



Social Enterprises
Knowledgeable Economies
and Sustainable Communities

Community-Based Regional Food Distribution Initiatives

A Cross-Case Analysis

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**A research report prepared for the Northern Ontario, Manitoba,
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Entreprises sociales
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COMMUNITY-BASED REGIONAL FOOD DISTRIBUTION INITIATIVES

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Community-Based Regional Food Distribution Initiatives: A Cross-Case Analysis

Community-based regional food initiatives are emerging across North America and beyond that offer an alternative to the mainstream food system – an opportunity for farmers and consumers to work cooperatively to build a more just and sustainable food system.

There is great interest in developing cooperative approaches that can upscale the impact of localized food initiatives (e.g., farmers' markets, direct marketing) to reach more farmers and eaters. In this brief we focus on **Community-Based Regional Food Distribution Initiatives (CRFI)**. Rather than attempting to sell through the conventional food system and infrastructure (e.g., grocery stores), CRFIs bring together farmers and/or eaters to cooperatively build an alternative community-located food distribution infrastructure, for example in spaces such as neighborhoods, farmers' markets and community centers.

CRFIs range in size, aims, structure and scope, but our definition includes those that satisfy the following criteria: (1) **are collective projects** (2) **that distribute alternative food** (3) **in a regional geography** (4) **through community spaces and networks**.

In this study we explored the strategies used in CRFIs in their efforts to upscale both the social and economic impact of localized alternative food networks. This research project involved interviews, video documentation, site visits and document reviews with four comparative case studies.

Take-Home Lessons

- ▶ CRFIs are collective efforts to distribute food outside of the mainstream retailing system, **through community networks and spaces**.
- ▶ **Balance between eater-farmer participation** in decision making contributes towards a fair/democratic food system.
- ▶ CRFIs are well positioned to deliver **economic, social and political outcomes** by blending marketing, advocacy and educational activities.
- ▶ CRFIs should take care to **foster inclusion**, particularly for under-represented groups.
- ▶ CRFIs work carefully to remain within the **sweet-spot** between being a business and a community.

Case Studies

FoodRoots Distributor Co-op, Victoria BC
www.foodroots.ca

Kootenay Grain CSA, Nelson BC
www.kootenaygraincsa.ca

Harvest Moon Local Food Initiative, Clearwater MB
www.harvestmoonfood.ca

Oklahoma Food Cooperative, Oklahoma City OK
www.oklahomafood.coop

The CRFIs were all started in the last decade and ranged in size of membership, from 3 to 125 suppliers and from 264 to 3,875 buyers, and in terms of volume of sales in their peak year (from \$54,000 to \$812,000). The purpose statements of each of the cases reflected a desire to work towards both business-oriented and community-oriented goals.

Business-oriented purpose statements amongst the cases largely reflected a desire to improve farm livelihoods and offer a fair price and improved access for consumers seeking to procure alternative foodstuffs. Community-oriented goals reflected a desire to educate and reconnect farmers and eaters and to further food-oriented social movements (e.g., local food, food security).

Building and Governing

Once established, CRFIs can be governed primarily by farmers or by eaters or by a combination in a multi-stakeholder or solidarity CRFI model. The later represent a move from competitive towards cooperative relationships between farmers and eaters. Hard-wiring eater-farmer participation into formal governance structures (e.g., the Oklahoma case was legally a multi-stakeholder cooperative) can ensure that the needs of both are addressed.

All four cases were driven by key volunteers who championed the establishment, maintenance and growth of the CRFI. Bob Waldrop of the Oklahoma case described three main types of roles that need filling in any CRFI: the “Exhorter,” the “Management Nerd,” and the “Financial Nazi.” (Video 1 – [YouTube](#))

One person or six people together could fill each of these roles, provided they are all effective. However, the roles are interdependent:

As the “Exhorter” lifts everyone’s eyes to the clouds and the heights, people are going to start floating up, and the “Management Nerd” and the “Financial Nazi” will grab onto their ankles and keep everyone grounded in the good fertile organic soil ... and help bring the vision into reality.

Thus, the interplay of these roles underscores the need to establish a balance between business and community orientation.



Video 1 – Bob Waldrop of the Oklahoma Food Cooperative described three key roles that should be filled in community-based regional development initiatives. [YouTube](#)

CRFIs are often faced with the dilemma of choosing whether to remunerate volunteers. On the one hand, remuneration can ensure more consistency in human resources for carrying out the business of the CRFI. On the other hand, paying volunteers can change the “feel” of the organization where a culture of volunteerism (giving) comes into tension with a culture of earnings (taking). This becomes difficult to manage as those who choose or prefer to volunteer begin to resent that others are paid, especially for volunteers who made significant volunteer contributions in the early stages of the CRFI. Because the viability of most CRFIs is predicated on these in-kind contributions, the potential of cascading demand for remuneration can greatly increase the cost of operations and poses a significant challenge.

The Oklahoma Food Cooperative has found a creative middle ground to this dilemma. Rather than receiving direct remuneration, casual volunteers and some core volunteers are given credits towards food purchases at the co-op equivalent to minimum wage. Not all accept these volunteer credits. This approach seems to have moderated the commoditization of labour in a CRFI that was built on the power of volunteerism.

A key human resource in a CRFI is the farmers who sell to and eaters who buy from the initiative but do not contribute in other ways. Although these participants play a more passive role in the CRFI, each was viewed as potentially becoming more active in the CRFIs by contributing ideas, labor and recruiting others to the CRFI.

The CRFIs were participatory in intent, although participation was in practice uneven. There was a gap between aspirations to nurture active members who contribute to the growth and development of a CRFI and the reality that not all farmers and consumers

want to become more active. For the time being, these passive participants would rather just be buyers or sellers, thus satisfying their individual needs rather than also helping to create an active community. Yet, the CRFIs thrived on the backs of active members and fostering participation was viewed as an important task.

Some of the CRFIs considered building requirements for volunteerism into their membership criteria. Harvest Moon at one point mandated that participating farmers sit on an organizing committee and be obligated to contribute one day each for delivering products. CRFIs also fostered more meaningful participation by creating open-membership committees and ensuring that anyone who wants to become involved would find a project to plug into or a task to carry out.

Blurring Boundaries between Community-Building, Marketing, Education and Advocacy

In CRFIs, boundaries blur between strategies that count as marketing (as a business strategy) versus those that count as education, as community building, and as advocacy.

For example, FoodRoots organizer Lee Fuge describes how the cooperative intentionally locates their pocket markets in political spaces (such as government offices) where they can access politicians who make policy decisions and bureaucrats who implement public programming in hopes that they might influence their attitude towards these important alternatives. (Video 2 – [YouTube](#))



Video 2 – Lee Fuge explained why she continued to set up pocket markets in government buildings when the sales were only marginal. [YouTube](#)

Inclusion

As community-oriented enterprises, the CRFIs aimed to be democratic and inclusive and to empower their community base. However, “community” implies the drawing of boundaries: who belongs and who doesn’t? CRFIs that emerge within a pre-existing or defined community may inadvertently exclude others from participating. Conversely, there was much evidence amongst the cases that CRFIs work to bridge divides between communities.

Cost is one of the most substantial barriers for eater participation in CRFIs. Among the four cases, only one had an explicit program for improving accessibility for those for whom cost was a barrier.

Electronic communications and tools are highly efficient in terms of processing orders and minimizing transaction costs, although uneven competencies with and access to electronic communication tools can also present a barrier for both eater and farmer participants both in the ordering process and in the governance of the CRFIs.

Standards: balancing rigor and inclusivity

All four cases set quality standards to restrict the growing processes used by members and the types of end products allowed for sale. Choosing or creating a standard is an important decision that speaks to what the CRFI stands for and acts as a signpost for attracting new participants, but it can also prohibit farmers from participating. Three types of quality standards were evident amongst CRFIs:

- **Closed or top-down standards** use a pre-existing certification regime (e.g., certified organic) where quality had already been defined and written into a hard set of regulations that were designed to be applied across wide geographies and contexts. This leaves less room for ambiguity and provides familiar signals to both eaters and farmers as to what the CRFI stands for.
- **Open or bottom-up standards** are developed by the community and are typically more open and adaptable. Although these may be more inclusive, allowing CRFIs to match standards to the make-up and needs of the community, they can prove difficult to negotiate.
- **Transparency or trust-based standards** are a variant of the open standard and have less onerous monitoring and compliance processes. Some basic production ethics may be defined, and all production methods must be disclosed.

Farmer Membership

All CRFIs face the question of how many farmers to involve throughout the various stages of growth. CRFIs can take one of three approaches at any given time:

- **Closed:** only presently participating farmers are able to supply through the CRFI.
- **Selective:** only farmers of certain types are admitted according to the group's desired makeup, product offerings, specialties, etc.
- **Open:** no restrictions in terms of numbers of farmers. All are welcome, so long as they meet the criteria for participation (e.g., basic quality standards).

Roy Lawrence of the Kootenay Grain CSA describes the dilemma where CRFIs may not be economically worthwhile for even a small number of farmers in the early stages of development. (Video 3 – [YouTube](#))



Video 4 – Roy Lawrence of Kootenay Grain CSA describes the dilemma of open membership for growing CRFIs. [YouTube](#)

Sharing Their Stories

Beyond carrying out the work in the region, all the cases showed a commitment to sharing their experiences with others in hopes that it would stimulate similar CRFIs in other regions.

The FoodRoots organizers set up an on-line guide to establishing pocket markets, leading to the spread of pocket markets to mainland British Columbia. The Oklahoma case established an on-line forum to host discussions about setting up an on-line food cooperative and have intentionally hosted dozens of groups to come and learn from their initiative, leading to the establishment of sixteen similar coops in the USA, Canada and one in Australia. Further, the extensively developed software package used by the Oklahoma case has been made available at no charge to other CRFIs.

The Kootenay Grain CSA has spawned additional grain CSA projects across North America; this was enabled through the exposition of the initiative on the

syndicated radio program *Deconstructing Dinner*, reflecting the importance of independent media in diffusing grassroots innovations.

The Hybrid Economy

The CRFI-as-experiment provides opportunities for novel configurations or grassroots innovations that focus on the needs of communities, but draw from business logic, in order to upscale local food systems. However, projects in the hybrid economy inevitably yield tensions and contradictions as they attempt to blend strategies and tools, business and community, which are seldom readily compatible but rather need to be constantly (re)interpreted in the scheme of alternative economic enterprise. Thus, grassroots innovation in our cases involved the creative application of hybrid strategies, ensuring that ideology and community need is held in check by the practicalities of doing CRFI business and vice versa.

Thus, the success of a CRFI as a hybrid economic project depends on its ability to find and maintain a moving “sweet-spot,” where growth and the need for efficiency is held in a delicate tension with the need to remain grounded in community need.

Paradoxically, to be successful in achieving social and political ends, the business must be viable; yet the social and political work undertaken in CRFIs does not always yield business results. Similarly, when decisions are made based on economic viability alone, a CRFI can resemble any other business and thus risks disillusioning participants and losing the organizational support of its community base.

In the Harvest Moon case, members facetiously spoke of forming a “warm-and-fuzzies” committee that would monitor the “feel” of the initiative. (Video 4 – [YouTube](#))

Similarly, the Oklahoma Food Cooperative has a “core values committee” hardwired into their organizational structure. These bodies are tasked with ensuring that CRFIs remain within the sweet spot and



Video 3 – Discussion at Harvest Moon meeting around forming “warm-and-fuzzies” committee. [YouTube](#)

are likely to be important during times of growth, when the logic and strategies of the business economy tend to have a stronger pull.

We found that CRFIs often blend educational, marketing and political messaging strategies, which can help differentiate these initiatives from conventional business or even from other alternatives that involve less community interaction. Embedding food exchange with political and educational messaging can serve to bring in new enablers and core volunteers.

When economic exchange is woven with a political message, an opportunity to socialize with another member(s) or an opportunity to learn something new, it can become an opportunity to transform a passive buyer into an inspired active contributor.

CRFIs are often presented as being consumer-driven, which denies the possibility of a more prevalent role

for farmers in existing CRFIs and the important role that CRFIs could play in bridging the divide between farmers and eaters through more involved interaction. We would argue that the common focus on either consumption or production in most research misses the point that there is a need to strike a balance between farmers and eaters in the governance of CRFIs and more generally to foster solidarity through shared responsibility between farmers and eaters.

We found that there is great, perhaps under-realized, potential for scaling out CRFIs to other regions and for learning among CRFIs. The CRFIs in this study exemplified an open-source culture through a remarkable willingness to share their innovations with initiatives in other regions. This is in direct contrast to the standard business world, in which corporate models, tools and strategies are considered proprietary and are held as guarded secrets.

Community-based food distribution initiatives are difficult yet rewarding projects.

They require thinking outside of the economic development box and employ different strategies for growing the community enterprise and community movement. CRFIs are able to achieve a “competitive edge” over other food supply chains by drawing from both community and business resources. Proponents of CRFIs should focus on tactics that allow CRFIs to stay within this sweet spot between business and community during times of both growth and scarcity. It is in this space where progressive economic enterprise can be scaled up through growth and scaled out through diffusion without sacrificing the values that come from being authentically embedded in and driven by community. ●

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For more details or to access the full report please visit www.farmtoforkresearch.com



VIDEOS & PHOTOS: Colin Anderson. BRIEF DESIGN: Greg deJong

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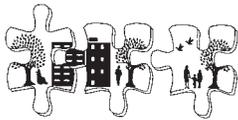


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