



Ten Steps to Creating Mutually Beneficial Relationships with Local, Sustainable Farmers, Producers

I think that relationship is very important. When there is a good working relationship between the farmer and the person in charge of buying at the institution, it's much easier to work through 'Bumps' than if each is seen as a faceless business,
–Jody Lenz, Threshing Table Farm.

1. KNOW YOUR HOSPITAL'S LEVEL OF COMMITMENT

One advantage of buying produce, beef, turkey and more from a farmer or producer instead of buying through a distributor is that a hospital's food service staff, and perhaps other hospital staff, can meet the farmer(s) and develop a mutually beneficial relationship with them. In time, these staff can also help to develop models and methods for the other hospitals in their area or within their health system to use. However, when expectations are unmet on either side, the effects are felt much closer to home than when something does not work out with a product purchased via a distributor.

Thus, it is important for hospital food service staff to be clear about their administration's level of commitment, whatever it is, and communicate this information to any sustainable farmers/producers that the hospital is seeking to do business with in the community. Dollar value goals are

important, but equally, if not more important, is a commitment to honor verbal as well as written agreements made with farmers and producers, and to the extent possible provide advance notice of any changes. Not doing this can lead to bad feelings that may linger for a long time.

NOTE: It is also important that administrators are aware of their hospital's procurement relationships with area farmers/producers and understand the effects of outsourcing food service management or making other decisions that can undermine an otherwise mutually beneficial arrangement.

2. PREPARE BEFORE REACHING OUT

Hospital food service staff should know what the answers are to the following questions before reaching out to local, sustainable farmers/producers:

- Will interested farmers/producers need to complete a formal application or bid process before the hospital can buy their products? If yes, what are the requirements?
- What is the hospital interested in buying?

- How much of these products does the hospital buy each week, month or year?
- How frequently does the hospital order these products?
- What is the current price per pound (or other applicable volume)?
- How much does pricing for these products fluctuate during the year?
- If necessary to assure that local, sustainable farmers/producers get a fair price for their products, is the hospital willing to pay a premium for them? How much more might the hospital be willing to pay?
- Is the hospital open to working with local, sustainable farmers/producers who have not sold to hospitals before, understanding that there will likely be a learning curve, or is working with a farmer who has experience selling to hospitals or other institutions preferred?
- Is the hospital willing to buy from multiple farmers/producers, just a few or one?
- Is the hospital willing or able to make partial payment in advance, if necessary to achieve fixed pricing, protect the farmer in case of cancellation, etc.?

Track purchases weekly

If the volumes and types of products that the hospital buys varies much from week-to-week, month-to-month or season-to-season, it would be helpful to track how much of each product that might be bought from a local farmer or producer is used each week, month, or season of the year. Then use this information to predict the volume of product the hospital might need or want to buy from a local, sustainable farmer/producer and determine how far in advance they need to communicate this information and/or have a local source lined up. This type of information would also be helpful if the hospital ever decides to do a request for proposal (RFP) or request for information (RFI) similar to that of the Minneapolis School District, School Food FOCUS, or Chartwells for local, sustainable food items such as produce, chicken, beef, etc. For links to this documents, see the list of Additional Resources for Hospitals in the IATP Sustainable Farm-to-Hospital Toolkit.

Tracking can also help the farmer plan how much to produce and store, such as for onions or potatoes. Distributors should be able to provide these types of reports for the last 6 months to a year and going forward if requested in advance. Otherwise, maintain copies of invoices and/or enter the data into a tracking sheet.



Threshing Table vegetable delivery to Hudson Hospital.

3. DEVELOP A SUSTAINABLE FOOD PURCHASING PROTOCOL

Hospitals are encouraged to adopt a farm-to-hospital sustainable sourcing protocols for the following reasons:

- To assure hospital administrators and other interested parties that the foods purchased directly from one or more local, sustainable farmers/producers came from “approved sources” in compliance with voluntary food service implementation of Hazard Analysis and Critical Control Points (HAACP) principles, designed to reduce food safety risks^{1,2,3}
- To provide local, sustainable farmers/producers with the same information on hospital requirements and preferences and increase transparency
- To provide a simple, less onerous way to assure that foods purchased directly from one or more local, sustainable farmers/or producers are as safe, if not safer, than similar foods purchased via a distributor
- To formalize goals, procedures and requirements related to purchase of foods or beverages from individual local, sustainable farmers and producers or groups of the same
- To mainstream hospital procurement of food directly from local, sustainable farmers/ producers
- To address the general food safety concerns that arise when serving both healthy and immune-compromised people
- To engender consumer confidence

When developing protocols, it is important for the hospital to keep in mind their reasons for creating connections with area farmers, and ensure that the protocols act as a bridge and not as a moat. “There is an important and unique connection between healthcare and local and sustainable food,” said one SARE project health care collaborator. “In order to truly meet our mission to improve the lives of the communities we serve, we need to be a role model and provide healthy food options to our patients.”

For more on the important components of a purchasing protocol and sample protocols, see the IATP Sustainable Farm to Hospital Toolkit resource “Using Written Protocols to Guide Direct Procurement of Food from Sustainable Farmers, Producers.”

4. FIND INTERESTED FARMERS/PRODUCERS

After completing steps one through three, it is time for the hospital to learn which local, sustainable farmers/producers sell the types of products the hospital is interested in buying. Fortunately, hospitals can choose from a variety of options.

Farmers markets/CSAs/auctions

Some hospital chefs met the farmers they buy from at a farmers’ market; in some cases, the hospital hosted the farmers’ market. Others hospitals have gone from being a workplace drop site for employees who purchased farm shares from a community supported agriculture (CSA) farm to buying produce and other products from the CSA farm for use in the hospital kitchen. Hospital food service employees have also met and purchased products sold by local, sustainable farmers/producers at auctions where area farmers/producers sell their produce, flowers, animals raised for meat and more.

Natural food stores

In addition, hospital food service employees can scan the names of farms on produce, dairy, meat, poultry, and seafood items for sale at food cooperatives and other natural food stores in their area to see which farmers/producers are selling enough volume to supply retailers. The department managers/buyers in each of these areas are also very knowledgeable about area farmers/producers, and are often willing to share their wisdom with others.

Online resources

Almost every organization behind the various third party eco-labels maintains a list of certified farmers/producers on their website. For instance, a Wisconsin hospital could find a nearby producer that sells American Grassfed certified products by going to the American Grassfed Association website, following the links to the list of certified producers, and scrolling down to the producers located in Wisconsin.

Many states, including every state in the north central SARE region, have one or more directories of farmer/producers that are interested in direct marketing their products through a variety of means including institutional sales, e.g., western Wisconsin’s Farm Fresh Atlas™, www.wifarmfresh.org/FFA2012_web.pdf. In addition, some states, such as Minnesota, have created on-line resources just for matching interested farmers/producers to wholesale customers—Minnesota Grown Wholesale Database, www3.mda.state.mn.us/wholesale.

Other resources are searchable on a national level; two specifically focused on smaller-scale sustainable farms (GRACE Eat Well Guide, www.eatwellguide.org and Local Harvest, www.localharvest.org), two resources for finding regional food hubs, and the USDA Know Your Farmer, Know Your Food portal, www.usda.gov/wps/portal/usda/usdahome?navid=KNOWYOURFARMER. Hospitals in Minnesota and western Wisconsin should also check out the IATP Sustainable Farm-to-Hospital Toolkit resource “Iowa, Minnesota, and Western Wisconsin Sustainable Farmers/Producers Interested in Selling to Hospitals.”

Hospitals are also encouraged to sign up for local listservs such as Minnesota’s Sustag listserv or get on more traditional mailing lists to be kept informed of state or regional buyer-grower events.

For links to additional online resources, including websites for produce auctions, resources with farm-to-institution examples, and more see the “Finding sustainable farmers/producers” section of the IATP Sustainable Farm-to-Hospital Toolkit resource “Online Resources for Hospitals Interested in Connecting to Sustainable Farmers, Producers.”

Buying from farmers at auctions, farmers markets

Hospitals should follow the same steps when buying products from farmers at farmers markets and auction as they would when reaching out to specific farmers/producers that they have heard about via word of mouth, buyer-grower events, websites, or on-line producer directories.

Food service employees can learn a lot from a morning or afternoon of informal conversations with farmers at farmers markets, such as what they produce, their growing or production methods, their interest in or experience in selling to institutions such as hospitals, experience with wholesale pricing, contact information, etc. Food service employees should also confirm that they are talking to a farmer or a member of the farms family or staff and not a reseller of produce or other food vendor, since farmers markets vary in who they allow to sell via the markets. Food service employees can also learn a lot from a field trip to an auction where produce and other farm products are sold at or below wholesale prices. Small quantities of products can be purchased at both types of venues to evaluate quality.

Keep in mind that product bought via farmers markets and auctions, typically need to be paid for at purchase and transported by the buyer, though some auctions may offer billing options and delivery, but at these venues, a hospital can also meet farmers/producers that are interested in establishing a more formal procurement relationship in which delivery and other details can be negotiated. Also, keep in mind that like hospitals and farmers, no two farmers markets or farm product auctions are alike and there is no such thing as a bad question.



Every week, DC Central Kitchen buys produce from the Menonite farmers auction near Harrisonburg, VA. The auction is a highly affordable source of high-quality local produce for our meals and catering operations. Photo courtesy of cc user DCCentralKitchen on Flickr.

For an introduction to produce auctions see "Produce Auctions; Iowa & National" at <http://www.greatplains-growers.org/2013%20PGC%20Presentations/OMalley,%20Patrick-%20Produce%20Auction.pdf>, "Regional Wholesaling of Vegetables: Wholesale Produce Cooperative Auctions at <http://agebb.missouri.edu/hort/auction/auctions.pdf>, and Produce Auctions at <http://www.ifmwi.org/auctions.aspx>

5. INTERVIEW FARMERS/ PRODUCERS, VISIT FARMS

Unless there is only one potential supplier, interview a few to get a feel for the differences in the way they do business. Learn how they grow crops or raise animals, what their capacity is, their production and quality goals, and the other types of information needed to determine whether the farmer's capabilities and needs coincide with the hospital's needs and goals as outlined in the purchasing protocol mentioned above.

Initial telephone conversations are acceptable, but hospitals should always meet in person with a potential farm partner, before buying products. At a minimum, key food service staff should plan to visit the farm or operation, and the farmer/producer should visit the hospital kitchen and cafeteria and, if practicable, eat a meal with food service staff and share product samples.

When asked what could have worked better in their experience selling to a hospital, one farmer who responded to the IATP 2012 SARE project survey said,

There needed to be more contact between the growers and the actual kitchen staff that worked with the product so that education and expectations on product could take place. Just selling through administration did not work. They, in most cases did not know exactly what they were ordering and kitchen staff became frustrated with the process.

It is good to have some specific questions in mind when first meeting with a farmer/producer and, if interviewing multiple potential suppliers, to have these questions in writing to assure some consistency. Be prepared to ask specific as well as open-ended questions. Begin with open-ended questions including:

- What are you most interested in selling to the hospital?
- Why are you interested in selling to the hospital?
- What other types of food do you produce?
- Can you describe the methods you use or do not use?

Why local farmers/producers want to sell to hospitals

- Increase access to healthy, locally grown food (91.3 percent)
- Educate others about the food system and where food comes from (82.6 percent)
- Build relationships within my community (78.3 percent)
- Helps diversify my markets (78.3 percent)
- New revenue source for my farm (69.6 percent)
- Fair, steady prices (56.5 percent)
- Reduce my farm's ecological footprint by selling to buyers close by (56.5 percent)
- Large volume orders (47.8 percent)
- Reliable customer (47.8 percent)
- Provides a market for surplus for variable quantities (47.8 percent)
- Provides a market for seconds (26.1 percent)

Based on results of IATP 2012 and 2013 SARE project surveys of local farmers and producers

6. BE STRATEGIC WHEN CHOOSING TIMES TO MEET

In most north central region states, winter is often the best time to meet with produce growers to discuss options for increasing types and amounts of fruits, including berries, vegetables and herbs your hospital is interested in buying in the coming year or years. Many sustainable meat and poultry producers will also need several months to a year or more of lead time to adjust their production. Also, if more than one hospital from a system is interested, consider joint meetings with farmers/producers. If hospitals are located close together the staff may also be able to discuss synergies with farmers in product purchases, delivery times and days, and more.

7. MAINTAIN TWO-WAY COMMUNICATION

Following the above-listed steps should help to lay the foundation for good relationships, but all good relationships need maintenance. Just as food service employees meet regularly with distributor sales representatives and attend meetings to learn about new products and provide feedback, a hospital's food service director or other appropriate staff person, such as the executive chef, and the hospital's farm partners should meet regularly to share what is working well, what can be improved, and what changes, if any, they would like to make.

The relationship between the farmers and the institution is so important," says one SARE project farmer. "There has to be complete comfort between the two so that concerns can be addressed before they become real problems.

8. OPTIMIZE QUALITY OF PRODUCTS FROM FIELD TO FORK

Optimize the delivery schedule so that fresh produce, in particular, goes from field to farm to plate as quickly as possible, especially if labeling the product as local on menus, salad bars, etc. and/or with the farm/producer's name. This is even more important if charging a higher price for the local product, because freshness and high quality is a key reason that consumers are willing to pay more for local produce. Work with farmers to assure that most produce

Then move onto the specific questions. These questions should be guided by the hospital's draft purchasing protocol(s), but also include questions such as:

- What is the most our hospital can buy at one time?
- What is the least?
- When are your products available?
- How much do they cost?
- Do you deliver?

Also, be prepared to provide farmers/producers with basic information about what the hospital typically buys, how much is used on a weekly basis, etc. The hospital may settle on what can be bought right away, but plan to be patient in case it takes a while. One farmer who currently sells to hospitals remarked, "[S]imply determining the product(s) that fit best is always the challenge, and is magnified in the health care setting with cost, nutrition, and volume parameters to meet."

items are picked, stored, transported, and used or stored again at optimal temperatures in order to maximize maintenance of nutritional value. If purchasing sustainable meat and poultry items or produce you have never prepared before from farmers/producers, ask them to provide tips or even training to staff on how to successfully prepare the product for consumption. For instance, hospitals should learn the best ways to prepare very lean meats, such as bison or grass-fed beef.

9. BE PATIENT, CREATIVE AND OPEN TO CHANGE

A hospital may find sustainable producers or producer groups in the area that already have, as one SARE project producer put it “consistent and convenient systems in place to make the process manageable” for purchase of at least some types of products. However, this may not always be the case. It is best not to expect things to work perfectly at first, to expect some trial and error, but believe that with patience, open two-way communication, and experience, processes will become efficient and replicable.

Again, some sustainable producers have experience selling to institutions and other wholesale customers and have adapted or designed their operations to offer products in the cuts, pack sizes, forms (fresh, frozen, etc.) and volumes these businesses typically buy, but many others have not. These latter sustainable farmers/producers may never choose to go this super-streamlined route to institutional sales for any number of reasons, but many of the farmers/producers still produce products that creative and flexible food service staff can easily work into their menus. In some cases, these products can be used still by large and very large hospitals, for very specialized needs, such as serving maple syrup, honey, bacon, sausage, eggs, cream, and/or fresh berries, etc., for a monthly physicians’ breakfast meeting or other special events with advance planning.

However, nearly 41 percent of all community hospitals and many VA hospitals in the north central region are very, very small—having fewer than 50 staffed beds each—and more than 62 percent of all hospitals in the north central region are very small—having fewer than 100 staffed beds each.⁴ Many of these latter hospitals, have an average daily census that is much lower than 100, and employee numbers that are significantly lower than the bigger hospital in the region. For these smaller, and in many cases rural, hospitals, it should be much easier to incorporate the smaller volumes and types

of products available from the smaller non-commercial and commercial farmers/producers who are interested in having their farm-fresh products served to hospital patients and staff.

10. SHARE LESSONS LEARNED

As hospital food service personnel gain experience in working with sustainable farmers/producers and using their products on a routine basis, it is important to share this experience with others.

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This publication is part of the IATP Sustainable Farm to Hospital Toolkit—a product of the North Central Region Sustainable Agriculture Research and Education-funded project *Connecting Sustainable Farmers to Emerging Health Care Markets*.

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ENDNOTES

- 1 Managing Food Safety: A Manual for the Voluntary Use of HACCP Principles for Operators of Food Service and Retail Establishments. US FDA (2008) <http://www.fda.gov/Food/GuidanceRegulation/HACCP/ucm2006811.htm> (accessed July 22, 2013).
- 2 HACCP-Based Standard Operating Procedures (SOPs). National Food Service Management Institute and United States Department of Agriculture (2005), <http://sop.nfsmi.org/HACCPBasedSOPs.php> (accessed July 22, 2013).
- 3 HAACP-based SOPs: Receiving deliveries (Sample SOP), <http://sop.nfsmi.org/HACCPBasedSOPs/ReceivingDeliveries.pdf> (accessed July 22, 2013).
- 4 AHA Hospital Statistics 2013 Edition