Creating a Statewide Information Technology Platform for Food Transcript

Noel Bielczyc: okay, it's 1:30 Eastern Time. So we're going to start the webinar. Welcome everybody to today's webinar titled Creating a Statewide Information Technology Platform for Food Hubs; Lessons from Michigan. I'm Noel Bielczyc. I'm just going to run through a couple of quick things before we get started. First thing is that this webinar is being recorded, and it will be posted to the Center for Regional Food Systems website probably within a week or two. We'll certainly send out a link once that happens so you can share that around, and the slide deck will also be available as a PDF. We ask that everybody mute your mics until you're ready to speak. This is mostly just for presenters, but just keep in mind, and any participant can ask a question anytime, but there is going to be some specific time at the end for Q&A. We will be keeping an eye on the Q&A pod at the bottom of the screen, which is where you can enter your questions and we'll try to answer some of those as we go. That is about it for the webinar. If there's any technical issues, you can enter that in the chat pod, and we'll try to keep up with that. So I guess we'll just go from here. Today's webinar is going to be presented mostly by Rich Pirog. I'd like to introduce Rich by saying he needs no introduction, but I guess I'll elaborate a little bit more today. Rich is a Senior Associate Director at the Center for Regional Food Systems and a core team member of the Michigan Food Hub Network. I think I'll just leave it there. So Rich, you can take it away, and we'll go from here.

Rich Pirog: thank you, Noel, and good afternoon everybody and happy Friday. Today's webinar, our purpose here is to provide an overview of the reasons why a set of Michigan food hubs chose to conduct a feasibility study for a statewide information technology or IT platform, and we're going to talk about the processes we used in implementing the study, what the hubs have learned. You're going to hear about that from the hubs themselves, and also, just a preview of where we're headed next. This is -- it's important to note that we're focusing more on the lessons learned here. You know, the study, which is you can see, as you'll learn here, was conducted in cooperation with New Venture Advisors, our Michigan Food Hub Network, and our core network partner, Morse Marketing Connections. It is a confidential study, so there's parts of the study that we have not been able to -- that we won't share in this webinar. Nor will you find it in the public document, which is available online, and we -- for those of you that have not seen that document, it is online, and it will be available, the recording, the document itself and the slide deck will all be available in the same place after the webinar. So just very briefly, put some context of who we are, because we know with this particular webinar, we have folks from the hubs from a number of locations across the country.

MICHIGAN STATE UNIVERSITY | Center for Regional Food Systems

The Center for Regional Food Systems is one of lead partners in the Michigan Food Hub Network. We work on a number of things in addition to the Michigan Food Hub Network and food hubs, including healthy food access, farm to institution, and farm to school, and we have our own charter here in Michigan around healthy food systems we talk about good food, meaning that's affordable, healthy, fair, and green, many organizations that are working on one or more of the six goals with the Michigan Good Food charter to hopefully have good food for all Michiganders by the year 2020. So just a little bit about the Michigan Food Hub Network to invite some context here. We're fortunate here in Michigan that the Food Hubcap network, which is being funded by the Kresge foundation, as well as the Kellogg foundation since 2012. This network started about the same time as the Michigan Department of Agriculture put some significant investment in Michigan food hubs. Within about three or four months of the time that our network started, there were five Michigan food hubs that received significant grants from the Department of Ag in the state, and even though that grant program is no longer as big and as vibrant as it was back in 2012, it really gave us some incredible momentum here in Michigan. So, just as the goals of this network, business-to-business cooperation, addressing food hub technical challenges, this being one of them, supplying healthy foods to underserved markets, and something new this year. We're in our second sort of phase of our work with Kresge funding, building even better relationships between hubs and institutional markets. We're very fortunate here, also coordinated within the center, to have the Michigan Farm Institution Network on board and working with us and hubs in Michigan to help connect those markets between hubs and institutions. What we do, and I know, I want to thank New Venture Advisors, and particularly, Kathy Nyquist. She, on the NGFM Food Hub Google list, there's been a lot of talk about networks, we've been meeting since 2012. We have three statewide meetings per year. We'd rotate those around the state, usually combine those with tours of hubs or hubs that are going to be forming. We provide business and technical assistance to hubs, in sort of a way like the national network does, but just within Michigan, and we offer some webinars and workshops like this. Last year, we sent five people to the University of Vermont Food Hub Manager Program. This year, there's going to be four, at least, with scholarships, actually, I think there'll be more than four Michiganders going. That's next week, starting right away, so, and also, we're very fortunate here in Michigan to have, among other things, a long and business assistance vehicle for Michigan Good Food Fund, which is one of the few healthy food financing funds in the country that will provide loans and business assistance across the food value chain. So production, processing, distribution, i.e., food hubs as well as food retail. The system, and again, we're indebted to our friends at the Wallace Network. We started within six months after Wallace started their national network. We have a very close relationship with our friends at the Wallace Center, and we try to be sort of this idea of a nested network, and where Wallace provides this national leadership, and we try to, our hubs work both with Wallace and then with our own network here in Michigan. We also worked directly with Wallace on the national food hub survey, which there was a webinar last November, and we're actually hopeful to see the full report out, hopefully within a month, just

editing it, revising it this week. This particular study, and I'm going to, in some ways, this is going to be how some movies are where there's going to be like a piece of the information that's going to seem like it's not in the right chronological order, because we want to sort of tell us sort of a story here, but the six hubs, and there's a nice map of Michigan, and those of you that know Michigan that are from outside of the state, remember the whole thing with holding up your hand and this part here and how you -- I think I did that wrong, didn't I? Neal Curran is watching, and he's definitely taking notes and saying I do not know how to do the UP hand part. So he's shaking his head, because I did a bad job there. But we've got more than six hubs participating, but in this particular study in this process, six hubs have been just providing the leadership and have been sort of the thought leadership in this process. Allen Market Place, Cherry Capital Foods, Eastern Market Corporation, Sprout Urban Farms, the UP, or Upper Peninsula Food Exchange, and the Washtenaw Food Hub. We have, on this call, we have four of our panelists representing four of those hubs. So why, you know, why would we do this? And I know, again, there's been this buzz on the List Serve and the chats, and I think, in part, I think we would've done, we probably would have come to this, but I think having a network and having the hubs, spending a fair amount of time sort of thinking through challenges together probably has accelerated us to the point where we were asking these kind of questions. You know, we meet right early. There's a level of trust here that I think is a very healthy level of trust and what we might call co-opetition, a term that probably most of you have heard. Sort of that in between cooperation and competition. You know, the hubs here are interested in this concept of a statewide IT platform, and the idea itself emerged from hub-to-hub discussions. The hubs, as you'll hear, they brought the issue to the forefront and to the network and sort of started us on this journey that we're sharing with you. So let me sort of combine both the sort of the vision and the goals here. You know, why would we do this? Well, the hubs have formulated this vision, and this vision was just sort of further reinforced after we started the project as we worked with New Venture Advisors, of increasing purchasing volume of local food products among wholesale buyers across the state to increase production and sales of Michigan grown foods. So that was, you know, part of that vision, but, you know, we asked each, you know, we were asking this question hypothetically. What would an optimum or what would the best IT platform look like? Well, to get to this vision, that platform would need to help buyers and hubs to have more comprehensive access of foreign products across the state. One of the biggest issues is just being able to know who out there is sell, what they're selling, types and volumes. You know, who they sold to before. What their track records are, and we thought that this knowledge would lead to improved planning, and over time, what we would call a more informed type of increase production, you know, that whole tension between demand and production and how that works. You know, those of us that are, you know, in this business working in food hubs and looking at market forecasts, we know that it's, for farmers, it's often, you know, a very high risk and a roll of the dice to scale up production, and to know that, well, gee, you know, because there's food hubs, I should increase production. Well, you need to see more market signals, and we needed to -- we thought an

optimum platform would help us in that way, and so as part of this process, as far as goals, we thought that in this optimum situation, you know, each hub would be able to more effectively and efficiently execute day-to-day operations, and the hubs, and eventually, producers and buyers that hubs work with across the state would be able to collaborate and increase transactions. Those are some very broad goals, and, you know, I can't imagine any hubs listening into this call and this webinar who wouldn't agree with those broad goals. That's what they want out of an IT platform. So, you know, and as we dug further, what we found was that this optimum platform, this ideal platform that would be this co-opetition with facilitate supply, demand, and production planning, statewide transactions with cross-hub selling, order fulfillment, logistics optimization and management. It would be an essential information portal for sales and marketing and education, and, you know, in the long run, it would be comprehensive, easy to use, would have reporting capabilities, would have us be able to make more of a case for the value that hubs contribute to economic community food access, health goals, and those kind of things. We really wanted the, you know, this optimum platform to be able to do that, and in a state like Michigan where issues about healthy food access are very important to many of our hubs and our, you know, this integration from business goals, health goals, economic and community goals was really, really important. We were very informed as we worked with New Venture Advisors, and the great work they've done with Wholesome Wave, the Tech Guide for Food Hubs. Many of you that have either been on a Wallace webinar or may have worked with New Venture Advisors or Wholesome Wave familiar with their articulation of various types of, you know, modules or functionality requirements that you'd want from your technology. You know, and I'm not going to read all 12 of these, but going from preseason planning, growing, and selling, order fulfillment, distribution, and routing, food safety and traceability as we know emerging, reporting of different metrics and the sales, marketing, and education information. All of these platforms, all of them being very important, and although some of our smaller hubs, not only here in Michigan, but across the country, might only need a few of these at the start, these types of modules, over all, good to see that big picture, and we got that kind of situation here in Michigan where we've got hubs that are small to maybe midsize, you know, that are working together, and are talking and collaborating, and so we need to sort of have an understanding of the range and the scope of that functionality. So again, we're going to focus on the process here. I've only got just a few more slides, and then we're going to hear from the hubs, but we broke this down from New Venture Advisors, it was sort of two phases, but from the larger, holistic perspective, this study process with four phases, and the first phase was the working with the hubs and identifying what that vision was and then developing an RFP and inventing applications, in this case, from consulting groups, and we learned a great deal in that part of the process. So that was sort of the first phase of this work, and secondly, as we worked with, in this case New Venture Advisors, we refined the vision and goals. We prioritized what those goals are, what we wanted. There was surveys with hubs and in-person planning sessions that we did with New Ventures advisors and our team network, and that network, in this case from the standpoint of the Michigan Food Hub

MICHIGAN STATE UNIVERSITY | Center for Regional Food Systems

Network is Noel Bielaczyc, who did the introduction of myself and Marty Gerencer with Morse Market, and so we worked in the sort of a three-team kind of approach with Ann Gaye being the consultant, us being this sort of facilitator, and then the hubs themselves, and part of it being just to help save us time. The third phase was some of the heavy lifting that NVA did with the quantifying and evaluating the financial and technical feasibility of the system by interviewing the software and logistics companies, gathering initial cost estimates, doing a cost/benefit assessment, and analysis for hubs and maybe for growers and how that would work with growers, and there was this constant sort of iterations of meetings, following up with the network team in the hubs, but all of us only came together in person once for a day. We did this for a period of about, I'd say, 10 months, starting in February 2015, and then finally, we got this confidential report. We discussed the recommendations, which included phases of actions, as well as the pros and cons of taking action or not taking action. Yeah, I think we all know that, you know, not doing anything is a decision for a business, as opposed to doing something, and we had those recommendations, and part of this was looking at all those providers and which ones would be the best fit, and so there was a small subset of about three service providers that we had some initial hub team network and service provider conversations with, and that has been very critical, and the work, again, the work of the three partners working together in VA, our team, and the hubs, you know, we've learned a great deal, which you'll hear about. These next two are very important from the standpoint of sort of taking a bigger picture. No, how do we actually do the work? I sort of explained the process, but who actually did the work? Well, the Food Hub Network team with the direction from the hubs wrote the RFP, solicited the proposals. New Venture Advisors was chosen by the hubs. They led and coordinated the work with our hub network team. The hub network team that regulated with the NVA and the hubs, and as I said, we had one full day together, but then there was lots of other phone calls, particularly between NVA and our network team. A lot of emails. NVA did their due diligence and they are work of collecting and analyzing information, wrote a confidential report, answered questions, and then the team took that confidential report, based on feedback with the hubs. We edited it and summarize it for public consumption because we feel it's part of our duty to also share that process with the larger food hub community, and we facilitated the initial food hub visit with the best-fit IT providers that emerged out of the processes. The ones that came close to what we thought was the optimum. Here's the other part, folks, that we thought that we would find very useful. You know, you think about, "Oh, it's a feasibility study." So you think, "Oh, well what's the consultant costs, and that's the only cost." It's not the only cost. We broke this down, and the other parts are crude estimates. Obviously, the contract, we have a very concrete number. It was 22,000 for us to work with NVA, but the services of the Food Hub Network we estimated between Noel and Marty die, about 160 hours or $12,000, and the hubs came to that all-day meeting. They were on at least three or four calls and they met with us at least twice before we had statewide meetings, and so they invested time. So we are estimating that so far, and we don't even have an IT platform yet, we've, you know, altogether there's been investment of

MICHIGAN STATE UNIVERSITY | Center for Regional Food Systems

about $40,000. So, okay, this is sort of -- we're going to segue to the hubs. So where are we now? And then, so, why are we doing this webinar? First of all, because we felt that this would be able to share our process up to this point. We're not going to share, as I said, because part of it's confidential, were not going to share specific recommendations, but where we are now is that we found, after visiting, after trying to ingest the report, talking to each other, talking to these three potential investment providers, we're still not really ready to make a sort of a decision, in part, because each of the hubs, it was starting to become clearer, that they needed a better understanding of their own value stream functions, and to do that well enough, to ask all of the right questions, to go deeper with any of the service providers, who all were willing to spend more time with us to talk about how they could help us, but we, you know, and again, you're going to hear from the hubs, we didn't know all the right questions yet. So in the next three or four months, we hope to do a value stream mapping webinar, and some of our panelists will just talk about what this means. The hubs will map out their own value process. They'll meet to discuss their mapping processes, so we can get an idea if we can work together, what that might even look like simple scenarios after knowing our value streams, and then we think we would be in a better position to get back to some of the better fit IT providers. So that's where we are now, folks, and what I would like to do now is introduce our panelists. Again, the people, the hubs that we serve at the Michigan Food Hub Network, we feel privileged to be able to provide service to these hubs and the great work that they're doing. We'd like him to sort of articulate, and so we got a few more sort of leadoff questions with them and then they're going to talk, and first I want to introduce Colleen Valko, Colleen Valko with -- no, actually, this is not how you spell Colleen Valko, but we're going to put all of the names out there. The four panelists are Rita O'Brien with Allen Market Place. Colleen Valko with Cherry Capital Foods and Tamarack Holdings where she's transitioning to, but it's still -- she'll explain. They're connected. Christine Quane with Eastern Market Corporation and Neal Curran with Upper Peninsula, or UP, Food Exchange. So but first we're going to hear from Colleen and then Valko, and then Christine Quane, and what we're asking, what Colleen and Christine will do is first they'll just give you a little context of their hubs, and then they'll share what they learned from the study so far, and why they believe after reading the report in speaking with the service providers, that this value-stream mapping process is a realistic next step, and we're putting Collene and Christine first, because frankly, Colleen and Christine were probably the first ones to articulate that this would be the appropriate next step. So I'm going to mute and ask Colleen Valko to unmute, and again, just to -- a brief bit about Cherry Capital and Tamarack and then what you've benefited and where -- why we need to take this next step around the value stream method. Colleen, and then we'll go to Colleen and then Christine.

Colleen Valko: Awesome, thanks Rich. So I work with Cheery Capital Foods and was working for them full-time while we were going through this entire project. I worked in process improvement, business, analytics, and I was also the project manager for the implementation

of our new IT software system that we implemented for inventory management, but it also does everything else we need for Cherry Capital Foods, save for a few admin functions. I was the project manager for that, and then I have fully transitioned now to work for Tamarack Holdings, which is just an umbrella holding company that overseas on a few of the companies that Cherry Capital Foods owner owns. So I'm still working really closely with Cherry Capital and will be staying on this project and then just working with the other companies, as well, in strategy improvement and in strategy management. So currently, we're using Edible Software as our inventory management, sales, and purchasing in the admin platform we switched from QuickBooks, which we were using for the entirety of the business, about five years, and were really hitting a wall with that. So we decided to switch to Edible. It's way more robust, especially in terms of managing perishable foods, which was some of the biggest hurdles we had with QuickBooks, and then through this process, I brought in a lot of my own knowledge from what we did during the implementation of Edible before this even became a project, the statewide IT platform, and then, also, of course, hindsight is 2020, so all the things that I wish we could have done differently at Cherry Capital Foods and thinking about how we can explain those and do those with all the hubs across the state. So I did think it was a great idea to kind of pause, take a step back, and have everybody think really seriously about how their own individual hubs worked, so each of us can better understand each other. At the last statewide food hub meeting, someone had said that food hubs are like snowflakes. No two are the same, and that holds so true, even within a single state and hubs that are essentially doing the same thing. Their processes are always different. So I thought it was really important to have everybody look into their processes through a value stream mapping process or webinar or however we're going to ultimately do it, but bring people across their entire company, even if it's only a couple of people, and better understand what each person does, what's important to them, both just to complete their jobs, but how that would have to translate into a new software system for whatever we're implementing, because not only are we trying to implement a statewide IT platform, but this is also going to be what the hub has to use every single day, so we might not always find or have the perfect solution, but we want to find something that will help everyone do their own jobs in addition to helping this statewide initiative to all work together. So without fully understanding what your own company does individually, we can't really understand what the other company needs are, and we're all kind of operating in silos. So I definitely recommended that we take a step back and everybody work on this, and then once all the hubs can get together, we might realize that how Cherry Capital does purchasing might be completely different from Allen Marketplace's, and someone else might not even need that purchasing function or need something completely different. So hoping to kind of answer those questions, and then we can come back to our providers with more specific examples as to what we need and how they are solutions would work for us, but then also having the power to say that your solution might not work for us because we do this, this, and this. So that's where we're standing now.

MICHIGAN STATE UNIVERSITY | Center for Regional Food Systems

Rich Pirog: Thank you so much, Colleen. Colleen, I'll ask you to mute, and if Christine, if you would unmute, and as with the context we've talked about, and I don't think you're going to see a photo of Christine.

Christine Quane: And that's okay. I'll spare you all that lovely image.

Rich Pirog: Okay, Christine Quane, take it away.

Christine Quane: Hi, everyone, I'm Christine. I'm here in Detroit at the Eastern Market. I think most of you are familiar with the Eastern Market. We are in our 125th year of existence. We like to say that we are the oldest and largest public market in the country. We are a food hub. However, we are, again, to quote Rich, if you see one food hub, you've seen one food hub. Ours really works differently than probably most of them in a sense that as it stands today, there's no current entity that is buying and reselling. Like Eastern Market doesn't buy food and then go ahead and resell it. We have a lot of people who come to the market and operate as individual businesses, and, you know, we have a local, we have a central location where product is aggregated, but it's not coordinated by any kind of system currently. We are in the development of a for-profit business that we're launching that will be a separate business from Eastern Market called Grow Eastern Market that will be a sales arm and an aggregation for local product, and my vision in the future will be to have Grow Eastern Market be connected to the statewide IT system on behalf of our growers at Eastern market and other ones that may be are not even coming to the market currently but are in the Southeast Michigan area. So with that, in this project, the value of the next step of actually mapping out our logistics hub by hub, you know, in all of our process work, when we sat down together, I kept thinking to myself, I want to see, I'm a very visual thinker, and I want to see a visual of how each point in the supply chain, from the UP down to Detroit, from point-of-sale to the flow of the dollar from the buyer to the producer, and how all of that would work. So, you know, there's going to be key pieces of software and technology at each stage and in order to be able to make sure that this system meets all of our needs, we really needed to map out, to start the map with just our own hubs, and then put that together in the larger sense of how we would operate together as a state. You know, you have a hub like Cherry Capital that have their fleet of trucks, and then you have, you know, and in Eastern Market that has access to many different distribution channels, and there's a lot of transportation options in the city. You have Allen Street Market that does not currently own trucks, I don't believe. I'm probably speaking a little out of turn, but Rita can explain more. So were all different, and so understanding, you know, when a 3PL would be needed. When it wouldn't. What those transportation links would look like. How a 3PL might be even engaged in this process. The current flow of sales and how it connects to each one of our

individual accounting systems. All of that needs to be fleshed out for us to kind of do the deeper dive and make sure whatever software solution that we have covers us all, and, I also want to see something that comes out where maybe, you know, burgeoning hubs can participate on a piece-by-piece basis. You know, maybe they don't need the inventory, you know, a robust inventory management system, and maybe they just need access to a point-of-sale and access to maybe transportation piece. That might be something that they can pick and choose from. So, you know, this kind of where our thoughts are at this point, and I'm really excited to see how, after we're all completed with this, how this all looks, and how we might be able to put all these pieces together.

Rich Pirog: Thank you for those observations, Christine, and again, everyone will have an opportunity to ask our hub panelists questions. I'd like to proceed on now to our great friends up in the north part of the state, and Neal Curran is with the Marquette Food Co-Op and the UP Food Exchange, and Neal, as I sort of framed the question for Colleen and Christine, I know you'll share a little bit about the co-op and the exchange and why this study was valuable, but you offer such a unique perspective, because the UP is so rural, and having those connections with the other hubs, there's geographic challenges as part of that. So as you make your comments, Neal, please, you know, share with us, because I know a few of the hubs that are on this webinar also are dealing with some of those same things. How do you cooperate when you're a rural hub with other hubs? So I'll turn it over to you, Neal.

Neal Curran: Great, thanks. Yeah, so I'm Neal. I work with the UP Food Exchange. We're housed out of the Marquette Food Co-Op in Marquette, Michigan. Yeah, and the map that Rich and Noel showed earlier, like the UP wasn't even entirely in on the map. So that's kind of our situation, which is totally cool, and it's been a real privilege to be part of the process, as we are a smaller, emerging hub. We started in 2012 with a grant, and we're, you know, growing slowly, and we are growing, and we kind of started just as an online marketplace where facilitating sales between farms and wholesale buyers, and yeah, besides that, it was kind of hands off, and as we were growing, and we've, you know, the building blocks are really being put together now, as this conversation is happening, and that's been really instrumental in helping us kind of frame where he see ourselves going as a food hub, and this project has really opened up my mind to all the different possibilities that exist. You know, we don't own trucks. We don't buy inventory. We don't hold inventory of product. So this value stream mapping exercise that we're going through, I think, is, it's going to be a challenge for us because we're just so young that that anything we do from here is going to be a major transition, but I'm excited to do that, and I think that this process has been very helpful. It will be helpful to really explore all the different options simultaneously, and I don't want to distract too much, but we've also been a part of the Group Gap Project, and I think there's a lot of

crossover here, and Cherry Capital is kind of carrying the banner for Group Gap in Michigan, and I think that the conversation is moving towards even getting creative with that structure. I think this can plug into that a lot. So there's great promise, I think, in that regard. So yeah, things I've learned and the things that have been relevant to us are just, yeah, there are many different ways to think about how to move food around. As we deal with mostly smaller growers, because the climate is so harsh up here, so to even get our foot in the door to start looking at these bigger accounts, having access to product from downstate is going to be a huge bonus for us, and I think that's, yeah, and so it's really -- it could change the way we do business. Learned a lot about the system design process, and there are like millions of steps that you have to take to even get to articulating what you need. You know, there's lot of fleshing out that has to happen, and that's been really a big part of my learning process, as well, and I think that [inaudible] Food Systems deserves a really big shout out for this project, because it's really, I mean, you think, you know, you see the numbers on that screen before. 160 hours. They did an excellent job of guiding the conversation and kind of putting these yes/no decisions in front of us, and I don't think the project would have happened just on our, you know, each individual hub's spare time. You really need that third facilitating group to do it. So that's another big lesson that I learned. Get a food hub network [inaudible].

Rich Pirog: Thank you, Neal, and our last panel is to make these overall observations is Rita O'Brien. I'd ask Rita if you would unmute and hopefully, we'll get to see you show up on our Hollywood Squares video screen here. Can you hear us, Rita?

Rita O'Brien: I can hear you. Can you hear me?

Rich Pirog: Ah, there you are. Okay. So Rita, you know, the same holds for you as far as the context of the question, but in particular, Allen has a unique perspective being a nonprofit and being very much in the healthy food access space that's so important. As you make your comments, and I also know, you know, that you're a smaller hub, and you're looking at this from the standpoint of, you know, how do we benefit in the short-term and long-term? So would you add that to your comments, both your nonprofit status, your sort of short-term and long-term benefits from participating in this, and the value stream mapping?

Rita O'Brien: Sure, hi everyone. So I'll first start talking a little bit about the Allen Market Release Exchange. We are a emerging food hub, nonprofit, based out of another organization called Allen Neighborhood Center. The Allen Marketplace, we have a few programs. We have incubator kitchen space available for emerging, small and emerging food businesses. We have

food storage available for rent. We have a large event space that we use for various food events or community events, and we have our year-round farmers market, and we do a lot of trainings for farmers and food businesses around food safety, marketing, and business planning, and we also have a weekly food pantry so that we bring in a lot of food that neighbors in the area can come and get free bread or free produce each week, and then for, but the biggest part that we do is our exchange, which is our online wholesale market, linking growers and food producers to institutional or commercial buyers, and so that is, in essence, what the Allen Marketplace is. This process has been really useful for us for the exchange and looking at what our IT uses are and what exists out in the world for other food hubs. We do, our current IT does, we use the systems for product availability, tracking, and price sheets. Farmers and suppliers go on and post their products on the exchange, and we link them up with buyers and buyers can go on and purchase directly from them on there and products are aggregated at the Allen Marketplace, where they are picked up and delivered by a tricycle. So we don't have trucks yet, but we have a tricycle, and we have a tricycle assist us, a delivery service that runs year-round, which she's awesome. She's pretty badass, and so we facilitate in the order processing that our system does, and it also does traceability and transparency for parties, does order fulfillment and generates pick lists for buyers and food producers, invoice generation, and we the bookkeeping in house, although buyers can go on and make transactions direct from the site, and it also houses a lot of our reporting information for financials for sales tracking, etc. So looking, and I'm really excited, like the other panelists said, about the value stream mapping exercise that were going to be doing, because this whole process has been really eye-opening in looking at what else exists, and what other food hubs are using to make their operations work, and the challenges that they have, the workarounds that they use that we've taken on some of those workarounds also for challenges that we have with our IT system. So really identifying like what is the best option for our food hub and for the food hubs across the state. It's like other folks have said, it's really a wide range of needs amongst all of us, and trying to figure out what we can do to work together, but even beyond the IT stuff, the regular meetings that we had, we've really developed a stronger support system where we can share best practices and brainstorm ideas for improving our food hubs. So that's been really, really beneficial for us. We are excited about the aspects of cross-selling between the food hubs, just so that we can better meet the needs of our buyers, as well as our suppliers, moving more products across the state will, I think, have a really great impact for the state in general. So as a nonprofit, I think, you know, one of the things that we have found to be, and maybe I don't know if this is necessarily true to just the nonprofit organizations, but the cost associated with some of these other systems is, you know, potentially a major barrier in a cross hub network or cross hub selling network. So that's definitely been something that we are looking at and trying to figure how to make it work for all.

Rich Pirog: Rita, we just have a quick question in the chat pod. Somebody is wondering what

specific IT system you're using.

Rita O'Brien: Sure. We are using the Local Orbit Grow Plan.

Rich Pirog: Great. Thanks. Okay, Rita, thank you so much. So now, folks, you've heard from our four panelists that provide some context to, and what we're going to do now in the remaining 12 to 15 minutes. Well, for about 10 minutes we're going to do Q&A, and I'm going to turn things over to Noel. But also, do stay on until the end, because we do have a few other announcements problematically that Marty Gerencer will share. So Noel, I'm going to mute. I'm going to turn things over to you.

Noel Bielczyc: Okay, so anybody who has questions, feel free to enter them either in the chat pod the Q&A pod at the bottom of your screen. You might have to roll over that with your cursor for it to pop up, and I will help facilitate those questions to our panelists. Just wait a second, let's see if something comes in here. Also, I just wanted to mention that Salone Dashi [assumed spelling] is on from New Venture Advisors. She was involved with the report, and so we welcome any questions for her, as well. Okay, so I've got a question here from Randall. Randall asks, "From the initial research on unified IT platform, what sort of costs were being discussed?" Anyone feel like jumping in on that one?

Neal Curran: Sure, I mean, I can take a swing at it. The costs are really hard to do. There's a number of ways to think about the costs. Some people can correct me if I'm wrong, but, you know, since we are looking at creating a new system or adapting, modifying current systems that these IT creators have, there's process associated with that, and you know, trying to figure out is this something that we are using? Is this a proprietary thing that we're creating that we then have, you know, is it ours or is it the company's? So there's a lot of ways to think about it. You know, are we paying user fees, or are we actually purchasing something that we own? So I hope that answers the question. Maybe somebody else has another way to tackle it.

Christine Quane: Yeah, this is Christine from Eastern Market. You know, we are still talking about who ultimately owns the system, and how we would all participate in it. So I think that as we discover, you know, who the owner is and how the system would be maintained. You know, we're still discussing that if it's something that each individual hub would be a license fee of the system, or if we all have an upfront investment in the development. So these are things that I think we're still talking about. Correct me if I'm wrong, Rich.

MICHIGAN STATE UNIVERSITY | Center for Regional Food Systems

Rich Pirog: No correction needed. Does either -- does Colleen or Rita have anything else to add?

Christing Quane: This is Christine again. I just want to say that we are sensitive to the various levels that all of us are at as far as funding, profitability, and, you know, our overarching goal is that this is a system that we can all afford to participate in, because if not, but it's not going to work for any of us.

Rich Pirog: This is Rich Pirog. Again, I'll just also say that it's possible that there may be some grant funds to underwrite the early costs of development that we talked about. I'll just add that, as well, but again, until we can better understand our value streams and articulate the best questions to build that system, it's still kind of a wide range. What would this platform cost, and what would it cost to maintain? Noel, I'm going to turn things back to you for other questions.

Noel Bielczyc: Sure. Okay, so let's see. I'm going to jump ahead here and then I'll follow up with a couple of earlier questions. I'm going to go with David's here. "Beyond requirement definition and software selection, key elements of an implementation would involve development of a governance model defining change management, incident management procedures, reporting, etc., will these operational components be studied, defined in a subsequent?" I think he meant to say subsequent study or subsequent something? Anybody want to jump in on that?

Christine Quane: This is Christine. I'm interpreting that is have we talked about what the rules will be to play in the sandbox? You know, that brings up a good point. I think that we have all been so collaborative that I don't doubt that will be able to navigate this well together, but, at the same time, it's probably a really great idea to look at that, and I think that, you know, it's a heads up for all of us that maybe we should take a little deeper dive in kind of talk about conflict management and how we would, you know, resolve issues, but I think also, you know, once we understand how our, you know, the logistics of each of our hubs and how they would intersect, I think that's again, a good basis for, you know, okay, here's how our hubs would intersect. What could be some downstream problems that could arise, and how do we plan on handling them? I think it would -- I don't have any hesitancy engaging in this conversation with our partners.

Noel Bielczyc: Sure. There's another question from Randall asking whether the value stream mapping exercise is going to be invite only or whether other hubs will be able to participate, and I think Rich is going to answer this.

Rich Pirgo: I think I would just say that Randall that I think just by our nature of offering this webinar, Randall, that we want to share what we're learning, but what we probably would do is the first time we're together is to do that internally with the hubs that are interested, because if we just opened it up to everybody, we would sort of dilute our process and we would get our objectives. So I think the first time when we're going to do this and Marty and I and Noel are going to be on a call next week, and we're looking at several ways and strategizing how we can do this. We would do it internally, and then based on those learnings, I would expect at some point, we would offer something like this again so that there is some kind of insight to, you know, how to do it or who might do it best. So I hope that helps. We certainly want to be as helpful to other hubs, but we need to help ourselves first.

Noel Bielczyc: That's great. Thanks, Rich. We have a few more minutes left, about five minutes, so I'm certainly -- oh, yeah, time for at least another question or two. Yeah, so if there's no more questions, I think what we'll do is just wrap up and, I'm going to turn the mic over to Marty Gerencer from Morse Marketing, our partner from the Food Hub Network, and she's just going to give us updates on that.

Marty Gerencer: Sure, thank you, Noel, and thanks everyone for being on the webinar today. Thanks happy new year to all of you. Glad you could join us, and special thanks to New Venture Advisors for being with us as part of this process. We all definitely learned a lot. The upcoming events, we have a lot of other things going on in this statewide networks. Upcoming events this spring will be another webinar with Alan Girven. He is a consultant working with us. His background is actually with Heeren Brothers distributing here in Michigan, and he's going to lead a webinar on what he's learned from our Michigan hubs about business challenges. Not specifically technical challenges but business challenges, and sort of working more into the business exchange, and so that will be coming up this spring. That's cosponsored by our Michigan Food Hub Network and the Good Food Fund that Rich talked about earlier. There may also be additional webinars and events that we're working on, and Nick McCann, who is on staff now at the center with Rich and Noel, is working on that, and so stay tuned to the list serve for updates on other webinars related to these topics and cosponsored by those two entities. The value stream mapping webinar course is coming up, and that is for now our

MICHIGAN STATE UNIVERSITY | Center for Regional Food Systems

Michigan Food Hub centered, and we're working with Colleen, who was on the webinar today, and possibly looking at a partnership with Northwestern College and Michigan State University to cohost that webinar, and you'll hear from us. All of these will have recordings on the websites as we finish those. The face-to-face meetings that we have, three a year, the next one is coming up in mid-March in Grand Rapids, Michigan. That's mid-lower Michigan, mid-west lower Michigan, and we'll have a date on that very soon, so stay tuned to the list serve for updates on that. Those morning meetings and afternoon tours. So we'll be touring some food hub related entities in West Michigan, and then, of course you may all know about the National Food Hub Conference that's coming up in Atlanta in the end of March,, and go to NGFN.org to learn more about that, and I'm sure if you're on that Google list serve, you'll get updates on that, as well. So that's what we've got. Again, thank you very much, and I think I'll turn it back to Noel now to close this out.

Noel Bielczyc: Okay, thank you very much, Marty. That's going to conclude our webinar today. You can follow up with Rich and I or Marty with additional questions after the webinar, but I just want to say thanks to everybody for joining, and please visit the link in the chat pod so you can check out the public report on the Center for Regional Food System's website. Thanks again for everybody for joining, and thanks especially to our Michigan hubs who were part of the panel discussion. We really appreciate having your comments on this webinar, and everybody have a great weekend. Thank you again.

MICHIGAN STATE UNIVERSITY | Center for Regional Food Systems