

Feed BC Value Chain Advisory Group Meeting Summary Report: March 6, 2020

Prepared for
Feed BC, B.C. Ministry of Agriculture, Business Development Division

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1. Introduction

Feed BC aims to effect long-term system changes that will increase the use of B.C. grown and processed foods in healthcare facilities, post-secondary institutions, and other government supported facilities. To support this initiative an advisory group of industry experts was formed in March 2018, representing the many different parts of the food supply chain. This includes producers, processors, industry associations, distributors, contracted food services, purchasers, institutional food services and facilities representatives.

The Advisory Group is a body of industry stakeholders with expertise that can be shared with government to help build understanding of key challenges and opportunities to strengthen supply chain opportunities for B.C. producers and processors in the B.C. 'government facilities' market. Currently, there are 35 industry experts, from across the value chain, who have agreed to be part of the Advisory Group. This includes representation from the small and medium sized producers and processors sector (SMEs) and representatives from different regions in B.C.

2. Background

To date the Feed BC Value Chain Advisory Group has met five times:

Meeting #1: March 23, 2018 - Members were introduced to the Feed BC program, identified gaps, opportunities and made recommendations to the Ministry to help it achieve Feed BC's goals and to officially form the Value Chain Industry Advisory Group with a Terms of Reference.

Meeting #2: September 28, 2018 – The Advisory Group reviewed earlier input, made recommendations on key initiatives, and then prioritised them all, for the government to develop an action plan.

Meeting #3: March 11, 2019 - The Ministry provided updates on key activities and members provided feedback on the Action Plan, the Post-Secondary Institutions initiatives, and Good Agricultural Practices (GAP). A workshop was also held with producers and processors to introduce new members and discuss issues and interests of this sub-sector.

Meeting #4: November 15, 2019 - The Ministry provided an update on Feed BC activities and held discussions on specific initiatives to gain feedback from members. Members also provided updates on initiatives they were currently working on. Minister of Agriculture Lana Popham joined the meeting and thanked the attendees for their work.

The following is a list of the organizations who are participating on the value chain advisory group as of March 2020. (* **bold** denotes new to group).

Aramark	Good to Grow Consulting	Small Scale Food Processors Association
B.C. Agriculture Council	Goodly Foods*	Sodexo
B.C. Food Processors Association	Gordon Food Service	Sysco
B.C. Turkey Board	Grand Hale Seafood	Tofino Uclulet Culinary Guild
B.C.IT	HealthPro Canada	University Fraser Valley
CR-FAIR	Interior Health	University of B.C.
Chartwells (Compass Group)	Long Table*	Vancouver Coastal Health
Compass Group	Meadow Fresh Dairy	Vancouver Community College
Discovery Organics	Nu Tea	Vanderpol Eggs
Fraser Health	Organic Ocean	YVR Prep
	Provincial Health Services Authority	

3. Meeting #5: March 6, 2020 Themes & Highlights

A fifth meeting was held on March 6, 2020 for the Feed BC Value Chain Industry Stakeholder Advisory Group. Prior to the day, the consultants contacted more than half of the members, one on one, to discuss format and agenda ideas. Using these suggestions and knowing more than 25% of attendees were new members, the day took on a different format than previous meetings. The format was changed to facilitate more networking and discussions between members and included an opportunity for them to present their Feed BC initiatives to each other.

The day began with of a round of introductions and a team building exercise. This was followed by an update of Feed BC initiatives and discussions to gain feedback from the members on specific initiatives (highlighted within this report). Members heard a presentation from Wendy Smith, a contract specialist from a group purchasing organization (GPO) in Ontario called MEALSource. During lunch, members were encouraged to sit in groups and discuss specified Feed BC topics. The day finished off with attendees hearing from three advisory group members on their Feed BC related initiatives. Member feedback on how the day went can be found in the Appendix.

After the sessions, three key themes came through from the day: action, connection and partnerships.

- **Action** – now in its second year it was clear there is a lot of action happening from the Feed BC initiatives. The Pitch to Plate event will allow suppliers to directly pitch their businesses to institutional buyers. Feed BC promotional materials are visible in three health authorities. There are clear opportunities for food suppliers through the identification of the top 20 of products needed in Post-Secondary Institutions. There are guides and workshops for suppliers on how to sell to institutions and there is a comprehensive database of local suppliers for buyers to use and source from.
- **Connection** – most members from the advisory group are involved with other Feed BC initiatives or related initiatives. These include Good Agriculture Practices (GAP) workshops and pilots, food hub initiatives, Food Connection supplier database, Post-Secondary Advisory Group, Value Chain Co-ordination and Broadline distribution partnerships, healthcare buy local tracking and helping define the definition of B.C. food.
- **Partnerships** – it was highlighted that partnerships were key to reaching buy local goals. This was reflected in the presentation from MEALSource and confirmed by University of Fraser Valley and their partnership with Dana Hospitality and Fraser Health and their local suppliers.

4. Local Food Menu Challenge

To start off the day, attendees were divided into four teams and given a budget of \$6.50/person/day and challenged with developing a day's meal plan for a healthcare facility, that only uses B.C. products available in March. Teams were pre-designated to mix-up experience and organizations. The activity prompted interaction among members and much discussion on the challenges and solutions that HA's are faced with. For example, whether menus with this budget could be achieved or if items could be sourced through GPOs or other means.

Menus included:

Group 1

- **Breakfast:** yoghurt parfait with frozen berries, granola, and honey; and milk as a drink.
- **Lunch:** borscht soup with bun and cheese; beetroot, cabbage, onions, and carrots.
- **Dinner:** quiche frittata with onions, eggs, potatoes, mushrooms, and green peppers; apple crumble for dessert.
- **Snacks:** apple or carrot sticks, homemade granola bars.

Group 2

- **Breakfast:** hash browns with mushrooms, eggs, and Saltspring coffee.
- **Lunch:** French fries, fried herring, and a kale Caesar salad.
- **Dinner:** roasted pork loin (or tempeh for vegetarians), gnocchi with sage brown butter sauce, braised endives, and tomatoes.
- **Snacks:** yoghurt with frozen berries.

Group 3

- **Breakfast:** scrambled eggs, toast, apple slices, and juice.
- **Lunch:** chicken breast souvlaki, Greek salad with tzatziki, and potatoes with lemon and oregano.
- **Dinner:** beef stew with potatoes, root vegetables, and a biscuit; gelato with frozen fruit for dessert.
- **Snacks:** Monte Cristo loaf, tea and coffee, Olympic yoghurt.

Group 4

- **Breakfast:** oatmeal with sugar and milk, Western Bakery bread, eggs, juice, coffee and tea.
- **Lunch:** soup, salad greens, chicken salad, potato salad, bread, blueberry cake, and coffee and tea.
- **Dinner:** Minestrone soup, butter chicken, vegetables, mashed potatoes; apple crumble for dessert.
- **Snacks:** apples and cheese, and scones with frozen blueberries.

Group 3 took it upon themselves to consider additional criteria in the creation of their menu and noted that these criteria are often what healthcare professionals must consider in their day-to-day menu creation: 1) items that are of an equal or greater value to what they themselves would eat; 2) fit within the meal per day budget; 3) meet the Lower Mainland nutritional standards; and 4) go through a taste-test with stakeholders.

5. Feed BC News and ‘Definition’ Discussion

Kristina Bouris and Elietha Bocskei, Senior Policy Analysts with the Ministry of Agriculture’s Feed BC initiative, provided the Advisory Group with an update on the Feed BC programs. The update first included an overview of Feed BC’s mandate and approach, including a summary of the initiative and the input that was gained from the other Value Chain Advisory Group meetings.

A progress update was then given for several different areas of activity, including Healthcare Facilities, Post-Secondary Institutions, Other Government Facilities, Producers & Processors, Value Chain Co-ordination and Measurement & Evaluation (see presentation slides for more details).

A large proportion of the presentation was an update on the proposed definition of B.C. foods for Feed BC. Currently, Feed BC uses the definition developed for Feed BC in healthcare, which is “the final product is produced or processed within the borders of B.C.”. The Ministry is exploring slight changes to the definition with stakeholders, namely clarification as to the activities included in “produced” and “processed” and the potential removal of the specification that the “final product” must come from B.C., to make it more inclusive. Ministry staff explained that the proposed Feed BC definition is:

- Specific to Feed BC, separate from others such as Buy BC which is a consumer facing program and audited.
- Likely to be voluntary, non-audited and primarily for the food service sector.
- At the level of B.C. “products” and not just “suppliers” as B.C. suppliers may carry non-B.C. products.
- Provides a clearer definition of the terms “produced” and “processed” in B.C.

Questions, feedback and comments regarding the definition of B.C. foods

Overall, there was a positive and mixed response from the members regarding the proposed definition of B.C. food. The group identified some potential issues as well as unintended consequences of removing the “final product” from the definition. Discussion points included:

- The proposed clarification of “B.C.- processed” is positive and correlates with the definition of organizations such as the organic certification bodies, Canadian Food Inspection Agency and The North American Industry Classification System (NAICS).
- Some members felt that removing “final product” from the definition, as proposed, would help recognize the contributions of food processing in B.C. and its role in bolstering the local economy at all stages of the value chain, and not just the final stages.
- However, the percentage of local food purchasing reported by institutions would likely increase, based only on the change in terminology, not on an actual increase in purchasing. This could cause an unintentional inflation of progress.
- Given the complexity of supply chains, it could also be difficult and onerous to track where all processing activities took place.
- Limiting the definition to “final product” will exclude products made outside BC, where raw ingredients come from B.C. (e.g. chicken pot pie made in Quebec using B.C. chicken), however participants felt that these are more the exception than the norm.
- Leaving in “final product” would likely achieve the 51% value in economic activity from the Buy BC definition anyway, since final processing/packaging are the source of most of the costs.
- While the definition could help increase processing in B.C. it could still favour multi-national businesses that are not B.C. companies such as Coca Cola.

- Tracking challenges, as there are two definitions (Buy BC and Feed BC) and different definitions by other provinces and organizations. Some members highlighted their business tracks more than one definition.

6. Guest Speaker: Wendy Smith, MEALSource

Wendy Smith, from MEALSource, presented on their key success factors and lessons learned. MEALSource is a non-profit group purchasing program for healthcare food services working under the umbrella of St. Joseph's Health System. They aggregate members' volume and facilitate the contracting process for 12 food product categories. One of their key processes that sets them apart from other GPOs is conducting a two-stage RFP process. They first put out an RFP (following government guidelines and specifications from their members) for food manufacturers to bid on. Once a successful food manufacturer has won the RFP, then a second RFP is submitted for distributors to carry the product. While the process doesn't present a bias for smaller local food manufacturers to win the RFPs, it does present a more level playing field for them to at least compete.

MEALSource also has a robust database that enables them to track and report Product of Ontario, committed versus actual volumes, year over year costing and most importantly, data retention for the required seven years.

MEALSource works very closely with its members providing day to day support, monthly meetings and an annual "Food Forum" where members can meet new food manufacturers.

With this structure and process, along with working closely with the local food industry, since 2011 MEALSource has increased their contracted Product of Ontario product to almost \$2.8 million from import cost neutrally. Of their \$15 million budget, \$5 million is from Ontario food processors and producers. MEALSource sees vendor education and working closely with like minded partners (e.g. McConnell Foundation's Nourish program) as a key to their success. MEALSource is focused on finding ways to measure economic benefit, sustainable production practices and community benefit.

Questions, feedback and comments regarding MEALSource

Attendees asked the following questions:

1. How does MEALSource outreach find local suppliers?

MEALSource works closely with food business associations who refer vendors to them. They also work closely with distributors who suggest local products and have features within local food reports.

2. Can you share some success stories?

A local protein supplier won a contract because MEALSource (in partnership with a member) changed the RFP evaluation scoring to favour protein content per unit, rather than a specific food item.

3. How is MEALSource's RFP process different? Are there techniques to make space for small/local suppliers?

Remove barriers by being less prescriptive; the RFPs are not too specific (e.g. pack sizes), incorporate new conditions (e.g. nutrient dense).

4. Are one-year contracts restrictive for some suppliers?

There is a second year renew option and so far, this has not been an issue with any suppliers. The contract length has helped suppliers with their investments which has also helped with pricing.

5. How is MEALSource's database robust?

The database has details of every vendor and every product in it (excluding ingredients). MEALSource uses Buy Ontario's food description for labelling foods which are from Ontario.

6. How is MEALSource measuring the social benefits?

MEALSource is working on a project right now looking at just that, which is funded by the McConnell Foundation. MEALSource already knows that for every \$1 spent locally has a \$7 impact on the local economy.

7. Does MEALSource have a Buy Local mission?

MEALSource doesn't, the buy local focus is driven by their members who have their own goals and are seeing demand for local products from their patients.

8. What are the budget constraints MEALSource abides by?

Wendy mentioned the ON healthcare food budget was about \$6.80 to \$9.30 per day per person.

9. Does MEALSource have an issue with suppliers not meeting their minimums?

MEALSource highlighted that they have a 100-case minimum, which has never been an issue for their suppliers. Distributors only take on suppliers that have been vetted.

10. How does MEALSource educate food suppliers on their processes and opportunities?

MEALSource works hard to educate food suppliers before the RFP process, such as at trade shows, workshops and events put on by food associations as well as email newsletters before the RFP is ever posted.

11. What happens if a supplier doesn't meet the volume? Or volume is impacted because of patient preferences?

This hasn't been an issue because testing is done beforehand. Typically, members have their own processes of vetting and testing out products before going out to contract.

Other comments included:

- A member mentioned that ON has more fresh produce processing capacity, compared to B.C. There was concern that as more fresh processing returned to B.C., there would be a lack of farmers with the knowledge to provide the supply.
- The group pointed out that there is no 'food only' GPO in B.C. and GPO's typically include other types of non-food consumables needed by the institutions (i.e. Silver Group, HealthPro, etc.).
- A member (who is a farmer) highlighted that the MEALSource process is very respectful for farmers. She also highlighted that as far as she knows little to none of the food associations in B.C. have been involved with institutional contracts.
- The group pointed out that GPOs, distributors and food services in B.C. do hold food trade shows. MEALSource pointed out their food forum only has new suppliers (not currently on contract).
- A member recommended to the rest of the group to check out the work Nourish is doing.

GPOs hold a lot of power and are key to helping achieve any buy local goals. Emulating MEALSource can inform GPOs working on behalf of B.C. institutions to review their RFP process, how they educate and work with B.C. suppliers and their associations, how they track how much food is bought from B.C. and how they partner with like minded organizations (e.g. Nourish / McConnell Foundation) to increase local purchases.

7. Working Lunch Session

During lunch, to encourage members to network and build connections, four discussion topics which had been decided upon in advance were provided (listed below). Members could choose which of the topics to discuss with fellow members. Members were encouraged to at least move seats and sit in a different group from the morning session. No specific action items or recommendations were recorded, by design, rather this working lunch session was intended to provide members the space to make connections and have open discussions on these topics and any other items.

- a. Barriers and opportunities for smaller scale producers accessing the institutional market.
- b. Breaking up the RFP process allowing more local suppliers to bid on them.
- c. Tracking and reporting local purchases.
- d. Are the Feed BC “Market Ready” initiatives working for producers and processors?

8. Member Updates & Recent Successes

The last session of the day was a chance for some members to present their Feed BC initiatives to the group to either promote and inspire other members and/or to ask them to solve some challenges.

Cameron Roy, University of Fraser Valley (UFV)

- Working close with their food service provider, Dana Hospitality, has helped them increase local purchasing, with more to come.
- UFV makes their contracts flexible and has been putting higher weight on products being sourced locally.
- Highlighted how having local food was “good for business” and students have been asking for it.

Noordin Karmali, Fraser Health

- Working on increasing local spend by working with distributors and vendors on pricing.
- Fraser Health is pushing their GPO, HealthPro, to source more B.C. products, though recognizes the challenge that a lot of suppliers are located in Eastern Canada.
- In the last four years, they have increased the purchase of B.C. food products from 25% to 32%.
- As Fraser Health can go “off-contract” by 20%, this allows them to potentially put this spend towards local products. Participating in Feed BC has encouraged them to think about more creative sourcing local solutions.
- From Noordin’s perspective, it was up to the health authorities, not the GPO, to educate local suppliers. It was also up to the health authority to drive the buy local initiative.
- Highlighted the media event at Ridge Meadows Hospital, together with the Minister, to promote Feed BC.
- Fraser Health has also been using Feed BC posters and tent cards in some of their facilities.

Derrek Usher, Vanderpol Eggs

- Highlighted new product developments they had worked on that were suitable for government institutions and would help them increase their buy local targets.
- Celebrated their egg products being sourced by BC Ferries, Moxies Grill and 7/11.

9. Key Participant Recommendations

Meeting participants provided several helpful clarifying questions, comments and recommendations relating to advance Feed BC and the overall portfolio of Feed BC programs:

1. Members thought it would be beneficial if the Ministry reached out to agriculture and food industry associations to introduce and build awareness of Feed BC and potential opportunities.
2. Members are looking for a simple list or database that lists B.C. suppliers with B.C. products (no specifications needed). BC Food & Beverage is working on a related online platform in relation to the development of their Food Connection 2.0.
3. Recruit more Feed BC and Advisory Group members to increase diverse representation from industry. For example, including representation from Northern B.C., Indigenous communities, and/or corrections facilities.
4. Distributors could do more deliberate outreach to producers and processors to increase their awareness of distributors listing requirements. This would allow growers and producers to be better informed of how they can better adjust their practices to become a customer for the distributor.
5. The Ministry could look for ways to provide financial and technical support to institutions and distributors to aid with tracking local food purchases related to the updated Feed BC definition of local food.
6. The Ministry should work to ensure there is a high level of awareness for when GAP certification is required and what resources are available to support with obtaining GAP certification.

Appendix A: Meeting Evaluation

At the end of the day, attendees were asked to provide group feedback on elements of the day that they liked and those that they would suggest changing for the next meeting.

Attendees indicated they liked:

- The group exercise (menu building)
- A shorter day (i.e. ending at 1pm with an optional open session until 3pm)
- The working lunch group discussions
- The guest speaker
- The member sharing of updates and success stories

Attendees indicated the following could be changed or improved:

- Refine the use of video conferencing technology to improve audio and video
- Increase Feed BC members to include more diverse industry representation, including:
 - Northern B.C.
 - Indigenous
 - Corrections facilities