

Building Food Processing in the State of Virginia: Cultivating People and Industry

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Virginia is an agricultural state with a big agricultural economy. But the food system is currently leaking; the state is losing profits and people from the agricultural sector. While farms make 2.9 billion in profits, they are spending 2.7 billion, and therefore not really making it.¹ In my research, I focused on food processing and more specifically, on facilities that can, freeze, dry and otherwise preserve and add value to fruits and vegetables. The highest grossing food products in Virginia are animal products: chickens, cows, milk, turkeys, eggs and hogs. Right below those are grains, fruits and vegetables such as: soybeans, corn, tomatoes, wheat, apples, potatoes, grapes, barley and peanuts. Many of these products need some kind of processing in order to eat them or preserve them. Meat animals need to be slaughtered and butchered before eating. Grains need to be milled for bread products and malted for alcohol production. Tomatoes can be canned in order to be preserved for the winter. Apples and grapes need to be processed if you want to make cider and wine. Virginia's food processing industry is the second largest manufacturing industry in the state. It has a direct economic output of \$18.8 billion,² but much of that is from large companies whose profits do not necessarily stay in the state. Though Virginia does have a substantial food processing industry, much of it is very disconnected from the agricultural production in the state.

Let us look at tomatoes as an example of the need for local processing. One of my case study subjects, Allie Hill of the Virginia Food Enterprise Center, informed me that

¹ Class lecture, Tanya Denckla Cobb, March 2012.

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<http://www.yesvirginia.org/pdf/Industry%20Studies%20flipbooks/Food%20Processing%20Industry%20Study%202012/files/assets/basic-html/page3.html>. Accessed April 2012.

Virginia is the number three producer of tomatoes. All of those tomatoes are fresh market tomatoes and they generate about 63 million in profits. About 40 percent of all the tomatoes grown are composted because they are not in pristine condition and will not sell at the grocery store. Therefore, despite the fact that the state's farmers produce a tremendous amount of tomatoes, none of the tomato sauces or salsas we buy in the store are sourced from Virginia.³ Processing facilities could connect these gaps in our food system.

HEALTH, WEALTH, IDENTITY, AND RESILIENCE

Restoring processing facilities to the state can make the food system viable and complete. There are broad economic benefits of building a local food economy. But before we can enjoy our economic prosperity, we must consider our health. Emphasizing the healthy aspects of our food heritage and minimally processing our foods has the potential to improve America's health. Industrial agriculture has become inextricably tied to fast food and highly engineered food. These foods have a lot of complex, manufactured fats and sugars. Our bodies may not recognize these compounds and may not know what to do with them. The increase in obesity and health-related problems in the US has been dramatic and diet-related.⁴ Our life expectancy rates are actually predicted to decrease due to the high incidence of these illnesses. Having a food culture based upon our heritage of real meats, fruits, vegetables, and grains - things we could actually grow and raise ourselves - would greatly benefit health.

There are considerable economic benefits to processing in state. Currently, we have a system where something may be grown in one place, shipped hundreds - if not thousands - of

³ Conversation with Allie Hill, March 7, 2012.

⁴ Article about native populations in AZ and Australia !!!!! Find out citation!!

miles away to be processed and packaged, then again to a distribution center, then finally to the consumer. The economic effects of having such a distance between us and our food is substantial. First, the farmer's profits per dollar are significantly reduced, with most of the profits going to manufacturing and distribution. Second, it has been proven that purchasing locally produced food has a multiplier effect upon the local economy. When you purchase local apple butter from a farmers market, your dollars can go directly to the farmer living in your county, whose tax dollars will go to support your roads and whose profits will be used to buy goods and services in your area. A study of the 8-county region surrounding Martinsville, VA found that "\$577 million is spent on groceries [each year]; however, almost all of this money leaves the local economy. If households in the region spent 15 percent of their weekly food budget on locally grown products, \$90 million in new farm income would be created for the region." And 1.65 billion would be generated if all of Virginia spent just \$10 a week on locally produced food.⁵

Supporting local food processing will make it possible for food entrepreneurs to develop their heritage Virginia food products. Fostering food processing entrepreneurs will create jobs and generate income for low income individuals, a conclusion published in the Oakland's Food System Assessment in 2005.⁶ Several other studies have supported this assertion as well. I will discuss, in detail, suggestions for how to support food entrepreneurs and processing in the last section of this paper.

The appeal of heritage foods in Virginia is great. Wine has become an established food processing agritourism business. Recently, Virginia has experienced an upsurge in the

5 Benfeldt, et al. *A Community-Based Food System: Building Health, Wealth, Connection, and Capacity as the Foundation of Our Economic Future: Developed for the Martinsville / Henry County Region*, 9.

6 http://oaklandfoodsystem.pbworks.com/f/OFSA_DistribProcess.pdf. Page 48-49. Accessed April, 2012.

number of hard apple ciders. Apple cider was one of the most prominent drinks in early America, despite or perhaps because of its alcoholic content. Due to the era of prohibition, we began eating our apples. Now, following a revival of heritage cidermaking, we have five local apple cider makers in the Charlottesville area alone. The growth of these wine and cidermakers is great for everyone's business. Food draws in tourists and accounts for over 5 billion dollars in spending yearly. This is 28.4 percent of all spending by domestic tourists, the largest percentage of all categories.⁷ Virginia could really market itself as a food destination. Similar to how people use their vacation to go to wineries in California, visitors could be drawn to Virginia by its wineries, breweries, apple ciders, and cheese-making to celebrate Virginia's food heritage. These elements of food heritage could become readily identified with Virginia. Additionally, this could bring a sense of pride in the place-based culture of Virginians.

In addition to be a marketable asset, harnessing Virginia's heritage foods will better enable us to be local. We are entering into a period of clear climate change. The weather has been more unpredictable, with an increase in floods, droughts, and extreme weather events. Yet, we have significantly lost biodiversity in the cultivated animal breeds and plant seeds. The growing of high efficiency industrial agriculture, has led to a very limited number of varieties being grown or raised in America. However, the best strategy for an uncertain future is to keep our options open in order to see what varieties will work for each climate. For example, as conditions in some areas become wetter, there will be an increase in disease and certain pests, which plants will have to cope with. Heritage varieties are very diverse and while they may not produce a perfectly uniform fruit, they may be more resilient in the years to come.

⁷ *The Economic Impact of Domestic Travel on Virginia Counties 2010*. Published by the US Travel Association, 2011. <http://www.vatc.org/research/economicdocs/economicimpactreport.pdf>, 12.

THE VIRGINIA FOOD ENTERPRISE CENTER

My first case study is on the Virginia Food Enterprise Center, a non-profit public-private partnership to promote food processing that was spear-headed by Allie Hill. Their current facility is the Prince Edward County Community Cannery, now called Virginia Food Works. This is their trial year and they will be paving new territory in food processing in Virginia. Allie Hill first talked with me about why she decided to pour her energies into this project. When she began researching, she found that 85-90% of the food in the grocery store comes from somewhere else. Despite the fact that Virginia is a big agricultural state, we export most of what we grow. While we do have some food processing centers in Virginia, most of them are massive corporate enterprises like White House apple sauce and vinegar or Nestle. These entities do not necessarily source from Virginia farmers, and if they do, it is sporadic. Hill saw that a food enterprise center could be the missing link to keep Virginia produce in the state, increase the transparency of our food system, and be an incredible asset to economic development.

WHAT VFEC CAN DO FOR FARMERS

Farmers who want to process their extra produce face many challenges. Without the assistance of a facility like VA Food Works, many would not have the time or money to commit to processing. Under current regulations, you need an approved recipe saying exactly how you will can the product. The certified safety specialist at the Process Authority will decide if the recipe is safe or unsafe, following an inspection. The process generally takes about 3 to 6 months. You would also need an approved label with very specific information and a nutritional guide. The guidelines on this label are extensive and the process is

expensive. Farmers would also need individual liability insurance at the canning facility they use. In addition, the farmers would need to provide skilled labor to do the canning. All of this extra work would leave farmers little time to farm!

Virginia Food Works will take all the work out of processing for farmers. They will provide insurance, pre-approved recipes, jars, staff, and even do the canning for the farmers (a service called co-packing). They will provide a label machine with a pre-approved Taste Virginia label that will say on the back where the produce was sourced from and little bit about the farm. Having a consistent product will appeal to grocery stores who want reliability. Providing co-packing services, Hill hopes, will make money for the Cannery and allow them to rent out the commercial kitchen space to food business entrepreneurs at low prices.

HOW THEY GOT STARTED

The Virginia Food Enterprise Center was able to start with the assistance of several organizations. First, they got a grant from the US Department of Agriculture to do a feasibility study on a potential processing facility. Virginia Tech did research on the cost of brand new facility and determined that it would cost about 6 million dollars. Recognizing the improbability of raising 6 million dollars, Hill looked into using an existing facility in Virginia. She found that there are seven existing home canneries for individuals and three are certified for commercial use but not very many people use them commercially. In the end, the FEC developed a partnership with the Prince Edward County Canning Facility to use their facility. There were a few terms in the agreement. One is that the FEC pay for the electricity they use. Another is that Prince Edward County has the first right of refusal on (aka. the first opportunity to buy) any goods the FEC produces. The County wants to get local food into their schools and they

want the FEC to provide it. Third, the County wants FEC to purchase produce for processing from local farmers in the County. Another element of the partnership is that employees of the County Cannery can work with the FEC and get paid by the County. This partnership is structured to be mutually beneficial for both the County and the FEC.

FUNDING

Funding has been especially important in upgrading and expanding the facility to meet Virginia Food Works needs. First, in 2010, the facility was upgraded into an inspected commercial kitchen with \$350,000 in grant funding from the Virginia Tobacco Indemnification and Community Revitalization Commission. This grant program was started to alleviate economic distress due to over-reliance on tobacco production and, as stated in their mission statement, "harness collective strengths to provide a more diverse and sustainable array of goods and services."⁸ On the County website they announce that "the Prince Edward Cannery is being upfitted to allow commercial canners access which will in turn promote a stronger Local Food Processing Initiative in the region."⁹ This statement demonstrates that the County and FEC have a similar vision for the project. The second source of funding came from the Specialty Crop Block Grant administered by the USDA and Virginia Department of Agriculture and Consumer Services. FEC is using the funds to conduct "a feasibility study for expanding the Prince Edward County Cannery into a full-service facility that provides co-packing services and creates a line of retail and institutional sized food products." A third grant, from the JR Albert Foundation, a private foundation in Illinois, is funding the addition of

⁸ *Tobacco Indemnification and Community Revitalization Commission Strategic Plan*, November 9, 2006. http://www.tic.virginia.gov/pdfs/aboutus/TICRC%20Strategic%20Plan_Nov06.pdf

⁹ http://co.prince-edward.va.us/cannery_index.shtml

a walk-in refrigerator and freezer.¹⁰ Locating grant funding has been instrumental for FEC because it can be quite difficult for a project like this to obtain a loan. Tim Danielson, the Food and Beverage Manager at the Virginia Department of Economic Development, said a processing facility would need to be a for-profit and have "one hell of a business plan" to get a loan through the Virginia Small Business Financing Authority or any bank.¹¹

Once the cannery is established, further funding or program assistance may be necessary for them to be successful at the outset. Hill said that it will be a challenge to be price competitive with the large industrial processors. Currently, schools are paying \$2.74 for a gallon of applesauce which amounts to about 10 pounds of apples. However, should VA Food Works produce a similar gallon of applesauce, they would have to charge about \$6 in order to pay a fair price to the farmers and the employees of VA Food Works. And while studies have shown that people are willing to pay more for locally processed goods, they are only willing to pay about 15% more, not twice the price they're currently paying. At this juncture, in order to be price competitive, VA Food Works would need some kind of supportive program or additional funding from the government. Hill says they have considered using a prison workforce development program in order to have cheap prison labor at about \$2 per hour. Overall, coordinating funding for the cannery has been a big endeavor and also instrumental to its start up.

INCREASING KNOWLEDGE-BASED RESOURCES

One issue faced by the FEC is the need for technical processing assistance. For example, they need to know how to turn a waste product into a usable product. When Hill

¹⁰ Email from Allie Hill, April 24, 2012.

¹¹ Interview with Tim Danielson, April 2012.

considered canning the large number of usable tomatoes that are composted due to small imperfections, she discovered a problem. The tomatoes grown in Virginia are fresh market tomatoes sold seasonally, and these varieties are not the best for canning. They are quite watery and it would take 24 hours to boil down the tomatoes enough to can them, which would not be cost-effective. They plan to work with Virginia Tech's Food Science and Technology program to figure out how to create a good canned tomato product. Virginia Tech has their own commercial kitchen where they conduct research. Partnering with a research university is a great way to gain knowledge without needing the skills to do the research or the extra funds to pay employees and electricity bills.

Another issue identified by Allie Hill is the lack of knowledge about food sourcing in Virginia. Through her in-depth research of Virginia's Finest products, Hill found that very few of the products receiving this designation actually have locally sourced ingredients or are processed in the state. To determine this, she called over 70 different makers of Virginia's Finest products, who merely have to have an address in the state to get the label. In order for consumers to be able to support local products, they must be able to identify them. We need a food processing brand that we can trust. Hill identified the importance of this and decided to create one: Homegrown Virginia. She has not had the time to develop this further than the creation of a website (homegrownva.com) but the idea is there. If the Virginia Food Works Cannery begins to process tomatoes for local grocery shelves, having a brand will legitimize the product, make it recognizable, and help it be successful.

VFEC's work is aided by its ability to access resources. Both physical resources, such as the use of the Prince Edward Cannery and the money to modernize it, and knowledge resources, such as technical help from VA Tech and proper branding. Fostering partnerships between organizations and connecting facilities to available resources would be instrumental.

One of the most important assets, identified by Allie Hill, would be getting support from the Department of Agriculture. Current agricultural policies tend to support larger producers and processors. This is a big part of why those industries have come to dominate. Giving support to small, locally-based, heritage producers and processors could have a similar positive effect on them.

UNIVERSITY OF IDAHO FOOD TECHNOLOGY CENTER

The second organization I investigated was the University of Idaho Food Technology Center. I spoke with Jim Toomey, Director of the Business and Technology Incubator. The FTC provides a kitchen incubator with on-site assistance from University Extension food science and production specialists. They provide low rates to food entrepreneurs and services such as product development, testing, packaging, and training. Jim told me they are there for the small business and their goal is to keep money in the local economy and help small family farms.¹² They are able to provide these services with funding from their pilot plants research and development activities. This anchor tenant generates 90 percent of their income. Their clients have included Proctor& Gamble, Cargill, Simplot and McCains.¹³ Toomey told me that many kitchen incubators have failed due to insufficient funds, so having a highly profitable anchor tenant has been key to their success.

HOW THEY GOT STARTED

Toomey told me one the the biggest challenges was getting the project off the ground. The Center was initially started with the University's purchase of the existing facility, 25 miles

¹² Interview with Jim Toomey, March 2012.

¹³ Document sent to me by Jim Toomey, March 26, 2012.

from Boise in 1999. But it wasn't until 2005, with the injection of grant and institutional funding, that they were able to complete the conversion of the plant to a multi-use food processing facility with kitchen incubator and research and development capacity. Their start was aided by working closely with the Department of Agriculture and utilizing their political capital - all the legislators and governors have visited the facility. One of the challenges faced from the start was cutting through the red tape with the University. The FTC had to make special renovations to the facility to fit certain regulations which Toomey said slowed down the opening of the facility.

LESSONS LEARNED

One of the main points that Toomey imparted to me was the importance of having skilled people. He said that many community kitchens fail because you need qualified people to run them. At the FTC, all the staff are highly qualified university employees who are experts in food science. He also felt that expertise was important for the food entrepreneurs using the facility. One of the challenges for them is having the skills they need to be efficient in order to make a profit. While the FTC does provide training and classes, there is probably a sizable learning curve associated with using the machinery and starting a successful business. Having on-site assistance to help users trouble-shoot their canning process has been very helpful.

Another insight from looking at the FTC is the importance of partnerships in building and maintaining the kitchen and business incubator mission. To start with, their partnerships have enabled funding for the facility. They were able to purchase the facility property with initial funding from the University of Idaho. Later on, the FTC made use of grant and institutional funding to rebuild the facility. The use of an anchor tenant, a pilot plant for

research and development by big corporations, accounts for 90 percent of their revenues and makes them self-sustaining. Another way that the FTC uses partnerships is by acting as an intermediary and connecting non-farm processors with growers. This helps their clients meet the local content requirements of the Idaho Department of Agriculture's Idaho preferred program.¹⁴ Toomey emphasized that partnerships between the agribusiness incubator, the local government, the university and businesses have been extremely helpful in their mission of "strengthening local food networks."¹⁵

OUR HERITAGE OF CANNING AND ENTREPRENEURSHIP

Before I talk about planning ideas, I would like to discuss how food heritage relates to food processing in my project. First, smaller scale home canning and preserving of the harvest is an absolutely vital (it kept us alive!) aspect of our food heritage. On the commercial level, small food businesses and entrepreneurship was, and still is in some respects, a huge aspect of American culture. In the past, before the advent of mass production and mega-stores, many families had a business that sustained them. It was the mark of success in America. Now, walking around Walmart, you can see the vestiges of Main Street. I pass what used to be the butcher shop my great-grandfather owned, the miller, the shoemaker, the small grocer, the baker, the milk man, the pharmacist, and on and on. But now the people working there seem disempowered; they don't own or control hardly anything in that store. They are paid minimum wage and struggle to survive. A struggle that Barbara Ehrenrich wrote about in her book *Nickel and Dimed* when she went out, tried, and failed, to make it work on about \$7.00 an hour. Even if store owners of the past struggled to survive, they

¹⁴ Document sent to me by Jim Toomey, March 26, 2012

¹⁵ Ibid.

seemed to have had a sense of pride in ownership and entrepreneurial skills and independence that appear to be lacking today. We have lost much of our entrepreneurial culture due to the dominance of mega stores that have edged out smaller businesses.

The story of food processing is quite similar to that of the demise of Main Street. Food processing today brings to mind unhealthy and highly processed foods high in fat and sugar. Most grocery stores sell a large amount of processed foods: many aisles full of boxes and jars of pre-mixed recipes and unrecognizable corn and soybeans processed into a myriad of edible things. Historically, processing fruits and vegetables was done to preserve food for the winter and to create delectable sauces, jams, and salsas. This heritage method of processing food was good for us. It took foods that were recognizable and processed them into an equally recognizable product. I propose that strengthening small, local, healthy food processing and canning will enhance our food heritage and our heritage as small businesspeople.

PLANNING IDEAS

Though these ideas are presented in a certain order, it is sort of analogous to the "chicken and the egg" problem. Taking these steps out of order, incrementally or simultaneously would probably all be helpful. The important thing to remember is that any and all actions are important.

Survey Assets and Needs. Before we jump into a plan of action, is it important take a survey of our assets and needs.¹⁶ There are some facilities available that may suit the needs of food entrepreneurs. One example is the kitchen at JABA, used by the Vinegar Hill

¹⁶ Ideas coming directly from a conversation with Allie Hill, April 29, 2012

Women's Canning Cooperative in their early stages.¹⁷ They are planning to scale up to a larger facility. Surveying groups and individuals such as these about what kind of equipment and what kind of assistance they might need would guide efforts to help them. An example of the need to consult with businesses can be seen back in Idaho. Before the University decided to build the Food Technology Center, the site was a vacant mid-size processing plant built in 1997 by the Council of Governments. The plant was an ill-conceived venture that was not in tune with the demands of clients (who wanted a shared-use commercial kitchen) and could not generate enough revenue to stay operational.¹⁸ Making an accurate assessment of what kind of operation Virginia's economy and environment can reasonably support would be essential to success.

FUNDING. The next step in building, or rebuilding, a facility would be funding the upgrades to modernize and adapt it to client needs. Processing is very energy intensive and needs specialized equipment in order to do larger volumes to be economically viable.

Anchor Tenants. Having an anchor tenant was a strategy for success indicated to me by several parties. First, Jim Toomey mentioned anchor tenants, big agribusiness research firms, as the Food Technology Center's main source of funding. This partnership enables them to provide services a variety of other tenants at low cost. Second, Virginia's Food Enterprise Center was able to start Virginia Food Works at the already existing, county-funded Prince Edward Cannery. This partnership played a large role in their start and enabled them to focus spending on other essential upgrades to the main facility - such as storage space, low-acid canning, and freezing - rather than getting bogged down in the huge cost of a

¹⁷ Interview with Joanie Freedman, March 2012.

¹⁸ *Developing Shared-use Food and Agricultural Facilities in North Carolina*. Report by Smithsonian Center for Assessment and Research Alliances. <http://www.smithsonmills.com/ncshareduse.pdf>. Page 20-21.

new facility.¹⁹ A third source also indicated to me the economic importance of anchor tenants. Tim Danielson, the Virginia Economic Development Partnerships Food and Beverage Manager, specifically recommended finding an anchor tenant as one of the most practical ways of getting a facility for processing. Planners could assist in this process by doing a survey of needs and resources and then working to connect people and resources.

Grants. Securing grant funding has been helpful for many projects. The Virginia Food Enterprise Center was able to modernize the PE Cannery with grant funding. Their funding came through three different parties: the Virginia Tobacco Indemnification and Community Revitalization Commission Grant, the Specialty Crop Block Grant through the USDA and VDACS, and the JR Albert Foundation. Though the Tobacco Indemnification grant was very helpful for Virginia Food Works, Albemarle County would not be eligible because it has not historically been a big producer of tobacco and is not suffering from tobacco-related economic distress. However, many big grants are available for processing projects through the USDA and its Farm Aid program. The renovation of the Jefferson School in Charlottesville, VA plans to include a community kitchen. Joanie Freedman is leading a grant application for \$500,00 from the USDA to renovate it into a commercial kitchen space. Projects such as these could use as much support as possible from planners and members of the community to show their viability and importance.

Tax Credits. Promoting tax credits is one strategy to getting funds to processors. In Colorado, a law was passed in 2001 creating the Agriculture Value-added Development Board to make grants, loans, loan guarantees, and equity investments to processors. They can also offer "tax credits to members of eligible value-added cooperatives in an amount equal to the lesser of 50 percent of the members' investment" up to a maximum of \$1.5

¹⁹ Interview with Allie Hill, April 7, 2012.

million per project.²⁰ In 2010, Wisconsin's legislature passed the Food Processing Modernization Tax Credit which provides a 10 percent tax credit, up to \$200,000, for processing facility upgrades. Their stated goal is to protect food processing jobs and create more for the future.²¹

ASSISTING FOOD ENTREPRENEURS. The combination of technical processing advice from qualified food scientists and business advice has been cited as the most important element in the success of a commercial kitchen. The Smithson Mills study on building shared-use facilities in North Carolina found that these kitchens must truly incubate their clients' businesses and play an active role in helping them succeed.²² This can come in the form of on-site assistance and also connecting entrepreneurs to other available resources. ACEnet in Ohio has also found that entrepreneurial networks are also helpful.

Technical Assistance from Food Scientists. This aspect is quite important and the success of the University of Idaho's Food Technology Center demonstrates it. The FTC is very reputable because of the University and has gotten more support and assistance because of that.²³ It has also helped food businesses to be successful by providing help with product development and on-site trouble-shooting. A great opportunity exists in Blacksburg with Virginia Tech's Food Science and Technology Department to have a commercial kitchen with food scientists on-site. Here in the 5-county region, we do not have a land grant research college or university. We do have cooperative extension agents that could be employed and further funded to provide more in-depth assistance.

20 *Food and Agriculture Related Policies and Practices to Benefit Limited Resource Farmers*. A report by the Food Security Coalition's Food Policy Council Program. 2007. Page 11.

21 <http://legis.wisconsin.gov/senate/lassa/PressReleases/Pages/pa-show.aspx?id=Food+Processing+Credit+Passes+Legislature>, accessed April 2012.

22 <http://www.smithsonmills.com/nshareduse.pdf>, Page 24.

23 *Ibid*, 21.

Business Advice. Here in Virginia there are several business development programs such as the Virginia Department of Economic Development, the Virginia Small Business Development Centers, and the Virginia Agriculture and Food Entrepreneurship Program. The SBDC, I was informed by Allie Hill, is a great program that's very helpful to businesses, including some local processed food businesses. The VAFEP program consists of a series of workshops for food entrepreneurs. Increasing the focus on food entrepreneurs and the scope of programs like VAFEP would be beneficial to food entrepreneurs. Programs like ACEnet, the Appalachian Center for Economic Networks in Ohio, provide substantial business advice in the form of "counseling, training, ecommerce, and market access programs."²⁴ In addition, they help with business planning and learning financial systems. The success of their clients is clear. Each year at ACEnet more than 50 new businesses get their start and "during the last two years annual sales of existing food businesses grew by an average of 45 to 65%."²⁵

Entrepreneurial Networks. Peer to peer networks among food entrepreneurs can increase information-sharing and innovation. According to a study done on food localization in Northeast Ohio, future growth in the region is dependent on a more entrepreneurial culture "with networks of smaller, inter-linked and locally owned businesses."²⁶ Entrepreneurial networks "keep knowledge and resources circulating in a way that results in extraordinary economic value"²⁷ a concept called complex reciprocity. These interactions between entrepreneurs can also lead to beneficial collaborations. In my research, I did not find a

²⁴ <http://www.acenetworks.org/services/>, accessed May 2012.

²⁵ Holley, June. *Entrepreneurship with a Regional Flavor*.
<http://www.acenetworks.org/warehouse/Regional%20Flavor%20June.pdf>. Page 5.

²⁶ Masi, Brad, et. al. *The 25% Shift: The Benefits of Food Localization in Northeast Ohio & How to Realize Them*. December 2010. Page 40.

²⁷ Holley, June. *Entrepreneurship with a Regional Flavor*.
<http://www.acenetworks.org/warehouse/Regional%20Flavor%20June.pdf>. Page 7.

comparable entrepreneurial network in Virginia. A system of peer to peer support, collaboration, and inspiration could be pivotal in growing food businesses. Though the network would ideally operate on its own, it could use a facilitator to get started.

EDUCATION. My case studies did not particularly focus on education as I looked at kitchen incubators. However, knowledge about processing from the standpoint of both the processor and the consumer will help small businesses.

Workforce Development. Processing takes a certain amount of technical skill and knowledge. People need to know how to can, slaughter, butcher, mill, operate machinery, and perform other skilled tasks in order to grow the small processing industries. A good strategy would be to partner with existing educational institutions such as Piedmont Virginia Community College and the Charlottesville Albemarle Technical Education Center. There are some classes at PVCC on winemaking and beekeeping, but they could expand their offerings to classes on canning, making value-added products, starting a food business, operating machinery, etc. For example, Joe Cloud of T&E Meats, a small meat processing facility in Harrisonburg, VA said that his second biggest problem is finding qualified and reliable people who know how to process meats.²⁸ Though canning can be easily taught, other areas of processing, such as meat processing, are much more intensive and require an intimate knowledge and physical skill to perform.

Branding. A reliable Central Virginia brand to identify local or heritage processed foods can help consumers support those businesses. Currently Virginia has the Virginia's Finest label which not particularly visually appealing, featuring just a red check mark. There are no place-based symbols to identify it and make it compelling. Further, Allie Hill's research indicates that the label is not reliable. She emphasized the need for greater consumer

²⁸ Email correspondence between Laura Bell and Joe Cloud, April 13, 2012.

knowledge about food sourcing to encourage good local purchasing habits.²⁹ Having a compelling label we can trust can really catapult Central Virginia products into the market and associate a place-based identity with those foods. Then the goal is that Virginia will be able to financially support food entrepreneurs with consumer dollars.

Overall, these measures are intended to support food entrepreneurs and increase knowledge to rebuild the area's small to medium size food processing. The goal is to create a complete local food system rooted in our heritage. This will promote good health with minimally processed natural foods, build wealth through business and job growth, foster a place-based food culture and identity, and make the community strong and resilient.

THE MEANING OF HERITAGE

I struggled with the meaning of "heritage" in regards to processing specifically. Would it make sense to use heritage methods? Would heritage crops be better for processing? Are heritage breeds better? In some cases, yes, and in others, no. I think it needs to be taken into consideration, but focusing on the past for specific methods will not always make sense. However, when you step outside the nitty gritty, you realize how vital our food heritage is. The stories of our food give it personality and relevance. Nearly everyone can relate to good food. This commonality crosses boundaries of race, class, culture, gender, and sexuality. Focusing on the food heritage of certain places can give people a place-based identity and a sense of continuity between past and present. Looking at food heritage is key for building a healthy food culture and it can serve as an anchor for the food movement and our communities, as

²⁹ Interview with Allie Hill, March 7, 2012.

well.³⁰

³⁰ Ideas enhanced by class discussion. May 1, 2012.