A report presenting best practise "Regional organization in a cooperative structure"



Date: 17 October 2019

# Local Food Auctions in Groningen

By: Wilbert van der Kamp, Ritzo ten Cate and Municipality of Groningen

The Groningen team of REFRAME asked themselves a very simple yet essential question in order to boost the local food chain. The question and the answer were both quite obvious. The question: what is the most elementary, specific form of a local food market? The answer: an auction! We designed and organized a minimum viable food market, invited restaurant owners and chefs to meet producers and let the magic happen. And believe it or not: it worked! A network is getting connected and coming into motion. We asked all the participants if and how we should continue and after a second successful evening, a third auction is already on its way! Together with producers, restaurant owners and market enhancers we are creating a local food market. We named it Lokaal Kilo's Schuiven - Dutch for shifting kilos of food locally.

### A fun and inspiring event

The <u>province of Groningen</u> can be divided into the (university) <u>city of Groningen</u> and it's mainly rural (and industrial) context. A variety of crops and kinds of food are being produced in this context, while far most of the consumers (200.000+ inhabitants, 50.000 students) are in the city. To create a critical and efficiently manageable mass (trade) in the market we started an auction with just restaurant owners and chefs from the city from the demand side and farmers from the context as suppliers. We invited the farmers to bring whatever they would bring to *try* on the market in a quantity and packaging that they'd expect would be of interest of the restaurant owners and chefs. We suggested them to bring something *remarkable* - to make the evening more entertaining and connecting. One of them brought (a picture of) a living goat. Biological cheese was sold, a huge icecake found a new owner and one hundred kilos of unions went from farmer to chef. Just to name a few products which were traded. We chose to

focus on chefs from the city and farmers from the region, to make maximum impact with minimal effort. Chefs and farmers from elsewhere and end-consumers are of course also welcome to participate in the auctions, but we don't invite them. We optimize and focus on chefs from the city and farmers from the surroundings of the city - the most obvious, value-driven and therefore easiest connection to make.



### Naming thresholds and finding a solution

During the first auction we asked the participants about the biggest thresholds for local trade of food. Their answers:

- Lack of efficiency: trading 10.000 kilos at once takes less effort than 100 times 100.
- **Distribution**: how do we transport small quantities from many producers to many restaurants? It's a complex, dynamic, logistic problem.
- **Indexing the market:** how do you know what products are needed / available? And when? Quite essential for making a market effective.
- **Sales and delivery security.** As a chef you need to be sure that you have goods to cook with and as a farmer you need to be sure that someone is willing to buy your goods.
- **Cooking with local products takes another skillset** from chefs than cooking with nice, clean and shiny goods from wholesale. How do you clean the products yourself? And... how can you optimize the (usually) richer taste (and story) of local products?
- **Legal issues and regulations.** What is allowed and needed for example in trading small quantities of fresh milk or meat?
- Administration, billing and other hazzle. Doing business with several customers a day gives more paperwork than dealing with one big customer. Digitalization helps, but still local trade demands a lot of administration.
- Socializing, meeting a human being with a real life and stories, takes time...



We also asked the participants for solutions. Their answers:

- 1. **Accelerator for farmers and chefs** who want to dive into local trade. The key theme: creating more value with your customers. Or simply: what can you alter in your product, process, approach to make each other more happy?
- 2. Doing / facilitating trade:
  - a. Continue with the auctions, please! And please keep it as fun as the first ones!
  - b. **Install an 'Amboersadeur'** a combination of Dutch words 'ambassador' and 'farmer'. An Amboersadeur is a middleman who indexes supply and demand and makes matches between them. His or her tools: a few spreadsheets, a cell phone and quite some social skills. He's not a trader, but a facilitator.
  - c. Setting up a physical semi-permanent marketplace for local foods.
- 3. A logistic partner solving the complex distribution problem.
- 4. **An online marketplace** which brings together the market.

#### Next step

The first step we are planning now is to create a 'platform' where producers and chefs can meet. We are also exploring possibilities for an Ambassadoer.

## Do you want to know more?

Please contact

Hiltje van der Wal Municipal of Groningen

E-mail: hiltje.van.der.wal@groningen.nl