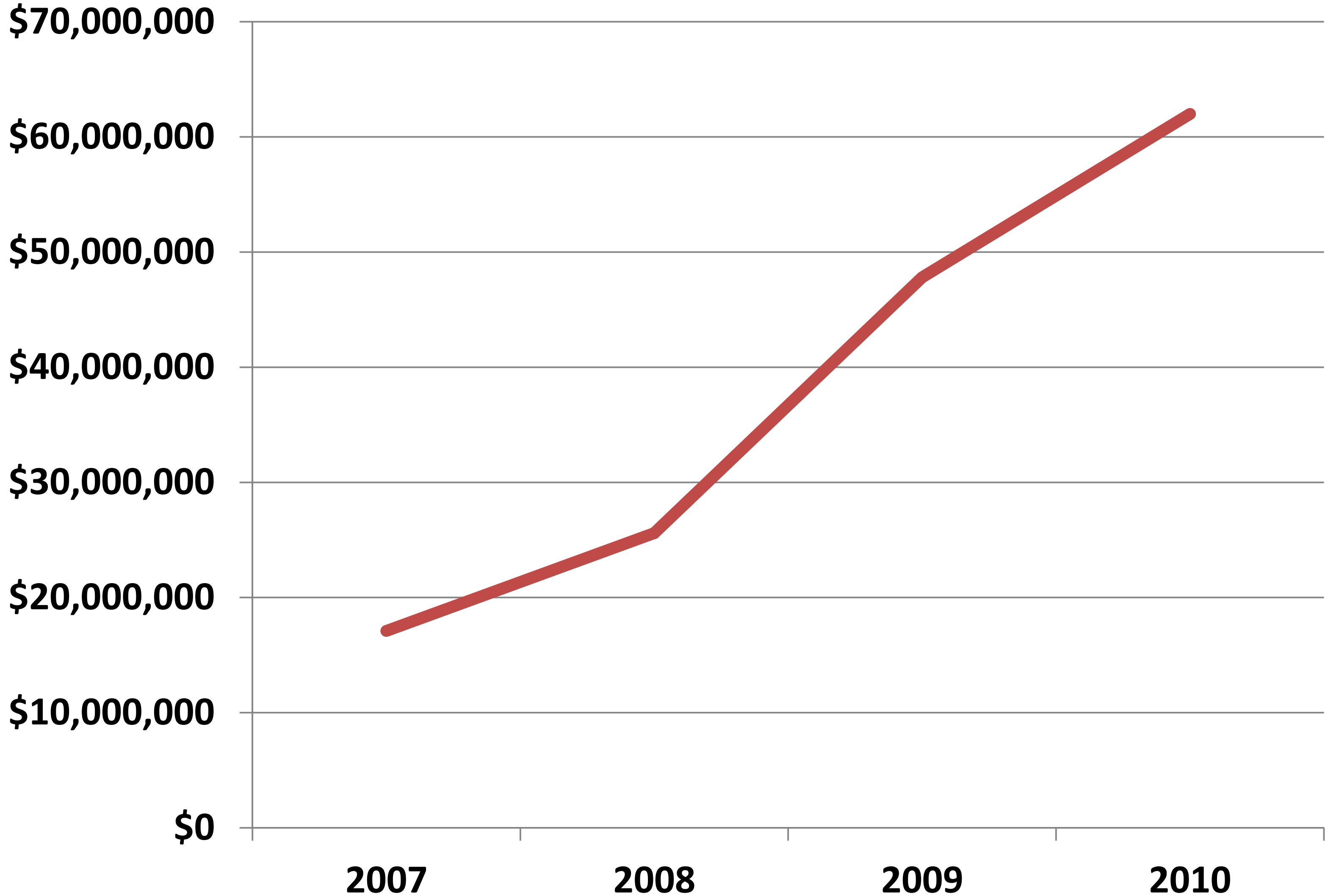
$ Retail Spending Potential for Produce, Meats, & Dairy in WNC 2010			
	Total Consumption (lbs)	Total Retail Spending ($dollars)	Potential Local Spending ($dollars)
Fresh Fruits and Vegetables	280,823,120	$380,859,126	$144,726,468
Meats (beef, chicken, pork, lamb, turkey)	299,442,400	$629,861,800	$6,298,618
Fluid Milk	197,185,700	$86,761,708	$86,761,708
Dairy (butter and cheddar cheese)	38,748,800	$61,381,820	$613,818
Total Retail Spending: $1.2 billion			
Potential Local Spending $238 million			

Source: The figures in the table are based on a series of calculations combining data from the 2007 Census of Agriculture, the ERS/USDA Data Food Availability (Per Capita) Data System: Food Guide Pyramid (2009-2010), The Packer which provided the 2010 average price per pound for produce, and the Bureau of Labor Statistics Average retail food and energy prices, U.S. city average and South region Jan 2011-Dec2011

Capturing a Greater Proportion of the Food Dollar in WNC

- According to ASAP research, “total current local potential spending” (fresh fruits and vegetables and artisan meat and cheese) would account for 9% of total food spending by residents of WNC ($238 million/$2.6 billion)

Local Food Sales



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2010 consumers purchased $62 million in local food in WNC.
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www.asapconnections.org/research.html