Regional Value Chains in the Northeast: Findings from a Survey

The Northeast Regional Lead Team Project

February 2010

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Regional Value Chains in the Northeast; Findings from a Survey

The central activity of the Northeast Regional Lead Team Project was the investigation of a variety of value chain initiatives in the Northeast region. We wanted to understand the location and reach of these chains, and to learn their histories, structure, market relationships, support networks, challenges and needs from the perspective of the “driver.” Between December 2008 and May 2009 we interviewed the key principle in each of 35 regional value chains. What follows is a descriptive analysis of that information.

I. Methods

During the project proposal stage, a regional leadership team (RLT) of seven people—value chain leaders, a retailer and a researcher—was identified. In concert with three project staff members, the RLT developed an overarching framework and criteria for describing and identifying “regionally focused food value chains” (RVC). (See Appendix 1.) The criteria included:

- The entity is located in the 12-state Northeast region;
- The entity is connected to at least two other supply chain links (in other words, not direct producer to consumer);
- The chain handles “significant volume”;
- The product(s) are differentiated in some way;
- The products may be produced according to "green" production practices; and
- The entity may be "values driven" in its business relationships.

With this framework RLT members identified as many RVCs as they could. We also posted an inquiry on a regional list serve and asked colleagues for recommendations. As a result, we identified 35 entities to interview. We used the framework of “who is the driver?” to determine the most appropriate entity to interview. The driver is the entity that “makes it happen.” Depending on the supply chain, the driver entity could be a producer or producer group, a processor, distributor, retailer or nonprofit advisor/facilitator. Often the driver was the initial organizer. The interviewee was typically the key person in the driver entity.

The RLT and staff developed a 44-question survey (see Appendix 2). Survey questions were also based on a review of literature including case studies of RVCs around the country. Two RLT members acted as pilot tests for the survey instrument, after which several changes were made in the order and wording of questions. We contacted each key individual to request a phone interview. Kate Clancy conducted all the interviews.

Data were transferred to a spreadsheet format and tabulated by Clancy and Kathy Ruhf. They performed the basic analysis that constitutes the bulk of this report. The final number of interviews presented here is 34 or 35: the responses from one (the Neighboring Food Cooperative Association) are often not included because its structure and mission are so different from the others. Also, in some cases the respondent didn't answer a question, or it did not apply to their situation.
The results are presented in the following sections, starting with information about the driver of the value chain. That is followed by information about growers/producers in the RVC; then processors; and then distributors. After that we look at the product attributes and values-based elements of the RVCs; then at the things that are going well, challenges, where they are in the development process, and next steps. Then we address technical assistance needs and policy issues. Finally, we offer some concluding observations.

II. Value Chain Partners

A. Drivers

Of the entities we interviewed 13 are principally (meaning their “driver” function, as described above) distributors, 8 are producers, 8 are processors, 4 are retailers, 1 is a packer, and 1 is a technical assistance nonprofit. Seven of the total are also aggregators -- that is they aggregate product from other farmers or processors and distribute them. Two entities were started before the 1970s; 4 in the 1970s; 4 in the 1980s; 10 in the 1990s; and 15 in the 2000s. The legal structure of the largest category of RVCs is a corporation (22 of different types). Eight are co-ops, 4 nonprofits and one an alliance. See Table 1 (next page) that depicts multiple driver functions.

<table>
<thead>
<tr>
<th>Driver Principal Function</th>
<th>Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>Distributors</td>
<td>13</td>
</tr>
<tr>
<td>Producers</td>
<td>8</td>
</tr>
<tr>
<td>Processors</td>
<td>8</td>
</tr>
<tr>
<td>Retailers</td>
<td>4</td>
</tr>
<tr>
<td>Packers</td>
<td>1</td>
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<tr>
<td>TA nonprofit</td>
<td>1</td>
</tr>
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</table>

- **Mission and goals.** The mission and goals of the chains are all different, but several main themes can be identified. The most common goal is to support local/state producers, bring higher profits to growers, etc. The next most frequently mentioned goal is to provide environmental benefits through farming. A third goal is to provide local food for local businesses.

- **Location and goods handled.** The state with the largest number of interviewees is New York (9), followed by Maine (6), Massachusetts (6), Vermont (5), Pennsylvania (4), Rhode Island (2), Connecticut (2), and Maryland (1). Interviewed drivers report a wide variety of foods produced or handled.

<table>
<thead>
<tr>
<th>The foods produced or handled by RVC interviewees</th>
<th>Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>Only dairy</td>
<td>6</td>
</tr>
<tr>
<td>Only produce</td>
<td>6</td>
</tr>
<tr>
<td>Only meat</td>
<td>1</td>
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<tr>
<td>Only seafood</td>
<td>1</td>
</tr>
<tr>
<td>Only grains/bakery</td>
<td>3</td>
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<tr>
<td>Dairy and other beverages</td>
<td>2</td>
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<tr>
<td>Mix of foods including produce</td>
<td>10</td>
</tr>
<tr>
<td>Mix of foods with no produce</td>
<td>2</td>
</tr>
<tr>
<td>Full line retail</td>
<td>3</td>
</tr>
<tr>
<td>Other</td>
<td>1</td>
</tr>
</tbody>
</table>
Table 1: Marketing functions carried out by different RVC drivers

<table>
<thead>
<tr>
<th>Source: Based on survey responses</th>
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<tbody>
<tr>
<td>1. Producer</td>
</tr>
<tr>
<td>1</td>
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<tr>
<td>35</td>
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<tr>
<td>36</td>
</tr>
</tbody>
</table>

**Source:** Based on survey responses
We note that we did not attempt an exhaustive search for RVCs across the Northeast. We interviewed the RVCs that were referred to us by the RLT and others. So the number of RVCs interviewed is not necessarily the total of RVCs in the region, nor does one state necessarily have more RVCs than another. See Map #1 to view the location of each interviewed entity.

- **Sources of startup funding.** By far the most frequent sources of startup funding for all of the chains were self, family and friends. Some chains (four or five each) utilized economic development funds, foundation grants, and state Department of Agriculture grants. Other sources such as Cooperative Extension and federal grants were each utilized by one RVC. Almost all chains now rely on sales revenue to support their businesses. Approximately one third also utilize bank loans or lines of credit. A few have received economic development loans or grants, and a few others depend on consulting fees to fill out their income streams.

- **Gross annual sales.** The yearly gross sales of the enterprises we interviewed range from $140,000 to $110 million. Seven have sales below $500,000, 13 sales below $1 million, 12 in the $1-$10 million range, and 4 between $25 and $110 million. Because respondents were offered categories there are several double counts in the first two categories.

- **Number of employees.** The number of employees averages 28, with a range of 1 to 245. Fifteen enterprises employ from 1 to 5 workers; 4 employ 6 to 10; 6 employ 11 to 20 people; 3 have between 21 and 35 employees; 4 have between 60 and 100 employees; and 3 enterprises have more than 100 employees.

- **Driver roles.** Many chain drivers fill many different roles. Of 13 possible roles (see Note 1) 7 drivers play 7 different roles in the value chain, 6 play 6 roles, 4 play 5 roles, 7 play 4 roles, 7 play 3 roles, and 4 play 2 roles. (See Table 1.) For example one driver is a dairy producer, an aggregator of a variety of food products from other producers, a processor of their own and others’ dairy products, and acts as an incubator for the development of others’ new products. Another chain driver aggregates, processes, packs, and distributes vegetables and runs its own retail operation.

One of the things being remarked about and studied regarding supply chains is whether or not they are “hybrids.” A hybrid can be described as “the supply chain for a [local] product that combines alternative and conventional (mainstream) links [entities].”1 Our sample split almost 50-50. Eighteen of them are hybrids, 15 are not, and in two cases the distinction is not applicable.

- **Grower/producer characteristics.** The number of growers/producers in each chain ranges from 1 to 300. In 16 chains growers are located in a single state, and four chains have farmers from two states. The growers for 10 chains are scattered over more than 3 states (growers for five of these chains are located only in the Northeast). Four chains source raw commodities globally.

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1 Ilbery and Maye 2005 “Food Supply Chains and Sustainability: Evidence from Specialist Food Producers in the Scottish-English Borders,” Land Use Policy V.22 pp 331-344.
We don't have complete information of the size of farms (by gross sales, acreage, or head of livestock). A number of the interviewees did not have this information regarding the farmers in their chain. When they did know they told us that the farmers' gross yearly sales range from $1,000 to multimillions (13 chains); 10 to 15,000 livestock head (6 chains); and 2 to 700 acres (6 chains). These growers or producers sell into almost any type of market one can think of -- to brokers, wholesalers, retail stores of all types, direct markets such as farmers' markets, restaurants, and farm stores. We also found out from seven interviewees that the growers are located within a 10 to 175 mile radius from the driver's location.

C. Processors

• **Products and accounts.** The eight processors we interviewed produce between 2 and 24 different products (not different sized packages). Three producers process five or fewer products; four process 6-20 products, and 1 more than 20 different products. Seven other value chain drivers process a few products (range of 1 to 9, average of 3), and one processes over 90 different products. The number of accounts serviced by processors ranges from 40 to 2000, with an average of 560. One company mainly sells to individual consumers (about 3,500) via the Internet. The number of growers engaged by processors ranges from 1 to 100, average of 25. Processors mainly sell to distributors, retailers, and some to restaurants.

D. Distributors

• **Distributor characteristics.** Of our cases 13 are principally distributors. The number of growers they purchase from ranges from 15 to 300, average is 70. The numbers of accounts serviced ranges from 35 to 1900, average of 360. The distributors cover the full range of markets across the food supply chain from home delivery to wholesale, retail of all sizes, restaurants, food service, caterers, etc. The size of major markets for the RVCs ranges from two counties to global. The largest number distribute in a single state (nine chains). Six market only in a single city (4 New York City, 1 Pittsburgh 1 Philadelphia); 8 throughout New England; 5 in the mid-Atlantic; 5 nationally and 2 globally.

III. Product attributes (differentiation)

We know that the alternative food market in the United States is often distinguished by products that meet consumer values described as environmentally sound, humane, local and other attributes. These attributes differentiate the product in the marketplace and often fetch a premium over “conventional” products. For this study, one of the criteria for a RVC is that the product is differentiated in some way(s), with the assumption that the participants in the value chain benefit from this distinction. But this is not always borne out through a price premium.

• **Product attributes.** A little over half of the value chains produce, handle, or distribute some food that is certified organic. Three other attributes that differentiate the largest numbers of foods in our study are "no hormones (rBST)" in 10 chains; grass-fed or pasture raised in 7 chains; and "no antibiotics" in 5 chains. Other attributes that are described by chains include IPM, hand-made, sustainably raised, GMO free, biodynamic, fair trade, and several others.

• **Location** (place or distance) was analyzed separately from production or processing characteristics. Twenty chains report using "local" as part of their marketing. Two note that
they use the term “regional” to describe their reach, and several others use the term “local” but told us that they mean “regional.”

- **Healthy, Green, Fair and Affordable.** We also asked whether the chains either made claims, or discussed (e.g., on a website) the four parameters (healthy, green, fair, and affordable) that constitute the definition of “good food” by the Kellogg Foundation. Eleven chains make no specific "healthy" claims about their products. Six chains use the word “fresh” to describe their foods, and three each mention “no hormones” or “natural.” Six respondents said they don’t make any point of green practices in their marketing, and 13 market all or some organic products. Five talk about the shorter distance that products are shipped, 4 engage in some recycling of waste products or packaging materials, and 2 have constructed green buildings. A large majority of chains do not explicitly address fair or affordable practices (24 and 25 chains respectively). Two offer fair trade products, and 2 mentioned that they pay a living wage. Five chains have some kind of program to offer a lower cost option to low income families or the elderly.

- **Values.** Similarly, we were interested in looking at the values-based elements of the chains, as defined by the Agriculture of the Middle Initiative (Note 2). Three of the interviewees told us that the elements were not applicable to their businesses. Seven others replied that none of the criteria were evident in their chains. Of the remaining 25 chains about half are characterized by open relationships among members; three-quarters offer decent prices to farmers; two-thirds maintain the identity of farmers through the chain or on websites; and in about one-third farmers take part in decision-making.

**IV. Successes and Challenges**

**A. Going well**

We got 70 different responses to the question of what is going well. By far the most mentions went to the good relationships/synergy among partners in the value chain. This included tight knit/good relationships with farmers, with clients and collaborators, and with stakeholders. The second most mentioned positive response was that demand was high, sales were growing, and there was a lot of new interest in their products. Two other positives were mentioned by at least five value chains: (1) farmers getting good prices; and (2) logistics working well. At least four said: (1) communications were going well; (2) there was more awareness of local foods; (3) the entity was getting more efficient; and (4) the entity has established a brand name or niche.

**B. Where in the development process**

Nine of 36 responses to this question related to a desire to work at a bigger scale, to build a regional system, to go statewide or to other states, and to cross-pollinate with other chains. Six respondents were looking for more supply or unique items, six more wished for an increase in the understanding by growers of the volume and quality stores want. Another six wanted to increase their chains’ capacity for adding value through more processing, more markets for processed food, and new product lines. Two, however, wanted to stay viable at a scale that was as small as possible. Five chains want to increase or improve their marketing through the web, and better outreach. Other desires were for GAP training, more technical capacity, and greater availability of specific regionally produced ingredients.
The respondents were generous in sharing the challenges they face -- each listing multiple problems. The five challenges most frequently mentioned are the following:

<table>
<thead>
<tr>
<th>Top Five Mentioned Challenges:</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Managing growth</td>
</tr>
<tr>
<td>• Need for more supply</td>
</tr>
<tr>
<td>• Getting farmers to understand market needs and their new roles</td>
</tr>
<tr>
<td>• The oversimplification of &quot;local&quot; by retailers</td>
</tr>
<tr>
<td>• The need for more customers.</td>
</tr>
</tbody>
</table>

Other problems mentioned by at least three respondents are (1) dealing with conventional processors and distributors, (2) competition, and (3) financing.

C. Next steps
Almost half of the next steps respondents are planning are related to the expansion of visibility, markets, market share, consumer and institutional customers, processing, value-added, and product numbers. Related to this are four value chains that need to work on websites as a source of information and ordering. Four others want to increase their efficiency; and three want to set up their own facilities. Several other things mentioned are the desire to make technical improvements in their operations, to diversify funding, and to build the consulting side of the business.

V. Policy issues
Eleven of the 36 interviewees reported no policy or regulatory issues. This could be because: a) they really do not face any regulatory or other policy challenges; b) they don’t perceive a problem as policy-based; c) they have not encountered a particular barrier –yet; d) they deal with policy/regulatory matters but do not perceive/report them as an “issue”; or e) they don’t have time to put what they consider “policy” on their radar screens. This last hypothesis would place these respondents in the category along with seven other interviewees who reported that policy issues were “nothing they couldn’t or didn’t handle” or expect in the course of doing business.

The most frequently reported policy-related concern is around food safety procedures and regulations (GAP, HACCP) – in terms of what is anticipated, having adequate information, and burden of compliance.

VI. Technical assistance
There were many more responses to this question than to the policy question (above). Based on the responses, TA is (perceived as) a bigger, more pressing need than regulation or broader policy issues. The most reported TA need is around information technology: websites and data management.
Another oft-mentioned category focuses on the organization: management, structure, board development, HR, financial management. This is true whether the entity is a nonprofit, coop, LLC or other. A major TA need expressed by respondents is around product development: feasibility, processing, and value-added. Food safety knowledge and compliance training is another major need. A few groups mentioned getting some assistance from Land Grants and/or Departments of Agriculture. We did not ask specifically where they sought or received assistance.

VII. Findings and conclusions

What follows is a list of observations from our interviews. We don’t propose sweeping conclusions about the scope, characteristics or needs of regional value chains in this report. We can conclude that we found tremendous vitality and creativity in these initiatives, and that despite their wide differences, there are many common themes and needs.

OBSERVATIONS ON PROCESS

1. In this study, we interviewed the RVC key individual in the driver entity. We did not contact other entities in the chains. We did not explore chain relationships or pursue “weak links.”

2. One of our RVC criteria addresses “significant volume.” We did not ask about volume, nor do we have an operating definition of “significant.” At this point, gross sales are a stand-in for volume. The viability of these chains (based on sales and other indicators) leads us to assume that at this point they are handling adequate volume, although some number want to sell more. This is an important area for future investigation.

3. In most cases, there is no way to verify claims interviewees made about their food products or their supply chain process.

4. We cannot draw conclusions about what proportion of RVCs sell into “conventional”/mainstream supermarkets. This is due to a lack of clarity about what constitutes a mainstream versus alternative supermarket. It would be important to learn how much of a factor the retail buyer is in the success of an RVC.

FINDINGS

1. All RVC drivers interviewed differentiate their products in some way: many entities differentiate on several attributes. We didn't ask what premium chains are getting, or which attribute(s) attract a premium. It is not clear that “local” in itself is delivering a premium to most of the chains.

2. A significant finding regards the multiple roles that drivers play. Thirty-one of the 35 interviewees indicated that they play at least 3 and up to 7 different roles (functions). We don’t know whether this is by choice (economic or otherwise) or by necessity (no other entity to fill the role).
3. The hybrid model appears to be significant for regional value chains. This is not surprising in that it is a pragmatic way to deal with the lack of food supply infrastructure in many places. We need to understand more about how these partners and values interact and the implications for developing more robust RVCs.

4. There was a large variation in the size of the interviewed entity and chain.

5. We don’t explicitly include “fair” and “affordable” in our criteria, but we did in our survey. Fair generally refers to the treatment of farm workers, fair trade and fair prices for consumers. Two-thirds of those interviewed don’t address “fair.” These issues do not appear to be on their radar screens – and may not be in the foreseeable future. Similarly, we found that most do not address affordability – at least as commonly defined as affordable for all consumers. Most mentioned that they cannot afford to lower prices, although 5 interviewees say they offer lower-cost options.

6. Our functional definition of a RVC includes language from the Agriculture of the Middle Initiative: “Emphasizes or strives for business relationships based on articulated values such as strategic partnership, equitable distribution of rewards, transparency, etc.”

7. Nearly 60% of RVC interviewees said they use “local” in their marketing, but it is not clear what exact definition they use, nor how the claim affects other chain partners, or sales. The term “regional” does not appear to carry much weight, although 40% of the interviewed entities source from at least two states. Sixteen source from one state, which may or may not be thought of as “local” by chain participants or consumers.

NEEDS AND CHALLENGES

1. The most often cited challenges are associated with growth – managing growth, seeking more supply and more customers. Other frequently mentioned challenges have to do with the value chain process – dealing with value chain partners (farmers, retailers, processors). These same themes echoed when asked about next steps. Nearly half indicated intent to expand in some way(s). The second most-often raised theme was around process – making technical improvements and achieving better efficiencies. Some expressed interest in working with others, for example through cooperative activities (not necessarily expressed by the coops themselves), new links and partners, seeking expertise. Not all were uniformly enthusiastic about new chains emerging.

2. Nearly all the RVC interviewees described themselves as fairly overwhelmed with the work. They have little time to step back and reflect on what or how they or other similar initiatives are doing. We hope this report will be useful for their reflection.

3. Most interviewees were very interested in and happy about what we were doing. They appreciated being recognized for what they are accomplishing. Several expressed interest in seeing project results and learning about future efforts.
FURTHER RESEARCH QUESTIONS
1. What can we learn about the multiple roles that “drivers” play and about “hybrid” chains?
2. How are the concepts of “local” and “regional” understood and used by each player in the value chain?
3. What constitutes “significant volume” and how does volume of supply figure into the viability and plans of RVCs?
4. What can we learn about conventional versus alternative retail buyers’ impact on RVCs?
5. How can we best study and what can we learn about the “soft fabric” of value chain relationships? How the principles interact, how risk is shared, how transparency and trust are attempted or achieved, how commitment is balanced among chain partners.

NEXT STEPS
1. It will be valuable to follow through on these cases to see what happens to them.
2. We want to learn more about the barriers experienced or perceived by farmers to participating in RVCs.
3. A priority is to compile all research on RVCs in Northeast in one place, and to develop a collaborative agenda about future research.
4. We want to share this report widely and are eager for feedback.
5. We want to find other RVCs and ask same questions. The more we find the better conclusions we can draw about what’s going well and the better positioned we will be for next steps.
6. We want to find both the smaller/emerging RVCs and the larger ones. We want to draw clearer parameters or boundaries regarding size and scale. We have intuitions about “mid-size” chains, but recognize in this initial study, for example, one RVC had one employee and one had over 300.
7. It will be important to connect this study to other work on regional food systems – for example follow-up from NESAWG’s “It Takes A Region...” conference and its working paper on regional food systems.
8. It is also important to unpack and address the TA needs of RVCs and to identify how to meet those needs from within the region or elsewhere.

* * * *

Note 1. These categories are producer, aggregator, processor, packer, distributor, broker, buyer, wholesaler, retailer, marketer, market facilitator, technical assistance, and other.
Note 2. The four aspects covered are (1) emphasis on open relationships between firms in the chain; (2) farmer participation in decision-making; (3) equitable distribution of rewards; and (4) maintenance of farmer identity through the chain.
Appendices:
1. Framing document
2. Survey instrument
3. Maps (See PowerPoint Slides)
   a. Locus map of interviewed entities
   b. Map of the geographic reach of four Regional Lead Team entities
   c. Detail map of one Regional Lead Team partner’s sourcing and distribution
4. RLT Interviewees
5. Regional Lead Team members and project staff
Appendix 1. Framing Document

NORTHEAST RLT GLOSSARY

1. **Region:** A region may be defined by political or administrative boundaries, watersheds, bioregions or culture. Regions are composed of sub-regions; they overlap; they “nest” in larger regions. All regions can be characterized by physical characteristics, political dynamics, socio-economic factors, and socio-cultural features. For this project, RVCs operate at various regional scales within the twelve-state Northeast.

2. **Regionalism:** A framework for policy analysis and development that: 1) responds to regional differences and needs; and 2) encourages regional approaches and solutions.

3. **Food supply chain:** A network of business enterprises through which food products move from production through consumption. Typical links in the supply chain are: inputs → producer → processor → broker/distributor → wholesaler → retailer → consumer

4. **Value chain:** There are several definitions of value chain. Most commonly they focus on “adding value” to the product:
   a. Value-added value chains feature food products that are converted from raw product through processes that give the resulting product an incremental value -- higher price or expanded market -- in the market place.
   b. Value-added value chains also describe food products that obtain incremental value in the marketplace by differentiating based on product attributes such as: geographical source; environmental stewardship (production practices); food safety; or functionality.

5. **Values-based supply chain:** Defined by the business relationships among interacting business enterprises that are expressly based in an articulated set of values, rather than any characteristic of the product itself.

6. **Values-based value chain:** Exhibits attributes of both value chains and values-based supply chains. Sometimes referred to as a value chain, but distinguished from #3 above.

7. **Regional value chain (RVC):** For this project, a regional value chain:
   a. Features a significant volume of food product differentiated by conversion from raw product, and/or by product attribute(s);
   b. Consists of at least three functionally different but linked enterprises in the food supply chain (one is producers, some or all of which are regionally located and focused, and appropriately scaled; and
   c. Emphasizes or strives for business relationships based on articulated values such as strategic partnership, equitable distribution of rewards, transparency, etc.

8. **Community of practice:** A group of people who share a concern, set of problems or passion about a topic and who deepen their knowledge and expertise in the area by interacting on an ongoing basis (*Wegner, McDermott and Snyder (2002)*).
8. **Business cluster**: A geographic concentration of interconnected companies where location is a competitive advantage. A cluster may consist of “horizontal” (like or competing) companies, firms connected by one or more elements or interests in common, or companies in a supply chain.

**RVC CRITERIA FOR RLT PROJECT INVENTORY**

- **CHAIN LINKS**: Three or more linked entities (two or more “nodes”) among supply chain enterprises; one must be producers (more than one producer)

- **AGGREGATION**: Not direct-to-consumer or “direct wholesale” (i.e. farmer to supermarket or institution) without an aggregation or distribution link

- **STRUCTURE**: Established, defined, formal, committed and operating legal and/or financial relationships indicated by e.g., sales history, signed agreements; may also be a group facilitating or supporting producer connections and market access without formal/legal/financial involvement in a transaction;

- **PRODUCT**: Value-added product(s) (see Glossary); not handled as undifferentiated commodity

- **SCALE**: Appropriately matched size and scale of partners to serve small and mid-size producers and regional market; may start at smaller/local scale

- **GEOGRAPHY**: At least some producers and at least one other “link” must be located (pay taxes) within the region

- **BUSINESS RELATIONSHIPS**: Presence of – or direction toward – values-based relationships (See Glossary)

- **PRODUCTION PRACTICES**: Evidence of – or direction toward -- sustainable or “green”, however defined and described
Appendix 2. Northeast Regional Value Chain Survey

**Cluster A. About the organization**

1. Interviewee: role/position in organization, personal contact information:

2. Organization name and location:

3. Brief organization history (date started; first developers/founders; source(s) of startup funding):

4. Organization mission:

5. Organizational goal(s):

6. Which goal(s) relate to fostering or participating in food value chain development and in what way(s)?

7. Organization’s legal structure(s) (e.g., co-op [old form or new generation]; LLC [open or closed]; nonprofit; specific other:

8. Annual sales of organization (if applicable) (___ less than $1 million; ___ $1-$10 M.; ___ $10 to $100 M; ___ over $100M? Annual growth rate?

9. Current organization profile (size of organization budget; # employees (if relevant); source(s) of current funding; leadership and management structure and function; other relevant):

**Cluster B. Roles, links and products:** Organization’s role(s) *(check all that apply)* and products *(by category)*:

10. ___ Producer(s)
11. ___ Aggregator: How is product aggregated (if not answered above)?
12. ___ Processor: Processing functions? How many products?
13. ___ Packer
14. ___ Distributor: Distribution (e.g., number of accounts, logistics, trucks):
15. ___ Broker
16. ___ Buyer
17. ___ Wholesaler
18. ___ Retailer
19. ___ Marketer
20. ___ Market facilitator
21. ___ TA/education/support provider
22. ___ Other:
Cluster C. About the value chain
23. Describe your value chain – what entities are included?
24. What is the function of each entity in the chain (refer to categories in #7, above)?
25. Why is each entity included in the chain? (How do they add value?)
26. How are new partners chosen to participate in the enterprise (chain)?

Cluster D. Geography
27. Major geographic market locations for the products produced/processed/handled:
28. What are the “scale”, location, and reach of the other entities?

Cluster E. Values-based attributes
29. Are aspects of your value chain “values-based”? (E.g., “emphasis on open relationships between firms in the chain”, farmer participation in decision-making, equitable distribution of rewards; farmers maintain identity through the chain, etc.) If yes, in what way(s)?

Cluster F. Partnerships and assets
30. Are there any strategic partnerships associated with your chain? (E.g. business and consulting services, contracting for processing/distributing, other)
31. Do you own or rent any capital assets (e.g., buildings or equipment) that relate to your participation in the value chain?

Cluster G. Products and farmers
32. Other information about products, if not previously obtained:
33. How is ownership of the product transferred along the chain?
34. Product attributes:
   ___ Production/processing practices (describe distinguishing features):
   ___ Certification
   ___ Labels
   ___ Varietal specialty (e.g. heirloom, ethnic, baking-grade grains, etc.)
   ___ Other differentiating characteristic:
35. We are interested in how value chains function according to several key parameters. (If not adequately addressed above) Can you describe how you address the following:

(1) Healthy (e.g., food safety, freshness, quality of product/ingredients, additives, nutritional content)
(2) Green (e.g., production practices, transportation miles, energy use, packaging, waste, etc.)
(3) Fair (e.g., contracts, transparency, treatment of labor, etc.)
(4) Affordable (to customers as well as chain partners):
(5) Regional (e.g., product sourcing, product destination, location of partners, circulation of dollars)

36. Total number of producers involved:

37. Location by county/state/region:

38. Size of participating farms (estimated, by acreage and/or gross annual sales):

**Cluster H. Successes, challenges and plans**

39. What is working well?

40. Where are you at in your value chain development process?

41. What are your next steps? (e.g., formalize relationships, add links, add product, and expand geography):

42. Where do you get technical assistance/support? What assistance would you like? What are the TA gaps?

43. What are your biggest challenges?

44. What policy or regulatory barriers have you encountered?

Completed by ____________________     Date ___________________________
Appendix 3: MAPS

See PowerPoint slides
Appendix 4. Regional Lead Team Interviewees (printed with permission)

- American Mussel Harvesters, Inc./Saltwater Farms
- Angello's Distributing, Inc.
- Basis Holdings Inc. LLC
- Black River Produce/Earth Brokers, Ltd.
- Borealis Breads
- Cellars at Jasper Hill (Jasper Hill Creamery and Cellars at Jasper Hill)
- Chenango Bounty and Farmers Market at your Door
- Chesapeake Fields Farmers Coop; Chesapeake Fields Farmers LLC; CFF Institute
- Common Market
- Connecticut River Valley Foods
- Crown O'Maine Organic Cooperative
- Deep Root Organic Truck Farmers, Inc.,
- Evans Farmhouse Creamery and Maple Sugarhouse
- Farm Fresh Connection LLC
- Farm to Chef, Inc.
- Farmers Cow Cooperative
- Fingerlake Organic Growers Cooperative Inc.
- FreshPoint CT
- Hardwick Cluster
- Hawthorne Valley Farm
- Isidore Foods LLC
- Kimberton Whole Foods, Inc.
- Neighboring Food Cooperative Association
- Oakhurst Dairy
- Organic Valley CROPP Coop-East
- Our Family Farms Milk Cooperative
- Pineland Farms Natural Meats, Inc
- Real Pickles
- Red Hen Baking Co
- Red Tomato, Inc
- Regional Access, Inc.
- Rhode Island Dairy Farmers Cooperative; Rhody Fresh Milk
- Silvery Moon Creamery
- South River Miso, Inc.
- Tuscarora Organic Growers Cooperative

Appendix 5. RLT Members and Staff
• Stephan Goetz, Northeast Regional Center for Rural Development
• John Hall, Chesapeake Fields (Maryland)
• Chris Harmon, CADE (New York)
• Lee Kane, Whole Foods Market (New England)
• Martha Putnam, Farm Fresh Connection (Maine)
• Michael Rozyne, Red Tomato (Massachusetts)
• Jeff Taylor, Tuscarora Organic Growers (Pennsylvania)

• Annie Cheatham, Team & Research Coordinator
• Kate Clancy, Lead Researcher
• Kathy Ruhf, Project Director