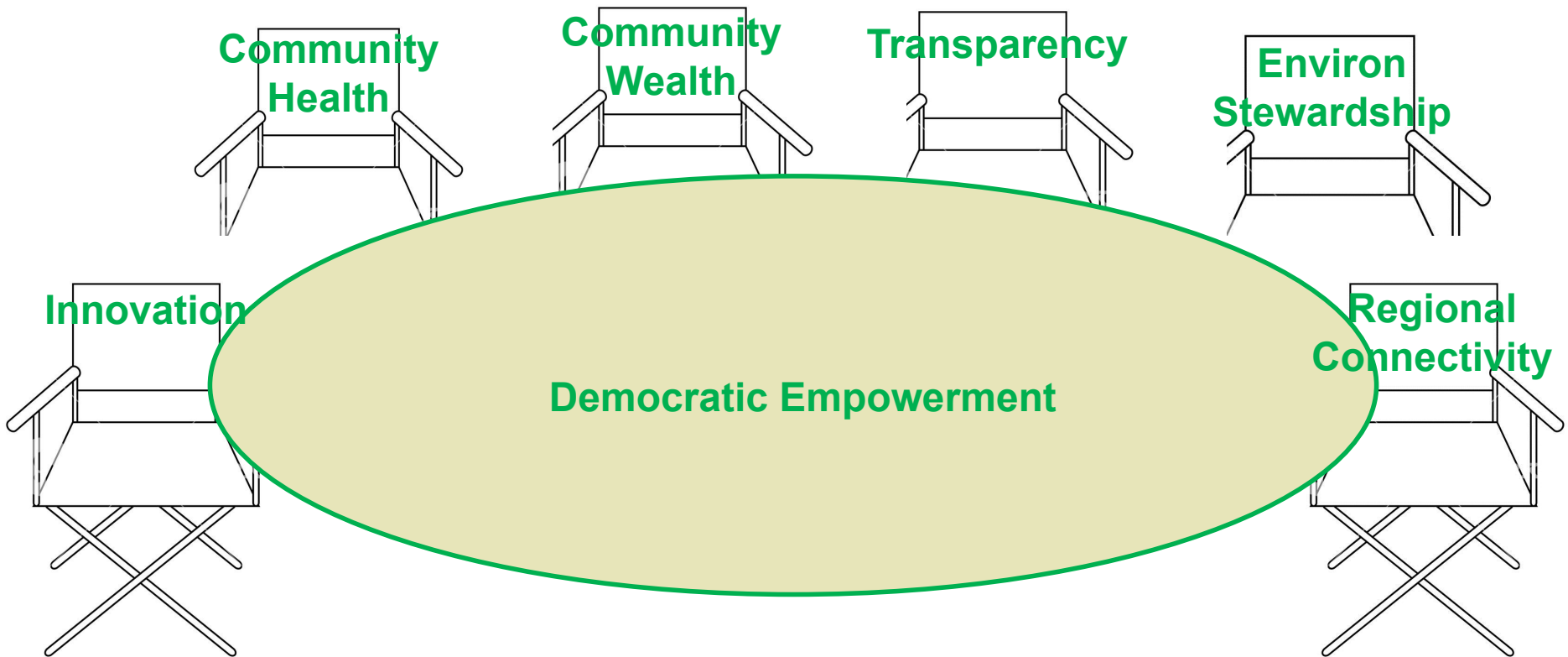


FORWARD CONTRACTS & THE NEW ENGLAND FOOD PROCESSORS COLLECTIVE

Chicago, IL
May 17, 2019



Putting the anchor strategy to work



New England Food Processors' Collective

- Coordination of shared systems:
 - Sourcing from regional farms
 - Marketing and promotion
 - Ordering and sales
- Streamline distribution
- Investment in infrastructure and relationships
 - Equipment
 - Advance planning with farms and buyers



**Vermont Food
Venture Center**

Pilot: Forward Contracts

- Goal: share risk across the food system between farmers, processors, and purchasers.
- Pilot use of contracts between processors and institutions in 2019
 - Expand to include contracts between farmers and processors in 2020
- Pilot participants:
 - Dartmouth-Hitchcock Medical Center
 - Boston Children's Hospital
 - RiverWoods Retirement Community

Pilot Process

1. Email to share products and prices
2. Phone call to discuss project goals, processors, and items of interest
3. Taste tests – On-site at facilities with chefs and purchasers
4. Finalize products, volumes, prices, and distribution details
5. Transactions are slated to begin in June 2019

The Contract: Product Details

	Example	Product #1	Product #2	Product #3
Product type	Diced butternut squash			
Specifications	1 inch cuts			
Packing requirements	25 pound bags			
Volume per week	140 pounds/ 5.6 cases			
Weeks available	May 20 – Dec 31/ 34 weeks			
Cost per unit	\$1.65 per pound/ \$41.25 per case			
Delivery schedule	Weekly via Upper Valley Produce			
Total Volume	4,760 pounds annually			
Total Cost	\$231 per week/ \$7,854 annually			

The Contracts: Sourcing Details

The Processor agrees to source the raw ingredients for all products from New England based producers. If products are unavailable within the region they will look to source from the Northeast (defined by the U.S. Department of Agriculture as VA through ME). If products are unavailable within the Northeast, the Processors will notify the purchaser that the product will be unavailable.

Notification will be made at least 14 days in advance of expected delivery.

The Contract: Down Payment

- _____ (institution) agrees to pay 20 percent of the total cost of product (total volume July through Dec 2019) by May 1, 2019. This will enable processors to provide farmers with a fair price and a reliable payment schedule. The remainder of payments will be made within 30 days of receipt of product.
- Should _____ (institution) decide to terminate the agreement between May 1, 2019 and the week of the first delivery there will be a 50 percent refund on the deposit.
- Should _____ (institution) decide to terminate the agreement on or after the week of the first delivery there will be no refund of the deposit.

Health Care Without Harm

Health Care Without Harm seeks to transform the health sector worldwide, without compromising patient safety or care, so that it becomes ecologically sustainable and a leading advocate for environmental health and justice.

With offices on four continents and partners around the world, Health Care Without Harm is leveraging the health sector's expertise, purchasing power, political clout, workforce development, and moral authority to create the conditions for healthy people, communities, and the environment.

This presentation was produced by Health Care Without Harm's national Healthy Food in Health Care program, which harnesses the purchasing power and expertise of the health care sector to advance the development of a sustainable food system.

Visit healthyfoodinhealthcare.org for more information.



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