Wyoming Statewide Local Food Assessment & Food Hub Development
Executive Summary
May 2016

Project Overview

This statewide assessment aims to (1) characterize and quantify local food systems trends across the state of Wyoming, (2) identify recommendations and implications for the development of food hubs within clusters in the state and (3) determine if and how these hubs should collaborate as part of a statewide food hub network.

This study emerged as a strategic next step from the Casper Community Foods Assessment, conducted by Bould Development and New Venture Advisors in 2014 and 2015. The core team delineated the state of Wyoming into six clusters that could serve as potential nodes in a statewide network of food hubs: Casper, Cheyenne, Sheridan, Big Horn Basin, Fremont and Jackson. The specific objectives of this study include:

- Conduct a market assessment of each identified cluster, including agricultural production, wholesale demand and infrastructure that could support a food hub.
- Determine the optimal food hub operating models for Casper and Cheyenne, Wyoming's two largest cities and likely anchors for a food hub network
- Identify trends and implications for potential food hub development in Big Horn Basin and Sheridan clusters.
- Develop an initial understanding of the local food landscape in Fremont and Jackson clusters.
- Assess trends and put forth implications regarding an optimal model for a statewide network of food hubs across Wyoming, including how these hubs should transact and collaborate.

Wyoming Food Landscape

The geography, climate, population, industry, and culture of Wyoming present unique challenges and opportunities for food system development. Wyoming is the tenth largest state in the U.S., encompassing 97,000 square miles. Only three major interstates cut across the state's mountains and plains. The rest of the state, fully half of its area, is connected by U.S. highways and state routes, which are not as efficient and cost effective to travel on than interstates. The higher altitudes engender a cool alpine climate, with widely divergent temperature extremes, early freezes in the fall, and late freezes in the spring. Long winters translate to short (natural) growing seasons of approximately 125 days for the principal agricultural areas. Wyoming is the 5th driest state in the United States.[1]

Wyoming also has unique population trends. It is the least populated state in the Union, with only nine cities having populations greater than 10,000. The median household income in Wyoming is approximately 10% higher than the national median, and 12% of residents are below the national poverty level.[2] The state's population is predominantly white, though more than 12,500 Native Americans live on the Wind River Indian Reservation, which encompasses 3,500 square miles in south-western Wyoming.[3]

The state's economy is driven largely by energy-related mining and minerals extraction, including coal, crude oil, and natural gas.[4]

---

[1] (Columbia Electronic Encyclopedia 2016)
[2] (ACS 2015)
[3] (USDI 2016)
[4] (EIA 2015)

Agricultural Production

Historically, agriculture has been an important component of Wyoming's economic identity. Though it is no longer a dominant factor in Wyoming's economy, it is still an essential part of Wyoming's culture and lifestyle. The state ranks 38th in the country in terms of the market value of agricultural products sold - just under $1.7 billion.[5] The state has nearly 12,000 farms, with an average farm size of 2,587 acres.[6] Small to mid-sized farms represent almost 95% of this group. Small farms (generating less than $250,000 in revenue) represent 88% - and very small farms (generating less than $10,000 in revenue) represent 43%. Mid-sized farms (those generating between $250,000 and $500,000 in revenue) represent 7%.[7]

Wyoming has the fewest number of vegetable farms of any state, with 53 farms producing $3.3 million in farm gate sales for vegetable production, and a combination of 37 farms producing fruits, nuts and/or berry production and 43 orchards producing a total of $300,000 in farm gate sales.[8]

Season extension strategies are on the rise, given the state's short growing season. Thirty-three (33) farms report use of greenhouses for vegetable production and the number of greenhouses in Wyoming has tripled from 2007 to 2012, according to the USDA census. [9] [10]

Meat processing is a key constraint in Wyoming. There are eighty processing plants in the state, but only one, in Cody, that is USDA inspected.[11] The rest are state inspected, custom exempt, or intended for wild game.

Local Food Demand

If nationwide trends with respect to local food demand held true in Wyoming, there would be almost $200 million in unmet demand for local dairy, poultry & eggs, and produce in the state of Wyoming. However, secondary research and input from buyers suggests that demand levels for local farm products in Wyoming are relatively low when compared to other regions. Wyoming ranked as the 22nd most local food friendly state according to Strolling of the Heifers.[12] In 2014, Wyoming was ranked 19th, and the year prior, 8th.[13]

Wyoming is home to 35 farmers markets. The majority of these markets are only in operation for 2-3 months of the year, given the state's relatively short growing season, though three are open year-round.[14] Wholesale distributors are somewhat limited in Wyoming. Major companies such as Shamrock Foods, Food Services of America and Sysco serve Wyoming from their warehouses that are located in either Colorado or Montana. Few distributors effectively serve Wyoming and even fewer have strong local programs.

Primary Research Summary

Over the course of this research, 114 growers, buyers and food systems stakeholders were engaged, through surveys or interviews. Seventy-one (71) growers and twenty one (21) buyers responded to the survey as part of the study's quantitative research. Thirty-six (36) interviews were conducted throughout this study's primary qualitative research. Fourteen (14) interviews were with growers, sixteen (16) with buyers and the rest with food system stakeholders.

---

[5] (USDA 2012)
[6] Ibid.
[7] Ibid.
[8] (NASS 2015)
[9] Ibid.
[10] (Runyon 2015)
[11] (Wyoming Department of Agriculture 2015)
[12] (Strolling of the Heifers 2015)
[13] The 2015 Locavore Index incorporates four measures for which current data is available for all states: the number of farmers markets, the number of consumer-supported agriculture operations (CSAs), the number of food hubs — all compared on a per-capita basis — plus the percentage of each state's school districts with active Farm-to-School programs.
[14] (USDA 2016)

Of those in this group, 93 were *actively* engaged, meaning that they provided information about their farm, company or organization – including their name, interest level and basic production or spend volumes. The breakdown of this specific group is as follows:

- Sixty-three (63) producers
- Twenty-five (25) buyers
- Six (6) food systems stakeholders

Grower and Buyer Survey Insights

Seventy-one growers responded to the survey, ranging from vegetable producers to ranchers to grain farmers. 61% produce vegetables, 31% produce eggs, 28% produce beef, and 18% produce fruits.

Collectively, fruit and vegetable growers who provided information on their production volumes cultivate 123 acres. Thirty-five growers (71%) expressed interest in expanding acreage if demand warranted the investment, and could expand production an additional 245 acres. Crops cited most frequently by producer respondents include tomatoes, salad greens, peppers, potatoes, grains, cucumbers, beets, hay and sweet corn.

Season extension is fairly prevalent in this group. Twenty-eight (58%) already employ season extension strategies and an additional eight (17%) would be open to pursuing season extension in the future. Twenty-five of these growers provided information on their square footage of greenhouse, hoop house or high tunnel production, totaling over 110,000 square feet, almost 2.5 acres. Labor, infrastructure costs, and sales limitations were cited as the biggest barriers to pursuing or expanding season extension strategies.

Thirty-one (47%) grower survey respondents are very or extremely interested in selling into a food hub, and an additional 26 (39%) are somewhat interested. These producers have a total of 100-120 acres under fruit and vegetable production.

Twenty-one (57%) interested growers have a food safety plan, but none are GAP certified, though most would consider it if demand warranted the investment. There is minimal access to infrastructure that is often critical for wholesale success. Eight (21%) growers have access to quick cooling and cold storage, and four (11%) have access to refrigerated trucks for deliveries.

Twenty-one buyers responded to the survey. The majority (13 or 62%) are educational institutions. Others include restaurants, one direct-to-consumer distributor, one grocery store, and one hospital. Buyers are all located across Wyoming, with clusters in Casper and Big Horn Basin, and one buyer in Montana.

Eight (44%) buyers who responded to the question indicated that they currently purchase or use locally produced farm products, though most emphasized that local products are difficult to find. The most pressing challenges for buyers to sourcing locally include: price points, finding consistent year-round supply with volume and/or with food safety certifications, time associated with sourcing from farms, seasonality and food consistency.

Almost all buyers have at least basic food safety requirements in place for produce suppliers, but these vary drastically. Institutional buyers are most likely to require GAP and HACCP certification for produce and all buyers have certification requirements in place for their protein suppliers. Eleven (out of 13) respondents indicated that liability insurance is a requirement.

Buyers who provided information on annual farm product expenditures collectively spend \$9.5 million annually - \$3.2 million per year on fresh, whole produce; \$1.3 million per year on processed produce; \$3.7 million per year on proteins (meat, poultry, dairy, eggs); \$1.3 million per year on grains. Approximately three percent of total produce purchasing and three percent of total proteins purchasing among respondents is local. Approximately six percent of total produce purchasing among respondents is organic.

Eleven buyers (out of 18) are very or extremely likely to purchase directly or indirectly from a food hub. Six additional buyers are somewhat interested. Lettuce and tomatoes are the top products that interested buyers are looking to purchase from the food hub,, but buyers also expressed interest in the following processed items: washed/cut salad greens, peeled carrots, broccoli florets, cauliflower florets, shredded lettuce, diced onions, shredded carrots, diced celery, and crunch pack apples. Buyers also indicated interest in purchasing chicken and beef products, along with certain grain products, particularly bread products and flour.

Casper Cluster Research Insights

Casper, the second largest city in Wyoming, serves as the main market for the Casper cluster. Agricultural production is highly limited in this cluster. Four interested growers emerged from the primary research - two grow fruits and vegetables and have five acres under production with potential to expand into an additional eight. This suggests the importance of a food hub in Casper sourcing from other clusters and regional suppliers, as well as supporting producers within the cluster to transition from commodity to specialty crop production in order to be viable.

A relatively large number of buyers have been identified (eight (8) interested buyers), ranging in type and spend volumes. These buyers are interested in local procurement if an entity emerged that could aggregate local food for them, and spend a collective $2.25 million on farm products annually.

This provides an initial foundation for a wholesale food hub. However, these buyers are limited in their ability to purchase local goods. Interviewed and surveyed institutional buyers face a number of unique constraints, such as pricing, product availability and contracts that prevent them from purchasing local at high volumes. Additionally, almost all buyers indicated that they are not yet seeing a tremendous demand for local, suggesting that any food hub efforts should be coupled with strategies that result in an increased consumer preference for local.

Cheyenne Cluster Research Insights

Cheyenne is the most populated cluster in Wyoming, with a population of approximately 153,000.[15] The city of Cheyenne is the capital of Wyoming and is the state's most populous city, with 61,470 residents in 2014.[16] The city of Cheyenne is located about 50 miles away from Ft. Collins, CO, which has a population of approximately 156,480 people.[17]

Acreage identified through primary research is relatively high compared to other clusters – 17 interested growers emerged through the research, nine of whom grow fruits and vegetables and have 27.5 acres currently under production and the potential to expand into an additional 17.5. Demand trends are somewhat positive, but pose some important challenges. There are indications of high demand levels for local, as the cluster is home to seven farmers markets, six independent grocery stores and two school districts with a strong slant towards farm-to-school purchasing (Laramie County School Districts and Albany County School District). Jo-Ed, a produce distributor serving schools across the state, is located in the cluster, though additional research must be conducted to explore any opportunities for food hubs to partner with this company. Despite these strong indicators, identified demand through primary research was fairly low. Four interested buyers emerged, of which only one provided detail on their annual produce expenditures (totaling $375,000).

Many growers in the cluster have experience selling into either the Triple Crown Cooperative or the Big Hollow Food Coop. On one hand, this is a tremendous asset as it indicates growers' understanding of and willingness to access wholesale markets and aggregate their products. On the other hand, Triple Crown has faced challenges at times generating adequate sales volumes, managing aggregation and distribution of goods, and operating with a volunteer

---

[15](ACS 2015)
[16] Ibid.
[17] Ibid.

labor force. This has resulted in profitability limitations for the company and may mean that some of their growers would be hesitant to invest further into a food hub.

Strategic Recommendations

Statewide Entity Development

It is recommended that a statewide entity be explored/ established that provides a myriad of services to support the establishment and expansion of hubs in each cluster. These services would include, but would not be limited to: market development; food hub business model development and general business support; facilitation of hub-to-hub transactions; expansion of production and supply; financial support through lending partners and grants; and regulatory and liability insurance assistance.

Singular brand: A number of brands and entities are emerging, each representing local food within their specific region or cluster. Examples include WyoFresh, WY Market Maker, Buy Fresh Buy Local, Fresh Foods Wyoming, Grown in Wyoming, Eat Wyoming, and FarmTable. In addition to these efforts, many farms – such as Lloyd Craft Farms – have their own well developed brands.

Cohesive brand development and strategic, well-resourced brand promotion within the local food space is critical. A brand is only strong and productive if it is very well marketed, and ultimately leads to increased customer awareness and desire to purchase products under that brand. There are many examples of local food brands that have been developed, but that are not part of a broader strategy and vision for promotion and sales. Because growing demand for local food in Wyoming is such a critical component of strategic next steps, developing one single, statewide umbrella brand is critical. This should be accompanies by a well resources plan for marketing and promotion, including steps such as billboards, radio ads, strategic partnerships with employers, and even buy local incentives. Under this umbrella brand strategy, growers could promote their own brand, and where cluster hubs could promote their entity and services. It is premature to make a specific recommendation as to what the statewide brand should be; however, there appears to be strong momentum for Grown in Wyoming, and this effort is backed by relatively strong public resources.

Cluster Hub Development

It is recommended that food hub development in the state be pursued in ways that build on the strong initial foundations within each cluster, moving each of them forward strategically to expand their sales and hopefully catalyze both production and demand within their cluster. Over time, cluster hubs would expand their presence, serving a unique role based on the assets and opportunities within their cluster. For example, as a Casper food hub leads to expanded demand within the city, this hub would ideally evolve to serve as an important demand center for surplus product from other hubs. As a Cheyenne food hub tests and proves viability of its online platform, WyoFresh, this system may be well positioned to become an online platform that hubs and growers across the state can utilize.

	Recommended hub business model
Casper	Recommend that the Casper food hub be an expansion of existing CSA program already in operation. This CSA would expand its footprint significantly, by pursuing wholesale customers (in addition to its current direct-to-consumer service), pursuing marketing and sales strategies (leveraging the statewide branding campaign) and establishing strategic partnerships with wholesale buyers in the clusters. If and when the food hub has successfully catalyzed expansion of both production in and around the region, and expanded demand for local among consumers and wholesale buyers, it would evolve to become a wholesale / retail marketplace that provides distribution services. Ultimately, as the Casper food hub expands demand within the city and cluster, it would serve as an important demand node within the statewide food hub network, acting as a market for both Casper producers and producers in clusters across the state who are producing more than the market within their cluster can support.
Cheyenne	Expansion and formalization of TCCC / WyoFresh through investments in increased marketing and branding efforts, expansion of the number of drop off locations, doubling the number of deliveries per month, and moving into strategic wholesale markets that can drive up throughput. Additionally, an

	important component of this recommendation is to invest in increased, paid staffing levels to support this growth. If the WyoFresh platform is successful within the Cheyenne cluster, the hub can expand the system to a statewide online platform that can be used by hubs and growers across the state to facilitate sales between producers and consumers and small, independent buyers. The Cheyenne food hub would therefore play a critical role in the statewide food hub network both by establishing, promoting and growing WyoFresh as the online platform for cluster hubs, and by serving as the access point to supply from Northern Colorado and Western Nebraska as these inputs are needed.
	Implications for food hub development
Big Horn Basin	Food hub development within the cluster should integrate other producers located within the Big Horn Basin into the aggregation currently being organized and run by Lloyd Craft Farm. The farm currently has some on-farm infrastructure to support post-harvest handling and storage of fresh produce, as well as sales channels and distribution routes to Sheridan, Casper and Quality Foods Distributing in MT.
Sheridan	Food hub development within the cluster should support current collaboration efforts between growers in Sheridan and Big Horn Basin, as well as Landon's Greenhouses' efforts to increase consumer awareness of local foods. Landon's could be the main aggregation point because of their infrastructure and current community organizing around local foods. Sheridan Medical Center could become a significant wholesale buyer in the cluster as a way to achieve the goals put forth in their wellness plan. The Powder River Basin Resource Council is well positioned to lead the effort of establishing and expanding the local food development effort. An initial step towards this effort would be to facilitate an initial transactional relationship between Sheridan Medical Center and a small set of growers that could aggregate and pack their products at Landon's.
	Baseline research findings
Jackson	Although low in production, this cluster has done a great job organizing around food access and insecurity. The food insecurity working group, facilitated through the Teton County Health Department and St. John's Hospital could be a potential facilitator of regional food systems development
Fremont	Fremont Local Foods is a nonprofit that currently oversees a Farmers Market in the county and Lander Local Fest. The festival is already an aggregator of people, resources and information about local food and this organization could be the facilitator of more food aggregation within the cluster.