

# CONFERENCE PROCEEDINGS



December 2017

## FOODCON 2017

CSE12201701





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### *Special Thank You*

Eric Insler and Aisa Ledesma (both MBA '18) volunteered to manage FoodCon at UNC Kenan-Flagler this academic year. Countless meetings, attending food conferences, lining up great people to speak, and creating social media and marketing plans, were just some of the duties they undertook to make FoodCon 2018 a success. In addition to other leadership roles, they brought their best knowledge and spirit to making this event exceed expectations. The Center for Sustainable Enterprise is deeply grateful for their contributions.



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The agriculture industry in North Carolina, contributes around **\$70 billion** to the state's economy.

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## INTRODUCTION

The agriculture industry in North Carolina (including food, fiber and forestry), contributes around \$70 billion to the state's economy. (<http://ncgovdocs.org/guides/agriculture.htm>) From farms, processing, wholesale and retail distribution, to the table, there is much to discuss and learn.

FoodCon is a daylong event focused on the business of sustainable food with a goal of bringing together a diverse audience of students, community members, and business professionals who have a shared interest in the sustainable food industry.

UNC Kenan-Flagler MBA Net Impact students (Elisa Elkind and Brianne Abramowicz, both MBA '15) had an idea in 2014 to host a conference to talk about the business of sustainable food. Since then, their idea has grown to include partner schools, who each take a turn to co-host the event, Duke University and NC State. This event is a collaborative effort between the three schools that surpasses 'Tobacco Road' rivalries. The 2017 event came back to UNC Kenan-Flagler with a theme of 'Good For All: Sustainable. Profitable. Accessible.'

Within these Proceedings, you will find key takeaways from current MBA students on each of the panel sessions and keynotes from the day.

## KEYNOTES

### MORNING KEYNOTE

by *Hanna Wondagegn, BA2021*

**Keynote Speaker:** Megan Shea (Co-founder of the Soulfull Project)

Soulfull Project co-founder Megan Shea shared her experience of working in a for-profit business with a social mission in her keynote address at 2017 FoodCon at UNC Kenan-Flagler Business School.

Hosted by the UNC Center for Sustainable Enterprise in collaboration with NC State Net Impact and Duke University's Fuqua Food and Agriculture Club, students, faculty and community members learned and shared new ideas about the sustainable food industry.

"It started with a promise"

Shea recounted the story of Soulfull Project's creation during a Campbell Soup Company work trip to Texas. She and her co-workers were researching what families were eating when they met a mother of three children who did not have enough food to feed her family. Shea and her co-workers left Texas, promising to do something to help people in need.

"We never followed through," Shea said.

A year later, she and her coworkers were reminded of their broken promise when a mother knocked on the factory door and asked for food for her family. That night Soulfull Project was born, launching a for-profit company that provides good quality combined with a social mission to end food insecurity in America. It provides access to healthy food and consumers make a difference through their purchases.

"We are centered on direct impact on people," Shea said.

To increase their impact, Shea and her team launched the Soulfull 100 campaign on Aug. 1, 2016, with the goal of giving back to the community for 100 days. One hundred days later, the campaign ended with success.

### LOOKING TO THE FUTURE

The latest collaboration with Amazon and supermarkets allows Soulfull to increase their impact nationally.



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Shea and her team launched the Soulfull 100 campaign on Aug. 1, 2016, with the goal of giving back to the community for 100 days.

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[Megan Shea](#)

*Co-founder of the Soulfull Project*

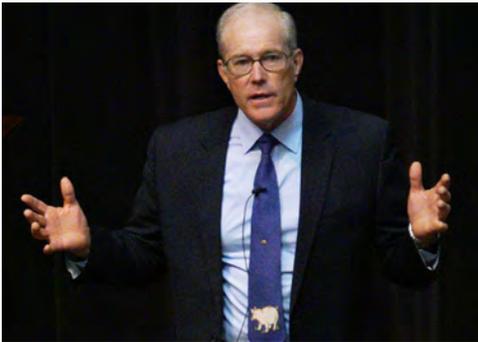
Shea hopes that people will learn more about hunger and food access and end food insecurity so that families will never go hungry again.

“What would the world look like if we can do that?” Shea asked.

## AFTERNOON KEYNOTE

by Eric Insler, MBA 2019

**Keynote Speaker:** Joel Salatin (Owner/Operator of Polyface Farm)



Joel Salatin is the owner/operator of Polyface Farm in Swoope, VA. Polyface Farm is known as an early leader in sustainable agriculture. For the afternoon keynote, he discussed how the theme of FoodCon 2017, “Good for All: Sustainable. Profitable. Accessible,” relates to his farm and the business that he has grown.

### SUSTAINABLE AGRICULTURE

In order for agriculture to be sustainable, the primary input—soil—needs to be continuously cared for and rejuvenated. Salatin explained that instituting farming practices that are in tune with the cycles of the Earth includes cultivating annuals and having animals continuously graze the land, fertilize it with manure, and then letting the soil rest and rejuvenate before being replanted or grazed. However, these cycles can be exploited for scope. For instance, free-range chickens can follow herbivores and consume insects that spawn in the herbivores’ manure.

In order for agriculture to be sustainable, the primary input—soil—needs to be continuously cared for and rejuvenated.

### PROFITABLE BUSINESS

The business of farming requires a lot of upfront capital investment, which is very risky, especially when crop yields are uncertain. Salatin believes that one of the keys to profitability for a grower is flexibility. He believes we must create systems, processes, and equipment that are flexible and allow for movement and scaling. These innovations allow smaller farmers to remain profitable and give them independence from credit and large agricultural companies.

### ACCESSIBLE FOOD

The inaccessibility of food, Salatin explained, is often caused by government regulations preventing entrepreneurs from easily establishing food companies. An excessive amount of capital is required to startup new food companies, and this prevents lower income individuals from starting businesses that can bring new food options into communities. Salatin believes that regulations ought to be loosened for new food startups and that will help alleviate the country’s food inaccessibility problem.

Joel Salatin

*Owner/Operator of Polyface Farm*

## CONFERENCE SESSIONS

### SUSTAINABLE B CORPORATIONS

by Leslie Wong, MBA 2018

**Moderator:** Jessica Thomas (Director of Business Sustainability Collaborative at NCSU)

**Panelists:**

- Josh Monahan (Founder of 1 in 6 Snacks)
- Eric Henry (President of TS Designs)
- Justin Senkbeil (Co-Founder of CompostNOW)
- Sandi Kronick (CEO at Eastern Carolina Organics)

This panel explored what a B Corporation is and how food companies maximize profits while prioritizing their social and environmental practices. The shift toward corporate social responsibility in the food industry was also explored.

#### Definition of B Corporation

There are over 2,300 B Corporations in over 50 countries spanning 130 different industries. In order to become a B-Corporation, companies must meet rigorous standards that prove that they uphold high standards of environmental & social stewardship as well as pledge greater accountability and transparency to the public.

#### B Corps effecting changes in business and consumer behavior

In today's world, a growing consumer base wants value beyond price. Consumers are caring more and more about the products they are buying and how these products have been procured or manufactured. They are also seeking greater transparency in relation to companies' business and social practices. Some consumers actively choose B Corps because they provide the additional value that they seek.

Currently, North Carolina does not have the option for companies to incorporate as a B Corp, which is different from being certified as a B Corp. As consumer preferences continue to shift towards sustainability, the panelists believe that North Carolina should change its legislation, giving businesses a choice between the two options.

#### Future Challenges

Many of the panelists agreed that there is still a struggle when communicating B Corp value to the financial world. For example, some financial analysts still doubt its necessity,



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Sandi Kronick (left),  
CEO at Eastern Carolina Organics  
Justin Senkbeil (right),  
Co-Founder of CompostNOW

but a number of firms in the insurance industry recognize climate change and its effects on their core business practice and are embracing the values of the B Corp movement. Justin Senkbeil pointed out that besides business hesitation in the marketplace, there are still a number of consumers to get 'on-board.' He believes we need to figure out what the root cause of consumer complacency is and work to solve that problem. A community can be successful when everyone participates and engages in the conversation.

## SODA TAX POLICY WORKSHOP

by Cristina Balitaan, MBA 2019

**Facilitator:** Allegra Palmer (Board Member, Duke MBA Food & Agriculture Club)

### Experts:

- Alice Ammerman, PhD (Mildred Kaufman Distinguished Professor at Gillings School of Global Public Health at UNC)
- Steven Sexton, PhD (Assistant Professor in the Sanford School of Public Policy at Duke University)
- Sarah Zoubek (Associate Director World Food Policy Center)



This interactive workshop gave participants the opportunity to work on a case regarding calls for a soda tax. Workshop participants discussed how they would approach a soda tax from the perspectives of key food industry stakeholders, presented their recommendations, and received feedback from the expert judges.

Three important takeaways from the experts during the workshop include:

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Soda taxes are inevitable and are here to stay.

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Steven Sexton (left),  
Assistant Professor in the Sanford  
School of Public Policy,  
Duke University

1. Soda taxes are inevitable and are here to stay. While the implementation of this tax is still in its growing stages, and regardless of its success or failure in achieving policy objectives, soda tax is creating awareness of the negative effects of drinking sugary carbonated soft drinks.
2. We must wait and see how the consequences of a soda tax play over time. With the local application of a soda tax, currently we are seeing two things:
  - Distributors are receiving the bulk of the tax, not consumers.
  - Consumers are not necessarily changing behavior.
3. Soda taxes have global implications. In the current US environment in which consumer preferences for carbonated soft drinks (CSD) are changing negatively in the light of growing consumer knowledge and concerns over obesity, CSD brands will be focusing their sugary drinks business and strategy in emerging markets.

Furthermore, we must realize that the consequences and changes may be different if soda taxes roll up to the state and national level.

## DIVERSE AND SUSTAINABLE BUSINESS MODELS

by Michael Flint, MBA 2018

**Moderator:** Olga Hawn (Assistant Professor of Strategy and Entrepreneurship at UNC Kenan-Flagler)

### Panelists:

- Aaron Dawson (Special Projects and Board Member at Equal Exchange)
- Suzanne Nelson (Owner of Reverence Farms)
- Jacob Bohem (Executive Chef & Owner of Snap Pea)
- Tina Prevatte (Co-Founder & Co-CEO of Firsthand Foods)

This panel discussed the difficulty of building and growing businesses that are committed to environmental and social sustainability and how they have become successful.



### How many times did you have to change your business model?

**Tina:** North Carolina has relatively more mid-sized slaughterhouses than the rest of the country, but their materials and packaging have been an issue. Firsthand Foods thought it could help with that, but that was too much to take on. As a result, we pivoted to being an aggregator so farms can make investments themselves. We have become a food hub that focuses on marketing and sales. This has helped generate economic development and pushed processing partners to do better and invest in good equipment. We have thought about going direct to consumer, and that would be a nice balance, but it ends up putting us in competition with some of our customers, which we are not built to do.

**Bruce:** Our vision has been consistent: to heal the land we farm and raise pasture animals. How you make that work requires constant change. We opened a café a few months ago and that has been a huge change. We are focused on constantly getting better and delivering flawless execution.

### What is a key aspect of your business model that has led to success?

**Bruce:** Our company values drive everything: a culture to foster, grow, and create. All decisions are based off those values and our integrity. That is long-term sustainable. The issue is the short-term cash, since we are not currently profitable. However, we have time to figure that out and I do believe we will achieve profitability in the long term while continuing to be sustainable.

“We have become a food hub that focuses on marketing and sales. This has helped generate economic development and pushed processing partners to do better and invest in good equipment.”

*Tina Prevatte (center),  
Co-Founder & Co-CEO, Firsthand  
Foods*

**Tina:** We are in the relationship business. Transparency, accountability, treating people fairly and with dignity, showing them that they are part of what we are doing—that is the key. All of our relationships need to be “win-win” to be sustainable. We value people as partners.

Our business is funded through grants, which has kept us mission focused. We are not accountable to investors or banks who are more worried about IRR, payback, etc. We are a breakeven business for the most part—we are not highly profitable. But, we shouldn’t be highly profitable. We put as little margin on our products as we can to make them as affordable as possible.

**Aaron:** Coffee is a heavily traded good, and Starbucks boosted the gourmet coffee market around the time that Equal Exchange was founded. It was good timing with a good product. In addition, we are a co-op; strong management in that model has allowed us to be successful.

**Jacob:** Pushing customers to own up to their commitments to being sustainable; we are dedicated to our core values. For example, we did a wedding where the bride and groom wanted local asparagus, but during the week of their wedding, the asparagus in the area was bad. It was not something we could serve. So, the bride and groom had to trust us to adjust accordingly, and that didn’t mean just going to the grocery store and buying whatever asparagus they had on sale. We found another delicious, local vegetable to serve instead. There are many risks that come with being truly local—namely seasonality, but others as well. We are focused on challenging people to do more and to stay committed to sustainability even if things are not exactly as they initially thought.

**As a small business owner, how do you actually ‘do’ local? It is so hard to track all these things down!**

**Jacob:** It is a lot easier now than it was even just a couple years ago because of people like Tina and other organizations. Farmers and everyone are getting better at it and making it easier to bridge the Gap between sustainability and profitability.

**Bruce:** Our value system is upside down--people want cheap food but then we pay a ton for healthcare on the backend. Companies have to be in it for more than just profit. We need to create a better world. Of course, businesses have to be profitable, and the gap is beginning to close as people and customers become more aware of health and food systems.

**Tina:** You have to approach issues strategically, financially, not just with heart. In sustainability circles, corporate and business strategies are often viewed as bad. Branding

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“Companies have to be in it for more than just profit. We need to create a better world. Of course, businesses have to be profitable, and the gap is beginning to close as people and customers become more aware of health and food systems.”

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is not “too corporate”; it is not bad. It helps you gain customers and execute your mission. Often times when you are running a mission-focused business, you have to build the market, so you have to be smart financially and with your strategy. Along with being sustainable, you have to be business savvy.

In addition, people have to be willing to pay more for good food. Good food is inherently more expensive, but that is not a bad thing. It is quality over quantity. And, greenwashing is a huge problem when it comes to that. Other companies make false and misleading claims, and it hurts the companies that are actually doing it right.

## PROFITABLE THE ROLE OF CO-PACKERS

by Nate Smith, MBA 2018

**Moderator:** Laura Lauffer (Project Extension & Outreach Program Manager at NC Growing Together)

**Panelists:**

- Eric Hallman (Executive Director of Piedmont Food and Agricultural Processing Center)
- Neal McTighe (Founder of Nellino’s Sauce)
- Roger Townley (President of Townley Associates)

This panel discussed co-packers and their important role in the food eco-system.



Picture your favorite ‘Mom & Pop’ vendor at your local farmers market; perhaps your local artisan cheese maker or hot sauce maven. When that vendor has exhausted all opportunities in the local market, where do they go from there? This panel explained the little-known part of the food industry known as co-packers, who help small sellers go big with equipment, capital, and expertise.

Specifically, Neal McTighe discussed the sales trajectory of his product, Nellino’s gourmet pasta sauce, and his use of PFAP (Piedmont Food and Agricultural Processing Center), a local agricultural processing center. Neal started his business out of his home kitchen but hit a ceiling when he finagled his way into an order from Whole Foods. PFAP was able to offer the kitchen space, bottling/sterilization equipment, and distribution Neil needed to meet his exponential growth targets on a budget. As Sue, the panelist representing PFAP put it, “the hardest thing for a vendor is to go from ‘packs to pallets’.” Now Nellino’s has gone from farm stands to grocery stores, selling in major distribution chains across the US.

Roger Townley, president of Townley Associates and a registered food scientist, detailed the importance of making your product consistent, transportable, and shelf stable through

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Co-packers help small sellers go big with equipment, capital, and expertise.

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Roger Townley (left),  
*President of Townley Associates*  
Laura Lauffer (center),  
*Project Extension & Outreach  
Program Manager at NC Growing  
Together*  
Eric Hallman (right),  
*Executive Director of Piedmont  
Food and Agricultural Processing  
Center*

a food algorithm. In a home kitchen, tablespoons and cups may be sufficient, but on a whole foods scale, one needs pounds and tons. Roger provides consultation to food entrepreneurs entering the co-packer development stage successfully transition their product to the big stage.

For those flush with capital and warehouse space co-packers may be irrelevant. At a certain scale, their resources and intelligence would most likely be expensive and repetitive. However, for those looking to grow on a shoestring budget, co-packers would most likely be a necessary step for growth.

## **POLICY CHANGES (FSMA/GAP) THE IMPACTS AND OPPORTUNITIES**

*by Patrick Welsh, MBA/MPH 2019*

**Expert Facilitator:** Roland McReynolds (Executive Director at Carolina Farm Stewardship Association)



This panel discussed the recent rule changes to FSMA (Food Safety Modernization Act, an amendment to the Food, Drug and Cosmetic Act) and GAP (Good Agricultural Practices). FSMA is a part of the FDA Enforcement Program for the food and agriculture industry. The workshop focused on how to respond to a FSMA inspection.

### **FSMA Definitions**

“Food processing” activities impose burdensome pre-market costs on small-scale farmers. Therefore, it is important to define harvesting and packing activities as commercial activities—not food processing. For example, prior to the FMSA, chopping into the cuticle of a plant like broccoli was designated as “food processing.”

The facilitator emphasized the importance of the definition of “secondary activity farms.” Secondary activity farms are farmer cooperatives where the majority of the product handled by a packinghouse is grown by a farmer-owner. These entities are not regulated under the Preventative Controls Act.

### **Control Points**

Farmers and producers need to consider control points as they prepare for FSMA. Farmers often work together to market crops so it is often difficult to determine where farm-spoiled produce originated, and to implement quality improvement measures to prevent recurrence.

Hazard analysis and critical control points are standard protocols that farmers and

“Food processing” activities impose burdensome pre-market costs on small-scale farmers ...it is important to define harvesting and packing activities as commercial activities—not food processing.

**Roland McReynolds,**  
*Executive Director at Carolina Farm Stewardship Association*

producers implement in the food manufacturing process. Producers need to make sure that they implement meaningful control points without burdening themselves with too much control work. The main challenge is identifying the critical control points. This process is known as hazard analysis. One potential hazard that needs to be controlled for is unlabeled food allergens.

## Food Importation

Large-scale food distributors often import product. Therefore, they face a lot of enforcement from the Food and Drug Administration. Many distributors are receiving a three-year qualified exemption from these standards. This qualified exemption process is facilitated through the Tester-Hagon Amendment.

## FINANCING FOOD

by Owen Woodhouse, MBA 2018

**Moderator:** Kenny Flowers (Assistant Secretary of Rural Economic Development for the North Carolina Department of Commerce)

**Panelists:**

- Steve Saltzman (Director of Healthy Food System Finance at Self-Help)
- Geraud Staton (Executive Director at Helius Foundation)
- Peter Skillern (Executive Director at Reinvestment Partners)

This panel discussed the critical role of finance in effecting change in the food system with experts from impact investing firms and organizations supporting mission-driven food businesses.

### Current Environment

The current environment in the food industry creates a number of challenges for small food businesses. Massive consolidation towards large grocery chains puts pressure on small stores. Food hubs are competing against large distributors that can implement the latest technology to drive down costs through efficiency. There are significant barriers to investment in small food due to the extreme complexity of community investment.

### Financing Necessity-driven Entrepreneurs

In areas such as Durham, NC there are many necessity-driven entrepreneurs. Many run food businesses as they are relatively easy to start and not too capital intensive. These entrepreneurs lack resiliency. They have small, short-term capital needs but no one will provide it. Loans to these entrepreneurs will have a high level of impairment but individual



Investors and local government need to recognize that hurdle rates in the industry are very low and develop a support system for these businesses.

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Steve Saltzman (standing),  
Director of Healthy Food System  
Finance at Self-Help

Geraud Staton (left),  
Executive Director at Helius  
Foundation

Peter Skillern (right),  
Executive Director at Reinvestment  
Partners

losses are small. It is not worth spending time to service such small loans, so providers need to trust referrals. Loans are often collateralized with grants as entrepreneur's collateral is typically worthless.

### **Challenges Associated with Financing Small Food Businesses**

Sustainable and local food businesses typically provide low returns. The key to financing these businesses is having deep pockets and being willing to take on some risk. Alternatively, you need to be willing to wait for long-term returns. Investors and local government need to recognize that hurdle rates in the industry are very low and develop a support system for these businesses.

### **Alternative Opportunities**

Investing in the food industry is not all about food. Reinvestment provides warehouse space for small firms that cannot afford their own. Renting a small portion of a warehouse for a short period of time is more cost effective and allows the businesses to take time to achieve scale.

## **ACCESSIBLE**

### **BIG LOCAL: MAKING LOCAL FOOD GO BIG**

*by Kitt Wolfenden, MBA 2018*

**Moderator:** Simone Saleh (General Manager of Sassool Mediterranean Café, MBA 2017)

**Panelists:**

- Leah McGrath (Ingles Markets)
- Patrick Mateer (Co-Founder & CEO at Seal the Seasons)
- Robyn Stout (Program Coordinator for NC 10% Campaign)
- Jane Harrison (Coastal Economics Specialist at NCSU)

This panel highlighted the opportunities and challenges local farmers and retailers face in connecting consumers with local foods.

### **Definitions of Local**

Before you can set out to promote local food, you have to understand how you define local, and know that it may not be the same as others. As Leah McGrath pointed out, some Ingles Market customers say local, to them, means grown or made in NC – but Greenville, SC is closer to Asheville, NC than Raleigh. Other customers have told her local, to them, means from North America. It can be challenging to set an organizational standard and/or to bring multiple stakeholders on the same page regarding what local means.

## Transportation Flows

There are many complex reasons why food is not bought and consumed locally. As Dr. Jane Harrison shared with us, 90% of seafood caught or farmed in the US is consumed abroad, and 90% of seafood consumed in the US was caught or farmed abroad. Most NC seafood is shipped north, to be eaten or traded in NYC and Boston, and never makes it to the western half of our state. Until we figure out the logistics of transporting food, even if it is grown nearby, it may not be available to buy and eat locally.



## Education About Seasons and Local Foods

Leah's customers are not always aware of what foods should be available locally, and when, because folks have forgotten that foods are seasonal – “we can't grow local strawberries in winter”!

## Whole Foods

Whole Foods used to be an opportunity for small, local food suppliers to get into a big retailer and to gain traction, because local stores could make their own purchasing decisions; but the store is shifting away from local to regional control. Now, regional buyers control what goes into their areas' stores, which means that local food makers will have to go elsewhere. Some, such as Leah, see that as an opportunity for other retailers to fill the gap, and to more authentically represent themselves as local food hubs.

## Advocacy

Customers and students are the key decision makers regarding what stores and schools provide. If we want to change things, we need to make our voices heard. Robyn said that when she talks to schools about putting local food in their cafeterias, whether they do or do not hear student voices about the issue is always key. She is happy to connect with students who want to push for change on their campuses.

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Leah McGrath,  
*Ingles Markets*

## FOOD ACCESS/DESERTS

by Jamie Yang, MBA 2018

**Moderator:** Ashley Heger (Center for Environmental Farming Systems)

**Panelists:**

- David Yates (Visiting Scholar at UNC- Children’s Healthy Weight Research Group)
- Rochelle Sparko (Policy Director at Carolina Farm Stewardship Association)
- Roderick Gladney (Founder of Carolina Cupboard)
- Stacy Carroll (Director of Sales & Partnerships at Hungry Harvest)



This panel discussed the importance of improving access to nutritious foods for community wellness as well as changes in food policy that are available to alleviate food deserts.

To frame the conversation around food access, the moderator, Ashley Heger opened up with a quote from a keynote address at a statewide food council gathering by Savi Horne, Executive Director of the Land Loss Prevention Council, “If we want to shift the dynamics of food access, then we must shift the other systems too.” The panel shifted from a focus on food deserts to

the broader topic of food access.. The change allowed us to talk about the broader food supply chain and the economic and physical barriers to food that 42 million people in the US face today. The broader discussion also provided an opportunity to understand how to prevent 133 billion pounds of food is wasted in the US each year and how we can get food to those that need it most.

Stacy Carroll (left),  
 Director of Sales & Partnerships at  
 Hungry Harvest  
 Rochelle Sparko (center l),  
 Policy Director at Carolina Farm  
 Stewardship Association  
 Roderick Gladney (center r),  
 Founder of Carolina Cupboard  
 David Yates (right),  
 Visiting Scholar at UNC- Children’s  
 Healthy Weight Research Group

### The Biggest Issues Facing Food Security

- A common misconception is that food access is about lower costs, but small-scale farmers are affected as a result. How can we help farmers and make food more affordable without sacrificing health?
- Perception and invisible hunger: One of Hungry Harvest’s goals is to eliminate invisible hunger. In an environment such as Kenan-Flagler Business School, we may not realize classmates are struggling to afford food. Being able to give help goes beyond just food donations, but recognizing the importance of making food affordable. “Food is a right and not just a privilege for some people.”
- A challenge for Roderick Gladney and Carolina Cupboard is making sure students and staff know about the resources available to them. Once the resource is known, the next step is making sure that people do not feel ashamed about leveraging the food pantry.
- What kind of value do we put on real food? David Yates shared research he conducted in Alabama and found that 4 year-olds did not know what a fresh

apple looked like. “Hot pockets are sustenance, but they’re not real food.”

- Stacy Carroll pointed out that food access “is a business problem, not a charity problem,”; How customers are approached can be the difference between providing people with the best and most valuable food rather than providing the cheapest and low-quality food. Rochelle Sparko brought up the issue that access to cheap and processed food results in health issues. Building a healthy environment for people is important and can be done through policy change.
- The solution will ultimately be a combination of policy and business. Policymakers need to understand the complexities of food access, while businesses can recognize opportunities to serve communities in a way that policy can be slow to address. Businesses are not tied to the administration or policy changes that grants can be.

David Yates offered the example of the Daily Table, which is run by the community and recovers food to provide a wholesome meal at the same price as fast food. Being approved as a 5013c was a challenge because the IRS did not understand their business model. A member of the audience ended the discussion commenting that there is more opportunity for businesses to shape the direction of food access now than in the past 30-40 years with social entrepreneurs, but they must be persistent.

## FOOD TECHNOLOGY

*by Bhaskar Bhat, MBA 2019*

**Moderator:** Al Segars (Director of Center for Sustainable Enterprise at UNC Kenan- Flagler)

### **Panelists:**

- David Swintosky (VP of Finance at Improved Nature)
- Thom Rue – (President & CEO of NC IDEA)
- Dr. Kelly Smith (Director of Microbials Development at AgBiome)

This panel featured a discussion of important trends for food tech start-ups and explored what is next in food tech innovations.

### **Opportunities**

The Internet of Things (IOT), arguably the next transformative technological wave along with artificial intelligence (AI) and machine learning, provides many opportunities to reduce wastage and improve both traceability and hygiene in the supply chain and food distribution. For instance, smart packaging can enable the easy tracking of fresh produce, leading to better quality and reduced losses. Barriers to adoption include coordination of the players on the food value chain, capital investment to update IT systems, and a hesitation by companies to reveal details of their operations, which are often their competitive advantage.

## Challenges

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The biggest challenge when commercializing great discoveries in science is not only doing so in a cost-effective manner, but also not ‘over-engineering’ solutions so as to ‘over-serve’ the customer.

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The biggest challenge when commercializing great discoveries in science is not only doing so in a cost-effective manner, but also not ‘over-engineering’ solutions so as to ‘over-serve’ the customer. Additionally, even if the technology exists but there is no demand for it, the technology will not become known. For example, the technology for hybrid cars existed a long time ago, but the low cost of gasoline meant there was no demand for hybrid cars, and so no need to manufacture them. Innovators in the food space face these challenges and more: while new technology could improve the farmer’s yield and sales, the same new technology could create a negative perception about the farmer’s produce, scaring off customers who increasingly seek out natural, organic, and local food.

## A WORD ABOUT THE FOOD AT FOODCON

*by Mary Kay Lemon, CSE*

A featured highlight of FoodCon 2017 was the food itself—all crafted by local caterers committed to sustainability in the food system. The day provided an opportunity to sample local foods and beverages during breakfast, lunch and afternoon snack. Participants certainly did not leave hungry! Many attendees during the networking lunch lamented that they could not sample all of the offerings from our amazing caterers.

Durham’s CORE Catering, affiliated with Duke Divinity School, provided breakfast of fresh fruit, and house-made muffins and pastries. CORE was also selected as one of the caterers for FoodCon’s “moveable feast” luncheon. Known for working with local farmers and suppliers, as well as creating healthy and nutritious meals, lunch items included a super salad, skewers of local chicken sausage and butternut squash, and beef brisket sliders. CORE also provided a snack of sweet potato hummus with ginger crisps and sliced apples between the afternoon panel discussions.





FoodCon welcomed a Chapel Hill favorite, The Root Cellar, formerly Foster’s Market, who offered a vegan sesame tofu salad, pimento cheese biscuits and gluten-free black bean and cheddar taquitos. The Root Cellar also supplied a selection of cookies for dessert.

New to catering at UNC, Jacob Boehm, owner and chef at Snap Pea Underground and Catering provided Korean fried broccoli with kewpie and balsamic braised beef cheeks over stone ground grits with winter slaw to the delight of diners. The hot items were particularly enjoyed as FoodCon brought a rare December snow to Chapel Hill! Snap Pea also offered a smoked Videri chocolate torte “sundae” with crème fraiche and candied pecans for dessert.

In addition to bringing several signature Mediterranean lunch items to FoodCon, Kenan-Flagler’s own recent MBA graduate and manager of Sassool, Simone Saleh, moderated the panel, “Big Local: Making Local Food Go Big.” Sassool provided jalapeño hummus with house-made pita chips and spanakopita triangles for lunch and a huge variety of their delicious baklava for dessert.

Dessert was another highlight during the lunch break at FoodCon this year. In addition to offerings from Snap Pea and Sassool, Reverance Farms, an amazing example of a local sustainable farm and cafe, donated delicious cookies from their kitchens. Reverance Farms is a diversified polyculture where animals are treated with reverence and grace. The eggs for the cookies came from their own hens, who are moved to fresh pasture daily.

North Carolina is booming in all categories of craft beverages. FoodCon participants were able to sample three different types of beverages with sponsors Bold Rock Hard Cider, Boro Beverage and Tribucha. Bold Rock brought samples of their award winning craft cider using locally-sources apples. Boro Beverage specializes in vinegars and draft kombucha, which they shared with enthusiastic participants. Tribucha brought a variety of their delicious kombucha brewed in Cary NC.

Our stellar caterers became a focal point of the conference. Each demonstrated how sustainable food businesses can succeed and thrive while working together to promote better products for all.

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*Authors*



**Cristina Balitaan**  
MBA 2019



**Bhaskar Bhat**  
MBA 2019



**Michael Flint**  
MBA 2018



**Eric Insler**  
MBA 2019



**Nate Smith**  
MBA 2018



**Patrick Welsh**  
MBA/MPH 2019



**Kitt Wolfenden**  
MBA 2018



**Leslie Wong**  
MBA 2018



**Owen Woodhouse**  
MBA 2018

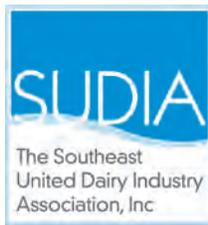


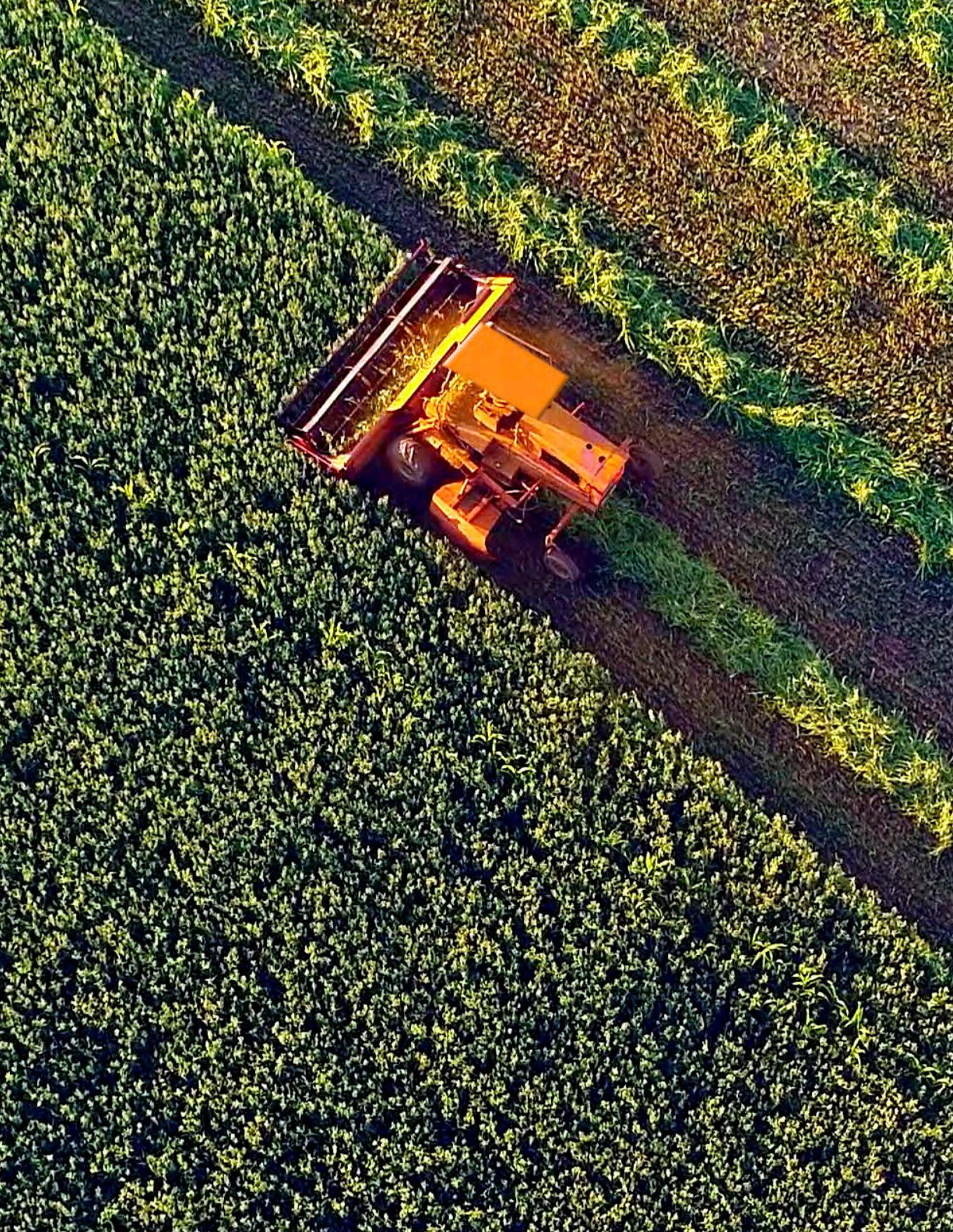
**Hanna Wondagegn**  
BA2021



**Jamie Yang**  
MBA 2018

*Thank you to our sponsors*





UNC Kenan-Flagler's Center for Sustainable Enterprise assembles and shares thought leadership in research, education, and best practice. Our goal is to empower business leaders in their quest for shareholder value while exercising environmental stewardship and promoting societal well-being.

