

# Selling Local Food to Retailers and Restaurants Across Idaho

## Opportunities & Challenges

Selling Direct to Retail Grocers and Restaurants ♦ Webinar ♦ March 12, 2018

### Overview and Background

In Idaho, low population densities and long transportation distances to urban markets present challenges for producers interested in selling their products direct or semi-direct to grocery stores and restaurants. In 2015 and 2016, we conducted surveys of small-scale vegetable, fruit, and livestock producers and Inland Northwest grocery stores and restaurants to gain a broader understanding of the current challenges and opportunities for buying and selling food locally (within 100 miles) and regionally (within 400 miles) in Idaho. We also interviewed producers, grocers, chefs, food distributors, and food hubs to build relationships and better understand the food distribution issues in different regions of the state.

This handout provides a summary of opportunities and challenges to buying local food from the perspectives of the producers, distributors, and buyers we interviewed. A more complete discussion of this research and other recent research on increasing sales to local and regional retail and restaurant markets in Idaho can be found on the project website at [www.uidaho.edu/cals-small-farms](http://www.uidaho.edu/cals-small-farms).

Please contact us if you have any questions!

Thank you,

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Select interview results: Producers’ perspectives

Opportunities	Challenges
<p>Demand for local &amp; regional products including specialty items</p> <p>Meeting the demands of fewer customers</p> <p>Larger accounts, less travel &amp; time marketing (especially when selling to/through a distributor)</p> <p>Ability to capture economy of scale in production</p>	<p>Wholesale prices too low (both when selling through a distributor &amp; selling direct to buyers)</p> <p>Supply –quantity &amp; sometimes quality (grading, maintaining the cold chain)</p> <p>Packaging requirements of retailers</p> <p>Connecting with buyers and establishing relationships</p> <p>Dependence on other producers</p>

Select interview results: Distributors’ perspectives

Opportunities	Challenges
<p>Demand for local &amp; regional products</p> <p>Large distributors tracking systems are able to track product origin back to the farm</p> <p>Large distributors have infrastructure to hold product at proper temps</p> <p>Smaller distributors can move smaller quantities of product, assist with marketing, maintain value chain</p>	<p>Supply –quantity &amp; sometimes quality (grading, post-harvest handling)</p> <p>Food safety &amp; liability</p> <p>Reliability of product availability – promised product is not available, producers do not update product availability in database</p> <p>Establishing/maintaining producer – buyer relationships</p>

## Select interview results: Retail grocers' perspectives

Opportunities	Challenges
<p>Customers want to buy local produce, dairy, meats &amp; value-added products</p> <p>In-season specials are fairly easy to manage</p> <p>Strong market demand for local &amp; sustainable</p> <p>Interested in working with local &amp; regional distributors to purchase local products</p>	<p>Supply – seasonality, quantity, sometimes quality</p> <p>Working with multiple producers &amp; distributors</p> <p>Price – often producer &amp; Co-op distributor prices are too high</p> <p>Consumer price points vary by community</p> <p>Local ordering &amp; delivery systems / processes are not convenient</p>

## Select interview results: Restaurants' perspectives

Opportunities	Challenges
<p>Customers want local items on the menu &amp; value farm identity</p> <p>Can utilize smaller quantities of product for specials &amp;/or specific menu items</p> <p>Value personal relationships with producers</p> <p>Many can be flexible when errors in orders occur, product size &amp;/or with volumes available</p>	<p>Supply –quantity, sometimes quality</p> <p>Working with multiple producers takes a lot of time</p> <p>Some producers are not easy to work with</p> <p>Price – often producer &amp; Co-op distributor prices are too high</p> <p>Hard to count on enough quantity for regular menu items – financial risk is greater</p>