NORTH CENTRAL ONTARIO FOOD AND AGRICULTURE MARKET STUDY (NFAMS)

ALGOMA DISTRICT

MARCH 19, 2019

FedNor Ontario Canada

AGENDA

ÅWhat did we do?

ÅWhat did we find?

ÅWhere do we go from here?

BACKGROUND

- NFAMS initiated in June 2018 by the Rural Agri-Innovation Network (RAIN), a division of the Sault Ste. Marie Innovation Centre (SSMIC).

- The study is supported by a broad group of organizations with interests in promoting agri-food development through market research in Algoma, Manitoulin, and Sudbury Districts.

STUDY OBJECTIVES

- Examine the attitudes toward and interests in locally grown / harvested foods from the perspective of local businesses / organizations
  - Examine current buying patterns and areas for potential growth
- Examine challenges / opportunities from the perspective of producers
- Provide a resource for various stakeholders to support their planning and decision-making process

WHAT DID WE DO?... SURVEY OF LOCAL BUSINESSES / ORGANIZATIONS

Businesses / organizations representing four types of food demand:

- Food processors – meat, fish, dairy, grains, fruit/vegetables, other e.g. breweries and wineries
- Food retail – independent grocers, convenience stores, food wholesalers / distributors
- Food services – restaurants, hotels/accommodation, caterers, banquet halls, institutions including schools (primary, secondary, post secondary), day care centres, hospitals, assisted living facilities
- Food programs – food banks, good food box programs, student nutrition programs, meal delivery service programs, community kitchens, etc.

Number of businesses / organizations surveyed by region and area of food demand

Area of food demand	Algoma	Manitoulin	Sudbury	Total
Food processing	9	6	14	29
Food programs	10	8	9	27
Food retail	20	11	15	46
Food services	33	26	23	82
Total	72	51	61	184

WHAT DID WE DO?... FOCUS GROUPS WITH LOCAL PRODUCERS

Five discussion groups across Algoma / Manitoulin / Sudbury:

Å Discuss key challenges / barriers faced in selling / marketing products to local businesses and organizations

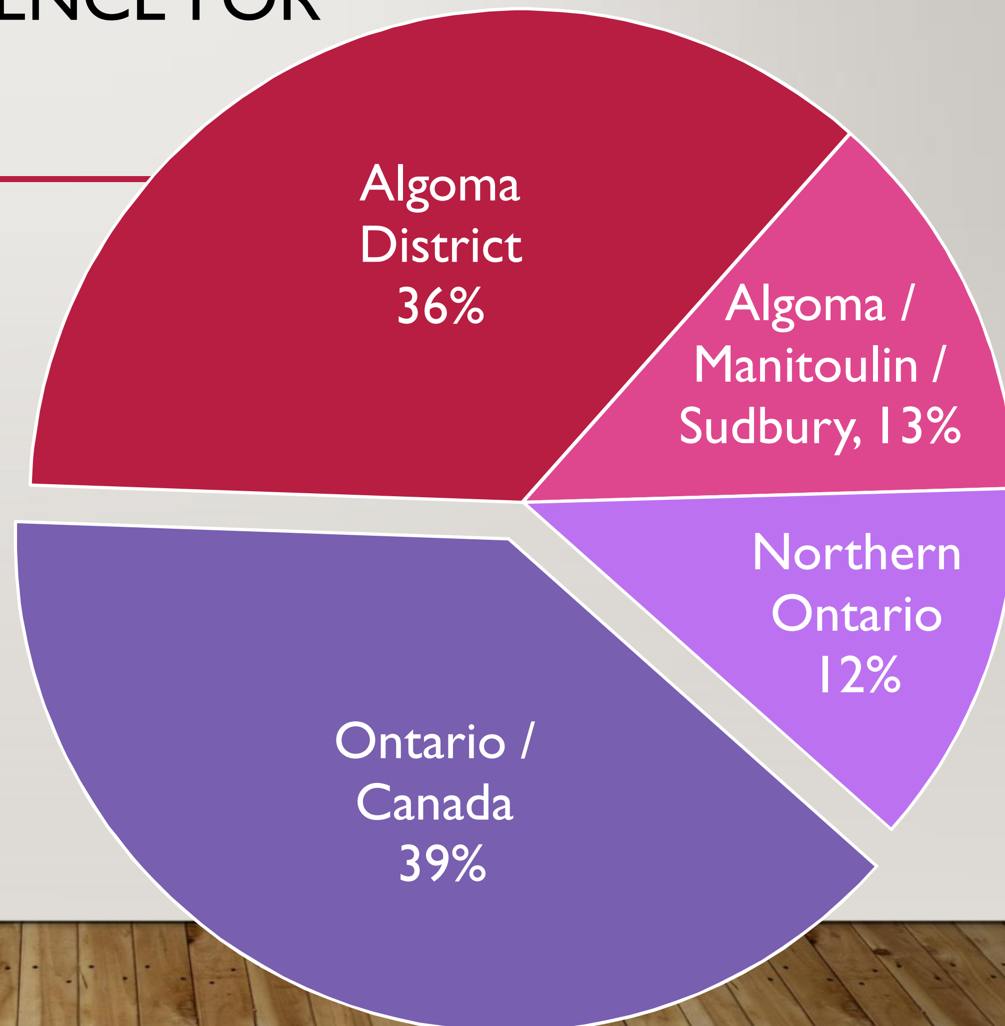
Å Discuss opportunities / areas for growth

Å Validate the findings that emerged from the interviews with businesses / organizations

What we heard from businesses and organizations

WHAT'S THE REGION OF REFERENCE FOR 'LOCALLY GROWN'?

- Over a third of the Algoma based businesses / organizations associate 'locally grown' with food that's produced / harvested within Algoma District.
- Just over 60% associate 'locally grown' with food that's produced / harvested in some region of Northern Ontario.



HOW MANY BUSINESSES / ORGANIZATIONS ARE SOURCING LOCALLY GROWN PRODUCTS?

ÅThe majority of the businesses / organizations (60%+) are currently sourcing some amount of locally grown foods from the Algoma / Manitoulin / Sudbury area

ÅMany of the businesses / organizations that are not sourcing local at this time are interested in doing so in the future

WHAT'S THE MOTIVATION FOR BUYING LOCALLY GROWN FOOD?

1. It benefits / contributes to the local economy
2. Locally grown food is higher quality
3. Customers are interested in locally grown food

It's important to keep commerce in the community.

Business reps

Local product is fresher -- it travels a shorter distance.

WHAT DISCOURAGES BUSINESSES FROM BUYING LOCALLY GROWN FOOD?

1. Perceived high cost of locally grown (vs non local options)
2. Insufficient / inconsistent availability
3. Difficulties / challenges with delivery

Local food needs to be reasonably priced – margins are tight in the restaurant sector.

Business reps

Local producers can't offer the same availability and variety as wholesalers.

WHAT AMOUNT OF FOOD IS BEING SOURCED FROM OUTSIDE THE REGION?

- We asked businesses / organizations to share details on a select few food items that are of key interest to them
  - Total amount used annually with breakout by amount sourced locally (Algoma / Manitoulin / Sudbury) vs. non-local amount
  - Non-local amount = potential amount for local producers to supply

AMOUNT OF VEGETABLE / FRUIT BEING SOURCED OUTSIDE THE ALGOMA / MANITOULIN / SUDBURY REGION

Commodity	Units / weight
Sweet corn	100,000 cobs
Carrots	32,000 kgs
Cucumbers	26,000 kgs
Tomatoes	5,000 kgs
Cabbage	6,400 kgs
Onions	4,700 kgs
Cauliflower	4,200 kgs
Potatoes	8,300 kgs
Lettuce	3,500 kgs
Apples	65,000 kgs
Strawberries	2,200 kgs

AMOUNT OF PROTEIN / DAIRY BEING SOURCED OUTSIDE THE ALGOMA / MANITOULIN / SUDBURY REGION

Commodity	Units / weight
Beef – hamburger	14,000 kgs
Beef – various cuts	23,000 kgs
Pork – various cuts	50,000 kgs
Pork – bacon	1,700 kgs
Pork – ground/sausage	2,500 kgs
Turkey – whole & cuts	4,000 kgs
Chicken – various cuts	8,300 kgs
Eggs, whole shell	18,000 dozen
Fresh water fish	6,000 kgs
Milk, fluid	10,000 litres
Cheese	600 kgs

AMOUNT OF GRAINS / OTHER PRODUCTS BEING SOURCED OUTSIDE THE ALGOMA / MANITOULIN / SUDBURY REGION

Commodity	Units / weight
Wheat flour	43,000 kgs
Rye flour	25,000 kgs
Oats – rolled	500 kgs
Malt barley	25,000 kgs
Malt wheat	6,500 kgs
Hops	700 kgs
Maple syrup	500 bottles

FOOD SAFETY AND DELIVERY CONSIDERATIONS

ÅBusinesses / organizations generally expect / want producers to have accredited food safety certifications in place

ÅMost want producers to provide delivery of the product (or at least make the arrangements for the product to be delivered)

ÅSome businesses / organizations have very particular packaging and/or processing preferences that need to be met

PRICE CONSIDERATIONS

- Some businesses / organizations indicated that they would be willing to pay a premium price for locally produced food item (e.g. 10-20% more)
- However, many expressed a strong preference for the local food option to be competitively priced with non-local food options

What we heard from producers

CHALLENGES FROM THE PRODUCER PERSPECTIVE

Å Pricing expectations are not very realistic when measured against the discounts that large volume food wholesalers/distributors can offer

Å Commitment to supporting local is not consistent

Å Procurement practices need to be more flexible / creative to accommodate the local growing season and scale of production

Å Filling small volume orders for distant/isolated locations is not cost effective

Å Limited local infrastructure capacity to meet the food handing/safety certification and processing needs of businesses / organizations

OPPORTUNITIES FROM THE PRODUCER PERSPECTIVE

- Examine co-marketing and co-transporting / delivery opportunities of local food products
- Establish a cohesive 'locally grown brand' for Algoma to utilize in marketing campaigns
- Further expand the marketing and promotion of locally grown on social media platforms
- Promote opportunities for retailers / restaurants and producers to network
- Secure stable / viable locations for farmer's markets and ensure that regulations are consistent across communities and followed (e.g. food certification/ grading standards)

Where do we go from here?

CONCLUSIONS

- Agricultural production in Algoma District is substantial and diverse
- Most businesses / organizations have a high level of interest in sourcing locally grown foods but the level of awareness of local food options / availability is limited
- Challenges of local food supply and demand mirror each other (e.g. pricing, product availability, product specifications)
- There are substantial volumes of local food needs that local producers could potentially supply

RECOMMENDATIONS

- Facilitate / support communication between food producers and buyers
- Explore / support development of systems / mechanisms to coordinate and manage food ordering, handling and delivery
- Guide / support producers in adopting / maintaining food safety certification standards
  - Integrate food ordering / delivery procedure with development of a Good Agri Practices certified facility
- Establish a cohesive 'locally grown' brand for Algoma

NFAMS Data Catalogue

- Business name
- Sector (processing / food program / retail / food service)
- Contact person and details
- District (Algoma / Manitoulin / Sudbury)
- Key food type (e.g. potatoes, beef tenderloin, whole eggs, etc.)
  - Usage (weekly / annual amounts)
  - Total sourced locally vs non-locally = year total
  - Period of use (seasonal / year-round)
  - Delivery preferences (frequency of delivery)
  - Processing preferences (e.g. fresh, washed, special cuts, frozen, etc.)
  - Packing preferences (e.g. boxes, bags / weights)
  - Food quality / food safety certification preferences

NFAMS Catalogue - Data

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	A	B	C	D	E	F	G	H	I	J	K	
1	Business Name	What is the main	What District	Identify up to five vegetables you buy in the greatest amounts.						Do you us	In which mont	
2	Business Name	What is the m	What Distr	Vegetab	Please enter the amo	Total annual a	Amount so	Amount s	Weight/V	Vegeta	Vegeta	Veg
5	Hutton's Valu-Mart	Food retail	Algoma	Cabbage	15 dozen/week (in seaso	2,939	-	2,939	Kg	Seasonally		
6	Hutton's Valu-Mart	Food retail	Algoma	Corn	125 bushels (10"-12" cob	54,422	-	54,422	Kg	Seasonally		
7	Hutton's Valu-Mart	Food retail	Algoma	Other: Cau	15 dozen/week (in seaso	2,939	-	2,939	Kg	Seasonally		
8	Sudbury Farmers Market, Erica Lagios	Food retail	Sudbury	Tomatoes	Did not provide details other than identifyi		-	-		Seasonally		
9	Manitoulin Hotel	Food services	Manitoulin	Carrots	100 lbs a week	2,358	-	2,358	Kg	Seasonally		
10	Waterfall Lodge	Food services	Algoma	Lettuce	1 case of lettuce (24 in a	601	-	601	Kg	Seasonally		
11	Brookwood Brae Golf Course/Restaurant	Food services	Manitoulin	Lettuce	120 heads of lettuce/yea	58	-	58	Kg	Seasonally		
12	Brookwood Brae Golf Course/Restaurant	Food services	Manitoulin	Onions	240 lbs/year (10 lbs/wee	109	-	109	Kg	Seasonally		
13	Manitoulin Hotel	Food services	Manitoulin	Onions	200 lbs a week	1,905	-	1,905	Kg	Seasonally		
14	Garden's Gate	Food services	Manitoulin	Other: Cau	Cauliflower: 24 heads/we	1,132	-	1,132	Kg	Seasonally		
15	Huddy's Fish & Chips and More	Food services	Algoma	Potatoes	6000 lbs/year (300 lbs/w	2,721	-	2,721	Kg	Seasonally		
16	Brookwood Brae Golf Course/Restaurant	Food services	Manitoulin	Potatoes	1,200 lbs/year (ten 20lb b	544	-	544	Kg	Seasonally		
17	Manitoulin Hotel	Food services	Manitoulin	Potatoes	500 lbs a week	11,791	-	11,791	Kg	Seasonally		
18	Embers Grill and Smokehouse	Food services	Algoma	Squash	Lots per week. Can't quote amount. Spend:		-	-		Seasonally		
19	Brookwood Brae Golf Course/Restaurant	Food services	Manitoulin	Tomatoes	24 flats/year (24 tomatoe	69	-	69	Kg	Seasonally		
20	Rockin JJ's (Food Truck)	Food services	Manitoulin	Tomatoes	10-15 tomatoes/week (cc	26	-	26	Kg	Seasonally		
21	Red Pine Lodge	Food program	Algoma	Carrots	3 bags/week (1-2 lbs/bag	106	-	106	Kg	Year-round		
22	Northern Fruit and Vegetable Program	Food program	Algoma	Carrots	67,000lbs/year	30,385	-	30,385	Kg	Seasonally	January	Feb
23	Wahnapitae First Nation	Food program	Sudbury	Carrots	120 lbs/year (10 lbs/mon	54	-	54	Kg	Year-round		
24	Northern Fruit and Vegetable Program	Food program	Algoma	Cucumbers	58,200lbs/year	26,395	-	26,395	Kg	Seasonally	January	Feb
25	Red Pine Lodge	Food program	Algoma	Onions	2 bags/week (2lbs/bag)	94	-	94	Kg	Year-round		
26	Wahnapitae First Nation	Food program	Sudbury	Onions	120 lbs/year (10 lbs/mon	54	-	54	Kg	Year-round		
27	Red Pine Lodge	Food program	Algoma	Other: Cele	Celery: 3-4 stocks/week	83	-	83	Kg	Year-round		
28	Manitoulin Family Resource Centre	Food program	Manitoulin	Potatoes	3,650lbs/year	1655	-	1,655	Kg	Year-round		

Introductory Note | Vegetables (Data) | Vegetable Tables | Fruits (Data) | Fruit Tables | Proteins (Data) | Protein Tables | Dairy (Data) | Dairy Tables | Eggs (Data ...

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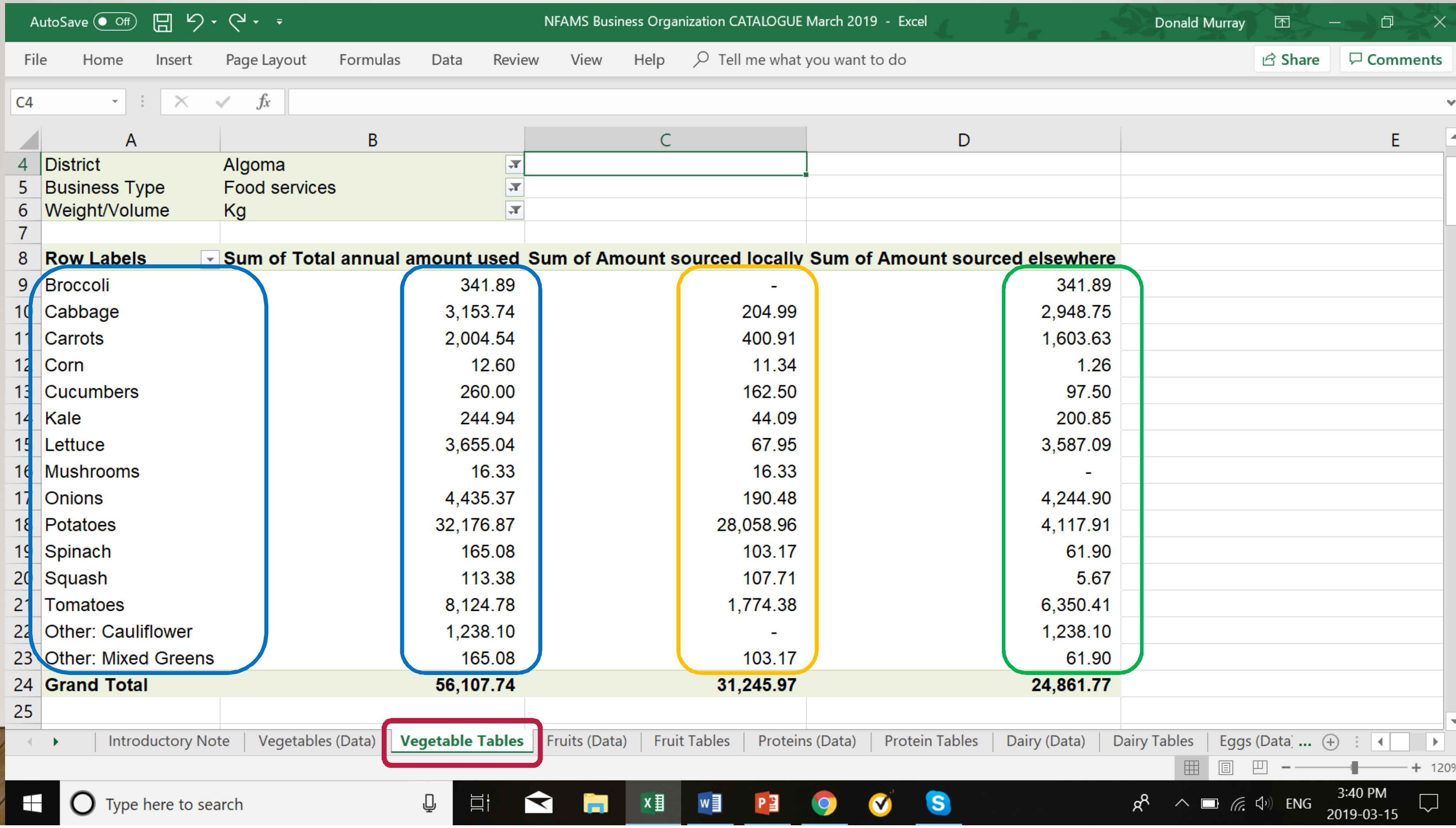
NFAMS Catalogue – Pivot Tables



District	Algoma
Business Type	Food services
Weight/Volume	Kg

Row Labels	Sum of Total annual amount used	Sum of Amount sourced locally	Sum of Amount sourced elsewhere
Broccoli	341.89	-	341.89
Cabbage	3,153.74	204.99	2,948.75
Carrots	2,004.54	400.91	1,603.63
Corn	12.60	11.34	1.26
Cucumbers	260.00	162.50	97.50
Kale	244.94	44.09	200.85
Lettuce	3,655.04	67.95	3,587.09
Mushrooms	16.33	16.33	-
Onions	4,435.37	190.48	4,244.90
Potatoes	32,176.87	28,058.96	4,117.91
Spinach	165.08	103.17	61.90
Squash	113.38	107.71	5.67
Tomatoes	8,124.78	1,774.38	6,350.41
Other: Cauliflower	1,238.10	-	1,238.10
Other: Mixed Greens	165.08	103.17	61.90
Grand Total	**56,107.74**	**31,245.97**	**24,861.77**

Thank you!

Harry Cummings and Associates Inc