

Mission-Driven Intermediaries as Anchors of the Middle Ground in the American Food System: Evidence from Warrenton, NC

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Abstract

Moving beyond direct marketing, food systems work is increasingly connecting sustainably grown food with supermarkets, dining services, and other mainstream outlets. It is here that growers come face-to-face with the rigid conditions of a globalized food system. In this paper we document the emergence of mission-driven intermediaries as bridging institutions in the middle spaces of American agriculture that are using value addition and strategic scaling up to connect alternative food systems to local and regional markets at profitable prices. Through in-depth interviews with Working Landscapes of Warrenton, North Carolina, we describe one path to becoming a Mission-Driven Intermediary, in which intermediaries with roots in the nonprofit sector evolve into organizations of hybrid form that include revenue-generating activities. This institutional heterodoxy allows lateral alliances with diverse entities that help recombine existing resources in new ways, enabling the organization to demonstrate long-term commitment to the local food project while successfully improvising to survive in a highly competitive and corporatized industry. [Working Landscapes, local food systems, mission-driven intermediaries, supply chains]

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Introduction

Two decades of research on local and sustainable food systems has oriented a wide set of questions linking food to the matters of justice, values, identity, and the economy (Buck, Getz, and Guthman 1997; DeLind 2006; Janssen 2017; Jaffee 2007; McIlvaine-Newsad and Porter 2013; Shiva 2000). Beginning in the 1990s, anthropologists and geographers documented the reformulation of regional food traditions in the face of globalization, food activism, and the emergence of sustainable communities resisting environmental degradation and unhealthy, unsafe food systems (DeLind 2006; Durrenberger 2003; Janssen 2017; Weiss 2012). At the heart of the alternative food practices that scholars investigated lay the direct marketing revolution, linking small growers directly with consumers. “Short supply chains”—especially, community supported agriculture, farmer’s markets, farm-to-school programs and other strategies—emerged as potential pathways for small and local growers to counter corporate food systems (Janssen 2017). The rise of fair trade practices, and the “construction of quality” through the use of food standards further enlarged the space for valuing sustainably grown food (Jaffee 2007; Stanford 2002).

As the spotlight on direct marketing grew, researchers also explored the limits and challenges of seeding alternative food practices and infrastructures in particular geographies. Farmers markets are not necessarily sites of racial equality (Lambert-Pennington and Hicks 2016); hyperlocal markets can limit growth and leave unaddressed the problem of mid-scale agriculture, i.e., of farmers aspiring to grow sustainably but caught between the hyperlocal and corporate scales (Janssen 2017). For economic anthropologists, the earnings and growth obstacles of alternative food marketing have become test cases for studying capital, competition, and commodity markets, and how alternative food economies may sustainably confront and

engage with them (Colloredo-Mansfeld et al. 2014). Local food may require more than the direct market relationship to be successful (Janssen 2017).

As food systems work moves beyond direct marketing to connect mid-size farms and sustainably grown food with conventional supermarkets, institutional dining services, and other mainstream outlets, growers confront the rigid conditions of a globalized food system. Challenges range from strict, codified food safety standards, uniform marketing needs to large scales of production and low unit prices that favor corporate growers in turning a profit (Born and Purcell 2006; Kirschenmann 2008). Competing in this rigid environment is challenging for small and medium-sized farmers, particularly where markets are small and food infrastructures absent or minimal. This opens up the question of “scale” in these settings. How can small farmers grow in scale without losing the ethos of “local food,” which evokes smaller scales of operation characterized by shorter, proximate supply chains and serious commitments to environmentally and socially responsible values that ground diverse, resilient local and regional food economies (Connor, Campbell-Arvai, and Hamm 2007; Feenstra 1997). Yet, to meaningfully shift food practices, alternative food efforts must confront questions of whether and how to increase in scale to serve more people while maintaining the local food ethos.

Intermediaries can play a crucial role to help farmers “scale up” to meet growing demand while conforming to the requirements of a diversified market and preserving local food priorities and values (Low and Vogel 2011). Commercial intermediaries are generally motivated by the business opportunity of intermediation that may or may not involve smallholders engaged in local and sustainably grown food. Nor are such intermediaries always present in rural communities (Dunning 2016). When they do include small holders, commercial intermediaries charge higher wholesale prices to compensate for uncertainties in supply, effectively raising entry barriers for small growers (Gwin and Thiboumery 2014). Reinventing the wholesale intermediary has thus become crucial to expanding the reach of sustainable food systems beyond direct marketing (Angelo, Jablonski, and Thilmany 2016; Martinez et al. 2010).

In this paper we report on the emergence of a class of intermediaries we are calling “mission-driven intermediaries” (MDIs), that are helping to bring local and sustainable product to market at increasingly viable

prices. MDIs occupy the middle tiers of American agriculture both in terms of size—inclusive of, but beyond the small, hyperlocal food seller; and location—situated in the middle of alternative food supply chains. MDIs share three main characteristics. First, they use revenue-generating operations to pursue missions developed from nonprofit roots. Unlike private corporations with corporate social responsibility initiatives (e.g., Patagonia) or legally registered nonprofits with stable revenue streams (e.g., the Farm Bureau), MDIs are much smaller organizations that blend nonprofit goals and values with revenue generation to build alternative supply chains from the bottom up. Their organizational heterodoxy enables MDIs to survive in a competitive, corporatized industry by covering their costs, all the while demonstrating long-term commitment to the local food project and values of inclusion and sustainability (Angelo, Jablonski, and Thilmany 2016; Martinez et al. 2010).

Second, MDI’s help widen access to food systems work through processes of institutional recombination (Stark 2009a, 2009b) that link existing institutions and resources in new ways. By cultivating formal and informal ties with nonprofits, government agencies, foundations, and commercial businesses MDIs help to lower the barriers to entry for small sustainable farmers who want to grow beyond direct sales. Indeed, MDIs navigate scale in new ways: they grow by adding value, not only volumes. Value addition can come through coordination of the supply chain, branding, packaging, or specialized services such as washing, chopping, and/or bagging. Strategic coordination and value addition may allow MDIs to decrease costs while servicing new markets and growers. Third, MDIs work to develop regional, rather than purely local markets. By building financially viable operations with sustainable values in the middle scales of American agriculture MDIs may help bridge the space between hyperlocal and corporate agriculture.

These factors allow mission-driven actors to invest in alternative value chains in places where few exist while competing in price-sensitive markets. We thus argue that building out local food systems calls for MDIs not only to bridge gaps in alternative food chains, but also to make alternative food practices financially and commercially sustainable. Taken together, these strategies provide another option for producers typically too small to fill institutional markets, allowing them to access middle and larger scaled markets.

Methods

We illustrate this argument by reporting on the emergence and evolution of one such MDI, Working Landscapes (WL) of Warrenton, North Carolina. WL is a nascent MDI among others we have seen emerge in North Carolina over nearly a decade of research, that drive the expansion of local food systems across a range of product categories through value addition and/or organizational hybridity (see Table S1) in the Supporting Information for a complete list of MDIs). These relatively new organizations cover a diverse range of products from meat to produce and represent a variety of organizational forms. Some are traditional food hubs whose primary role is to aggregate products. Others may go beyond aggregating products to distributing value-added foods, or may provide value addition services by coordinating production standards, educational programming for consumers, or investing in farmer capacities. All the MDIs in Table S1 generate revenue through commercial processes and relationships while upholding the mission of supporting sustainable food systems.

A deep case study allows us to better understand the ground realities of the people and processes we are trying to examine (Durrenberger 2003). The promise of the Warrenton example lies in its productive heterodoxy. WL uses a hybrid model of nested organizational forms, where revenue-generating businesses incubate within a nonprofit umbrella. With a regional orientation, the enterprise favors small farm suppliers but incorporates large producers as needed to open market channels that smaller producers can subsequently enter. Its operations mix business objectives with mission-driven objectives related to community development, health, and education. The Executive Director and Associate Director raise funding from private foundations, state sources, and WL's own business operations to invest in building alternative supply chains linking Warren County's small and medium growers of sustainable food to new markets as a means to fostering wider rural economic development.

We interviewed the WL leadership and staff during 2016-17, at their offices in Warrenton, a rural region in Northeastern North Carolina, and at the University of North Carolina. We attended their community discussions and reviewed articles in the local press. Based on key informant interviews, site visits, observations

and background material we present a case study of WL's emergence as an MDI in this paper. Drawing on qualitative methodologies and field research we trace key challenges, turning points, and processes that sustain WL to document how formal and informal relationships/practices of sustainable food are developed or aspired to through the local food project, particularly through the agency of MDIs. We show how a variety of local and regional actors work with, and through, MDIs to resist the dominance of hyper-globalized corporate agricultural systems by practicing and upholding values that support sustainable agriculture.

This paper builds on work initiated in 2009 when we interviewed wholesalers, retailers, and other private and public intermediaries to explore how the local food economy was being embedded in North Carolina. In 2014, we published our findings on the role of retail chains in institutionalizing local food systems (Colorado-Mansfeld et al. 2014). It was in this broader work that we first encountered sustainable food-related institutions that were transitioning into more complex revenue-generating organizational forms, institutions we now call MDIs. The current paper explores the case of WL as an emerging rural MDI to contribute fresh insights into the work of MDIs in shaping the middle ground of sustainable food systems.

The Rise of Mission-Driven Intermediaries

Anthropological research on intermediaries has focused on both the economic niches and the cultural worlds that everyday transactions help to sustain. These include relationships of trade and exchange, ritual life, kinship ties, and ethnic networks that connect producers with consumers and build a shared sense of community and "place" (Babb 1989; DeLind 2006; Tilly 1998). In the 1970s, economic anthropologists analyzed how resellers function in the agrarian economy, describing how their buying and selling mediated "between field and cooking pot" and not simply exploiting small producers (Babb 1989). Recent studies document how farmers in certain commodity markets such as quinoa and coffee make tactical shifts back and forth among individual buyers who offer ready cash at rock-bottom prices versus local co-operatives that offer higher returns but with delayed payments or ancillary service requirements (Ofstehage 2011). The literature on culture, ethnic boundaries, and

trade continues to grow. Studies document the social exclusions that traders faced, their adaptation to neglected market segments, and a tendency toward “opportunity hoarding” (Tilly 1998). Shifting from the ethnic community to places where traders work, researchers document the regularity of social interaction along with deal making, strong kin networks, and the ritual life that urban markets support, providing communities with sustained economic advantage in the form of credit, skills, and market access (Weismantel 2001). The work of intermediaries, if it is driven by commercial motives, is also highly social and built through sustaining relationships beyond any single transaction.

As thoughtful as this literature is, the emphasis on the economic, commercial, and social roles of intermediaries as primary drivers of buyer-supplier relationships, has left the cultural linkages and shared values between middlemen and farmers minimally examined. Recent research on local food, environmental justice, and fair trade has begun to fill in this gap. Scholars describe investments by middlemen in producer communities to capture the ideals of cooperative production and selling (Jaffee 2007; Lyon 2011). We extend this work in the context of value-based exchange relationships that develop outside the explicit rules and guidelines of formal fair trade mechanisms with an eye toward integration in conventional distribution systems.

Gaining access to established distribution systems and conventional marketing channels is increasingly regarded as crucial to scaling up the production and consumption of local and regional food (Hardesty et al. 2014; Horst et al. 2011). Research over four decades on economic clusters and production networks show that larger scales materialize in multiple ways beyond the concentration of ownership within vertically integrated organizations (Gereffi 1999; Piore and Sabel 1984). Scale is possible at the local or regional level through intermediated supply chains that introduce additional actors between the producer and consumer. These actors can functionally increase scale by aggregating product, or introducing value-added processes, packaging, and branding that extend shelf life or differentiate products. Intermediation may also extend small producers’ market reach by diversifying distribution channels and end markets, or resolving collective action problems among growers.

Yet, intermediation becomes more complicated as the scale of production or size of the network increases

(Bloom and Hinrichs 2010; Low and Vogel 2011; Stevenson and Pirog 2008). Interlocking networks of nonprofits, public institutions, businesses, and regulators may help coordinate scale by defraying attendant costs and risks (Kirstensen and Sabel 1997). In the case of agriculture, the Values-Based Supply Chain (VBSC) literature describes how common values about sustainable food may help mediate the complexity of scale (Hardesty et al. 2014; Stevenson and Pirog 2008; Stevenson et al. 2011). VBSC business models emphasize both the values associated with local food and the values associated with trusting business relationships within the supply chain, where farmers are treated as “strategic partners” rather than substitutable, price-driven input suppliers (Stevenson and Pirog 2008). Research in this area complements anthropological work on local food and fair trade by showing how mutual commitments around equitable exchange can build collaborations that derive from shared values that extend beyond codified rules. Shared values can help foster cooperation within VBSCs, making small-holder agriculture functional in the face of stiff competition from industrialized agriculture.

However, for all the shared values embodied in the VBSC ideal, trust and commitment cannot be assumed. A key and unsettled question is how such a supply chain develops and evolves with shifting market conditions. Conflicts can arise as new customers emerge, as clients seek additional suppliers, as product requirements change or as obstacles, such as missed deliveries or low revenues, force tactical decisions. How does an alternative food supply chain adjust to the challenges of growth? How is the coherence of the shared vision within the VBSC ideal produced, maintained, and enhanced in practice as values-based relationships evolve? Our work responds to these questions by examining how MDIs navigate these challenges in rural North Carolina.

In the rest of the paper we document the processes through which trust and resilience are created within value-based food systems. Through the WL case study, we analyze the rise of MDIs as institutions that support larger scales in local and regional food systems while seeking to better incorporate small and medium growers and processors into viable food economies. As small bottom-up organizations, emergent MDIs, however, can be caught between the mission-driven duty to serve the ideal of local food and a market-driven mandate to be opportunistic about growth and profitability in order to bear the risk of financing the alternative

networks needed to survive in a competitive industry. The WL case shows how local food firms are testing alternative models of supply that build values into business practices while leveraging economies of scale to compete with mainstream product prices (Mount 2012). Opportunities for innovation lie in the value adding links between farmer and consumer that forge alternative local food value chains (Gwin and Thiboumery 2014). As our case study of Working Landscapes suggests, MDIs may (or even must) play a core role in unlocking these opportunities.

Working Landscapes: Building Intermediated Food Chains to Revitalize Rural Communities

WL is a homegrown, female led, nonprofit organization launched in 2010 by an eastern Carolina native daughter, C. Norwood, and her husband G. Cumming, to support the rural community. Norwood—a mixed-race woman of Lumbee Indian and white heritage—served as Executive Director of the Little Tennessee Watershed Association in Macon County, NC, in the far western part of the state, before earning a PhD in the Curriculum in Ecology at UNC-Chapel Hill and completing postdoctoral work at Duke University. Her husband, Cumming, worked in land conservation in Charlotte, North Carolina, before completing the same PhD and postdoctoral programs as his wife. Together they moved to Warren County in 2012, where Cumming first worked as Warren County’s Economic Development Director before working fulltime for WL with Norwood.

WL’s work and approach has been intimately shaped by the identity of its founder and director’s mixed heritage and roots in Warren County. Bridging divides of identity and location (rural-urban) has been important to WL’s work. Their vision is to build on the histories and resources that exist by valuing the place, its assets, and the people who have histories in that place, while connecting them to larger markets. Warren County is a rural community of 21,159 people about 57 miles from Durham (AccessNC 2017). With a weak employment base that is dependent on natural resource-based industries, including agriculture (ACS 2015), Warrenton’s residents confront relatively high unemployment (7.2%), and often must commute outside the county for work. Despite the county’s rich agricultural heritage, the USDA now characterizes most of the county as lacking sufficient access to healthy food, especially for low-income individuals

(Economic Research Service 2015). This led Norwood and Cumming to become interested in exploring agriculture and the region’s natural resources as the basis of internally driven rural development and community wellbeing. An immediate opportunity lay in local foods because there was interest from the community and such a focus could have both economic and health benefits. Cumming noted in an interview, “We had been living in the Triangle [comprised of Raleigh, Durham and Chapel Hill] where there was this local food renaissance. We thought, there’s a local food renaissance there, and a rural, agricultural community struggling over here. Maybe we can connect these things”.

But returning home can be complicated: histories and old social ties can both enable and constrain. “[You’re] not approaching people with a blank slate,” says Norwood. As a way to re-engage with the community, assess needs, and rebuild social relationships, Norwood and Cumming carried out an extensive stakeholder engagement project called *Growing Local/Buying Local*. Using the Community Voice Method, a participatory research approach developed through their dissertation work, Norwood and Cumming—along with collaborating researchers at Duke University and the University of North Carolina—used documentary film and facilitated dialogs to engage 170 residents about development priorities for agricultural and food system revitalization in Warren County (Cumming and Norwood 2012). Project participants identified four top priorities: (1) support small farmers, (2) build farm-to-fork infrastructure, (3) educate consumers, and (4) engage youth (Cumming and Holland 2013). Norwood and Cumming dedicated their newly formed nonprofit, WL, to carrying this community development agenda forward, with food systems work at its center.

Using Food to Deepen Community Ties

Working Landscapes has launched multiple local food initiatives in response to the community priorities identified during *Growing Local/Buying Local*. The organization operated a café that sourced food from local growers, including meats and fresh baked goods. Besides local sourcing, the café became a community gathering spot—popular First Friday open mike poetry events, hosted by a local artists’ group, have been held there since 2012. WL now operates the space as a shared-use kitchen, where small farmers and food entrepreneurs launch and grow their ventures. At the same time, WL

began working in schools to promote local, healthy eating, sponsoring classroom programs, cafeteria events, and the development of school gardens (Cumming 2017). Through these layered and multifaceted social interactions around local food, WL constructed a sense of place and “being” (DeLind 2006) in Warrenton. These early and ongoing relationships would shape WL’s work as a mission-driven intermediary later on.

From Aggregation to Value Addition

In 2012, WL entered the role of intermediary in wholesale produce value chains. With support from Warren County Cooperative Extension and Warren County government, WL redeveloped a building on the site of a former cotton gin and flourmill into a produce aggregation and cold storage facility, the Working Landscapes Produce Center. By the end of the year, the aggregation facility had evolved into a value-added processing operation, the Chopped Produce Initiative (CPI). CPI became the hub of WL’s flagship farm-to-school program. Since 2013, WL has supplied chopped and bagged collard greens, cabbage, and kale, and most recently cubed sweet potatoes, to 20 school districts across central and eastern North Carolina.

Notably, CPI functions as a value-adding, revenue-generating operation within WL’s nonprofit organizational umbrella (Cumming interview 2017). The evolution of WL as a value-adding MDI that uses revenue generation to support its nonprofit, rural development mission illustrates a promising pathway for local food organizations to attain financial sustainability as they grow beyond direct sales. WL’s aspiration as an MDI, however, is to incubate sustainable operations that provide resources for Warren County residents to better their lives in multiple ways. Thus, while the operations it incubates are important to its larger goals, WL’s overall mission is not reducible to any particular business in its portfolio. The challenge for hybrid, bottom-up MDIs such as WL is to nurture revenue-generating operations through their ups and downs so they may stand on their own as viable businesses, separate from the core organization. These spin-offs could potentially become parts of an alternative food supply chain that upholds sustainable community values.

In the following sections we unpack the evolution of CPI as a revenue-generating farm-to-school operation within WL to illustrate how MDIs negotiate these hybrid processes.

Infrastructure, and the Search for Larger Markets

CPI began as an infrastructure project. When it was launched in 2012, no one knew that investment in an aggregation and cold storage facility would fuel a value-added farm-to-school program and the start of an alternative food value chain in Warrenton. As such, it turned out to be a crucial first step because it helped WL overcome a key bottleneck that deters small businesses from entering nascent markets: taking the risk of investing in infrastructure when demand is uncertain.

WL opened the Produce Center in 2012 to meet a need expressed by farmers for an aggregation, cold storage, and distribution facility. However, demand did not immediately materialize—given the uncertainty farmers face in increasing their own supply without clarity about markets. Cumming describes the challenge,

Just setting up cold storage doesn’t do anything if there’s no reason for people to grow anything and put it there, because there’s nowhere to sell it. . . Most farmers growing produce were just selling it on the side of the road, direct to consumer. They had no access to larger markets. . . A lot of our work has been to try to connect farmers to larger markets through intermediated supply chains.

When the Produce Center did not immediately lead to additional Warren County produce reaching markets, WL delved further into market development to integrate local farmers into newer markets. Regional school systems emerged as a gateway to do so.

Accessing school systems is notoriously difficult, especially for small growers and aggregators given the complexity of rules and standards governing the sourcing of food by schools (Janssen 2017). For WL, the opportunity to sell to schools came out of the relationships, many of them informal, that had emerged over the course of its engagement with youth and educational outreach work it had prioritized as an integral part of its community development mission. Discussions about local sourcing for schools first began with Warren County Schools’ Child Nutrition Director, who was in charge of food procurement for the district and had known WL since the organization’s inception. This relationship deepened in 2011 when WL began co-sponsoring and co-hosting (with NC Cooperative Extension) FoodCorps, an AmeriCorps program that promotes healthy eating and

local food in schools through cafeteria taste testing events, classroom lessons, and gardening activities. This program strengthened relationships between WL, FoodCorps, and the Child Nutrition Director; it also taught WL about the sourcing constraints of school systems. Equally, it clarified to Cumming and Norwood that in small, rural communities “schools just buy the most food.”

Schools need easy-to-handle, standardized and predictable product that meets nutritional guidelines. WL’s chopping facility was a start, but did not in itself meet the strict standards of school districts. It was at this point that a farmer who served with Cumming on the Economic Development Commission told him about a profitable, minority-owned facility in Florida that chopped and bagged greens from local minority farmers for distribution to local schools. The idea seemed promising and aligned well with WL’s mission. Cumming informally reached out to Warren’s Child Nutrition Director, who was interested in purchasing convenient local food for the school lunch program and agreed to join WL on a visit to the Florida operation.

WL’s team, together with the farmer, FoodCorps member, and Child Nutrition Director visited the Florida operation. The Florida operation differed from traditional food hubs (which WL’s Produce Center had resembled until then) in two important ways. First, the Florida team did not simply aggregate, but transformed heterogeneous and messy leafy greens into a value-added, homogenous product: chopped and bagged greens that came in standardized, five-pound bags. This standardization not only conformed to schools’ need for predictable product that met school nutritional standards. It also met a requirement of the school lunch program to have a dark green vegetable, which schools struggled to meet. Second, the Florida case was interesting to Cumming “because it was actually making money” and covering its costs. Traditional aggregators are rarely able to achieve this without substantial expansion of scale. WL decided to launch a comparable program in Warren County.

Adding Value to Address the Problem of Scale

To start, Working Landscapes collaborated with the Warren County government to write a grant that allowed the County to acquire chopping, bagging, and cold storage equipment. The County owned the equipment but housed it in WL’s Produce Center and

allowed WL to operate it. With these pieces in place, WL launched the Chopped Produce Initiative (CPI) in 2013, working with three local growers to sell chopped and bagged collards and cabbage to Warren County Schools. Two of the local growers were African-American, and all the farms were relatively small, underscoring WL’s values of providing access to a diverse set of growers in its emergent intermediated food chain.

WL’s contracts with schools were initially informal. Its volumes were well below thresholds that trigger competitive bidding. Cumming explains, “child nutrition directors have discretion in purchasing small amounts of produce, and if it falls under a \$3,000 threshold, bids are not required.” But WL was never just a supplier of produce to schools. They were both a procurement partner and an educational partner, providing voluntary programming and materials to popularize local food among children. Their work in the community, relationship with the child nutrition director, educational mission and local roots were important anchors of their initial access to Warren county schools as suppliers. This later evolved to a peer referral system from their school district. According to Cumming, “our superintendent was a backer of the project, and he is part of a consortium with five other districts to our east. He brought us to meetings with other superintendents and said, OK, we should take this on as a consortium, not just as a single district”.

Between 2013 and 2016, CPI grew from processing 3,000 to over 60,000 pounds of greens annually. While small compared to many food hubs, the program covered its costs during the 2016–17 school year, effectively becoming a revenue-generating business within WL’s nonprofit structure, demonstrating a crucial point about scale and profitability. As Cumming said:

Within the scope of the operation we were actually profitable. That’s rare in local food operations, and that’s because of the value-added piece. If we were simply aggregating, we would probably have to transact millions of dollars of produce to break even. Adding value increases the margin [for] each pound of produce, so that we can be profitable at relatively low volumes.

Cultivating a wider base does not mean simply increasing volume. Intentional value addition, as well

as linking up to regional markets, is a viable growth path for small, sustainable, rural food organizations. A logical next step for WL is to upgrade the quality and size of the markets they can access by adding further value. As Cumming explained, “We currently just chop and bag. So it has to be labeled, ‘wash, cook and serve.’ So obviously, we have confined ourselves to a relatively small niche by having an unwashed product. It’s basically a food service niche. [...] The big markets are for triple-washed product. [...]” To enter the triple-washed market will require considerable infrastructure upgrades and costly environmental monitoring programs. Even so, careful value addition is the avenue that this institution of the middle looks to for growth; they recently added cubed sweet potatoes to their mix of offerings.

Holding a Market Channel Open for Small Farmers

Integrating small and medium farms into a regional farm-to-school program is challenging; farmers must be GAP (Good Agricultural Practices) certified and anticipate access to a market avenue in time to synchronize growing and harvest schedules with demand. Sustaining new markets also requires reliable supply. Aware of the cost and complexity of certification and harvest planning, WL offered organizational support, technical assistance, and financial resources to help growers achieve GAP certification. CPI prioritizes carrying produce from small, local, and minority farmers, only turning to larger farms as needed to maintain consistent supply for its customers. This strategy soothes challenges in insuring that supply and demand are in sync in this emerging supply chain. Cumming describes the approach: “our mission doesn’t codify what kind of farmers we want to work with. We feel that, generally, our priority would be to work with farmers in Warren County, beyond that the second tier is in the region, and then preferentially with small and minority growers in the state.” The goal is to connect people who did not have access to markets previously by incorporating varied capacities into the supply base; the small, rural nature of Warren County made a regional focus key for successful market creation, and inclusion. According to Cumming, this approach “holds a market channel open for smaller farmers.” The model thus recombines its ties with small, medium, local, and regional farms to preserve a regional supply chain opportunity for a diversity of growers.

Distribution as Bottleneck

Distribution remains a challenge for WL. Distributors are powerful actors in mediating access within local food chains. They help establish markets for CPI. School districts typically award sourcing contracts to distributors (not growers or aggregators). WL needed access to an established distributor in order to reach school customers, a situation that is especially limiting in remote and rural areas where the density of linkages is thin. In an interview Cumming explained, “We’re a small organization producing a small amount of produce, in a small community. We don’t have the pull—initially we didn’t—to bring in distributors. We had to work with whatever distributors were in the community anyway.” But connections between distributors and schools are renegotiated annually, and if a school did not renew a distributor’s contract, WL lost access to that school. “You could go from having access to more than 20 counties one year to none the next.”

In part because of the dynamism of distributor-school relationships, WL works with multiple distributors. These relationships can be challenging to manage and maintain because of constant uncertainty and the potential for misalignment of expectations. In the past, WL lost business when vendors delivered produce that spoiled in transit due to poor conditions. According to Cumming, some vendors “simply did not care if [WL] was part of their supply chain or not,” and had no stake in resolving issues to insure the success of the partnership. WL’s distribution networks remain fluid, a work in progress. Working with a multiplicity of distributors—both commercial and mission-driven—is an important hedge to risks of loss or exploitation. It remains to be seen how the distribution channels of emergent food-related MDIs evolve.

Discussion and Conclusions

This paper explored how mission-driven intermediaries play a role in building supply chains that bring sustainably raised farmers’ products to market at sustainable prices. We illustrated the rise of MDI’s through a case study of Working Landscapes. This case study is exploratory and is meant to raise questions and open up areas for further research about the ways in which scale is instrumental to supporting local food systems, and how mission-driven intermediaries are building supply infrastructures with alternative values. Our case study of Working Landscapes reveals that a

mission-driven intermediary in a small, rural setting faces three broad challenges. One is bearing the risks, virtually unilaterally, of building out food infrastructures almost from scratch. The second is building and retaining relationships while learning how to scale up. The third challenge is finding a way to cover costs while operating in small markets at low volumes. These challenges relate to the uncertainty of the broader environment such a business operates within. Shared values permit cooperation among different actors and facilitate problem solving. However, shared affinities or shared cultural canvases need not automatically produce accord or resolve uncertainties about the conditions and evolution of markets.

Our case study shows that value addition through MDIs is central to strategically scaling up regional food systems. This may entail ongoing forms of institutional recombination in which the nonprofit origins of businesses generate resilience in the face of uncertainty. Institutional heterodoxy allows alliances with diverse entities and varied sources of working capital to gradually build up values-based food networks. However, institutional recombination does not assume shared affinities will automatically produce cooperation or alignment. It might mean working with and learning from mainstream distributors as much as garnering information from farmers, processors, and public institutions that share an MDI's values-based mission. Institutional recombination involves identifying or articulating an incompletely understood need for *something* while (often at the same time) fashioning new arrangements to meet that need. It is a contested, emergent, and deeply negotiated process without clear anticipated outcomes.

The intermediary in this case study evolved from nonprofit origins to a hybrid form that includes revenue-generating functions. Deep values orientation matched with heterodox organizational form was a critical combination in allowing WL to negotiate obstacles by reframing goals and relationships and leveraging existing resources in new ways.

Food system development need not rest on trust and good will alone. It can also draw on hidden reservoirs of past associations, routines, and histories to tackle the ambiguities and uncertainties that are inevitable when a new niche industry emerges. With institutional recombination, a vision for the future is not necessarily shared. Instead, ambiguity and differences are a springboard for innovation, flexibility, and

learning. We argue that this dynamic process, and mission-based intermediaries' key role within it, allows us to better understand how values-based local food supply chains emerge, become embedded, and possibly scale up in local and regional economies.

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SUPPORTING INFORMATION

Additional Supporting Information may be found in the online version of this article:

Table S1. Mission-Driven Intermediaries in the Triangle Region of North Carolina.