

Scoping, Design and Recommendations for Development of a 'Food Hub' in the City of Casey

FINAL REPORT 19 March 2012

Prepared By:



with the Australian Food Hubs Network



For:



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Citation: Larsen, K., Hill, S. Rose, N., & Shields, R. (2012), Scoping, Design and Recommendations for Development of a Food Hub in the City of Casey, Eaterprises with the Australian Food Hubs Network

Executive Summary

In June 2011, VicHealth and the City of Casey co-funded an alliance of social enterprises and non-profits (led by Eaterprises Australia) to: scope, design and explore critical factors to inform feasibility of a regional food initiative / demonstration project (loosely described as a 'food hub') in the City of Casey.

The scoping project focused on the type of interventions that are required to change the scale of activity and viability of local / regional food systems, by carefully considering infrastructure and systemic needs. 'Food Hubs' are a rapidly developing innovation area, proliferating internationally to provide the 'missing middle man' in local food infrastructure. They make it easier for people to access fresh, seasonal foods by improving channels and facilities for farmers to sell into local markets. There are now over 100 Food Hubs in successful operation across the USA; they build on examples of emerging local food economies (such as farmers' markets and community-supported agriculture enterprises) identifying and meeting key gaps in local circuits of food production, distribution and consumption. At least 40% of established Food Hubs state an explicit social justice mandate - increasing access to fresh and nutritious food for vulnerable and under-served communities (USDA 2011).

Part 1 of this report describes the Scoping Project undertaken from July-December 2011.

The scoping project set out to:

- Undertake a preliminary investigation and consultation about the Casey context – what is the need and what are the opportunities;
- Introduce the idea and explore the potential of a 'food hub' as an intervention to reshape the local food system;
- Develop a methodology and resources that can also be used for replicable process in other regions; and
- Introduce a Concept Food Hub for Casey, to stimulate discussion and further action.

Part 2 outlines a case, considerations and suggested pathways for further development of a Food Hub in Casey.

From the scoping project, the project team suggests that there is a strong case for the development of a Food Hub and/or associated activities in the City of Casey, based on:

- A clearly identified need (and opportunity) for intervention in the Casey food system;
- High levels of interest and engagement in the idea of a Food Hub and the concept circulated;
- Proven success of the model overseas and an array of options for adaptation to local context; and
- Clear commitment of further funding from a project partner (VicHealth).

The concept Food Hub provides a platform for greater engagement in the opportunities in Casey's food system and the potential feasibility of a Food Hub.

A food hub is, by its very nature, a significant intervention. It is not just an addition to the system that continues to work in a similar way, but a reasonably fundamental change to the way the local/regional food system actually works. It will open up opportunities for some and challenge established advantages for others.

It's a big project, but there are clear possibilities for staging the development and working up the different functions sequentially. There is potential to develop a logical prioritisation of components in line with purpose of the Food Hub.

There is much that can be done prior to (and alongside) the development of a physical Food Hub, including in relation to aggregation, distribution and marketing of local produce. There are opportunities to 'bite off' smaller pieces and get them working independently, whilst working towards the full implementation of the Food Hub over time.

To be successful and viable, an intervention of this kind will need to be based on high levels of trust and support from local stakeholders across the Casey-Cardinia food system, and therefore it is a priority to commence discrete network- and trust-building projects. Such projects would enable local stakeholders to work together towards goals of mutual benefit and interest, thus creating the experience of collaborative joint-working and setting a solid foundation for the more ambitious project of the Food Hub itself. Some of these projects – a local / regional food brand, for example – would also serve the invaluable purpose of raising awareness amongst, and educating, Casey residents of the importance of a local food economy.

The priorities for further development are:

- Investigate and analyse the specific market demand – where is the need, who will it serve;
- Develop and strengthen the network of committed and engaged stakeholders who can see a real benefit for them;
- Facilitate the key stakeholders to refine the design into a workable and realistic proposal;
- Undertake a feasibility assessment and refine the proposal as necessary;
- Identify discrete 'do-able' projects that provide practical and visible demonstrations of the importance of a local food economy, and which can feed into the larger goal of establishing a Food Hub; and thereby
- Develop and strengthen the 'local food ecosystem' that both increases demand for healthy, sustainable, local food and enables it to be met.

The continued erosion in farm viability, increasing food insecurity, energy and environmental constraints and local economic development are all critical challenges, and mean that there is an element of urgency in developing food system interventions. This report therefore offers three project development pathways, each progressively accelerating the processes needed to deliver practical and tangible outcomes in the City of Casey. However, all options also embed a considered, grounded and strategic approach for building the necessary networks, support and a strong realistic business case that increases the chances of a successful intervention.

Three options for progression of a Casey Food Hub are outlined below:

Option 1: Progress as outlined in the University of Melbourne action research proposal: engage stakeholders; analyse market demand; refine concept and undertake feasibility assessment.

Option 2: Include practical and tangible activities to strengthen awareness, demand and to pilot / establish complementary or partial elements of the Food Hub.

- Accessing international expertise and experience in implementation;
- Understanding the critical needs and interests of the most vulnerable communities; and
- Developing the market and partnerships that would be necessary for a viable Food Hub through pilots of key components e.g. temporary food vans in potential restaurant sites; development of a local label / branding strategy; and/or trials of online aggregation and distribution systems.

Option 3: Prioritise rapid implementation with an accelerated feasibility study and business case.

The VicHealth funded action research project, being led by the Victorian Eco-Innovation Lab at the University of Melbourne, is commencing mid-2012 and will progress Option 1.

Additional resources would be required to enable Option 2 and/or to accelerate to Option 3.

Part 1: The Story So Far – Scoping a Casey Food Hub

1 Introduction and Project Background

In June 2011, VicHealth and the City of Casey co-funded an alliance of social enterprises and non-profits (led by Eaterprises Australia) to explore the potential for a Food Hub in the City of Casey. The project was to scope, design and explore critical factors to inform feasibility of a regional food initiative / demonstration project (loosely described as a ‘food hub’) in the City of Casey.

“The Casey Cardinia region is a highly productive food bowl and has an increasingly vital role to play in feeding Victoria’s population. It is one of Australia’s most fertile and valuable agriculture areas.” (City of Casey, 2008). Food Hubs are being established around the world to provide a ‘missing middle man’ in local food infrastructure. They make it easier for farmers to sell into local markets and for people to access fresh, seasonal food.

The project was established in recognition that while there is widespread and increasing activity around local food in Victoria and Australia, many current interventions are small, remaining niche and very vulnerable (i.e. often reliant on the efforts of one key person). Similarly, there are constraints to producer involvement in more local / regional sales, such as lack of scale and inconsistency of demand, which leads to significant extra costs (too much hassle) of being involved. Much local / regional food activity in Australia can be characterised as Tier 1 in Figure 1-1.

Figure 1-1: Tiers of the Food System - A Place for Food Hubs?¹

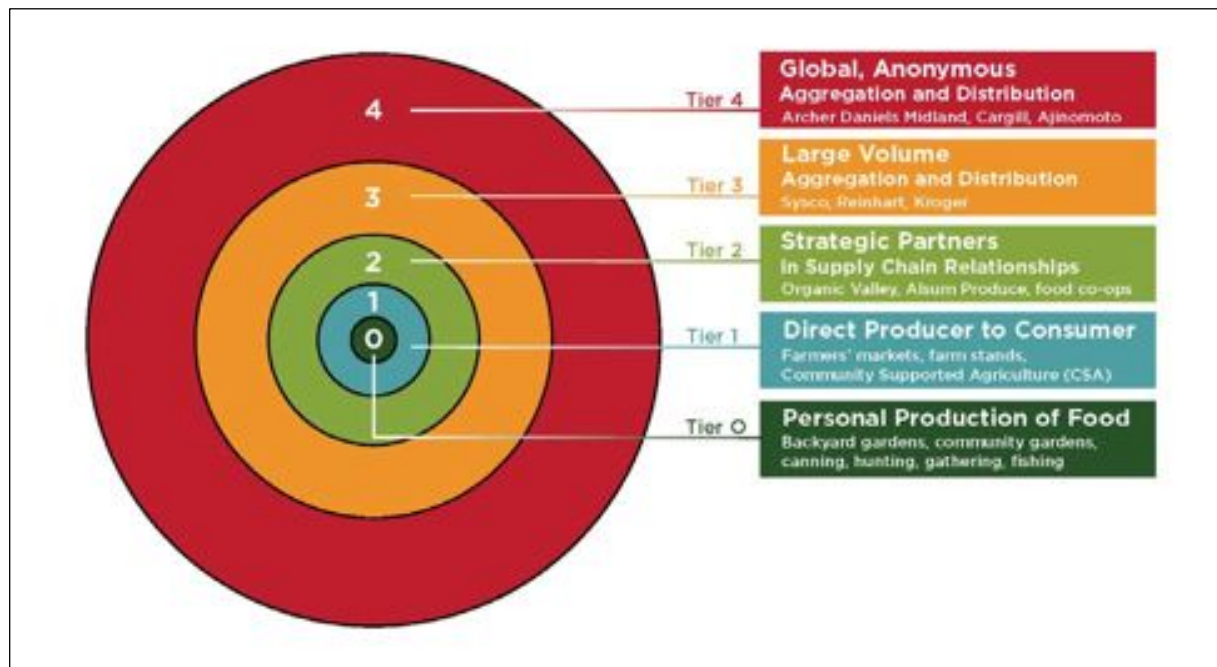


Image courtesy of University of Wisconsin–Madison Center for Integrated Agricultural Systems.

¹ NB. The types of relationships in Tier 2's 'Strategic Partners' can also be described as value-chain (rather than

The scoping project was focused on the type of interventions that are required to change the scale of activity and viability of local / regional food systems, by carefully considering infrastructure, systemic and partnership opportunities that enable the development of Tier 2 value chains.

‘Food Hubs’ are being developed internationally to provide this ‘missing middle man’ in local food infrastructure. They make it easier for people to access fresh, seasonal foods, by improving channels and facilities for farmers to sell into local markets. There are now over 100 Food Hubs in successful operation across the USA; they build on examples of emerging local food economies (such as farmers’ markets and community-supported agriculture enterprises) identifying and meeting key gaps in local circuits of food production, distribution and consumption. At least 40% of established Food Hubs state an explicit social justice mandate - increasing access to fresh and nutritious food for vulnerable and under-served communities. They primarily seek to do this through some form of aggregation, marketing and distribution of local fresh produce. They can also become focus points for training and education; shared community food processing and preparation; enterprise incubation; nutrition advice and support (USDA 2011)).

A scoping process reviewed documentation outlining challenges and current strategies in Casey and undertook preliminary consultations with Casey Council staff, growers and food relief agencies. The findings were further developed in a stakeholder workshop, which informed a concept paper that was circulated for further input. This report summarises the scoping project’s activities and findings (Part 1), and provides discussion and options for the next steps (Part 2).

2 Design Considerations – Who Benefits?

There are six critical objectives to be considered in the design of a strategic intervention in Casey’s local food system:

- Increased fruit and vegetable consumption / healthy eating for Casey residents;
- Opportunities for skill development, community interaction and job creation through creation of local socio-ecological enterprises;
- Better marketing outlets and fair prices for producers;
- Increased maintenance of food dollar in Casey (local economy);
- Reduced oil / emissions in Casey residents’ food supply chain (resilience and reduced vulnerability to the anticipated impacts of peak oil);
- Strengthen cultural connections and valuing of farming – including cultural heritage and pride.

The scoping process reviewed documentation outlining challenges and current strategies in Casey and undertook preliminary consultations with Casey Council staff, growers and food relief agencies.

Consultation involved the following activities:

1. Benchmarking – desktop review of relevant documentation to identify key issues and priority outcomes that should be sought.
2. Interviews – preliminary stakeholder identification and engagement through face-to-face interviews and phone discussions, to get a sense of what needs a food hub could potentially meet for different groups.
3. Case Studies – preparation of a suite of Food Hub examples to expose stakeholders to the possibilities.
4. Workshop – work with key stakeholders to clarify priority functions and considerations.

2.1 Benchmarking

A review of documentation provided by the Council identified key issues particularly around: living in Casey; working in Casey; agribusiness and opportunities to increase the local food economy. A range of documentation also outlined existing projects and activities aiming to ameliorate these issues. The key points from this documentation are summarised in Appendix 1.

While the benchmarking exercise in Casey reinforced that all the identified critical objectives are important, there are three that clearly emerge as *primary priorities*. These three are considered to be of equal importance in further framing of the food hub, because a successful intervention that strengthens these will create a strong foundation for further innovation and activities to meet the other objectives.

Table 2-1: Critical Objectives of the Casey Food Hub

Critical Objective	Rationale – why a primary concern?
Better marketing outlet and fair prices for producers	Better marketing outlets and fair prices for producers: increase viability of local farming businesses valuing the benefits of urban proximity
Healthy eating for residents – more fruit and vegetables	Healthy eating for residents: health and food security concerns of the area are paramount, with higher than average obesity and poor physical activity coupled with housing stress, employment vulnerability and increasing food stress
Skill development, community interaction and job creation through new local enterprises	Skill development, community interaction and job creation through new local enterprises: opportunities for re-skilling and enterprise development as a ‘springboard’ for jobs, training and innovative food system entrepreneurs

The other three critical objectives remain important but are more likely to be flow-on or secondary foci in this project i.e. if the first three are successfully addressed the opportunities to meet these will grow.

- Keeping food dollar in Casey local economy;
- Cultural connections and people valuing farmers; and
- Reduced vulnerability to peak oil and reduced emissions in Casey residents’ food supply chain.

2.2 Consultation

The aim of the 2nd part of the consultation was to explore the challenges and opportunities in Casey through a range of different perspectives. This process also commenced the development of a diverse stakeholder network with potential interests in the project. A series of contacts and interviews were used to:

- Identify interested stakeholders, including potential local leaders;
- Introduce ourselves and the project to them;
- Get a basic understanding about what they see as challenges and opportunities in the area;
- Focus thinking ‘what’s your big idea – what would you like to see happen?’
- Explore what or who else we should know about or contact; and
- Invite for further participation / involvement (initially in the workshop on 9th August).

The contacts made are by no means comprehensive. This stage of the consultation was simply making contact with a cross-section of potentially interested stakeholders to get an understanding of challenges and opportunities from different perspectives. From these discussions, a significant number of other

potential stakeholders and project partners have been identified that would be priorities for engagement at the next stage.

Six external contacts (4 producers and 2 emergency relief providers) were identified through the Council, with the other contacts located through: online search (e.g. Victorian Farmers' Market website; organic directory); recommendations from our network; and word of mouth (i.e. suggestions during interviews).

The key stakeholder groups identified in this first stage were: the Council; farmers / growers; and food relief agencies. There were also a number of 'other' people contacted, aiming to identify existing leaders or managers of potentially relevant infrastructure and services (e.g. farmers' markets, Myuna Farm, local food outlets, independent supermarkets). These secondary contacts ranged from more formal interview / discussions to drop-in inquiries about food purchase from local growers.

The contacts, discussion undertaken and between 1 July 2011 and 4 August 2011 are summarised below.

	Contact	Further discussion	Interest?
Council	5	5 x face-to-face 1 x phone	5 x Yes and workshop attendance (5 areas across Council)
Farmers / Growers	16	9 x face-to-face 6 x brief phone 1 x to follow-up	5 x Yes and workshop attendance 3 x Yes but can't make workshop 3 x Curious detachment, keep me in the loop 3 x good luck but not a priority for me (too big; retiring / on way out; already selling direct)
Food relief	6	3 x face-to-face 1 x phone 2 x extra (word of mouth)	4 x Yes and workshop attendance 1 x Yes but can't make workshop
Other	3+	2 x face-to-face 1 x phone 3-4 drop-ins	2 x Yes and workshop attendance 2 x courteous but dubious (concern about competition?) 2 x potential further engagement (i.e. currently not buying local produce but potential)

From these initial conversations, four broad sets of interests emerged. These can be viewed as 'archetypes' of the perspectives we encountered. There is great diversity within them, but they provide a general framework for understanding the possibilities and key considerations. Some key ideas are summarised below.

Smaller grower / market gardeners: typically produce 10 or more lines; selling through wholesale market (Footscray), farmers markets and very small amount direct (e.g. Cranbourne Market, F&V)

For the smaller growers, the key comparison points were the wholesale markets and farmers' markets as these are the main current supply chains for their produce. Themes emerging from the interviews included:

- Some farmers are already getting benefits from selling more directly and locally.
- They saw opportunities in coordinating marketing and distribution, and there are other areas too where it would make sense to share the load.
- A key consideration is that any proposal doesn't undermine

"We could grow more if we had sure market"

"I've been selling to the same F&V grocers on the wholesale floor for 30 years, I wouldn't want to leave them in the lurch"

"Why? I guess we just love seeing the stuff grow . . ."

existing supply channels and that it is sensitive to existing relationships.

- Small growers told us about the changes and reducing returns from the wholesale market, ranging from additional travel time associated with the move of the markets to Epping to irregular / unreliable payments.
- The strengths of current relationships were recognised, as were the potential opportunities in markets related to the growing urban population.
- Some weren't interested in new sales channels, partially because they were tired and almost ready to retire. Others were skeptical as to whether anything else could work.
- The hard work involved in market gardening was seen as a constraint in attracting young farmers or providing jobs for local communities.
- Some growers attached intrinsic value to their role, in addition to the necessity to run a viable 'business'.

Larger grower: typically fewer lines (maybe 2-3), substantial amounts of produce, intensifying and expanding to stay competitive. Mostly selling through supermarkets and wholesale (Footscray).

The larger growers raised many of the same interests and concerns as the smaller ones. In addition:

- The key difference was that they need to move greater bulk of the same thing at the same time, which increases the importance of their relationships with agents at the wholesale markets and the supermarkets.
- Farmers markets were seen by some as a potential opportunity but they would need to be much more frequent / regular.
- 'Fair play' in pricing is seen as important, that everyone is getting the same offer – even if it was bad.²
- There was a sense of delicate balance between competition and cooperation between farmers, with "farmers are such individualists" through to "the people around here get along, we can get organised and active when we want something done".
- A grower considering opportunities saw potential for growers to group together and sell produce "maybe in one store we could sell direct to public".
- There was concern / frustration about barriers when farmers actually try to set up alternative supply chains themselves – shops, markets etc, with a suggestion that supporting farmer efforts (rather than imposing something) could be effective.
- A number of growers (both small and large) mentioned challenges around labour.

"the advantage of supermarkets is that they can shift product, you might get 100-120 bunches through the markets, 6,000 through the supermarkets"

"the reason we don't really sell direct is a quantity thing – don't have all day to go selling"

'Mr and Mrs Casey' – "The problem is dire but understandable" – couple with two kids, both working and driving to work, tired in evenings, maybe not a lot of extra cash – "It's hard to compete with the \$20 maccas meal – no cooking, no dishes, everyone's fed"

The story of Mr and Mrs Casey was told repeatedly throughout the interviews – a generalised couple with two kids, a large mortgage, two jobs, two cars and little time. They are considered likely to be under more financial stress than they're letting on, suspected to not cook that often "it's difficult to counteract Maccas \$20 family meal – no cooking, no dishes, everyone's full". A priority for further work would be to actually explore the motivations and behaviours of this group (in their own words). Some key points:

² There were two producers that raised the issue of 'black-balling' – where someone tries to open their doors and sells more directly and they are ostracised by other growers as well as businesses up and down the supply chain until they are unable to operate.

- From a nutritional perspective, the situation is considered “dire, but understandable” partially due to a generational lack of knowledge and skills for cooking.
- The possibility of a ‘retail market’ in Casey itself was suggested for increased accessibility.
- Differing buyer behaviour at different markets suggests that different consumers are using them (e.g. bargain hunting at some, buying expensive herbs at others).
- Tully’s in Mt Eliza was identified as a potential model of an outlet that showcased local produce but made it all available permanently in one place. NB. Cranbourne Markets (on High St) is a newish establishment that is marketing local produce and buying some directly from producers. It has a deli, dry foods etc. and was mentioned by a number of growers as a place that will (and does) buy directly from them.

Doing it tough – low-SES group, with poor physical and/or financial access to healthy food as well as limited training and employment opportunities. A (culturally and linguistically) diverse group who are becoming increasingly visible in demand for food relief and the numbers of malnourished children in schools.

- Representatives of food relief agencies emphasised that they are not currently meeting demand for emergency food and that it is increasing. Much assistance is currently provided in the form of vouchers (redeemable at Coles and Safeway), with food parcels often being assembled and provided by Churches.
- There is generally a lack of space and facilities to supply perishable food. They specifically identified unmet demand for cooked meals / meal programs (breakfast, lunch and dinner), highlighting the lack of places to send people who just need something to eat.
- An array of Church programs and a new (successful) StVP soup van were identified as useful and positive, but it was felt that they were a long way from meeting the growing need.
- There is nowhere for families to get affordable healthy meals. “MadCap Cafes” (run by Mission Australia as part of an employment program) were raised as exciting models for training people, caring for people with mental illness as well as providing affordable and accessible meals.
- It was also emphasised that there “would need to be more than one – it’s very hard to get around here, particularly north to south.”

Three other key issues identified in relation to food relief or other food programs were:

- The “real lack of old built infrastructure out here, there are no obvious places or adequate premises to take over”;
- A high level of confusion about regulation and the Food Act with people being very unsure what can be done and how (potentially either impeding activity or leading to risky or accidentally illegal actions); and
- The importance of avoiding shame / stigma of accessing food – even in emergency situations. Agencies rejected supermarket vouchers that were ‘branded’ food relief (bright yellow) because of the embarrassment it would cause people at the checkout. It was important that people could access meals and food without their situation being identifiable.

Schools were also identified as potentially important distribution point for fresh produce as parents (even those without cars or transport access) are usually there twice a day. We were told of existing informal networks where donated food was being moved through schools (by other families) to help those that were struggling with food access.

2.3 Case Studies

A series of case studies were prepared to showcase a range of options for food hub activities, based on models from around Australia and other parts of the world. The case studies were organised by their functions (as shown in Figure 2-1). More detail on each of these case studies can be downloaded from www.eaterprises.com.au/case-studies-food-hubs.

Figure 2-1: Food Hub Case Studies



2.4 Stakeholder Workshop

The consultation and interviews identified a variety of interested stakeholders, who then attended a workshop in August 2011. Participants in the workshop explored challenges and opportunities in Casey, were introduced to a variety of food hub models; and explored considerations from the perspective of the four 'archetype' stakeholder groups.

Table 2-2 summarises the key objectives and ideas of interest that were reported at the end of the session. The more detailed work on different stakeholder perspectives was used to shape and develop the concepts (described below).

Figure 2-2: Stakeholder Workshop

Objectives	Key ideas
<ul style="list-style-type: none"> • Addressing food insecurity • Building community / social inclusion • Skills and knowledge • Job creation • Future proofing / resilience • Fair price for farmers – NOT ‘CHEAP’ – symbiosis • Connect community to local food • Match up local demand with local supply • Easy access convenience • Educating community not to take food for granted • Encouraging residents to take responsibility for wellbeing and nutrition • Really look seriously at the economic “crunch” • Educate community about the risks & how the market is failing 	<ul style="list-style-type: none"> • Central place • Doable • Highly enterprising • Must be commercially robust, otherwise social objectives will be difficult to achieve • Dynamic and diverse • Affordable, cost effective • Budget & premium range e.g. diff. packaging • One stop shop: Restaurants etc appreciate having supplier on the back door, doesn’t want to have to source, farmer doesn’t want to chase restaurants. • Feasible for smaller IGAs/independent grocers, businesses, cafes • Cafes and rest can link to marketing • Credit modules/management required • Schools – potential collection points • Fit with online ordering systems’ linking online, iphone apps etc • Food miles data

3 Imagining a Food Hub – the Concept

The Concept Paper explored the need, interest and commitment to further development of a Food Hub in Casey.

This section summarises the proposed Food Hub concept and justification for elements of the design.

3.1 Purpose of the Food Hub

Food Hubs are a dynamic and evolving concept and the purpose / definition can range from a narrow focus on market efficiency, to a broader vision that encompasses a healthy food system and diversified food culture (Morley et al (2008), cited in Horst et al (2011)).

The purpose of the Food Hub must be established, so that development and application meet this purpose. Figure 2-1 summarises the main functions of Food Hubs (with associated case studies). This structure was used in the scoping study to explore functions of interest for a Food Hub in Casey.

They include a number of examples where the core focus is on “a centrally located facility with a business management system that facilitates the aggregation, storage, processing, distribution and/or marketing of locally or regionally produced food products” (USDA 2011). The consultations suggest that there is a role in Casey for a Food Hub that does fulfil this function, as it is a key strategy for increasing the viability of small and medium-sized farmers. Models with strong apparent potential for application in Casey include the [Intervale Food Hub](#) and the [Local Food Hub](#) in Charlottesville.

There is also interest in Casey for a Food Hubs that also fulfil a variety of other functions, such as:³

- A retail-oriented food hub can bring together multiple producers and become a denser retail site or potentially a year-round farmers' market;
- Urban food hubs can increase the presence of locally produced food, educating consumers about their food sources, local farmers, and food processors;
- Food hubs can serve as micro-food enterprise incubators, enabling new start-up businesses by reducing barriers to entry (e.g. shared infrastructure such as commercial kitchens and food safety regulation compliance) and facilitating access to local and regional markets;
- A focus on social justice can increase access to healthy food for particular groups of residents; and/or
- Nodes for social interaction, and training and education, including partnerships with TAFEs and / or job service providers.

It is reasonably clear from the scoping study that the purpose of a Food Hub in Casey is more aligned to the broader definition – its strategic objective is to “create a virtuous cycle of increasing demand for regional food which in turn supports the producers of food, enabling nutrients and waste to be recycled to the nearby producers (farms and market gardens) and progressively build soil fertility. This objective in turn depends on creating and nurturing **a culture of local food**, so that over time more and more Casey residents regard the practice of ‘eating local and seasonal’ as simply the norm” (Larsen et al, 2011). The creation and nurturing of such a culture will require processes of education and awareness-raising, including multiple forms of direct and mediated engagement, with local residents, businesses and institutions.

The scoping project also revealed a significant need for attention to food insecurity in vulnerable communities, with a need for improved emergency food relief as well as systemic consideration of affordable access to quality food. None of this can be done if the food growers are intrinsically challenged financially, unable to make a sufficient return to incentivise continued farming, particularly in contested areas with encroaching urban populations.

3.2 Suggested Design

The suggested design includes a suite of complementary functions that respond to the critical needs and concerns / interests identified in the consultations. It outlines an opportunity for diverse functions to be co-located, allowing cross-subsidisation to increase the viability of each.

An imagined Food Hub is outlined in more detail in the Concept Paper.⁴ The idea responds to the three core objectives identified for the Casey Food Hub:

- Better marketing outlet and fair prices for producers;
- Healthy eating for residents – more fruit and vegetables; and
- Skill development, community connection and job creation through new local enterprises.

Key features of the concept Food Hub are shown in Figure 3-1. They are based within a multi-purpose warehouse, providing a permanent physical place for aggregation, marketing and distribution of local and regional produce. The idea would be to:

- Buy regional produce and act as a broker into local sales channels, potentially underneath an overarching Casey / Bunyip brand;

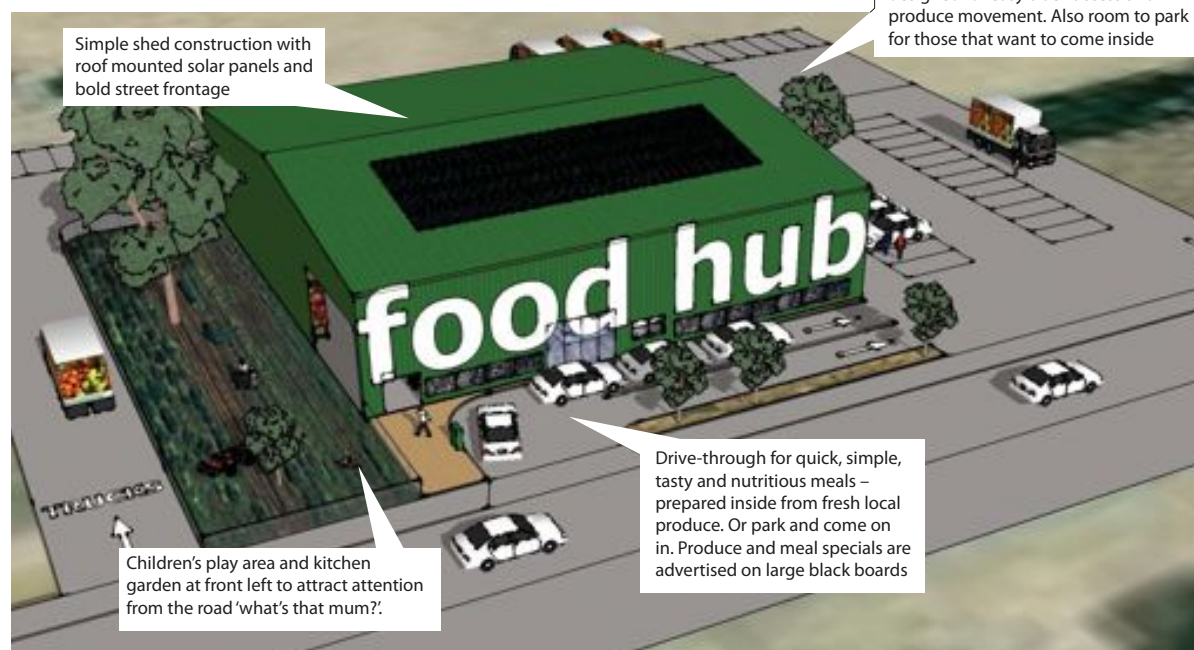
³ Adapted from Horst et al. (2011), p 210

⁴ Available from: <http://www.eaterprises.com.au/imagining-a-casey-food-hub/>

- Aim for regular and significant purchase from growers - with an initial focus on small / medium farmers (potential to buy all produce and replace trips to the wholesale market);
- Provide opportunities for co-location of facilities to support complementary enterprises, e.g. kitchen and processing facilities on site to turn gluts and seconds into quality processed products (e.g. chutney) and prepared meals (sold fresh and frozen), juices etc.⁵

Figure 3-1: Casey Food Hub - Outside View

These computer modeled architectural sketches have been created to illustrate how a Food Hub at Casey could be simply designed to provide a mix of services for farmers and the general community. These designs are intended as 'conversation starters'. A final Casey Food Hub design could end up being many times larger or much smaller depending upon the needs and desires for the local community.



Critical issues identified in food access were: competing with fast food and energy dense pre-packaged meals for tired and car-dependent families and a need for accessible and regular meals for clients of food relief services. The proposal suggests integrating:

- A healthy 'fast food' outlet, offering sit-down, take-away and drive-through meal options;
- Branded to attract 'aspirational' eaters – fast, clean, quick, tasty and cool;
- Accessible to all, with flexibility in payment i.e. cash, vouchers, volunteer time etc;
- Simplicity – educational through provision of tasty meals that you could also cook at home.

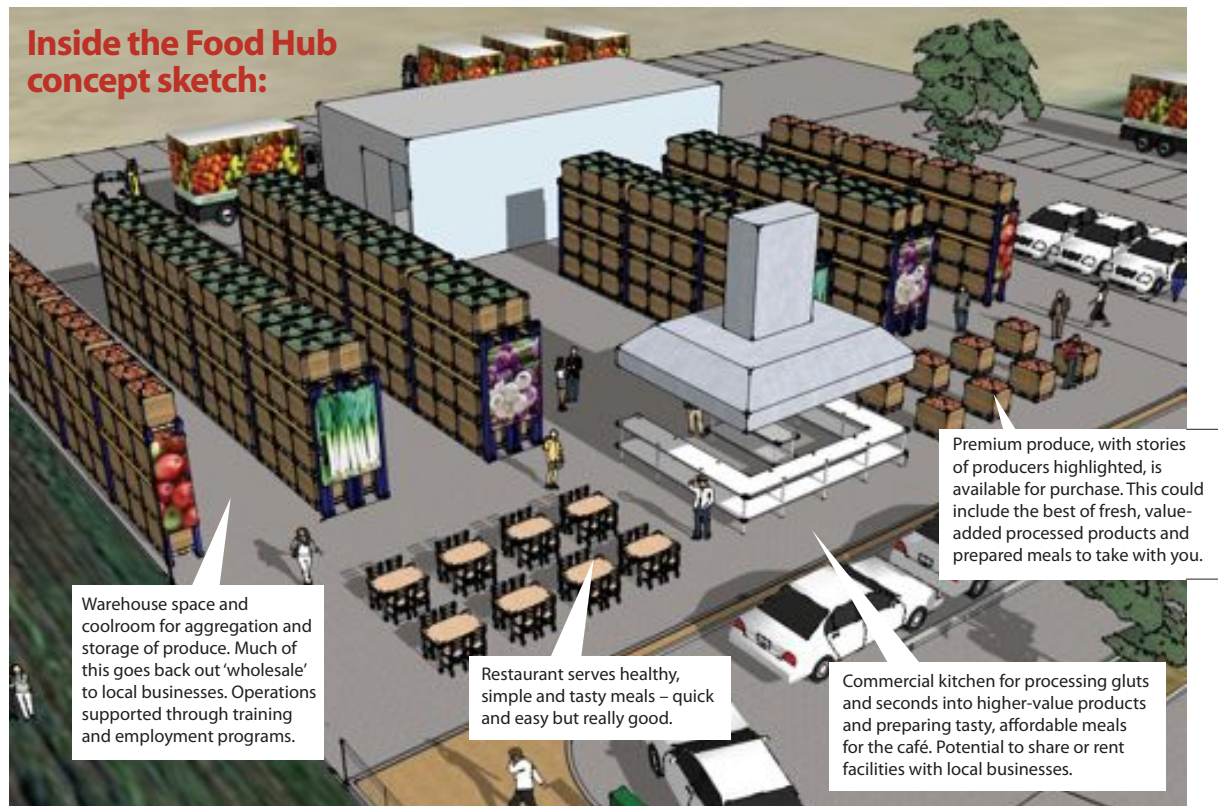
The third core function includes enterprise and employment pathways in catering and hospitality; warehousing and distribution (for example) within the operations and business model of the Hub. This component brings social justice and local economic outcomes, as well as a potential income stream for the Food Hub. It could include:

- Partnership with TAFE to offer certification in (e.g.) warehousing & forklift driving; catering & food preparation; horticulture; business development etc.
- Government training subsidy to support set-up and potentially ongoing operational costs (without being sole funding source); and

⁵ e.g. the Food Connect distribution warehouse in Brisbane has recently added a commercial kitchen to open up opportunities in catering; preservation of surplus; sale of processed foods etc.

- Aiming to build local capability in all aspects of food system, and everybody coming through training programs gets basic 'kitchen garden' experience.

Figure 3-2: Casey Food Hub - Under the Roof



The modules described above reflect unique sets of activities and skills for implementation. Co-locating them as connected parts of larger entity and operation would allow for mutual support, interdependence and cross-subsidisation. However, staged development would be advisable so that each additional enterprise builds on established feasibility of previous stages. This is further discussed below.

Part 2: Where to From Here

Part 2 outlines the case for continuing the development of a Food Hub project in Casey and suggests a recommended approach.

A crucial next step in development of the Food Hub would be a feasibility study that carefully examines the context into which the new undertaking would fit, and attempts to determine its likelihood of success (FamilyFarmed 2010). For this project, further feasibility takes as its launch-off point the current concept, but requires a more detailed and informed design phase to develop a 'tight' model (see Section 4). This model could then be progressed to a full feasibility assessment, which considers the critical factors discussed in Section 5.

Section 6 outlines the development pathway that has already received funding (through VicHealth) and identifies options for complementing this work program with a more intense focus on implementation and/or accelerated project development.

4 Next Steps for a Food Hub

The challenges facing peri-urban communities, councils and economies are undeniable and Food Hubs are proven internationally as effective interventions to scale-up and strengthen local food economies.

4.1 A Case for Further Development

There is sufficient interest and a case for the development of a Food Hub and/or associated activities in the City of Casey, based on:

- A clearly identified need (and opportunity) for intervention in the Casey food system;
- High levels of interest and engagement in the idea of a Food Hub and the concept circulated;
- Proven success of the model overseas and array of options for adaptation to local context; and
- Clear commitment of further funding from a project partner (VicHealth).

While the consultations revealed diverse opinions as to the way forward (and the opportunities and constraints to changing things), there was a high level of agreement about the challenges being faced in the area and a sense of room (need) for different and bold approaches. Similarly, there is broad agreement that the peri-urban interface should present specific opportunities for development of a fairer and more sustainable food system in Casey.

The concept paper (and scoping study) has generated a high level of interest in the idea of a Food Hub in Casey. It was circulated to participants in the scoping study, and a broader network, for responses and follow-up conversations. The concept has also been discussed through a variety of fora,⁶ and the Australian Food Hubs Network has been approached by a number of other local councils and other groups around Australia with a view to exploring similar approaches.

⁶ including: Food Alliance Fruit & Vegetable Workshop; Heart Foundation Food Sensitive Planning and Urban Design Workshops; SA Health in All Planning Forum; and the Victorian SE Bioregional Permaculture conference.

It is evident from the level of participation and interest that the idea has ‘traction’ and is worthy of further development. Some local stakeholders have expressed a very high level of interest and commitment to continuing the development of the project (e.g. VicHealth funding commitment and expressions of interest in further participation).

Food Hubs are proving to be highly successful interventions overseas and are attracting a great deal of focus on understanding how they work, what can be learned and how practice / experience can be applied elsewhere. We note that this clear demonstration of effectiveness overseas does not automatically translate into the Australian or Casey context, which will affect the development pathway (see Table 4-1) and make careful consideration and design critical to the success of further work.

While applying and adapting this knowledge to Casey must be done with care and detailed attention to this unique context, success in doing so and the demonstration of a viable multi-functional Food Hub would have significant implications across Australia’s food systems.

4.2 Refining the Design

The concept Food Hub provides a platform for greater engagement in the opportunities in Casey’s food system and the potential feasibility of a Food Hub – that is all. However, there are analogues to the ambitious hybrid Food Hub concept outlined in the concept paper, which reflects many of the thoughts and hopes of participants in the scoping study – that there might be room for a significant ‘win-win’ for farmers, businesses and eaters in Casey.

The concept paper that was circulated is not a detailed design – it was developed to ‘test the waters’ and stimulate interest in this kind of approach, which it has successfully done. The responses reveal an appetite for interventions in the food system, but there is a great deal to consider about what exactly should be done, how and when (in what order). The priorities for further development are:

- Investigate and analyse the specific market demand – where is the need, who will it serve;
- Develop and strengthen the network of committed and engaged stakeholders who can see a real benefit for them;
- Facilitate the key stakeholders to refine the design into a workable and realistic proposal;
- Undertake a feasibility assessment and refine the proposal as necessary; and
- Develop and strengthen the ‘local food ecosystem’ that both increases demand for healthy, sustainable, local food and enables it to be met.

More rigorous analysis of stakeholder needs and interests is undoubtedly necessary to progress the Food Hub and is critical to development of a design that will be feasible. However, recognising the complex and rapidly-changing challenges to our environment, economy and social wellbeing, it is important to balance rigor with ‘analysis paralysis’. There are urgent challenges facing the City of Casey and the food system and to some extent we are going to need to learn by doing. The scoping study and concept paper provide a solid and engaging platform for the development of a Food Hub (e.g. a number of people responded with suggested sites and no one responded with ‘don’t be ridiculous’) and catalysis of a suite of activities in the local food system. The proposed approach is not about going back to the drawing board – it’s about getting the right people around it and working out an appropriate development strategy for Casey.

Since development of the case studies and concept paper, the project team has become aware of the *Stop Community Food Centre* (Stop CFC) in Toronto, which appears to be a working example of some of the synergies and potential cross-subsidisations suggested in the proposed Food Hub model. The description in Box 4-1 outlines key features of the Stop CFC with potential relevance to the Casey Food Hub. This is an encouraging analogue to the ambitious hybrid Food Hub concept outlined in the concept paper, as it reflects many of the thoughts and hopes of participants in the scoping study – that there might be room for a significant ‘win-win’ for farmers, businesses and eaters in Casey.

Box 4-1: The Stop Community Food Centre (Toronto) – a ‘win-win’ for farmers and eaters

*The Stop CFC is an example of a Food Hub that is “a neighbourhood-based, physical space that uses food as an entry point to promote the physical and emotional health of individuals and communities, and to develop community-based and state-level strategies to address challenges within the food system” (Levkoe & Wakefield, 2011). Established 30 years ago as a Food Bank, the leadership came to realise that short-term, charity-based solutions were ineffective and might even prevent more fundamental systemic change (Saul, 2002; Allen, 1999; Poppendieck, 1998; Tarasuk & Eakin, 2003; cited in Levkoe & Wakefield, 2011). They expanded the emergency food program to **drop-in meals that emphasised healthy food as a way to build morale and promote physical and mental health**. In 1998, they became engaged in agro-ecological food production through an urban agriculture program and have expanded their capacity-building, educational and skills-training workshops through kitchens, gardens, workshops and civic engagement. More recently they have worked out how to effectively subsidise a more equitable and sustainable food distribution system through charitable donations, social enterprise efforts and volunteer contributions – **procuring quality food at a cost that is manageable to program users, while providing sustainable livelihoods to program suppliers**. (Levkoe & Wakefield, 2011)*

There are three key considerations arising from feedback to the concept paper (as well as consultations) that should inform the next steps:

- It is important to maintain a focus on the multi-purpose aspirations of the Food Hub. A key challenge will be holding the space for an integrated conversation while refining and meeting specific needs of different stakeholders.
- There are possibilities for staging the development and working up the different functions sequentially. There is potential to develop a logical prioritisation of components in line with purpose of the Food Hub.
- Openness to the possibility that a physical hub may not be necessary in the first instance, particularly in relation to possibilities for aggregation, distribution and marketing of local produce. There are opportunities to ‘bite off’ smaller pieces and get them working independently (e.g. labelling, promotion of farmers, software development for wholesale ordering) so that there is a supportive ‘food ecosystem’ in Casey if / when ready for a physical Food Hub.⁷

A number of the key factors that will affect the final Food Hub design proposal have broader implications for policy and practice in the City of Casey. For example, Table 4-1 outlines areas where Casey has apparent advantages / opportunities in development of a regional food system. Developing activities that respond to this context would have benefits for strengthening the local food system, regardless of whether a Food Hub is subsequently established or not.

⁷ e.g. stakeholder comment “I am not sure that an adequate case has been made for why the existing outlets for fresh & healthy food, are not, and cannot, achieve the goals required. It is going to be much more efficient to modify existing providers, especially the Market at Dandenong (and there may be smaller markets elsewhere in the shire) than to establish and maintain an alternative - if it has the capacity to achieve the required goals”

Table 4-1: Pathways for Casey Food Hub

Advantages for Casey	Challenges	Response
Increasing interest in farmers' markets, direct sales etc	Many international food hubs are developed in response to an inability to meet high demand for local food – extent of demand in Casey may be less well-developed	<ul style="list-style-type: none"> • Assess level of demand • Actively engage community to increase awareness and demand
Diverse agricultural capability and high productivity	Disenchantment / disenfranchisement of many in the farming community – low expectations, levels of trust, commitment to stay	<ul style="list-style-type: none"> • Investigate and understand the needs and interests of farmers • Strong focus on the needs and interests of producers with interest / commitment • Provide opportunities for networks and trust to develop across broader group over time • Focus on attracting new farmers that are interested and committed to developing local food system
Urban and agricultural proximity	Little relationship or shared culture between the urban and farming community	<ul style="list-style-type: none"> • Increased awareness and promotion of local farming to urban consumers • Network and relationship development opportunities and celebration of agricultural activity

4.3 Stakeholder Engagement – A Steering Committee

A priority task in the next phase would be a detailed communications and stakeholder engagement plan. The critical objectives here are:

- Building a deeper understanding of the needs of potential customers, providers and beneficiaries of the Food Hub;
- Creating a positive experience of collaborative working, thereby
- Generating trust-based relationships, laying the foundations of the 'food hub' network and achieving high levels of "buy-in" amongst key stakeholders; and
- Facilitating the key stakeholders to refine the design into a workable and realistic proposal that works for them.

While the scoping study has involved initial stakeholder analysis and engagement, it is crucial in the next stage that the process continues to attract and engage more and diverse interested parties. It would be a mistake to narrow invitations for in-depth involvement only to the people who have shown interest so far. The first step would be to throw the net wide to identify who else may be interested in providing input or becoming involved. The project needs to develop and strengthen the network of committed and engaged stakeholders who can see a real benefit for them; it also needs to keep the conversation open with those who are unsure or sceptical about the project.

There would be an option to form a stakeholder reference group (Function: support, guidance, networks, promotion, expertise) and for reasons outlined above, it may be appropriate to keep the membership open (i.e. as opposed to invite only, make it open for people who show an active interest in the project to join).

Some of the groups it would be important to engage are:

- The Chamber of Commerce and the full range of regional businesses involved in the food supply / food value chains;

- Farmers, growers and other primary producers;
- Transport providers, wholesalers and other distributors;
- Food processors, manufacturers and other value-adders;
- Retail outlets and restaurants;
- Waste recyclers;
- Employment and Training providers such as Job Services Australia and AvoCare;
- Education providers, particularly TAFEs but also universities and schools;
- Hospitals and other institutions with large food service contracts;
- The catchment management authority (CMA);
- Environmental and community groups;
- Local service clubs and charitable organisations; and
- Government service providers and other state agencies.

5 Critical Factors for Feasibility

5.1 Directions of the Food Hub

From the outset of the scoping study, it has been clear that the proposed Food Hub would have a broad strategic vision that encompasses a healthy food system, diversified food culture and environmental sustainability as well as improved economic opportunities for farmers and the region.⁸ The process to date has affirmed the necessity and commitment to this vision, whilst also clarifying and consolidating the priority focus points of farmer viability; access to healthy food and employment / economic development.

A clear statement of the vision and mission of the project will be critical to attracting and motivating the right people and resources. It is also essential for building a strong network of committed people with sufficient buy-in to make it happen – people are rightfully cautious about where they put their time and energy.

Recognising that a lot more information is required, and that developing a vision and mission for the project would be a central task for the Steering Committee, some key parameters have emerged that need to be front of mind in progressing this project.

A food hub is, by its very nature, a significant intervention. It is not just an addition to the system that continues to work in a similar way, but a reasonably fundamental change to the way the local/regional food system actually works. It will open up opportunities for some and challenge established advantages for others.

There is no food without farmers. If the objective is to increase resilience of the regional food system, urgent attention needs to first go to the needs of the region's current and future farmers. A resilient system is a diverse system, and one that is not excessively dependent on single resources or markets. Therefore, responding to the specific needs of diverse (including small) farmers, with a long-term commitment to the sustainability of their farm and the region - is critical.

However, the multiple potential benefits are more likely to be realised if the functions are designed and established with the broader health, sustainability, and food security goals in mind from the outset. Designing solely with the interests of the farmers (or any other stakeholder group) in mind, and leaving the rest to "add on" later is likely to cut-off potential synergies and reduce overall long-term impact. In addition, it runs the risk of the project being perceived by non-farmer stakeholders as an intervention that is catering solely or mainly to the needs and interests of just one sector of the food system (albeit a very important one). This would potentially create unnecessary division, and may undermine the vitally important objective of building trust and effective, cross-sectoral networks.

⁸ Food Hubs have significant potential for job creation and local economic development (Food Hubs in the USA have an average annual sales of nearly US\$1 million and an average of 13 jobs) (Horst et al 2011, p210). The flow-on impacts on employment can also be significant, with studies in the USA suggesting that farmers who sell locally and regionally employ 13 full-time workers per \$1 million revenue earned, compared to those who don't which employ three workers for every \$1 million in revenue earned (Merrigan, cited in Finz (2011)).

International experience with food hub development shows that there is a wide range of options for business models and strategies that can be used to achieve a viable outcome. Many have applied a very thoughtful and targeted application of both competitive and collaborative opportunities, and widespread integration of new opportunities arising with the hybrid concept of social enterprise. These opportunities are further discussed below.

5.2 Market Analysis

As outlined in Section 2.2 Consultations, the market research undertaken in this project was at a level of scoping only. Much more detailed research into market segments, demand and barriers is required to explore the feasibility of a specific Food Hub proposal.

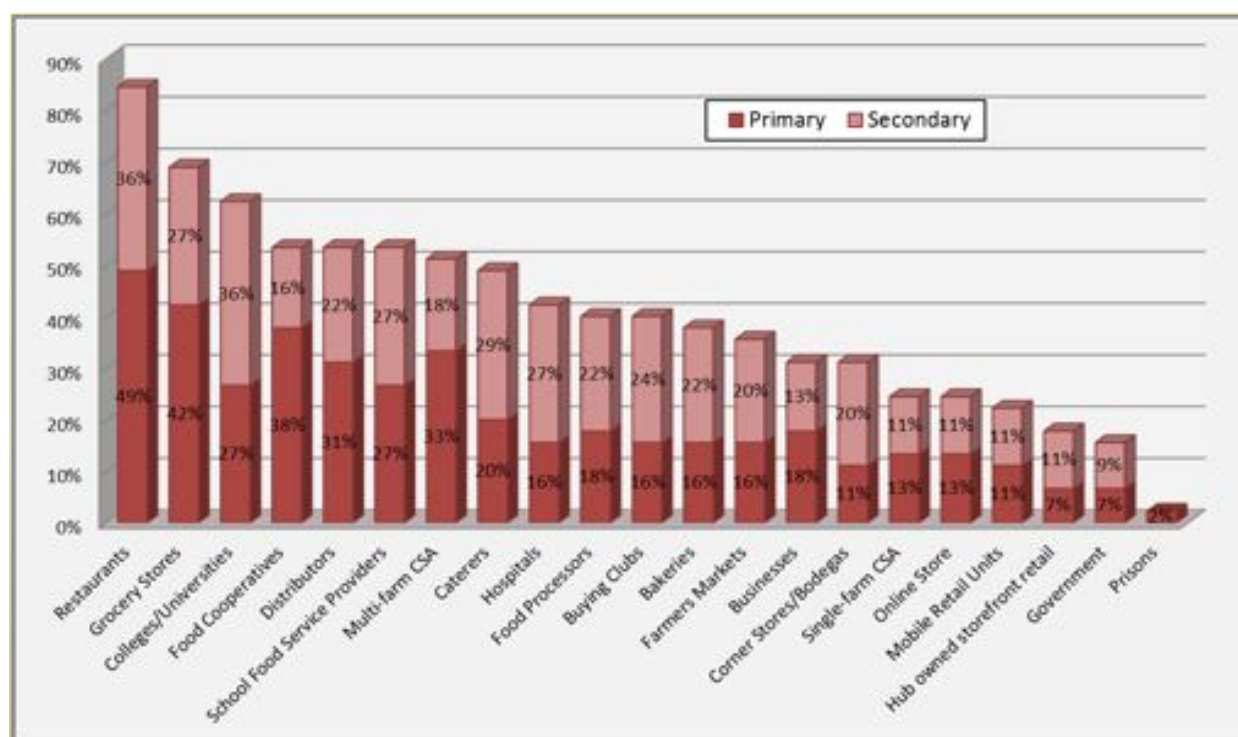
The most critical factor in assessing the viability of a Food Hub is whether demand/need for its services is greater than supply. For example, the clear context of most Food Hubs internationally is that demand for local food is well outstripping existing supply, so there is a clearly established need for more. The design and implementation process of a Food Hub for Casey may need to account for a less mature consumer profile and/or include, as previously suggested, strong components of marketing, education and awareness-raising amongst potential customers.

This project has four different aspects of demand to consider, with varying levels of information / evidence regarding:

- Producer interest in increasing sales of local food;
- Consumer interest in or demand for local food;
- Need for improved access to fresh, local produce;
- Intermediate demand e.g. for a wholesale function for independent supermarkets; restaurants.

USDA (2011) research has shown the diverse range of direct and indirect buyers that have been targeted by food hubs in the USA. Some of these may not be applicable in Casey, but Figure 5-1 does indicate a wide range of potential customer segments and market opportunities.

Figure 5-1: Possible Food Hub Customers (USDA 2011)



5.2.1 Producer interest in selling more produce locally

A Food Hub will never meet the needs of all farmers and shouldn't try to. The priority is to identify a core group for whom it really matters.

Different farmers will have different needs, and it's important not to make premature assumptions about who will be interested. The sample of producers accessed through the consultations suggested a strong interest in increased opportunities to sell produce locally, alongside a wide array of perceived barriers to doing so. Some producers had doubts about the value and feasibility of developing collaborative marketing and distribution approaches, or intervening in the regional distribution system. Considerations, concerns and level of interest varied amongst producers from very keen to sceptical.

In advice on Food Hub feasibility assessments, it has been suggested that proponents engage with all stakeholders to maintain a supportive environment (FamilyFarmed 2010), and thereby build levels of trust. Given existing tensions relating to the future of agriculture in the region, a continued open and inclusive engagement is a sensible strategy.

However, a critical factor in the final Food Hub design will be to not try to meet the needs of all farmers in the region, but to focus on those that have a long-term interest in the region and a commitment to sustainable and healthy food systems. The pitfalls of attempting to draw too large- a coalition were identified in the case study on regional branding (*Von Hier in Germany*). This group identified a key learning about working first with a smaller group with common values and interests, rather than attempting to develop a collaborative marketing exercise between

Figure 5-2: Number of Food Hub Suppliers (USDA 2011)

groups that feel strongly distinct (e.g. small diverse market gardeners and large dairy producers; or producers that support GM product and those that don't) (RegioMarket 2008).

Figure 5-2 reiterates this suggestion, indicating that the large proportion of Food Hubs that have fewer than 20 or fewer than 40 suppliers.



Further analysis is required to clearly identify the segment of producers with enough common values and needs to work together, so that a strong collaborative network can be developed. A priority for the next stage is to identify and attract the farmers that are interested enough to help make it happen and focus on developing a model that meets their needs. Ideally this process will lead to the emergence of strong leaders with enough ‘skin in the game’ that they are willing to persevere in bringing the Food Hub to life.

The scoping study was only able to access a very high level of data about farmers and food production in the region. A detailed survey would enable identification of key characteristics required to inform any food system intervention (Hub or otherwise). This survey could be adapted from the extensive survey design and development that took place in Vermont with modifications as required for Australia. A survey of this kind would provide information that has use well beyond the Food Hub project and could also be used to inform other services to farmers in the region.

Table 5-1: Producer Survey - Potential Information⁹

Farmers and farms <ul style="list-style-type: none"> Who are the farmers – age, how long farming, intention to continue Farm size and productive area Farm income – size and proportion of total income Farm labour 	Products <ul style="list-style-type: none"> Product categories Most significant farm enterprises, information on sales, amounts produced and defining features (e.g. pesticide-free, free range, IPM) 	Current marketing strategies <ul style="list-style-type: none"> Direct to consumer Direct to wholesale Wholesale distributor Direct to retail (who / where?)¹⁰ Other
Market characteristics <ul style="list-style-type: none"> Describe the positive and negative aspects of different markets 	Opportunities and barriers for production expansion <ul style="list-style-type: none"> Could you produce more for the local market if there were profitable opportunities? 	Which marketing alternatives would present the most value to your farm e.g. collaborative marketing and distribution; multi-farm CSA; improved storage
Would you be willing / able to contribute resources to a multi-farm venture?	Would you like to learn more about possible models and opportunities?	

⁹ Adapted from Intervale Center (2008), Vermont Farm Producer Survey, http://www.intervale.org/programs/agricultural_development/documents/SurveyPrelimReport.pdf

¹⁰ Collecting this information here will support mapping of competitors / collaborators in Section 4.2.5

It is important to note that the proposed methodology is closely related to that undertaken internationally, however the agricultural sector in Casey-Cardinia is very different to that in Northern Vermont. The Intervale surveys revealed a significant number of small and organic producers as the backbone of an already strong local food culture. Casey-Cardinia is likely to be in different position and this distinction is important for the proposed next steps, as there is a need to support and strengthen the existing growers as well as attracting new younger farmers to the area.

The nature of a Food Hub is inherently collaborative, as it is the aggregation of products from multiple farms that supports a larger-scale distribution of local products to a variety of markets (Schmidt et al 2011).

Throughout the consultations a number of farmers expressed strong reservations about the ability or inclination of farmers to cooperate or work together for a mutually beneficial outcome. Others expressed concerns about transparency of pricing and how they would know whether the price they got there was comparable with other places.

The perceived risks and benefits of cooperation will need to be attended to with sensitivity to the local cultural context. For example, an effective Food Hub would need to have either/all:

- Transparency and accountability around pricing and financial management;
- Strong facilitation: with a management structure and style that recognises the tensions and risks and consciously builds a culture of increasing trust and cooperation; and
- Ability to provide stronger benefits for participating farmers than the perceived risks of being involved.

NB. A critical success factor in two of the case study hubs has been the introduction of processes for production planning amongst participating farmers, to reduce gluts and shortages and collaboratively provide a more balanced and stable supply of produce. Recognising variations in land capability, this innovation could be a significant response to the concern expressed by some about 'how much celery and asparagus can people eat?'

There was a concern from some producers about 'rocking the boat' and upsetting dominant players within the current food supply chain. Others were more dissatisfied (or feistier) about the current arrangements and enthusiastic about new possibilities. Any proposal or project that intends to reshape supply chain opportunities, increasing opportunities for some while challenging others, is likely to be challenged by those who are 'on top' in the current system. The Food Hub proposal could progress further before being subject to resistance, if it focuses initially on providing a service to the producers that are of less interest to the major players. While this will be explored more deeply in the feasibility study, it seems likely that the focus should initially be on small to medium sized growers, who are attempting to differentiate themselves on sustainability grounds and therefore will benefit from being specifically identified in the marketplace.

The consultations also revealed significant historical tensions in the relationship of the agricultural community to the council and other levels of government, with little faith in the real commitment to maintaining and supporting an agricultural landscape. Similarly, a number of participants explained a sentiment of farmers being thwarted in previous attempts to contribute to food security or increase influence along the food supply and value chains (i.e. through direct marketing or on-site retail) appeared in a number of interviews – "if *they* want this to happen *they* need to get out of the way". For the proposal to progress successfully, it is critical that the Council (and consultants / university) play a facilitative role, to genuinely create a space for the community to develop an intervention they trust and own.

5.2.2 Customer demand and access for local food

It is consistent with the aims of the project to actively cultivate demand through increased awareness, education and engagement and attention to the specific needs of particular market niches.

A detailed study of buyer opinions was recently undertaken by the Victorian Farmers' Markets Association (2010). This study surveyed shoppers at 13 farmers' markets across Victoria, including the Casey-Berwick Farmers' Market. It provides relatively recent information on motivations and demand from this demographic for purchasing directly from farmers. Of the 161 customers spoken to at the (monthly) Casey-Berwick farmers' market, 57 said they come to every market and 50% go to a market more than once a month. This means they travel further afield to access the food they want, such as attending other markets (57% Pakenham; 15% Pearcedale; Mornington etc). There is more detailed analysis in this study that suggests a latent demand for more local produce outlets in the area (VFMA 2010).

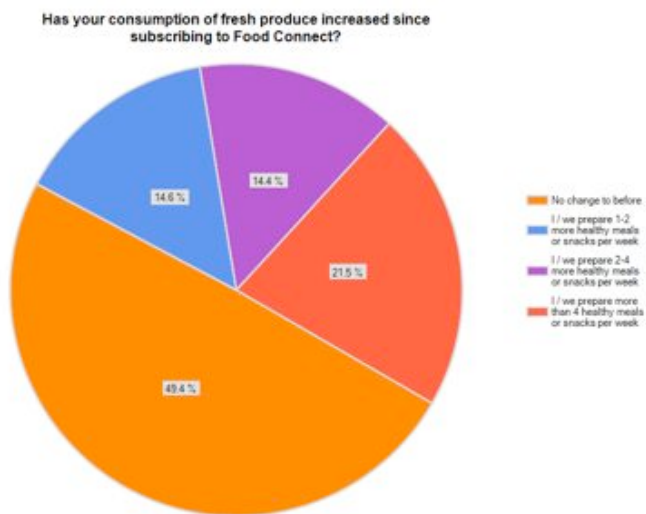
Similarly, there are no known independent organic retail shops in the Casey region, but a number of participants mentioned Tully's Produce Store in the Mornington Peninsula Shire as a retail model they were interested in. Again, the preliminary analysis suggests that there are people who are travelling to neighbouring shires to access the food they want.

Monash healthy food basket studies have suggested that the average amount Victorian families need to spend to get a healthy food basket is about \$402 fortnight (Palermo et. al 2008). It is interesting to speculate on the quantum of potential local demand if Casey's 240,000 residents were investing the minimum amount required for adequate nutrition – there is potential for significant demand for healthy, local food.

It is also important to note that this project has been developed with social and environmental as well as economic objectives, and is pursuing long-term and systemic benefits. Therefore, it is consistent with the aims of the project to actively cultivate demand through increased awareness, education and engagement and attention to the specific needs of particular market niches (i.e. ways to increase fresh produce in disadvantaged communities; increased convenience of healthy sustainable produce for working families). The Stage 2 project provides opportunities to engage and inform the community about food issues and the opportunities presented by a Food Hub, dependent on available resources.

If the Hub were to prioritise provision of fresh produce to households, an option would be a box scheme or multi-farmer CSA model. In this scenario, the Food Hub would pack the purchased food from a range of local farmers into individual household 'shares' or boxes, depending on what was available that week. There are two successful models of this kind of Food Hub operation in Australia: Food Connect (in Brisbane and Sydney) and CERES Fair Food (Melbourne). In their specific context, these models have been shown to be successful in increasing household consumption of fruit and vegetables while increasing the return provided to farmers. For example, a recent 'Social Return on Investment' study of Food Connect Brisbane found that 50% of Food Connect Brisbane subscribers prepare an additional one or more healthy meals since becoming subscribers (Figure 5-3) (SVA 2011).

Figure 5-3: Increased consumption of fresh produce from Food Connect subscription

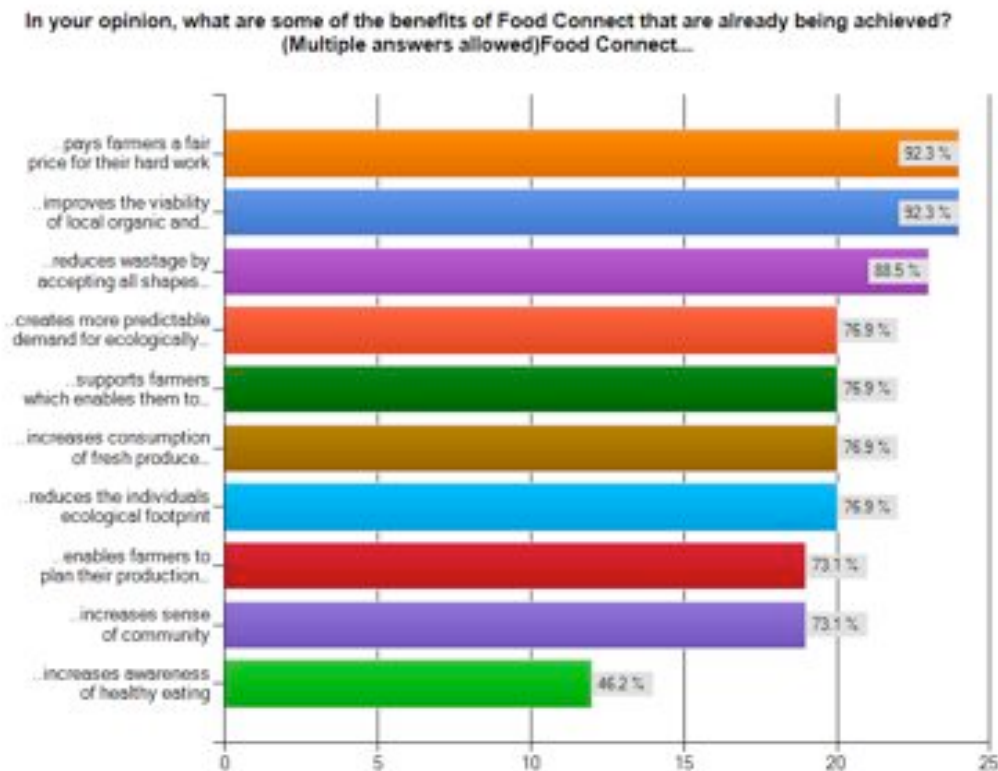


The study (SVA 2011) also found that FCB delivers an indicative SROI of 16.83:1 based on the outcomes generated from the investment for the 2010 financial year. That is for every \$1 invested, approximately \$16.83 of social value is created". More specifically:

- An investment of \$213k into FCB results in \$3.4m of additional value created for stakeholders, especially farmers and subscribers.
- The social returns just to farmers are almost three times the original investment.
- Over 65% of value is created between 2012 and 2014.
- No additional investment was required from 2011 to 2014 to achieve these changes.

The most engaged subscribers – the 'City Cousins' who form the backbone of Food Connect's unique distribution model – identified multiple benefits of sourcing their fresh produce through Food Connect, as shown in Figure 5-4 (SVA 2011).

Figure 5-4: Benefits of Food Connect



If the feasibility assessment established that there is a significant potential consumer demand for this service in Casey, it could be considered as an early enterprise for the Hub. However, based on the consultations to date, there are reasons to take a cautious approach to these types of schemes and perhaps focus at least initial attention elsewhere. For example:

- Proximity to the agricultural area (in Casey and neighbouring municipalities) means that there are some (albeit not many) producers already selling directly to consumers via box schemes.
- It is a distinct niche of the market that prefers to have a seasonal box rather than choose their produce. With a focus on catalysing a different scale of regional food system, there may be significant limitations to a strategy that focuses too much on this niche segment.
- Packing boxes for households would be a significant labour requirement of any hub operations. If designed as an employment and training opportunity, it can draw an income stream into the Hub and would be worth considering. If not, it would be a significant operating expense at the outset.
- The 'churn' of customers through these schemes can make cash-flow challenging for a start-up enterprise.

There are ways that the Hub could support other existing and emerging enterprises to facilitate household access to fresh local produce. For example, Section 5.2.4 describes the possibility for a Hub to provide a wholesale function to local businesses, independent supermarkets etc. If it did so, it could also potentially supply to other community food enterprises that focused on household deliveries.

5.2.3 Access to fresh food for vulnerable communities

Demand for improved access to fresh food for vulnerable communities has been clearly articulated through emergency food providers and council research. Casey has a significant proportion of low-SES

residents who are likely to be vulnerable to food insecurity and for whom affordability and easy to fresh, healthy produce is likely to be a key factor in whether they can eat it. Casey's population has also been identified as particularly vulnerable to economic slow-down and increasing petrol prices (both of which are likely in coming years), making Casey's 'vulnerable communities' potentially larger than they are now.

A critical area for investigation is whether, and how, a Food Hub can introduce supply and value chain interventions and innovative business structures (see Sections 6.4.3.2 and 6.4.3.3) that support *improved food access in both the short and long term* i.e. improving both demand for and access to healthy food for the population (through competitive and affordable pricing), as well as strengthening the viability of farmers and farming in key productive areas. This is critical to the success of the Food Hub, as just pursuing *cheap food* will undermine the viability of the farmers.

The Food Hub concept outlined a range of ideas for both directly and indirectly responding to this pressure, shown in Table 5-2.

Table 5-2: Direct and Indirect Services to Vulnerable Communities

Direct	Indirect
Restaurant / café providing access to affordable and healthy meals, with kitchen supplemented through second-grade or close to use-by produce that might otherwise be wasted	Skill development, employment and training programs / opportunities
A range of potential payment options including volunteer; membership; accepting vouchers from emergency food providers	Potential support and incubator for a wide variety of 'seasonings' e.g. independent social and commercial enterprises that are able to improve access to affordable, high quality produce

Stage 2 presents an opportunity to increase understanding of the needs of diverse, multicultural and disadvantaged communities in Casey, so that the Food Hub design takes account of how it might both directly and indirectly improve food access in the region.

There is an increasing amount of activity to develop social or community enterprises that improve fresh food access for food insecure communities, including activities in Casey such as the Myuna Community Market. The proposed Food Hub could help overcome known challenges to community food enterprises (CFEs) such as volunteer run community markets. For example, feasibility studies for food access enterprises in the North and Western metropolitan regions note the challenges faced by these small enterprises in *accessing food at a reasonable price* and in getting anything like *the economies of scale required to cover costs* (even with most if not all labour being voluntary). For example, the financial assessments undertaken in Ennis & Christensen (2011a) clearly show that a group of six markets costs less to run than two markets and that economies of scale increase the financial sustainability of community markets.

A Food Hub with a wholesaling function (see below) would be well-positioned to provide this critical support to a wide range of community enterprises. If established with a clear ethos and mandate of leveraging higher value markets to enable improved local food security, the Hub could provide a much more dedicated service to CFEs, as well as providing the necessary economies of scale to make them viable. There would be possibilities to share vehicles, equipment etc.

A suggested innovative feature of the proposed Food Hub would be the integration of 'seconds' into the supply chain, paying farmers for them (albeit a lower price) and then moving them into food processing / preparation; offering them to community food enterprises at a reduced rate or passing on to

emergency food channels. By allowing a range of produce to be delivered and redirected from one facility, the extra costs of moving it can be alleviated and a great deal of waste potentially avoided.

NB. A Food Hub would be unlikely to focus on repacking / distributing donated food to emergency food providers, as the 'market niche' and business model for doing this has been well-developed by charities such as VicRelief FoodBank, SecondBite and FareShare. There may be benefits to farmers of the Food Hub accepting donated food alongside other deliveries (one stop drop) e.g. taking premium and seconds (paid for) as well as allowing donations. It is most likely that donations would then be consolidated for collection by or delivery to emergency food providers. Relative proximity to a FoodShare or similar emergency food operation could be considered in the feasibility stage.

5.2.4 Food Service and Wholesale

It is this collaboration that reduces the barriers to wholesale buyers of purchasing local products, because it facilitates provision of products that is predictable, fairly priced and regularly delivered in quantities that meet the need. It can also decrease the marketing and distribution costs to individual farmers while maintaining their identity and traceability (Schmidt et al 2011).

The scoping study undertook no assessment of the interest or needs of chefs, food services or institutions. This is a priority for the feasibility study as it will identify whether there are opportunities to aggregate food from a range of small farmers for larger buyers.

If there is sufficient demand and it is feasible for the Food Hub to provide a regional wholesale function, there would be advantages to focusing on this first, such as:

- Wholesale sales provide farmers with a higher return compared to the CSA/box scheme because this business is less labour intensive, even though the wholesale market demands a lower price point than the household market. In its first year of wholesale operations, the Intervale Hub had \$45,000 in sales, of which 85% was returned to farmers (Schmidt et. al. 2011).
- Enabling the economies of scale and the efficiencies of meeting the needs of larger buyers, means that the Food Hub could take greater amounts of produce from local growers.
- The Food Hub should aim to support the development of a diverse local food system, not undermine existing entrepreneurs, leaders and local businesses. Focusing on wholesale first would enable the Food Hub to focus the effort on supporting existing local businesses (F&V shops, independent supermarkets etc) as well as community enterprises such as coops; box schemes; community markets; mobile food vans etc.

5.3 Competitors / Collaborators

A key goal of the Food Hub is to improve access to healthy, fresh, local food for diverse communities in Casey. As the ultimate aim is to deliver a stronger, healthier and more sustainable local food system, not just to operate a successful enterprise, it is important to carefully identify who are competitors and who are 'collaborators'.

The feasibility assessment will need to map and analyse competitors and potential partners or entities that should be supported.

It would be important not to undermine small groceries and food outlets that are spread throughout the Shire, as these are critical for spreading healthy food. There would potentially be opportunities to improve the quality of fresh produce in some existing outlets. The feasibility study will map local food retail businesses, including assessing whether they already buy direct from farmers, to generate a

picture of potential customers and competition, and guide decisions about the type of service, price levels and possibilities for promotion. There is potential to develop this into an interactive online resource, thereby enabling local businesses and stakeholders to ‘see’ and network with each other. This in turn will strengthen levels of trust, helping to lay strong foundations for the successful launch of the Food Hub at the appropriate stage.

As already discussed in 5.2.4, care would need to be taken to not undermine existing local food supply chains, such as box schemes and direct sales. Both the Local Food Hub in Charlottesville and the Intervale Centre took great care to actively support and not undermine other entities working for a healthy food system. For example, Intervale staff co-marketed the new Intervale Food Hub CSA alongside all other local CSA and food outlets in the county. The Food Hub’s website provided information on individual farms and educated consumers about all resources available (Schmidt et al 2011).

A starting point for assessment of competitors and collaborators can be drawn from the scoping study and is summarised in Table 5-5.

Figure 5-5: Competitors and Collaborators

Who should the Food Hub compete with?	Who should the Food Hub support?
<ul style="list-style-type: none"> • Produce buyers / systems that do not pay farmers enough to justify continued farming or improved sustainability practices • Predominantly unhealthy food outlets 	<ul style="list-style-type: none"> • Other food system entrepreneurs: farmers markets; coops; box schemes • Locally owned retailers; cafes; restaurants; markets – those that can potentially make local food available through existing infrastructure • Community food enterprises improving food access in vulnerable communities

Pending more detailed analysis from the food system mapping (and the prevalence of existing Tier 1 enterprises), the considerations above suggest that a predominantly wholesale function may be a preferable starting point of the Food Hub. On the other hand, if demand is more clearly for a greater penetration of Tier 2 and improved retail facilities (particularly in newly developed areas), the retail functions included in the concept paper could be considered.

As discussed in Section 5.2.3, the current Food Hub proposal would not ‘compete’ with emergency food distribution organisations, but could potentially provide a source of food for re-distribution.

5.4 Business Model

The market analysis and stakeholder engagement will provide a great deal more information to inform the development of a business model – how will the Food Hub be set-up in a manner that enables it to be financially viable and operational. The discussion below suggests areas for consideration in this process. The business model for the Food Hub encompasses many aspects of the business: products and services (offering), how they are delivered (operations), the means through which they are sold (revenue model), and how the company is structured (business entity) (Slama et al 2012).

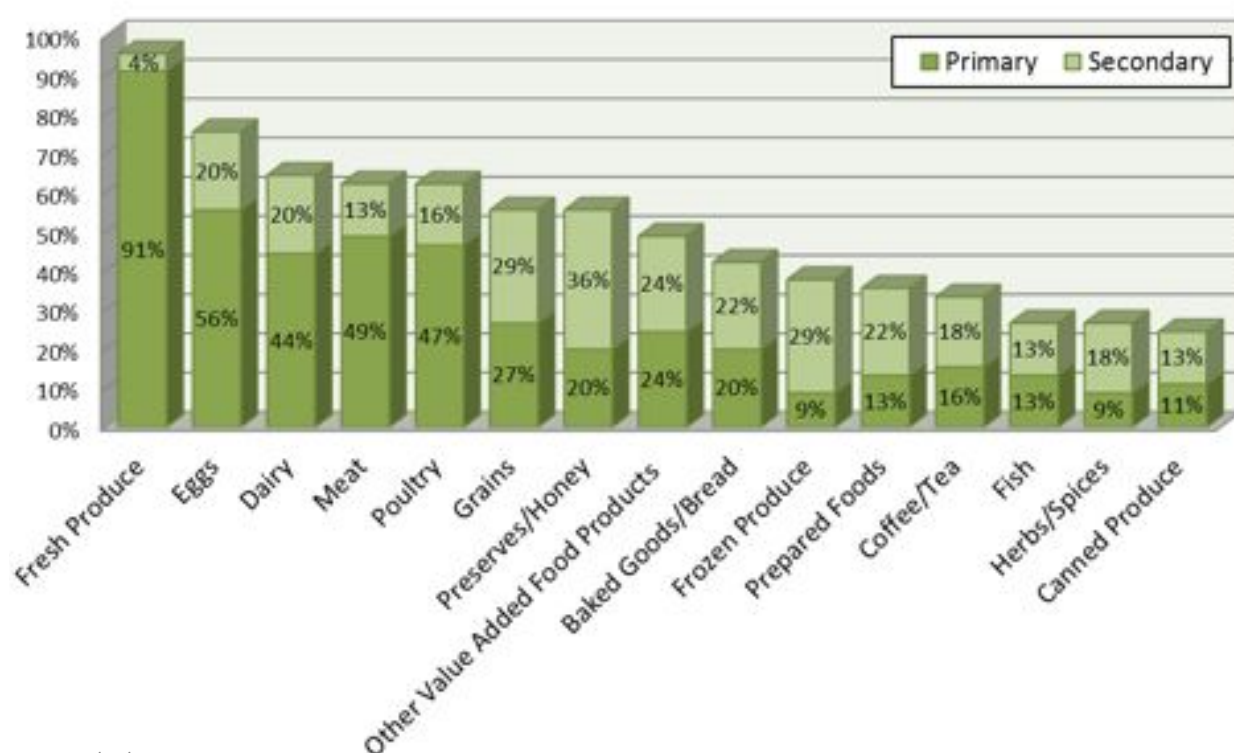
5.4.1 Business Offering: Products & Services

The business offering cannot be defined any more specifically until the market analysis has been conducted. Based on the current concept / proposal, the income generating aspects of the Food Hub could include elements such as:

- Sales to consumers / households directly or via drop points at businesses and convenient locations (e.g. multi-farmers CSA);
- Wholesale sales to restaurants; food service; independent retailers;
- Prepared meals, cooked on-site, which could form part of a dedicated catering arm;
- Preparation and sale of processed foods;
- Lease of shared facilities (e.g. commercial kitchen) to other businesses; and
- Provision of training and job services contracts.

An important consideration in focusing the products and services will be specifying the nature of demand from direct and/or wholesale customers. Figure 5-6 shows the range of food products offered by different Food Hubs across the USA, showing the large majority with a focus on staple foods, including fresh produce, eggs, dairy, meat/poultry etc.

Figure 5-6: Product Categories of Food Hubs (USDA 2011)



The range of food products currently produced in the region mean that the options are wide open, depending on market demand. Further, as suggested in 5.2.1, there would be opportunities to undertake production coordination with a participating group of farmers to meet identified market demand.

5.4.2 Operations

5.4.2.1 Regulation & Licencing

There is a range of legal requirements that would need to be attended to in establishment of a Food Hub. Any business(s) would need to meet a range of regulatory requirements common to all new businesses - employee obligations; Occupational Health and Safety etc. The Hub would also need to secure relevant insurance and indemnity. The venue/building would need to be registered and assessed compliant as well as the associated business(s) within.

A pre-requisite to this is the appropriate registration as a food business(s) and the registration of a food safety plan with the local council. There is a range of design and process considerations associated with the development of a food safety plan (e.g. the cool store) to meet the required standards and a food safety supervisor must be nominated (employee or volunteer).

The actual food distribution hub has very few specific requirements relating to the building and operations (other than food safety), however a kitchen would have to meet commercial kitchen standards that are more challenging and onerous.

There are more specific standards that need to be met in regard to any food processing e.g. if food is being prepared to be sold off-site. These are very specific to food types and types of packaging etc.

Without a valid food safety plan the business can become liable. Note that the Good Samaritan Act 2002 would only be relevant in very specific and likely marginal activities, such as the donation of any unsold food (this protects donors if food that is donated is unsafe but donated food loses this protection if it is sold).

While there are increasing levels of complexity, these can be worked through with the appropriate people and skills. There may even be a role for the Food Hub to support local businesses in keeping up with constantly evolving food safety standards and regulations through information and training. The hub could also play an incubator role for new businesses, removing overheads and arduous regulatory requirements associated with start-up and perhaps through acting as an incubator for new enterprises.

The regulatory context for suppliers (e.g. farmers) has changed considerably in recent years, and increasingly is conditioned by the standardisation requirements of the final retail customer. For those farmers and growers wishing to sell into the major supermarket chains, they are now required to obtain industry-approved certification in the form of Freshcare accreditation.¹¹ Obtaining accreditation involves paying for the costs of training and auditing, and keeping up to date with changing industry and governmental food safety and environmental regulations.

While we think it unlikely that the Food Hub would act as a supplier to these major retail outlets, it – and its suppliers – will nevertheless have to comply with all relevant and applicable regulations. As the hub becomes operational and grows, we would recommend that the burden of regulatory compliance be closely monitored, and a dialogue opened with the relevant government departments to determine whether certain regulations may be excessively impeding the successful expansion of a local food economy.

In this respect, we note that a factor critical to the success of several Food Hubs in North America has been the securing of procurement contracts to supply state-run and state-funded institutions, such as hospitals, schools, and aged care facilities. Of the Charlottesville Local Food Hub's 100 business and institutional customers, for example, 45 are public schools. Clearly such government procurement contracts can be a vital way in which the viability of Food Hubs can be secured. Going forward, we would see it as the role of the Australian Food Hubs Network, in partnership with operational food hubs themselves, to engage with all tiers of government to ensure that regulatory frameworks can enable similar outcomes in this country.

5.4.2.2 Location & Infrastructure

The three core modules are a starting point for discussion of the type of Food Hub that might suit Casey's growers and eaters. The concept model we have outlined would have requirements for physical

¹¹ See <http://www.freshcare.com.au/home>. In addition, Woolworths has its own accreditation process for its approved suppliers.

infrastructure of sufficient dimensions to enable adequate warehousing and storage capacity, including a cool-room, and sufficient resources for additional enterprises operating within the facility e.g.:

- Healthy fast-food style restaurant;
- Processing facilities for packaged / on-sold food;
- Training or demonstration market garden; and
- Educational facilities / offices.

If the project were staged with the warehousing and distribution developed as the first function, the initial capital requirement would be the leasing or purchasing of land and a warehouse to establish the Hub. SecondBite's distribution centre in Kensington can be used as a guide to the establishment costs for a basic warehouse and distribution operation.¹² It is a 460sqm space with a 60 pallet cool room. The lease of warehouse is \$70,000 pa (but this is for a site in Kensington, and commercial rates for comparable facility may be cheaper in Casey). Their 64-pallet cool room was about \$80,000 and the building running costs are approx. \$1800 per month (electricity, water etc).

At least one truck would be required for deliveries and potential pick-up from farmers. The size of this initial vehicle, and requirements for refrigeration, would depend on the initial business model (e.g. fruit and veg only or a broader range of products). If the initial business were focused on fresh produce, it may be possible to start with a non-refrigerated second hand truck as pictured below.

A second-hand low km truck costs \$30-40,000. This truck can be driven on a normal car licence; it can carry six pallets and has an economical and reliable turbo diesel engine. A hand operated pallet jack can lift one large pallet and offload it from a truck onto a paved surface (Ennis & Christensen 2010a).



If a commercial kitchen were to be added to the proposal, this would probably cost around \$250,000 to establish (based on the recently opened kitchen at Food Connect in Brisbane).

Leasing and setting up the infrastructure would be the most significant cost to establishing a Food Hub. It could be staged so that the bigger upfront costs (the kitchen and restaurant) were added once the core aggregation, marketing and distribution enterprise was established and viable (there may still be opportunities to lease access to an existing commercial kitchen and/or office space off-site in the early stage if the core aggregation and distribution functions are prioritised on site).

If the intention were to add the more community-focused functions, the location of the warehouse – and its suitability for these additions – would need to be an early consideration. The feasibility assessment will need to determine the specific market demand / need for the Food Hub and translate this into site considerations. These could include:

- High profile and visible location to draw passing traffic (trying to compete with fast food);
- Well-located to encourage active travel and cater for those who don't have a car;
- Potential to co-locate with other facilities that draw traffic from the target market, such as sporting and recreational facilities;

¹² This is approximately the same scale (slightly larger) as the Intervale Food Hub, which is referred to extensively throughout this report. It initially operated from a leased 4,300 square foot (399 square meter) warehouse space and purchased a walk-in cooler and a delivery van (in spring 2008). In 2009, it moved to an owned building at the Intervale Centre, which is slightly smaller but has other advantages (Schmidt et. al. 2011)

- Maintain clear access for trucks; and
- Impacts of increasing traffic if in a suburban area and difficulties of attracting customers if in an industrial area.

Consideration should be given to whether / how these costs could be reduced or subsidised by supporters of the project. There are likely to be opportunities for the Council or a local business to provide in-kind support to the project through provision of an existing facility; reduced rents or rates; support with planning and zoning challenges etc. While this will be explored extensively in Part B of the feasibility study, the Council is probably in the best position to start considering and assessing potential site options immediately. There may be properties that are council owned and/or operated that would suit a Food Hub, or there may be sites that would be suitable but require rezoning or face other planning challenges. Identifying these potential sites now and implanting the idea that they could be suited to a Food Hub can help change the 'landscape of expectations' around use of those sites (i.e. if people start thinking of them that way, decisions that cut off the option will be questioned early).

If there is potential for the Council to play a role in providing or supporting access to infrastructure, it will be necessary for this to be 'flagged' within internal strategic processes early, with a view to capital contributions in 2013/14.

A priority area of focus would be zoning and planning approvals for operating a diverse facility, establishing the most appropriate zone or site could be challenging and should be prioritised as soon as a design has been decided.

Another consideration would be options of using existing facilities or other resources (e.g. trucks) owned by council or other potential partners, potentially leased or provided in-kind to the project in the early stages. This would allow functions to be piloted or initiated prior to development of a permanent site.

5.4.2.3 Execution Costs

In addition to the costs associated with setting up and running the physical facilities there would be a whole range of other costs associated with execution. These are obviously very dependent on the specific design and will include things like legal costs associated with setting up a new entity; marketing, branding and signage; IT and other basic business systems. These would be considered in the feasibility study.

Section 6.2 also suggests how some of these costs / activities could be developed and piloted ahead of the establishment of a physical Food Hub, which would give a solid understanding of ongoing costs and requirements.

5.4.2.4 Workforce

The workforce for a Food Hub would be highly dependent on the specific business model, which enterprises commenced first and at what scale, how it was run, and the extent of employment and training programs. This will need to be considered carefully in the feasibility study. Some things to consider include: the need to building strong local network of proponents and leaders; a clear and transparent governance and ownership model to mobilise voluntary and in-kind contributions; developing relationships with education, training and employment organisations; and early consideration of 'shovel ready' aspects, with a view to capturing stimulus investment (targeted at employment outcomes for the region) if it becomes available. These are discussed more fully below.

An operation of this type is likely to benefit from charismatic leaders and/or ambassadors, who are capable of building trust and relationships with a wide variety of people. The Hub is most likely to be

successful if this person/these people are already known and trusted in the area and have a solid reputation and networks. It is critical that the next stage facilitates people who might take this role to step forward, shape the proposal and take responsibility early.

A study of the establishment phase of the Intervale Food Hub in Vermont emphasises the importance of coordinators, particularly as trusted faces and arbiters between complex needs. As the proposed Hub's viability is likely first and foremost dependent on the success of the aggregation, marketing and distribution operation, a priority would be identifying (and potentially recruiting) a farmer coordinator, who can develop systems and processes responsive to the specific needs of the producers in the area (Schmidt et al 2011). A farming background would be a distinctive advantage.¹³

Workforce costs would be significant to the viability of the enterprise, especially in the establishment phase, and opportunities to leverage other workforce contributions will be important. These include: volunteers; employment and training programs; in-kind contributions from local businesses etc. One of the most critical factors in mobilising these human resource contributions will be clarity in the governance and ownership model (5.4.3).

A key idea that has emerged in the scoping is the opportunity to coordinate the hub's operations with training and employment programs. This would have a dual benefit of providing training opportunities for local people in a range of fields (e.g. warehousing; food preparation and handling; administration and operations) and potential income stream for the Hub. This model has been proven in other facilities e.g. AvoCare Community Distribution Centre in Dandenong and could greatly contribute to enterprise viability (i.e. some components of the workforce become an income stream rather than a cost). The next step in developing this possibility is to engage local training and employment organisations / individuals in the next stage of the proposal's development.

NB. The current economic climate may see the announcement of government funds to stimulate employment and training through 'shovel ready' projects, as in 2008/09. Preparation for this possibility would potentially position the Food Hub project well in obtaining such funds.

5.4.3 Business Entity: Ownership & Governance

A critical aspect of the business model is how the Food Hub is owned, governed and managed. This will be important to how the project is funded, whether it is financially viable and the extent to which effective cross-subsidisation between programs is possible.

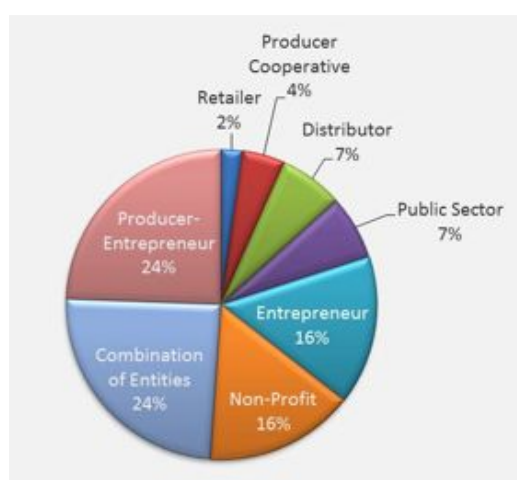
The ownership and governance of the Food Hub will need to be an aspect for consideration throughout the market assessment, design processes and feasibility study – it cannot be determined until it is clear who is involved (i.e. who steps forward to become partners / drivers of the project).

5.4.3.1 Establishing Entity

At this stage, the key drivers of the project are public-sector agencies (VicHealth and the City of Casey) and a group of social entrepreneurs (Eaterprises and the Australian Food Hubs Network). This mix is consistent with establishing entities seen in other Food Hub models, but the challenge will be how it translates to a mix of entities in the region. At this stage there is no intention for Eaterprises / AFHN to manage or run the Food Hub and the project is not sufficiently mature for expressions of interest from local stakeholders to convert to commitment.

¹³ If there were resources to support such a position early, this person could be instrumental in conducting the producer survey and network / trust development in the region.

Figure 5-7: Establishing Entity (USDA 2011)



Entrepreneurs took the organising lead in establishing 40% of the Food Hubs. 7 out of 11 of the 'combination' entities included public sector and non-profit organisations.

A Welsh analysis of Food Hubs outlined some of the pros and cons of different driving entities, shown in Table 5-3. It emphasises the potential strength of the mix of entities involved, but also some weaknesses / risks to watch out for.

Risks to a primarily public sector / outside driven establishment include a tendency towards an 'imposed solution' that may not be sufficiently owned by supposed beneficiaries and a lack of flexibility to changing demand and market opportunities. These risks should be considered foremost in development of the next steps, and particularly the focus on developing deep and genuine stakeholder participation and market analysis.

On the other hand, distinct advantages of public sector involvement at the outset include public and prominent support, access to funds and the potential to adapt procurement policies for significant early-adopter Food Hub customers.

Table 5-3: Pros and Cons of Different Establishing Entities (Morgan et al 2008)

	Retail-led	Public Sector-led	Producer Entrepreneur-led	Producer Cooperative-led	Wholesaler-led
Strengths	Retail provides expertise Hub has common goal	Public stakeholder support / expertise Open to funding	Individual commitment Simple management structures Entrepreneurial attitude	Broad expertise base Constituents able to do what they do best. Broad resource base	Strong experience and understanding of market Good reputation Well-developed infrastructure
Weaknesses	Producer may be over-reliant on retailer	'Imposed Solution' Liable to: inappropriate financing/lack of emphasis on financial viability; Inappropriate internal expertise; Lack flexibility to respond to market change	Narrow expertise base Can lack financial resources Business ambition often reflects personal ambition	Relies on true cooperation including shared priorities Can suffer from management 'by consensus'	May lack understanding of sustainability / production issues May 'cherry pick' range Usually not commodity focused
Distinguishing Opportunities		Public sector support acts as PR/advertising Set up to meet public sector needs (e.g. procurement)	Stakeholder respect for producer entrepreneurs		Able to engage in existing supply relationships
General Opportunities	Can tap into unmet demand for local food products from consumers Can provide environmental / social / economic benefits to localities Can assist food providers in developing positive PR				
Distinguishing Threats	Retailer can switch hub/withdraw from local range Market with retailer may be limited	Changing demand			
General Threats	The development of other forms of local supply arrangements Market / Consumer demand downturn Supply problems due to localised supply base				

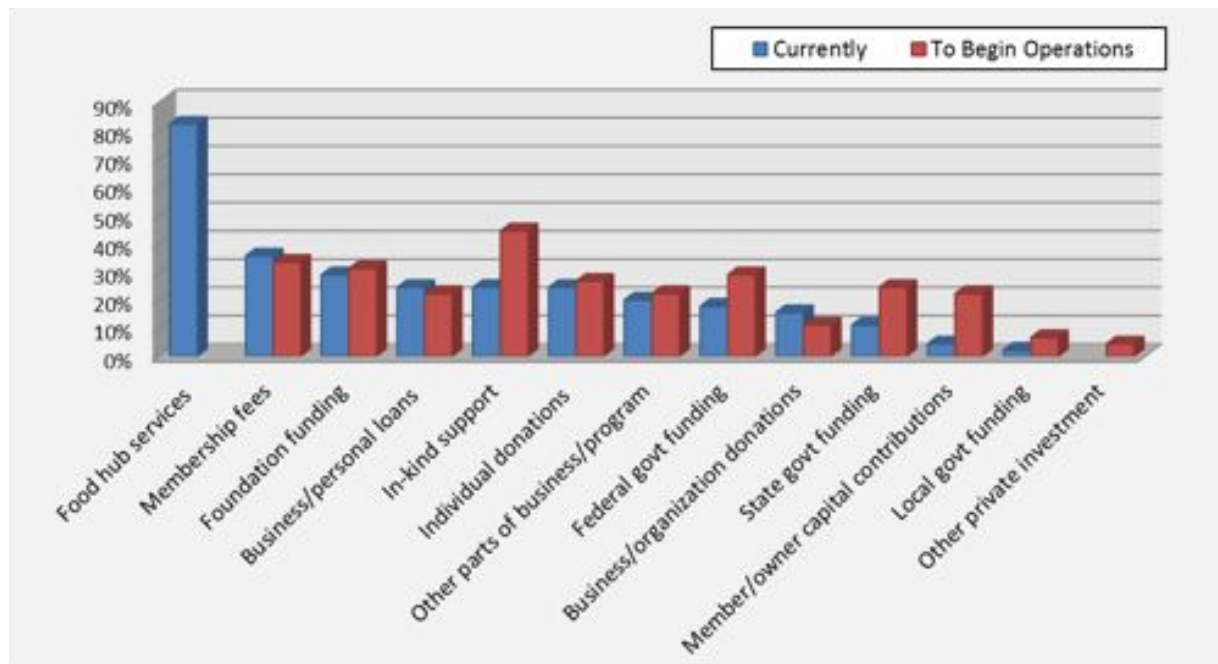
5.4.3.2 Legal Structure

A project of this type will not be viable unless it is 'owned' by the community in which it sits. It is necessary to take the time to build strong networks with a clear emotional (and potentially financial) investment in making it happen. This community of interest would need to have considerable input into the decided ownership and governance model. The discussion provided below provides an outline for further development through a feasibility study and consequent business case development.

Once the design is refined and the feasibility study has commenced, it should be clear who the driving entities are enabling a more coherent discussion of legal structures and governance arrangements.

At least 40% of established Food Hubs state an explicit social justice mandate - increasing access to fresh and nutritious food for vulnerable and under-served communities (USDA 2011). It is therefore unsurprising that they are usually run as either for-profit or not-for-profit social enterprises (Figure 5-8). However, it is important to note that most aim to support themselves financially through trade / business operations (funding through 'Food Hub Services' in Figure 5-8). Experience in the US has been that, although they often have financial or in-kind support from government and/or philanthropic funds in their start-up phases, they can often achieve financial viability in their own right over time.

Figure 5-8: Food Hub Funding (NGFN 2011, p68)

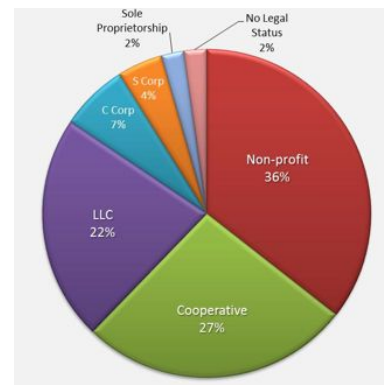


- 60% of the food hubs received govt. funding to begin operations
- 30% of the food hubs currently receive govt. funding

Possibilities for a Casey Food Hub include:

- **Public:** driven, funded and run primarily through council or other government
- **Private:** establish commercial business model, run as separate entity for private profit
- **Public-private:** specifications for public benefit and appropriate contributions to guide private entity that operates the Food Hub
- **Non-profit:** run as or by a non-profit organisation, enabling support through grants and donations
- **Cooperative:** owned by members that benefit from the hub (incl. farmers and / or customers)
- **Social enterprise:** established as a business entity with social/environmental mission, main income through trading. Profits are largely reinvested in the

Figure 5-9: Legal Status (USDA 2011)



The majority of Food Hubs are non-profit or cooperative structures.

social outcome sought (e.g. improved food outcomes in Casey)¹⁴

Figure 5-10: Pros and Cons of Legal Structures

	Advantages	Disadvantages	Examples
Non-profit	<ul style="list-style-type: none"> • Not-for-profits have inbuilt safeguards for governance that include having organisational constitutions, operations governed by Committees of Management and yearly public audits. • People more likely to volunteer for not-for-profits as opposed to for-profit entities or even structures like co-operatives where ownership is not clearly understood.¹⁵ • There are funding sources that are only available to non-profits e.g. many philanthropic funds. 	<ul style="list-style-type: none"> • Reduced access to other funding streams e.g. private investment • Need to firmly embed 'business focused' mindset and processes to achieve financial sustainability 	<p>Intervale; Local Food Hub</p> <p>SecondBite</p>
Cooperative	<ul style="list-style-type: none"> • Strong buy-in and commitment from members • Clear shared ownership encourages transparency and keeps business accountable 	<ul style="list-style-type: none"> • Can be unwieldy decision making processes and difficulty agreeing direction • Where different groups of members have different interests, can end up not serving any 	Oklahoma Food Coop; Producer Coops
Social enterprise	<ul style="list-style-type: none"> • Combines benefits of business structure with strong commitment to social outcome. • May be possible to auspice funds through an overarching non-profit organisation. 	<ul style="list-style-type: none"> • No legal structure in Australia yet to support these enterprises, which means still subject to income and payroll tax (unlike non-profits) • Very difficult (impossible?) to achieve DGR status and tax-deductibility on donations. 	<p>Food Connect; Eaterprises</p> <p>AvoCare</p>
Private for-profit	<ul style="list-style-type: none"> • Potential to raise capital / investment funds if there is a clear likelihood of financial returns 	<ul style="list-style-type: none"> • Pressure to make a profit likely to reduce return to farmers and/or subsidised access to healthy food 	Aussie Farmers Direct; Yarra Valley Fresh (?)

Pending development of the stakeholder network and partners for the project, the broader goals of the Food Hub (outlined in Sections 3.1 and 5.1), make it likely that a sensible starting point for a Casey Food Hub business structure would be:

- It clearly embeds the more-than-profit motivations (i.e. is not a purely for-profit operation);
- It is positioned to access funding and capital from a wide range of sources (diversity of income streams) – see Figure 5-8; and
- Aims for financial self-sufficiency after an initial start-up period.

¹⁴ Community Food Enterprises (CFEs) are an increasingly common category of social enterprise, with a particular focus on delivering healthy, sustainable and resilient local food systems. They tend to be food businesses that are locally owned, employ locals, and use mostly local goods and services. Research has found that CFEs generate two to four times as many local jobs per dollar of sales than non-locally owned businesses and considerably more income and wealth for their communities (Shuman et al, 2011)

¹⁵ Ennis & Christensen 2010(A), p14

It seems likely that a non-profit or social enterprise model would be most suitable at the outset and to establish a viable enterprise.

Once operational, there can be changes to the formal structure depending on the interests and commitment of the participants (see Box 2) and the range of functions / operations / partners invested in the Food Hub (see Box 1).

5.4.3.3 Revenue Model

Following establishment, the core aggregation, distribution and marketing functions of a Food Hub are the most proven to potentially enable financial independence and at this point it seems likely that they should aim to do so. However, the proposed Food Hub would also have a more direct connection to a broader social mission of improving healthy food access to the community. This means that a standard operating assumption of premium price points for quality, fresh, local food cannot be the only component of the revenue model.

It should be noted that setting the right price points to deliver higher returns for farmers as well as making the Food Hub competitive and viable can be challenging, however transparent processes for doing so and ownership in the outcome create a very different environment from traditional negotiations with a wholesaler.¹⁶

The proposal in the Concept Paper included a number of possible avenues for innovative revenue models that allow for cross-subsidisation between enterprises. The co-location of complementary social enterprises (in addition to the standard aggregation, distribution functions) could potentially enhance the financial viability (see Section 5.6), particularly if these are able to attract different funding pools. Some of the innovative elements flagged in the concept paper and discussion above include:

- **One-stop outlet for farmers:** sale and delivery of both premium and imperfect produce;
- **Choice of ownership model critical:** hub overheads kept to minimum so farmers get close to retail price;
- **Use of seconds** in meals to keep costs lower (farmer gets paid but less);
- **Cross-subsidisation** of operational costs through training and employment programs;
- **Range of customer payment options:** membership cards or vouchers (that do not identify emergency relief from other customers); ability to volunteer and receive reduced price food; and
- **Potential to subsidise venue / rent** through public sector or local business engagement.

¹⁶ At the start of the CSA, staff and farmers agreed that the prices farmers were paid for their crops were high in comparison to regular wholesale market prices. However, farmers chose to reduce produce prices to better reflect the market needs and help the Intervale Food Hub become economically viable over time. They agreed upon a price list that is less than the original prices but still profitable and fair and they have room to renegotiate this price list in the future as they see the need to do so. The collaborative also agreed to slightly increase the proportion of gross revenue that covers business overhead costs from 30% to 35% to cover operational costs for business marketing, sales, product aggregation and packaging, and distribution to sites. (Schmidt et al 2011)

Once a refined design has been agreed, a detailed feasibility assessment will be required to determine whether a proposed Food Hub can make enough money to sustain operations and what funding streams are required. The feasibility study covered in the research project (see Section 6.1) includes detailed financial modelling on the refined / proposed Food Hub model.

A suggested innovative feature of the proposed Food Hub would be the integration of ‘seconds’ into the supply chain, paying farmers for them (albeit a lower price) and then moving them into food processing / preparation; offering them to community food enterprises at a reduced rate or passing on to emergency food channels. By allowing a range of produce to be delivered and redirected from one facility, the extra costs of moving it can be alleviated and a great deal of waste potentially avoided.

Key points to note about obtaining funding for the Casey Food Hub project are:

- A significant proportion of the feasibility study can be completed through the VicHealth Innovation Grant to the University of Melbourne (already committed).
- The governance and ownership model will be significant in securing potential investment and further grant funding.
- Through the public engagement, design process and feasibility study a strong network of local proponents will be developed. This is likely to open up avenues for potential investment, including through new mechanisms such as crowd-funding and Slow Money.¹⁷
- Section 6.2 discusses possibilities to develop and establish complementary activities before the capital infrastructure / investment is required. These would also contribute to visibility and broad engagement with the project, potentially stimulating funding contributions.
- There would be opportunities for the Council or local businesses / philanthropists to significantly reduce this cost burden of establishing the Hub through use of a public, donated or ‘peppercorn rent’ facility.

6 Options

The Options section has been removed as this information is being used to shape the new project. Further information will be published as it becomes available on the Australian Food Hubs Network, Enterprises and Victorian Eco-Innovation Lab websites.

NB. In all options the first six months is spent undertaking detailed market analysis and establishing the degree of demand for Food Hub services. This stage is critical as it provides a solid platform for any of the three options, as well as identifying and activating key stakeholders / project partners.

¹⁷ Slow Money is a movement to organize investors and donors to steer new sources of capital to small food enterprises, organic farms, and local food systems. Slow Money takes its name from the Slow Food movement and aims to develop the relationship between capital markets and place, including social capital and soil fertility. Slow Money is supporting the grass-roots mobilization of local food systems through network building, convening, publishing, and incubating intermediary strategies and structures of funding (http://en.wikipedia.org/wiki/Slow_Money)

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8 Appendices

Appendix 1: Summary of Desktop Benchmarking

Living in Casey

Casey has a relatively low-income and low-skilled community with high mortgage repayments. As such it is an at-risk community and vulnerable to economic recession and petrol price increases (CoC 2010b)

Growing fast and very young

- Rapid population increase: 154,000 (1997); 251,000 (2011); expected 450,000 by 2036 (CoC 2011, p11)
- Largest population of children of all councils in Vic (CoC 2011, p11)

Increasing stress

- Pockets of significant disadvantage (CoC 2011, p16)
- 52.5% of households have mortgage, 13.4% households in mortgage stress. 17.5% of households renting – 90% on rental assistance (CoC 2011, p18-19)
- Extreme car dependence: 64% of households have 2 or more cars, <5% have no car (CoC 2011, p15)

Eating badly

- 95% of adults not eating enough vegetables, 57% of adults not enough fruit (CoC 2011, p16)
- Only 4% of residents can walk to food within 8 minutes (Burns & Ingliss 2007, p6)
- High rates of obesity, diabetes and inadequate physical activity

Working in Casey

*A reasonable and achievable objective is to create one job for every household (existing and new) by 2036, totaling **an additional 102,700 jobs in the next 25 years** to service a resident labour force of 220,000 people (CoC 2011, p12)*

Need lots more jobs in Casey and increased diversity

- Time-poor and car-bound: almost 75% of labour force leave Casey to go to work every day, more than 70% of them drive (another 18% passengers) (CoC 2011, p12)
- Vulnerable: biggest economic sectors are manufacturing, construction and wholesale and retail trade. Growth has been most strongly in population-led sectors (CoC 2011, p34; CoC 2010a, p3)
- Lots of small businesses (48% are in construction or property and business services), but also a lot of micro / home-based businesses (CoC 2010a, p5)

Agribusiness in Casey

Prime production conditions

- Casey – and neighbouring Cardinia – have highly productive agricultural land and recycled water (existing and potential)
- Horticultural production is strategically important (considerable contributions to total Victorian production of some products) (CC 2008)
- The vegetable industry alone was worth \$49 million to Casey in 2006 – not including any flow-on value (CC 2008, p48).

Appendix 2: Stakeholder Interview Summary

8.1.1 Smaller growers

For the smaller growers, the key comparison points were the wholesale markets and farmers' markets as these are the main current supply chains for their produce.

Some farmers are already getting benefits from selling more directly and locally

We spoke to one small grower who was selling a large diversity (15-20 lines) through farmers markets. Another told us that they grow more because of the farmers markets: "We present it well – it looks good, tastes good – people come back for it". This farmer also said that selling through farmers markets meant there was much less waste because it didn't matter, for example, if the "carrots were a bit curly". In their experience they could get a better price through the farmer's market and it is becoming a significant income stream. To start with though it wasn't about the money for them – "I love the markets – have a real passion for it".

Another told us: "We enjoy the markets, people love our produce – we have great soils and you can taste it!" However they said they were not growing as much as they could – only what they can sell: "we could grow more if we had sure market". They also told us that they're starting to get picked up by restaurants that had found them initially at the farmers markets – "they love our produce".

We were also told about other reasons why farmer's markets are good i.e. that they play a role as a "a community hub, it's social, it's about getting to know the stall-holders and customers. Of course for the producers it's about money too, but most of them really enjoy the interaction".

They saw opportunities in coordinating marketing and distribution, and there are other areas too where it would make sense to share the load

We were told that marketing takes time and that this time spent marketing and selling is time off-farm - if someone can coordinate this and share the costs there are big opportunities. Some farmers have talked about consolidating – trying to organise together to sell more directly, but it comes down to who will do all the work, admin, organisation etc. The increasing challenges of food safety requirements, accreditation were also raised as possible areas a food hub could coordinate or assist with. Brokering and access to new markets was seen as one of the key potential benefits.

The relocation of the wholesale market to Epping was seen by some as an opening for new approaches, or put more directly "Epping is a \$%@\$ disaster, particularly for smaller growers, how the hell are we going to get there, extra 2 hours a day just for travel".

It was noted (by a non-farmer), that there used to be much more 'benevolent activity' from growers but that they were shut down due to regulations. This history is important to understand "people have had a rough run around here". This sentiment of farmers being thwarted in previous attempts to contribute to food security or increase influence along the supply chain (i.e. through direct marketing or on-site retail) appeared in a number of interviews – "if *they* want this to happen *they* need to get out of the way".

A key consideration is that any proposal doesn't undermine existing supply channels and that it is sensitive to existing relationships

People emphasised the importance of respecting existing infrastructure, people and groups and making sure that any proposal doesn't undermine existing responses and local supply channels (Cranbourne Markets, local F&V outlets) with whom there are long-standing relationships.

We were told that supply chain relationships, are tricky and must be handled carefully. Bigger producers are reliant on their relationships with supermarkets and wholesale agents. To make it worthwhile for smaller producers, there needs to be a consistent alternative buyer who is able to replace their wholesale trip (i.e. take everything).

Although one told us that they have specific fruit and vegetable shops that they sell to from market floor (same people for 20-30 years). This means that they can pretty much grow to order to meet the needs of those buyers. While many of those are disappearing, they wouldn't want to leave them in the lurch.

Small growers told us about the changes and reducing returns from the wholesale market:

- One suggested that small growers can't afford to be in the [wholesale] market – 1 truck, 1 driver, 2 hours travel – for medium-sized producers there are advantages to supermarkets in that they pay more, pay on time and always pay (not necessarily the case elsewhere).
- Another told us that they used to be able to get a good price at the 'edge of season' produce, which covered them for other times when there was oversupply. However they reflected that this was no longer the case - "they just get it from Qld so there is never a higher price for it".

The strengths of current relationships were recognised, as were the potential opportunities in markets related to the growing urban population.

One grower specifically mentioned the untapped opportunity of growing population in the area, stating that he located here for access to Pakenham, Cranbourne urban areas, as well as increasing houses in Koo Wee Rup. Two farmers who are actively pursuing these opportunities also noted existing relationships with other growers "interested in this kind of thing" in neighbouring areas e.g. Cardinia, Frankston, Mornington and Mt Eliza. One farmer we spoke to was quite clear on why a Food Hub wasn't in his interests "we're onto this and we stopped selling through the wholesale markets years ago. My focus now is making sure my direct customers don't want to buy from anyone but me . . ."

Some weren't interested in new sales channels, partially because they were tired and almost ready to retire. Others were skeptical as to whether anything else could work...

One told us: "It's really hard work and we're getting old. None of the kids wants to take over . . . be great if we were rezoned and could retire rich . . . but no really, I don't know what will happen when we stop". Another said that they are likely to "sell pretty soon". They were a bit regretful that it would probably end up with cows or horses: "no one would crop it. We're on Delmore peaty-clay, hasn't been ploughed, great soil".

There was a fair bit of skepticism about whether anything new would work. For example, one grower told us about the farmers' coops that were tried in the 70s and didn't really work. He speculated that this was because farmers are individualists and perhaps some don't really like dealing with people (or each other). He thought that CSAs are not really practical e.g. public liability of having people on your farms.

The hard work involved in market gardening was seen as a constraint in attracting young farmers or providing jobs for local communities

When asked about availability of labour from neighbouring areas, a market gardener said “Some of this work is really hard – and bloody boring. Aussies are lazy – they don’t want to do it. Unless you’re brought up with it it’s a big ask”. They speculated that maybe part of the problem is loss of tech schools, fewer skills and ability to work with hands, but also noted that increasing mechanisation on bigger farms did away with some of the more tedious or physically arduous work. Two organic growers mentioned the reverse relationship i.e. that it was easier to be viable if smaller – reducing labour required.

Some growers attached more intrinsic value to their role, beyond ‘business.’

We asked one farmer why they were still doing it if it was so hard . . “Why? I guess we just love seeing the stuff grow . .” This same grower suggested a key priority was about growing local food culture through schools and community gardens – teaching kids about gardening and cooking and appreciating food and providing access (community gardens) for people to meet their needs.

8.1.2 Larger Growers

The larger growers raised many of the same interests and concerns as the smaller ones.

The key difference was that they need to move greater bulk of the same thing at the same time which increases the importance of their relationships with agents at the wholesale markets and the supermarkets. The relationship with the supermarkets is important for large growers because “the advantage of supermarkets is that they can shift product, you might get 100-120 bunches through the markets, 6,000 through the supermarkets”. It was recognised that they brought down the wholesale price, but that they paid better than the wholesalers. Their impact on the fruiterers was also mentioned: “Fruiterers are hurting a lot, but that makes them harder to deal with”. One said: “I like supermarkets because I know what price I’m getting and I get paid in 7 days”.

Farmers markets were seen by some as a potential opportunity but they would need to be much more frequent / regular.

This is important for planning supply channels and ensuring consistency e.g. with the agent at the market – “we can’t just turn off his supply once a month or sporadically”. This farmer also told us that a more consistent outlet, with ability to move more produce, would mean they could get into a routine so it is worthwhile – they could regularly send a certain percentage every week. He also said that it would be good to have an outlet for seconds, although most of it finds a home through other channels anyway. One farmer said: “the reason we don’t really sell direct is a quantity thing – don’t have all day to go selling”. It’s about where it becomes worth the investment – one told us – they would need to be paying someone to go around the markets so it would have to be worth the wage.

One grower pointed out that many farmers identify with their high quality produce and are proud of what they supply. He suggested that for a system to work, it would need to be able to maintain both specific and generic lines i.e. farmer to maintain identity with quality produce: “we don’t want to lose our name, we’re proud of what we produce”.

Prices and fair play were noticeable themes.

One farmer told us that they tend to quote “delivered” price – how much they want for produce, building in transport costs to get it to the markets – but that they ultimately still have to take what they get. Another said it’s difficult to get a good price if (as often) there’s too much of the same things so the price gets downgraded. There was a view that the central market plays an important role in setting consistent prices – so everyone knows they are getting the same, even if it’s too low. We were told “if

there are half a dozen distribution centres they'll all have different prices, how can we be sure where we should be selling?"

The importance of a fair playing field where everyone was getting the same offer – even if it was bad – was seen as important.

There were two producers that raised the issue of 'black-balling' – where someone tries to open their doors and sells more directly and they are ostracised by other growers as well as businesses up and down the supply chain until they are unable to operate. One also attached high importance to the role of a central market in ensuring that everyone was getting the same price and were concerned about the impact of additional wholesaling points on consistent prices for equivalent product.

The highly competitive nature of the market was mentioned, with a suggestion that sometimes it's the farmers "cutting each others' throats" as much as the supermarkets – selling under production cost and making someone else uncompetitive. Stories of bad experiences with wholesale agents and supermarket buyers often ended with "but at least we know what to expect".

This sense of a delicate balance between competition and relationship was also raised in regard to whether or how farmers would actually work together: "farmers are such individualists", which echoes concerns from a smaller farmer we spoke to about the failed attempts of farmer cooperatives in the 1970s. In contrast, another large grower emphasised that many of "the people around here get along", suggesting that they get active and organised when they want something done (and properly) with reference to the recycled water extension.

A grower considering opportunities saw potential for growers to group together and sell produce "maybe in one store we could sell direct to public".

For something to work "there would need to be money in it, and enthusiasm". It was recognised that there is potential in focussing on supply chain rather than increased production to make more money because the biggest profit currently goes to the agents and the "growers get ripped off". There would be a benefit in having another option for unsold produce, but real concern about "it couldn't jeopardise big relationships". Concern about how a new outlet might undercut someone's existing business was also repeatedly raised – you help someone, you shut someone else down. Sensitivity to existing relationships is remains paramount "who will lose . . ."

There was also concern / frustration that there are a lot of barriers when farmers actually try to set up alternative supply chains themselves – shops, markets etc (potentially aggregating and selling produce from one well located farm). We were told of an instance where someone (now zoned UGZ) had tried to do this and had met with so many restrictions and obstacles that they had given up and withdrawn their application.

One commented that proximity to the "peri-urban areas seem like an opportunity". Another said that the best thing that could happen would be more emphasis on community plots, urban farms, and greater access to space for production.

A number of growers (both small and large) mentioned challenges around labour.

One grower told us that the labour costs are the biggest - fertiliser and transport also significant but it's the labour costs that mean "you have to get bigger to survive". They also aspired to supporting full-time workers that you keep on, relating a consistent labour force to advantages of being able to grow all year round (dry farm).

Another told us that they have 60-80 positions locally (here), but employees aren't local - they come from all over Melbourne. "Asians are the best, they want to work, are happy to just do the job. Have had trouble with others, cutting corners - just not doing what asked

The pest and disease concerns of having too much of the same crop in the same area were raised.

8.1.3 Eaters – Mr and Mrs Casey

The story of Mr and Mrs Casey was told repeatedly throughout the interviews – they are apparently very well known people! Their birth has been traced to a Council document, but their spread into common lexicon (under various names) is irrefutable. They are a couple with two kids, a large mortgage, two jobs, two cars and little time. Likely to be under more financial stress than they're letting on, they are suspected to not cook that often "it's difficult to counteract Maccas \$20 family meal – no cooking, no dishes, everyone's full". From a nutritional perspective, the situation is considered "dire, but understandable" while a number of interviewees also identified a generational lack of knowledge and skills for cooking as a likely contributor to the problem. In this initial consultation no effort has been made to actually talk to Mr and Mrs Casey, but this would be a priority for further work.

From a Council perspective, the possibility of a 'retail market' in Casey itself seemed feasible with a suggestion that farmers' markets are too boutique, expensive, inaccessible for most. However, one of the farmers identified different buyer behaviour at different markets which suggests that a range of consumer are using them "I notice the difference in what gets bought at different markets – Pakenham is my 'pumpkin market' because people looking for affordable staples / fillers, whereas Caulfield and Kingston are more herbs and high value stuff."

Another interviewee brought our attention to a 2010 study (from the Victorian Farmers Markets Association) that spoke to 161 customers of the Casey-Berwick farmers' market. Of them, 57 said they come to every market, 50% go to a market more than once a month which means they go to other markets (57% Pakenham; 15% Pearcedale; Mornington etc). There is more detailed analysis in this study that suggests a latent demand for more local produce outlets in the area.

One interviewee identified Tully's in Mt Eliza as a model of an outlet that would potentially be good, providing high quality fresh produce, meat / butcher, deli, flowers etc – showcasing local produce but making it all available permanently in one place. It should be noted that the Cranbourne Markets (on High St) is a newish establishment that is marketing 'local' produce and buying some directly from producers. It has a deli, dry foods etc and was mentioned by a number of growers as a place that will (and does) buy directly from them.

8.1.4 Eaters – Doing it Tough

Representatives of food relief agencies emphasised that they are not currently meeting demand for emergency food and that it is increasing. Much assistance is currently provided in the form of vouchers (Coles and Safeway), with food parcels often being assembled and provided by Churches. While government funded agencies can provide some emergency food from the "back-up cupboard" (muesli bars and orange juice), there is generally a lack of space and facilities to supply perishable food. They specifically identified unmet demand for cooked meals / meal programs (breakfast, lunch and dinner), highlighting the lack of places to send people who just need something to eat. One described circumstances in which they provide McDonald's vouchers just to get something in people's stomachs so they can have a useful conversation and provide referrals). An array of Church programs and a new

(successful) StVP soup van were identified as useful and positive, but it was felt that they were a long way from meeting the growing need.

Although some schools feed kids (with Cranbourne West Primary being identified as having leading programs – including donated food from local growers and businesses), there is nowhere for families to get affordable healthy meals. “MadCap Cafes” (run by Mission Australia as part of an employment program) were raised as exciting models for training people, caring for people with mental illness as well as providing affordable and accessible meals. One interviewee said “there is a lot of interest in community kitchens, including rumblings from churches, but it never quite happens”. We were told of a previous community kitchen in Cranbourne feeding 100 people a night and training William Angliss students at the same time, which was apparently very successful, until the one-off political donation dried up. It was also emphasised that there “would need to be more than one – it’s very hard to get around here, particularly north to south).

Three other key issues identified in relation to food relief or other food programs were:

- The “real lack of old built infrastructure out here, there are no obvious places or adequate premises to take over”;
- A high level of confusion about regulation and the Food Act with people being very unsure what can be done and how (potentially either impeding activity or leading to risky or accidentally illegal actions); and
- The importance of avoiding shame / stigma of accessing food – even in emergency situations. Agencies rejected supermarket vouchers that were ‘branded’ food relief (bright yellow) because of the embarrassment it would cause people at the checkout. It was important that people could access meals and food without their situation being identifiable.

Schools were also identified as potentially important distribution point for fresh produce as parents (even those without cars or transport access) are usually there twice a day. We were told of existing informal networks where donated food was being moved through schools (by other families) to help those that were struggling with food access.