REGIONAL SUSTAINABLE DEVELOPMENT PARTNERSHIPS

RURAL GROCERY PORTFOLIO OVERVIEW
Regional Sustainable Development Partnerships
SMALL TOWN GROCERS PROVIDE A PUBLIC GOOD

- Main Street Vitality
- Food Access
- Opportunity to strengthen local food systems
2007 - THE SPARK

TJ’s Country Corner (Mahtowa, MN) owner Tom Bislow joined NE RSDP board

Gigi DiGiacomo’s greater Minnesota survey - rural grocery organic food/local food purchases
2010 - RURAL GROCERY SUMMIT(s)

- 2010 + 2012: RSDP Staff attended

- 2014 + 2016: RSDP Staff + funded bus load of rural grocery store owners attended

- 2018: RSDP staff attended

- (2020 canceled due to COVID)
2015 – SW RURAL GROCERY PANEL

- Rural grocery panel in Granite Falls in conjunction with a SW RSDP board meeting
- 4 rural grocers
- Identified need for survey to explore needs of grocers
2015 - UMN RURAL GROCERY SURVEY

- Rural Grocery Stores in towns with population less than 2,500
- 171 (69%) Grocery stores responded
- Rural grocer needs

Grocery Stores are a “Public Good”
2015 RESULTS

http://z.umn.edu/rsdprg
RURAL GROCER CHALLENGES ...

- Multiple hats
- Produce upkeep
- Aging equipment
- Competition
- Smaller customer base
- Stocking produce in an appealing way
- Marketing
- Ownership transition
- Aging Buildings
- High energy costs
Good Food Access Fund

- 2015 Rural Grocery Survey: used to leverage funds
  - For-profit and non-profit grocery stores/small food retailers
  - Purchase equipment/physical improvements
  - Food Deserts
  - [https://www.mda.state.mn.us/grants/grants/gfapequipmentgrant](https://www.mda.state.mn.us/grants/grants/gfapequipmentgrant)
  - ($200,000 in FY 2020 for equipment)
Quick Facts

Location: Pigeon, MN
Category: Small Farm
Size: 300 acres

Introduction
This case study explores barriers and opportunities faced by Grampa's to selling to their producer's local independently-owned grocery store (family business) as a "growing store." It also provides a summary of the benefits of direct farm-to-grocery store supply chain.

Overview
Grampa's is a small farm owned by Louise and Skye Johnson, located in Pigeon, MN. It is a make-to-order business. The farm has been in the family for nearly 150 years. Working the farm, the farm's history is relatively recent, but the farm's history dates back to the early 1900s. Louise is the founder and the farm is passed down through the family. The farm is an example of a small-scale community farm that produces a variety of vegetables, eggs, herbs, flowers, and other produce.

Quick Facts

Location: Randall, MN
Category: Retail, independent grocery store

Overview
Gosch's Grocery is a family-owned and operated grocery store located in Randall, MN. This case study explores barriers and opportunities faced by Gosch's in selling to local independently-owned grocery stores. The store provides a summary of the benefits of direct farm-to-retail grocery store supply chain.

Local Foods at Gosch's
Gosch's plays an important role in bringing fresh local products to Randall. The second largest market is in Little Falls, MN. It is a make-to-order business. The farm has been in the family for nearly 150 years. Working the farm, the farm's history is relatively recent, but the farm's history dates back to the early 1900s. Louise is the founder and the farm is passed down through the family. The farm is an example of a small-scale community farm that produces a variety of vegetables, eggs, herbs, flowers, and other produce.

TJ's Country Corner Grocery Store and Farm/Street Market

Introduction
Known as "the corner place around TJ's," TJ's Country Corner is located in the Highway 64 in Malmo, Minnesota, just a few minutes west of Interstate 35. TJ and Jennifer Boller have run the small grocery store and gas station for over 10 years, and over this time TJ's has become more than just a grocery store. The store is now a prominent fixture of the Malmo community, known for their home-cooked, locally-sourced food, special events, and their farm-to-street market. A guest book at the front of the store contains messages from guests who traveled 135 miles to stop at TJ's, and guests who traveled over 15 miles.

History of TJ's Country Market

TJ and Jennifer Boller transitioned into the grocery store business by purchasing the building for TJ's Country Market in 2018. The building had been a hardware store in the town of Malmo, a grocery on the main level, and a feed store in the back portion of the building.

A Speciality Product: "You Never Sausage a Place!"
Early on, TJ and Jennifer's decision to create a unique identity for TJ's (beyond local culture and interests) was that they determined that purely sausage would be the main attraction and choose to start with sausage because of the strong Scandinavian colony in the area. As the popularity of their product has grown, Jennifer has added variety to the sausage line and introduced new specialty items and advertising. Jennifer's advertising is inspired by her respect for the traditions of her family's European and American heritage. Her advertising continues to draw the interest of customers with their love for quality.
2016 – PRODUCE HANDLING TOOLKIT

- Goal: Increase produce sales/access to fresh produce
- Free tools for rural grocers
- Funded by MDA Specialty Crop Block Grant
DEMONSTRATIONS + EDUCATION
2018 – HEALTHY FOODS HEALTHY LIVES

Amin and Ren - Amin Grocery LLC in Willmar, MN
PIERZ EATS!
PARTNERSHIP w/ UMN PUBLIC HEALTH
2018 – “BACKHAUL” MODEL

Farmer delivers to local rural grocery store

EMPTY wholesale truck picks up garlic at rural grocery store

CROSS-DOCK

RURAL GROCERY STORE

FULL truck delivers groceries from warehouse to rural grocery store

WHOLESALE WAREHOUSE

Backhaul

Wholesale trucks deliver garlic and groceries to hundreds of grocery stores throughout the region

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LESSONS FROM BACKHAUL 1.0

✓ Food Safety
✓ Regulations
  o Backhauling logistics
  o Relationships (ongoing)
  o Product packaging
  o Pricing
2021 – 2024 - BACKHAUL 2.0

BACKHAUL 1.0
- Support from USDA AFRI grant
- Research and Extension
- One test crop: garlic
- One test location
- Food safety/regulations

BACKHAUL 2.0
- Support from USDA AFRI grant
- Research and Extension
- Food Safety/regulations
- Analysis: scales of operation
- Scaling up for wholesale workshops
- New partners
- Aggregation (?)
- Three test locations
- Different test crops
- Consumer focus
- Flexibility
2019-2020 RURAL GROCERY SURVEY

- 55% response rate (129 stores)
- z.umn.edu/RuralGroceryReport
- Themes:
  1. Stores as businesses and community anchors
  2. Competition for food dollars
  3. Grocoring local food
  4. Stores as food system innovators
96% of rural grocers agree or somewhat agree that, as a small business, they have a responsibility to the wider community.

- 79% (n=126) Live in the same community as their store
- 85% (n=128) Own/manage just one store
- 44% (n=123) Are MN Grocers Association Members
- 17 (n=126) Average number of years worked at the store
- 33% (n=125) Identify as female
- 1964 (n=123) Average birth year
- 63% (n=125) Collaborate with other small independently owned stores
- 94% (n=124) Would like to spend more time with family and friends, but often have to put the business first
- 76% (n=114) Feel a statewide alliance of small, independently owned stores may have value

*83% of survey respondents were owners, 15% senior managers, 2% other
HAVE YOU TURNED AWAY ANY FARMER SELLING LOCALLY GROWN AND/OR PROCESSED FOODS BECAUSE YOU WERE UNCERTAIN ABOUT THE REGULATIONS FOR PURCHASING FOOD DIRECTLY FROM FARMERS?

(n=127)

"I would like to be able to sell locally raised food and we have access to such but regulations make that difficult for us to do"
1. Overview of Farm to Grocery
2. Legality & Method (MN)
3. Legal Product Checklist
4. Building a Strong Business Relationship
5. Farm Feature Template
6. Processing for Sale
7. Sample Product Labels
8. Invoice Template
RURAL GROCERY GRANT SUPPORT

- Rural Energy for America Program (REAP) - CERTs: Custom project assistance and tools

- Good Food Access Fund – Funding to make healthy foods available affordable, accessible
2020 - COVID

COVID-19/EMERGENCY
14-DAY MEAL KIT
Developed March 2020: Kathy Droeger, U of MN Extension Regional Sustainable Development Partnerships

PURPOSE
By developing, selling, and helping to deploy meal kits, Minnesota’s rural grocery stores serve as a critical source of emergency food access. This meal kit fact sheet will help grocers working in their communities to prepare and deploy pre-made boxes with 14 days of emergency food that is healthy, shelf-stable, easy to prepare, calorie sufficient for vulnerable populations facing hardship due to coronavirus.

People are practicing ‘social distancing’ in order to prevent the spread of the COVID-19 virus. Many of our rural areas have elderly residents who may need to shelter in place. This model is intended to allow community members, churches, nonprofit organizations, or others to work with small town grocery stores to purchase kits from grocery stores while minimizing contact among members of the public. These meal kits will allow communities to help each other while also supporting local businesses that serve as a critical resource during times of crisis.

MEAL PLAN FOR ONE PERSON
Grocery availability will impact what is included in each 14-Day Meal Kit

<table>
<thead>
<tr>
<th>BREAKFAST</th>
<th>LUNCH/DINNER/BRUNCH</th>
<th>SNACKS</th>
</tr>
</thead>
<tbody>
<tr>
<td>INSTANT OATMEAL (10 MEALS)</td>
<td>CHICKEN NOODLE SOUP, CRACKERS, PEACHES (2-5 MEALS)</td>
<td>POPCORN</td>
</tr>
<tr>
<td>PANCAKES, SYRUP (VEGETABLE OIL) (4-6 MEALS)</td>
<td>SPAGHETTI, SAUCE, GREEN BEANS (2-5 MEALS)</td>
<td>NUT MIX</td>
</tr>
<tr>
<td>CEREAL (6 MEALS)</td>
<td>TUNA HEPER, TUNA, CORN, PINEAPPLE (2-3 MEALS)</td>
<td>SUNFLOWER SEEDS</td>
</tr>
<tr>
<td>+ APPLESAUCE</td>
<td>VEGETABLE SOUP (SQUASH, MINESTRONE, BEANS) CRACKERS, FARES (2-3 MEALS)</td>
<td>PRETZELS</td>
</tr>
<tr>
<td>+ PEARS</td>
<td>MACARONI AND CHEESE, SPAM, PEAS, APPLESAUCE (2-4 MEALS)</td>
<td>PEANUT BUTTER</td>
</tr>
<tr>
<td>+ GRAPE JUICE</td>
<td>VEGETABLE BEEF SOUP AND CRACKERS, CRANBERRIES (1-2 MEALS)</td>
<td>COOKIES</td>
</tr>
<tr>
<td>BAKED POTATO AND BACON SOUP AND CRACKERS, PEACHES (1-2 MEALS)</td>
<td>DRIED FRUIT</td>
<td></td>
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</tbody>
</table>

14-DAY MEAL KIT FACTSHEET

COVID-19/EMERGENCY RURAL GROCERY
Tips for Small Town Stores: Curbside Pickup and Delivery Model
Developed March 2020: Kathy Droeger and Ann Oliva, U of MN Extension Regional Sustainable Development Partnerships

PURPOSE
On March 18, 2020, Governor Walz declared grocery workers as emergency personnel. Grocery stores are not only the backbone of our communities, they are also the frontline for community resources during emergencies.

This tip sheet provides basic instructions for your grocery store to include a curbside pickup and delivery model. Stores with smaller staff numbers may consider curbside pickup and delivery to both protect worker safety and address COVID-19 concerns while still maintaining the movement of groceries into communities for distribution.

SAFETY FIRST
✓ The MN Department of Health and MN Department of Agriculture put together a comprehensive guide, Food Safety for Delivery and Pick-up Services (see z.umn.edu/MDHfoodsafety), to help food establishments.
✓ Volunteers: Many communities are seeing offers of volunteerism which could support a delivery model.
✓ Ensure that everyone working in the store is healthy and not displaying any signs of illness.

STEPS TO TRANSITION FROM IN-STORE SHOPPING TO TELEPHONE ORDERS WITH IN-STORE SHOPPER (GROCERY STAFF)
1. Put up sign with telephone number for customers (see sample on page 2).
2. Announce via social media, local newspaper, word of mouth, etc. that your store is open for business and for the health and safety of all is moving to telephone orders with curbside pickup and delivery.
3. As calls come in, have a numbered list of customers who want to order groceries. When customers call, take down their name and phone number, and inform them of the call-in rules (see section below for suggested customer call-in “rules”).
4. Staff works through the customer call-in list one by one. Staff calls the next customer on the list and walks through the store, with a cart, fulfilling the order and letting the customer know what products are available in various categories and any limits that are in place (ex. only two pounds of beef per family).
5. Once the order is finished, staff rings up the cart, with the customer still on the phone, and the customer pays by credit card, SNAP, or check (to reduce COVID-19 spread, avoid cash if possible).
6. Load grocery order into boxes or new bags (not reused) and put in food safe location for curbside pickup or delivery.
   1. Observe recommended 6 foot distance from customer
   2. Grocers do not touch customer vehicle.