



Local Foods

Background: Agriculture is an asset within northeast MI from which the model for innovation and entrepreneurial development can be built upon. While unemployment is high and the economy throughout Michigan is struggling with the loss of automotive and manufacturing jobs, there is huge potential to use agricultural resources in the region to increase job opportunities, especially for young adults who have limited opportunities.

Two studies have shown there is tremendous potential for improving Michigan's economy through the development of numerous small enterprises focused on the food and farming industry. The ***Michigan Food Policy Council Report***, completed in October 2006, and a study by the Michigan Land Use Institute and C.S. Mott Group for Sustainable Food Systems at MSU completed in September 2006 showed that "determined efforts to increase sales of fresh, local foods in Michigan could significantly boost employment and personal income across the state" (***Eat Fresh and Grow Jobs, Michigan***).

With the availability of land, natural resources and an underemployed workforce, Northeast Michigan could benefit greatly from a program focused on helping develop and grow new food and farming businesses to capture a portion of the fresh food market, creating numerous jobs in the local area. There are 1,474 farms in the area with an average size of 221 acres. Farmland makes up 10.4 percent of the land area overall (19.5 percent in Presque Isle and 21.2 percent in Alpena Counties), however, the majority of these farms produce hay and alfalfa, corn for silage,

wheat and beans. Only 7.6 percent of the farms in Northeast Michigan produce fruit and vegetables representing only 0.1 percent of the total farm acreage.

The creation of a system of a regional food hub(s) for northeast MI provides tremendous opportunities. A food hub is essentially an aggregation point for farm products; a central point to bring produce and goods that can then be distributed back out in quantities that are demanded by buyers. At the same time, a food hub serves as a communication hub for farmers providing training on technical issues such as food safety and traceability as well as technical information on new production methods such as organic. Individual farmers cannot grow enough, as a general rule, to supply large scale institutions and stores. Farmers traditionally do not have the marketing skills or the connections outside the region to effectively and efficiently market their products. If every farmer did this, a tremendous output of energy to this marketing need would drain away time and energy from the production side of the business jeopardizing their business and lowering the incentives for others to continue in this profession.

Strategy: Expand, enhance, and support the Local Foods Cluster in the Region.

1. Establish a food hub in Northeast Michigan.

- a. Complete the feasibility study initiated in the first year of the Regional Prosperity Initiative that will provide recommendations for the development of a regional Food Hub and Local Foods Initiative including: marketing, training, value added, and cooperative purchasing.
 - The feasibility study will include market analysis (consumer survey and buyer survey identifying constraints, opportunities, weaknesses and strengths).
 - The feasibility study will include agricultural business development constraints, opportunities, weaknesses and strengths.
- b. Ignite the use of the existing food incubator/shed that results in new starts of 2 new food businesses per year.
- c. Retain a branding consultant to develop brand and marketing materials for food hub. Promote the brand through venues such as incubator kitchen, entrepreneurial classes, and marketing materials.
- d. Adopt the MI Good Food Charter (6 goals) by the Governing Board of the Regional Local Foods Initiative.

2. Increase the number of food product entrepreneurial businesses in Northeast Michigan.

- a. Develop an entrepreneurial food product curriculum and hold classes two times per year.
- b. Increase visibility and use of Northeast Region Kitchen Incubator through increased visits to website, monthly media, meetings and hands-on efforts.
- c. Establish the Regional Food Business Fund to provide small, low-interest loans for new entrepreneurs (patterned after ACEnet and Northwest Michigan 20/20 fund).

3. Engage local residents in food products manufacturing.

- a. Establish a core group of people (youth thru seniors) to supply product for a range of regional products.
- b. Initiate a youth based entrepreneurial business program in cooperation with 4-H to teach and mentor 15 teenagers into supplying food for markets.

4. Increase the awareness of residents of the local food industry.

- a. Market local foods venues through the Regional Agricultural website.
- b. Conduct three meetings entitled "From Recipe to Reality" within the region.