



Direct Marketing to Schools

A New Opportunity for Family Farmers

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Introduction

In 1997, the Santa Monica-Malibu Unified School District (SMMUSD) launched a new program at McKinley Elementary School designed to incorporate fresh locally grown fruits and vegetables into the district's school lunch program. Known locally as the "Farmers Market Fruit and Salad Bar," the pilot program had the dual purpose of increasing students' consumption of fresh fruit and vegetables and supporting local farmers by purchasing produce directly from them at local farmers markets. On the basis of the 1997 pilot project, the program was expanded in the SMMUSD district by the year 2000 from one to 11 schools—nine elementary schools and two middle schools.

As the Santa Monica-Malibu salad bar program progressed, project evaluation showed that the model was economically viable from the district's point of view and provided a consistent income to local farmers.² This assessment resulted in similar programs being piloted across California and the U.S. Most notable was the program in the Berkeley Unified School District (BUSD), where a garden-based education program was already well under way. The Farmers Market Salad Bar, in which BUSD purchased local organic produce for the lunch program, was considered a natural extension of the garden and cooking curriculum.

In 2000, Occidental College, in collaboration with the California Department of Education (CDE), University of California Sustainable Agriculture Research and Education Program (SAREP) and Community Alliance with Family Farmers (CAFF), received a grant from the USDA to implement salad bar pilot projects in Yolo and Ventura counties. The grant launched the Farm-to-School program in the Davis Joint Unified School District in Yolo County and Ventura Unified School District in Ventura County. "Farm-to-School" refers to a comprehensive program that incorporates various elements of a salad bar, school garden activities, standards-based curriculum, farm tours and waste reduction and recycling.

This case study—part of a larger study on direct marketing techniques used by small farmers—focuses on the experiences of six farmers in California who have participated in these farm-to-school farmers market salad bar projects. Five have participated only on the supply end of the program, while one farmer from Ventura County has played the roles of producer, supplier, salad bar facilitator and liaison among parents, teachers, school district personnel and administration.

Overall, farmers report that they are dedicated to the idea behind the Farm-to-School program and are passionate about the philosophical underpinnings of the program. In the programs outside the Santa Monica-Malibu District, however, the promise of the salad bar program becoming an economically significant part of their direct marketing has not yet materialized. Profits and quantities are still too small to comprise a recognizable contribution to farmers' overall profit margin. Nevertheless, farmers hold the program in high esteem and want to nurture it for the potential it holds. Because the program's values are in line with their own values, these farmers are committed to making the program work. And even though the Farm-to-School marketing is not yet contributing much to their business profits, it appears to be contributing indirectly through the "synergy" it creates among farmers, school personnel, parents and their children and other community members. The relationships generated as a result of this innovative program are considered as important as monetary gain.

Farm and Farmer Profiles

The six farmers in this study all rely upon direct marketing techniques as their primary marketing strategy. The majority of their income comes from farmers market sales, Community Supported Agriculture (CSA) subscriptions and direct retail sales. Of these, the two primary income sources are farmers markets and Community Supported Agriculture (CSA) subscriptions. The maximum percentage of income from farmers market sales is 85 percent and the least reported is about 10 percent. Farmers who offer CSAs typically bring in about one-third of their income through family and individual subscriptions. Other direct marketing outlets include retail grocery stores that sell organic produce such as the Davis Food Co-op, Nugget Market in Davis, Monterey Market in Berkeley, Rainbow Grocery in San Francisco and others. In addition, some farmers sell to high-end restaurants in the Bay Area such as Chez Panisse in Berkeley and Oliveto restaurant in Oakland.

Five of the six farmers interviewed live in Yolo County and farm primarily in the Capay Valley, a fertile area northwest of Sacramento and Davis bisected by Cache Creek. All five farm organically, although only three are certified by CCOF (California Certified Organic Farmers). The sixth farmer lives and farms in Ventura County just north of Los Angeles.

The largest farm is **Full Belly Farm** at 200 acres. Full Belly is well-known throughout Northern California and particularly in the San Francisco Bay Area, where most of its CSA subscriptions are located. It is a diverse fruit, vegetable, flower, nut and livestock farm that has operated since 1984. Owned in partnership by four farmers, Full Belly markets its products at three Bay Area

farmers markets each week, sells to wholesale and retail outlets and delivers CSA boxes to between 500 and 600 families depending on the season.

Full Belly Farm's vision statement explicitly articulates the philosophy that is the foundation for the farm-to-school programs. Judith Redmond, one of the partners, says that Full Belly operates on a three-pronged philosophy:

- implementing sustainable agricultural practices;
- maximizing the direct relationship between farm and consumer;
- establishing economic diversification and stability.

Their on-farm practices go "beyond organic." For example, in addition to farming organically, they incorporate plant habitat areas for beneficial insects and wildlife, use cover crops to fix nitrogen enabling them to eliminate chemical fertilizer inputs, and provide year-round farm labor employment. They also host many farm education activities including educational tours, and the annual Hoes Down Harvest Festival which seeks to celebrate rural life and reacquaint the public with the process of growing food in a sustainable manner.

Jim Eldon of Fiddler's Green has farmed in the Capay Valley for 11 years on about 40 acres of certified organic Class 2 soil. In the early 1970s, before Eldon became an owner, two retired teachers bought the land and raised lamb and maintained an organic asparagus field. The farm was officially certified organic in 1978 and is one of California's first certified organic farms. Eldon has continued to work the soil so that it is in "great condition," and now Fiddler's Green is a year-round producing farm. The major crops include lettuces and bunching greens, tomatoes, melons, basil, and root crops.

Eldon is committed to the direct marketing model of the farmers market. For the entire time he has farmed at Fiddler's Green, Eldon has sold at the Davis Farmers Market and he has established himself as a key player in the successful operation of that market. In addition, he sells in the Bay Area at Marin and Menlo Park farmers markets. About 85 percent of his annual income comes from farmers market business. The rest comes from orders from restaurant chefs in the Bay Area and from retail stores such as the Davis Food Co-op and various community natural food stores. During the summer months, Eldon does a small amount of wholesale business. The farm-to-school business accounts for less than one percent of his total business.

Annie and Jeff Main of **Good Humus Produce** are also two staples at the Davis Farmers Market. The Mains established the market in the 1970s with Ann Evans (former mayor of Davis and education and nutrition consultant for the California Department of Education) and others as a project for an independent study course at the University of California, Davis. The Mains have been farming for 25 years on 20 acres of land in Hungry Hollow, just north of Esparto and east of the Capay Valley. As a fourth generation Californian and granddaughter of farmers, Annie Main has a deep attachment to the land and is philosophically committed to providing the best possible stewardship of it.

The core of the Mains' belief system can be summed up in the words "stay local." Unlike other farmers, they have made a conscious decision to conduct their business only in the Davis area. In this way, they are modeling the values they believe in:

- support local businesses;
- provide high quality, fresh, organic produce to local people and institutions;
- build community through direct relationships that develop at farmers markets.

Good Humus grows boysenberries, apricots, various fresh winter and summer vegetables and fruit, lettuces, and fresh and dried flowers. They also have a varied line of value-added products including dried fruit, jams and jellies, wreaths, and herbal bouquets. They sell at the Davis Farmers Market, Roseanne's Natural Foods in Davis, Davis Food Co-op, Sacramento Natural Foods Co-op, Monterey Market in Berkeley and Veritable Vegetable, a San Francisco Bay Area wholesale distributor since the 1970s and important player in the family farm distribution business. In addition, they have about 150 CSA subscriptions. Good Humus farms organically but for reasons external to their farming operation are not CCOF certified.

Didar Singh has been farming since 1981 on about 14 acres near Esparto, northwest of Davis and grows all tree fruit except apples. He also farms a half-acre of table grapes. Singh is CCOF certified and has sold at Berkeley and San Rafael Bay Area farmers markets, since 1989. His farmers market business is large enough for him to employ a year-round full time employee and during the summer months, an extra person. About 80 percent of his income comes from farmers market sales. The remainder is mixed among sales to the Davis Food Co-op, various small wholesale outlets and to a local farmer for CSA boxes. Singh sells Valencia oranges to the farm-to-school program. Although the sale of oranges comprises less than one percent of

his total farm income, Singh sees this as a chance to practice his philosophy of bringing healthy food to school children, and possibly influence their choice of foods as they grow into adults.

Lloyd Johnson farms about four acres of land outside Winters, west of Davis, and grows a variety of summer and fall vegetables. Johnson farms organically but is not certified. The soil in the Winters area is rich and especially good for tomatoes, so Lloyd specializes in both heirloom and cherry tomatoes. Several Sacramento award-winning restaurants buy from him during the summer season. Johnson has sold at the Davis Farmers Market for the six years that he has been farming. Farmers market sales account for about 65 percent of his farm income and most of the remainder comes from sales to Nugget Market, a local retail market that supports local farmers by selling their organic produce. Farm-to-school sales represent less than two percent of his farm income.

Johnson is passionate about farming. Because his operation is relatively small, he supplements his income by working as a garden coordinator at Wolfskill, Winters' Continuation High School. At Wolfskill, he and the students have created a lush and productive garden on about an acre of mixed vegetables, fruit trees and flowers. He teaches students about all aspects of farming and gardening in a program he developed in collaboration with the teachers. Johnson incorporates curriculum into the gardening activities and links gardening and cooking to the students' daily school experiences. At the students' request, he has helped them put in a "Peace Garden" consisting of various flowers, plants and vegetables. He has also helped students create their own individual garden plots, which they care for and harvest in the spring and summer. Johnson not only sells to the Davis Farm-to-School program, but has been instrumental in establishing a salad bar in the Winters Unified School District, with the goal of using some of the Wolfskill harvest in the salad bar whenever possible.

Jim Churchill lives and farms in Ojai, Ventura County, just north of Los Angeles. Churchill works part-time for Community Alliance with Family Farmers (CAFF), a nonprofit organization that supports family farmers. As part of his job for CAFF, Churchill performs the role of Farm-to-School Program Coordinator in Ventura County. In this role, he and a dedicated parent volunteer have established a salad bar lunch option in JuanaMaria Elementary School and have managed every aspect of its implementation. Churchill performs multiple tasks for the salad bar program. He negotiates the complex administrative and logistical waters with the school district, the food services director, food service staff, parents and the community. He promotes local farmers and carries out the duties of purchaser and distributor on behalf of the district. He arranges community events in support of the Farm-to-School effort and does the major

fundraising work for his program. Churchill also sells his own produce to the district when other farmers do not have enough to fill an order.

For this case study, we interviewed Jim for his perspective as a farmer/supplier in the program. Jim has farmed on 15 acres in the Ojai Valley since 1978. He was not originally interested in farming, but inherited an orchard from his father and decided that farming it would be a good way to live in Ojai and make a living. Like many farmers in the region, he grows avocados and citrus, mainly tangerines. Churchill specializes in Pixie Tangerines, a tiny, seedless, super-sweet tangerine that grows especially well in the Ojai Valley and has found a healthy niche market around the state.

Churchill calculates his farm income roughly on his tangerine sales. The tangerine business represents about 60 percent of his farm income. He markets the tangerines himself directly to customers through mail order, word of mouth and farmers market sales. One direct customer, the well-known Monterey Market in Berkeley, represents a significant proportion of his direct customer sales. In addition, he does business with two or three wholesale brokers. Churchill's involvement with his local farmers market is limited. Only about 10 percent of his total gross income comes from farmers market sales.

The remainder of Churchill's farm income comes from avocados. He sells his avocados through CalAvo, a large, privatized packer and distributor. He anticipates that the tangerine sales will gradually increase as his trees grow. The trees are still young, and already the demand for Jim's fruit outstrips his ability to supply. But as the trees grow, they will bear more fruit and this market will increase.

Unlike the other farmers, Churchill's involvement in the farm-to-school program is primarily as a liaison between farmers and the school system. His goal is to establish a new viable direct market for other small local farmers; he sells their produce first whenever possible. If supplies are short or if the school district requests a fruit that only Churchill has, he supplies it. But his primary role is to institutionalize the mechanisms that will assure a steady and viable market opportunity for other farmers in the area.

Farmers' motivation for participating in Farm-to-School

FARM-TO-SCHOOL SUPPORTS FARMERS' PHILOSOPHY

When first approached to work on the Ventura County Farm-to-School Salad Bar project, Churchill noted that it seemed a "pleasingly concrete" way to act upon his values and his reasons for being a farmer. "I went into this for ideological reasons. I believe that children need to be exposed to fresh fruit and vegetables. They need to be educated about the healthfulness and value of good food so that they will buy it in the future. I see this partly as a way of buying a market share for the future. Companies like Coca-Cola market to kids. We can, too, through programs like this," he says.

This comment typifies the values, attitudes and motivations of these farmers. All farmers interviewed say they farm because they "love it," not because they expect to become wealthy from it. Their love of the land and of the farming way of life is equaled by their firm commitment to organic farming and sustainable agriculture practices. Not only do they love the process of farming, but they believe in agriculture as an essential part of the fabric of our society.

The farm-to-school program was founded on similar values, and the primary reasons farmers offer for their participation in the program are philosophical rather than practical ones. Interviewees felt it was crucially important that the general public become more aware of the origins of their food, how it is grown, how it is processed and the health benefits of fresh, organically and sustainably produced food. The Farm-to-School program is seen as an ideal avenue for making inroads in educating the general public by educating children.

SALAD BAR SERVES HEALTHY FOOD

Serving healthy food to children is a primary motivating factor for the farmers involved in the Farm-to-School program. Several have or have had school age children and are familiar with the typical school lunch offerings. Despite advances made by the USDA in mandating minimum servings of the basic food groups, school cafeteria food is not always as healthy as it could be. For economic reasons, school food service departments are under pressure to provide food daily to many children at a financial break-even point to the district. To cut costs, many school districts have "sought various strategies to increase revenues that can undermine the nutritional objectives of the [National School Lunch] program."³ Menu choices that are most cost effective

are often processed and packaged. Sometimes, schools contract out to fast food chains. The economic pressures upon school food service departments contribute to their reliance on processed rather than fresh food choices for children.

Currently, steps are being taken to remedy this situation; however these steps are mainly regulatory in nature. For example, the state of California has recently passed legislation regulating the times and amounts of sugar drinks such as Coca-Cola that can be sold from vending machines on campuses. The farm-to-school program seeks to offer a voluntary and educational alternative to the regulatory approach by offering children the option of a salad bar consisting of a variety of fresh in-season fruits and vegetables, bread, protein and milk. Lunch supervisors ensure that each child chooses a balanced meal that conforms to basic nutritional requirements for a complete lunch meal.

An important goal of both the program and the farmers is to provide healthy, fresh and locally grown produce to children. Several studies have shown that good food contributes to the physical and mental health of children.⁴ The Farm-to-School salad bar invigorates the school lunch offerings and gives children the opportunity to choose what they want to put on their lunch plates. At the same time, it cuts down on sugars and fats and boosts the opportunity for more children to consume their 5-A-Day fruits and vegetables. Choices present an array of colors from deep green spinach and lettuces to ripe red strawberries, to blood red oranges, tangerines, and lime green kiwis. Studies have shown that the children respond to the tempting quality of these fresh fruits and vegetables.⁵ In some communities, including Los Angeles, efforts have been made to offer fresh foods that are also culturally appropriate, such as freshly made salsas or South Asian vegetables.

FARM-TO-SCHOOL CONNECTS TO SCHOOL CURRICULUM

Farmers mentioned the educational component as another crucial element in their support of the program. They view the program as an opportunity for children to learn more about agriculture and its role in our lives. The Farm-to-School program does not simply focus on lunch offerings. It educates children about the whole cycle from seed to table. Most Farm-to-School programs incorporate an extensive hands-on garden-based curriculum that conforms to California curriculum standards and teaches children about the biology and ecology of tending crops. It teaches them about seasonality, soil science, irrigation and composting. A concurrent vermiculture (worm) program demonstrates the breakdown of waste into organic matter that can be put back into the garden. The Berkeley Farm-to-School program at Martin Luther King, Jr.

Middle School has integrated an extensive baking and cooking program, in which students use the abundant produce from their school garden in the cooking classroom to cook for and feed students in the school. At the other end of the program, students have learned to recycle the waste from their lunches. In the Davis Joint Unified School District, the combined waste reduction practices in two elementary schools have resulted in a savings of over \$6,000 to the district.⁶

FARM VISITS COMPRISE A PART OF THE PROGRAM

Education about farming extends beyond the classroom.⁷ The farmers interviewed consider visits by students to the farms and visits by farmers to the schools to be an essential element of the program. Several farmers offered farm visits to school children before the program was established. They view on-farm experience as the primary means to educate children about the importance of agriculture. For example, Full Belly Farm hosts classroom visits periodically throughout the year, and in their annual Hoes Down Festival in the fall they organize many activities and learning stations to acquaint children with farm life and sustainable agriculture practices. Annie Main of Good Humus farm created a program for farm education several years ago, and is now collaborating with Farm-to-School coordinators to establish farm visits that incorporate the appropriate curriculum while giving children a real experience of farm life. Jim Eldon and Lloyd Johnson are also strongly committed to working with children on their farms to educate them about the realities and importance of agriculture. Johnson also works as the garden coordinator for Wolfskill Alternative High School in Winters Unified School District, where he and other teachers have developed an integrated curriculum around agricultural activities.

Activities during farm visits are designed to align with California curriculum standards and teachers are trained to incorporate agricultural education into classroom lessons. In this way, teachers reinforce lessons learned on the farm and give students a broader context in which to apply their knowledge. The farmers hope that the next generation of children will acquire a basic knowledge of and appreciation for farming and agriculture and the role it plays in sustaining society.

FARM-TO-SCHOOL HOLDS ECONOMIC POTENTIAL FOR FARMERS

Another attraction to the program for farmers is its potential to significantly increase farmers' direct marketing opportunities if it were instituted in all schools in a district. In Davis Joint Unified School District, for example, an average daily participation rate for the salad bar option in three

elementary schools was approximately 515 students (total average for three schools during one month). For these students, about 81 pounds of apples per week were used. Projecting supplies for the salad bar apple purchases on the basis of these participation rates for all eight elementary schools, the district would purchase an additional 135 lbs. per week, for a total purchase of approximately 216 lbs. of apples per week for the salad bar (in eight schools). At a purchase price of \$2.00 per pound, this would generate \$432.00 per week of farmers' income. Typically one or two farmers would supply a commodity such as apples, so this could mean an additional \$200-\$400 per week of income, which is substantial for a small farmer. If the district purchased all their apples from local farmers, the amount of income for them would increase considerably.

Although orders of this magnitude have not yet materialized in any of the salad bar programs, farmers were hopeful that the program could mean a reliable market for small, local, organic farmers and could prove to be a viable and regular source of income for them. If the model proved to be successful in schools, then it could be expanded to other institutions such as senior centers, hospitals, college dormitories and cafeterias. Farmers gave philosophical reasons as their primary reasons for signing on, but the market potential was not lost on them.

Another essential component of the program is the link between schools and local farmers markets. The program was designed to enhance the schools' and community's awareness of and participation in the farmers market. Farmers saw this as advantageous for several reasons. First, the link creates a reciprocal relationship between the Farm-to-School program and the market. Parents and students who are enthusiastic about the salad bar learn that the fresh fruit and vegetables are provided by local farmers who also sell at the farmers market. This creates a connection to the market and a desire to visit it, thereby increasing patronage and sales. In addition, creating this link helps build community, which is especially important for small farmers' overall success. A goal was to increase farmers market opportunities, both directly through sales to the school district and indirectly by bringing more people into the market venue.

The theme echoed throughout these interviews was that farmers are very committed to the Farm-to-School program. All the essential elements—tending the garden, learning about the cycles of growth and harvest, encouraging organic matter to improve the health of the soil, recycling and reusing, bringing students to the farms and teaching them the place of agriculture in our society—were cited as reasons for their involvement. They want the program to work. And for the most part, it does work for them. They subscribe to its values and philosophy and are willing to contribute time and energy to it. Nevertheless, some challenges have arisen in the

implementation. The next section addresses both the successes and challenges of the program from the farmers' perspectives.

Successes of the Program

PAYMENT LOGISTICS

The logistics of the program have worked well and this contributes to farmers' respect for it. In northern California, vendors submit an invoice to a school district salad bar representative at the farmers market. In Davis, this is the Davis Joint Unified School District (DJUSD) salad bar coordinator, who paid the farmers within a week. In Berkeley, the Berkeley Ecology Center handles the financial transactions. Vendors are paid promptly and are pleased with the ease of the transactions. In fact, financial arrangements are considerably more complex than was apparent to the farmers, but from their point of view, this aspect of the program runs smoothly. This is important since most small farmers work on a very narrow profit margin and cannot afford to float payments for more than one month.

In Ventura, Jim Churchill makes it easy for the farmers. He has taken on the responsibility of paying farmers up front, and floating the cost until he is reimbursed later by the district. Since he also picks up produce directly from the farmers at their farm, this is a convenient arrangement for them. However, Churchill says that this might not be a sustainable arrangement. He is able to pay in this way now because the orders are so small. But if orders became larger, he would need to establish a different arrangement. Some possibilities are that Churchill could arrange a contract with the district to pay farmers monthly, or possibly have CAFF, the nonprofit organization that employs him, pay farmers and get reimbursement from the district.

ORDERING

For the most part, orders have been regular and predictable and this also contributes to farmers' positive feelings about the program. "Demand is small but constant during the school year," says Churchill. "Once we get in, we're in." When orders vary, it was usually because of crop problems on the farmer's end or oversupply on the salad bar end. Some typical examples of orders are the following:

- Didar Singh provides about 40 pounds of Valencia oranges to the district (for one school) each week. Occasionally, depending on the availability of other fruit, the order goes up to as

much as 80 pounds, but ordinarily it stays around 40 pounds and has been regular for about 20 weeks of the school year.

- Jim Eldon sells mixed lettuce heads, carrots, radishes, broccoli and spinach. Initially, he made two deliveries per week for one school of three to four cases of lettuce plus other greens and vegetables as requested. Later in the school year after the initial excitement of the salad bar subsided, this order was reduced to one delivery per week.
- Lloyd Johnson provides tomatoes (especially cherry tomatoes), radishes, turnips, beets and some lettuce. The tomato sales have been regular, but other vegetables depend on the students' taste preferences and the prices Johnson asks. At one point, his lettuce was more expensive than other farmers' so the salad bar coordinator stopped buying from him.
- Annie Main sells in-season fruit, melons, beets, carrots, peppers and a small amount of lettuce. She reports that she planted a type of lettuce that did not do well this year, so has not sold much lettuce.
- Judith Redmond sells a variety of lettuce and vegetables with an emphasis on whatever is seasonal. Full Belly Farm orders were very regular until recently when the Berkeley District's salad bar coordinator left the job.
- Jim Churchill sells a 40 pound box of oranges and about the same of lemons and apples per week. The apple grower was especially pleased, as she could sell the school her small Fujis, which are not as saleable elsewhere. The district prefers the small apples because the children like them.

COSTS ARE LOW

Just as profits from this program have been low, so are the costs to farmers. This is one reason farmers are not particularly concerned about the low income so far; the program has not demanded much extra time and energy. Interviewees stated that it was "no hassle" to add this to their repertoire because they were already coming in to town to sell at the farmers market. In both the Davis and Berkeley programs, the district's salad bar coordinators came to the farmers market twice a week to pick up deliveries. Coordinators had communicated with farmers ahead of time to confirm the schools' needs and farmers' available amounts. They then placed an order, and drove to the market stalls to pick up the produce, delivering it to the central kitchen for cleaning and preparation. This arrangement has been convenient for farmers: They have not had to spend extra time preparing their produce; it does not involve additional time to drive to a drop-off point; and the face-to-face communication with the salad bar coordinators keeps them

current on procedures and/or changes at the district level.

It should be noted, however, that this arrangement may not be sustainable, depending on the program's changing personnel and requirements. Davis, for instance, is currently in its second year of implementation. During this year, the salad bar coordinator has changed. The new coordinator does not live locally, so it is not possible for him to pick up produce at the Saturday farmers market. This has meant that all parties involved need to work out new pick-up and delivery systems.

DELIVERY SYSTEM

Currently, the delivery system is convenient for farmers, but what if the entire program grows and demand from the district rises? We asked farmers what would make it worth their while to take on the delivery of their own produce to the school districts. The answer depends on the farm's operation system. The farmers selling to Davis schools have been willing to deliver to the central kitchen in Davis, since the trip to the kitchen is not appreciably out of their way. These farmers come in to Davis to sell at the farmers market already. A trip to the central kitchen adds only about 15 minutes to their trip.

Full Belly Farm, however, drives to the Bay Area from Capay Valley, which is about a 90-mile trip. They load their trucks and deliver to several CSA pick-up sites, so their fuel and labor costs are a larger factor. In order for a delivery to be worth their while, the order must be a minimum of \$150. They are happy to make this delivery if the minimum order meets their requirements, but currently a district truck comes to the farmers market to pick up and deliver to Berkeley's central kitchen. The Ventura program is not linked to the farmers market. Churchill picks up and delivers, and is the only person allowed by the district to do so. If the program grows, a different delivery system may be needed.

Challenges and obstacles

Despite the successes, there are several areas in which the program has not yet measured up to the ideal that most farmers (as well as Farm-to-School personnel) hope for. Since it is still a fledgling program, this is not surprising and participants are hopeful that solutions can be worked out for challenges that have arisen. Some of these are detailed below.

LOW PROFITS

An original goal of the program was to create a viable alternative direct marketing opportunity for small local farmers. However, this has not yet proved to be the case. Every farmer interviewed stated that the extra income derived from the Farm-to-School program was almost too insignificant to calculate. Jim Churchill dubbed his Farm-to-School profits as "infinitesimal." The largest percentage of total farm income reported was 1.5 percent from the smallest farm operation in the group; most farmers reported one percent or less coming from this source. The larger the operation, the smaller the percentage represented by the Farm-to-School sales. Dollar amounts ranged from \$275 (Lloyd Johnson) per year to \$2,500 per year (Full Belly Farm).

Interestingly, low profit was the least important factor in their evaluation of the program at this point in its development. Even though participants entered the program partly to open a new door for their direct marketing business, they were generally not concerned that this had not yet happened. Only the farmer with the smallest farm operation expressed the wish that the program had generated a more significant income. Others stated that their businesses were already well established and that the lack of income from this source did not adversely affect their business. Yet they implied that if the program were to grow, so would their financial expectations.

Farmers noted that this program holds potential for sales direct to school districts separate from the salad bar purchases. This has occurred in the Ventura school district. Churchill reported that the school district once ran short of fruit and purchased from him directly to make up the difference. This purchase was not specifically for the Farm-to-School salad bar, but rather for the regular school lunch offering. Asked how this sale came about, he noted that the Student Nutrition Services Director knows him because of the salad bar project, knows the quality of his produce, and decided to buy direct. Even though he sold to the district at about 55 percent of the price he could have gotten from his usual Bay Area market outlets, he made nearly \$600 for that one sale. If sales of this magnitude were to continue, the income for farmers could be significant. With scenarios like these in mind, farmers expressed the hope that the program would grow and become a significant income source for them as well as for family farmers in general.

Most farmers, depending on the size of their operation, were willing to give the Farm-to-School program price- and product-breaks. The smallest farm operation could not afford to cut prices, so that farmer sold at farmers market retail prices. All other farmers sold at wholesale prices.

For example, Good Humus sells a bunch of carrots at the farmers market for \$1.50 and sells to the Farm-to-School program for \$1 a bunch. Jim Eldon of Fiddler's Green sold salad greens at wholesale prices and also contributed labor by mixing lettuce varieties within the same box, something he does not do for larger customers. He was also willing to sell smaller amounts of some produce, such as two or three bunches of beets compared to 24 bunches in a normal order. All farmers do the work of washing lettuce and other produce before delivering. The salad bar coordinators reciprocated by picking the produce up at the farmers market and by returning the farmers' packing materials to them. This saved farmers approximately \$1.00 to \$1.50 per box and about \$.50 per orange bag.

For school districts, the costs of the salad bar program versus the profit it makes is a significant issue. If the salad bar brings more children into the lunch program, and particularly if it increases profits, it is seen in a positive light. The profit/loss profile is the primary criterion by which the district evaluates the program. For this reason, the district is always under pressure to buy inexpensive produce. Although generally, this has not yet caused a problem for participating farmers, it is seen as a possible future sticking point.

Farmers were asked if a contract with school districts would better serve their needs. In general they agreed that this would help them and help keep farmers in this kind of program longer. Contracts are seen as promoting fairness across the board and serve everyone in a program more fully than individual transactions. It was noted, however, that contracts do not always equate to better prices for farmers. For example, lettuce prices are quite volatile, and depending on the contract price and market exigencies, a farmer could lose money on the deal. The general consensus was that contracts would help with sustainability and fairness in the long-term. In Davis, negotiations are under way to develop a supply and demand distribution system that serves the needs of both the district and the farmers.

PROGRAM ADMINISTRATION AND COMMUNICATION

The major obstacles for farmers lie in the administration of the program. Because it is new, the Farm-to-School program has involved far more administrative complexities than any of the participants had originally imagined. Many administrative details originate within the school district and therefore do not affect the farmers directly, but they do have an indirect impact. For the farmers, these administrative issues are hidden behind changes in procedures, such as a new person appearing at the market to pick up the produce, new regulations about the form produce can be accepted in, or a new person handling the financial transactions. These kinds of

changes make the larger administrative structure of the program seem opaque to the farmers. They do not understand the purpose or reasons behind certain actions, and communication systems are not currently established to facilitate understanding between these two groups.

School administrators are faced with several competing constraints. First, the Student Nutrition Services Departments are under pressure to keep their food programs "in the black," yet they receive little financial support from the district itself. They work under a different status and therefore do not receive income from tax monies that flow to the school district as a whole. In addition to the demands of serving daily lunches to hundreds of children, food service personnel are generally under union contracts. This means that they are restricted in what tasks they are allowed to perform, what food they can prepare and how they can prepare it, who can perform specific tasks, and what kinds of equipment are required for food to be properly processed. In addition, for many years, most schools have not been equipped with kitchens; food is prepared off the premises, packaged and delivered to the central "kitchen," which very often does not have a stove or refrigerator.

Because of these restrictions, the salad bar program presents enormous challenges—both logistical and economic—to the kitchen staff, food service directors and the districts. For example, in the Davis program, there was not room in the district's delivery truck to fit large containers of fresh lettuce. Therefore, the salad bar coordinator was obliged to use her personal vehicle to pick up from the farmers market, deliver to the district kitchen and then, after preparation, re-deliver to the individual school. In some cases, or at certain times, this could affect the amounts she could pick up or when she could make the pick-ups. For the most part, Davis farmers were not adversely affected by this, but that was because, up to the end of 2001, the program served only one school⁸ and the salad bar coordinator was willing to fill in the gap. In fact, the Davis farmers mentioned that Renata Brillinger, the former Salad Bar Coordinator, made the program work. "The success was entirely pegged on Renata's efforts and her willingness to take on all the responsibilities of the logistics and communication," says Jim Eldon. However, these obstacles raise serious questions about the long-term sustainability of the program, at least as it is currently implemented.

Berkeley's experience showed that delivery presents a challenge. The salad bar operation was large, and eventually, the salad bar coordinator was obliged to purchase and use a district truck. At that point, liability requirements made it necessary for an official driver to pick up and deliver the food. This had two immediate effects: first, it added an administrative layer to the process that made it more complicated, and second, it made the interaction between the salad bar

representative and the farmers at the market further removed and, hence, less direct and personal. The truck driver was not particularly invested in the program, but rather was simply carrying out his job duties, and therefore, some of the meaningfulness of the program was lost. This situation may be duplicated in the Davis school district, as more schools are being added to the program, and the district is in the process of purchasing a truck.

In Ventura County, Jim Churchill found a small administrative requirement to be an obstacle to getting farmers to join to the program. In that county, the school district has a requirement that for a farmer to sell to the district, he or she must have a certificate of liability insurance verifying \$1 million coverage of their farm. In fact, most farmers already have insurance coverage of \$1 million on their farm, so the requirement does not force them to purchase additional insurance. Nevertheless, many farmers see this as a bureaucratic hassle that they just do not want to go through. Even though they only have to call their insurance agent, they would rather not bother since they are not familiar with the process and not sufficiently familiar with the concept of selling directly to schools. This is not an issue in every school district. If the program works through a farmers market, insurance costs are covered by the market. But in Ventura County, the program is not set up to go through the farmers market so it is up to the individual farmer to make these arrangements.

Details such as these slowly add up and cause farmers to begin to feel less central to the program and less invested in it. At the same time, they realize that the program is new and has a long way to go before all the bumps are smoothed out. Overall, they are quite willing to work with salad bar/district personnel but say that they would like more input into the decision-making process. They want to be more informed about the reasons behind decisions and how they are made about the program as a whole, including both its on-the-ground workings and the larger goals (the "big picture").

ROLE OF FARMERS AND THE FARMERS MARKET

Interviewees felt that, in the original conception of the Farm-to-School, farmers had figured more prominently.⁹ In the Davis program, for example, they recalled that part of the original plan was for farmers to attend Farm-to-School Steering Committee meetings, meet with school district personnel and generally be a larger part of the decision-making process. In the early days, some farmers did attend some meetings and one farmer attended a school board meeting where the program was being presented for school board approval. However, several obstacles cropped up, preventing them from continuing in this role. One was the appointed time for

Steering Committee meetings. They were set for two hours in the middle of a weekday when farmers found it difficult to attend. Another was the seeming lack of interest on the school district's part. Farmers felt that the administrative obstacles encountered at the district level absorbed a disproportionately large amount of the Steering Committee's time, and consequently they felt "left out of the loop."

Farmers also thought that the farmers market would play a larger role in the program than it has. Some farmers say that their role now seems to be relegated to a business transaction whereas they had imagined that their role would be broader and more significant. For example, two farmers say that in the original conversations, it was suggested that district food service personnel would come to the market and interact directly with the farmers to decide what kinds of produce they wanted to serve, see what was available, talk about the produce and how it was grown and discuss options for serving. Instead, it seemed to them that the administrative arm of the program had taken over the decision making and that the Farm-to-School Steering Committee was too focused on the school district and its needs rather than on the farmers.

An example of this issue occurred in the spring of 2002. In Davis, the district opened new salad bars at two additional elementary schools. The openings occurred in the first two weeks of February 2002. February is the very worst time for farmers to be able to supply fruit and vegetables. There are virtually no greens available, and certainly no tomatoes or fruit. Root vegetables were somewhat available, but children tend not to be very fond of root vegetables. Farmers would have advised a different opening date.

Although this problem may seem rather minor to non-farmers, it has large implications for the local farmers, who are among those the program is meant to benefit. In the first place, the reasons farmers are involved in the program are its values, specifically, its philosophical commitment to local, small-scale farmers. The program was designed in part to support them and give them opportunities to develop an alternative market. If the program opens salad bars at the worst time of the growing season for local farmers, the district will have to make a decision to buy from a distributor who may get produce from a non-local source, perhaps even from other countries. This flies in the face of the values that participating farmers subscribe to, and can erode trust in the intentions of the program.

Farmers stated that if they had been consulted or were a part of the decision-making process, they could suggest other options for timing and alternative ways of serving produce available at a particular time. For example, the salad bar could serve soups and baked potatoes during the

winter months. Turnips might be more appealing to children mixed into a vegetable soup rather than sliced and served raw. These kinds of options could be explored with farmers if the process were arranged differently to include them. With the current arrangement, farmers feel they are merely on one end of a business transaction and are not significant players in the whole program.

Conclusion

"IT'S ALL ABOUT RELATIONSHIP BUILDING"

The Farm-to-School program has great potential. Participating farmers continue to be excited about the program. Despite the challenges that have arisen, positive energy and enthusiasm still run high. Judith Redmond of Full Belly Farm says "It's all about relationship building." Even though Farm-to-School accounts do not bring in large profits, she emphasizes that it "creates synergy." For their business, the more orders they can fill their truck with when they come to the Bay Area, the more successful they consider themselves to be. A good farmers market day is when they have arranged for as many pick-ups as they can fit into their truck, so adding school district orders enhances the farmers market experience as a whole. It also creates the opportunity for more networking and relationship building.

Farmers could not identify specifically whether the Farm-to-School accounts had increased their farmers market business. Their sense was that it had not. Nevertheless, they feel strongly that it was all positive. Davis, in particular, is a small town, so the chances of parents of school children eventually making the connection between the salad bar program and the farmers market are very good. Once farm visits begin to happen, there is an even greater likelihood that children and parents will begin to build farmer loyalty.

For now, because they believe in the values and philosophy of the Farm-to-School program, farmers are willing to continue to participate. They state, however, that over the long-term, profitability and business decisions would outweigh philosophical values. If the program grows to the imagined potential of the early days, it will also become more complex, and logistics and protocols will tend to become more standardized. In some ways this may serve the needs of the small farmer; in other ways, it may not. Questions of what constitutes "local" have already arisen; they will become more crucial. Purchasing, pricing, and distribution issues will become

more pressing. And, of course, school districts' need to run a profitable food service will place continuous pressures on the entire operation. It is the sincere hope of everyone involved in the Farm-to-School program that these complex issues can be negotiated successfully.

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¹This case study is part of a tri-state research project on Retail Farmers markets and Rural Development funded by the USDA.

²Mascarenhas, Michelle and Robert Gottlieb, The Farmers' Market Salad Bar: Assessing the First Three Years of the Santa Monica-Malibu Unified School District Program, Occidental College Community Food Security Project, October 2000, pp. 14-17. Cost per meal to the district for salad bar lunches was less than the regular hot lunch meal. Food purchased from about 25 local farmers amounted to between \$22,000-\$25,000 per year for the two years of the

cost analysis. Fifty-eight percent of sales went to four farms, while 42 percent went to the remaining 20 or so farms. However, subsequent financial analyses in other districts have shown less promising results in terms of economic viability and sustainability.

³Mascarenhas, Michelle and Robert Gottlieb, *The Farmers' Market Salad Bar: Assessing the First Three Years of the Santa Monica-Malibu Unified School District Program*, Occidental College Community Food Security Project, October 2000

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Kraus, Sibella *Kids Cook!* Due to be published by the California Department of Education in October 2002. This book emphasizes the link between school gardens and culinary activities in the classroom.

⁸As of February 2002, two additional schools in the DJUSD offer the Farm-to-School salad bar program and the distribution/delivery system has changed.

⁹The exception to this is Jim Churchill, who plays a dual role of farmer/supplier and salad bar coordinator.