

**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.

Report Date Range: <i>(e.g. September 30, 20XX-September 29, 20XX)</i>	9/30/2015-9/29/2016
Authorized Representative Name:	Jonah Fertig
Authorized Representative Phone:	413-665-1271
Authorized Representative Email:	jfertig@cdi.coop
Recipient Organization Name:	The Cooperative Development Institute
Project Title as Stated on Grant Agreement:	Maine Farm and Sea Food Service Cooperative
Grant Agreement Number: <i>(e.g. 14-LFPPX-XX-XXXX)</i>	15LFPPMA0097
Year Grant was Awarded:	2015
Project City/State:	Maine
Total Awarded Budget:	\$24,997.00

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: Name: _____; Email: _____; Phone: _____

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0581-0287. The time required to complete this information collection is estimated to average 4 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, age, disability, and where applicable sex, marital status, or familial status, parental status religion, sexual orientation, genetic information, political beliefs, reprisal, or because all or part of an individual's income is derived from any public assistance program (not all prohibited bases apply to all programs). Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET Center at (202) 720-2600 (voice and TDD). To file a complaint of discrimination, write USDA, Director, Office of Civil Rights, 1400 Independence Avenue, SW, Washington, DC 20250-9410 or call (800) 795-3272 (voice) or (202) 720-6382 (TDD). USDA is an equal opportunity provider and employer.

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 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: Creation of a multi stakeholder food service management cooperative with farmers, fishermen, value-added food producers, distributors, workers, and consumers as member-owners.
 - a. Progress Made:
 1. Maine Farm & Sea Cooperative is established as a legal entity in Maine and was incorporated in 2015 as a multi-stakeholder cooperative under Maine’s consumer cooperative statutes. We developed Articles of Incorporation & Bylaws with our attorney, Cliff Ginn. These bylaws were extremely complex because of the multi-stakeholder structure and now they provide a model for other cooperatives in Maine and in other states that want to pursue a similar structure.
 2. The Cooperative now has 135 owners that include three classes of member-owners: consumers, workers and producers. Our members include a variety of farmers, fishermen, food organizers, students, food service workers, non-profit leaders, and others. We established an Interim Board that is comprised of individuals with experience in food service management, business development, finance, logistics, cooperative development, farming, and accounting.
 3. We completed a feasibility study and business Plan and we secured conditional financing for the business. We studied the feasibility of providing food service management for the University of Maine System and after demonstrating it’s feasibility we developed a business plan that detailed our operations, management structure, financial structure, growth projections, and financial projections. This business plan was used to secure conditional financing from the Cooperative Fund of New England and Coastal Enterprises Inc. (CEI), which was based upon Maine Farm & Sea Cooperative securing the UMaine System contract. Since this contract was not secured the financing is unavailable at this time, but these lenders are very interested in working with Maine Farm & Sea Cooperative on our next phase of development.
 - b. Impact on Community:
 1. Through the development process of Maine Farm & Sea Cooperative we engaged with a wide range of individuals including farmers, food service workers and directors at K-12 School Districts and Colleges, food system organizers, fishermen, State of Maine Officials. As a result more people are engaged in institutional food systems planning and have more support for implementing local food programs at institutions.
 2. Our Members are able to participate in the governance of the cooperative and have a democratic voice in the direction of the cooperative.
 - ii. Goal/Objective 2: Facilitate procurement and supply of local foods from farmers, fishermen, and value-added food producers to the UMaine System along with distribution networks.
 - a. Progress Made:

1. The UMaine System committed to sourcing 20% local food by 2020. This historic commitment has helped to open the door to more local producers to be able to supply the UMaine System.
 2. We have identified and met with over 80 producers that are interested in supplying food to the University of Maine System. We compiled a list of these potential suppliers and are working to connect institutions to these potential suppliers.
 3. We developed a guide of best practices for institutions to implement a local foods program and now [this guide](#) is being used by other institutions in Maine.
- b. Impact on Community:
1. More producers are ready to supply food to the University of Maine System and other institutions. Some of these producers will be selling to the UMaine System in the 2016-17 school year.
 2. More institutions are engaged with sourcing locally and these institutions are interested in working together on shared sourcing and marketing.
 3. 20% of the food purchasing of the University of Maine System will benefit local producers.
- iii. Goal/Objective 3: Position the food service management cooperative as a contractor for the UMaine System and other institutions to manage one or more food service operations and/or to supply the local food targets for one or more.
- a. Progress Made:
1. Maine Farm & Sea Cooperative submitted a competitive bid to the University of Maine System on November 4th. This 500-page bid had detailed menus, procurement plans, operational plans, marketing plans, sustainability initiatives, transition plans, and key performance indicators. In our bid, Maine Farm & Sea Cooperative committed to 20% local food in the first year of the contract, exceeding the UMaine commitment of 20% local by 2020.
 2. Maine Farm & Sea Cooperative was selected as a finalist for the UMaine contract and presented to the UMaine selection committee on February 9, 2016. At the presentation, a panel of approximately 30 individuals from across the university system heard detailed plans from Maine Farm & Sea Cooperative and asked detailed questions on our financial proposals and operations.
 3. On February 1st, Sodexo was selected for the entire contract and they adopted Maine Farm & Sea Cooperative's commitment to 20% local in their first year of operation. Maine Farm & Sea Cooperative is talking to producers and Sodexo about how they can get more local food into the UMaine System
 4. Maine Farm & Sea Cooperative earned highest score by University of Maine System Selection Committee for State of Maine Economic Impact, Local Sourcing Response, Sustainability Response, and Contract for Service.
- b. Impact on Community:
1. While unsuccessful in securing the contract for the UMaine System, Maine Farm & Sea Cooperative is positioned to work with other institutions. Already Maine Farm & Sea Cooperative is starting to work with Carey Medical Hospital and Skowhegan Public Schools to help them expand their local foods purchasing programs.
 2. Sodexo is working harder to connect with local producers and will be held accountable for their commitment to local foods. Sodexo will work to source 20% local food in 2016-2017 and achieve 25-30% by year 2020.

- iv. Goal/Objective 4: Develop a new model for cooperatively owned locally sourced food service supply chain and management that can be shared with other states.
 - a. Progress Made:
 - 1. Maine Farm & Sea Cooperative has been established as a new model for food service management. National organizations have been tracking the progress of Maine Farm & Sea Cooperative and are interested in exploring ways this model can be adopted in other states
 - 2. Articles about Maine Farm & Sea Cooperative have appeared in local and national media (including the Portland Press Herald, Bangor Daily News, USDA Rural Cooperatives Magazine, the New Food Economy, Truthout and YES! Magazine)
 - 3. Maine Farm & Sea Cooperative released a report about how institutions can start and expand local foods program. This report can be found online at: http://www.maineфарmandsea.coop/maine_food_to_portland_tables_report
 - 4. Maine Farm & Sea Cooperative won the first Maine Farm, Fish and Food Innovation Challenge at Bowdoin College, competing against 8 other teams to create an innovative proposal for the Maine food system.
 - 5. Jonah Fertig from the Cooperative Development Institute presented a report about Maine Farm & Sea Cooperative at the National Food Hub Conference in Atlanta, GA and will present at the US Worker Co-op Conference in Austin, TX and CommonBound in Buffalo, NY.
 - 6. Ron Adams, SNS from Maine Farm and Sea Cooperative was asked by U.S. State Representative Pingree to speak at an international round table discussion by Justice for Women’s Lecture series regarding high level policy discussion about farming, food insecurity and economic development.
 - 7. Dave Seddon, MBA RD LD from Maine Farm and Sea Cooperative was interviewed by a national radio show about the cooperative and its unique operations.
 - 8. Congresswoman Chellie Pingree made a video supporting Maine Farm & Sea Cooperative’s model for institutional food service.
 - 9. Maine Farm & Sea Cooperative hosted an event “Making Farm to Institution Work for All” with Maine Farm to Institution at St. Joseph’s College in Standish, Maine with approximately 45 people in attendance.
 - b. Impact on Community:
 - 1. Maine Farm & Sea Cooperative has met with over 30 institutions that are now looking to expand their local foods purchasing programs, which will have an economic impact on local producers and their communities.
 - 2. Food systems organizers are exploring new cooperative models to increase their impact on institutions. We have helped to increase the awareness of the cooperative model’s ability to root ownership in our communities and to build collective impact.
- 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, 2015). Include further explanation if necessary.
 - i. Number of direct jobs created: 3
 - ii. Number of jobs retained:
 - iii. Number of indirect jobs created:
 - iv. Number of markets expanded: 6
 - v. Number of new markets established:

- vi. Market sales increased by \$N/A and increased by N/A%.
- vii. Number of farmers/producers that have benefited from the project: 80
 - a. Percent Increase:

Maine Farm & Sea Cooperative has a management team of three people and we have engaged with over 80 producers. Since this is a planning grant, these impacts are still to be fully realized.

- 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?
 - i. We have forged new relationships with many potential customers for Maine Farm & Sea Cooperative including institutions that serve low-income populations, nonprofits that work with diverse populations, food hubs that work with a wide range of small producers in the state, new and beginning farmers, and New American farmers. Since Maine Farm & Sea Cooperative is not in full operation yet, we are consulting with institutions through our nine-step local foods implementation plan.

- 4. Discuss your community partnerships.

- i. Who are your community partners?
- ii. How have they contributed to the overall results of the LFPP project?
- iii. How will they continue to contribute to your project's future activities, beyond the performance period of this LFPP grant?

Partnerships and Collaborations have been a key component of this project. We have started to develop strong partnerships with many different organizations and individuals that both contributed to the development of this project and will contribute to the ongoing growth of Maine Farm & Sea Cooperative. Below is a list of our community partners, a description about their work, how they contributed to the results of the LFPP project and how we will work with them into the future.

o Institutional Food Service:

- **Stuart Leckie**, Saint Joseph's College: Stuart has over 15 years of experience in college dining as the Dining Services Director at St. Joseph's College. During that time he oversaw the conversion of the Dining Services from a Bon Appetit account to a self-operated system and increased local food to 35%. Stuart helped in the development of our proposal for the UMaine System and now joined our board.
- **Conrad Olin**, Maine General Hospital: For the last 13 years, Conrad had been the Food Service Operations Manager and most recently the Food Service Director at MaineGeneral Medical Center in Augusta.
- **Real Food Challenge:** Real Food Challenge is a national organization working to increase real food served at college campuses. MFSC worked with them on the campaign for the UMaine System.
- **Farm to Institution New England:** MFSC worked with FINE to develop best practices of working with institutions and continues to work with them to expand these practices at more institutions in the region.
- **Farm to Institution Maine:** MFSC has been a member of this emerging network and is helping to develop a statewide harvest of the month program.
- **Healthcare without Harm:** MFSC is working with HCWH on their Healthy Food Ambassador program as mentors to hospital foodservice directors.

○ **Business & Economic Development**

- **CEI:** Coastal Enterprises, Inc. (CEI) is a nonprofit lender specializing in rural business development and financing. One of the nation's premier Community Development Corporations (CDCs) and Community Development Financial Institutions (CDFIs), CEI was founded in 1977 in Wiscasset, Maine, to help create economically and environmentally healthy communities in which all people, especially those with low incomes, can reach their full potential. CEI offered a loan to MFSC based upon their award of the UMaine System contract.
- **Greater Portland Council of Government:** MFSC participated in a forum with GPCOG about local food in institutions.
- **City of Portland Economic Development Department and Portland Development Corporation:** MFSC worked with the City of Portland to produce a report on getting more local food into Portland's institutions.

○ **Cooperative Development**

- **Democracy at Work Institute:** The Democracy at Work Institute advances the worker cooperative field in order to create a fairer economy and better jobs. DAWI worked with MFSC on developing their marketing plan. Now Maine Farm & Sea Cooperative will present at their national conference in Austin, TX in July.

○ **Food Organizations**

- **Mayor's Initiative for a Healthy and Sustainable Food System:** MFSC worked with Mayor's Initiative to expand their focus from Portland schools to other institutions in the greater Portland area.
- **Good Food Council of Lewiston Auburn:** MFSC attended and presented at events that the Council organized to connect institutions to local producers.

○ **Farming & Gardening:**

- **Maine Organic Farmers and Gardeners Association:** MFSC participated in MOFGA's Common Ground Fair and will continue to collaborate with MOFGA on educational programs and other projects to grow the food system in Maine.
- **Maine Farmland Trust:** As a statewide organization preserving land and building farm viability, MFT has focused recently on supporting farmers to scale-up to wholesale markets. MFSC has participated in these trainings and continues to work with MFT to identify appropriate markets for these farmers.
- **University of Maine Cooperative Extension** University of Maine Cooperative Extension helps support, and grows the food-based economy across the entire state of Maine. MFSC has worked with UMCE's Blueberry Council.
- **Cultivating Community:** MFSC has collaborated with Cultivating Community's New American Sustainable Agriculture Project and will work to get products from their refugee farmers into more institutions.

○ **Processing**

- **Northern Girl:** Northern Girl brings opportunity to growers in Maine's largest and most remote county. They help keep our economy thriving through building added value for the products of a multitude of small farms. MFSC has worked with Northern Girl to explore more institutional markets for their products.
- **BAFS: Bangor Airport Food Service:** BAFS provides custom prepared foods and retail products for over a decade. MFSC is working with BAFS to develop prepared food items with local ingredients

- **Fork Food Lab:** Fork is creating a food incubator, with a large fully equipped shared kitchen at the core. MFSC will work with Fork Food lab and their members to develop products for institutions.

○ **Fisheries**

- **P.J Merrill Seafood Inc.** Family-owned seafood processing in Portland since 1946. MFSC has worked with P.J. Merrill to expand their institutional market.
- **Gulf of Maine Research Institute:** As a leader in sustainable seafood, GMRI is working to promote more seafood in regional institutions. MFSC has met with GMRI and is working to connect them with other institutions in the region.

○ **Health**

- **Maine Academy of Nutrition and Dietetics:** MAND work with nutritionists and dietitians throughout the state and MFSC is working with them to draw the connection between local eating and healthy eating and will collaborate on educational events together.
- **Healthy Maine Partnerships:** The Healthy Maine Partnerships are programs and organizations dedicated to promoting health all over Maine. These statewide partners support the 27 local HMPs with training, technical assistance, evaluation, program development, and media help in order to reach the communities at the local level. MFSC has collaborated with Healthy Maine partnerships on educational events.
- **Maine Hospital Association:** Nonprofit organization in Maine serving hospital and other healthcare settings to provide leadership through advocacy, information and education, to support its members in fulfilling their mission to improve the health of their patients and communities they serve.

○ **Food Access**

- **Good Shepherd Food Bank:** Good Shepherd Food Bank relies on its relationships with Maine’s food industry in order to gather millions of pounds of food each year. Good Shepherd’s Mainers Feeding Mainers program has been instrumental in working with local farmers to supply local food pantries. MFSC is working with Good Shepherd to explore more opportunities for them to connect with institutions to increase food processing and food access around the state.

○ **Financing & Funding**

- **Slow Money Maine:** MFSC presented at Slow Money Maine about our bid for the UMaine System and about the cooperative. Our members attend their meetings regularly and continue to explore collaborations to build food infrastructure in Maine.
- **Cooperative Fund of New England:** The Cooperative Fund of New England agreed to conditional financing for Maine Farm & Sea Cooperative based on securing the UMaine contract. They also worked with MFSC to connect to other lenders and investors.

5. Are you using contractors to conduct the work? If so, how did their work contribute to the results of the LFPP project?

We used a team of contractors to develop this project. The contractors came with food service management, nutrition, contract negotiation, marketing, and business development experience that were key in creating the business plan and food service management proposal for Maine Farm & Sea Cooperative and subsequent UMaine System Food Service bid. Cooperative Development Institute staff focused on developing the cooperative structure, producer outreach and community outreach for the project. Together the local contractors and

Cooperative Development Institute staff used their relationships and experience in the Maine food system to build the cooperative, increase our impact on institutions and Maine producers, and to successfully become a finalist for the UMaine System Food Service Contract bid.

6. Have you publicized any results yet?* Yes
- i. If yes, how did you publicize the results? We publicized the results in several ways including: an event at the Portland's City Hall, through media releases and articles on our [website](#), newsletters, [social media](#), a report, media interviews and workshops and presentations at conferences.
 - ii. To whom did you publicize the results? We reached a wide range of people through our publicity efforts including farmers, food producers, fishermen, local politicians, institutional food service managers, food systems organizers, food hub managers, foundations, investors, community development organizations, distributors, cooperative developers, and others.
 - iii. How many stakeholders (i.e. people, entities) did you reach?
 - a. We have 135 member-owners of Maine Farm & Sea Cooperative.
 - b. Our e-newsletter reaches 1000 people
 - c. Our Maine Food to Portland Table's Event at Portland City Hall on February 25th had over 40 people present.
 - d. We have presented to approximately 500 people at different conferences in Maine
 - e. Our Facebook page has over 1500 likes
 - f. Through media articles we have reached thousands of people
- *Send any publicity information (brochures, announcements, newsletters, etc.) electronically along with this report. Non-electronic promotional items should be digitally photographed and emailed with this report (do not send the actual item).
7. Have you collected any feedback from your community and additional stakeholders about your work?
- i. If so, how did you collect the information?
 - a. At the Maine Ag Trade Show we surveyed producers about our work and about their barriers and challenges to accessing institutions.
 - b. We have had conversations with other institutions about their local foods programs and how Maine Farm & Sea Cooperative can assist them in achieving their goals.
 - c. Cooperative Development Institute sends out an annual Outcome Measurement Survey to all of our partners.
 - d. We are preparing a survey to send out to our members to solicit their feedback on our work and engage them in the next steps of the cooperative
 - ii. What feedback was relayed (specific comments)?
 - a. We received the following feedback from Institutions:
 1. We want to access more local food, but price is a barrier
 2. Consistency of supply is challenging
 3. Our staff is not prepared to use local foods
 4. We have policies that make it challenging for us to use local foods
 5. As a food service director I want to use local foods, but my administration is not supportive
 - b. From Producers we heard the following feedback:
 1. We could sell more to institutions

2. We need a fair price that accounts for our cost of production
3. The buyer expressed interest in our products early season but when it came to harvest season they didn't purchase our food
4. It is challenging to get into many institutions

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: X
- 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? The project generated additional grant revenue and member equity. Grant revenue was used to further develop the business, continue outreach, present at conferences, expand relationships with organizations, producers, food hubs and distributors, and develop our Maine Food to Portland Tables Report. In total the project generated \$110,000 of grant and donation revenue.

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).

Maine Farm & Sea Cooperative and the Cooperative Development Institute had many lessons throughout this process. Through the development of the project we researched best practices of institutions purchasing local foods, the barriers that they face and potential innovative solutions. These findings were summarized in our Maine Food to Portland's Table report for the City of Portland. Additionally many of our innovative programs are found in our proposal for the University of Maine System. While our team of staff and contractors had run food service operations before, this was our team's first bid on a food service management contract for a multi-campus food service operation. We learned about the complexity of these request for proposals and the ways in which they make it challenging for new businesses to enter the marketplace. We also learned how to put a competitive bid for these RFPs and are now better prepared to make a bid on a contract in the future.

This project also reinforced the importance of building strong collaborative relationships. Our team of contractors and staff had spent decades developing these relationships in Maine and brought this into the development of this project. These relationships created an environment of trust and support for a new ambitious business in the food system.
- ii. Describe any lessons learned in the administration of the project that might be helpful for others who would want to implement a similar project:

It is really important to have clear work plans for every team member so that they are clear on the work that is needed and are kept accountable to that work plan and their accompanying budget. Strong project management is important to keep the project moving forward on schedule and producing the deliverables.

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.

Maine Farm & Sea Cooperative and the Cooperative Development Institute are working on the next steps of this project. After not receiving the contract from the University of Maine System, the Board of MFSC has undergone strategic planning. While MFSC was not the overall bid winner, MFSC has created strong partnerships that are developing into working relationships with organizations, institutions and producers and drove local purchasing % higher than initial requested within the RFP. MFSC recently received a grant from Bangor Savings Bank, which will support its work with Skowhegan Public Schools and Carey Medical Center in Caribou, to increase their usage of local foods in their dining services. MFSC is currently securing contracts to develop a summer food program for children of blueberry pickers, educational sessions with a new meat processing facility, Central Maine Meats, and contracting with a national bike touring company to help market the use of local healthy products for their riders. MFSC is also continuing their partnership with the City of Portland and are working to increase the percentage of local foods at institutions in the city. In each of these projects, MFSC will help to increase the amount of local foods being served in the state thereby creating greater market opportunity for local producers and increasing food access for Maine residents. This will help to solidify our three management positions and create opportunities for additional employment in the cooperative and increased sales for farmers can result in increased on-farm employment.

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?

1. Working with Self-Operated Institutions to increase their percentage of local food procurement through implementing our 9 Step Plan
2. Bidding on food service management contracts for other schools, universities and hospitals
3. Develop a collaborative to assess and develop processing capacity in Maine to reach institutional markets
4. Build collaborations with organizations that want to increase utilization of local foods in institutions and develop implementation strategies