



# A Recipe For Success

MAY 2014

DEVELOPING A  
**SUSTAINABLE  
FOODS  
BUSINESS  
ROADMAP**  
for Cuyahoga County

CITY OF CLEVELAND MAYOR'S OFFICE OF SUSTAINABILITY  
OHIO STATE UNIVERSITY EXTENSION, CUYAHOGA COUNTY  
CLEVELAND-CUYAHOGA COUNTY FOOD POLICY COALITION

**Bush Consulting Group**  
Economic Insights for Strategy

## The Main Ingredients

**Objective:**  
increase regional jobs, revenue and sustainability by supporting local food and beverage businesses.

*The City of Cleveland Mayor's Office of Sustainability, Ohio State University Extension, Cuyahoga County, and the Cleveland-Cuyahoga Food Policy Coalition* have developed a sustainable food cluster roadmap in Cuyahoga County, with a core objective **to increase regional jobs, revenue and sustainability by supporting local food and beverage businesses.**

This roadmap is a five-year plan, centered on competitively advantaged clusters, or “geographic concentrations of interconnected businesses, suppliers, service providers, and associated institutions in a particular sector.”<sup>1</sup> A dedicated Advisory Committee and Working Group helped to narrow focus to specific industries within the food sector where potential advantage was deemed the greatest, based on a deep understanding of regional assets, regional and national market dynamics, and Northeast Ohio’s competitive standing relative to other regions.

# The Main Ingredients

**Objective:**  
Identify actions to leverage specific regional food business strengths or remove regional barriers.

*Bush Consulting Group*, specialists in industry driven economic development strategies, was engaged to determine exactly what Cuyahoga County and the broader region's food businesses need to be more competitive. The targeted actions recommended are based in financial analysis and have been heavily vetted with regional experts and industry leaders. Bush Consulting Group has identified actions to leverage specific regional food business strengths or remove regional barriers in each of the following areas:

**Replacing Imported Products:** Meeting more of our regional food and beverage demand with Northeast Ohio products.

**Expanding Exported Products:** Increasing our export of certain food and beverage products out of Northeast Ohio to a broader US market.

**Sustainable Economic Development:** Improving our regional food businesses' environmental and social impact in ways that strengthen their financial performance as well as the region's attractiveness in a business climate.

Recommended interventions assume implementation and impact concentrated within Cuyahoga County, but target food and beverage businesses strengths to benefit both the county and the larger region.

# Northeast Ohio

**\$10.7 Billion**

Total Food Spend

**\$4.3 Billion**

in Non-retail Revenue

**34,000**

Employees Across 50

Non-retail Industries

# Cuyahoga County

**\$1.3 Billion**

Non-retail Revenue

**11,000**

Employees Across 50

Non-retail Industries

## REGIONAL FOOD ASSETS

*Frozen Foods*

*Breads & Tortillas*

*Packaged Snacks*

*Baked Desserts*

*Craft Beers*

*Sauces, Spreads & Salsas*

*Fresh meats*

*Vegetables*

*Fruits*

*Processed Meats*

*Cheese*

*Ice Cream*

*Milk & Cream*

## MARKET OPPORTUNITIES

### Reduction of Imported Products

- Opportunity to support small- and mid-sized regional producers
- Consumer interest in “healthy” offerings
- Product-neutral; can leverage any product made in Northeast Ohio

### Expanded Regional Exports to rest of U.S. Market

- Frozen foods, including breads & tortillas
- Craft Beers
- Specialty & Artisan Cheeses

### Sustainable Economic Development

- Pre & post-consumer food waste recovery
- Energy efficiency

## WAYS TO BOOST REGIONAL STRENGTH

**Connect regional producers** with retail, food service, and institutional customers and product testing opportunities.

**Connect regional producers** with business, marketing, and financing education.

**Promote produce and value-added items** to capitalize on region’s urban/rural strengths; offset seasonal/land availability limitations.

**Expand strong regional food access** efforts to new retail and value-added foods, leveraging Farm Bill dollars, legislative champions and health-care partners.

**Promote award-winning cheese**

**Differentiate Northeast Ohio beer**

**Reduce frozen food transportation costs**

**Reduce processing workforce turnover**

**Partner with regional technology** clusters

**Promote financing** for efficiency upgrades

Asset categories listed represent at least 1% of food sector employment in Cuyahoga and 16-county Northeast Ohio region: listed from highest to lowest Cuyahoga County employment.

Market opportunities based on projected US market and associated regional job growth from protecting or capturing market share.

Regional strength specific to Northeast Ohio businesses in target industries/markets.

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## Setting the Table

In 5 years, shift \$100MM of Northeast Ohio grocery, restaurant, or institutional food and beverage spend to regional producers to create 300-400 new jobs.

Hire a seasoned food procurement professional by **2015** to act as a **regional Match-Maker** between Northeast Ohio food and beverage producers and customers.

Establish a self-sustaining annual **Food Trade Show** for Northeast Ohio by **2017**.

## A Cheese Course



Support the emerging Ohio Cheese Guild, whose award-winning industry leaders are tackling the needs of regional producers.

The organization collaborates with other guilds through the American Cheese Society in order to broaden exposure for the region and keep its finger on the pulse of trends and issues on a national level. It plans to participate in numerous regional events, such as the Garlic Festival, in Northeast Ohio.

Promoting Guild initiatives and connecting through the Food Trade Show and Regional Match-Maker can help create 70 jobs for every point increase in regional market share over the next 5 years.



## Cheers to the Ohio Craft Brewers Association

**With dedicated support of the strategic initiatives of the Ohio Craft Brewers Association, maintain the currently high regional market share of local craft beer (34%), generating 300 incremental jobs through market growth.**

### **Particular areas of interest include:**

The creation of a regional craft brewer sustainability network that provides breweries' spent grains to local farmers who grow specialty ingredients for limited craft beer runs.

Local hops production research and development underway through The Ohio State University.

Exploration of supportive state-level policies.

## Spreading the Health

**Building on the region's innovative federal foods benefits matching programs through OSU Extension and Wholesome Wave, leverage Farm Bill funding to pilot an expansion of these programs to include Community Supported Agriculture (CSA) or other retailers shares with locally sourced, healthful, value added foods.**

- Increased spending at locally sourcing CSAs.
- Market development for new, value-added products from regional producers.
- Expanded nutrition access in low-income communities.
- Introduction to and improved tracking of local healthful foods.



## Watching Your Waste

### Anaerobic Digestion Partnership for Food Waste Recovery

By diverting 20% of business food waste per year from landfills through a partnership between Northeast Ohio's waste/biomass to energy technology cluster and food processors and institutions, **45,000 tons of waste** will be diverted from landfills annually, likely cost savings for food processors and institutions will occur, 1.3 Megawatts of renewable energy will be generated, and new jobs for regional technology suppliers will be created.

## Food to Go

**Determine the feasibility of increasing intermodal truck-to-rail capacity for shipping frozen food into and out of Northeast Ohio, with ultimate potential to benefit a large segment of Northeast Ohio's food processing and packaging industries.**

Connecting regional frozen food manufacturers with **cost-saving** transportation options, as well as increased **export** opportunities.

Increasing the region's attractiveness to potential new frozen food businesses.

Validating creation of more than **500 new jobs** possible with expanded transport capacity.



## Ideas to Snack On

### Energy Efficiency Efforts

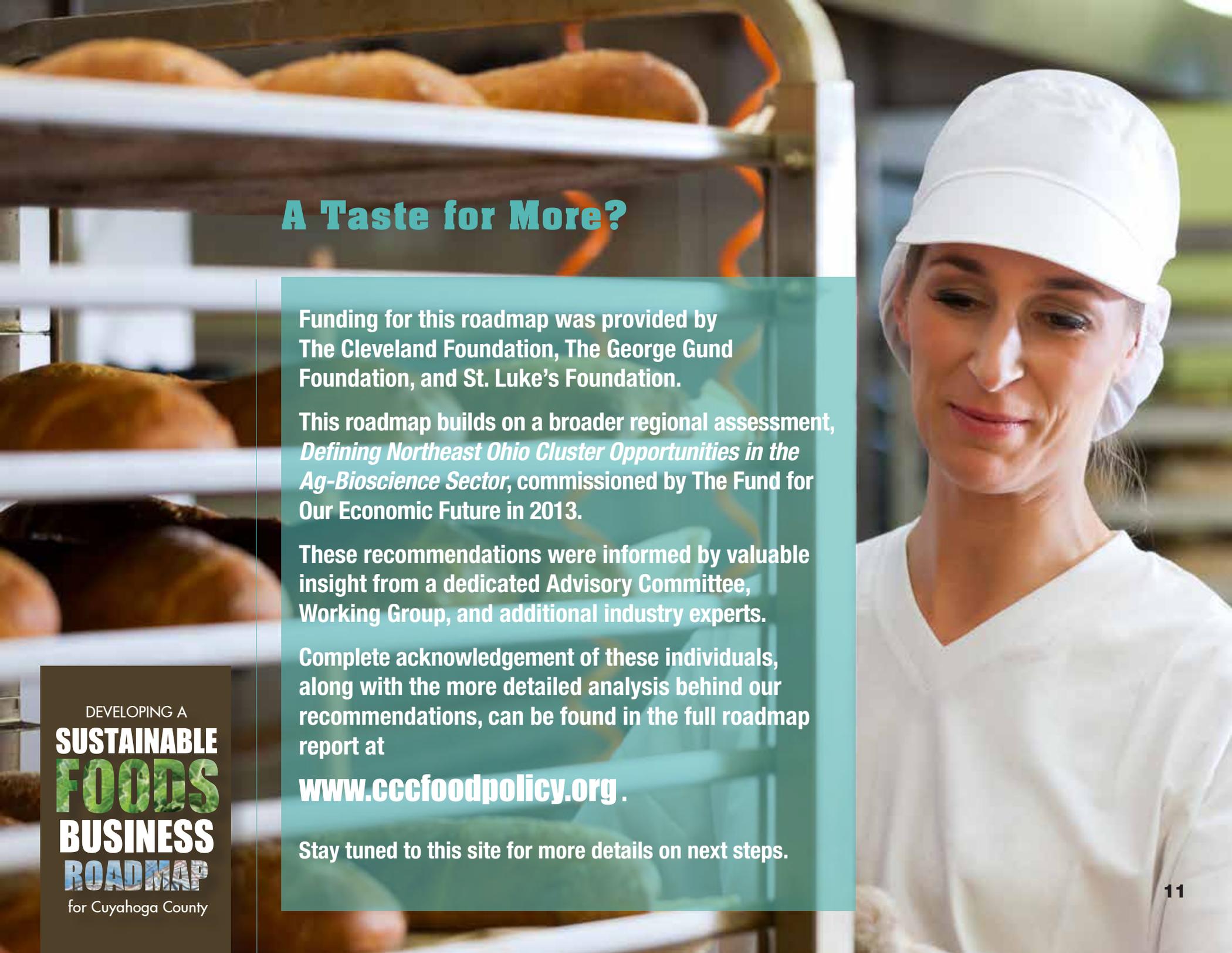
The Cleveland Mayor's Office of Sustainability is developing a "one stop shop" to help businesses access the many regional and state sources that exist to help provide them with the necessary capital investments needed to improve their energy efficiency.

### Workforce Development

OhioMeansJobs Cleveland-Cuyahoga County helps food businesses find qualified local employees as well as identify strategies to address high turnover rates associated with food processing manufacturing and retail positions.

**Some interventions that are common to other regions either exist already in Northeast Ohio, or are valuable opportunities to watch as we pursue the interventions proposed on previous pages:**

- Community kitchens
- Local food aggregators and distributors
- Co-packing facilities
- Aggregation of institutional demand



## A Taste for More?

Funding for this roadmap was provided by The Cleveland Foundation, The George Gund Foundation, and St. Luke's Foundation.

This roadmap builds on a broader regional assessment, *Defining Northeast Ohio Cluster Opportunities in the Ag-Bioscience Sector*, commissioned by The Fund for Our Economic Future in 2013.

These recommendations were informed by valuable insight from a dedicated Advisory Committee, Working Group, and additional industry experts.

Complete acknowledgement of these individuals, along with the more detailed analysis behind our recommendations, can be found in the full roadmap report at

[www.cccfoodpolicy.org](http://www.cccfoodpolicy.org).

Stay tuned to this site for more details on next steps.