

Regional Food Systems
Working Group

THE ECONOMIC IMPACT OF IOWA'S LOCAL FOOD CHAMPIONS

HEALTHY HARVEST OF NORTH IOWA

Established in 2003, the Regional Food Systems Working Group is a statewide umbrella network for all Iowans working to build a more resilient regional food system. RFSWG is comprised of 15 geographically-based groups covering 90 Iowa counties. Each group works with different stakeholders—farmers, food-based businesses, non-profits, Extension, RC&Ds, educational institutions and government agencies—to support local food systems development in their region. This report highlights the work of Healthy Harvest of North Iowa, which joined RFSWG in 2009. For more information about RFSWG visit: sites.google.com/site/iowarfwg.

FACE OF A FOOD CHAMPION

Increased interest in raw, local honey has helped Spring Valley Honey Farms expand. In 2013 they added two new jobs to help keep up with demand—that of a sales person and an additional beekeeper.

“Our sales are up because people are looking for a raw product,” says Pat Ennis, who runs the northern division of Spring Valley Honey, “that’s why we added a second person to the sales room.”

That new person is his wife. By taking over honey bottling and sales, and expanding the business’ market to reach grocery stores and the Mason City Farmers Market, she now makes twice as much compared to her previous, off-farm job.

“Most people think when they talk to me that I have a few hives, but I run bees from over by Charles City to Mason City down to Belmond, Webster City and Fort Dodge,” says Ennis, whose



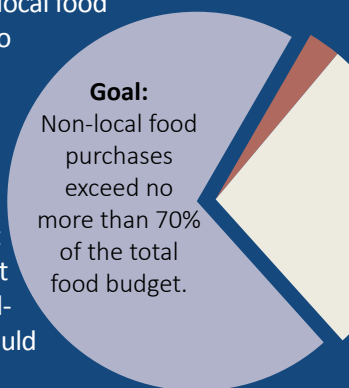
Pat Ennis, who manages bees throughout northern Iowa, says, “People want locally produced food and in the case of honey they want it raw and pure.”

BY THE NUMBERS IN 2012

The total economic value of local and non-local food purchases by three reporting institutions in the northern Iowa region is **\$1,672,503**.

To support the local economy, institutions commonly aim to increase local food purchases to 30 percent of their total food budget.

Here’s what a 30 percent slice of local-food pie would look like.



Three partner institutions report current local food purchasing is **2.78%** of their combined total food budget.

Reaching a target 30% would increase local food purchasing by **\$455,251**.

Twelve farmers reported:

- » Total food sales: \$538,952
- » Total number of full-time, year-round jobs: 11

Three institutions reported:

- » Current local food purchases: \$46,500

Economic impact of local foods for farmers and institutions combined:

- » Total number of new jobs: 6
- » Total number of new full-time, year-round jobs: 1
- » Total funds leveraged by Healthy Harvest of North Iowa: \$25,077
- » Minimum spent in local food commerce for every dollar leveraged: \$21

Methods used to collect these data are available in the statewide report, *2012 Economic Impacts of Iowa’s Regional Food Systems Working Group*.

crew comprises four other beekeepers, including a new hire. The southern division of Spring Valley Honey, managed by owner Curt Bonnenberg, has bees from Stratford to the Missouri border.

Approximately 15 percent of Ennis' sales are through farmers markets, 25 percent through the on-farm store, and 60 percent through wholesale. Much of the wholesale honey goes to Sue Bee Honey, another Iowa company.

Spring Valley's direct-marketing sales continue to grow strong as consumers learn more about honey. Ennis explains that most grocery store honey is heated and pressure-filtered to increase its shelf life. The filtration removes pollen particles that would cause the honey to crystallize. The heating, while it may destroy microbes, also destroys many of the honey's natural enzymes.

Ennis believes that consumers who are aware of this processing prefer raw honey, which is unheated and retains beneficial enzymes. Raw honey also is filtered by a simpler method and contains local pollen particles. He explains that this is important for consumers who believe it helps them build immunity to allergens.

"If you want something [raw and] local the best place to get it is at the farmers market or to know a beekeeper," says Ennis. He adds that Spring Valley's sales also have increased because of the exposure the business gets through Healthy Harvest of North Iowa.

"Advertising is a key to success in any business... through [Healthy Harvest's] website and the newspaper and pamphlets available at farmers markets it lets people know we are there," says Ennis. He says when new customers visit the show room in Goodell, they're asked how they heard of the farm. "They see [us] in the newspaper or the Buy Fresh, Buy Local directory. We know our advertising is beneficial to us."

Spring Valley primarily sells honey, but their product range includes bees, wax, propolis, pollen and other secondary hive products. The company also provides pollination services to fruit, vegetable and nut producers. Ennis says they sent seven semi trucks of bees to California last winter to pollinate almond trees. In the summer, their bees pollinate crops throughout Iowa.



Healthy Harvest of North Iowa organized a sold-out, all-local dinner event with 12 producers and three participating restaurants. Historic Park Inn's 1910 Grille (above) continues to feature local produce on its menu.

ABOUT THIS SERIES

This report documents the impact of the local food industry on Iowa's economy associated with the efforts of the Regional Food Systems Working Group. These impacts result from collaboration and innovation among Iowa farmers, farm-based businesses, and support providers. It is one in a series of 11 regional reports and one statewide report, developed from an evaluation of the economic impact of the RFSWG. The evaluation focused on four indicators of economic change:

- » Local food sales by farmers
- » Local food purchases by restaurants, food services, hospitals and other institutions
- » Job creation as a result of local food production, processing or utilization
- » Funds leveraged by RFSWG groups to support the development of regional food systems

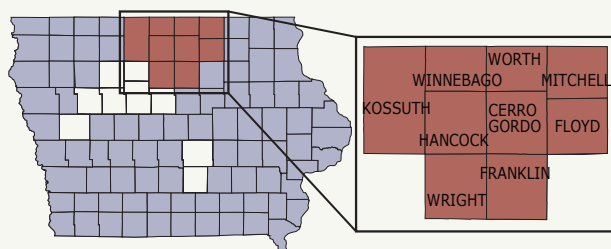
For a description of data collection methods and an analysis of results, consult the statewide report: www.leopold.iastate.edu/local-food.

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