Sustainable Food Economy: Enabling Growth in the Organic Food Sector

*A Project of Gary Hirshberg, Hampshire College, JPMorgan Chase & Co., and a Corporate Partner*

**Overview**

Conscious consumerism is now a food industry mainstay as well as a powerful underlying force for promoting innovative business strategies across financing stages. The robust demand from consumers for locally and/or sustainably produced foods and new products and services requires that enterprises and investment firms of all sizes adapt their business models to new standards and realities. Supply chain transparency and authentic standard compliance are now absolute requirements from small farms and community-supported agriculture models all the way up to large, multi-brand corporations.

Across multiple categories, demand for organically produced foods is among the very fastest growing sectors, and development of sustainable strategies for scaling to meet this demand remains a significant challenge. To date, there has been little focus on how to create opportunities for bridge-building and practical problem solving between corporations and small business owners and entrepreneurs. Business leaders across the spectrum are grappling with the question of how to adapt to these new market demands, moving forward in mostly uncharted territory.

Two urgent needs are clear. First, it is important to develop the capacity of large corporations to understand how to identify and eliminate the financial, technical, and market impediments for organics to become a double digit segment of the food economy. The sector needs the larger companies’ scale efficiencies to close the cost, margin, and price gaps between organic and conventional offerings, but care needs to be exercised to prevent cost-cutting from weakening or compromising organic standards and integrity, or the whole proposition will fall apart. The new consumer requires that ecological and humane treatment standards are truly honored.

Concurrently, small- to moderate-scale producers and entrepreneurs need to better understand the needs and expectations of larger food companies and retailers to effectively engage in the larger market economy and meet market demands. While core growing and processing standards need to comply with organic and ecological rules and principles, smaller operations need to also understand that the supply chain integrity in the larger market economy also demands strict compliance with quality, sanitation, efficiency, consistency, reliability standards as well.

In short, this is a classic symbiotic puzzle in which both the large and small partners need each other and can bring critical resources to enable the other to survive and succeed. But achieving that balance requires an enlightened openness to understanding the respective conditions and needs of both.
Society looks to higher education to solve current problems, anticipate future challenges, educate thought leaders, develop innovative solutions, and model the action and behavior that society must take to evolve in a positive direction. Hampshire College, specifically, is in the unique position to foster practical learning from top to bottom that is needed to develop successful strategies for expanding this sector, because it attracts and graduates creative, independent-minded students who are harbingers of future conscious consumerism and entrepreneurship. Hampshire has always played a critical role in preparing entrepreneurs for the future—teaching individuals who will develop, lead, manage, and influence businesses.

In 2012, Fortune rated top schools for entrepreneurship based on a study of social media, and included Hampshire on the list with major business schools. Notable Hampshire alumni entrepreneurs include Gary Hirshberg, co-founder and Chairman of Stonyfield Farms; Ken Burns, co-founder of Florentine Films and documentary filmmaker; Stephen McDonnell, founder and CEO of Applegate Farms; Lucinda Scala Quinn, chef, creator of the Mad Hungry series, and executive director of food and entertaining at Martha Stewart Living; Jeffrey Hollender, co-founder of Seventh Generation, the American Sustainable Business Council, and Hollender Sustainable Brands; Dana Pollan, co-founder of the Pollan-Austen Fitness Center and co-author of The Pollan Family Table; and Josh Goldman, founder and CEO of Australis Aquaculture.

Hampshire, which has been a leader in entrepreneurship and sustainability, produces food from its own 100-acre organic farm, and is connected to a vast network of local, sustainable producers, proposes to work together with JPMorgan Chase & Co., a leader in corporate efforts to advance the sustainable and organic food industry, to offer opportunities for learning and creative development of solutions. The purpose of this collaborative project is to help the leaders of these and other multi-brand institutions examine how they might address these issues individually and collectively, while also engaging small- to moderate-scale entrepreneurs.

**Project Scope**

We propose a project that will:

(1) Develop the capacity of multinational corporations and entrepreneurs to understand how to identify and eliminate the financial, technical, and market impediments to organics becoming a double-digit segment of the food economy.

(2) Promote sharing of knowledge across the production and distribution spectrum of the sustainable food economy, exploring insights around adeptly managing capital flows into the rapidly expanding industry by bringing together a diverse group of market participants from a micro to global scale.
(3) Enable a deepened understanding and agreement about the organic and ecological standards that must be protected and promoted in order for the entire sector to be sustained.

(4) Foster connectivity between corporations and small- to moderate-scale entrepreneurs that will lead to real, collaborative problem solving.

The project elements include:

• *Conduct a review* of both successful and challenged experiences with scaling up organic production, paying special attention to barriers and how they have been overcome.

• Hold a *stakeholder engagement conference* of leaders of corporations and small businesses and entrepreneurs at Hampshire College on **November 3, 2015** to address these issues, share best practices, identify ways that these groups can work with each other to pursue solutions that are appropriate for them, and explore opportunities for further collaborative work. We will focus on the practical questions of what needs to be done to get there, how to get it done, and determine if there are ways that corporations and small to moderately-sized businesses can mutually support each other in these efforts.

• Take the results of the conference and catalyze the development of a set of collaborative strategies with conference participants and other leading organizations to *create learning opportunities* at Hampshire College focused on preparing students to be leaders in revolutionizing the food industry.

• Produce a *summary report* of the conference and recommendations for wide dissemination.

**Target Audience: Business Leaders and Entrepreneurs**

- Business Officers
- Venture Capitalists
- Food System Entrepreneurs
- Farmers
- Distributors
- Restaurateurs
- Foundations
- Incubators
- Bankers
- Universities
Leadership and Organization

A working group of key leaders from Hampshire College and JPMorgan Chase will a) help provide direction for the project, b) develop the collaboration framework and conference agenda, c) identify and reach out to potential participants and d) help with fundraising. Jonathan Lash and Gary Hirshberg are co-chairs of the working group.

Working Group

- Gary Hirshberg, co-founder and Chairman of Stonyfield Farm, Hampshire alum
- Jonathan Lash, President of Hampshire College
- Matt Arnold, Managing Director and Head of Environmental Affairs at JPMorgan Chase, Hampshire Trustee
- Howard Wein, founder and principal of Howard Wein Hospitality, owner of The Alvah Stone, Hampshire Trustee and alum
- Joanna Olin, Chief of Staff, Hampshire College
- Beth Hooker, Director of Food, Farm and Sustainability, Hampshire College
- Leslie Harwell, Vice President of Social and Sustainable Finance, JPMorgan Chase
- Steve Roof, Professor of Earth and Environmental Science, Hampshire College
- Helen Scharber, Assistant Professor of Economics, Hampshire College
- Bret Golann, Entrepreneurship Program Coordinator and Faculty Associate, Hampshire College
- Daniel Ross,
- Bill Seretta, Adjunct Assistant Professor of Social Entrepreneurship, Hampshire College
- Mary Fahey, Executive Assistant to the Board of Trustees and to the Chief of Staff, Hampshire College
- Jess Wissemann, Food, Farm and Sustainability Program Coordinator, Hampshire College
- Seann Stoner, student, Hampshire College
- Rosalinda Cummings, student, Hampshire College
- Josh Minot, student, Hampshire College
- Danielle Faris, Principal, Yellow Chair Events

Partner Organization Responsibilities

**Hampshire College**

- Project leadership, coordination and management
- Host of working conference, including registration management
- Conference design
- Catalyzing post conference collaborative strategies
- Preparing a report of the conference and recommended strategies for future collaborative work
JPMorgan Chase

- Assistance in project leadership
- Fundraising
- Conference design
- Participation outreach and invitations to corporations
- Participation in catalyzing post conference collaborative strategies

**Target Size:** 100 participants

**Date:**
- Monday, November 2 from 6:30 p.m. - 8:30 p.m. ~ **Opening Dinner**
- Tuesday, November 3 from 8:30 a.m. - 4:30 p.m. ~ **Conference**

**Proposed Sessions for November 3:**
- Opening keynote by Gary Hirshberg
- Product and Market Challenges for Small Producers
- Today’s Entrepreneurs: Business Models and Strategies
- Large Company Insights
- Exit Insights: Decision Drivers and Mission Integrity
- Dinner (at The Alvah Stone)

**Contact Information:**

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