

San Francisco Food Distribution System

Evolving toward Local Food with a Provenance

The food distribution system is a critical link the San Francisco foodshed. It is the conduit through which food products move from farms and ranches to consumers. But it moves, or is capable of moving, more than the products themselves. As consumers demand more information about the provenance of food, the system is beginning to respond by providing the story behind it.

The mainstream food system in the United States provides food that is plentiful, cheap, safe and impressively varied to a majority of the population. It relies on economies of scale and regulations, grading and generic descriptions to produce, pack or process, track and sell a large volume of standardized products. But the same characteristics that promote efficiency also homogenize products and tend to inhibit the flow of information about how, where and by whom the food was grown or raised.

An Extensive, Elaborate System for Efficient Goods Movement

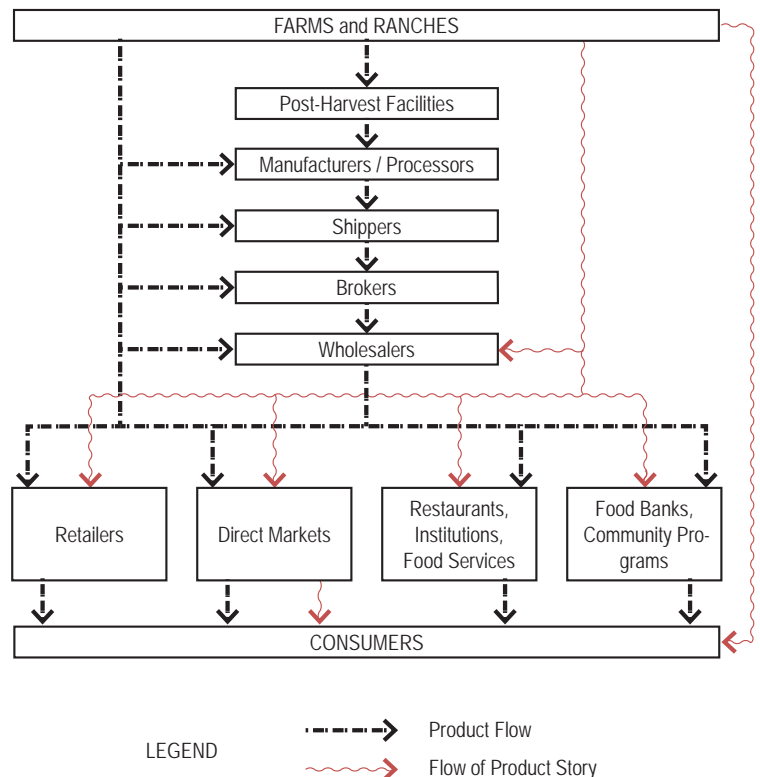
The food distribution system that serves San Francisco and the Bay Area is large and elaborate, reflecting the wide array of foods obtained from thousands of producers over a dispersed geographic area, as well as the region's almost-as-numerous market outlets. It encompasses different business sectors that provide a range of specialized services, among the most important of which are transportation, post-harvest handling, processing, storage, and wholesale and retail sales (Figure 5.1).

There are many distribution channels from farm to fork. Each path combines the movement of food with a flow of information about the food. Only a few paths transport food directly, often straight from farmer to consumer, and these are the ones that also transmit the

most information about the product. Much more common are the distribution channels that move large volumes of generic food, the provenance of which is almost impossible for the average consumer to trace. Figure 5.1 shows the main sectors that comprise the food distribution system and the relationships among them. It also is intended to demonstrate how the flow of information about food isn't as prevalent or robust as the movement of the goods themselves.

Within the City of San Francisco itself are more than 450 food wholesalers, including 43 that specialize in fresh fruit and vegetables. These produce wholesalers are located primarily in and around two major facilities, the San Francisco Wholesale Market and the South San Francisco

Figure 5.1: Food Distribution System Sectors



Produce Terminal, which handle most of the fresh produce

in the entire Bay Area.¹ Among the enterprises that distribute to wholesales are 137 food manufacturers in the City and another 1,543 within the entire San Francisco foodshed study area that convert raw commodities into everything from baked goods and ice cream to sausages to salsa.² Retail food stores in San Francisco number 1,488, representing a very diverse mix that includes large supermarket chains, neighborhood groceries, cooperatives and ethnic specialty stores like those in Chinatown and the Mission District.³ They obviously could play a huge role in promoting local food by providing point-of-purchase information about it. But some areas of the city like Bayview-Hunters Point are not well-served by retail food outlets, a major obstacle to the distribution of local food to low and moderate income residents.

Other direct links to consumers are restaurants, institutions like schools and hospitals, and food banks. There were 2,980 restaurants of various types in San Francisco in 2002, though the number is probably higher today.⁴ Full-service restaurants tend to cater to a clientele that is more attuned to the local food movement and, thus, are among the leaders in providing it. Those that change their menus on a daily basis find it easier to source local food in-season than those that must be able to count on having the same ingredients for a set menu.

Public institutions are also a significant supplier of food directly to consumers. Just the public hospitals in San Francisco serve about 3 million meals a year, the correctional institutions 2.4 million and the San Francisco Unified School District around 6 million.⁵ San Francisco also operates a food bank serving needy and hungry people in the city, collecting donated food from each stage in the distribution chain. It administers various programs that serve an estimated 18 million meals a year.⁶

1 The *2005 San Francisco Collaborative Food System Assessment*, published by the San Francisco Food Alliance, includes additional information on wholesalers as well as maps of their locations.

2 Data are available from the U.S. Economic Census for only 16 of the 25 counties within the San Francisco foodshed study area because for privacy reasons it does not publish information when there are so few companies in a county that figures could easily be traced to individual businesses.

3 *San Francisco Collaborative Food System Assessment, 2005*, Dun and Bradstreet data.

4 U.S. Economic Census, Geographic Area Series, 2002

5 Personal communication, Paula Jones, San Francisco Department of Public Health

6 *2005 San Francisco Collaborative Food System Assessment*, p. 53

The Emerging Local Food Sector

Though it remains only a small part of the overall food distribution system, the sector that includes in its operations a focus on supplying fresh, local food to San Franciscans is robust and growing. At the wholesale level are firms like Greenleaf Produce Company, which distributes specialty produce and has grown 15-fold over its 25 year history. Veritable Vegetable began as an informal collective and is now one of the nation's oldest and largest distributors of certified organic produce. The San Francisco Wholesale Market is now conducting a survey of the customers of its wholesalers to determine the extent to which they are increasing their purchases of locally produced foods and if so, the reasons for this increase.⁷ In the food service sector, firms like Bon Appetit Management Company, based on the Peninsula but part of a global conglomerate, specialize in providing corporate customers and colleges with locally-grown, seasonal products.

Retailers such as Andronico's and Safeway promote special local products identified by the name of the farm or specific location, for example, "Brentwood Sweet Corn." Other independent stores, notably Rainbow Grocery, and chains that aim to be both global and local, for example, Whole Foods, make a major point of promoting as many locally-grown products as possible. All struggle with the challenge of providing a steady year-round supply of thousands of standard food items, while simultaneously trying to accommodate the growing demand for highly-differentiated local foods that are available only in limited supply for brief periods of time.

Public and private institutions have been among the leaders in promoting local food in San Francisco. For example, Kaiser Permanente, the health care provider, is becoming well-known for operating farmers' markets at its local hospitals and by sponsoring a CSA (community supported agriculture) for its employees. In the public sector, the City of San Francisco formed a Healthy and Sustainable Food Working Group⁸ in 2006 to guide the

7 Personal communication, Mike Janis, San Francisco Wholesale Market

8 An interagency task force comprised of staff from the San Francisco Department of Health, San Francisco Food Systems, and the San Francisco Department of the Environment. The San Francisco Healthy and Sustainable Food Working Group, which now includes many city and county agencies and food system

implementation of food policies like the Department of Public Health's (DPH) *Healthy and Sustainable Food Policy for Food Served at [Department] Events, Programs, and Institutions*.⁹ This policy calls for acquiring food from "healthy, environmentally sound, and sustainable sources" and applies to DPH institutions such as San Francisco General and Laguna Honda Hospital.¹⁰

Restaurants, perhaps most of all, have been pioneers in local food in the Bay Area. San Francisco has been renowned as a "food city" since Gold Rush days, with abundant, varied, locally-grown foods – asparagus, artichokes, cherries, cheeses, crab, oysters, lamb, olive oil and wine, to name just a few – being an integral part of the city's special appeal. Starting in the early 1980's, ingredient-focused restaurants like Chez Panisse and Greens played a key role in re-establishing the value of seasonal and local foods. Their menus became known as "California Cuisine," associated with health as well as quality. By insisting on buying locally, composing menus that gave them the flexibility to use the best local, seasonal foods available, and by actively promoting their suppliers, these restaurants have had an influence on the local food movement far beyond their market share.

Farmers' markets are the very face of local food. Currently, there are 12 farmers' market locations in San Francisco, including the oldest one in the state, the Alemany Farmers' Market founded in 1943. All operate one day per week, some seasonally, except for the Heart of the City Market and Ferry Plaza, which operate twice per week.¹¹ San Francisco farmers' markets are managed

nonprofits, educates city staff and the public about sustainable food procurement, collaborates among city agencies and schools to source more sustainable food, and develops and implements sustainable food policies. (San Francisco Healthy and Sustainable Food Working Group website, http://www.sfgov.org/site/sffood_index.asp?id=66021)⁹ This policy builds on previous City and County of San Francisco resolutions that support the purchase of organic certified foods and fair trade certified products, as well as a sweat-free contracting ordinance that includes food. See, San Francisco Food Working Group (SFFWG) website, http://www.sfgov.org/site/sffood_index.asp?id=66021

¹⁰ San Francisco Department of Public Health, adopted July 18, 2006, www.sfgov.org/site/uploadedfiles/sfenvironment/meetings/pc/supporting/2006/DPHSustainableFoodPolicy.doc; and see, San Francisco Healthy and Sustainable Food Working Group, Policy and Reports website, http://www.sfgov.org/site/sffood_index.asp?id=66025

¹¹ The *2005 San Francisco Collaborative Food System Assessment* includes a map of markets, and a map showing the locations of farms serving these markets. The San Francisco

by a wide range of entities, including private, nonprofit and government agencies, and are subject to both local and state regulations.¹²

Customers of the city's farmers' markets vary widely. According to a 2007 survey, at the Alemany and Heart of the City markets, more than 80 percent of the customers were San Francisco residents who spent an average of \$44 and \$28, respectively, at these two markets. At the Ferry Plaza market, only 59 percent of the customers lived in the City, but spent an average of \$53 apiece.¹³ There appear to be no data on total sales at farmers' markets because they are exempt from standard packing and labeling requirements that would enable this to be tracked.

Finally, the local food sector in San Francisco includes Community Supported Agriculture (CSA) programs, operated by individual farms or several together, which charge subscribers a fixed price for a weekly box of seasonal vegetables, fruit, meat and sometimes even fresh flowers. Ten CSAs, located in Mendocino, San Benito, San Francisco, Santa Cruz, Solano, and Yolo Counties, distribute to homes or neighborhood pick-up locations in the City. Frog Hollow Farms, for example, charges \$35 per week for ten pounds of organic fruit. The 454 San Francisco customers of Eatwell Farms CSA pay \$24.50 each for a box that averages 11 pounds per week. Morris Grass Fed Beef provides 35 to 45 San Francisco customers with an annual total of 3,200 pounds of beef, valued at about \$20,000.¹⁴

The Flow of Information Challenge: Identifying the Provenance of Local Food

While the food system in San Francisco is very good at managing the flow of standardized goods, it encounters challenges in conveying the story behind the food – its provenance. Across the country and world, for that matter,

Chronicle website maintains a list of farmers' markets in the city.
¹² The *Farmers' Market Resource Kit* (SAGE, 2005) includes information about market regulations as well as a summary about the farmers' market movement. <http://www.sagecenter.org/Projectareas/Markets/Mkt%20City.htm>; see also, California Department of Food and Agriculture, Certified Farmers' Market Program, http://www.cdffa.gov/is/i_&c/cfm.html

¹³ L. Griffith, *The Meanings of Farmers Markets*, master's thesis, 2007, University of California, Berkeley.

¹⁴ See Appendix C for a more comprehensive list of local CSAs.

consumers are demanding to know more about their food. Driving this phenomenon are a number of factors, including dietary restrictions, nutritional needs, food safety issues, religious customs, ethical considerations and, increasingly, a desire for food that is “good, clean and fair.”¹⁵

With considerable prompting, the food industry has begun to meet this demand. We now have nutritional labeling and USDA organic labeling to name just two major accomplishments of the U.S. food and agriculture industry. Recent years have also brought a proliferation of private “green” labels, often backed by certification systems, which offer assurances about the environmental and socio-economic values embraced by food producers and distributors. Among the most-respected are TransFair USA, based in Oakland, and Food Alliance, based in Oregon with an office in Davis, California.¹⁶ The California Department of Food & Agriculture is a partner in the Buy California Marketing Agreement, which features a “California Grown” label along with an advertising campaign.¹⁷ While not strictly local, it does narrow down the provenance of certified foods to the Golden State.

Farmers’ markets and CSAs actually rely on local provenance of the food they offer as a distinct selling point. Not only must they be able to trace the origin of food, they also have the easiest time doing so because there are few, if any, intermediate handlers involved. Whether this kind of direct marketing is feasible on a much larger scale remains to be seen. (Though wouldn’t it be great?!) For once the chain of custody lengthens, the problems of traceability are compounded. On a somewhat larger scale, one of the most successful efforts to disseminate provenance information and generate interest in local food has been the “Buy Fresh Buy Local” campaign run by the Community Alliance with Family Farmers, which has several chapters in the Bay Area.¹⁸

The experience of local wholesalers like Veritable Vegetable illustrates the challenge that the industry faces in being able to trace the provenance of food on a large scale. For one thing, information tracking is not always straightforward. Many larger growers have a

single business address, but may grow and consolidate their products from a number of farming areas located in several states and even countries. Some medium-sized growers sell their products under several different labels. There are also umbrella labels under which multiple growers pack. Adding provenance information to the flow of products also carries with it a cost that must be weighed against the potential economic benefit. And complicating it all is the wholesalers’ need to consider the balance between demand for public disclosure and need for proprietary relationships with growers.¹⁹

The Connectors: Building Momentum for Eating Local

To take full advantage of the available information about the provenance of food – and to compensate when it is unavailable -- consumers need to be better educated about food in general, about their foodshed and about agriculture itself. We shouldn’t need a label to know that a peach purchased in January was not locally-grown, even here in northern California.

There are many organizations that promote local food by educating consumers and helping them locate it, by creating marketing opportunities and otherwise helping local growers produce what consumers want, and by performing myriad other functions that connect people to good, clean, fair food. The San Francisco foodshed study area has perhaps a greater concentration of them than any other region in the United States. Table 5.1 explains the purpose or focus of each organization we identified. The Bay Area Local Food Guide, published by the Community Alliance with Family Farmers, provides more detailed information on many of these organizations.²⁰ As much as any other part of the food system, these organizations are responsible for the momentum that eating local has gained.

15 This is the motto of the global organization, Slow Food. <http://www.slowfood.com/>

16 See, TransFair USA, <http://www.transfairuse.org>; Food Alliance, <http://www.foodalliance.org/>

17 Buy California Campaign, <http://www.californiagrown.org/>

18 Buy Fresh, Buy Local, <http://guide.buylocalca.org/>

19 Personal communication, Bu Nygrens, co-owner, Veritable Vegetable

20 Bay Area Food Guide, http://guide.buylocalca.org/PDFs/BFBL_bayarea_guide-2.pdf

Table 5.1: Connector Organizations

	Advocacy	Business Development	Disadvantaged Communities	Education	Farmers & farmland preservation	Funding	Local/Seasonal Foods	Marketing	Organics	Policy Development	Public Health	Research	Publication or website only
American Farmland Trust	x			x	x				x		x		
Brentwood Agricultural Land Trust				x		x	x						
Business Alliance for Local Living Economies		x											
California Association of Food Banks	x		x										
California Farmers' Market Association				x		x	x						
California FarmLink		x		x									
Center for Food Safety									x	x			
Center for Ecoliteracy				x									
Center for Urban Education about Sustainable Agriculture				x		x	x						
Common Ground				x		x							
Community Alliance with Family Farmers	x			x	x				x				
Eat Well Guide				x		x							
Edible San Francisco (also East Bay)				x		x							x
Food Routes Network				x		x							x
Food First/Institute for Food and Development Policy	x			x					x		x		
Greenbelt Alliance	x			x					x		x		
Growers Collaborative						x	x						
Health Care Without Harm	x			x									
La Cocina Community Kitchen		x											
The Local Foods Wheel, San Francisco Bay Area				x		x							x
LocalHarvest						x	x						x
Locavores						x							x
Marin Agricultural Land Trust				x	x	x							
Marin Food Systems Project				x		x							
Marin Organic				x		x	x	x					
Natural Resources Defense Council	x								x		x		
Nextcourse				x		x							
Occidental Arts and Ecology Center				x	x	x							
Om Organics							x	x					
Pacific Coast Farmers' Market Association							x						
Physicians for Social Responsibility - San Franc. Bay Area	x			x							x		
Roots of Change Fund	x			x		x							x
San Francisco Food Systems	x			x							x	x	
San Francisco Department of Public Health													
Program on Health, Equity and Sustainability	x			x					x	x	x		
SF Healthy & Sustainable Food Working Group	x		x	x							x	x	
SE Sector Food Access Working Group - Shape Up SF	x										x	x	
Slow Food San Francisco (and Slow Food USA)	x			x		x	x						
Society for Agricultural Food Ecology				x		x							x
Sonoma Cty. Agricultural Preservation & Open Space Dist.				x					x				
Sustainable Agriculture Education (SAGE)				x	x								x
100 Mile Diet				x		x							x
UC Small Farm Program & County Cooperative Extensions				x	x		x				x		

Source: Bay Area Local Food Guide (published by CAFF), organization websites, and personal communication with individual organizations