

Providing Fresh Produce in Small Food Stores

Distribution Challenges & Solutions for Healthy Food Retail



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nplan

NATIONAL POLICY & LEGAL ANALYSIS NETWORK
TO PREVENT CHILDHOOD OBESITY

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Written by Hannah Burton Laurison, Consultant, ChangeLab Solutions

Primary Research

Angela Hadwin, Healthy Planning Fellow, ChangeLab Solutions

Interviews/Key Informants

Sabrina Baronberg, New York Department of Health and Mental Hygiene

Sasha Belenky, YMCA of Greater Louisville

JoAnne Berkenkamp, Tomorrow's Table LLC

Clare Fox, Los Angeles Food Policy Council

Joel Gittelsohn, Johns Hopkins University

Tawnya Laveta, New Mexico Farm to Table

Kara Lubischer, University of Missouri Extension, St. Louis

Brian Moore, Ranch Market

Breanna Morrison, Community Health Councils, Inc.

David Procter, Rural Grocery Initiative, Kansas State University

Brianna Sandoval, The Food Trust

Daniel Wallace, Coastal Enterprises, Inc.

Reviewers

JoAnne Berkenkamp, Tomorrow's Table, LLC

Michael Janis, San Francisco Wholesale Produce Market

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Table of Contents

- 4..... The Produce Distribution System
- 6..... Challenges
- 7..... Solutions
- 14..... Tips for Implementation

INTRODUCTION

Improving the quantity and quality of produce in small food stores is a major focus for healthy food retail advocates. Most small food stores stock little or no produce. Where produce is available, it is often of poor quality and unaffordable. Small food stores that do not sell healthy food have a negative effect on the diets and health of nearby residents. Research has shown that a high number of convenience stores per capita is associated with higher rates of mortality, diabetes, and obesity.^{1,2} Conversely, people who live closer to stores that sell healthy foods have better diets.^{3,4}

The produce supply and distribution networks present real barriers for small retailers seeking to source produce. In some areas, stores lack access to produce suppliers that offer products at a price and quality that match store owners' needs. Some wholesalers have minimum purchase requirements or delivery fees that are cost-prohibitive for small food retailers. Others offer produce only by the case, in quantities that are too large for small stores to sell before the product spoils, or they charge fees to cover the cost of splitting cases. Not all produce suppliers offer delivery, which means that store owners may have to spend time away from the store or rely on informal distributors, sometimes called "jobbers," to get the produce to the store. When refrigerated delivery trucks are not available and produce is not kept chilled during transit, quality can suffer and shelf life is reduced. For stores in remote rural communities, the cost of transportation to deliver produce may be another significant barrier.

Even in places where produce is available through local distributors, store owners may lack the skills or equipment to properly manage produce. In many stores, refrigeration equipment is outdated, driving up energy costs. Store owners may perceive a lack of demand or lack the tools to assess customer demand for fresh products. When produce lingers on the shelf, quality quickly deteriorates, which leads to waste and loss of revenue. These factors work together to push owners toward a business model that relies on heavily processed foods, tobacco, and alcohol.

Around the country, healthy corner store initiatives are seeking solutions that increase produce quality and quantity in small stores. Through technical assistance and community organizing, store owners are shifting to a profitable business model that includes fresh produce. This fact sheet will describe a range of promising, innovative strategies for overcoming the challenges of sourcing and marketing fresh produce at affordable prices.





THE PRODUCE DISTRIBUTION SYSTEM

Produce is sold through an array of distributors, wholesalers, and retailers. Corner stores, by virtue of their sales volume, location, staffing capacity and expertise often have difficulty finding a produce supplier that meets their needs. Corner stores who do stock produce may source it from one or more of the following suppliers.

Large mainstream wholesale distributors

Wholesale produce distributors typically serve small to medium-size independent grocery stores (as well as restaurants). They generally require a large minimum order and may charge a delivery fee. They may offer promotional materials and other incentives to their customers. Although these distributors often feature a good combination of selection, quality, and price, they tend to be out of reach for small food retailers without high sales volumes. Some full-line distributors, such as Sysco, carry produce, but these companies generally do not serve small food retailers. There is a separate cadre of larger distributors that serve the convenience store market (including Core-Mark and McLane); however, these distributors typically do not carry produce. Transportation costs present an additional challenge for small food retailers in rural areas. Even if a distributor covers a given geographic region, stores located far from the main freeway may not be able to access services.

Smaller distributors

In many larger cities (and some rural areas), small distribution businesses have emerged to fill the distribution gap. These smaller distributors, known as “jobbers,” seek out produce deals and offer delivery to small stores or restaurants. In some cities, these smaller distributors operate out of the wholesale produce market; they purchase large orders from wholesalers with minimum purchase requirements and may offer affordable delivery to customers. Jobbers also source produce from other sources, including large food retailers such as Walmart or Costco.

Cash-and-carry wholesale outlets

Cash-and-carry wholesale outlets operate in major metropolitan areas. They offer fresh foods, including produce, packaged and processed foods, and other supplies to retail and restaurant customers without a credit check, minimum purchase requirement, or membership fee. They may offer some marketing materials to customers. Produce quality and selection can vary. Since cash-and-carry wholesalers do not offer delivery, the produce quality may also depend on whether the store owners keep the produce items chilled when they leave the warehouse.

LEARNING ABOUT LOCAL PRODUCE SUPPLY

The best sources of information about local produce distribution are store owners themselves. When reaching out to the owners of small stores, ask where they source produce and learn about the challenges they face with regard to quality and price. Pay particular attention to any barriers to sourcing more affordable, higher-quality produce, but keep in mind that store owners may not have a complete picture of the sourcing landscape.

It's wise to contact local and regional distribution companies and wholesale produce markets to learn about pricing, volume requirements, quality standards, and delivery options. Many of these companies can be found online or in the yellow pages. Check with the local cooperative extension agency and the state department of agriculture, which may maintain a list of licensed wholesalers. Search the [Produce Blue Book](#) by location (available online, free sign-up required). With a complete map of local produce supply, it will be simpler to develop a strategy that responds to current sourcing options or creates alternatives to address the needs of small food retailers.

Wholesale produce markets

Wholesale produce markets (sometimes called “terminal markets”) aggregate produce from multiple sources, including farmers, shippers, and brokers, and make it available to competing small wholesale vendors and distributors.⁵ These wholesalers then sell produce to retail and food service customers. The vendors may only offer produce by the case (or charge a premium for breaking a case to accommodate smaller buyers). Some but not all produce market vendors offer delivery. This means that only small stores located near the wholesale produce market are likely to shop there - time and fuel costs are prohibitive for most owners of small stores. Store owners may not know how to shop at wholesale produce markets or may find that the markets do not stock culturally appropriate foods. Not all cities have wholesale produce markets, and they may not serve stores in rural areas.

Retailers

In areas without distributors or wholesale produce markets or where distributors' prices are too high, small stores may find it economical to source produce from discount retailers such as Walmart or Target, or from membership clubs such as Costco or Sam's Club. Store owners resell this produce at a marked-up price to customers.



CHALLENGES

Small food retailers face many barriers to sourcing and merchandising fresh produce. These barriers vary regionally and from store to store. How and where stores source produce has major implications for quality and price.

Price

Most small food stores sell a relatively small volume of produce (if they carry produce at all). This low volume greatly impacts the price offered to customers. Most wholesalers sell produce by the case and are unwilling to split cases due to the added labor cost. Where wholesalers are willing to split cases, they typically charge a price that reflects the added labor and packaging. Wholesalers may also have high minimum order requirements or charge delivery fees. When store owners can't access produce at a competitive price, customers may not buy it or stores may opt not to stock it at all.

Quality

Not all wholesalers offer the same caliber of product. This makes it important for store owners to understand USDA grading standards and specify the quality and sizing that they want. How produce is treated once it leaves the distributor has significant implications for shelf life. Keeping produce at the appropriate temperature is vital to maintaining quality. Since store owners (or the jobbers who provide distribution services) often don't have refrigerated trucks, the quality of the produce can be compromised by the time it reaches the store, depending on the type of produce, transit time, ambient temperatures, and other factors.

Cultural barriers

In many areas, small food stores are operated by immigrants or non-native English speakers. Language and cultural barriers are real obstacles to establishing trust and negotiating directly with distributors. Store owners may prefer to work with jobbers with whom they share kinship or cultural connections. In some instances, mainstream distributors may not offer the diverse selection of produce sought by immigrant communities.

Merchandising

Produce handling within small food stores is also critical to maintaining freshness and maximizing shelf life. To maintain quality, owners and managers need to know the appropriate temperatures and moisture levels for the specific types of produce they carry. Proper refrigeration is required for many types of produce, which can be challenging (and expensive) in stores with outdated, inefficient refrigeration units. Store owners need to know how to stock, rotate, and display produce to maintain quality and increase sales. Some owners are reticent to pull produce from the shelves when it's no longer visually appealing, which may leave customers with the impression that the store produce is not fresh. Owners of small stores also need the skills to analyze and anticipate market demand - information that is particularly critical with perishable products. If they overestimate quantities (leaving produce on the shelf past its peak freshness) or underestimate demand (leaving empty shelf space until the next order comes in), sales may suffer.



BUILDING CUSTOMER DEMAND

While the focus of this report is supply-side strategies, most healthy food retail advocates are working simultaneously to build community demand by:

- Conducting outreach to nearby residents and community-based organizations
- Taking surveys of current and potential customers to assess demand
- Providing assistance to stores who wish to accept Supplemental Nutrition Assistance Program (SNAP) and/or Women, Infants, and Children (WIC) benefits
- Offering in-store and community-based nutrition education and product sampling
- Installing signage and in-store displays to make it easy to identify healthy choices
- Training neighborhood residents to do all of the above

For more information about healthy corner store work, see ChangeLab Solutions' resources on [healthy food retail](#).

SOLUTIONS

Store owners and healthy food advocates have developed many innovative approaches to improve the quantity and quality of fresh produce in small food stores. Supply strategies range from improving the existing distribution system to creating new infrastructure to meet the needs of small food retailers. To increase the quality of produce, advocates have developed training programs for both store owners and distributors and offered financial assistance for store upgrades. While the supply-side interventions described below are diverse, they share a common goal of creating a self-sustaining, economically viable business model for selling fresh produce in small food stores.

IF YOU STOCK IT, WILL THEY BUY IT?

The number of healthy corner store projects has increased significantly across the country in the past five years. The national Healthy Corner Stores Network, which was launched in 2004, currently includes nearly 600 members, including health department staff, community-based organizations, community development financial institutions, academics, and store owners. At the national level, the Centers for Disease Control's Community Transformation Grant program and the national Health Food Financing Initiative recognize the importance of working with small food retailers to stock more healthy foods. An increasing number of private foundations are also supporting corner store work. However, we are still lacking data on the impact of these initiatives on purchasing behavior. Many advocates - and store owners - are seeking better information on the economic impact of changes to the store environment. Early evidence is promising, but much more research is needed to guide the field. The following is a list of healthy corner store interventions that have tracked changes in produce purchasing patterns.

- A study by the Johns Hopkins Bloomberg School of Public Health analyzed evaluations of 16 corner store interventions and found that, on average, produce sales increased by 25 percent to 50 percent.⁶
- A study of Healthy Corner Store Initiative in Hartford, Connecticut, found that an increase in the diversity of produce stocked in corner stores was associated with an increase in the quantity of produce purchased. The likelihood that customers would purchase vegetables and fruits increased by 15 percent and 12 percent, respectively, with each additional variety.⁷
- An evaluation of the Healthy in a Hurry conversion program in Louisville, Kentucky, also showed promising results. The number of customers reporting weekly produce purchases increased from 18 percent before the program to an average of 39 percent after.⁸



INCREASE QUANTITY

A number of urban and rural communities have developed strategies to make the existing produce distribution system work better for small food retailers. Other communities have chosen to create new distribution systems to better serve small stores. The interventions described below are mostly in the early stages of development, without formal evaluation. Taken together, these initiatives confirm how important the produce distribution system is to building a sustainable business model for healthy small-scale food retail.

Improving the existing distribution system

These strategies seek to address challenges with minimum order requirements, delivery fees, and produce selection so that small stores can access high-quality produce at the best possible price.

Help retailers understand their options: Many produce supply interventions begin with a survey of small food retailers and local distribution companies to learn which ones offer the best services to small stores. For example, in Jackson County, Missouri, advocates with Building a Healthier Jackson County developed a guide to the region's produce distributors, with detailed information about minimum order size, delivery areas, and offerings.⁹

Some healthy store initiatives have found that while produce quality and the convenience of delivery matter to retailers, the price must be right. For example, when the city of Minneapolis adopted a staple foods ordinance requiring all food retailers to stock a minimum quantity of fruits and vegetables, store owners received technical assistance from a grocery industry consultant who connected stores to a produce distributor that was willing to deliver and lower the minimum purchase to \$150.^{10,11} However, because the distributor's business model relies on high-volume sales, the price per case was higher than what store owners paid at retail outlets such as Sam's Club and Costco. The quality of the produce and the convenience of delivery was not



enough to offset the distributor’s higher cost, and most store owners soon returned to their original method of procuring produce.¹² In Louisville, Kentucky, the Healthy in a Hurry organizers initially connected participating stores to a distributor that provided delivery. But store owners eventually switched to other wholesalers to avoid the delivery fee and to view the produce before buying.¹³ These experiences suggest how important it is to understand store owners’ priorities when advocates are addressing distribution barriers. In addition to price, cultural barriers may influence where store owners prefer to shop, particularly immigrant store owners with limited English skills. Some advocates are working with distributors to increase the selection of healthy, culturally appropriate products.^{14,15}

Reduce risk for store owners: Healthy food retail advocates have developed a number of incentives to reduce the risk associated with stocking new products. Minneapolis’ Healthy Corner Store Program offers a \$200 stipend toward the first order from a produce wholesaler.¹⁶ In New Haven, Connecticut, store owners participating in the Healthy Corner Store Initiative are guaranteed up to \$500 in “take-back” funds for any new products that do not sell.¹⁷ This take-back program functions as insurance and mirrors the type of guarantee offered by many snack and beverage distributors. In Louisville, the YMCA’s Healthy in a Hurry initiative brokered a partnership with two local distributors to provide the first order at no cost to the store.¹⁸ Similarly, stores participating in DC Central Kitchen’s produce delivery program can purchase produce at a discounted price until store owners and managers have established customer demand.¹⁹ These types of incentives reduce the initial risk for retailers who are new to stocking produce and may not yet have a clear picture of customer demand.

Leverage buying power to reduce barriers: In places where large, well-developed healthy food retail initiatives are under way, advocates have successfully leveraged the collective buying power of small food retailers to overcome some of the barriers to distributing to small stores. In Philadelphia, The Food Trust persuaded the cash-and-carry outlet Jetro to stock a greater variety of produce by citing the aggregate demand of the city’s Healthy Corner Store Initiative.²⁰

Explore cooperative purchasing agreements between stores: Several other cities, including St. Louis and Los Angeles, are exploring how a cooperative purchasing agreement between stores could help bring prices down.^{21,22} The Oregon Food Bank is finding out how a statewide association of rural grocers could address distribution challenges - e.g., by using collaborative purchasing to meet minimum requirements, bring down costs, and coordinate deliveries so that more suppliers come to remote areas.^{23,24} There are many other examples of informal agreements for the ordering and delivery of groceries to small food retailers in urban and rural parts of the country. The group purchasing organizations, which were created to leverage collective purchasing power and bring down prices for hospitals and institutional buyers, may be a good model for how economies of scale can result in lower prices. However, it remains to be seen how this business model would translate to small food retailers and how independent-minded business owners would overcome barriers to collaboration.

WORKING WITH EXISTING DISTRIBUTION SYSTEMS

Working to improve an existing supply chain holds promise for communities who have some of the following characteristics:

- A diversity of produce suppliers
- A cadre of store owners committed to sourcing more produce
- An unmet consumer demand for fresh produce
- An intermediary entity (such as an entrepreneurial retailer or an advocacy organization) to negotiate the desired changes

Working within the existing distribution systems takes advantage of the infrastructure and experience in the produce industry. However, since not all retailers are adequately served by the existing supply chain, alternative distribution networks may need to be created.

Work with larger supermarkets or institutions to add on orders: In some rural communities, some small stores have negotiated agreements with larger food retailers and distribution networks to add onto existing orders. In Dixon, New Mexico, a local food cooperative cannot meet the regional distributor's minimum purchase requirement (\$10,000). Instead, the distributor drops off the co-op's order at a supermarket in Taos (about an hour from Dixon), where it is picked up by a co-op member.²⁵ In rural Iowa, a local grocery owner has developed a wholesale distribution business - he receives orders and makes deliveries for up to 14 other small rural grocery stores, which helps keep down prices and increases selection for all.²⁶

Develop supply chain partnerships to leverage distribution capacity: In areas without access to produce distributors, advocates have brokered partnerships between distribution companies to get produce (and other healthy foods) into smaller stores. In Minnesota, the Institute for Agriculture and Trade Policy (IATP) catalyzed a collaboration among a produce distributor and two prime distributors that served small stores in rural areas of Minnesota (prime distributors supply small stores with a full selection of packaged, fresh, and frozen products for convenience stores but did not offer produce). The produce distributor developed a "right size" program that offered more than 50 kinds of produce, including many culturally appropriate fruits and vegetables, in pack sizes designed to suit the scale of small stores. IATP worked with store owners to identify the right quality and grade of produce. For example, some store owners preferred to sell smaller-sized apples.

The prime distributors have integrated these fruit and vegetable offerings into their existing ordering and billing system, making it easy for stores to identify and order the produce. The prime distributors aggregate the stores' orders and place a master order with the produce distributor. The produce distributor delivers the produce five days a week to the prime distributors' main distribution center. The prime distributors then deliver the produce to small stores, along with each store's regular delivery. This partnership takes advantage of the prime distributors' warehouse and trucking capacity and the produce distributor's procurement and handling expertise with fresh produce.²⁷





Build new distribution infrastructure

Alternatively, some communities have chosen to develop new distribution infrastructure to meet the unique needs of small food retailers. As the grocery distribution industry has become increasingly consolidated and fuel prices have risen, it has become more difficult for existing distributors to serve small food retailers. These alternative distribution initiatives are designed to get produce to small stores, often directly from local farmers. They offer greater flexibility and a strong social mission. The following examples illustrate the diversity of approaches.

Offer direct store delivery services: Since 2011, DC Central Kitchen has delivered fresh produce to 30 corner stores in the Washington, D.C., area. DC Central Kitchen is a well-established organization, able to build on its experience delivering prepared meals to social service agencies to launch this initiative. DC Central Kitchen partners with D.C. Hunger Solutions to provide nutrition education, training, and business assistance to help participating retailers effectively market the produce.^{28,29}

Connect local and regional producers to buyers: Since 2007, New Mexico's food cooperative, La Montañita, has operated an 18,000-square-foot distribution center out of Albuquerque.^{30,31} The distribution center focuses on connecting local and regional producers to buyers, including schools, restaurants, grocers, other cooperatives, and conventional distributors like Sysco. This allows small food retailers like the Dixon Cooperative Market to source local produce at competitive prices. In New York City, GrowNYC's Greenmarkets Co. and City Harvest partner to deliver locally sourced produce from a central warehouse to corner stores through its Fresh Bodegas Program.^{32,33} Participating store owners receive a refrigerator to stock the produce and receive training on how to maintain quality. The program partners are now working to recruit additional corner stores and supermarkets along the delivery route to make the program self-sustaining. In Oakland, California, Mandela MarketPlace sources produce from small family farmers through its Earth's Produce Distribution service, which links growers to corner stores in West Oakland through the Healthy Neighborhood Store Alliance.^{34,35}

La Montañita, Mandela MarketPlace, and Greenmarkets Co. are a part of a growing movement of food hubs - facilities that aggregate, store, process, distribute, and promote produce from local and regional growers. Food hubs have evolved to help small and mid-sized farmers get their produce to customers. USDA estimates that there are more than 200 working food hubs in the United States, approximately 40 of which report selling to small food retailers.³⁶ Owners of small stores benefit from the relative affordability and quality of local and in-season produce.³⁷

Develop farm-to-store initiatives: In Baltimore, the city health department and the Johns Hopkins Bloomberg School of Public Health brokered a partnership between Whitelock Community Farm, a quarter-acre urban farm, and a neighborhood corner store to stock farm-fresh produce.^{38,39} In Richmond, Virginia, Tricycle Gardens, a half-acre urban farm, supplies fresh produce to two corner stores.⁴⁰ In Los Angeles, Community Services Unlimited, Inc., which operates five urban mini-farms, is developing an ordering system to connect small food retailers to locally grown produce from the farms and other growers.⁴¹

CREATING AN ALTERNATIVE DISTRIBUTION SYSTEM

Developing alternative distribution systems can be capital-intensive and requires substantial business expertise. It can be challenging to ensure the financial sustainability of the project for both suppliers and store owners. The storing, transporting, and marketing of perishable products leaves little room for error. Nevertheless, some communities are rebuilding the necessary infrastructure to transport food from local farms to small food stores and are meeting the unmet demand for high-quality, fresh produce. These projects are most likely to succeed in communities with some of the following characteristics:

- Well-developed, established local food-growing projects and/or distribution networks that can be expanded to work with small retailers
- A cadre of store owners interested in sourcing more produce
- Resources to engage community residents and offer nutrition education, marketing, and promotion
- Existing relationships with small to mid-sized growers
- Existing produce distribution and business expertise to develop a business plan

Other communities are merging two or more food access strategies with their healthy corner store work. In Eugene, Oregon, the Lane Coalition for Healthy Active Youth (LCHAY) partnered with a local convenience chain, Dari Mart, to stock and promote healthy items. LCHAY also partnered with a local farmer to set up a produce stand outside one of the Dari Mart stores and with a local nonprofit, Food for Lane County, to offer nutrition education and food preparation advice to Dari Mart shoppers.⁴² And the Los Angeles Food Policy Council has partnered with the Asian Pacific Islander Obesity Prevention Alliance to support a Pilipino community supported agriculture (CSA) box pickup site at a corner store.^{43,44}

IMPROVE QUALITY

Barriers in the supply chain are not the only impediment to small food stores maximizing produce sales. In fact, in urban areas, small stores may have access to several distributors. However, many owners of small stores could benefit from specialized training and support to maintain produce quality. When small food stores lack adequate refrigeration to keep produce at the appropriate temperature, then grants, loans, and expert assistance can help owners purchase or upgrade infrastructure.

Store-owner training and technical assistance

Many healthy corner store initiatives offer training and technical assistance on produce handling and food safety. Other programs also prepare store owners to promote produce and solicit customer feedback to fine-tune new offerings. Advocates have experimented with a variety of approaches to training and technical assistance. For example, the Los Angeles Food Policy Council offered a daylong training for store owners on produce management, store design, and pricing strategies.⁴⁵ In some communities, advocates offer training right in the store. For example, the San Francisco Department of Public Health hires community residents (known as Food Guardians) and provides training on produce merchandising. The Food Guardians work alongside store owners to stock and promote produce in small stores.^{46,47} In St. Louis and Minneapolis, organizers have retained industry experts to work on-site with store owners.^{48,49} Working on-site can help the store owner troubleshoot problem areas and identify customized solutions. Sometimes this kind of training is available directly from distributors. Other projects have developed guides to produce handling (see the list of guides on page 15). These guides can reinforce any in-person coaching that store owners receive.

In addition to basic training on produce handling and storage, advocates have also found it valuable to offer more specialized training on selling produce. In particular, store owners may benefit from learning how to correctly price produce. Produce pricing regularly changes (due to factors such as seasonality and supply). Store owners need training from produce industry experts to anticipate and deal with these price fluctuations. They also need to know how to mitigate losses due to product deterioration. In New York City, the Fresh Bodegas Program provides training for store owners on the value-added processing of near-date produce – for example, turning fruit into smoothies or produce into soup for sale at the store’s deli.⁵⁰

Some healthy retail programs are developing specialized training to help store owners navigate wholesale produce markets. In Philadelphia, The Food Trust partnered with the Philadelphia Wholesale Produce Market (PWPM) to offer such training. The PWPM provides a

welcome guide for corner stores, offers tours of the facility, and makes available a mentor to help with questions and give advice on how to get best prices and negotiate at the market.⁵¹ The San Francisco Wholesale Produce Market also has dedicated staff to help facilitate purchases by store owners who are beginning to offer fresh produce.⁵²

Healthy food retail advocates have also found that some store owners need additional training on how to comply with federal and local business regulations. In Jackson County, Missouri, organizers of the healthy corner store initiative developed a resource guide for store owners.⁵³ Advocates in Seattle also created training materials and initiated a partnership with a small business lender to help store owners bring their stores into compliance.^{54,55}

Training and technical assistance for store owners is critical to the long-term sustainability of healthy corner store interventions. Training programs should help store owners set realistic expectations for produce sales, build their skills to reduce food waste, and offer products that best meet the taste preferences and price sensitivities of their customers.

Store infrastructure

Many small food stores lack the proper infrastructure to stock produce. In addition to new or upgraded refrigeration systems, small food stores may need upgrades to electrical and mechanical systems, fixtures, and other improvements. Some healthy corner store initiatives offer loans, grants, or a combination of the two to help store owners invest in upgrades or new equipment. For example, the Portland Healthy Retail Initiative offers grants up to \$4,500 for equipment.⁵⁶ The East Baton Rouge Healthy Corner Store Program makes \$20,000 grants for refrigeration and other equipment, but requires a 10 percent match by store owners.⁵⁷ Many healthy corner store programs also provide free or lower-cost equipment to merchandise produce. For example, Detroit FRESH provides free baskets and shelving to participating stores.⁵⁸ In Omaha, participating stores receive produce baskets to display the new produce options.⁵⁹ These relatively affordable investments in store infrastructure can prepare store owners to effectively merchandize produce.

In addition to equipment, some programs offer financial incentives for inventory management technology (such as point of sale systems and product coding) and layout improvements - investments that can help store owners become more profitable. For example, The Food Trust provided point of sale systems to help store owners analyze sales of produce and other products over time.⁶⁰ In St. Louis, a grocery industry expert works with store owners to improve store layout to maximize the sale of healthy products.⁶¹

Investments in store infrastructure can be a valuable incentive for program participation. However, these one-time investments should be coupled with store-owner training. Advocates should require some form of owner buy-in, either in the form of financial contributions or changes to stocking practices. A contract that defines the retailer's contribution can help create accountability and investment. For a sample contract, please see ChangeLab Solutions' *Health on the Shelf: A Guide to Healthy Small Food Retailer Certification Programs*.





TIPS FOR IMPLEMENTATION

Increasing the availability and quality of produce at small food stores has the potential to improve health outcomes, strengthen small businesses, and even improve safety in low-income urban and rural areas. Owners of small stores face many barriers to stocking produce. Some retailers lack access to distributors; others need assistance with produce handling and promotion, store infrastructure, and community outreach and education.

Advocates of healthy food retail have begun to implement a variety of strategies to address these barriers. These strategies range from working with existing distributors to creating new distribution systems to providing technical and financial assistance to store owners to stock and promote produce. Many of these interventions are in the early stages of development and have not yet been formally evaluated. However, several key themes have emerged from the implementation of these produce distribution interventions.

Identify partners: Improving the quality and quantity of produce in small stores requires collaboration among many different stakeholders. Healthy food retail advocates can serve as conveners, bringing together the necessary expertise from different sectors. Depending on project goals, key partners may include local governments, community-based organizations such as neighborhood associations, and grocery industry experts. Institutional purchasers with a shared mission, such as schools and hospitals, may be good partners as well. Connecting store owners through a business association or food policy council may provide long-term support for participating retailers. Advocates should take time to build relationships with partners, who may not share a health orientation, and develop a common set of goals.

Build on existing infrastructure: Whether working with existing distributors or creating alternative distribution networks, projects should build on existing infrastructure to maximize efficiency and reduce waste. Healthy food retail advocates can leverage the unmet demand for produce as they work with distributors to stock healthy choices, develop shared purchasing agreements, and build new distribution networks.



Engage community: Efforts to change the product mix in small stores should involve community residents from start to finish. Building strong community support for changes to small stores will make these interventions more financially sustainable over time. Healthy food retail advocates should engage residents in outreach, market analysis, and promotion.

Build business skills: Corner store owners need strong business skills to create a sustainable business model for healthy food retail. Advocates can partner with organizations or individuals with expertise in produce handling, storage, and promotion, as well as business management skills such as accounting and marketing. Through training, on-site coaching, and other forms of technical assistance, store owners can prepare themselves to carry forward the healthy changes over the long term.

Be patient: Healthy food retail advocates should take care to partner with store owners who have a demonstrated commitment to changing their business model. Taking time to carefully vet the motivation of a store owner will increase the likelihood of long-term success. Advocates of healthy corner stores are using retail strategies to influence a complex food system. Incremental approaches that equip distributors, store owners, and customers to adapt to the changing business model will be most sustainable over time. While fresh produce is clearly central to many healthy corner store initiatives, advocates should also consider strategies to limit the availability of unhealthy items.

The field of healthy corner store advocacy is rapidly evolving. The examples presented here are a starting point, but more research is needed so that we can better understand how to effectively influence the supply chain and produce distribution system, particularly in rural areas currently underserved by conventional distributors. Healthy food retail advocates have a critical role to play in bringing together the expertise and political will to change the caliber and quantity of produce sold in small stores.

PRODUCE HANDLING GUIDES FOR SMALL STORE OWNERS

Delridge Healthy Corner Store Project
(Seattle)

[*A Toolkit for Community Organizers & Storeowners*](#)

Healthy Foods Here
(Seattle)

[*Produce Marketing Guide*](#)
[*Produce Manual*](#)

Healthy HotSpot
(Cook County, Georgia)

[*Corner Store Tips*](#)

Institute for Agriculture Trade and Policy
(Minneapolis)

[*Tips for Good Produce Handling in Your Store*](#)

Live Well West Denver
(Denver)

[*Healthy Corner Store Resource Guide*](#)

Network for a Healthy California
[*Retail Fruit & Vegetable Marketing Guide*](#)

St. Louis Healthy Corner Store Project
(St. Louis)

[*St. Louis Healthy Corner Store Resource Guide*](#)

The Food Trust
(Philadelphia)

[*Sell Healthy! Guide*](#)

ENDNOTES

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