Farm, Food and Enterprise Development Program

2020 Annual Report

IOWA STATE UNIVERSITY
Extension and Outreach

April 2021
2020 was a year like no other, with the COVID 19 pandemic and restrictions to curb its spread creating uncertainty all over the world. In Iowa, schools closed on March 15, 2020, some businesses shut down, and some workplaces switched to remote work to encourage people to stay home.

Accordingly, people began to eat at home rather than at restaurants, schools, and cafeterias. This created immediate shifts in food supply chains; those supplying institutional markets couldn’t find outlets for products, leading to the news-making dumping of milk and plowing under ripe vegetable crops, while grocery store shelves went bare.

In some cases, local food producers filled gaps when traditional supply chains failed. A national survey in September 2020 showed that 35% of consumers began shopping between April 2020 and September 2020 for food at a local outlet which they had never used before (Thilmany & Edmondson, 2020). For example, three percent of consumers visited a farmers market and three percent purchased through a CSA or directly from the producer for the first time. While three percent appears small, the report highlights that if this survey is representative, it equates to 36 million households in the United States and 38,600 households in Iowa accessing these local markets for the first time. (State Library of Iowa, n.d.) This survey also showed that 73 percent of consumers who made a purchase at a local food or farm business for the first time in April 2020 were still shopping there in September 2020. This could point toward a permanent shift in the way consumers access food.

FFED provided 89 consultations in 2020 related to COVID with individuals and businesses. This included 23 farmers and 11 food businesses. Many farmers were seeking advice and resources to meet demand for direct to consumer sales. For example, farmers requested advice on starting online sales, starting small creameries, and direct marketing eggs, dairy, and meat. Farmers and food businesses also sought advice on food safety best practices in light of COVID.

That is not to say, however, that COVID-19 has been a boon for all farms selling into local and regional markets, especially those selling through farmers markets, farm to school, or food hubs focused on institutional sales. One economic analysis estimated that nationally an estimated loss occurred in local and regional food market sales of $688.7
million, with a total loss in the national economy of up to $1.32 billion from March to May 2020 (Thilmany, Jablonski, Tropp, Angelo, & Low, 2021).

Because the COVID-19 pandemic was a shock to many small businesses, demand for FFED’s business services skyrocketed. A total of 21 business received direct technical assistance with 8 plus hours of work, and 11 business received direct technical assistance with 1-8 hours of work. In addition, 15 non-agricultural businesses consulted with FFED, primarily related to finances and loans.

In addition, FFED worked on the following in response to COVID-19:

- Supporting SBDC Iowa with client request for debt consolidation, financial modeling, and other technical support.
- Supporting businesses experiencing SBA loan denials, i.e., SBA loan packagers, banks, and businesses.
- Developing the virtual certifications for Local Food Leader and Community Food Systems programs.
- Creating a COVID-19 resource library on the FFED website.
- Researching COVID-19 impacts and resources relating to community gardens.
- Recording 48 Back to Business Iowa podcasts, including 4 in Spanish.

The FFED team manages the Agricultural Marketing Resource Center (AgMRC) website and conducts research and education related to agricultural marketing. In 2020, FFED worked on several projects related to AgMRC:

- Completed a remodeling of the business section of the website.
- Worked with partners to design a mobile food processing cart.
- Conducting the Iowa Farm to Summer Campaign in collaboration with FoodCorp and the Iowa Department of Agriculture and Land Stewardship.
- Researching rural community resilience and the role of extension.
- Researching the role of independent grocers and food processors in their communities.
- Completing a scaling-up processing toolkit.

**References**


Cover photo: Iowa Local Food Day looked a little different in 2020 as food service staff members dealt with pandemic challenges. But schools and early care centers all over Iowa made it work, including these staffers at an Iowa City area school who sourced food from the Field to Family food hub. Photo courtesy of Field to Family.
Message from the program manager

Welcome to the 2020 annual report of the Farm, Food and Enterprise Development (FFED) program. To say 2020 was an unusual or challenging year would be an understatement. Like many farms and businesses we serve, we pivoted both the way we provided resources and programs and the programs and resources we provided.

New or adapted resources provided were the “Back to Business Iowa” podcasts, the all-virtual Local Food Leader and Community Food Systems certification programs, and the all-virtual Iowa Farm to School and Early Care Conference, among others.

Missing were the ISU Local Food Festival we have fun holding on campus for 2,000 students, faculty, and staff in September, and many face-to-face consultations, workshops, and meetings. This report highlights some of the programs we completed and some of the outcomes received as a result of our programming. Realize, however, you won’t find information on everything we have done or what programs are under development.

For that information or questions you have regarding FFED, visit our website at www.extension.iastate.edu/ffed. There you can read our news items, sign up for our monthly newsletter, read our publications and directories, and much more. And feel free to contact me, program manager Craig Chase, at cchase@iastate.edu with your questions or requests.

More than 150 people participated in the 2020 Iowa Farm to School and Early Care virtual conference on June 19. They heard presentations from project coordinators around the state, including a virtual tour of the beehives at Gilmore City-Bradgate Elementary.
Kenkel Farms moves toward online meat sales with FFED guidance

Kenkel Farms is a family farm in west central Iowa raising corn, beans, alfalfa and cattle. Sam and Chelsea also operate a custom baling business. They’ve been selling quarter and half shares of beef and pork to local customers for around 10 years.

Last summer, the couple contacted FFED for advice on creating an online sales outlet for their meat.

“COVID-19 has actually pushed us into action on an idea we’ve been kicking around for a few years now,” Chelsea said. “I feel that people are more aware that their food actually comes from a farmer they can visit with about what they are buying and not just a product from a store.”

Another factor, she said, was extremely low or even non-existent bids from packers recently, which spurred them to consider direct-marketing.

After contacting the general FFED email, Chelsea connected with Christa Hartsook, who leads our Small Farms Team.

“We were looking for direction from Christa on how to take our meat sales from shares to retail, and start an on-farm store or retail store,” Chelsea said.

She said Christa has answered many questions on what the Kenkels will need to do from start to finish. They discussed labeling questions, storage options, and other details to help bring this idea to light.

“Sam and Chelsea are thinking creatively about how to best align their farm business with the demands of the current market to remain profitable,” Christa said. “COVID-19 has increased demand from consumers for local meat products. It’s ideal to think about the potential market first and then do all the research to determine what regulations cover each aspect of the potential business model.”

Chelsea says their next step will be to contact the Iowa Department of Agriculture and Land Stewardship (IDALS). They’ll start working on labels and getting certified/licensed to be able to store and retail. Once they are up and running with online beef sales, they plan to add other products to their lineup.
More highlights from the Small Farms Team

The Small Farm Sustainability podcast produced by our Small Farms Team published more than 40 episodes in 2020—many of them focused on COVID-19 topics. Visit [www.extension.iastate.edu/smallfarms/small-farm-sustainability-podcasts](http://www.extension.iastate.edu/smallfarms/small-farm-sustainability-podcasts) to tune in or subscribe.

The newly created Iowa Farm to School and Early Care Network published its first annual report in 2020, highlighting the growth of farm to school efforts statewide in spite of pandemic challenges. Check out our other farm to school and early care reports and resources at [www.extension.iastate.edu/ffed/f2s](http://www.extension.iastate.edu/ffed/f2s).

Iowa’s food hubs were crucial partners in getting locally grown food into schools during the COVID-19 pandemic. With funding support from the Iowa Department of Agricultural and Land Stewardship, schools and early care sites in 25 Iowa counties sourced local food from a nearby hub to feed local children.

In January 2020, the Iowa Specialty Producers Conference took place at the DMACC campus in Ankeny. This first-ever collaborative conference of the Iowa Fruit and Vegetable Growers Association and the Iowa Wine Growers Association attracted more than 200 attendees.
Virtual food systems certifications go online

The COVID-19 pandemic brought nationwide attention to issues of supply chain weaknesses and food systems inequities in 2020. Our Food Systems Team responded to the increased need for community capacity in local food systems development by moving crucial trainings normally offered in-person to an online format.

Since September 2020, the team’s four popular professional development opportunities for food systems practitioners are available entirely online, as a mix of live and recorded classes.

Available certifications include:

**Local Food Leader**

The Local Food Leader Certification teaches foundational competencies critical for successful food systems development through integrated virtual workshops and four online modules. These include equity in food systems, working in food systems, facilitation and coordination, evaluation and professional development. The online modules offer intensive curriculum including community food systems overview, methods of engagement and leadership, creating teams and tools for success, and evaluation.

**Community Food Systems**

The Community Food Systems Full Certification is a process-based certification that increases capacity for food systems practitioners to work within community and develop food systems. The virtual workshops center around activities and networking with colleagues to learn a new framework for community food systems development.

The online modules offer intensive curriculum around visioning and implementation, conducting community food systems assessments and mapping for decision-making, tools for project management and evaluation, feasibility studies, economic impact and design thinking.

**CFS Facilitator**

The Community Food Systems Facilitator Certification is a process-based certification that increases capacity for food systems practitioners to work within community and develop food systems. The virtual workshops center around activities and networking with colleagues to learn the facilitation components of the Community Food Systems process.

**CFS Assessor**

The Community Food Systems Assessor Certification is a process-based certification that increases capacity for food systems practitioners to work within community and develop food systems. The virtual workshops center around activities and networking with colleagues to learn the assessor components of the Community Food Systems process within Phase 1.

The LFL and CFS virtual courses sold out for fall 2020, with 16 participants in the LFL cohort and 21 in CFS. Participants came from 13 states, including Iowa.

A CFS participant said, “I gained a better understanding of food system sectors, where my work falls, and considering them in conversation with community assets.”
More highlights from the Food Systems Team

Mobile food processing units have emerged as a potential solution to community food security issues around the world. In Iowa, a team within ISU Extension and Outreach continues university research of several years into how small-scale, mobile processing units could help businesses, non-profit agencies, and farmers increase their capacity to process locally grown fresh produce for sale or donation in their communities.

In 2020, FFED’s Food Systems Team and partners elsewhere in extension began interviewing food businesses, farmers, aggregators and distributors, and non-profits to explore the feasibility of building a mobile processing cart for Iowa. The team also partnered last fall with students in an ISU Mechanical Engineering Capstone Course to create preliminary cart designs. Work continues into 2021.

FFED conducted a Linn County Food Rescue Assessment in 2020 in partnership with Linn County Public Health. The goal of the assessment was to learn about existing infrastructure related to food donation in Linn County.

The team interviewed food distributors and service providers and surveyed licensed food businesses and service agencies. Hawkeye Area Community Action Program (HACAP) partnered on a survey of food pantry clients. After analyzing the gathered data, the team recommended these next steps: development of a food donation app (Chowbank) to further support in logistics and connections between food businesses and service agencies; increasing promotion and awareness efforts about ongoing and relevant activities for food rescue; and increasing partnerships between agencies for infrastructure and logistics opportunities.

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A destructive fire on top of pandemic disruptions could have spelled the end of a livestock feed company in western Iowa. Instead, these challenges have spurred a multi-generational family to rebuild bigger and better.

John, Jake and Andrew Schechinger of Harlan created FiberFactor Feeds by purchasing the intellectual property of Iowa Agricultural Bio Fibers. IABF lost its feed mill to fire in April 2020. The original company was founded in 2008 by John (Jake’s father and Andrew’s grandfather) and several other investors. The reborn company’s product line will remain essentially the same: pelleted livestock feed for cattle, horses, sheep and goats. The feed is milled from corn and soybean residue, grain proteins and US-mined minerals.

Several things stand out about the company. One is their commitment to sustainable products. Another is their plan to partner with young farmers (under 40) to supply and transport residue at a fair price. “Our goal as company is for every production facility we build, to have 10-20 young farmers working with us as suppliers,” Andrew said.

The real surprise, though? Andrew Schechinger, who owns a third of the emerging company, is a sophomore student at Iowa State University. An entrepreneurship major, he speaks knowledgably and confidently about the company’s plans.

“Jake runs the feed mill, and John designed the new production facility and some new products,” Andrew said. “I’m in charge of raising the capital to build the new facility.”

FiberFactor Feeds is seeking $6 million in financing to build a plant and expand its product line. Andrew is shepherding the process of approaching the USDA for a Business and Industry Guaranteed Loan of $4 million. The loan would be serviced by Liberty National Bank in Johnston. Andrew also is in charge of raising the remaining $2 million from private investors.

In order to qualify for the loan, the company needed to provide a feasibility study. That’s where FFED’s expertise came in.

Andrew contacted Judy Iles at the ISU Pappajohn Center for Entrepreneurship. She put him in touch with Brian Tapp, who leads our FFED Enterprise Development team.

“They did a fantastic job of going through hundreds of documents and compiling all of our R&D and work into a feasibility study,” Andrew said. “They laid out the important points to show how we have been successful and can be successful in the future. I would absolutely recommend Brian and his team.”
More highlights from the Enterprise Development Team

According to the US Small Business Administration, small businesses (defined as fewer than 500 employees) make up 97% of Iowa businesses and normally employ nearly half of all working Iowans. Immediately after quarantine measures were instituted, more than 180,000 jobs were lost. While many have come back, businesses are still adjusting to the COVID economy.

In response, our Enterprise Development Team partnered with the Iowa Small Business Development Centers to create a new podcast series: Back to Business Iowa. The podcast posted 49 episodes in 2020, featuring more than 60 expert guests. Topics ranged from management advice for Iowa’s small retailers to restaurant and salon reopening guidance to a wide variety of resources available to Iowa businesses—during COVID-19 and beyond. The podcasts were downloaded a total of 2,277 times in 2020. Listen to them at www.extension.iastate.edu/ffed/ffed-podcasts.

When small-town grocery stores close, rural Iowans lose more than convenience. They can lose their health. Without ready access to fresh fruits and vegetables, people may develop more chronic diet-related conditions including diabetes and heart disease.

The Iowa Department of Public Health reported that Iowa lost more than half its grocery stores between 1976 and 2000. Although some rural stores reported a boost in 2020 sales due to the COVID-19 pandemic, many fear it’s temporary. The Enterprise Development Team supported several small-town groceries in 2020:

- **Abarrotes Villachuato grocery** in Marshalltown was destroyed in the 2018 tornado. The ISU team recently conducted a feasibility snapshot for a new larger store. Their financial projections gave a local bank the confidence to approve a $2 million loan.

- **Small Town Grocery Consortium.** Late in 2019, the team got a call from representatives of grocery stores in Dayton, Jewell, Manson and Stratford. FFED supported the group throughout 2020 as they considered collaboration options and monitored the pandemic’s impact.

- **Succession Plan.** Family members of another small-town grocery group are hoping to pass their interest to family members in the next generation. They need a loan to complete the purchase. FFED provided a financial analysis and three-year projections for review by a local lender.
Supporting Farms

The Small Farms Team provides outreach to rural Iowans to connect them with relevant agricultural resources and programs from Iowa State University Extension and Outreach. Outreach channels include a bi-monthly newsletter, monthly podcast, social media, annual conference, and workshops.

Clients include farmers, acreage owners, and service providers.

Our services include farm profitability analysis, food safety training, value-added opportunities, Visit Iowa Farms (agritourism), and maintaining the Agricultural Marketing Resource Center (AgMRC) website, among others.

Your point of contact is Christa Hartsook, hartc@iastate.edu.

Supporting Food Systems

Our Food Systems Team supports the development of thriving local food systems statewide, in partnership with county extension staff and many other collaborators.

Clients include community coalitions, educators, non-profits, and county extension staff.

Our services include coalition development, community food system assessment, technical assistance, leadership certifications, and farm to school program support for local food procurement, school gardens and classroom activities, and maintaining the Iowa CSA and Iowa Food Hub directories on our website.

Your point of contact is Courtney Long, court7@iastate.edu.

Supporting Enterprise Development

The Enterprise Development Team supports small businesses and start-ups around Iowa with a complete range of services, turning initial ideas into successful businesses.

Clients include business owners, entrepreneurs, and start-ups, as well as partners in the non-profit and lending sectors.

Our services include business feasibility studies and analysis, entrepreneurship training, business plan development, and integration with other service providers as needed.

Your point of contact is Brian Tapp, btapp@iastate.edu.
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<thead>
<tr>
<th>Name</th>
<th>Role</th>
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<tbody>
<tr>
<td>CRAIG CHASE</td>
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<tr>
<td>CHRISTA HARTSOOK*</td>
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<td>COURTNEY LONG*</td>
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<td>ARLENE ENDERSON</td>
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<td>BRE MILLER</td>
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<td>CHELSEA KRIST</td>
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<td>VICTOR OYERVIDES</td>
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* = team leader
# Farm, Food and Enterprise Development by the Numbers 2020

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<td>field days, and meetings</td>
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<td>early childhood providers and</td>
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<td>Consultations with individuals related to COVID-19</td>
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**COVID-19 RESPONSE**

- 2 certifications shifted to a virtual platform with 21 participants in Community Food Systems and 16 participants in Local Food Leader
- 48 Back to Business Iowa podcasts developed
- 42 Small Farms Sustainability podcasts developed with a total of 32,956 downloads

[Visit Iowa Farms](https://www.extension.iastate.edu/ffed/)

Iowa State University
Extension and Outreach

2020 Farm, Food and Enterprise Development Program Annual Report
FFED’s work has looked a little different since spring 2020 due to the COVID-19 pandemic. But we remain committed to serving our clients using every tool available. Until it is safe to meet in person again, we continue to gather virtually. The 2021 ISU Community Food Systems Event pictured here is a good example. Food systems practitioners from all around Iowa and the US met virtually for a half-day of presentations and keynotes designed to strengthen community food systems during this critical time. Courtney Long photo.