# THE LOCAL AND REGIONAL FOODS RESOURCES & RESEARCH WEBINAR SERIES



# REGIONAL FOOD BUSINESS CENTERS PROGRAM HIGHLIGHTS

# **WEBINAR NOTES**

Meeting Details Date: 10/17/2024 Time: 1:00pm ET

Presenter Slides: Linked <u>here</u>. Webinar Recording: Linked <u>here</u>.

# **Meeting Purpose and Overview**

Update on the Regional Food Business Center Program including highlights from the Centers first year and presentations from representatives from three different centers sharing their region-specific initiatives and activities.

# **Center Progress & Accomplishments**

#### **Coordination:**

- 1,852 new partnerships/collaborations developed
- 247 partnerships finalized with written agreements

#### **Technical Assistance:**

- Centers are working with 341 technical assistance providers
- 1,800 businesses/organizations have received technical assistance
- 2,704 individuals have been trained/received technical assistance
- Most frequently reported technical assistance topics:
  - o How to develop or maintain a direct-to-consumer enterprise
  - Accessing institutional consumers
  - Using new strategies to improve local/regional food processing, distribution, aggregation, or storage

## **Capacity Building:**

- 15 Business Builder Subawards awarded
- \$607,100 awarded through Business Builder programs
- The Centers have achieved notable results, such as (\*\*Cumulative: As of June 2024):
  - Development of 252 business plans.
  - Leveraged approximately \$4,164,000 in additional resources for their region due to Center activities.

#### **Center Shout Outs**

Three Centers highlighted their dedication, innovative approaches, and accomplishments during the first year of Regional Food Business Center work.

#### **Heartland Presentation Overview:**

- Primary topics covered included:
  - Collaborating with local communities
  - Providing support to enhance market access
  - Connecting local communities with funding and other resources.
- Working with 34 diverse partners in the region (land grant universities, community & economic development, Tribal Trade Coalition, Indigenous Maya Community, Community-based – Rural and Urban)
- Playing the role of counselors and connectors to provide business technical assistance, assist with resource navigation and offer value-chain coordination.
- Has 9 affinity groups or topic areas of common interest which help identify and address needs throughout the region.

#### Heartland Regional Food Business Center Website

#### **North Central Presentation Overview:**

- Primary topics covered included:
  - Collaborating with local communities
  - Providing support to enhance market access
  - o Connecting local communities with funding and other resources
  - Navigating regulatory challenges
- Working with 35 partners to deliver food value chain services
- Creating a Business Builder Sub-awards that utilizes the flexibilities allowed through the Regional Food Business Center Program (ex. Advancing payments to recipients through bridge funding). funds
- Helping direct culturally specific strategies and outcomes utilizing expertise through CDFIs,
   Economic Development professionals, and small/mid-sized food value chain businesses.

## North Central Regional Food Business Center Website

#### **Northwest Rocky Mountain Presentation Overview:**

- Primary topics covered included:
  - Collaborating with local communities
  - Providing support to enhance market access
  - Connecting local communities with funding and other resources
  - o Providing technical assistance on new business models
- Has 4 Theme Teams which stretch across their entire region and coordinate activities in 4 specific priority areas
- Their region has the least populated state, Wyoming, which has unique challenges due to infrastructure and elevation, for example.
- Provides Fancy Food Show Scholarships which allow small businesses to attend a Fancy Food Show and have an opportunity to access new markets.

# Northwest and Rocky Mountain Regional Food Business Center Website

#### Overview of Key Topics Discussed in Centers' Work

**Collaboration with Local Communities:** Importance of strong partnerships to support regional food systems, and locally tailored solutions. The importance of regional representation was highlighted, ensuring that local voices and expertise are central to decision-making processes. All of the Centers who

presented and the USDA aims to avoid a "one-size-fits-all" approach by fostering locally adapted solutions.

**Regulatory Challenges:** Streamlining compliance processes to help small businesses access larger markets. Tools such as guidance documents and advisory services were noted as key support mechanisms.

**Market Access:** Opportunities for smaller producers via direct-to-consumer models and collaboration with distributors. Barriers to entry for small businesses include limited production capacity, lack of distribution networks, and difficulty in securing contracts with larger retailers and institutions. Strategies discussed included:

- Direct-to-consumer models like farmers' markets, CSAs (Community Supported Agriculture), and farm-to-table initiatives.
- **Collaboration with regional distributors** to create networks that can help small producers access larger markets without the need for direct competition with major corporations.
- Utilization of USDA programs that offer subsidies and grants to help offset costs and reduce financial barriers to entering new markets.

Funding & Resources: USDA programs (LAMP, FMPP) offer grants and financial support, emphasizing sustainability. Technical assistance grants were also highlighted, providing not only financial support but also expert guidance on how to optimize business models and navigate market challenges.

#### **Resource: USDA Local and Regional Food**

The USDA Local and Regional Food Systems Resource Guide outlines the USDA programs that support local and regional food system development. Check out the guide <a href="here">here</a>.

Some examples of successful USDA-backed ventures include farm-to-table networks, cooperative development, and renewable energy investments:

- **Example 1**: A small family-owned farm partnered with local restaurants to create a farm-to-table network, resulting in increased visibility, more stable revenue, and reduced food waste.
- **Example 2**: A regional food cooperative accessed USDA funding to improve its distribution network, allowing it to serve more local farmers and reach urban markets.
- **Example 3**: A small dairy producer used USDA grants to invest in renewable energy (solar panels), significantly reducing operational costs and increasing profitability.

**New Business Models:** Presenters discussed the importance of exploring innovative business models such as CSAs and food hubs that allow food businesses to adapt to changing market demands and challenges, including shifts caused by the pandemic, consumer preferences for sustainable products, and the rise of e-commerce.

- Examples included subscription-based models (CSAs), online sales platforms for local produce, and value-added products (e.g., turning fresh produce into shelf-stable goods to increase sales opportunities).
- Collaborative business models such as food hubs, where multiple small producers share resources (like packaging, marketing, and distribution) to reduce costs and increase market reach.
- Innovation in food production and supply chains was also discussed, encouraging regional businesses to think creatively about how they can incorporate technology (e.g., precision agriculture, smart logistics) to improve efficiency and reduce costs.
- There was also particular emphasis on creating resilient food systems that can withstand market fluctuations and environmental challenges. Encouraging diversification of revenue streams, such as through agritourism or educational farm programs, was mentioned as a potential strategy.