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Changing Priorities - the Gateway to New and Exciting Opportunities in School Foodservice Operations

by

Sandra Cuellar, Research/Extension Associate
Food Industry Management Program, Cornell University

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The “Obesity Epidemic” in the United States, announced by the Surgeon General in December 2001, has certainly put in motion many diverse efforts and initiatives to help reverse this public health problem. Increasing consumption of fresh fruits and vegetables has emerged as a key strategy for this critical situation and promises exciting opportunities for the produce industry in this country.

Indeed, the amazing success of the Fruit and Vegetable Pilot Program (FVPP) reported by the Economic Research Service of USDA to Congress in a recent publication¹ is a case in point. With a budget of \$6 million for the 2002-03 school year, the FVPP stemmed from the Nutrition Title of the 2002 Farm Act with the main objective of promoting fruit and vegetable consumption among the nation’s school children. The Program, which was designed around the free distribution of fresh and dried fruits and vegetables in 107 schools, might be expanded to schools nationwide in the near future.

¹ Buzby, Juan C., Guthrie Joanne F., and Kantor, Linda S. “Evaluation of the USDA Fruit and Vegetable Pilot Program – Report to Congress. May 2003.

The success of the FVPP Program was reported by a majority of the participating schools on the basis of students' interest in taking part in it. In addition, through this Program some students were exposed to a wide assortment of fresh fruits and vegetables, in some cases for the first time ever. Other relevant effects of the Program as reported by staff members in participating schools include students' increased awareness and interest for a variety of fruits and vegetables (particularly some less familiar produce items), greater acceptance of fruits and vegetables offered as part of school meals, and increased consumption of fruits and vegetables at lunch. Also, students' parents reported that their children were requesting more fruits and vegetables at home and the opportunity to try unfamiliar fruits and vegetables without pressure from home.

The FVPP program and interviews with school foodservice experts also indicated that students preferred fresh produce over the dried products, and they want new and interesting products, individually packed in attractive packaging, portable and easy to eat. Hand-held products are important. Fruits are definitely more popular than vegetables. Many schools used dips and side condiments to improve vegetable consumption among students. Schools are interested in products that are well accepted by students and that incorporate enough added value to facilitate operations, reduce labor costs and guarantee food safety at an affordable price. Most schools in the FVPP program (96%) bought higher cost foods for the Program, such as pre-cut and prepared trays of fresh fruits and vegetables, particularly pre-cut carrots and celery, to control labor costs and to handle storage limitation.

The participating schools include a mix of large and small, rural and urban, elementary, middle and high schools, and students from diverse ethnic backgrounds and family income levels. Therefore, results do convey a clear message to the produce industry about the underlying opportunities in this non-commercial segment of the foodservice industry. Even though the produce industry often looks at this segment of the foodservice industry as one where the challenges out-weigh the opportunities, clearly times are changing and the new priorities might just provide the conditions for more exciting and successful business opportunities. The FVPP results have shown that students are interested and willing to try and to eat a wider variety of fresh fruits and vegetables, and schools are excited about it and looking forward to alternatives that will

allow them to offer more of these products to their students. In the short run, the increased consumption of a variety of fresh fruits and vegetables among children clearly implies larger volumes of produce that could be moved through this channel. In the long run, the opportunity lies in that today's children, with an increased awareness and interest in fresh fruits and vegetables, will become tomorrow's shoppers.

Aside from increased funding that would have to come from the Government as a result of changing priorities to reverse the current obesity epidemic, schools will need the produce industry's support to take this initial success even further. This support could come not only in the form a variety of product offerings that will deliver on both students' and school foodservice operations' needs and expectations at an "affordable" price point, but also from other strategies that will contribute to schools' success with these products.

HMC Group Marketing's Lunch Bunch Grapes and Grimmways' "Snack Pack" baby or crinkle-cut carrots are two successful produce examples. A trademarked brand, the Lunch Bunch Grapes program offers schools red seedless grapes in bunches of 2 or 4 ounces, in cases of 150 bunches or 20-21 pounds. Bunches just need to be rinsed and drained before serving. It is a value-added product of consistent size and quality available 50 weeks a year at an "affordable" price point. Approximately 75% of the Lunch Bunch Grapes are sold to schools. Grimmways' "Snack Packs" are baby or crinkle-cut carrots individually packed in a 1.6 ounce package which meets USDA one-serving standards. Again, it is a value-added product that is portable and easy to use and requires little labor while providing complete food safety assurance. "Snack Packs" register double-digit sales growth in schools. An example of the type of initiatives developed by other sectors of the food industry includes the Wisconsin Dairy Council program that provides schools with refrigerated cases at 25% of their cost. Attractive-looking and easy for kids to use, these cases allow schools to successfully promote and sell a variety of dairy products.

Development of training "kits" for managers and chefs alike on the "a,b,c's" of produce and particularly of value-added produce constitutes yet another type of support that the produce industry could provide to schools. Self-instructive training kits with key information on produce issues such as "how to buy" (varieties, size, pack, value-added options), "when to buy" (varieties, harvesting season, prime time), "how to handle and

store”, and “how to display and serve” to maximize flavor and acceptability, would be a most important tool for schools’ foodservice success with produce.

"Smart Marketing" is a monthly marketing newsletter for extension publication in local newsletters and to place in local media. It reviews the elements critical to successful marketing in the food and agricultural industry. Articles are written by the faculty members in the Department of Applied Economics and Management at Cornell University

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