



# A Roadmap for Regional Good Food Purchasing

## Introduction

Across the Bay Area, governing bodies that oversee public institutions, including schools, jails, and hospitals, have passed policies instructing the institutions to procure food that is local, sustainable, fair, humane, and healthy, thereby aligning their spending with the core values of the Good Food Purchasing Program (GFPP), which was created by the Center for Good Food Purchasing, a national nonprofit supporting values-based procurement in public institutions.

Aligning spending with the program's five core values is not always easy. Assessments of food purchasing made as recently as 2021 by nine Bay Area institutions show that less than 19% of dollars spent on food are spent on local food. By comparison, public institutions in other regions across the country on average spend 12% of their budgets on local food. This performance is disappointing, given that California grows more than one-third of the country's vegetables and two-thirds of its fruits and nuts. This disparity in production and local purchasing highlights a gap between supply and demand.

To address this gap, SPUR, in collaboration with the Center for Good Food Purchasing, launched the San Francisco Bay Area Local Food Purchasing Collaborative. The collaborative is made up of 12 institutions that participate in the Good Food Purchasing Program and that together spend more than \$40 million annually on food.

Since 2021, the collaborative has published the first-ever regional GFPP data dashboard, mapped supply chains and commonly purchased products, and helped build relationships between institutions and values-aligned suppliers.<sup>1</sup> This work has laid a strong foundation for further improvements in the food system.

This roadmap aims to assist policy makers and advocates interested in approaching values-based procurement as a region and charts a vision forward for the Bay Area. Good Food Purchasing Program implementers can reference both general and sector-specific toolkits for to support getting started with values-based procurement.<sup>2</sup>

## **BENEFITS OF A REGIONAL APPROACH**

Starting in 2016, SPUR began advocating for the adoption and implementation of the Good Food Purchasing Program at local public institutions. We approached decision-making bodies, including school boards and county boards of supervisors, to advocate for adoption of a resolution or legislation calling on the institution to complete a baseline food purchasing assessment and periodic progress assessments. The GFPP creates a structure for participants to assess current food purchasing and supports action planning for improvements. However, the program has two critical drawbacks.

First, it relies on increasing demand for values-aligned products and suppliers to drive improvements in the supply chain. Approximately 65% of institutions enrolled in the program nationally spend less than \$5 million annually on hundreds of food items. That level of spending and wide array of purchases may not always be sufficient to incentivize suppliers to invest in new products or the infrastructure upgrades needed to serve the institutional market.

Second, individual institutions build their action plans in a vacuum. The result is that best practices do not always emerge and much work is undertaken that needn't be. For example, food service staff duplicate research to identify values-aligned suppliers and products, straining already-stretched staff capacity.

Transitioning to a regional approach instead of working with institutions one-on-one addresses both drawbacks. First, identifying the regional spend on a particular product or category of products provides an incentive to suppliers to meet the needs of the institutional market. For example, distributing milk to individual schools is a complicated, costly, and often messy endeavor that few suppliers want to tackle. A single institution may only spend \$200,000 on milk annually but together the collaborative spends more than \$2.3 million on milk every year. When the potential reward is based on a multi-million dollar deal rather than a \$200,000 deal, the supplier has a greater incentive to look for a solution to the complications of milk delivery.

<sup>1</sup> SPUR, The Bay Area Good Food Purchasing Dashboard, July 2022, <https://www.spur.org/publications/policy-brief/2022-07-20/state-good-food-purchasing-2022>.

<sup>2</sup> SPUR, Good Food Purchasing Standards, Resources and Best Practices Toolkit, October 2023, <https://www.spur.org/goodfoodpurchasing>.

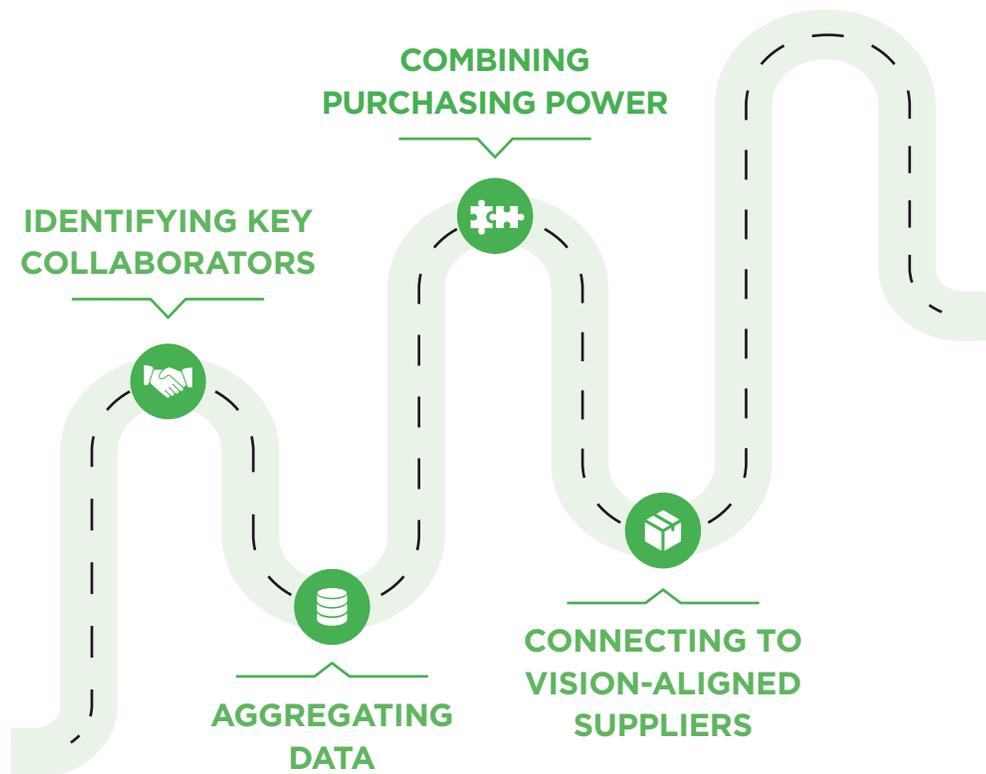
Second, building a regional collaborative and publicly sharing sourcing information opens lines of communication among participating institutions and new suppliers. An institution can now visit the Bay Area Good Food Purchasing Dashboard<sup>3</sup> and search on the supplier summary tab for a product category to learn where all the participating institutions are buying a particular product and how that product scores according to the GFFP framework.<sup>4</sup> Similarly, farms and food businesses interested in expanding their sales to institutions in the Bay Area can review the dashboard to better understand the opportunity at a granular level.

## CREATING A REGIONAL APPROACH

SPUR has identified four steps to creating a regional approach to values-aligned food procurement by public institutions: identifying key collaborators, aggregating data, combining purchasing power, and connecting collaborators to vision-aligned suppliers.

### EXHIBIT 1

#### Creating a Regional Approach to Values-Aligned Food Procurement



<sup>3</sup> See note 1.

<sup>4</sup> Center for Good Food Purchasing, Bay Area Good Food Purchasing Dashboard, [https://public.tableau.com/app/profile/gfpp/viz/BayAreaGoodFoodPurchasingProgramDashboard\\_16688348532050/Dashboard?publish=yes](https://public.tableau.com/app/profile/gfpp/viz/BayAreaGoodFoodPurchasingProgramDashboard_16688348532050/Dashboard?publish=yes).

## Identifying Key Collaborators

The central participants in any regional good food purchasing collaborative are the institutions participating in the GFPP. And, while the Bay Area boasts an abundance of participating institutions, that isn't necessary to build an effective regional collaboration. The value comes from cross institution learning but also from creating a supportive ecosystem of technical assistance providers.

In the Bay Area, the ecosystem included sector specific technical assistance providers that could support institutions in overcoming challenges specific to their setting. For example, the work of the collaborative and technical assistance providers included helping hospitals navigate contracts with group purchasing organizations (GPOs), which are common in the health care sector. In addition, cross-cutting technical assistance providers supported the whole collaborative. The Center for Good Food Purchasing led the data analysis for commonly purchased products, and the SF Market, a wholesale produce market that is home to more than 25 individual distributors, helped connect institutions from all sectors to potential vendors. While a large cohort of institutions increases the aggregate demand, a well-curated ecosystem adds value regardless of the number of participating institutions.

### EXHIBIT 2

#### Who Needs to Be at the Table to Improve Regional Food Procurement?

The San Francisco Bay Area Local Food Purchasing Collaborative consists of 12 large public institutions, three sector-specific technical assistance providers, and three cross-sector technical assistance providers to create a supportive ecosystem for increasing procurement of local, sustainable, fair, humane, and healthy food.

|                                      |  <b>HOSPITALS:</b>       |  <b>CORRECTIONS:</b>                 |  <b>SCHOOLS:</b>   |
|--------------------------------------|---|---|---|
|                                      | <ul style="list-style-type: none"> <li>• 5 hospitals</li> <li>• \$11.2 million annual food spend</li> </ul> | <ul style="list-style-type: none"> <li>• 3 corrections facilities</li> <li>• \$3.5 million annual food spend</li> </ul> | <ul style="list-style-type: none"> <li>• 4 schools</li> <li>• \$25 million annual food spend</li> </ul> |
| Sector-specific Technical Assistance | Health Care Without Harm  | Impact Justice  | The California Department of Food and Agriculture Office of Farm to Fork                                |
| Cross Cutting Technical Assistance   | The SF Market<br>The Center for Good Food Purchasing<br>SPUR  |   |   |

## Aggregating Data

The Bay Area Good Food Purchasing Dashboard compiles the most recent food purchasing assessments from all GFPP participating institutions into one interactive visual. It took approximately two months to build the dashboard. This does not include the time to complete individual purchasing assessments. The dashboard allows anyone reviewing the data to quickly identify regional performance in all five value categories (local, sustainable, fair, humane, and healthy), to benchmark the region against other participating institutions across the country, and to identify value categories ripe for improvement.

## Combining Purchasing Power

After identifying priorities for improvement, the next step forward is pinpointing product-level changes. The Center for Good Food Purchasing identified the top eight most-purchased food categories, suppliers in those categories, and the extent to which the suppliers provide local, sustainable, fair, humane, and healthy food. The San Francisco Bay Area Local Food Purchasing Collaborative was then able to identify values-aligned products and product categories that would move the most money to values-aligned suppliers, thereby creating the greatest impact within the existing supply chain.

## Connecting Collaborators to Vision-Aligned Suppliers

Even once a collaborative has identified potential product-level opportunities for increasing values-aligned products in the supply chain, it's not always easy to identify new suppliers and integrate them into the supply chain. The Center for Good Food Purchasing and SPUR have taken action to overcome this barrier.

The Center for Good Food Purchasing mapped the current supply chain for participating institutions, identifying the distributors and producers that move the most values-aligned products through the institutions. Identifying current pathways that institutions use to access values-aligned products opens the door for these institutions to both increase purchases from existing vendors and identify and onboard new suppliers with a high volume of values-aligned products.

In March 2023, SPUR hosted an in-person buyer-supplier convening that brought together more than 50 individuals representing 20 organizations interested in learning how to get more local and sustainable food into the Bay Area's public institutions. Attendees learned about the GFPP and the state of the region's values-based procurement (as indicated by the Bay Area Good Food Purchasing Dashboard and product and supplier mapping), and they participated in a speed-dating-style buyer-supplier mixer. The goal was to begin building relationships between institutions and values-aligned suppliers and to increase understanding of one another's needs. The agenda was informed by similar convenings in Chicago, Illinois, and Austin, Texas.

## Successes and Challenges from the Buyer-Supplier Convening

At the buyer-supplier convening held in San Francisco in March 2023 food vendors from the region sat at tables scattered across a large room as institutional purchasers moved from table to table every seven minutes. While these few minutes were not enough time to make a deal, they did spark further conversation outside of the convening. For example, a local produce distributor met a school district representative who recently posted a request for proposal for the school's produce contract. Unfortunately, the request for proposal closed too quickly and the distributor was unable to apply but now the distributor is aware of the opportunities available and plans to apply at the next opportunity. While the timing was off for this particular opportunity, the relationships started in that room will hopefully continue to serve both the institutions and suppliers.

## Priorities for Increasing Good Food Purchasing

Although a strong foundation has been laid through the collective efforts of the San Francisco Bay Area Local Food Purchasing Collaborative, increased good food purchasing requires continued commitment. To guide this commitment, SPUR and the Center for Good Food Purchasing have identified three priority areas for ongoing work. Each of these areas provide opportunities for program implementers, advocates, funders, and local governments to support values-based procurement at the regional level.

### **Priority One:** *Investment*

Implementation of the GFPP at the individual institution level requires a strong commitment to the program, often in the form of an internal champion, as was the case in Santa Clara County. The county executed a contract with the Center for Good Food Purchasing to complete a baseline assessment of the county hospitals' food purchasing in September 2022. During the approximately eight months it took to complete the assessment, the project lead from the county's Public Health Department began working with the three participating hospitals to identify and make "low-hanging fruit" procurement changes. Along with an internal champion, staff support for implementation can also help institutions meet their purchasing goals in a timely way. That means, institutions must invest staff time in program implementation.

## ✔ **Priority Two: *Policy***

Public institutions cite tight purchasing budgets as the biggest obstacle to implementing good-food purchasing. In 2022, California Governor Gavin Newsom approved Assembly Bill 181, making available \$100 million to launch the School Food Best Practices Fund. The funding is intended to support school districts in buying locally sourced, minimally processed, sustainably grown, and freshly prepared meals. Assuming the funding produces positive results, those results will bolster the case for additional funding — and not just for schools but for other public institutions.

## ✔ **Priority Three: *Outreach***

While the foundation has been laid for regional purchasing improvements, the dashboard, product mapping, and supplier mapping have not been fully utilized. The supplier mapping shows suppliers who already provide values-aligned products to participating institutions. However, these are not the only values-aligned suppliers of local, sustainable, fair, humane, and healthy food in the Bay Area. Additional suppliers not currently supplying institutions joined the buyer-supplier convening, but they shared that they need education about the Good Food Purchasing Program and how to access the institutional market. The San Francisco Bay Area Local Food Purchasing Collaborative should partner with community-based organizations to identify additional values-aligned suppliers and provide education on the GFPP. This outreach, together with provision of technical assistance aimed at supply-side market readiness, is key to diversifying supply and helping institutions achieve their purchasing goals.

To further support values-aligned suppliers in accessing the institutional market, the collaborative should produce a procurement calendar that shows when each participating institution is releasing requests for proposals (RFPs) for different product categories. This calendar will ensure that suppliers have ample notice to write proposals, and it will offer supporting community-based organizations the information they need to conduct outreach and provide technical assistance to potential suppliers. In addition, the calendar will provide an opportunity for institutions to support one another in adjusting RFP language to increase the chances that values-aligned vendors apply and to align product specifications to reduce the number of specific products a vendor must supply to be competitive in the institutional market.



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