

Local Food Promotion Program (LFPP) Final Performance Report

The **final performance report** summarizes the outcome of your LFPP award objectives. As stated in the LFPP Terms and Conditions, you will not be eligible for future LFPP or Farmers Market Promotion Program grant funding unless all close-out procedures are completed, including satisfactory submission of this final performance report.

This final report will be made available to the public once it is approved by LFPP staff. Write the report in a way that promotes your project's accomplishments, as this document will serve as not only a learning tool, but a promotional tool to support local and regional food programs. Particularly, recipients are expected to provide both qualitative and quantitative results to convey the activities and accomplishments of the work.

The report is limited to 10 pages and is due **within 90 days** of the project's performance period end date, or sooner if the project is complete. Provide answers to each question, or answer "not applicable" where necessary. It is recommended that you email or fax your completed performance report to LFPP staff to avoid delays:

LFPP Phone: 202-720-2731; Email: USDALFPPQuestions@ams.usda.gov; Fax: 202-720-0300

Should you need to mail your documents via hard copy, contact LFPP staff to obtain mailing instructions.

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| Report Date Range: | FINAL REPORT- September 2014-April 2016 |
| Authorized Representative Name: | Jen Faigel |
| Authorized Representative Phone: | 617-522-7900 |
| Authorized Representative Email: | jen@commonwealthkitchen.org |
| Recipient Organization Name: | CropCircle Kitchen Inc. dba CommonWealth Kitchen |
| Project Title as Stated on Grant Agreement: | CCK Commissary @ Pearl |
| Grant Agreement Number: | 14-LFPPX-MA-0074 |
| Year Grant was Awarded: | 2014 |
| Project City/State: | Boston, MA |
| Total Awarded Budget: | \$100,000 |

LFPP staff may contact you to follow up for long-term success stories. Who may we contact?

- Same Authorized Representative listed above (check if applicable).
 Different individual: Sherina McKinley; Email: sherina@commonwealthkitchen.org; 617-522-7900

NOTE: In May 2015, CropCircle Kitchen went through a rebranding. As part of that effort, we changed our name from CropCircle Kitchen (CCK) to CommonWealth Kitchen (CWK). Our tax id has not changed, but we now operate as CropCircle Kitchen, dba CommonWealth Kitchen. In the following report, CommonWealth Kitchen or CWK is the same entity as CropCircle Kitchen.

1. State the goals/objectives of your project as outlined in the grant narrative and/or approved by LFPP staff. If the goals/objectives from the narrative have changed from the grant narrative, please

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highlight those changes (e.g. “new objective”, “new contact”, “new consultant”, etc.). You may add additional goals/objectives if necessary. For each item below, qualitatively discuss the progress made and indicate the impact on the community, if any.

i. Goal/Objective 1: Establish Pearl facility as a licensed warehouse facility.

- a. **Progress Made:** The CCK Pearl facility is fully licensed for warehousing. We have requisite HAACP and standard operating procedures in place that have been reviewed with City and State health department officials. In the past 12 months, we have provided warehousing for 13 companies outside of our own incubator membership, including a mix of farms, other food companies, and non-profits. We have systematized our billing and inventory tracking, and installed pallet racks to handle the increased volumes. We have also added to our facility staff to keep up with expanded shipping, receiving, and inventory management efforts.
- b. **Impact on Community:** The initial focus for our warehousing has been to provide conveniently located, fully licensed, cold, frozen, and dry storage to support farmers and other producers working at the new Boston Public Market, which opened in July of 2015. At present, we are providing warehousing for 7 vendors, including several farms and a local cheese company, plus coordinating deliveries between our warehouse and the Market.

In addition, we are now warehousing for Fair Foods, a non-profit food rescue organization that takes excess produce from a regional wholesale market and repackages into shopping bags that are distributed to low-income families across greater Boston. On average, they serve @ 2,000 low-income families each week across 50 distribution sites. We now also provide warehousing for Fresh Truck, which operates a mobile market, selling fresh fruits and vegetables in low-income and underserved neighborhoods across the City from their two converted school buses. In addition to their subsidized retail sales, Fresh Truck partners with local schools and community health centers to provide nutrition education and training programs. Both of these organizations have been able to significantly increase their impact by having access to our warehousing and cold storage. This summer, we will also be providing warehousing to 2-3 urban farms looking for cold storage to support their farmers’ markets. All of these activities will increase availability of fresh produce for low-income residents.

ii. Goal/Objective 2: Establish CCK as an aggregate purchaser and light processor of locally sourced food for food trucks, specialty food businesses, retailers and institutional buyers.

- a. **Progress Made:** We established an aggregate buying program for about 10 of our incubator members as a means to improve buying power and increase local sourcing by coordinating purchasing and deliveries. We have been able to get some very modest economies on commodities like frozen chicken, staple items like flour, sugar, and butter, plus save our incubator businesses the time of having to drive to handle pick-up.

Thus far, given the wide mix of companies sharing our kitchens, with varied product specifications and unpredictable order volumes, we have found it challenging to find significant economies on purchase of fresh produce. We were, however, successful in coordinating a few partnerships between growers and our members. For example, Fresh Food Generation, a food truck and catering company, is now partnering with The Food Project to contract grow 1 acre of produce for use in their catering operation. Additionally, several farmers who were introduced to us through our purchasing efforts are now working with us on recipe development and value-added processing for their own produce. Additionally, we see good opportunities to add bulk

purchase of paper goods- plates, napkins, cups, etc. and use the price advantage to increase the amount of recyclable and/or compostable paper goods and containers being used.

Simultaneously, our small-batch contract manufacturing efforts have been a big hit. Since launching last summer, we already have 20+ contracts in place. We work with our own member companies to help them efficiently scale by making their salsa, cookies, sauces, soups, dips, granola, etc. Last fall we worked with a roof top farm to process @ 50 pounds of basil destined for the compost into pesto. We also worked with 2 other farms to turn @ 18,000 lbs. of excess tomatoes into marinara sauce that is now on sale at their farm stands. Plus, we helped another farm experiment with products like carrot and shallot jam, pickled vegetables, plus a process to blanch, vacuum seal, and freeze kale, all using excess produce for them to sell at their farm stand and CSA. To support this work, we got all three of our senior kitchen staff HACCP-certified.

Our contract manufacturing work has also attracted interest from local restaurants. We now make bottled cocktail sauce for Island Creek Oysters, and bottle 3 types of sauces using local produce for Mei Mei Street Kitchen. We also recently started working with a food rescue operation to preserve gleaned or donated produce by making soups and stocks that they deliver frozen. To help us efficiently scale operations, we have invested in several key pieces of automation equipment, including a piston filler, a vacuum sealer, a tomato mill, and a large capacity blender/mixer, which is perfect for soups, sauces, and purees.

Going forward, we are looking to expand on what we've learned so far. We have already begun developing master recipes and completing scheduled processes and shelf-life testing for several base products: tomato sauce, apple sauce, hot sauce, vegetable stock, pickled vegetables, apple butter, etc. The idea is for us to have some simple value-added product recipes fully developed and tested so that if a farmer has a bumper crop of a particular product, we can quickly and cost effectively turn it into a shelf stable product ready for their own label to be sold at their farmers' market or farm stand. We've already talked with @ 10 farms interested in contracting with us to produce a value-added product this season using one or more of these master recipes.

Similarly, with support from Mass. Farm to Institution, we are talking with several institutions looking to increase their local sourcing, about providing food service packs of simply processed local produce. For example, we are talking with the catering company managing Northeastern University's dining services about providing @ 5,000 gallons of tomato sauce in 1-gallon shelf-stable bags this fall. Several other colleges, hospitals and public schools are interested in similar products. We see huge opportunity to continue to scale these efforts.

Impact on Community: The aggregate buying effort thus far has helped our incubator members get marginally better pricing and increase local sourcing. It has also lowered their overhead by allowing them to participate in a coordinated delivery process. As our businesses grow, the value of this aggregate purchasing should improve with opportunities for greater volume discounts. The effort has also led to some new partnerships. For Fresh Food Generation, it means their food truck will serve almost entirely local produce in low-income neighborhoods throughout Boston this season. For our contract manufacturing, the effort has already allowed us to create 4+ new jobs, 3 of which have gone to neighborhood residents. As we increase our value-added processing for institutions, we will look to create additional jobs, while expanding our work with local farmers. We also hope to find ways to allocate a portion of what we produce to low-income neighborhoods—either directly to convenience stores or through the mobile market that works out of our facility.

iii. **Goal/Objective 3: Promote and support access to fresh produce and locally prepared foods to low-income neighborhoods, farmers' markets, and Boston Public Market.**

- a. **Progress Made:** During the course of the grant, we provided technical assistance, training, and subsidized kitchen rental to help launch Fresh Food Generation's food truck and catering company, which provides fresh, healthy foods to residents of low-income and under-served neighborhoods of Boston using locally-sourced ingredients. With support from CWK, Fresh Food Generation is now in the process of opening a café inside a community health center in order to improve food options for staff, clients, and neighborhood residents.

We also work with Fresh Truck, which operates a mobile grocery out of our facility- providing fresh produce to low-income neighborhoods, and partnering with multiple community health centers on nutrition education. We assist Fresh Truck with warehousing, prep space, office and meeting space, and coordinate on various community events. Additionally, we provide warehousing and processing for Fair Foods, a food rescue group focused on providing bags of fresh and lightly processed produce to low-income families.

For vendors at the newly opened Boston Public Market, we provide a mix of warehousing and contract manufacturing services. We make apple crisps for Red Apple Farm; pickles and savory jams for Siena Farms; churros for Taza chocolate; fresh ravioli for Nella Pasta; soup stock for Noodle Lab; and macaroni and cheese for the Farm at Jasper Hill. Plus, we provide warehousing for Harlow Farms. We were recently approached by two additional Boston Public Market vendors about recipe development and contract processing services.

We also work closely with all of our 40+ member businesses to help them access sales opportunities, including working at farmers' markets. To assist our companies, we make connections with market managers, and partner with local job training programs to find employees to staff the markets. For this year, we are collaborating with a training provider to offer customer service classes to local residents interested in staffing the farmers' markets as a way to help our companies have the staff they need to work more markets, while creating additional jobs for neighborhood residents.

- b. **Impact on Community:** Through our efforts, we have been able to support multiple small businesses, farms, and non-profits working to bring fresh, local produce to neighborhoods across Boston. At present, almost 20% of the vendors at the newly opened Boston Public Market use our services for some mix of warehousing and contract work, which has greatly improved the diversity and freshness of products available at this high profile market. Additionally, as a result of our support of Fresh Truck, a non-profit mobile grocer— they were able to add a second converted school bus to deliver fresh produce to underserved neighborhoods across the City, while expanding their nutrition education programming. Similarly, Top Shelf Cookies—one of our incubator companies, has been able to utilize our contract manufacturing services for production so she could be guest vendor at the Boston Public Market, and is now about to become a permanent vendor there. We were also able to help her produce a special cookie as a fundraiser for the Boston Marathon bombing victims. We also helped Fresh Food Generation with subsidized kitchen time and technical assistance to build their food truck and catering business, which provides healthy, locally-sourced, culturally relevant food to low-income families. Because of their success over the past year, Fresh Food Generation will be opening a new café inside a community health center starting in May, greatly expanding the availability of healthy, food options in the Dorchester neighborhood. We are also assisting them with the opening of this new retail space.

iv. Goal/Objective 4: Develop model and disseminate outcomes

Progress Made: We continuously and widely share our learning and market our work to demonstrate impact and drive demand for our services, programs and products. We actively use social media such as Facebook, Instagram, twitter and our blog posts to tell our stories. We have had numerous news stories, including a feature on our contract work in both The Boston Globe and The Bay State Banner, as well as national coverage in Next City. During this contract period, we were named by Boston Magazine as the 2015 Best Incubator, and recognized by the Boston Globe as one of the 50 Game Changers in the City. We were honored to host HUD Secretary Julian Castro for a visit in July 2015, and have been told that he regularly refers to our work in speeches nationally. Last fall, we hosted a food innovation showcase as part of a City-wide HUBWeek event, sponsored by The Boston Globe, Harvard, MIT, and Mass. General Hospital, showcasing businesses and organizations working to strengthen our regional food economy.

Additionally, we provide tours @ 1-2 times each month to non-profits, government officials, funders, institutions, and community groups regionally and nationally interested in learning about our model. In February, we hosted a delegation from the Mass. Dept. of Agricultural Resources and the Mass. House of Representatives to discuss our contract work as part of our involvement in developing the Mass. Food Plan. We hosted a similar meeting in March with representatives from the USDA-FNS and the State Dept. of Transitional Assistance. We will be doing another presentation to the Mass. Dept. of Housing and Economic Development senior staff in May. In April, we hosted a tour for local colleges and hospitals to learn about our manufacturing services. We had attendance from 5 major institutions, plus interest from 10 more wanting their own visits.

- a. **Impact on Community:** We are seeing significant interest in our work, and calls for replication and scaling—a sure sign that we are on the right track! Since opening our flagship location in June 2014, we have nearly tripled the number of early stage food companies using our facilities, and more than doubled the number of jobs created. We also launched our own contract manufacturing operation, providing small-batch production services to 20+ local farms, restaurants, and wholesalers in @ 8 months. In total, we've created well over 50 new jobs over the past 18 months with few barriers to entry, while transforming a vacant, blighted industrial building in the heart of one of Boston's poorest neighborhoods into a hub of economic activity.
2. Quantify the overall impact of the project on the intended beneficiaries, if applicable, from the baseline date (the start of the award performance period, September 30, 2014). Include further explanation if necessary.
 - i. **Number of direct jobs created:** Since the beginning of this contract, CWK staff has grown from 2.5 to 14 in a mix of contract and full time positions. In addition, jobs with our members increased from @ 90 to over 150 during the height of the summer season.
 - ii. **Number of jobs retained:** Approximately 90 jobs have been retained.
 - iii. **Number of indirect jobs created:** Approximately 60 indirect jobs were created by our members, plus another 20+ through our commissary contracts and work with vendors at the Boston Public Market.
 - iv. **Number of markets expanded:** With the start of warehousing, we have been able to expand the reach of two non-profits working to increase local food access. With establishment of our contract manufacturing work, we have been able to provide 20+ farmers and local food producers with a new resource for small-batch processing. Additionally, we created a convenient processing and warehousing option for vendors at the new Boston Public Market, plus continued work to support our member businesses working at other farmers'

markets. We also helped make connections between our members and other sales opportunities at places like the Boston Local Food Festival, and Sustainable Business Network suppliers' event. In total, we helped expand 10+ markets.

- v. **Number of new markets established:** We have provided critical infrastructure in the form of warehousing and contract services to 7 of the 30 vendors at the newly opened Boston Public Market. We also made multiple introductions between our members and 8+ wholesale and retail buyers.
- vi. **Market sales increased by \$ and increased by %.** This is difficult to assess as we are simply providing contract services, and are not directly responsible for sales. Nonetheless, based on the increasing volumes we're asked to produce, it is clear that the market sales are increasing by @ 15-20%.
- vii. **Number of farmers/producers that have benefited from the project:** 30+ different farmers and producers have benefited from our services through this project.
 - a. **Percent Increase:** For CWK, our warehousing and contract manufacturing work is a completely new service, thus representing a 100% increase for our own work. For our customers, this warehousing and small-batch processing fills a critical niche missing in the marketplace, providing low minimums and easy access for warehousing, plus on-demand contract labor for processing. It is reasonable to estimate that access to these services represents a 20%+ increase in their sales.

3. **Did you expand your customer base by reaching new populations such as new ethnic groups, additional low income/low access populations, new businesses, etc.? If so, how?**

Yes. Since April 2015, our business incubator helped start 8 new food companies, bringing our average monthly membership to 40+, with over 70% owned by women and/or people of color. Our members and contract partners represent a wide range of ethnic foods, including Olivo, a catering business focused on Southeast Asian cuisine; Noodle Lab, a traditional ramen soup company; Vive La Vie, an African soup company; Samosa Man, a Congolese samosa company; Terri-Yummy, an Asian street food truck and caterer; Kiff, a traditional South African granola and snack company; Mei Mei Street Kitchen, producing a line of bottled Asian sauces; XO, a Taiwanese gac fruit juice company; and Pride of India, an Indian tea company. These companies sell through multiple retail and wholesale markets, including farmers' markets, and specialty and traditional food retailers.

Additionally, through our partnerships with Fair Foods and Fresh Truck, we provide warehousing and processing to expand their work delivering fresh produce and healthy meals to low-income families. Similarly, we helped Fresh Food Generation launch their food truck, which serves healthy, culturally appropriate meal options using local ingredients in low-income neighborhoods across the City. Additionally, last fall, we hosted a local food innovation showcase that welcomed over 400 community residents to learn about our work, sample products, and tour the Fresh Truck mobile market. We hope to make this an annual event.

4. **Discuss your community partnerships.**

i. **Who are your community partners?**

CommonWealth Kitchen partners with a wide range of groups. We work with job training organizations like NECAT, the Kroc Center, and Community Servings to place graduates of their culinary programs in jobs with our members. In 2015, we placed more than 25 local residents in jobs. We work closely with neighborhood groups like Dudley Street Neighborhood Initiative and Project RIGHT to advocate for community resources and connect local businesses and job-seekers with our programs and services. We partner with Conservation Law Foundation and the

Lawyers Committee for Civil Rights and Economic Justice to connect free and discounted legal services to our members and staff, and provide trainings on topics like human resources and entity formation. We work closely with the Urban Farming Institute to support efforts to increase urban farming. We partner with the Boston Public Market and the Sustainable Business Network to market Mass. products and connect consumers and producers. We work with the Boston Public Health Commission, Mass. Food Policy Council, and City of Boston on a range of policy matters, and played an active role in developing the State Food Plan. Additionally, we work with the UMass Food Science Center on food safety training and education programs

ii. How have they contributed to the overall results of the LFPP project?

CWK looks to leverage our partnerships to broaden our impacts. We never want to duplicate efforts, if at all possible. We partner with job training groups to maximize placement opportunities for local residents. We partner with urban farming and food justice groups to improve access to fresh food. We partner with public agencies and advocacy organizations to connect and support farmers & producers and advocate for resources and policies to support our work. We partner with business development and finance agencies to recruit new members and train current ones, with a focus on minority, women, and low-income entrepreneurs.

iii. How will they continue to contribute to your project's future activities, beyond the performance period of this LFPP grant?

These strong partnerships are critical in building the reputation and credibility needed for our social enterprise model to succeed. The food industry is complex and notoriously opaque- with miniscule margins- so anything we can do to build strong partnerships, break silos and create access is hugely valuable. As we look to build on the LFPP work, we are in active discussions with Dudley Street Neighborhood Initiative about a new partnership to directly connect our value-added processing services with their Dudley Grows Initiative. Our focus is on getting more healthy food options into local corner stores. DSNi has strong relationships with the neighborhood store owners and deep community connections. We are building relationships with the farmers and can provide a wide range of processing. We are hoping to join forces to pilot one or more shelf-stable products that can be sold in the neighborhood as well as in food service packs to restaurants.

Additionally, we are looking to expand our contract manufacturing services into larger venues- including partnering with local colleges and hospitals. We are already actively in discussion about piloting a local tomato sauce for Northeastern University's dining services. We are negotiating an agreement to produce more than 5,000 gallons of lightly processed tomato sauce using local tomatoes this year. We believe we are building a very powerful model that can be readily scaled. Similarly, we are working with Project HOPE to develop a custom workforce training program to improve efficiency, sanitation, and food safety skills for the 150+ people working through our incubator operations. We see a tremendous opportunity to create a meaningful career path for people facing barriers to employment by taking graduates of culinary training programs and placing them in jobs with our companies where they can get work experience plus additional training, and build their work history. Project HOPE can assist with additional training and connections through their institutional employer partners who are looking for skilled workers with basic job history. We can create that much-needed intermediate job along the way.

5. Are you using contractors to conduct the work? If so, how did their work contribute to the results of the LFPP project? All of the work to date has been carried out by CWK staff directly.

6. Have you publicized any results yet?*

- i. ***If yes, how did you publicize the results?*** We are constantly reaching out to community partners, public agencies, farms, institutions, funders and press about our work. We do this mostly through meetings, email updates, blog posts, social media posts, and media coverage.
- ii. ***To whom did you publicize the results?*** We have presented our work to a variety of government agencies and elected officials—including Mass. Dept. of Ag Resources, Mass. Dept. of Transitional Assistance, regional EPA and USDA-FNS staff, as well as City staff. We have also shared our work with organizations developing the Mass. Food Policy Action Plan. Plus, we publicize our work through our website, in reports and presentations to funders and partners. We have gotten press coverage in The Boston Globe, Boston Business Journal, Next City, The Bay State banner, DIG magazine, etc. We have also presented our work at various local and regional conferences, plus hosted 2 local food events in 2015 alone.
- iii. ***How many stakeholders (i.e. people, entities) did you reach?*** We have easily reached more than 5,000 people and entities through our press coverage, tours, events, eblasts, speaking engagements, and other marketing efforts. In May 2015, we were featured in the Boston Globe Magazine as one of the City's 50 game-changers and we were considered 2015 Best Incubator by Boston Magazine.**Send any publicity information (brochures, announcements, newsletters, etc.) electronically along with this report.*

7. Have you collected any feedback from your community and additional stakeholders about your work? Yes

- i. ***If so, how did you collect the information?*** We survey all of our incubator members and most of their employees on a semi-annual basis to get feedback. This past winter, we held two info sessions with farmers plus 1 meeting with institutions to get specific input on our contract manufacturing plan. We also met with community partners, including DSNI, to discuss our impacts and explore options for expanding our collaboration in order to deepen impacts on the immediate surrounding neighborhood.
- ii. ***What feedback was relayed (specific comments)?*** For the most part, feedback has been very positive. Our incubator members appreciate the broad business assistance services and communal feel of our operations, as well as the opportunity to collaborate and learn from one another. They're of course always wanting us to purchase more automated equipment to speed production, and would like help navigating the complex world of packaging, distribution and access to markets. They all also struggle with access to capital.

For farmers, most appreciated our approach of developing a few simple, fully approved master recipes to streamline the value-added processing. For some, they are happy to take the finished product back to sell at their own markets. Many were interested in how we might incorporate their produce into our institutional work. Not surprisingly, price, labeling/traceability, and distribution were the biggest areas of concern.

8. Budget Summary:

- i. As part of the LFPP closeout procedures, you are required to submit the SF-425 (Final Federal Financial Report). Check here if you have completed the SF-425 and are submitting it with this report:
- ii. Did the project generate any income? Yes
 - a. ***If yes, how much was generated and how was it used to further the objectives of the award?*** For our commissary and warehousing operations, we generated @ \$90,000 in income over the past 18 months. The income was used to help defray occupancy and direct and indirect staff costs, plus pay miscellaneous small wares and equipment costs.

9. Lessons Learned:

- i. **Summarize any lessons learned.** They should draw on positive experiences (e.g. good ideas that improved project efficiency or saved money) and negative experiences (e.g. what did not go well and what needs to be changed).

With the opening of our flagship kitchen location in June 2014, CWK is in the midst of major organizational growth. We increased from a staff of 2.5 and a budget of \$320,000 in 2013 to a staff of 14+ and a budget of \$1.25 million in 2015. For 2015, roughly 50% of our budget came from earned revenue from operations. In the midst of this exponential growth, we launched both our warehousing and contract manufacturing operations, necessitating a whole range of new operational systems and procedures to manage the flood of new work. We definitely underestimated the complexities and costs of building out and starting up our small-batch contract work. In hindsight, more time was needed to more intentionally build work order and inventory control systems and develop information management systems necessary for ensuring food safety, as well as building relationships with companies looking for our services. We also needed to better understand the permitting and testing requirements and timelines needed for value-added, shelf stable products. Additionally, the high cost and extreme specialization of the processing, filling, packaging and sealing equipment necessary even to partially automate our services has been far more costly and complicated than expected. We didn't anticipate things like the absurd number of different electrical plugs needed. As a result, equipment procurement has taken longer than projected, both due to the complexities and need for additional fundraising.

Despite the challenges, we have been buoyed by the strong interest in our warehousing and contract manufacturing services, and surprised by the breadth of demand. For warehousing, we have interest from community groups needing support for meals programs; interest from food rescue groups; and even from some restaurants and wholesalers needing convenient storage. For our contract work, it is clear that there is strong demand for small-batch processing services, particularly for businesses looking for local, traceable sourcing, as well as from local farms looking for value-added processing. We are excited to continue to learn and build this new social enterprise business line.

- ii. **If goals or outcome measures were not achieved, identify and share the lessons learned to help others expedite problem-solving:** N/A
- iii. **Describe any lessons learned in the administration of the project that might be helpful for others who would want to implement a similar project:**

Over the past year we learned that value-added and contract manufacturing projects that can be at least partially automated work best. For instance, we took on a project making fresh ravioli that was highly labor intensive. Because we choose to pay wages above the minimum, our production price is too high to work for small runs. Conversely, a contract we took on to bottle pureed sauces has been a great partnership, since we are able to automate larger portions of the process and work in bigger batches.

Similarly, we believe our approach to developing master recipes and completing shelf life testing and scheduled process approvals for staple value-added products will be a huge benefit for smaller farmers. For example, if they use our basic recipe for simply processed tomatoes in a jar, or a simple pickled vegetable recipe, we can provide on-demand processing based on how the growing season goes. It allows farms who have bumper crops or an excess of uniquely sized or shaped produce to quickly and cost effectively contract with us to turn it into a shelf-stable product. They just sign up with us, place an order based on one of the approved recipes, drop off produce, and work with us to develop their label. We then process it, label it, and turn it back to them ready to sell. One thing we still need to do is create a label template to further streamline

the process. We can then use a standard label, add the farmers' name, address and logo, and then print on demand as part of the ordering process. We also need to keep working through how to maximize efficiency and at least partially automate in order to get the price point down.

10. Future Work:

- i. How will you continue the work of this project beyond the performance period? In other words, how will you parlay the results of your project's work to benefit future community goals and initiatives? Include information about community impact and outreach, anticipated increases in markets and/or sales, estimated number of jobs retained/created, and any other information you'd like to share about the future of your project.**

We have already begun mapping out the next phase in scaling our contract manufacturing work. We are in active negotiations with a large institutional food service provider and a national distributor about a pilot project that would have us process @ 80,000 pounds of local tomatoes into a shelf-stable tomato sauce for their use at college campuses. We hope to leverage the scale of this work to also develop a product that can be affordably sold in local neighborhood convenience stores, or distributed to low-income families through our partnership with Fresh Truck, a mobile grocery. Additionally, we are preparing for the influx of farmers looking to take advantage of our permitted, approved master recipes to prepare value-added products for them this summer and fall. We are currently projecting production of more than 5,000 units of product. The combined institutional and farmer work is expected to create @ 5-8 new jobs in the first year. If all goes well, we could easily triple these volumes in year two, and triple again in year 3 as we secure the equipment and build the farmer relationships. We see huge opportunity to scale and replicate this model.

We are also talking with several public school systems, including the Boston Public Schools, about helping develop a grab and go breakfast muffin that meets the federal nutrition guidelines for sugar and fiber, while maximizing local, seasonal ingredients. Our hope is to begin recipe development soon, and be ready to pilot a product with the Boston Schools this fall.

- ii. Do you have any recommendations for future activities and, if applicable, an outline of next steps or additional research that might advance the project goals?**

We definitely need help figuring out the right packaging, equipment and processes needed for our institutional production work. Finding the right food service bag, case system, pump and automated vertical filler/sealer, etc. is critical to demonstrating economic viability over time. Additionally, implementing an automated, simple coding system for preserving the traceability, so that the story of the farm and farmer can be transparent, is also something that would be very valuable.

Additionally, we see an interesting niche market of providing small-batch processing as a way to help food producers and small farms test and gain entry into the marketplace for certain products. Getting help making the connections to continue to scale these businesses to larger, more conventional co-packers, without losing the local, traceable sourcing would be a huge benefit.