Farm to Rural Grocery to Wholesale: Backhauling through Existing Infrastructure to Create Local Food Access

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The Backhaul Project
Farm to Rural Grocery to Wholesale (F2G2W)

NATIONAL RURAL GROCERY SUMMIT | 6/25/2018
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DUKE HARRISON

- Mason Brothers Wholesale Grocers
- Warehouse Operations

REN OLIVE

- Regional Sustainable Development Partnerships
- Sustainable Ag + Food Systems
- Project Manager
- Regional Sustainable Development Partnerships
- 2015 Rural Grocery Survey
- Backhaul Project Progress and Stories
  - Logistics
  - Economics
  - Opportunities
Closing the doors
Jan. 26, 2018
By Ivan Raconteur
Editor

LESTER PRAIRIE – The sign in the window tells a tale that has become familiar: business is closing its doors.

In this case, it is Prairie Market, Lester Prairie’s grocery store.

The sign states the store is closing Jan. 26. Remaining inventory is being sold.

It is unclear if a buyer will step in and re-open the business.

For now, it seems that the chapter that began when Lester Prairie residents made a concerted effort to keep the Last Dollar Market from closing has come to an end.

The Detlefsons purchased Prairie Market in 2008 from Dan Wagner of Wells, a well-known grocery merchant. The Wagner family owned several stores in southern Minnesota.

Once Prairie Market is closed, options to purchase grocery items in Lester Prairie include Carthedral, and Casey’s General Store.
2015 UMN RURAL GROCERY SURVEY

- Rural Grocery Stores in towns with population less than 2,500
- 171 (69%) Grocery stores responded
- Rural grocer needs
- Results available at https://z.umn.edu/RSDPruralgrocery

Grocery Stores are a “Public Good”
Farm to Rural Grocery to Wholesale: Accessing markets for locally grown food

“THE BACKHAUL PROJECT”
2015 Big Stone Garlic sales
(29,000 bulbs produced)

Percentage of Sales

- Big Stone Garlic website ($15/lb) DTC
- Minnesota Garlic Festival ($12/lb) DTC
- Farmers’ Markets ($6.75/lb) DTC
- Food Shelf ($0/lb, donated) Intermediate Market
- Held for Replanting (planting stock expense avoided)

Background photo, Creative Commons, photo credit: Julie Gibbons
- 2 years
- “Backhaul”
- Partners & Supporters
LOGISTICS

- Research
- Routes/Mapping
- Regulations
- Relationships
About Mason Brothers

• Located in Wadena, MN
• Family owned and operated
• Founded 1920
• 19,000 stocked items
• Abby’s Bakery 1995
Fleet Utilization

• 45,000 weekly miles
• 30 Semi trucks
• 6 straight trucks
• 22-28 daily routes
Mutual benefit?

Farm enterprise budgets

Garlic survey

Market access
OPPORTUNITIES

▪ Greater local food access for communities

▪ Fresher, higher quality products for wholesalers

▪ Support rural grocery stores

▪ Access for farmers to larger markets
  – Replication of Backhaul Project
NEXT:

Organic Potatoes

Extended-season Strawberries w/UMN
AUGUST 14
Q: Could this model work for you?
Q: What challenges do you see?
THANK YOU!

Questions? Please contact Ren Olive - nolive@umn.edu