The Experience of Farmers Participating in Food Value Chains: A Phenomenological Study from Southern Ontario.

by

Monika Korzun

A Thesis
presented to
The University of Guelph

In partial fulfilment of requirements
for the degree of
Doctor of Philosophy
in
Rural Studies

Guelph, Ontario, Canada

© Monika Korzun, May, 2020
ABSTRACT

THE EXPERIENCE OF FARMERS PARTICIPATING IN FOOD VALUE CHAINS:
A PHENOMENOLOGICAL STUDY FROM SOUTHERN ONTARIO

Monika Korzun
University of Guelph, 2020

Advisor: Dr. Al Lauzon

One of the main criticisms of the industrial food system has been the complicated supply chains, which have added a large variety of actors, such as wholesalers and distributors that resulted in weaker local food systems. Under the industrial food system, farmers’ authority and decision making is limited, many farmers are isolated from market opportunities and farmers are perceived as interchangeable parts of the system. Direct marketing has often been promoted as the best alternative to the industrial distribution system. However, there have been numerous innovative entrepreneurs who do not fit in either the industrial or in direct marketing models. Food value chains (FVCs) provide farmers with a third option. FVCs are a potential response to the increasing demand for food that places value on quality, fair compensation to farmers and promoting environmental and social improvements. FVCs have been steadily increasing in Southern Ontario through online distribution channels, food box programs, online meal kits, small and alternative retail and mobile markets. Although some research has been done to demonstrate the benefits of FVCs on consumer satisfaction and on farmers’ economics, little qualitative research examining the motivations, opportunities and challenges of farmers participating in FVCs have been recorded. Utilizing
phenomenology, in-depth interviews with farmers will identify reasons in participating in FVCs, their perceptions of opportunities and challenges and their opinions about the FVCs that generate social and environmental benefits in developing strong local food systems. Farmers’ experiences demonstrate there are two main motivations for participating in FVCs, which include financial and strategic. Farmers utilize several criteria to assess potential partners including appreciation for farmers’ work, knowledge of the farming sector, holding similar visions for the local food system, trustworthiness, and loyalty. Farmers participating in FVCs have identified marketing, personal relationships, and communication as opportunities. Challenges include consumer education, scale, elitism, and the prescriptions outlined by alternative food network literature. Farmers partaking in FVCs hold a unique experience and thereby provide a crucial perspective on the local food system and FVCs, which will critically contribute to those bodies of literature.
ACKNOWLEDGEMENTS

Many people along the way helped me to undertake and achieve this great task. Thank you to Prof. Al Lauzon for his acceptance, confidence and understanding. Your support gave me strength in ways you may never understand. Thank you to my committee members, Prof. Karen Landman and Prof. Wayne Caldwell for sharing their knowledge that has made this research study more fruitful and well-rounded.

Thank you to everyone who encouraged me and reassured me that doing this work is important and necessary. Thank you to everyone who allowed me to bounce my ideas around, checked my drafts for spelling mistakes and helped me find the right words when my brain had a hard time doing so. Thank you to everyone who took care of my mental health and encouraged me to take an occasional break and enjoy life outside of school. Finally, thank you to everyone who took care of my physical health and ensured I was well fed along the way.

Most importantly, thank you to the farmers who dedicated their time and shared their experiences with me. Farmers’ knowledge, often uncelebrated and ignored, is indispensable, profound, and vital to our well-being. I hope this research helps demonstrate how significant their knowledge is.
# TABLE OF CONTENTS

Abstract ........................................................................................................................................... ii

Acknowledgements .................................................................................................................. iv

Table of Contents ..................................................................................................................... v

List of Tables ................................................................................................................................ ix

List of Figures .......................................................................................................................... x

List of Abbreviations .............................................................................................................. xi

Glossary of Terms .................................................................................................................... xii

List of Appendices ................................................................................................................... xiv

1 Introduction ............................................................................................................................ 1

1.1 Background ......................................................................................................................... 1

1.2 Statement of Purpose .......................................................................................................... 6

1.3 Research Aim and Objectives .............................................................................................. 7

1.4 Overview of Methodology .................................................................................................. 8

1.5 Research Significance ......................................................................................................... 10

1.6 Limitations and Assumptions .............................................................................................. 11

1.7 Outline .................................................................................................................................. 12

2 Background ........................................................................................................................... 14

2.1 Introduction ......................................................................................................................... 14

2.2 Increasing Demand for Alternative Food ............................................................................. 15

2.3 Marketing and Distributing Local Food in Southern Ontario ............................................ 26

2.3.1 Ontario Food Terminal ................................................................................................... 29

2.3.2 FoodShare ...................................................................................................................... 32
2.3.3 Mama Earth Organics........................................................................................................35
2.3.4 Other Examples................................................................................................................37
2.4 Food Hubs................................................................................................................................42
2.5 Summary..................................................................................................................................47
3 Food Value Chains.........................................................................................................................49
  3.1 Introduction .............................................................................................................................49
  3.2 Background ............................................................................................................................49
  3.3 Michael Porter's Value Chains ...............................................................................................51
  3.4 Modern Version of the Value Chain .......................................................................................54
  3.5 Value Chains are not Supply Chains.....................................................................................56
  3.6 Creating Shared Values in Value Chains ..............................................................................58
  3.7 Differentiation and Demonstrating Demand ..........................................................................62
  3.8 Defining Food Value Chains...................................................................................................65
  3.9 Literature on Food Value Chains...........................................................................................75
  3.10 Summary ...............................................................................................................................82
4 Methodology ..................................................................................................................................83
  4.1 Introduction .............................................................................................................................83
  4.2 Defining Phenomenology .......................................................................................................84
  4.3 Background on Phenomenology ............................................................................................87
  4.4 Data Collection .........................................................................................................................91
  4.5 Data Analysis ..........................................................................................................................97
  4.6 Limitations ............................................................................................................................105
  4.7 Summary ...............................................................................................................................106
5 Findings ........................................................................................................................................108
5.1 Introduction .............................................................................................................. 108
5.2 Profile of participants ............................................................................................... 108
  5.2.1 Geographical Distribution .................................................................................. 108
  5.2.2 Profile of Business and Marketing Strategies .................................................. 110
  5.2.3 Participation in Direct Marketing ....................................................................... 112
5.3 Phenomenological Description ................................................................................. 116
5.4 Motivation .................................................................................................................. 123
  5.4.1 Farmers’ Motivations ......................................................................................... 123
  5.4.2 Assessment of Potential Partners ...................................................................... 126
5.5 Opportunities ............................................................................................................. 132
  5.5.1 Marketing .......................................................................................................... 132
  5.5.2 Personal Relationships ....................................................................................... 135
  5.5.3 Communication .................................................................................................. 137
5.6 Challenges ................................................................................................................ 139
  5.6.1 Consumer Education .......................................................................................... 139
  5.6.2 Significance of Scale .......................................................................................... 142
  5.6.3 Challenging Elitism ............................................................................................ 146
  5.6.4 Concerns with Alternative Food Networks ....................................................... 148
5.7 Summary .................................................................................................................... 158
6 Discussion ..................................................................................................................... 159
  6.1 Introduction .............................................................................................................. 159
  6.2 Implications on the Local Food System ................................................................ 160
    6.2.1 Small Farm Orthodoxy ..................................................................................... 160
    6.2.2 Role of Eaters .................................................................................................. 174
6.3 Implication on Food Value Chains .................................................. 179
  6.3.1 Food Value Chains in Practice .................................................. 179
  6.3.2 Gaps in the Literature ............................................................. 184
6.4 Summary ...................................................................................... 187
7 Conclusion ...................................................................................... 189
  7.1 Summary of Research .................................................................. 189
  7.2 Future Research .......................................................................... 192
References ......................................................................................... 196
Appendices .......................................................................................... 206
Appendix 1: Research Participant Consent Form ................................ 206
Appendix 2: Interview Guide ............................................................... 211
Appendix 3: Research Ethics Approval Form ..................................... 213
LIST OF TABLES

Table 5.1: Identification code and name of municipalities included in this study along with the number of interviews conducted in each. ................................................................. 110
LIST OF FIGURES

Figure 4.1: Map of Southern Ontario with County borders. .............................................. 92

Figure 5.1: Approximate location of farms of producers who were interviewed for this study. .................................................................................................................. 109
LIST OF ABBREVIATIONS

AFNs – Alternative Food Networks
CSA – Community Shared Agriculture
CSR – Corporate Social Responsibility
FAO – Food and Agriculture Organization of the United Nations
FLEdGE – Food: Locally Embedded, Globally Engaged
FVCs – Food Value Chains
IMB – Inclusive Business Model
OMAFRA – Ontario Ministry of Agriculture and Rural Affairs
ONFC – Ontario Natural Food Co-op
USDA – United States Department of Agriculture
WWOOF – World-Wide Opportunities on Organic Farms
### GLOSSARY OF TERMS

<table>
<thead>
<tr>
<th>Term</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alternative Food Networks</td>
<td>Groups of people and organizations that challenge the globalized industrial food system by supporting smaller-scale, less chemically dependent methods largely through locally based approaches.</td>
</tr>
<tr>
<td>Direct Marketing</td>
<td>The practice of farmers promoting and selling their products directly to the end user without the interference of actors such as wholesalers or distributors.</td>
</tr>
<tr>
<td>Essences</td>
<td>Elements that are unique and essential to a lived experience.</td>
</tr>
<tr>
<td>Farm Cannibalism</td>
<td>The notion that farmers who adopt the latest technological advancements are at a competitive advantage and push out farmers who do not adopt novel technology.</td>
</tr>
<tr>
<td>Food Hubs</td>
<td>Businesses or organizations handling the aggregation, distribution, and marketing of local and regional food products.</td>
</tr>
<tr>
<td>Food Value Chains</td>
<td>Strategic partnerships between farmers and other actors in the chain that focus on providing a differentiated, high-quality product to consumers via collaborative partnerships that distribute risks and rewards equally amongst all partners.</td>
</tr>
<tr>
<td>Industrial Food System</td>
<td>Food system characterized by mass production of food driven by efficiency and profit. Monocultures, chemicalization, mechanization and biological manipulation of crops are encouraged to increase efficiency and output.</td>
</tr>
<tr>
<td>Lived Experience</td>
<td>Describes the immediate, pre-reflective experience that one personally and immediately experiences apart from any external influence or any explicit retrospection.</td>
</tr>
<tr>
<td>Local Food System</td>
<td>Food system encouraging the production and consumption of products within a specific geographical area.</td>
</tr>
<tr>
<td>Local Food Trap</td>
<td>The uncritical assumptions that local food automatically produces social, economic, and environmental benefits.</td>
</tr>
<tr>
<td>Term</td>
<td>Definition</td>
</tr>
<tr>
<td>-------------------------</td>
<td>---------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Middle Spaces</td>
<td>The dominance of transnational corporations over the increasingly complex steps required to bring food from farmers to consumers. Actors in the middle spaces establish the norms, regulations and activities that dominate the industrial food system.</td>
</tr>
<tr>
<td>Phenomenology</td>
<td>Rigorous and investigative study that aims to gain a deeper understanding of everyday lived experiences.</td>
</tr>
<tr>
<td>Small Farm Orthodoxy</td>
<td>A list of prescriptions outlined in AFNs literature that farmers are encouraged to follow as a way of regaining power in the food system. Keeping the farm small, growing a wide range of vegetables and direct marketing are key components.</td>
</tr>
<tr>
<td>Supply Chains</td>
<td>The sequence of processes that describes the path food commodities travel from farmers to consumers.</td>
</tr>
<tr>
<td>Value Chains</td>
<td>The various activities a company performs at various steps to create value for its buyers through differentiated products.</td>
</tr>
</tbody>
</table>
LIST OF APPENDICES

Appendix 1: Research Participant Consent Form ................................................................. 217
Appendix 2: Interview Guide ................................................................................................. 222
Appendix 3: Research Ethics Approval Form ......................................................................... 224
1 Introduction

1.1 Background

The industrial food system operates largely on a complex food supply chain. The food supply chain describes the many steps and actors required for food to make its way from the farm to one’s plate, including food production, manufacturing, processing, marketing, and retailing (Gooch 2005; Gooch 2012; Stevenson and Pirog 2013). The food supply chain is defined as a set of trading relationships and transactions that deliver food products from producers to consumers (Diamond et al. 2014). As the industrial system began to overwhelm the farming sector, the supply chain became more complex, global, and overpowered by what Clapp (2016) refers to as ‘middle spaces.’ A large portion of the food supply chain no longer takes place on or close to a farm nor does it involve the farmer. These middle spaces are largely occupied by large transnational corporations. Under this model, the farmer remains anonymous and is considered an interchangeable part of the system. The industrial food system is not preoccupied with recovering local food systems, maximizing the quality of food, or collaborating with farmers to strengthen their businesses (Smith 2008; Thomas, Stevenson and Welsh 2008). The conventional supply chain encourages what Hoshide (2007) refers to as ‘farm cannibalism’. Farm cannibalism refers to the notion that farmers who adopt the latest technological advancements are at a competitive advantage and push out the farmers who do not adopt novel technology. This results in fewer farmers, but ones that own increasingly more acreages. Lerman, Feenstra and Visher (2012) claim that the industrial food system encourages ‘farm cannibalism’ as it
is easier for large firms to source large volumes from a small number of producers. This allows firms to keep transactional costs down and provides consistent product. Purchasing from a large number of small producers may be an administrative burden, time-consuming, inefficient, and costly.

Direct marketing has become increasingly marketed as an alternative to purchasing food from conventional means such as supermarkets (Tippins, Rassuli and Hollander 2002; Chiang, Chhajed and Hess 2003; Hishide 2007; Pollan 2008). Direct marketing allows producers to deliver agricultural products directly to consumers through a variety of marketing channels such as roadside stands, farmers markets, and community shared agriculture (CSAs). The industrial agricultural system has created monopolies in processing, distribution, and retail sectors of the food system, which has weakened the bonds and relationships that create strong local food systems (Forssell and Lankoski 2015; Clapp 2016). As consumers become more aware of the negative impacts of the industrial food system and are more conscientious about how their food choices impact wider parts of the food supply chain, the demand for local food increases (Pollan 2008). The act of purchasing produce directly from a farmer is often viewed by consumers as an act of resistance against the industrial food system (Tippins, Rassuli and Hollander 2002; Chiang, Chhajed and Hess 2003; Pollan 2008). For farmers, selling produce and value-added products directly to consumers allows farmers to stay connected with consumers and receive immediate feedback about their products. It also allows them to educate their consumers about the health benefits of their products and the production of food. The notion that farmers can eliminate the
middle actors from their supply chain is seen by some as beneficial (Chiang, Chhajed and Hess 2003). Proponents of direct marketing believed that farmers would increase their profits as a result of eliminating middle actors.

Many farmers seek alternative models to the conventional supply chain in industrial models of agriculture as well as direct marketing. Direct marketing requires a set of skills, such as social media skills or people skills that many farmers may not have and a set of practices in which many farmers may not wish to participate, such as farmer’s markets and direct consumer interaction. Others point to the romanticizing of direct marketing strategies like farmers’ markets and CSAs (Tregear 2011; Forssell and Lankoski 2015). These scholars claim that participants in direct marketing strategies are not always motivated by sustainability or by addressing the issues of industrial farming. Tregear (2011) claims that the desired outcomes of direct marketing are often confused with the structures and processes required in direct marketing. As such, the social, environmental, and economic benefits of direct marketing are often conflated (Tregear 2011; Presutti 2013; Forssell and Lankoski 2015). Some also question whether direct marketing can meet the increasing demand for local, organic, and other high-quality products in North America (Chiang, Chhajed and Hess 2003; Tregear 2011).

Furthermore, some claim direct marketing works most effectively for small farmers (Tippins, Rassuli and Hollander 2002; Lerman 2012; Forssell and Lankoski 2015) and is not always suitable for mid-scale farmers. Hoshide (2007) claims there is a dualism in North American agriculture. On the one hand, large farms are increasingly managing
more land; while on the other hand, there is an increasing demand for sourcing food from small scale, local or regional farms.

This dualism makes it difficult for mid-size farmers to find a market and stay competitive. The loss of mid-scale farms will not only result in the decline of what is often perceived as an idealized icon of rural North America, but it will also impact other rural industries as large industrial farms are more likely to source their inputs from outside local and regional communities as well as result in more soil erosion and less crop diversity (Hoshide 2007). Definitions of mid-size farms vary, largely in the amount of annual gross farm receipts. The United States Department of Agriculture (USDA) defines a mid-size farm as having a gross case farm income between US$350,000 to US$999,999 (USDA 2015). Statistics Canada, on the other hand defines mid-size farms as farms with annual gross receipts between $100,000 and $250,000 (Beaulieu 2014). These farmers often have larger volumes of only a few products which makes it difficult to sell via farmers’ markets and may not have as much variety commonly found in direct market avenues. Mid-scale farms are too small to compete in the industrial distribution channels of undifferentiated markets (Hoshide 2007; Thomas, Stevenson and Welsh, 2008; Lerman 2012). Market opportunities capable of providing the scale and price point that allow mid-scale farmers in North America to remain viable are decreasing (Lerman 2012). These issues are important to address as farms in the middle, which are critical for a resilient food system, have been quickly disappearing in North America (Shuman 2007; Stevenson et al. 2011).
Values-based food supply chains or food value chains (FVCs) provide a third option not only for mid-size farmers but for all farm sizes. Lerman, Feenstra and Visher (2012) claim there are not enough marketing outlets to meet the growing demand for local and regional food. Mid-size farmers have largely underutilized their production capacity since there is a lack of markets through which they can move their products (Lerman, Feenstra and Visher 2012). As the demand for high-quality food, such as local or organic is increasing, it will be important to address the fragmented supply. Utilizing current distribution systems that serve grocery stores or food service companies to move local food from small or mid-sized farmers would be highly inefficient and costly (Lerman, Feenstra and Visher 2012). As a result, many small and mid-scale farmers do not participate in those distribution systems. Current distribution systems are increasingly being dominated by fewer large corporations that order very large volumes from a small number of growers. This saves time, keeps transaction costs and administrative resources down, and helps provide a consistent product. Sourcing from a large amount of small or mid-scale farmers would be time-consuming and administrative resources would pose a burden. Lerman, Feenstra and Visher (2012) also point out that the farm-to-restaurant supply chain is also very fragmented and inefficient. Whether a chef sources local food largely depends on their effort and ability to develop personal relationships with producers. Chefs who take the time and effort to develop personal relationships with farmers and who are geographically closely located to farms can take advantage and source local food. Chefs without those privileges have a difficult time as there is a lack of processing and aggregation facilities that pool products from smaller
and mid-scale producers to allow chefs to make purchases of local or regional food more easily. These challenges make it difficult to meet the demand for differentiated products, scale-up local food systems, increase marketing options for small and mid-scale farmers and improve economic viability and resilience of rural regions (Lerman, Feenstra and Visher 2012).

FVCs can play an important role in meeting the increasing demand for local, regional, sustainable, and other value-added products in North America. A report for the Metcalf Foundation identified a need for developing alternate markets for producers in AFNs (Baker, Campsie and Rabinowicz 2010). Several suggestions in the report mention FVCs. The report suggests developing food box programs, utilizing e-commerce to link producers and consumers, and increasing involvement from the public-sector institutions such as universities, schools, and hospitals. In addition to marketing opportunities, local producers require more infrastructure to meet the growing demand. Processors such as grain mills, abattoirs, cheese plants, freezing facilities, and canneries are all necessary for farmers and producers to move food to consumers in large amounts.

1.2 Statement of Purpose

Although a wealth of research is available on the FVC, little research examines the motivations, opportunities, and challenges of farmers participating in these collaborations. Studies providing information about FVCs and FVC partnerships can be grouped into two bodies of literature. The first body of literature focuses on defining
various aspects of FVCs, such as the structure of FVCs, defining and distributing ‘value’, and distinguishing the FVC from conventional supply chains. The second body of literature outlines best practices of FVC operations. Included within this body of research are the economic benefits of FVCs, including the economic benefits to farmers as well as benefits to local economies.

Research exploring the opinions of farmers about FVCs, independent from other actors in the partnership is largely lacking in literature. Many studies have been done assessing the experiences of farmers who sell local products via direct marketing, such as farmers’ markets, farm gates, or community shared/supported agriculture (CSAs). This may be because these channels are visible and accessible, while farmers in aggregated local food sales or FVCs are less visible and accessible. FVCs also include more intermediaries, possibly making farmers more difficult to access. Several researchers have demonstrated the need for further research into value chain partnerships (Clancy and Lehrer 2010; Fearne, Martinez and Dent 2012; Stevenson et al. 2011). Stevenson et al. (2011) propose future research examines how partnerships in FVCs develop. Fearne, Martinez and Dent (2012) urge future researchers to focus on the nuances of value chain partnerships by examining power dynamics and the flow of information through the value chain.

1.3 Research Aim and Objectives

This research explores FVCs and the partnerships that occur between farmers and other actors in the value chain. More specifically, this research examines the
experiences of farmers in FVCs in Southern Ontario, Canada. The research focuses on farmers and their motivation for forming collaborations and the challenges and opportunities they face in those partnerships. An in-depth qualitative examination of the views and opinions of farmers taking part in FVCs in Southern Ontario can help develop stronger collaborations in FVCs and help develop more sustainable local food systems.

This research study will examine the lived experience of farmers participating if FVCs in Southern Ontario. Generalizing, conceptualizing, reflecting, or comparing experiences are not the intentions here, as this is not suitable or appropriate when using phenomenology. The aim of the research is to understand the experience of farmers participating in FVCs in Southern Ontario from their perspective. The objectives of the study are to:

1. Determine the motivation of farmers participating in FVCs in Southern Ontario.
2. Identify opportunities that farmers experience participating in FVCs in Southern Ontario.
3. Identify the challenges of FVCs in Southern Ontario as experienced by the farmers.

1.4 Overview of Methodology

The study utilizes the approach of phenomenology as its paradigm. Phenomenology holds that the social world is socially constructed and that explanations are grounded in the subjective experiences of the participants (Patton 2002; Aspers...
Phenomenology is the study of lived experiences and it aims to uncover information about an experience from the perspective of the participant of that experience. Phenomenology aims to understand the experience itself, rather than how the participants understand or reflect upon the experience. The experience, as it is being experienced and lived by a person is referred to as ‘lived experience’. Lived experience occurs without any reflection or conceptualizing. The lived experience is the focus of phenomenology.

The sample was obtained using judgmental sampling or sometimes referred to as purposive sampling. Judgmental sampling is appropriate in research where a list of the units is not available, but the researcher requires individuals with specific characteristics. In this case, the farmers selected for interviews were based on the criteria that they are currently participating in a FVC in Southern Ontario. Here, the researcher used her knowledge and judgment to select individuals that fit the criteria.

This research study involves thirty qualitative in-depth, open-ended, and semi-structured interviews with farmers participating in FVCs in Southern Ontario. Phenomenology asserts that interviews are not to be very structured, as this can unintentionally lead the interview (Aspers 2009). The interviewer gained insight into the experience of the farmers by being engaged during the interview, by actively listening and by structuring the interview in a way that will inspire farmers to share their stories. The interviews were recorded and transcribed with consent from the participants. The interviews were analyzed accordingly to the suggested guidelines of phenomenology. Phenomenology allows us to explore and learn from the unique experiences of farmers.
participating in FVCs in Southern Ontario. The results of this research cannot be
generalized or utilized to formulate theories. However, the lived experience of farmers
participating in FVCs contributes a unique perspective and can be used to gain insight
into the concept of FVCs and local food systems. This research demonstrates the value
of incorporating lived experiences of farmers into literature on local food systems and
FVCs.

1.5 Research Significance

Improving local food systems often focuses on the demand side, encouraging
consumers to alter their food choices and think about where their food comes from. It is
assumed that once the demand is created, local producers will supply that demand.
However, farmers vary in scale and operation methods, which may ease or make more
difficult their access to various markets. FVCs provide an opportunity for farmers with
high volume and quality products to sell to a market where they are perceived as
collaborators and partners. Farmers make strategic choices and decisions to participate
in FVCs. Information about experiences and perspectives about farmers’ participation
will provide valuable data that can contribute to the overall research on FVCs.

This study will identify the motivations, opportunities, and challenges farmers face
in participating in FVCs in Southern Ontario. Research in value chains often assess the
value chain as a whole, examines how the various activities and actors involved relate
to one another and how value chains can economically contribute to the development of
local food systems. The focus on farmers, their experience, and perspectives will help
fill the gap in FVC literature. It will provide an opportunity for farmers exploring FVCs to take into consideration the voice of farmers with experience in this field. It will also allow actors in FVCs to learn about the unique positions of producers in the value chain. This research will have the potential to help develop better partnerships and collaborations with the goal to build up local food systems. It can also serve as a reference for others interested in exploring or studying FVCs or the role of farmers in entering alternative markets.

Gaining farmers’ perspectives about their motivations, opportunities, and challenges about FVCs is significant to developing a greater understanding of local food systems. FVCs can provide important and vital solutions for addressing many of the issues associated with the conventional industrial supply chain. FVCs provide win-win situations for all partners within the chain as producers are treated as strategic partners with rights and responsibilities to the success of the value chain and commitments are made to guarantee economic sustainability for all partners (Stevenson and Pirog 2013). As such, FVCs can provide an alternative to the farm cannibalism of conventional supply chains by creating sustainable businesses without compromising broader social, ethical, and environmental issues at the prospect of marking a profit.

1.6 Limitations and Assumptions

FVCs assume that these collaborations are distinct from conventional supply chains and direct marketing. The role of the partners and the activities they perform are for the benefit of all the business partners equally. The concept of FVCs assumes that
consumer and community values create change in the supply chain and that consumer
and community values are related to the well-being of people and their communities, as
in this case the local food system.

This research uses phenomenology as its philosophical framework and method.
This is significant when taking into consideration the assumptions of this research.
Amongst these assumptions is that people have a unique consciousness that impacts
feelings and behaviours and constructs meaning. It is further assumed that a researcher
can study these individual meanings empirically. In-depth, open-ended, and semi-
structured interviews were administered to farmers participating in FVCs that are
located in Southern Ontario, Canada. This assumes that farmers will be willing and be
able to describe their experience of participating in FVCs. Further, this study is limited
spatially and temporally. Phenomenology as a method is limited in the replicability and
generalizability of results. Generalizability and applicability to other contexts and regions
in and outside Ontario are limited. This study does not represent all farmers and the
variety of FVCs in Ontario but can nevertheless be useful for those interested in FVCs,
local food systems, and the perceptions of farmers. This study aims to contribute to a
deeper understanding of these issues.

1.7 Outline

In the sections that follow, the experience of farmers and the significance of their
experience will be presented. Chapter 2 provides a literature review on FVCs which
includes a short history of the concept, provides a distinction between FVCs and
conventional supply chains and outlines current research on FVCs. Chapter 3 reviews
the concept of AFNs and illustrates the current state of the local food system in
Southern Ontario. Chapter 4 discusses the method and methodology that is utilized in
this study, including an overview of phenomenology and the specific steps the
researcher took in utilizing phenomenology in this study. Chapter 5 presents the
findings of the study, including a summary of the research participants, a
phenomenological discussion, and the identified themes that are unique to the lived
experience of farmers taking part in FVCs in Southern Ontario. Chapter 6 presents the
significance of the results by discussing how the results contribute to our knowledge of
FVCs as well as AFNs. Finally, chapter 7 provides concluding remarks and presents a
set of considerations based on what was learned from farmers’ experiences.
2 Background

2.1 Introduction

This chapter intended to provide readers with the necessary context and background information to better understand the opportunities and challenges farmers have when entering food value chains (FVCs) in Southern Ontario. This chapter begins with an in-depth analysis of the concept of alternative food networks (AFNs). In addition to providing a definition, a comparison between AFNs and the industrial food system is provided, with an emphasis placed on the role of farmers in each of these systems. It is important to understand the options that farmers have in the marketplace and the opportunities and challenges for farmers entering the industrial food system and AFNs.

Although AFNs are portrayed as a potential solution to various issues resulting from industrial agriculture, this chapter also outlines some of the main criticisms. The chapter also problematizes some of the main applications of AFNs, including organic and local. Following the discussion on the concept of AFNs, the chapter then presents what is currently taking place regarding the marketing and distribution of local food, outlining some of the main actors and stakeholders in Southern Ontario. In addition to strong consumer demand, local food in Ontario has been supported by the provincial government on several fronts. Food hubs, defined and described later in this chapter, have been increasingly recognized as a potential way of increasing local food distribution. Several examples of food hubs as well as FVCs are provided towards the end of the chapter.
2.2 Increasing Demand for Alternative Food

As a response to the increasing concerns of the industrial system, many people are seeking ways to reconnect with the food system. In literature, the increasing production and demand for food outside the conventional industrial model is referred to as alternative food networks (AFNs). AFNs seek to address the downfalls of the industrial system, including social, environmental, and health-related issues. AFNs seek to shorten the geographic and relational distance between producers, processors, retailers, and consumers, thereby abating the interests of multinational food system participants. Research on AFNs aims to assess the capacity to directly challenge and oppose the industrial food system. Renting, Marsden and Banks define AFNs as “newly emerging networks of producers, consumers, and other actors that embody alternatives to the more standardized industrial mode of food supply” (2003: 394). AFNs encourage models that are environmentally sustainable and financially sustainable, and that encourage regional self-sufficiency. AFNs reject the industrial food system and turn to concepts of ‘quality’, ‘place’, and ‘nature’ (Goodman 2004).

Some evidence suggests that AFNs create economic benefits by providing a better income to farmers as well as by creating more jobs for the local community (Bimbo, Visceccchia and Nardone 2012; Lerman, Feenstra and Visher 2012; O'Hara and Pirog 2013). Other research suggests that AFNs can mitigate some of the negative environmental impacts that have resulted from the industrial food system; reducing food miles, reducing the use of synthetic pesticides and reducing food waste by better meeting consumer demands are some of the possible ways that AFNs can improve
biodiversity (Tregear 2011; Presutti 2013; Forssell and Lankoski 2015). Social benefits, such as consumer education about food and the increased conception of healthy food, are also cited as a potential benefit of AFNs (Bimbo, Viscecchia and Nardone 2012). It is important to note that the concern and awareness for environmental and social issues in AFNs are much greater than the typical corporate social responsibility (CSR) model (Hodgins and Fraser 2018). CSR is largely practiced today as a set of activities that happen in addition to the regular business practices. Environmental or social justice in CSR is rarely incorporated into the business model itself. Under CSR, the motivation to do good may be to influence the bottom line or the image of the company. Under AFNs, the motivation to do good is to help address various social, environmental, and health issues.

Watts, Ilbery and Maye (2005) use a continuum to assess whether applications of AFNs are ‘strong’ or ‘weak’ alternatives to the industrial food system. According to Watts, Ilbery and Maye (2005), ‘strong’ AFNs demonstrate four key characteristics. First, they shorten the supply chain and reduce the distance that food travels. Farmers’ markets, food box schemes, and community-shared agriculture (CSAs) develop supply chains that differ from the industrial system and build relationships with actors who are either absent from the conventional supply chain or with whom it is difficult to develop strong relationships. Middle actors or intermediaries can be utilized if they are not a dominant actor in the industrial food system. Second, ‘strong’ AFNs improve the flow of information as well as traceability, transparency, and trust between actors. Personal interactions, developing networks, and communities between various actors is
necessary here. Third, although it is important for all actors to be financially viable, AFNs must prioritize social and environmental concerns. Watts, Ilbery and Maye (2005) also suggest that AFNs should aim to work outside the norms of capitalism and aim to develop economic alternatives. The final characteristic of ‘strong’ AFNs is providing a wider range of produce and foodstuffs.

‘Weaker’ alternatives focus on a product’s characteristics, such as organic or local food. These products are easily incorporated into the industrial model of food production. Rather than challenge the industrial system, they mimic that system. Multinational or transnational corporations, including food processors, distributors, and retailers, continue to dominate and hold the power in the supply chain. The focus on key characteristics of products results in a niche market in the dominant market and ultimately does not challenge the dominant industrial system that focuses on standardization and globalization (Watts, Ilbery and Maye 2005). Some ‘strong’ AFNs can develop transformative strategies, whereas others are simply superficial propositions (Holt- Giménez 2011; Mount and Andrée 2013). It is important to note that even ‘strong’ AFNs include a range of goals and outcomes. Watts, Ilbery and Maye (2005) note that differentiating between ‘weak’ and ‘strong’ does not suggest that all AFNs can be categorized in this way. AFNs are diverse, multifaceted and can evolve, making these categories a starting point, rather than an ideal classification system.

Research suggests that AFNs in North America are largely driven by consumer demand. According to David (2010) farmers themselves credit consumers for the local food movement. The reasons for consumer demand are varied; access to fresh food,
supporting local farmers, supporting the local economy and environmental sustainability are some of the main reasons why consumers choose to purchase food from AFNs. Based on extensive literature review, Christy et al. (2013) claim that the biggest consumer motivator for purchasing local food is to consume local, healthy, and fresh food, followed by a wish to support local farmers. By exploring consumer attitudes on purchasing local food in Wales and England, Winter (2003) claims that consumers cited supporting local farmers as their prominent reason for purchasing local food. However, Winter (2003) warns that this may result in ‘defensive localism’ - where the motivation to support farmers often leads to nationalism and parochialism. ‘Defensive localism’ also means that consumers of local food often ignore broader environmental and social issues related to food production, such as over-spraying pesticides, over-irrigating fields, or working conditions for migrant labour. Winter (2003) points out that consumers of organic are more likely to cite a wider variety of reasons and reasons that are related to broader environmental and social issues.

The results of surveys by the Greenbelt Farmers’ Market Network in 2009 and 2015 illustrate that consumers continue to be interested in learning about where their food comes from. Other frequently mentioned reasons for purchasing local food were community and fellowship, sense of community, social interactions, and atmosphere (Christy et al. 2013). This points to the social significance of AFNs. Studies often point to an increase in life satisfaction, social capital, and social cooperation among participants in local food systems (Christy et al. 2013). Farmers’ markets bring farmers and consumers together, allowing them to form stronger bonds that can benefit both
parties beyond the economic exchange. Consumers are increasingly asking for organic food and are consistently interested in food preparation and recipes (Greenbelt Farmers’ Market Network 2016). Two significant changes occurred between 2009 and 2015: First, the need to educate consumers on the benefits of local has declined and, second, price complaints of food products at farmers’ markets have declined significantly. These changes illustrate that the relationship between consumers and farmers are strengthening and that consumers are more educated about the local food system overall.

Motivations for producers participating in AFNs are significantly different from those of consumer motivators. The main motivator for farmers is to increase profits. Farmers claim they can receive a better return for their product compared to what they would receive via conventional markets (Christy et al. 2013). When asked about the benefits of the local food movement, farmers’ most common answer was the positive economic impact (Davis 2010). Matts et al. (2015) claim that producers in local markets receive up to seven times more per unit than what they receive in mainstream markets. It is important, however, to mention that the volume of local food sold may not be as large compared to the mainstream. Additional benefits that farmers identified by participating in AFNs included diversifying markets for risk management and spreading costs across multiple revenue sources (Matts et al. 2015). Other motivators for farmers and producers include keeping money and jobs in the community, strengthening local economy (Christy et al. 2013), regaining control of their production decisions and supply chains as well as providing opportunities for future generations to enter the farming
sector (Davis 2010). Although economic benefits appear to be the dominant motivators for producers, social motivators are also common. Increasing consumer’s access to healthy and fresh produce and supporting local communities are often mentioned in the literature (Matts et al. 2015). For farmers to feel motivated and continue to enter markets under the scope of AFNs, Davis (2010) claims that several changes must take place; these include changes in consumer behaviour, mainly demonstrating their commitment by willing to pay more for produce as well as changes in policy. Farmers in Davis’ (2010) research claim that many regulations restrict small scale operators to expand their businesses. Further, farmers claim that many policies appear to favour imported produce versus domestic produce, making it difficult for local producers to scale up. On the other hand, farmers must be willing to continue providing high-quality produce as well as be willing to adjust and adapt to the shifting demands of AFNs (Davis 2010).

Although AFNs yield many benefits, literature critical of AFNs is growing. Some scholars question the notion that small and local initiatives can challenge the power inequality of the dominant system (Holt-Giménez 2011; Mount and Andrée 2013), while others question whether AFNs can develop successful alternative governance structures where actors of various and differentiating interests can work together (DeLink 2011). Some scholars claim that AFNs are only suited for specific types of farms, specifically very small and diverse farms. AFNs do not provide many options for mid-scale and large-scale farmers. Christy at al. (2013) suggest that AFNs must be more inclusive of various types of operations and that ultimately there will not be just
one type of system that addresses the wide variety of problems in the current food system. Further, it is also important to acknowledge that AFNs may not be enough to challenge powerful corporations and entities in the dominant food system. One of the biggest criticisms of AFNs is the issue of accessibility. Low-income families often have a hard time accessing food that is local, organic, ecological, and/or ethical, as these foods are often more expensive compared to products from the industrial food system. Some scholars claim that AFNs exclude low-income populations—particularly non-Caucasian populations—and are ultimately elitist (DeLink 2011; Hinrichs and Kremer 2002; Baker, Campsie and Rabinowicz 2010; Alkon and Mares 2012). AFN initiatives such as farmers’ markets and CSAs do not adequately address issues of inequality and social justice (Baker, Campsie and Rabinowicz 2010). AFNs often encourage the role of individuals as simply consumers, distracting from actions of public engagement and public responsibility that is ultimately at the centre of AFNs and transforming local food initiatives (DeLink 2011). Mount and Andrée (2013) agree that, despite the various forms of AFNs, collective responsibility and place-making must be central to local food initiatives.

Organic and local food initiatives are often provided as examples of AFNs. Organic AFNs prioritize a means of production that aims to minimize the use of synthetic pesticides and fertilizers to create fewer environmental impacts than industrial agriculture. In many places around the world, organic has been regulated by the government. In Canada, the federal government has developed organic standards that are enforced and policed by third-party certification systems. In principle, organic
farming aims to create a holistic system that maintains biological diversity, improves soil
fertility, decreases pollution, relies on renewable resources, and provides attentive care
to livestock. Many researchers claim that, as the demand for organic food increases,
organic farming is moving further away from its founding principles (Pollan 2006). They
argue that the organic industry is beginning to mimic industrial agriculture, a system that
relies on monocultures, immigrant labour, and complex supply chains dominated by
large corporations. Although in AFN literature this is often described as a negative, this
can yield some benefits, including increased efficiency and accessibility resulting in
more organic food available at a lower cost.

Local food systems are also often provided as examples of AFNs. A commonly
used definition of local food systems comes from Feenstra who defines it as “rooted in
particular places, [local food systems] aim to be economically viable for farmers and
consumers, use ecologically sound production and distribution practices and enhance
social equity and democracy for all members of the community” (1997: 2). For Lucas,
localization refers to the effort of “meet[ing] basic needs from closer to home” (2003:
263). Local farming aims to limit the number of kilometers over which food is
transported, aims to support farmers who are in closer proximity to consumers, and
aims to strengthen local economies. Local food is characterized by the closer
relationship between farmers and consumers, which increases trust and connections,
provides more financial stability for farmers, and strengthens rural regions. Local food
can have positive impacts on the local economy as farmers are more likely to support
other local businesses, by purchasing inputs locally and hiring local labour. When this
occurs, local food systems can have a multiplier effect on broader regional economic activities. O’Hara and Pirog (2013) also claim that local food may create business opportunities for farmers and producers who otherwise would not be growing or producing food. Although met with criticism, a body of literature also associates local food with higher levels of quality and health characteristics (Bimbo, Viscecchia and Nardone 2012; Winter 2003).

Although there is potential for local food systems to address some of the issues posed by the industrial food system, such as strengthening the relationship between farmers and consumers and strengthen financial stability for farmers, the focus is placed on the distance that food travels from the producer to the consumer. Many define local based on a certain number of miles or kilometers as popularized through books such as “The Hundred Mile Diet” (Smith and Mackinnon 2007). Many criticisms of local food systems have emerged as a result. The operationalization of this definition of local can vary whether one lives in a metropolitan area or a rural or remote region. The definition of local also varies depending on the country. For food consumers in the United Kingdom (UK), local is about one mile from their home, while in the United States (US), local is a specific region or a state (Rippon 2014). Further, food produced within a short distance and thereby defined as local may involve a production modality that is operated by a multinational corporation with headquarters that are far from the site of production, with business practices and priorities that in no way advantage livelihoods or cultural food preferences in a specific area. The definition of local food is contingent upon the local context. Local is a socially constructed term that makes it difficult to use
as a defining criterion of quality (Rippon 2014). Since the definition of local is largely focused on the distance from field to table, it is important to note that local food systems do not exclude practices that may negatively impact the environment or that perpetuate power imbalances found in industrial agriculture.

Some scholars argue there is no clear correlation between local food systems and sustainability (Winter 2003; Born and Purcell 2006). For example, Born and Purcell argue that “local food systems are no more likely to be sustainable or just than (other) systems” (2006: 195). The assumption that local inherently translates to sustainable practices or socially just practices results in what Born and Purcell (2006) refer to as the ‘local food trap’. The use of harmful pesticides and fertilizers is still permitted in local food systems, along with the use of monocultures, over-irrigation, and other farming practices that negatively impact the environment. Further, local food does not mean greater energy efficiency. While local food systems can reduce energy on transportation, it is important to note that transportation accounts for a small amount of the production and supply chain process. The energy required to produce certain crops in specific geographical areas may require more energy as it will require more fertilizer, pesticides, or irrigation. For example, Smith et al. (2005) calculated the CO₂ emissions of imported and local tomatoes in the UK; they estimated that local UK tomatoes require about three times the CO₂ emissions than imported tomatoes from Spain, as it requires a lot more energy to grow tomatoes in the UK. The climate in Spain is more conducive to growing tomatoes. The energy required to grow tomatoes in the UK outweighs the amount of energy used to transport the tomatoes.
O’Neill (2014) claims that assuming local includes only small and alternative agriculture is too simplistic and can ignore complex and deep-rooted causes for success or failure of that region. It is important to be critical and acknowledge the limitations of local. O’Neill’s (2014) research in East Yorkshire, UK, demonstrates that local food systems incorporate industrial food production, thereby not minimizing the impacts of the food system on the environment. East Yorkshire largely participates in conventional agriculture production and commodities are sold on the global market. This challenges the relationship between local food systems and places. Commodities for global production can be incorporated into the local food system, as demonstrated by the case in East Yorkshire. Industrial food spaces can co-exist within local food systems. O’Neill (2014) claims that industrial production and actors involved in it can contribute to the strength of the local food system, as much as other actors who are perceived to be small or alternative. DuPuis and Goodman (2005) point to the issues associated with romanticizing local food systems, as it over-simplifies, lacks reflection, and denies the local food system complexity in both the concept and practice of local food. Rather than the physical distance, Born and Purcell (2006) believe other characteristics, such as the scale of relationships within the food system, may yield more significance for the concept of local. For example, shortened supply chains with fewer middle actors between producer and consumer may be a more relevant consideration than absolute geographic distance. The notion that local and conventional can co-exist challenges perceptions about both industrial and alternative food systems. It also redefines the notion that local food systems are associated with a particular set of spatial
characteristics. Further, the success of local food systems is not automatically guaranteed due to its spatial characteristics and requires support and resources. The complexity of alternative food systems, including local, must be understood by decision-makers to ensure adequate support is offered.

2.3 Marketing and Distributing Local Food in Southern Ontario

Since 1977, the province of Ontario has supported the development of Ontario-grown foods through the Foodland Ontario program. One of the major goals of Foodland Ontario is to work with producers, processors, and retailers to encourage the production and consumption of Ontario products. The message of Foodland Ontario has evolved from teaching the public about the wide variety of Ontario food products to informing the public about the economic benefits of purchasing local (Foodland 2018). In 2017, over 1,400 various actors, including farmers, retailers, and food service operators, were using the Foodland Ontario logo to identify Ontario-grown products (OMAFRA 2017).

The demand for alternative food and the demand for receiving that food through alternative methods, such as farmers’ markets and CSAs, has been increasing in Ontario over time. Ontario is currently home to about 52,000 family farms that provide over 200 diverse foods and food products (OMAFRA 2017). From 2014 to 2015, total farm sales in vegetables increased by about 8% from $375.6 million to $405.6 million (OMAFRA 2016). Total farm sales of Ontario’s greenhouse vegetables increased by about 2% in the same time period (OMAFRA 2016). In 2017, there were 182 farmers’ markets registered with Farmer’s Markets Ontario and 300 members registered with the
Ontario Farm Fresh Marketing Association (OMAFRA 2017). It is also estimated that almost 80% of grocery shoppers purchase locally grown food at least once a week and that almost 50% eat local food at least once a day (OMAFRA 2017). The provincial government recognizes that demands for local are increasing and encourages consumers to continue asking for Ontario-based food products. The provincial government also recognizes that innovation and development, such as food hubs, are necessary for the food industry to meet the growing demands (OMAFRA 2015).

As a means of encouraging the production and consumption of Ontario-based products, the provincial government has implemented a Local Food Strategy in 2013. After extensive consultations with various stakeholders in the food system, including retailers, consumers, not-for-profit organizations, and farmers, three main goals were established for the Local Food Strategy. The first goal was to increase consumer awareness and education in hopes that consumers will value and choose Ontario products. The second goal was to increase availability and access to local food. The final goal was to increase local food production to meet the growing demand (OMAFRA 2017). Since 2003, the provincial government has invested $160 million to promote Ontario-grown and Ontario-made food products (OMAFRA 2015). An important component of the Local Food Strategy is the Local Food Act. As a response to six regional roundtables that took place in 2012, the Ontario government developed the Local Food Act in November of 2013. The act is the first of its kind in Canada and aims to improve food literacy, increase access to local food, and encourage provincial public sector organizations such as hospitals and schools to purchase local food. This
legislation was created to help develop more resilient local food economies by creating more jobs in the agri-food sector, increase awareness, and encourage more diverse local food in Ontario. Several initiatives, including encouraging the public sector to procure local food, giving farmers tax breaks for donating food, and annual local food reports outlining the government’s work towards increasing local food, aim to implement the Local Food Act.

As part of the Local Food Strategy, the agricultural industry has worked closely with growers to promote local food awareness and literacy. For example, the Ontario Tender Fruit Growers worked together with major retailers to increase the awareness and knowledge about tender fruit such as peaches, plums, and apricots. In-store displays, in-store sampling, and recipe demonstrations were delivered in major retailers throughout Ontario. As a result, the year 2016 saw a 4% increase in the gross value of fresh fruit compared to the previous year.

The Ontario government views several benefits to expanding the local food system. Local food contributes to a strong economy. The agricultural sector in Ontario generated $36.4 billion in Gross Domestic Product (GDP) in 2017. By 2020, it is estimated the agricultural sector will contribute about $2.2 billion more to the GDP (OMAFRA 2017). While demonstrating the benefits of the provincial food sector, an OMAFRA report claims, “Every day, nearly 800,000 Ontarians wake up to work in this dynamic, exciting and important sector” (2017: par. 18). These jobs are found across the supply chain including farmers, processors, distributors, retailers, and food service providers. It is expected that this number will increase by 42,000 by 2020 (OMAFRA
In its reports, the provincial government recognizes the benefits of keeping jobs and the financial gains in communities across the province (OMAFRA 2017).

It is important to note that the provincial government of Ontario defines local food as food produced within the province of Ontario. For some, the application of the term local food to a province-wide production system is not representative of the term local, as products from Ontario can cover one million square kilometres. For Smithers, Lamarche and Joseph (2008) this is an example of how the term local is abused by actors in the food industry as there is little consideration for the principles of the local food system.

2.3.1 Ontario Food Terminal

It is not possible to discuss distribution in Ontario without discussing The Ontario Food Terminal. The Ontario Food Terminal Act was created in 1946 and was spearheaded by Thomas L. Kennedy, the Minister of Agriculture from 1930-1934 and 1943-1953, and G.F. Perkin, a life-long civil servant in the Ministry of Agriculture (Ferro-Townsend 2011). The Act was created as a response to farmers pressuring the government. Farmers wanted better access to Ontario markets, as a means of improving their income, and wanted to better compete with cheap imports from the United States after World War II. The Ontario Food Terminal Act was a post-war policy to develop provincially regulated and operated produce marketing boards (Ferro-Townsend 2011). The Ontario Food Terminal opened in 1954 and was considered modern and efficient (Elton 2010; Ferro-Townsend 2011). With the post-World War II boom and with increasing populations living in the suburbs and purchasing food in
Before the Ontario Food Terminal, the main wholesale markets in Southern Ontario were located in the St. Lawrence Market and in the Wholesale Fruit Market, where fruit from Niagara was sold. Both markets were located in downtown Toronto (Elton 2010; Ferro-Townsend 2011). Ferro-Townsend (2011) claims that, due to the congestion of downtown Toronto, these two markets could no longer handle large amounts of produce. It was therefore important to locate the terminal further from the city core. At the time, the Ontario Food Terminal was located at the edge of the City of Toronto.

The Ontario Food Terminal is the largest wholesale market in Canada. It provides all the logistical support and necessary facilities, such as refrigeration, to ensure produce can be distributed on a large scale. The terminal covers about 43 acres of land (Ferro-Townsend 2011) and is divided into two markets: First, there is a farmers’ market, with about 550 stalls, where local farmers can sell their produce. Second is a wholesale market, where produce is imported from all over the world, including Spain, New Zealand, and South Africa. The Terminal provides farmers access to thousands of wholesalers without the need for a middleman. The Terminal is not open to the public. There are about 5,000 wholesalers, whom all require permits to visit the terminal (Filson and Adekunle 2017). Daily, there are between 1,000 to 3,000 buyers at the Terminal, depending on the season and on the demand (Filson and Adekunle 2017). Wholesalers include chefs, mom-and-pop shops, ethnic grocery stores, and small to mid-sized
grocery stores. Supermarkets, restaurant-supply companies, and food service companies for hospitals or universities often have their own purchasing infrastructure in place and do not purchase from the Terminal. Nevertheless, the Terminal distributes about 5.1 million pounds of produce everyday (Ferro-Townsend 2011; Filson and Adekunle 2017). The Terminal allows farmers to sell a large amount of produce and move large volumes, which they would not be able to do at a conventional farmers’ market, and serves buyers across Ontario, but also Quebec, Manitoba, the Maritimes, and the northern United States. The Terminal also allows the government to regulate the industry, ensuring that poor quality produce would not be dumped in the Ontario market (Ferro-Townsend 2011).

The Terminal has the potential to be an important actor in distributing local food. It offers an alternative to conventional food warehouses as it largely serves independent grocery stores and smaller businesses (Baker, Campsie and Rabinowicz 2010). However, much of the food that comes through the Ontario Food Terminal is imported. About 65-75% of produce that comes through the Terminal is imported, while about 25-35% is locally produced (Filson and Adekunle 2017). Original plans of integrating the farmers’ market with the wholesale market, providing better infrastructure for the farmers’ market, and developing policies that would prioritize local producers were never enacted. As a result, Ferro-Townsend (2011) claims the local farmers are seen as marginal players at the terminal.

As such, the terminal is often criticized for this and is perceived as a barrier to local food distribution. Bruce Nicholas, the Terminal’s general manager, believes
otherwise and claims that the Terminal is integral to strengthening the local food system in Ontario (Elton 2010). The Terminal provides a market for farms in Ontario and provides farmers with an opportunity to sell to thousands of buyers directly and move large volumes of produce; this ensures that people in Ontario have a constant supply of fresh produce and offers an opportunity for smaller businesses to become strong actors in the food system, providing competition and an alternative model to large-scale corporations (Elton 2010). Thanks to the Terminal, smaller businesses like grocers or restaurants can stay competitive in the very aggressive industry and provide alternatives to consumers, also ensuring that large corporations will not dominate the market entirely.

### 2.3.2 FoodShare

FoodShare is an example of a not-for-profit food hub that attempts to address food insecurity by responding to issues of aggregation and distribution. FoodShare was established in 1985 in Toronto as a response to the recession of the early 1980s. Initially, FoodShare coordinated food drives and provided food aid to those in need (FoodShare 2017). Today, FoodShare participates in a wide variety of activities with intending to increase food security in Toronto. The Good Food Box program, started in 1994, is one of the initiatives trying to achieve that goal. It is also important to mention that the Good Food Box program was the first of its kind in Canada (Wever 2015). The goal of the program is to provide fresh, high quality, affordable, and culturally-appropriate food. Although FoodShare aims to prioritize local, imported food is also necessary to meet expectations for culturally-appropriate foods. Wever (2015)
estimates about half of the food purchased for the Good Food Box program is from Ontario.

The program is available to anyone who subscribes, but the target population is low-income households in Toronto. In 2014, the Good Food Box program distributed 537,181 lbs of fruits and vegetables to its 196 drop-off locations across Toronto (FoodShare 2017). In 2015, the Good Food Box sold $523,063 of produce to individual customers and partner organizations. An evaluation of the Good Food Box program indicates that the program made it easier for participants to access fresh and affordable food (FoodShare 2017). This increased participants’ consumption of fruits and vegetables. Many participants believe that the program improved their physical health. FoodShare has become a leader in addressing food insecurity and an innovative leader in the not-for-profit community.

Since its development, the Good Food Box program has become the largest in Canada and inspired many other similar programs throughout the country (Wever 2015). Although the Good Food Box program was the first initiative by FoodShare to address food insecurity in Toronto; there are now several other FoodShare initiatives. This includes Good Food Markets, the Mobile Good Food Market, and about 40 community and school gardens throughout Toronto (Wever 2015; FoodShare 2017). All these programs utilize the same warehousing, distribution infrastructure, and staff. Orders are combined to create the necessary volume, which allows FoodShare to purchase produce at wholesale prices from farms and the Ontario Food Terminal. FoodShare purchases produce from about 25 farms, which are all considered small
businesses (Wever 2015). Some farmers work together to aggregate their produce before selling to FoodShare; for example, the Norfolk Fruit Grower’s Association aggregates fruit from nine farms and delivers their products to FoodShare (Wever 2015). Pfenning’s Organic Farm delivers its produce to FoodShare while also delivering produce from nearby farms (Wever 2015). What is not used in the boxes, markets, or bulk orders, FoodShare uses produce in its other programs, such as in the organization’s kitchen and composting education programs. This model allows FoodShare to include activities beyond distribution, such as cooking and education (Wever 2015).

FoodShare has demonstrated a commitment to working with local farmers by aiming to purchase as many local and seasonal produce as possible. Wever (2015) outlines several stories that demonstrate the benefits of FoodShare to local farmers. Several farmers mentioned that when they had a difficult time moving product, they would contact FoodShare, which would buy their product. A farmer mentioned that FoodShare is a great partner as they understand food, seasons, and do not have unrealistic expectations about the aesthetics of products. Another story provided in Wever’s (2015) report outlines that FoodShare is happy to work with producers to help address the needs of both the farmer and the organization. For example, FoodShare and the Norfolk Fruit Growers Association worked together to utilize smaller-sized apples that would be otherwise rejected by conventional markets because of their size. FoodShare utilized those apples to distribute to younger eaters in their programs, to help promote healthier eating habits amongst children and to enable farmers to make a
profit from a product that otherwise would have been wasted. Relationships between FoodShare and farmers not only allow both parties to be economically viable but are often socially and environmentally beneficial as well. Wever (2015) concludes that, on a systemic level, FoodShare’s greatest success is demonstrating that there are alternatives to the conventional food system and that there is potential for significant changes to occur in the current food system.

2.3.3 Mama Earth Organics

Since FoodShare developed its Good Food Box program, many others have adopted the model. Not only have other not-for-profit organizations developed similar programs, but the private sector has also taken interest in creating businesses in a similar manner. Mama Earth Organics is a food box delivery program, started by Heather and Alex Billingsley in 2007. Their goal was to strengthen the local food system by providing local farmers with an additional market and to provide fresh, organic produce to consumers at a fair price. The business was started from their garage, delivering food to neighbours once a week. Customers choose from a variety of baskets online, ranging in size (small to ultimate family) and type (only fruit, only vegetables, or only local). Customers can also customize their boxes and change or add items, such as eggs or bread, to their order that are not provided in the pre-selected baskets. The box of food is packed in a warehouse in Toronto and then delivered to customers’ homes on a chosen day. Today, Mama Earth has about 9,000 members and makes about 5,000 deliveries a week across Southern Ontario (Maimona 2016). Although most customers are based in Toronto, Mama Earth Organics delivers as far as Peterborough
and Kitchener and works with 64 local farmers and 42 artisanal producers (Mama Earth 2019). Although the company prioritizes working with local farmers directly, they work with wholesalers and distributors to provide some imported produce, such as bananas and avocados to their customers. In 2018, the company sourced 52% of its products locally. Climate conditions and unpredictable weather are the reasons for why Mama Earth Organics did not reach their 2018 goal of sourcing 60% of their produce locally.

The company prides itself on having strong and personal relationships with their farmers. Much of their marketing revolves around this concept and this is how they differentiate themselves from large food retailers. They have built relationships with their farmers based on trust and respect and have taken the time to personally get to know the farmers. They have never developed a formal contract with farmers or producers with whom they work. As Alex Billingsley stated in an interview for Financial Post, “You make one decision at a time, look them in their eyes and shake their hands. That’s how all the farmers work” (Nguyen 2015: par.2). Billingsley also mentions that Amish farmers were quite difficult to develop partnerships with. It was difficult to maintain constant means of communication, as the Amish with whom Billingsley wanted to work, did not have access to the internet, email or, telephones. As such, he made regular trips, about a 45-minute ride one-way, to visit the farmers in person. Now several Amish farmers supply mostly eggs but also some fruits and vegetables to Mama Earth Organics.

Another way in which the company demonstrates its support to local farmers is by facilitating a loan program to its producers. In 2018, they provided a $10,000 loan to a farmer to purchase a new potato digger and carousel washer (Mama Earth Organics
As Heather Billingsley states in an interview, “Our growth has allowed us to do much more in the organic farming community. We’ve grown farms with us” (Maimona 2016: par.16). In the past, loans from Mama Earth allowed farmers to purchase land, purchase greenhouses, or invest in storage facilities.

Mama Earth has been placed on Profit Magazines’ as one of Canada’s 500 fastest-growing companies several times since its inception. Although there have been many food box delivery companies in Southern Ontario since Mama Earth Organics, such as Fresh City Farms, Organics Live and Farms and Forks; Mama Earth remains the largest in Ontario.

2.3.4 Other Examples

Numerous and diverse marketing, distribution and retail strategies have been developed to meet the increasing demand for local food products in Southern Ontario. Grocery stores, online distribution models, co-ops, auctions, country markets, and mobile markets are some of the business models developed to help bring high quality produce to Ontarians as well as support local farmers. Numerous small-sized grocery stores, butcher shops, and restaurants have committed to sourcing high-quality produce from local farmers intending to support local farmers and local economies. For example, Wendy’s Mobile Market is a distribution company in Rideau Lakes Township, Ontario, that sources produce from over 70 farmers within a 100-mile radius and distributes to restaurants, bed and breakfasts, independent local grocers and individual households in the Kingston area.
The 100km Foods Inc. is an award-winning distribution company that provides an online platform for restaurants to purchase local food. 100km Food Inc. picks up produce from farmers and delivers it to restaurants. 100km Foods Inc. acts as the middle actor, aggregating produce from a variety of farms, allowing chefs to source fresh local produce from a wide variety of farms, but in the end only deal with one distributor. Chefs trust that 100km Foods Inc. has strong and personal relationships with the farmers, which will result in high-quality produce for the restaurants. Farmers benefit as they do not have to worry about distributing to numerous locations. This allows farmers to harvest only as much as restaurants order, not wasting time and resources on harvesting products that would potentially not be sold.

Similarly, FreshSpoke provides an online and mobile app platform for buyers to buy fresh and local food directly from suppliers. FreshSpoke recently introduced the Local Food Champion program. This platform allows consumers and buyers to review a retailer’s, restaurant’s, caterer’s, or institution’s commitment to local food. The Local Food Champion allows participants to view the supply chain of a food product back to where and how it was grown. The intention is to provide transparency and verify whether, for example, a retailer or a restaurant does source their food locally.

Another innovative model that has been developed to support local farmers is auctions. The Elmira Produce Auction Co-operative, located near Waterloo, was established in 2004 to create a novel market for local farmers and is the first wholesale produce auction in Ontario. The auction is an outlet for the sale of mainly fresh fruit, vegetables, and flowers. All produce at the Elmira auction must be grown within a 120-
kilometer radius of the auction. The Bruce-Huron Produce Auction, located in Holyrood Ontario, was developed in 2010 and was structured on the model of the Elmira auction. The Bruce-Huron Produce Auction was created to provide a local market for buyers who would otherwise travel to the Ontario Food Terminal. These two auctions are the only two localized wholesale produce auctions in Southern Ontario (Johnson 2014) and both are organized by Old Order Mennonites. Johnson (2014) claims that Old Order Mennonites play a significant role in strengthening the alternative food system in Ontario.

The creation of these auctions provides farmers with an outlet for their products, increasing local family-farm revenues. Johnson’s (2014) research indicates that both farmers and buyers feel that the auction strengthens the relationship between these actors. They have the opportunity to discuss the produce and each other’s opportunities and challenges, which leads to friendships and loyalty. The close relationships result in buyers receiving high quality produce and farmers receiving a consistently good price (Johnson 2014). This suggests that auctions also play a significant role in the social components of AFNs. Re-socialization and reconnections in the food system are important characteristics of AFNs, as this allows non-economic factors to impact the price of food, shifting away from prioritizing price and efficiency which are largely the determining factors in the conventional food system.

In addition to auction co-operatives, other farming co-operatives have also been created to help develop alternate markets for farmers. Eat Local Grey Bruce, started in 2015, is a co-operative with over 20 farmers that connects food buyers with food
suppliers. The goal is not only to help local farmers but to also improve human and environmental health, provide meaningful employment, and revitalize the economy in the region of Grey Bruce. Eat Local Grey Bruce acts like an online grocery store. They provide over 300 products, including fruits, vegetables, bread, meat, dairy, flours, and preserved goods. Orders are packed in a warehouse and then delivered to customers’ homes or pick-up locations.

One of the longer-lasting food co-operatives in Ontario is the Ontario Natural Food Co-op (ONFC), located in Mississauga, Ontario, which was founded in 1976. The co-operative’s vision is to contribute to a world that is sustainable from seed to plate. One of the pillars of the co-operative is to support Ontario organic farmers and the local economy. ONFC has been a leader in organic, natural, and local wholesale in Canada. The co-operative offers more than 4,500 items to more than 1,500 customers. Most of ONFC’s clients consist of natural food retailers, smaller organic retailers, and to a smaller extent buying clubs and food co-operatives. However, their clients also include Whole Foods and Loblaws. The co-operative also plays a key role in the development of an alternative FVC in Ontario. ONFC also has a private label, ‘Ontario Natural’, which includes products that are sourced from Ontario farmers and are produced within Ontario. The product list includes canned and pickled products, proteins such as tofu and fish, and bread doughs.

It is important to mention that ONFC was acquired by The Horizon Group of Companies in 2017 and subsequently renamed the Ontario Natural Food Company. For many, this was a great shock, as ONFC has managed to resist acquisition for many
years in an increasingly concentrated space. Before its acquisition, ONFC was one of two remaining independent natural food co-ops in North America. It provided an example that a food co-operative can be financially successful while still upholding its original environmental and social values. The acquisition of ONFC means more concentration in the food sector and demonstrates an increasing trend of alternative brands being absorbed by large conventional companies.

There are also several farms that participate in developing FVCs to strengthen the local food system. Pfenning’s Organic Farms, located in Baden, Ontario, is an organic farm that not only distributes their own vegetables but also distributes from over 50 other local farms and delivers to about 30 large clients. Pfenning’s has a packing plant and a distribution centre that aggregates products from numerous farms. Pfenning’s distinguishes itself as a packer and distributor by claiming that, as farmers themselves, they understand the unique challenges farmers face during the growing season and can explain these challenges to their customers. As one of the first organically certified farmers in Ontario, Pfenning’s prides itself in sharing their knowledge and resources with other organic farmers, taking the time to build relationships and help other organic farms expand their businesses. These businesses and farmers work closely together to build each other’s businesses as well as strengthen the local food system in their communities.

Plan B Organic Farm, located in Flamborough, Ontario, runs a community shared agriculture (CSA) program. Members of the CSA sign up and pay ahead of the season, providing the farmers with financial capital when they need it most – at the beginning of
the growing season. In return, members receive a box of food on a weekly or bi-weekly basis. The average CSA box includes about 75% of local food and 35% imported food. In high season, the CSA membership can reach between 800 and 1,000 members (Pratley 2015). Plan B grows their food for the CSA, but also sources from about 20 organic farmers in Ontario as well as some imported foods. This model stems from the idea that Plan B grows only items that grow most efficiently on their farm and other farmers grow products that grow better and easier on their farms. This way, the CSA box can provide a wide range of produce that be provided at a competitive price (Pratley 2015). Similar to Pfennig’s, farmers who work with Plan B appreciate that they understand the unique opportunities and challenges that a farm and farmer will experience. As Alvaro Venturelli, one of the founders of Plan B, stated in an interview for Nourishing Ontario, “We need short chains so that a bit more of the profit stays at the production level” (Pratley 2015: 7). Both these farms, and others like them, aim to provide practical alternative options to consumers and aim to develop alternative market opportunities for local producers. They are both examples of how farms, working together on a regional scale, can create the infrastructure that is necessary to make significant impacts in the local food system.

2.4 Food Hubs

Local food systems often encourage marketing strategies that focus on direct to consumer sales. Increasing attention has been given to developing wholesale channels as a means of moving larger volumes of a differentiated product. Value-based food supply chains or FVCs can provide additional marketing options for small and mid-sized
farmers and can increase access to their products. Food hubs are often framed within the wider concept of FVCs. Businesses that provide aggregation and distribution to FVCs or provide non-direct marketing strategies to FVCs are referred to as food hubs (Lerman, Feenstra and Visher 2012; Koch and Hamm 2015). Within the broader context of FVCs, food hubs have been identified as a potential strategy to aggregate and distribute local and healthy food that can efficiently supply larger markets. Food hubs play a unique role in the alternative food system by sourcing food from a specified geographical area with the opportunity of scaling up those food systems. Similar to FVCs, food hubs identify a gap in the market for mid-scale farmers as well as small farmers who, for various reasons, do not participate in direct marketing. Food hubs have been identified as a potential strategy for scaling up local and regional food systems with a focus on increasing market potential for small and mid-sized farms (Koch and Hamm 2015). By sourcing food from numerous producers, food hubs aggregate and distribute foods from a specified geographical area, thereby creating large volumes and allowing wholesalers access to local or regional food. Food hubs play an important role in supplying healthy, nutritious, and local food to markets that may fall outside the typical scope of alternative food systems.

The Ontario Ministry of Agriculture, Food and Rural Affairs (OMAFRA), identifies food hubs as a means of connecting local food businesses to new markets (OMAFRA 2015). However, as Blay-Palmer et al. (2013) outline, there are numerous definitions of food hubs. The definition of food hubs has evolved from outlining physical distributions centre to include various actors and stages of a supply chain. A common definition of
food hubs used is often the one presented by the National Food Hub Collaboration in the United States, which defines food hubs as “businesses that actively manage the aggregation and distribution of source-identified food products. [Food hubs] are an essential component of scaling up local food systems and a flagship model of socially conscious business” (Colasanti et al. 2018: 4). Blay-Palmer et al. define food hubs as “networks and intersections of grassroots, community-based organizations and individuals that work together to build increasingly socially just, economically robust and ecologically sound food systems that connect farmers with consumers as directly as possible” (2013: 524). The Food: Locally Embedded, Globally Engaged (FLEdGE) Partnership defines food hubs as “actual or virtual spaces that collect and distribute food to processors, retailers, restaurants, and/or consumers. Food hubs can also provide space for other activities including food preparation, handling, processing, education and/or training” (FLEdGE 2017). Fischer, Pirog and Hamm (2015) suggest that the definition of food hubs ought to also include aspects such as financial viability, as this is a significant contributor to the survival of food hubs. They further suggest the inclusion of the concept of ‘place’ rather than geographical space. This is to encourage a commitment to not only a geographical location, but also to the social aspects such as identity, history, and values. Commitment to place would encourage businesses to uphold the values and integrity of the community and equally benefit various business stakeholders, including the producers and consumers (Fischer, Pirog and Hamm 2015).

Fischer, Pirog and Hamm (2015) maintain that the definition of food hubs ought to be broad to allow the concept to evolve and include a wide range of actors that can
contribute to the development of regional food development, distribution, and marketing. Several positive impacts of food hubs have been identified. Food hubs can help small and medium-sized farmers gain better access to consumers (OMAFRA 2015). In addition, food hubs can help increase access to nutritious food and can positively impact local economies through the multiplier effect. Food hubs hire people, rent spaces, and focus on distributing within a certain geographical region (Fischer, Pirog and Hamm 2015). Similarly, the structures of food hubs are diverse, ranging from for-profit businesses to not-for-profit entities and cooperatives. Some food hubs sell directly to consumers through retail outlets, while others sold to wholesalers or distributors (Fischer, Pirog and Hamm 2015). As such, the goals of food hubs are varied and numerous (Koch and Hamm 2015). Fischer, Pirog and Hamm (2015) acknowledge the limitations that broad definitions of food hubs can pose. Providing a broad definition can result in difficulty understanding the concept itself and difficulty in understanding its impacts and may ultimately lead to a meaningless concept.

Food hubs differ from any other type of business by doing more than just distributing food in a specific region. Fischer, Pirog and Hamm (2015) claim that food hubs demonstrate various values in addition to achieving financial goals. Although values vary among food hubs, the established values do impact how the food hub will operate. Fischer, Pirog and Hamm (2015) claim the most common value among food hubs is actively growing regional and local food systems. They achieve this by sourcing and selling within a defined geographical area. They actively seek to increase production and consumption of local and regional food. This differs from regional food
distributors that source locally or regionally due to circumstances or opportunities (Fischer, Pirog and Hamm 2015). The 2017 National Food Hub Survey, which was based on a survey of 131 food hubs in the United States, demonstrates that over 90% of food hubs incorporate the following four values in their mission statements: improving human health, increasing small and mid-sized farmers’ access to markets, ensuring produce is fairly priced and encouraging environmentally sustainable practices. More than half of the surveyed hubs included other values in their mission statements, such as addressing racial inequality and providing fair wages (Colasanti et al. 2018). Data from the survey also revealed that food hubs support farmers in various ways. About 82% of hubs state it is important to help small and mid-sized farms increase access to markets. Similarly, 82% of hubs claim that providing a fair price to producers is incorporated into their mission. About 46% of producers and suppliers of the surveyed food hubs are considered novel farmers or businesses. About 89% of food hubs source exclusively from small or mid-scale farmers or ranchers. Finally, 68% of hubs claim that they have increased their purchases from small and mid-sized farms over the life of the hub (Colasanti et al. 2018). This suggests that food hubs are committed to helping small and mid-sized farmers to obtain a better position in the marketplace. It is important to mention that food hubs appear to be helping these farmers passively by simply conducting business with them, rather than actively helping those businesses grow (Fischer, Pirog and Hamm 2015).

One of the barriers to creating stronger AFNs is the lack of infrastructure for connecting smaller and mid-scale farmers to food distribution networks. These farmers
require either a brokering connection to ensure local producers of all scales can access larger retailers and a system resembling a courier service that will make deliveries to small retailers or restaurants efficient (Baker, Campsie and Rabinowicz 2010). As outlined above, food hubs aim to address these challenges. As Baker, Campsie and Rabinowicz (2010) claim, a sustainable regional food economy cannot exist without scaling up food processing. The need to retake middle spaces from a few powerful global corporations will be necessary to increase access to local food as well as provide alternative market strategies to producers. Although direct marketing has always been promoted as the most reliable marketing strategy for both consumers and producers in AFNs, the significance of middle spaces is increasingly becoming important.

Rebuilding the middle will require support at all levels of decision making, including policy, regulations, and training. Baker, Campsie and Rabinowicz (2010) place blame on policy and regulations for a decrease in processing infrastructure for small and mid-sized farms. Retaking the middle spaces requires moving from large-scale and centralized processing towards food processing that is flexible and unique to each region. Baker, Campsie and Rabinowicz (2010) also claim it is important that marketing strategies be built to promote and encourage regional food economies. Labelling or certification schemes may be beneficial as well.

2.5 Summary

The goal of this chapter was to provide readers with background information about what is taking place in Southern Ontario concerning marketing and distribution of local food. A broader discussion about AFNs was also provided. AFNs benefit farmers
in several ways including giving them more control and power over decision making, providing more financial gains, strengthening the relationship between consumers and producers, and building stronger local economies. However, the literature points to some major drawbacks for AFNs, including drawbacks for farmers themselves. Several examples of distribution models in Southern Ontario were provided. These examples illustrate that demand for shorter supply chains and alternative distribution models are increasing in Southern Ontario. Further, these models demonstrate that FVCs can be financially feasible to all actors, can alter how food is distributed in Southern Ontario and can ultimately contribute to a significant shift in the current food system. This research will contribute to knowledge not only about FVCs, but also local food systems and AFNs, by exploring the experiences of farmers who participate in FVCs.
3 Food Value Chains

3.1 Introduction

This chapter provides a review of the literature of food values-based food supply chains, or food value chains (FVCs) upon which this research is based. The chapter begins by outlining a short history of value chains with a focus on Michael Porter’s contributions. Subsequently, the chapter will outline current literature on value chains. Literature of FVCs will then be examined with a focus on the role of farmers in FVCs. Emphasis will be placed on what constitutes a successful FVCs and the opportunities and challenges that farmers face in FVC partnerships. The chapter will then outline literature on how value and demand are created in FVCs. Finally, the chapter will summarize the currently available research on FVCs and demonstrate that research examining FVCs from farmers’ perspective is lacking.

3.2 Background

The earliest concept of the value chain is the filière approach, also known as the commodity chain approach, which gained popularity in the 1950s as a tool for analyzing the industrialization of the food industry. The filière approach provided a more technical approach and focused mainly on large scale processing of commodities and aimed to optimize the flow of products across borders. This approach maps and quantifies the flow of the physical product between actors. It also accessed the transport and storage of the products. The approach was first utilized to improve export chains of commodity products such as coffee, cocoa, and cotton from the French colonies (Neven 2014). More recent literature of the filière approach, includes the distribution of income of
actors in the chain, market power, and incentives and capacities of actors. This concept has been now largely integrated into subsequent literature on value chains.

The 1980s saw the emergence of various concepts related to modern value chains, including the subsector, the supply chain, and Michael Porter’s value chains (Neven 2014). The subsector approach originated in the 1970s. Mapping the flow of products throughout the competitive channels to consumer markets and introducing the idea that each subsector is dynamic, and fluid was introduced by the subsector approach. It begins by identifying raw material such as maize or wheat. It then maps out how this product is processed and sold into various markets. The focus is largely on demonstrating how and where profit is made along this map. This allows one to compare the competing markets that raw material provides. Each competing channel is defined by unique technologies and relationships. This approach recognizes that actors in the chain are greatly diverse and create various points of leverage that can result in cost-effective and inclusive strategies. Compared to the filière approach, the subsector provides a deeper understanding of the competitive changes that occur along the chain. The value chain created by Michael Porter directly stems from this concept. The value chain, however, introduces concepts of governance, globalization, and end-market focus which are not present in the subsector approach.

The supply chain approach, developed in the 1980s, views chains as collaborative arrangements designed to create value through five critical flows: product, service, information, finance, and knowledge. The supply chain model today focuses largely on the logistics, the flow of products, and services throughout the chain (Neven
2014). It is the logistics of various aspects including, production, packaging, transport, and storage that can maximize these flows. Globalization and industrialization provide both challenges and opportunities for supply chain management. Porter’s concept of value chains has contributed most to the current literature on the topic.

3.3 Michael Porter’s Value Chains

Michael Porter introduced and popularized the idea of value chains. Value chains are first mentioned in Porter’s book titled *Competitive Advantage*, published in 1985. Porter developed value chains as a response to what he refers to as an “outdated approach to value creation” (Porter and Kramer 2011: 64), which largely relies on short-term financial gains and not creating long-term value based on consumer needs. For Porter, at the core of a successful business is competition. Porter (1985) believes that companies have lost sight of competitive advantage in their pursuit of growth and prosperity. He believes the failures largely lie in the notion that companies are unable to translate broad competitive strategies into specific steps of action. *Competitive Advantage* aims to demonstrate how this can be done. Fundamentally, for Porter, competitive advantage stems from the value a company can create for its consumers. Value chains demonstrate how companies can differentiate themselves by adding value within the organization, adding to their competitive advantage. Creating value can take various forms including lower prices than competitors or providing consumers with unique benefits at a premium price.

Porter (1985) defines the value chain as a set of activities a company performs at various steps to create value for its buyers. The value chain as a series of value-added
activities that consist of primary activities such as production, distribution, and sales and secondary activities, such as planning, finance, and human resources (Porter 1985). The role of value chains is to “[disaggregate] a firm into its strategically relevant activities in order to understand the behaviour of costs and the existing and potential sources of differentiation. A firm gains competitive advantage by performing these strategically important activities more cheaply or better than its competitors” (Porter 1985: 33). Value chains help companies differentiate themselves from competitors, as value chains reflect the history, strategy, and implementation of individuals companies. Porter (1985) believes it is the differences in value chains that are key to creating competitive advantage. In *Competitive Advantage*, Porter develops the idea of value chains to help companies develop useful strategic management tools to increase competitive advantage. In the book, Porter (1985) uses value chains to define and examine the various activities in which a company participates, examines how these activities are connected, which ones are beneficial and which activities are wasteful. Value chains are used to identify individual activities and determine whether and how they create value. Porter (1985) builds on the assumption that companies are not compilations of random activities. Activities must be organized into categories and systems to allow companies to develop products for which consumers are willing to pay a premium price. Performing certain activities strategically and managing these activities and the links between them well, will create competitive advantage (Porter 1985).
A more detailed definition of value chains presented by Porter is as follows; value chains are “not a collection of independent activities but a system of interdependent activities. Value activities are related by linkages within the value chain. Linkages are relationships between the way one value activity is performed and the cost or performance of another” (1985: 48). Porter (1985) broadly divides value chains into two categories – activities and linkages. Every broad function of a company must be identified and isolated as an individual activity. The number of potential activities can be quite large as one can further subdivide each activity into more focused or specific and narrow activities. As Porter states, “every machine in a factory, for example, can be treated as a separate activity” (1985: 45). The identified and isolated activities are the building blocks that are connected by linkages. Linkages are the relationships between activities. They provide information flow between the activities and can provide seamless cooperation. Porter (1985) acknowledges that most linkages go unnoticed because they are subtle. Linkages between a company and its suppliers are also important as it can improve competitive advantage for both parties. For example, improving the coordination between a farmer and a retailer can improve or contribute to the value chain for both parties. Porter (1985) maintains that such linkages cannot be successful unless both parties benefit. He warns by stating, “the relationship with suppliers is not a zero sum game in which one gains only at the expense of the other, but a relationship in which both can gain” (Porter 1985: 51). Since value created is limited, each member of the value chain must utilize their position and negotiate to receive a higher proportion of this margin. Porter (1985) claims that both coordination
between the parties as well as bargaining on behalf of each member, is important for all actors to capture all the benefits that stem from creating value. All members can however, work together to improve efficiency and reduce the costs to achieve greater margins to the benefit of all members. Profit will be created if a company provides a product for which consumers are willing to pay more than the sum of the costs of all activities in the value chain. Profit margin is the amount of profit you can create minus the cost of creating the value. Profits are, however, dependent on a company’s ability to manage the activities and the linkages between the activities (Porter 1985).

3.4 Modern Version of the Value Chain

Although Porter’s work on value chains contributed most to how we currently understand value chains, it is important to note that others, since Porter, have contributed to the concept of value chains. The global commodity chain, developed in 1994, essentially combines value-added and globalization. Global commodity chains aim to demonstrate that globalization and consumer markets are what drives value chains. It claims that coordination is increasingly becoming influenced by global actors. Gereffi and Korzeniewicz’s (1994) concept of the global commodity chain added the notion of chain governance, outlining how various firms across the chain are coordinated to add value and to create more competitive advantage. Governance in value chains is influenced by three factors including the complexity of the information required for coordination, how easily the information can be codified, and finally how capable suppliers are of meeting the requirements (Gereffi and Korzeniewicz 1994).
The net-chain concept combines the supply chain concept with the network concept. It introduced the idea of horizontal linkages and the idea of horizontal and vertical coordination. The approach claims that inter-organizational collaboration improves coordination, quality management, and value creation. For example, the net-chain concept makes more explicit the idea that farmers have more market opportunities as a group than individually. The net-chain approach has been limited largely to economic analyses.

The inclusive business model (IBM) focuses on a very narrow aspect of the value chain. The focus is placed on individual firms and how it captures and grows value. The IBM focuses on a specific part of a value chain, such as the linkages between small farmers and processors. In development literature, it is used to study a specific link in the value chain. For example, in food chains, the IBM identifies the weak link between small producers and their direct buyers. It also identifies that there is an increasing demand for strengthening those links and improving coordination, making the middle actors or wholesalers a flaw of the business model. The IBM proposes, in this case, that middle actors develop new roles or the development of new intermediaries. This new model may result in greater inclusion of small producers. The IBM approach also recognizes poor consumers as an actor that ought to be included in the value chain (Neven 2014).

Other literature has expanded on the concept of value chains and developed novel concepts such as value webs and value networks. Value webs challenge the image of a chain as linear and unidirectional. Value webs refer to creating connections
beyond the traditional value chain and encourage connections that are flexible and multi-directional (Block et al. 2008). Value webs encourage the development of relationships along different parts of the web and between partners that may not have had connections in a value chain model. Value networks are defined as “any set of roles and interactions in which people engage in both tangible and intangible exchanges to achieve economic or social good” (Allee 2008: 6). Actors who engage in these types of relationships can be considered part of a value network. These can include private corporations, the public sectors as well as civic society organizations (Timonen and Ylitalo 2007) and project teams (Allee 2008) of various sizes. Intangible benefits such as loyalty, security, support, and trust. The success of organizations in value networks depend on these intangible exchanges. In every transaction, there exists an exchange in intangible value.

Although Porter (1985) viewed the value chain as a practical tool for creating and maintaining competitive advantage, the definitions of FVCs have been numerous and slightly varied. It is important to mention that Porter’s (1985) original conception of value chains focused largely on assessing a firm’s internal functions as a means of developing competitive advantage of one business. More current literature on value chains including Porter’s more recent work (see Porter and Kramer 2011) utilizes value chains as a means of analysis for systems of firms rather than individual businesses.

3.5 Value Chains are not Supply Chains

Value chains differ from supply chains. Fearne, Martinez and Dent (2012) summarize this well by outlining the differences in objectives, material flow, information,
and relationships. The objectives of supply chains are to reduce costs, increase margins, and increase market share, whereas the objective of value chains is to add value with differentiated products to increase profits along the entire chain. Whereas supply chains focus on efficiency, market access, and increased distribution, value chains focus on quality and service. The distribution is determined by consumer demand. In value chains, information is recognized as a potential means of creating value and is shared between partners along the chain. In supply chains, information is protected and sharing is limited. Relationships between partners in value chains are to be collaborative, where all partners contribute equally, share the risks as well as the rewards. As Block et al. (2008) state, all activities including those of a chief executive to those of a janitor, are all interlinked and essential to the success of a value chain. Relationships in supply chains, on the other hand, are not seen as essential to market efficiency and market access (Fearne, Martinez and Dent 2012).

Porter claims that trust has been lost in businesses and as a result, businesses are being blamed for many social, environmental, and economic problems. Corporate social responsibility is not enough to mend the trust between businesses and the broader community. Porter and Kramer (2011) claim that corporate social responsibility is something in which companies participate due to public relations whereas, in value chains, companies structure their operation around the value, which allows them to create business success as well as social benefit. Conventional corporate marketing has largely focused on what Porter and Kramer (2011) refer to as ‘value proposition’, where companies focus on providing consumers with reasons why they should choose
one company over another. These features can be quality, performance, or reliability. These features, however, are at times manufactured and do not represent what consumers want. Under the corporate social responsibility model, social and environmental issues Porter and Kramer (2011) claim are in the periphery and not at the center of the business. As Porter and Kramer state, companies “have spent decades learning how to parse and manufacture demand while [they] have lost sight of that most basic of questions: Is our product good for our customers? Or for our customers’ consumers?” (2011: 67). Value chains challenge what seems to be the core of today’s businesses, the idea that providing social benefits sacrifices profit. Porter (1985) does not believe this to be true. Value chains create economic value for all partners while addressing social needs. Porter and Kramer (2011) claim businesses must reconnect business success goals with social progress goals.

3.6 Creating Shared Values in Value Chains

At the core of value chains are ‘shared values’. Shared values do not refer to sharing the already created value that involved redistribution. Shared values involve expanding the total amount of economic and social value. Shared values are defined as “policies and operating practices that enhance the competitiveness of a company while simultaneously advancing the economic and social condition in the communities in which it operates” (Porter and Kramer 2011: 66). This concept recognizes that societal needs like economic needs define markets and that social harm can result in internal costs such as wasted energy or resources or remedial training costs for poorly educated employees. By creating social value, firms can create economic value. Shared value
can be created in three ways (Porter and Kramer 2011). The first way is by rethinking products and markets. Rather than manufacturing demand, Porter and Kramer (2011) claim that society’s needs, such as addressing food security or environmental issues, already provide many demands, which unfortunately have been ignored by markets. By looking at societal needs, companies can create shared value that provides ongoing opportunities for differentiation in traditional markets, as well as create markets that have been overlooked. A second way to create shared value is by redefining productivity in the value chain. Many externalities, such as natural resources or equal treatment in the workplace also impact internal costs. For example, reducing packaging or lowering greenhouse gases does not only address environmental concerns but can also save costs. Porter and Kramer (2011) believe the similarity between social development and productivity is much greater than suggested in traditional economic models. The third way to create shared value is by developing local clusters of supportive businesses. A company’s success is dependent on supporting companies but also other institutions in society such as academic institutions, trade associations, transportation, regulation bodies, and other infrastructure (Porter and Kramer 2011). Growing regional economies require many actors to be successful, including the government, the civil sector, and at times, competing companies. These institutions are significant for another reason as well. Governments and civil society are increasingly holding businesses more accountable for their negative environmental and social impacts. Fearne, Martinez and Dent (2012) believe this is a shift in management style, where entire chains and not individual businesses are held accountable for a product’s
or service’s impacts. They believe this is desirable for society as it puts the responsibility on the private sector to also participate in building sustainable communities.

Inherent to the definition is that value chains must ‘add value’ to the product and that all partners involved benefit. Value chains can include all the necessary activities of bringing the product to the consumer, including production, processing, storing, marketing, distribution, consumption, and the disposal of the product (Gómez et al. 2011). Diamond et al. define ‘value’ in value chains as “efficiency gains resulting from close coordination among supply chain partners, to higher prices earned through the marketing of differentiated food products, and to a set of shared values articulated by chain participants that directly responds to consumers demands and interests” (2014: 1). Value from the partners is intentionally inserted into the value chain and the value itself becomes a tool for marketing and the ‘selling point’ as the product moves through the chain. Devanney (2006) claims that to maintain viability and increase the share of the market, a comprehensive understanding of all the components of the supply value chain is necessary. It is through transparency and trustworthiness between all partners that a win-win situation can be created. In addition, developing collaboration along the value chain, rather than one actor aiming to control the chain will increase the probability and efficiency of the value of the product (Devanney 2006). As such, the gains of a retailer are not achieved at the expense of the producers or other actors.

A principal characteristic of a value chain is that firms work together to optimize their collective performance in the creation, distribution, and support of an end product
(Peterson 2002). Relationships in value chains are perceived as ‘partnerships’, ‘alliances’, or ‘collaborations’ (Presutti 2013; Devanney 2006). In value chains, sharing information between partners is essential to better decision making and allocation of resources (Fearne Martinez and Dent 2012). Knowledge sharing allows partners to rapidly identify patterns in consumer demand and respond quickly with lower transaction costs, resulting in improved relations with consumers (Devanney 2006). Devanney (2006) claims value chains are more efficient in disseminating knowledge equally to all the partners along the chain. In addition to ‘codifiable knowledge’ that can be presented via conventional means such as print or data, value chains have a unique ability to share knowledge that has been gathered and passed through generations. For example, human capital that has been gathered over generations on a family farm would take many years to relearn. Through value chains, this knowledge can be accessed and utilized much quicker and more efficiently (Devanney 2006).

Trust between partners, often presumed, is an essential characteristic and must move up and down the chain (Block et al. 2008). Mutual support and collaboration between partners are believed to be the core methods of maximizing the value of their product. Under the value chain, all members of the chain are invested in ensuring the chain creates sustainable businesses along the way (Block et al. 2008; Smith 2008; Stevenson and Pirog 2013). Relationships are collaborations rather than simply transactional. Relationships also provide continuity and stability and allow for all partners to contribute to the development of the effectiveness of all partners (Block et al. 2008; Presutti 2013). Trusting relationships also allow companies to become more
transparent and allows partners to have access to information that otherwise would be kept confidential. Not only do trusting relationships improve efficiency but they can also recognize emerging trends and reduce costs (Block et al. 2008; Forssell and Lankoski 2015).

### 3.7 Differentiation and Demonstrating Demand

Porter (1985) outlines two ways in which a company can gain competitive advantage. One is by lowering the price and the second is by differentiation. Devanney (2006) demonstrates that firms in conventional supply chains rely largely on price to distinguish themselves from competitors. Firms must accept the potentially lower prices of the market and risk being pushed out from the market by competitors that lower their prices. For example, raw agricultural products are largely homogenous, and consumers of the conventional supply chain are not greatly concerned with where their products come from. The main deciding factor is largely price for consumers. Producers are encouraged to become as economically efficient as possible as a means of achieving profit (Devanney 2006). As a result, there is little diversification on farms and the focus is on developing mono-commodity corporate farms. Retailers in conventional supply chains also experience pressure and aim to tighten their margins, which often results in producers receiving fewer profit margins.

A company can also differentiate itself from competitors if it offers something unique that is valued by consumers or buyers, which is demonstrated by paying a premium price. A company’s differentiation can appeal to the general public or a particular subset with specific needs. Differentiation can occur by having a unique
physical product, by unique marketing or it can stem from other parts in the value chains such as the services provided, the skills and knowledge of those employed to perform the activities, or the relationships and linkages in the value chain. It is important to note that the value is determined by the perceptions of the consumers (Porter 1985, Devanney 2006). According to Porter (1985), value is only created when that value is perceived by the buyer and it is rewarded by a premium price. As Porter states, “Buyers will not pay for value that they do not perceive, no matter how real it is” (1985: 139).

Companies should not assume buyers perceive value the same way they do. This means that the value must be communicated to the buyers through avenues such as advertising or sales. Fearne, Martinez and Dent (2012) add that in understanding buyers and consumers, one must also understand how value can translate across indirect relationships, as potential benefits can at times occur only several transactions downstream.

A premium price for differentiation depends on the value provided as well as the extent to which the buyer perceives this value. For Porter (1985), providing quality for consumers or buyers is not enough for differentiation. While quality is part of differentiation, differentiation is a much broader concept. He discourages companies from using the term ‘quality’ to describe their differentiated product as it is too general, and places focus on only the product rather than the values that impact the consumer. As he states, “At this level of generality, a firm cannot begin to calculate the value of meeting a use criterion to the buyer, nor can the firm know how to change its behaviour to increase buyer value” (Porter 1985: 146). Differentiation aims to create value for the
buyer or consumer throughout various steps in the value chain. When a value chain is defined by consumer demand and value and information is shared equally between all partners in the chain, it becomes very difficult for competitors to imitate the value chains (Fearne, Martinez and Dent 2012). Porter (1985) claims it is important to examine the buyers or consumers’ value chain to determine how one’s product will be used and how the product will impact other activities for the buyer or consumer. Although a buyer’s value chain can be easily imagined, such as a retailer or distributor, consumers have their value chains as well (Porter 1985). A consumer’s value chain represents all the activities in which the product will take part. As such, it is important to examine how the product will directly or indirectly influence various consumer activities. Furthermore, it is important to maintain the consumer base, as a high turn-over rate can harm the relationship between the partners in the value chain (Heiss 2015).

In addition to examining buyers’ value chains, it is important to also determine who the decision makers are. It is the decision makers that determine whether the value has been delivered and how the value is perceived. These decision makers may not however be the people who purchase the products or who will use the products, but they are very likely to impact the value attached to the product (Porter 1985). The role of the decision makers in the value chain further supports the idea that relationships are important aspects of a successful value chain. As Porter (1985) mentioned, the significance of these relationships often goes unnoticed, but they are vital to the flow of information and the creation of value. The relationships themselves can become valuable and a point of differentiation. As Porter argues, “Other value activities besides
those associated with a product can represent an important source of differentiation because many firms tend to be preoccupied with the physical product” (1985: 143).
Research also shows that strong relationships lead to trust and commitment, which can increase efficiency and satisfaction across the entire chain (Presutti 2013; Heiss et al. 2015). Presutti (2013) claims the most important aspect of a successful value chain is a culture that encourages and nurtures collaborations. The presence, or lack thereof, of strong and nourishing partnerships will impact all other activities in the value chain.

3.8 Defining Food Value Chains

Values-based food supply chains, or food value chains (FVCs), are arrangements between producers and other partners in the chain that are committed to not only providing high quality differentiated products but to ensuring all participants benefit equally. FVCs differ from conventional supply chains, where the focus is on profit maximization often at the expense of the other actors in the supply chain (Hoshide 2007). According to Stevenson and Pirog (2013) value-based food supply chains differ from conventional food supply chains in four ways. First, relationships in conventional food supply chains are framed as a win-lose scenario in favour of certain partners. Partners compete against each other to maximize their own profits. Value-based food supply chains view partners as strategic partners who are interdependent upon each other intending to attain a win-win scenario for all partners. Second, producers are valued and treated like any other strategic partner, with rights and responsibilities towards the value chain. Producers maintain their identity and maintain the values they hold towards various social and environmental goals (Lerman 2012). Stevenson and
Pirog (2013) believe that in conventional food supply chains, farmers, ranchers, and fishers are treated like interchangeable parts who often receive short-term contacts and usually bear all the risks. In conventional food supply chains, the benefits and profits are not usually distributed equally along the chain, negatively impacting producers. Third, partners make commitments towards one another to ensure all partners receive appropriate profit margins, fair living wages, and long-term agreements. Finally, the operations of a FVC can be effectively located and coordinated at local and regional levels. In conventional food supply chains, on the other hand, most operations are located and coordinated at national and international levels and local and regional levels are to provide short-term gains for the parties that dominate the chain.

Once the relationships between partners in a food supply chain are formulated around a set of values, they become known as value-based food supply chains. FVCs are characterized by their features, which include collaborative partnerships where all partners, including producers are valued. These partnerships are marked by transparency, trust, and open communication. All partners have equitable power and aim to ensure all partners receive a fair price. Stevenson and Pirog define value-based food supply chains as supply chains that emphasize “both the values embodied in the food products and the values associated with the business relationships within the supply chain” (2013: 1). Upon reviewing numerous literature on FVCs, Lerman, Feenstra and Visher claim that FVCs were generally described as “supply chains that efficiently linked agricultural products with markets, while promoting and maintaining certain core values, such as equitable incomes for farmers and food systems workers,
ecological sustainability, community capacity, and healthy food access" (2012: 5).
Lerman claims FVCs are “characterized by trust, transparency and equitable relationships between all participants. By preserving values associated with production as well as values in how partners interact with each other, these supply chains are theorized to help ensure a fair price for [all producers]” (2012: 2). Theoretically, FVCs differ from conventional supply chains largely through the means of how partnerships are developed. Value chains rely on trust, transparency, and equity among all partners. This, however, may be difficult to achieve in practice. FVCs operate under the assumption that all partners understand the definition, goals, functions, and the key characteristics of value chains. If these are not understood by all partners, the win-win scenario will be compromised (Stevenson et al. 2011). Hoshide (2007) adds that maintaining honest partnerships in value chains with more actors may be more difficult due to the higher transactional costs.

Hoshide (2007), as well as Prišenk and Borec (2015), claim FVCs express an added value which can be achieved through either raw materials processed into an agro-food product stating it’s place of origin, or through a labelling certification program like geographic indications in the European Union or through a unique partnership between actors along the value chain who focus on achieving profits and benefits to all partners while addressing a social or environmental issue. Implementing a labelling or certification process can potentially guarantee the characteristics of the value chains, such as trust, transparency, and equity have been met. Labelling products can also educate consumers about these characteristics and make it easier for consumers to
support value chains (Hoshide 2007; Lerman 2012). A labelling or certification process can also help partners better communicate along the value chain and ensure the created value is understood the same way between all partners (King et al. 2010).

Lerman (2012), however, points out that most FVCs in North America do not obtain any labelling or certification process.

Regional FVCs are defined by Stevenson and Pirog as “strategic alliances between midsize, independent (often cooperative) food production, processing, distribution and sales enterprises that seek to create and retain more value on the front (farmer/rancher) end of the chain, and affectively operate at regional levels with significant volumes” (2013: 3). King et al. (2010) claim that regional or local FVCs usually have fewer partners along the value chain. As a result, there are fewer actors between the producer and consumer. This shorter chain is often used as the key differentiating feature for many FVCs. However, FVCs are very diverse and can take various forms. They can be short, long, national, or international chains that move one or numerous products emphasizing different values. The emergence of large FVCs into the value-based market, however, can pose an obstacle for smaller or regional value chains. Large value chains can have a competitive advantage and can often draw the prices down, which presents a barrier for smaller producers and smaller FVCs (Lerman 2012).

Inherent to the value chain model is the concern of how a firm addresses certain social or environmental issues. Value chains’ focus on building and growing value stemming from social and environmental concerns suggest that strategies will address
these issues in sustainable ways (Neven 2014). As Presutti (2013) claims, companies are no longer judged solely on their economic performance but also on how they meet their social and environmental obligations. The responsibility towards a social or environmental goal must be recognized by every actor and must be present in every activity of the value chain. Value in food chains can be added by processing products, by storing it or transporting it. Value added is calculated by taking the difference between the non-labour costs incurred to produce and deliver a food product and the maximum price the consumer is willing to pay for it. The main objective is to capture value in the end market to generate profits and mutually coordinated benefits for all partners in the chain. There is potential to add or lose value at each stage of food production. At times, trade-offs must occur to achieve the social or environmental goals coordinated by the chain. For example, the adoption of greener technology may result in a less competitive price, but the product will be positively differentiated by consumers on the market.

FVCs present an opportunity for producers and other partners along the food chain to meet increasing consumer demands for products that are of higher quality, ethical, and sustainable. FVCs are largely formulated around improving social and environmental values (Stevenson and Pirog 2013). Many developing FVCs do so to challenge the industrial food system. According to Diamond et al. (2014), FVCs have been increasing due to consumer demand for highly differentiated, specialized products that meet the increasing concern for animal welfare, environmental, and social implications. By introducing a value, especially a moral value into the food system, the
value chain can address a current food issue such as providing locally produced food to food deserts (Block et al. 2008). Some values that are created in FVCs are traceability, microbiological and aesthetic quality; health, environmental, animal care, cultural, heritage, local or regional economy benefits; and social or community solidarity (Sage 2003; Bedoin, Kristensen and Noe et al. 2009; Hergesheimer and Wittman 2012). Some FVCs also utilize the identity of the producer or the farm from which the product came (Lerman 2012). In this case, the story of the producer or the farm is communicated to the consumers through packaging, media advertising or consumer newsletters.

All the partners in the value chain share knowledge, information, and expertise to improve the product (Stevenson and Pirog 2013; Devanney 2006). Stevenson and Pirog claim FVCs “emphasize shared values and vision, shared information (transparency) and shared decision-making among the strategic partners” (2013: 4). As the demand for higher quality products increases, farmers will have to work together to provide a large supply of differentiated products. Under value chains, farmers are not considered an anonymous and exchangeable part, but are considered essential to producing high-quality food (Smith 2008; Thomas, Stevenson and Welsh 2008) and are thereby able to regain their position in the market (Shuman 2007; Stevenson et al. 2011). FVCs allow producers greater market access and provide a price premium through product differentiation (Lerman, Feenstra and Visher 2012). Comparing conventional supply chains to value chains, Hand (2010) claims the partnerships developed in value chains can reduce the uncertainty farmers feel around new business opportunities. Value chains can also provide more support in packing, grading, and storing by aggregating
products from a variety of farmers. FVCs can also help producers decrease marketing costs through sharing resources such as storage space, distribution channels, and packing materials (Hand 2010). This can be especially beneficial to smaller farmers and new farmers. The support found in value chains can ultimately make farmers more competitive and allow them to gain a market to which they otherwise would not have access (Lerman 2012). Many researchers believe FVCs can better meet the needs of mid-scale producers than the industrial food systems that provide prices at or below the cost of production or direct marketing that moves a small number of products (Hoshide 2007; Shuman 2007; Thomas, Stevenson and Welsh, 2008; Lerman 2012). Developing markets for mid-scale farmers yields great importance as mid-scale farmers are essential to a resilient rural economy. Hoshide (2007) also believes that mid-scale farmers in North America farms are more suited to participate in FVCs as they can better adapt to the changing demands of consumers than large industrial farms. He also believes mid-scale farmers can easily accommodate such increasing demands as local, free from hormones, antibiotics, and genetically modified organisms (Hoshide 2007).

FVCs have been linked to strengthening local economies, largely through the multiplier effect (Shuman 2007; Meter 2008). The multiplier effect describes the amount of activity within a local economy that is created through the purchase of an item (Shuman 2007; Meter 2008). Shuman (2007) uses the multiplier effect to encourage the purchasing of local products from local or regional companies. He claims that the more a dollar circulates in a specific region, the more likely it is to create income, jobs, and wealth within the region. When a dollar is spent on a non-local or non-regional product
from international corporations, that dollar spends less time in a defined region and is less likely to create as much income, jobs and wealth compared to a dollar spent on local produce from a locally based company (Shuman 2007; Meter 2008). Local economies can also benefit from FVCs by an increase in employment, increased local tax revenue, retention of local businesses, improved rural economies, improved economic security as well as increased environmental stewardship, and improved public health (Shuman 2007; Thomas, Stevenson and Welsh 2008; Lerman 2012).

One of the greatest benefits of value chains is to quickly adapt and meet consumer demand. As consumer interest in where food comes from increases, value chains can provide products that do not differentiate themselves through price, but through taste and preferences. Relying on price as a means of differentiating from competitors has less significance in value chains than it does in conventional supply chains (Devanney 2006). Consumers of value chains, compared to consumers of conventional supply chains, do not prioritize price during the decision making around purchasing food. Consumers are more likely to pay a higher price for a quality product (Hoshide 2007; Devanney 2006). Consumers can also benefit by increasing their awareness of local or regional foods and by accessing local food producers with greater reliability than purchasing from individual producers separately. Whether the price of products from value chains acts as a barrier is a debated topic. On the one hand, researchers claim FVCs have the potential of providing large volumes of products to low-income communities (Lerman 2012; Lerman, Feenstra and Visher 2012). Gaining access to various producers is easier through value chains, which can also lower the
cost of local food (Lerman 2012; Lerman, Feenstra and Visher 2012). On the other hand, ensuring producers receive a fair price for their products may result in a higher price point, which may not be affordable to low-income consumers and can limit the access of these products from the less privileged (Stevenson et al. 2011).

According to Devanney (2006), producers in FVCs are removed from perfect competition. They must take a leap of faith, lose some autonomy in exchange for longer term viability and an increased return. In examining partnerships in the coffee sector in Peru, Bitzer, Glasbergen and Arts (2013) demonstrated that financial benefits to farmers is largely dependent on the partnerships that farmers form with various partners along the chain. The role of retailers in meeting demand is also important. Retailers will have to adjust to sharing market power and profit with all the partners along the value chain. Retailers must ensure FVCs of all sizes, specifically those of smaller and mid-scale can be competitive at the local or regional level. This may be difficult to achieve for large, multi-chain retailers, but it is essential for the fostering and development of smaller FVCs (Hoshide 2007).

Support from retailers and other influential actors is also essential in addressing several barriers that researchers identify in FVCs. Several studies claim there is a lack of infrastructure, such as storage, processing, distribution, and marketing in FVCs (King et al. 2010; Lerman, Feenstra and Visher 2012; Bitzer, Glasbergen and Arts 2013; Devanney 2006). Comparing local and large value chains, King et al. (2010) claim local value chains create more greenhouse gases as they are less fuel-efficient due to lack of infrastructure such as aggregated transportation. Working with an underserved
community of farmers can result in costly and labour intensive transactions. Product consistency and quality are often identified as an issue when working with many farmers (Bitzer, Glasbergen and Arts 2013; Heiss et al. 2015). Lack of startup capital and resources available to FVCs can result in additional barriers such as a large workload, lack of technical assistance such as food safety knowledge or management of product development.

FVCs can take various shapes and forms. It provides a broad, flexible, and adaptable approach. As a result, this concept can be used to address various issues across many geographical locations. They can be global partnerships as well as local or regionally based. In its definition, the Food and Agriculture Organization of the United Nations (FAO) places focus on sustainability. The FAO defines sustainable food value chains (SFVCs) as

the full range of farms and firms and their successive coordinated value-adding activities that produce particular raw agricultural materials and transform them into particular food products that are sold to final consumers and disposed of after use, in a manner that is profitable throughout, has broad-based benefits for society, and does not permanently deplete natural resources (Neven 2014: vii).

The SFVC concept aims to make value chains more holistic by shifting focus away from market orientation to a more sustainable idea of incorporating environmental, social, and economic issues as well as increasing the number of actors considered in value chain analysis. The FAO claims SFVCs can directly impact poverty and hunger around the world in three ways. The first is by reinvesting profits and savings; second, by increasing employment and worker income and finally, by driving public spending on social and environmental causes. SFVCs focus on improving food availability and
decreasing prices of food, allowing households to spend more money on higher-value food. This in turn will increase the demand for value creation along the value chains, increasing food supply, addressing consumer demands while addressing social and environmental issues.

Neven (2014) claims that the common ‘one-chain-at-a-time’ approach to developing FVCs has three blind spots which, if not addressed, risk the sustainability of the value chain. First, it is important to better integrate farming systems into the development of value chains. For example, farmers can often be part of multiple value chains and to influence a producer’s decision in one value chain may require a change in another value chain. Further, to assess a value chain successfully, it is necessary to examine the interactions between all value chains in a food system. For example, the mechanization of a crop may take away jobs at the production level, more so than at other levels of the chain. This may be considered an undesirable social outcome and thereby ought to be considered by developing potential solutions for the negative impacts. Finally, there is a need for value chains to be more interdependent. For example, aggregating the demand from multiple value chains may result in large masses of food, making certain services, like processing, more commercially and fiscally viable. There are many synergies in the food system that are underutilized.

3.9 Literature on Food Value Chains

Much of the literature on FVCs can be grouped into two categories. The first outlines the descriptive and structural aspects of FVCs, outlining what FVCs are. Value-based food supply chains were described as either a partnership or network of various
actors operating in wholesale markets, moving differentiated products, which
differentiated in terms of production processed (ex. organic or ecological), ethical
considerations (ex. humane animal treatment or fair trade), the origin of production (ex.
local or regional) or utilizing the identity of the producer or farm from which the product
came. For example, studies examine how the ‘value’ is determined and distributed
along the chain. Block et al. (2008) distinguish between how value is conceptualized.
Value can be associated with the product itself, which Block et al. (2008) refer to as
‘values of the web’, or value can be created through win-win partnerships that move the
product along the chain, which is referred to as ‘values in the web’. Barber (2008)
proposes a novel model of measuring value in value chains by incorporating intangible
value-adding aspects, such as trust and leadership, to tangible aspects, such as
accuracy and speed, to measure the total value chain success. Prišenk and Borec
(2015) outline the flow of communication between various partners in two organic FVCs
in Slovenia. They found partners communicate with each other extensively but suggest
stronger communication about values can exist with both consumers and producers.
Communication about fair prices as well as values such as animal welfare and
environmental issues were also not strongly communicated along the entire FVC.

A body of literature outlines the structure of a sustainable FVC. Several
researchers began examining the sustainability of FVCs (Schwarz et al. 2016). Global
value chains are often perceived as less sustainable than local ones. Concepts such as
food miles, short supply chains, and local perpetuate this idea amongst consumers.
Research comparing global and local FVCs is diverse. Much of the research uses the
concept of food miles and greenhouse gas emissions to formulate their evaluations. While some research points to high carbon emissions of global food chains (see Van Hauwermeiren et al. 2007 and Stoessel et al. 2012) other research points to the seasonality as an important characteristic as the duration and type of storage in the off-season impacts total emissions (see Edwards-Jones 2010 and Avetisyan, Hertel and Sampson 2014). Schwarz et al. (2016) explore the sustainability of global and local value chains of asparagus production. They first identify several indicators that cover environmental, economic, and social aspects of sustainability. Their results suggest that neither is more sustainable or superior than the other, as they prioritize different aspects of sustainability (Schwarz et al. 2016). Gómez et al. (2011) also point to the idea that researchers and decision makers ought to examine not simply the economic benefits of FVCs, but also the indirect social effects. This is especially important amongst small producers in developing countries. FVCs may not only increase farmers’ income but may also offer individuals lower-cost food, more nutritious and safer foods, increased employment, and improved working conditions (Gómez et al. 2011).

Fearne, Martinez and Dent (2012) urge value chains to adopt more holistic approaches, including addressing environmental and social issues. They provide a framework consisting of three dimensions that can be used to evaluate whether a value chain contributes to sustainability. The first dimension addresses the boundary of analysis. Fearne, Martinez and Dent (2012) demonstrate a shift from using value chains as a means of accessing individual firms to accessing entire systems of firms. Assessing entire systems of firms or entire value chains are placing responsibility and
accountability on a group of firms for their role in environmental and social impacts. This widespread accountability encourages companies to cooperate and collaborate in addressing various issues. Under its sustainable value chain model, Neven (2014) also encourages this approach. Neven (2014) claims the focus on the entire chain encourages a governance model that moves beyond traditional market transactions.

The second dimension seeks to expand what is viewed as value-added. In earlier work on value chains, value largely originated from within management operations where value-added was the price recovered minus the cost incurred. Taking into consideration the broader needs of consumers and the community is vital for creating competitive advantage. The third dimension accesses the power dynamics in the flow and allocation of resources along the chain. Fearne, Martinez and Dent (2012) are disappointed in the limited examination of relationships in literature. They claim many studies simply identify the existence of relationships and identify the existence of flow of information. Building relationships and sharing information is what can differentiate businesses and limit competition as those exact relationships may be hard to imitate.

The second body of literature outlines the normative and strategic elements of value chains, suggesting the best ways value chains ought to operate. For example, studies focus on how FVCs can improve coordination, strategic partnerships between producers, processors, and retailers can improve their market performance. Stevenson and Pirog (2013) compare how the relationships with farmers, ranchers, and fishers in FVCs create win-win scenarios compared to conventional food supply chains. Pullman and Dillard (2010) argue that the design and management of value chain, specifically
predictability of activities and exchanges, are key to its success. The novelty and diversity found in value chains require partners to continually develop and adjust the rules and practices of partnerships (Schafft, Hinrichs and Bloom 2010). New partners or new value chains must also become familiar with the practices (Pullman and Dillard 2010, Schafft, Hinrichs and Bloom 2010).

Much of the research on value chains largely focuses on the economic elements of partnerships, examining the various activities and actors involved in producing and marketing as they relate to one another. For example, through their analysis of several value chain partnerships, Gooch, Marenick and Felfel (2010) demonstrate that value chain management strategies can increase profits as much as 100 percent in as little as 18 months. It is important, however, that the value along the value chain is in demand. If not, farmers can experience negative value-added as the amount they spend on adding value may exceed their gross farm receipts (Cummings and Associates 2009). The amount a farmer will profit from value-added largely depends on the farm type. While examining the Temiskaming District in Ontario, Cummings and Associates (2009) found tobacco farmers have the highest share of value-added per dollar, while beef farmers ranked last. Considering labour, equipment, machinery and the market are also important factors. For example, beef operations are part of the open market, while dairy farms operate within the supply management system, which impacts price and production levels (Cummings and Associates 2009).

Other literature examines FVCs as a way of improving local economies (Shuman 2007; Meter 2008). Adding value along the supply chain can create jobs and can be
essential for the growth of an economy. Many consumers choosing products from value chains do so in support of local or regional farmers. Research demonstrates that local FVCs positively impacts the local economy through the multiplier effect. The multiplier effect suggests that dollars spent in a specific region towards local businesses will create more jobs, income and wealth compared to dollars spent towards non-local businesses (Shuman 2007; Meter 2008). Ballingall and Winchester (2010) examine how the support of local food in the United Kingdom, France, and Germany, can negatively impact developing countries that exported produce to these developed countries. They further demonstrate that low- and middle-income countries participating in global FVCs can benefit via economic growth and poverty reduction (Ballingall and Winchester 2010). Some studies also point to social opportunities farmers in developing countries experience, when participating in global value chains. Social opportunities include improved labour conditions, increased primary school enrolment, improved food security, reduced fertility rates amongst the female labour market, and increased levels of happiness (Schwarz et al. 2016).

FVCs are increasingly being recognized as a tool for strengthening rural and farming communities in developed countries and for alleviating poverty and food insecurity in developing countries. When managed carefully, value chains can provide opportunities for farmers, especially small and mid-scale farmers, to access a high-value market. Research exploring the opinions of farmers about FVCs, independent from other actors in the partnership are largely lacking in literature (Clancy and Lehrer 2010; Stevenson et al. 2011; Fearne, Martinez and Dent 2012). Clancy and Lehrer
(2010) outline a list of research projects that will provide important information about value chains. Among the list of the needed research that will provide important information about FVCs is to explore, in-depth, how partners come together to explore and develop FVCs. They believe that

more and better research can make important contributions to groups of farmers seeking to change their operations, entrepreneurs interested in developing new value chains, local suppliers to scale up to a regional level, cities and regions that wish to address food insecurity in new ways, and policy makers who can be instrumental in changing policies to facilitate all these efforts (Clancy and Lehrer 2010: 4).

Stevenson et al. (2011) reiterate the significance of this research as it relates to mid-scale food value chains to help revive mid-scale farms and ranches in North America. They claim that this research will “deepen our understanding of these promising new food business models and supply chains” (2011: 33). As mentioned above, Fearne, Martinez and Dent (2012) also believe more research is needed to explore the relationships between partners in value chains. While outlining the key characteristics of future desired research, they outline “the evaluation of relationship strength, the foundation for strategic alignment, trust and commitment” (Fearne, Martinez and Dent 2012: 578). Their review of FVCs demonstrates that filling the gaps in literature can contribute to our understanding of the shared value and how customers can be better integrated into FVCs. Companies participating in value chains ought to reflect whether their value chains are creating positive change.
3.10 Summary

The literature review above aimed at achieving several goals. Starting with the filière approach, background information about the value chain concept was provided. A detailed description of Michael Porter’s value chain was described thereafter. A summary of concepts that have been developed since Porter’s value chains was also included. The focus was then placed on FVCs. The definition of FVCs as well as the benefits and barriers of FVCs were presented. The literature review then outlined a body of research that focuses on FVCs and specifically on the role of farmers in FVCs. There is little research on examining the experiences, motivations, and challenges that farmers face in participating in FVCs. Scholars urge more research in this field (Clancy and Lehrer 2010; Stevenson et al. 2011; Fearne, Martinez and Dent 2012; Lerman, Feenstra and Visher 2012). As the demand for value-based products grows, and models of marketing these products evolve, more reports will be needed to assist producers, food entrepreneurs and firms that wish to participate in FVCs. Since FVCs are novel business models for many producers, research is required to provide them with as much background, technical and evaluative information as possible.
4 Methodology

4.1 Introduction

This chapter presents the concept of phenomenology and provides a specific stance towards an inquiry of experience. A short historical summary, including several relevant scholars of phenomenology, including Husserl, Schütz and Heidegger, will be outlined first. The next section then presents a definition of phenomenology and demonstrates the unique characteristics of this method and methodology. Although there is no consensus on specific steps to take during data analysis, in this chapter I will identify overlaps and summarize some of the suggestions outlined by other scholars of phenomenology. Following the summary of data collection, I present my approach to data analysis by outlining the specific steps taken during this process. Finally, the limitations of this study in utilizing phenomenology will be presented. The goal of this chapter is to familiarize the readers with the concept of phenomenology as a methodology and as a method.

The goal of this study is to examine the lived experience of farmers participating in FVCs in Southern Ontario. The goal of phenomenology is to describe what is being experienced and how it is being experienced. A such, phenomenology is a qualitative approach that is highly suitable and appropriate for this study. Further, phenomenology aims to identify the characteristics that are unique to that experience. This methodology will help address the additional objectives of identifying the motivations, opportunities, and challenges that are unique to farmers participating in FVCs in Southern Ontario.
Research about the experience of farmers partaking in FVCs in Southern Ontario is non-existent. Phenomenology has been cited as a suitable approach for examining lived experiences where little information is available about the phenomenon (Reed 1994; van Manen 1997). By examining the experience as it is being experienced, we can develop a novel appreciation and understanding of that experience. It allows us to learn from the experience of others but also allows us to learn and further develop our understanding of broader complex issues like FVCs and local food systems.

4.2 Defining Phenomenology

Phenomenology, or the study of phenomena, gained popularity in the first half of the 20th century (Cerbone 2006). The term phenomenology was coined by Ulrich Sonnemann, who defined it as “a descriptive recording of immediate subjective experience as reported” (1954: 344 as cited in Patton 2002). Phenomenology is a rigorous and investigative study of lived experiences. Phenomenology aims to gain a deeper understanding and meaning of everyday experiences (van Manen 1997). Lived experiences can be emotions (joy), a relationship (a job), or a program (organization) and can all be subject to phenomenological inquiry (Patton 2002; Schwandt 2001; Persuad 2016). The goal of phenomenological inquiry is to uncover information that is related to a unique phenomenon, or experience, by drawing from the participant a meaningful and comprehensive account of their lived experience, including the rich and in-depth details and context of that experience. This approach aims to explore the world as a person experiences it, rather than how a person conceptualizes, understands, or reflects the world.
Persaud (2016) claims that much research involving the understanding of experience is often defined and determined for the participants. The experience itself is silenced by dominant discourse. In phenomenology, the lived experience takes centre stage. van Manen believes that “[phenomenology] differs from every other science in that it attempts to gain insightful descriptions of the way we experience the world pre-reflectively, without taxonomizing, classifying or abstracting it” (1997: 9). As soon as one begins to reflect, the experience changes or dissolves. Persaud (2016) calls ‘lived experience’ pre-reflective or pre-predicative. As such, lived experiences refer to experiences as they are being experienced, without any reflection or interpretation (van Manen 1997; Persaud 2016). To understand a phenomenon is to also understand that it is lived by a person (Neubauer, Witkop and Varpio 2019). Once the experience is reflected upon it is no longer a lived experience. Phenomenology focuses on the experiences that occur before we reflect upon them or before we have conceptualized or theorized them. Phenomenology ensures data is anchored within the world of experiences, rather than allowing it to escape into the world of abstraction and theory (Reed 1994; Sorrell and Redmond 1995). As Husserl writes, “Pure phenomenology represents a field of neutral researchers… which means that phenomenology is to proceed without the aid of any unexamined assumptions; phenomenology is to be a ‘presuppositionless’ form of inquiry” (1970 as cited in Cerbone 2006:12). The phenomenological inquiry is not suitable for explaining, predicting, or formulating theories. The phenomenological approach focuses directly on the experience itself. It uncovers meanings in the participant’s narratives to vividly and holistically outline the
lived experience with as much richness, detail, and context as required to fully understand the experience.

The question of ‘why’ and seeking the reasons for why something is the way it is are not a concern for phenomenology. Phenomenology demands that the experience itself is the focus and it is vital to give voice to the experience as experienced (Moustakas 1994; Persaud 2016). The main question of phenomenological inquiry is ‘what is the meaning and essence of the lived experience’? As van Manen states, “phenomenological research is the study of essences” (1997: 10). Researchers seek out elements that are unique to the experience but are also common elements that members of a particular community or society experience. Essences aim to outline that without ‘this something’, the experience would no longer be what it is (Moustakas 1994; van Manen 1997). The essences can be identified to develop a generalized description of the phenomenon (Neubauer, Witkop and Varpio 2019). Participants who have lived through the experience easily recognize and distinguish the essence of that experience (Persaud 2016). It is important to remember that essences are not fixed characteristics; instead, they are constituted by a complex array of qualities and aspects and are unique to a context. Some of these characteristics may be more significant and critical to the essence, while others may be incidental. Further, even when essences or essential characteristics of a lived experience are identified, it does not guarantee that we fully understand the boundaries of that experience or that boundaries of that experience are static and certain. The notion of essences in phenomenology is highly complex. Attempting to simplify them may again do injustice to the value of the lived experience.
By examining life experiences, phenomenology offers a unique opportunity to study experiences in a way that retains the integrity and context of those experiences (Reed 1994; Persaud 2016). Phenomenology focuses on the richness of human experiences and aims to comprehend the experience from the participant's frame of reference. Although phenomenological inquiry is not suitable for theoretical development or assessment, the method can nonetheless provide significant insight that will bring us closer to the world in which we occupy and allow us to participate in the world in a more informed and sensitive manner (van Manen 1997).

4.3 **Background on Phenomenology**

Phenomenology rejects the concept of scientific realism, the notion that there are real objects that exist independently of our knowledge of their existence or our experience with them. Scientific realism makes a clear distinction between reality and mere appearance (Hammond, Howarth and Keat 1991; Cerbone 2006). Scientific realism places privilege and superiority upon empirical sciences that prioritize reality. Descriptions of how the world is experienced are considered mere appearances and insignificant contributions to understanding nature and the real world. In phenomenology, reality that is referred to in scientific realism is perceived as an abstraction from the only real world – the lived experience (Hammond, Howarth and Keat 1991). Phenomenology holds that the social world is socially constructed, scientific explanations are based on the ‘meaning structures’ of those studied and that participants’ perspectives are vital in the analysis (Aspers 2009). Phenomenology rejects scientific realism and the assumption that empirical sciences have the privileged
ability to explain the characteristics and patterns of a mind-independent world. Phenomenology further rejects the idea that knowledge and truth can only be obtained by eliminating our perceptions of the world (Schwandt 2001).

Some of the key figures in developing phenomenology include Edmund H. Husserl (1859 – 1938), Alfred Schütz (1899 - 1959), and Martin Heidegger (1889 - 1976). Husserl’s approach to phenomenology was to study human phenomena, in the same manner, one would study non-human phenomena – from a detached and non-emotional perspective (Reed 1994). It is important to note that Husserl was not against scientific explanations but did oppose the notion that natural sciences can explain reality. According to Husserl, there is no clear distinction between an external world and our knowledge of the world (Hammond, Howarth and Keat 1991). Lived experiences and the meaning attached to those experiences are what constitutes reality. For Husserl, subjective and objective reality is intertwined. His basic principle is that people can only know what they experience (Patton 2002). Husserl argued there is no separate objective reality. Husserl also developed the concept of essences – the notion that every phenomenon had commonly perceived features. For Husserl, the essences of a phenomenon represent the nature of the phenomenon in question (Neubauer, Witkop and Varpio 2019).

Schütz built upon Husserl’s phenomenology and focused on explaining how life is experienced by individuals or groups of people. Schütz significantly contributed to existential phenomenology, which aims to describe the social construction of group reality (Phillips-Pula, Strunk and Pickler 2011). Schütz suggested that to understand
another's experience and understanding of another's everyday life, the researcher must abandon their own biases and assumptions about everyday experiences. Inspired by Husserl, Schütz aimed at explaining the essence of what Husserl called the 'natural attitude' – ordinary social life of people (Aspers 2009; Schwandt 2001). For Husserl, the natural attitude involves aspects in our daily lives that are taken for granted. It is the natural attitude that ought to be the starting point for researchers. Researchers in phenomenology explore the mental content of people’s natural attitude. For Schütz, understanding another person is only reached when you understand what the other person means.

Heidegger contested Husserl’s notion that human thought is always directed at an object. He claimed that many human experiences do not involve conscious or intentional direction towards independent objects. People participate in many activities that are taken for granted and are not approached with intention. Heidegger’s phenomenology, commonly referred to as hermeneutic phenomenology, reveals meaning in phenomena. Hermeneutic phenomenology is concerned about the meaning of being. These meanings can often be concealed in the culture that shares a common language, practices, and knowledge about daily life. Hermeneutic phenomenology focuses on the issues of language and the nature and structure of communication (Phillips-Pula, Strunk and Pickler 2011). Heidegger believed narratives and stories are a fundamental source of data in phenomenology. For Heidegger, an individual’s experience of the world is not separate from the rest of the world. Consciousness is a combination of lived experiences, which includes a person’s individual history as well as
the culture in which they live (Neubauer, Witkop and Varpio 2019). He believed that as human beings, our life is based on listening to each other’s stories (Sorrell and Redmond 1995). The hermeneutic process requires the researcher to set aside their own biases and prejudices to fully hear the story being told.

It is important to mention that phenomenology may refer to a variety of concepts and ideas. Phenomenology is complex, multifaceted, and does not describe a unified perspective (Hammond, Howarth and Keat 1991; Schwandt 2001). Patton (2002) claims that, as the method is becoming more popular, the definition is becoming confusing and diluted. Phenomenology can refer to the philosophy, which has been largely propagated by Edmund H. Husserl. It has also been referred to as an inquiry paradigm, a social science analytical perspective, and a research method framework (Patton 2002). Schwandt (2001) claims that how phenomenology is perceived today is very much different than what the founding scholars of phenomenology such as Husserl and Heidegger intended. Whereas phenomenology was viewed by the founding authors as an effort to reveal the objective and genuine nature of experiences and aimed to criticize subjectivity, Schwandt (2001) claims that phenomenology in qualitative research today focuses on describing the subjective experience of participants. Various forms of phenomenology, including transcendental, existential, and hermeneutic further problematize the concept. What they all share in common, however, is the exploration of how humans transform their experiences into consciousness (Patton 2002). First, people have a sensory experience of a phenomenon. Second, people describe, explain,
and interpret that experience. Phenomenological inquiry, thereby, focuses on how people put together the phenomena they experience.

 Phenomenology is an appropriate stance to utilize when seeking to describe the lived experiences of farmers. Phenomenology will allow us to produce a description of the farmers’ experiences that holistically and honestly outlines their experience. Examining the experience of farmers will help us gain a better understanding of this phenomenon. Phenomenology is also often cited as an appropriate method for examining lived experiences where little is known about the phenomenon (Reed 1994; van Manen 1997).

4.4 Data Collection

The purpose of this research is to examine the experience of farmers who are participating in food value chains (FVC) in Southern Ontario. Although FVCs have received attention in literature, little attention has been given to farmers' perspectives about FVC. As mentioned before, Southern Ontario has seen an increase in FVCs that aim to support local farmers. Some research suggests this will strengthen local food systems, local food economy, and increase financial viability among farmers and rural regions in Ontario.

Southern Ontario lies between Windsor (Essex County) in the west to Cornwall (Counties of Stormont, Dundas, and Glengarry) in the east. Most of Southern Ontario is surrounded by Lake Huron, Lake Erie, and Lake Ontario. The northern boundary is what is often disputed regarding the boundaries of Southern Ontario. Some claim that Southern Ontario stops around Algonquin Park, while others claim the French River and
Mattawa River act as the boundary, thereby including Haliburton and Renfrew Counties. For the purpose of this research, the latter definition will be used to define the geographical boundaries of this study.

The sampling method used for this study was judgemental sampling. Judgemental sampling, sometimes referred to as purposive sampling, is appropriate in research where a list of the units is not available, but the researcher requires individuals with specific characteristics. In this case, the farmers selected for interviews were based on the criteria that they are currently participating in a FVC in Southern Ontario that aims to promote local farmers and local food systems. Here, the researcher will use their knowledge and judgment to select individuals that fit the criteria of farmers.
participating in FVCs. Many food retailers and distributors participating in FVCs often provide a list of the farmers with whom they work as a means of marketing and validating their relationships with local farmers. Retailers and restaurants often have a page on their website that provides a summary of each farmer with whom they work. These sites were used as sources to help identify producers who participate in FVCs in Southern Ontario. I aimed to contact as many farmers as possible using the sites of various businesses that claim to work with farmers to help strengthen the local food system. It is important to note that research participants are self-identified as farmers. Although research participants vary in the size of operation and how much they profit from their products, all research participants grow products with the intent of selling them.

Ethics approval (see Appendix 3 for the Research Ethics Approval Form) was gained by the University of Guelph’s Research Ethics Board in mid-March 2018 before the interviews commenced. In total, 30 farmers were interviewed in the spring of 2018 in the months of April and May. This group of farmers was not identified as a minority or as a vulnerable population. Psychological, social, and economic risks were acknowledged by the researcher and were disclosed to participants. The researcher identified that participants may worry about their participation in the study, which could impact their relationships or reputations as a business partner. All necessary steps were taken to protect and maintain the privacy and confidentiality of the participants. As such, any risks of participating in this study were estimated to be minimal.
Initial contact with participants was made via email or telephone. Producers were provided with a copy of the consent form which was to aid in their decision about participating in the study. The participants of the study determined the location, date, and time of the interview. This was important to ensure participants felt safe and comfortable, which allowed them to share their stories and experiences more freely. As per the requests of the participants, most interviews took place in their homes. Several interviews took place on the farm, in a hoop-house, or in a packing or processing facility which were usually located on the farm premises. Interviews lasted between an hour and an hour and a half and were recorded using a digital recorder. As per the requirements of the Research Ethics Board, digital recordings were encrypted and stored onto a password protected computer within 24 hours. Interviews were then transcribed with the consent of the participants (see Appendix 1 for Research Participant Consent Form).

Interviews are an appropriate way of gathering knowledge and insight into a lived experience as it requires capturing how people experience a phenomenon and how it is that they experience what they experienced (Patton 2002). This includes how they describe it, feel about it, remember it, and how they make sense of it. To obtain this type of data, it is necessary to conduct in-depth interviews with people who have direct experience of the phenomenon. In other words, they have a lived experience of the phenomenon, rather than a second-hand experience (Patton 2002). The interviews that took place were in-depth, open-ended, and semi-structured. Phenomenology asserts that interviews are not to be highly structured, as this can unintentionally guide the
interview (Sorrell and Redmond 1995; Aspers 2009). Less structured interviews encourage participants to share their stories and to uncover meanings that are most significant to the lived experience. This also allows the participants to utilize their power and guide the interview at their desired pace and guide the interview in the direction they find significant. Ultimately, too much structure would limit the amount of information participants share and may not allow participants to immerse themselves in sharing the experience.

Phenomenological interviews are to evoke responses that are natural and honest, rather than what the participant may perceive to be appropriate or suitable answers. A phenomenological description is not constructed by reflection but by tracing the lived experience. As such, encouraging participants to describe their lived experience will help the researcher capture the essence and gain a holistic understanding of the experience.

Interview questions were designed in a way that inspired participants to share their narratives and describe their experiences rather than interpret or reflect upon them. As such, the interviewer focused on asking ‘how’ questions rather than ‘why’ questions (see Appendix 2 for the Interview Guide). When the suitable questions are asked, participants engross themselves in sharing their story. In this case, the interviewer is not be required to do much prompting. The interviewer is not simply conducting or facilitating the interview but working together with the participant to shape the direction of the interview. As Sorrell and Redmond claim, “In a phenomenological interview, the interviewer shapes the interview, but is also shaped by the process”
As such, both the interviewer and interviewee are essentially equal participants in the interview process. Both participants may experience a sense of empowerment by the storytelling and the revealing novel meanings of a lived experience.

The interviewer aimed to gain insight into the experience by being heavily engaged by actively listening. Sorrell and Redmond (1995) describe the use of interviews in phenomenology as a blend of listening and narratives. Active listening is what will shape the interviewer's interpretation of what is occurring during the interview (Sorrell and Redmond 1995). Using stories and narratives, the interviewer seeks out knowledge from the participants, which will later contribute to the characteristics of the essence of the experience while preserving the context of the experience. Sorrell and Redmond (1995) also encourage interviewers to become comfortable with silence. Silence can be used to allow the participant to set their own pace during the interview, giving them more power to lead the process. As van Manen (1997) poses, silence can at times reveal more about an experience than any amount of words can.

Patton (2002) claims a significant aspect of phenomenology is empathy. Empathy requires personal contact with the participant and involves the researcher understanding the perspective, experience, and feelings of the research participant. Whereas sympathy is mainly an emotional response, empathy requires cognitive understanding and affective connection (Patton 2002). The significance of empathy stems from a broader qualitative inquiry concept, ‘verstehen’. ‘Verstehen’ involves understanding and presumes humans, compared to other objects of study, have a
unique type of consciousness, as they are able to consider, plan, and think about the future. Humans have a unique way of perceiving their experiences and surroundings. Therefor empathy, Patton (2002) claims, can be an advantage to the inquiry of human issues.

4.5 Data Analysis

It is important to note that in the field of phenomenological inquiry, there is no consensus about what specific steps to use when doing phenomenology (Whiting 2001; Patton 2002; Persuad 2016). This means there is no standardized established method that researchers can utilize in phenomenological inquiry. Since phenomenological inquiry can take various forms, it is important for every researcher to clearly outline the steps and procedures that one takes during their analysis. My challenges with phenomenological data analysis brought to light the lack of attention in many studies in demonstrating how data analysis was undertaken. Further, little phenomenological research outlines how qualitative data analysis software, such as NVivo, is to be incorporated into phenomenological inquiry.

On the one hand, a lack of clear rules and steps required to participate in data analysis allows space for the experience to present itself in its truest form. As van Manen (1997) claims, the only method in phenomenology is that there is no method. Persuad (2016) urges that researchers of phenomenological inquiry do not apply a certain set of rules and allow the experience itself to guide the process. On the other, this may also result in researchers lacking confidence and certainty when undertaking data analysis as it is difficult to determine whether rigour has been achieved. This is the
challenge I faced during the data analysis process. As such, I felt that it was necessary to develop a more structured approach to aid the data analysis process. Literature review of various guidelines about phenomenological inquiry was the first step in determining how to proceed with data analysis. Based on the review, a set of steps was developed to help with data analysis in this study. The guidelines provided by Patton (2002) was the most influential in this process. Patton's (2002) guidelines are comprehensible, appeared attainable, and applicable to this study. Patton’s (2002) guidelines are not rigid or fixed. This allows researchers to divert from the steps throughout the data analysis process if they find it necessary to do so. As mentioned above, too much structure may limit the experience to present itself in its truest form. Patton (2002) also incorporates ideas from van Manen (1997) and Moustakas (1994) and, overall, his guidelines encompass qualities that appear central to many scholars’ outlines of phenomenology.

Throughout the data analysis process, I tried to maintain the state of epoché, which is the process of the researcher trying to suspend her judgments, biases, and preconceived notions to allow the phenomenon to present itself in its natural state. This step requires that researchers question their assumptions, biases, and involvement about their perceptions (Patton 2002; Schwandt 2001). We assume that what we perceive is actually there. The concept of epoché aims to challenge that and encourages researchers to learn how to observe nature, rather than make assumptions about what is before us. Personal understanding, knowledge, and judgments are placed aside to truly understand the experience for itself (Patton 2002). Researchers are not to
simply acknowledge this intellectually but actively participate with the data to achieve epoché throughout the entire process. All reviewed studies about phenomenology have emphasized the significance of epoché in not only allowing the phenomenon to present itself but also in developing a phenomenological description of the lived experience. Achieving a complete state of epoché is a radical notion, as it requires the researcher to abandon all her biases and judgments, not only about the phenomenon of study, about also about the world. This makes it very difficult to achieve epoché in practice.

The stance I take on epoché is that achieving a complete state of epoché is not possible. A researcher cannot forget and eliminate everything that is known to her as truth or fact. It is not possible for a researcher not to have any biases or presumptions. As such, it is more feasible to admit to one's biases and prejudgements. Whiting (2001) provides a couple of practical suggestions for researchers regarding epoché. First, a researcher ought to examine her own views about the phenomenon and for the period of study and aim to suspend those perceptions. Second, one can learn about and appreciate the multiple perspectives about the phenomenon, allowing the mind to be open and even confused or perplexed about the phenomenon. Persuad (2016) describes epoché as researchers being in a constant state of wonder or openness. As more layers and complexities of the experience are revealed, epoché will also take a different form, and the researcher will again have to combat preconceived notions, biases, and judgments. I tried to achieve the state of epoché by reflecting on my own judgements and biases by writing down the assumptions and experiences I have about FVCs, local food systems and the participants I interviewed. For example, I was familiar
with some of the farmers and their work before this research. I made note of how I knew the farmers, in what context, and how this might alter my perception of them and their experience in FVCs. I also tried to keep an open mind to multiple perspectives about the phenomenon.

In addition to developing epoché before starting the data analysis process, one must also become very familiar and close with the data. Moustakas (1994) proposes a period of ‘immersion’, which involves the researcher fully immersing themselves in the world of the experience without bias or prejudgement. Patton (2002) suggests a researcher ought to question, meditate, and even daydream about all aspects of the experience for the duration of the research. Unless the researcher commits to the lived experience and the question at hand, she will be easily distracted, wander aimlessly in hopeless speculations, and be tempted to fall back on preconceived notions, conceptions, or theories. Having a strong orientation means that researchers will not settle for anything that may be superficial, false, or not hold true to the lived experience. This process involved reading the transcripts several times. It is thereby vital to continuously study the transcripts to determine the commonalities and allow the nature of the lived experience to come forward. Care was taken to ensure that the text was read from the perspective of the participants, rather than attempting to interpret the meaning of the data. I tried to read and understand the transcripts in a way that represents the factual content and that represents the participants’ perspectives.

After becoming familiar with the data, and continuously trying to achieve the state of epoché, I began the stage of the data analysis. The first step of the data analysis is
‘phenomenological reduction’ or ‘bracketing’. Bracketing involves identifying pieces of text that speak directly about the experience and organizing them into units, which is necessary for a more in-depth and detailed analysis. This was done by reading the transcripts multiple times and identifying passages of the transcripts that highlight the participants’ experiences concerning the phenomenon. While reading the transcripts I continuously asked myself, “What does this tell me about the experience of farmers participating in FVCs?” At this stage, I did not develop specific types of codes but developed phrases that summarized what appeared to be relevant passages about the participants’ experience. This is commonly referred to as ‘initial coding’ – where researchers code the data based on first impressions. Epoché is important here to ensure that the researcher identifies passages that represent the lived experience in its truest form. As suggested by Patton (2002), it was important to inspect the passages from various angles as this will allow the researcher to establish the meaning of the passages and how the passages relate to one another.

Passages that revealed some insight into the phenomenon were identified and coded using NVivo, a type of qualitative data analysis software (QDAS). This study utilized NVivo to help review the transcripts, organize the data, and categorize it using codes to help identify themes. Inductive coding was applied as this style of coding does not include preconceived and already established codes. Inductive coding is suitable for phenomenology as it ensures that no assumptions about the data are made prior to data analysis. In addition to coding the transcripts, I used memos to help record any
thoughts, ideas, or questions I had about the transcripts or passages within the transcripts.

The transcripts were read numerous times. Each time, the codes became more refined. Some codes were relabeled while others were eliminated, and some were absorbed by other codes. This allowed me to organize and group similar codes into themes. Any meaningless, redundant, or overlapping data was eliminated. The identified themes are ones that are essential to the experiences of the participants. In other words, I considered parts of the narratives, that if eliminated or changed, would result in the meaning and understanding of the experience being lost. Once the initial themes were developed, the passages representing the theme were taken out of the original transcript and placed into a separate page. The passages were then read again several times. I found this step to be important as it allowed me to read the passages with a clearer and more open mind, better capturing the meaning and theme of each passage. After identifying several themes from the transcripts, some themes were relabelled, and others grouped together to generate overarching themes.

The final step in phenomenological inquiry is to develop a phenomenological description that captures the essence of the experience, reanimates the lived experience, and awakens an understanding of that experience in a holistic, deeper, and empathetic manner (van Manen 1997; Patton 2002). It is important to ensure that any judgments and biases the researcher may have do not make their way into the description. Phenomenological descriptions aim to evoke an understanding beyond intellect and cognition (van Manen 1997). The goal of description in phenomenology is
not to identify any scientific truths or make any claims about the reality of an experience, it is to allow others to understand and feel the experience being described. The description must be compelling and insightful (van Manen 1997). The researcher must continuously develop a description that completely satisfies the researcher and participants. The researcher must be taken aback and in awe of the description. Phenomenology requires researchers to stand up for the significance and uniqueness of a lived experience that is captured in the description. The researcher must capture great detail and awareness while describing dimensions of everyday experiences that might seem to be of little importance.

The themes developed during the coding process were used to develop the phenomenological description. The phenomenological description was written in two steps. Passages representing one theme were grouped together. I attempted to capture each theme in a way that was true to the experience of the participants, was detailed and in-depth, and triggered an emotional response from the readers. Once a phenomenological description was written for every theme, one final phenomenological description was written that captured the essence of the experience of farmers who participate in FVCs in Southern Ontario.

Once the phenomenological description was complete, I found it was important to step away from the data and the description for a few days and think about the research as little as possible. While some researchers recommend immersing oneself in the research and data to the degree that one daydreams about the data, others recommend stepping away from the data as it will clear the mind and allow for a more detailed and
in-depth understanding of the data. In outlining steps of phenomenological inquiry, Moustakes (1994) proposes ‘incubation’, which is a time dedicated to “quiet contemplation” (Patton 2002: 486), where the researcher allows time and space for intuition, insight, and meaning to enter the mind. Patton (2002) suggests that this leads to a clear and profound understanding of the phenomenon, where deeper meanings and novel versions of the understanding appear. This helps bring forward all the dimensions and essential characteristics of the phenomenon.

I felt that stepping away from the research would allow me to have a clearer and more open mind so that, when I returned, I re-wrote the phenomenological description in a way that is truer to the essence of the experience. It is important to state that I found writing the phenomenological description difficult to do as it required me to be creative and intuitive with the words I used, which is very different from logical discourse, a writing style to which I am more accustomed. Several researchers suggest that the final step of phenomenological data analysis is to send the phenomenological description to participants for review with the hope of gaining feedback and validation, to be sure that the description captures the experience of the participants (Phillips-Pula, Strunk and Pickler 2011). This allows the researcher to make any necessary changes based on the feedback to ensure the phenomenological description truly represents the farmers’ experiences. Once the phenomenological description was completed for this study, it was sent to the research participants for review. Research participants were given two weeks to respond. Many research participants did not respond to the request for feedback. Research participants who responded did not suggest any major revisions.
to the phenomenological description and claimed overall satisfaction that the description represents their lived experience.

It is important to note that the use of QDAS such as NVivo, is highly debated within the field of phenomenology (Sohn 2017). Scholars critical of using QDAS in phenomenology, including van Manen, claim the use of software to code and develop themes cannot generate the insight necessary for phenomenological inquiry and that by using QDAS, the researcher disengages from the data, preventing the researcher from truly capturing the essence of the experience. Others, however, claim that one can perform the same processes with QDAS as one would manually. Sohn (2017) believes that having the data and memos in the same virtual place allows the data to speak for itself and it allowed him to better capture the experiences in their truest form. Utilizing NVivo did not alter my phenomenological mindset of constantly aiming to achieve epoché and allow the data to speak for itself. Utilizing NVivo allowed me to organize the data, view the data in a manageable form, and provided me with a sense of structure that I found necessary during a process for which there is little research, consensus or guidance.

4.6 Limitations

This study used phenomenology as its philosophical framework and method. This is significant when taking into consideration the assumptions of this research. Among these assumptions is that people have a unique consciousness that impacts feelings and behaviours and constructs meaning. Researchers assume there is an essence or essences to experience or shared experiences (Patton 2002). It is further
assumed that a researcher can study these individual meanings empirically. Researchers aim to analyze these experiences to identify the essence of the phenomena or lived experience. Reed (1994) also points to the notion that phenomenology is dependent on participants and researchers identifying experiences of the phenomenon. This may pose a problem when so many lived experiences and aspects of daily life are taken for granted.

Literature on phenomenology suggests that in-depth, open-ended, and semi-structured interviews are one of the best ways a researcher can learn about participants’ experiences. It was assumed that farmers had opinions about their roles and activities as well as the roles and activities of their partners in the FVCs in which they participate. It was further assumed that the interviews conducted by the researcher captured the essence of the experience of the participants. Phenomenology and other forms of qualitative research are limited to replicability and generalizability of the results. This study is limited spatially and temporally. Generalizability and applicability to other contexts and regions in and outside Southern Ontario are limited. This study does not represent all farmers and the variety of FVCs in Ontario but will be useful for those interested in FVCs, the perceptions of farmers about farming business models, and in strengthening local food systems. It is proposed that this research will contribute to a deeper understanding of these concepts.

4.7 Summary

Since there is no consensus on how to specifically participate in phenomenology as a method, it is important that every researcher outline all the steps taken during
research. The goal of this chapter was to be transparent and inform readers of the specific steps taken in this study. This chapter also presented relevant information about the concept of phenomenology and aimed to present the approach and the unique characteristics of this method. Although the rigour of many phenomenological studies is questionable, phenomenology as a method and methodology takes a rigorous stance on exploring human experiences and is the appropriate method to utilize in this study. Utilizing this method will allow us to explore the experiences of farmers and allow us to learn from those experiences. Some historical content was also presented to help situate the guidelines and definitions of this method of inquiry.
5 Findings

5.1 Introduction

This chapter will provide a profile of the participants with the focus on their business, marketing strategies, and partnerships regarding food value chains (FVCs). The information provided here was gathered from synthesizing and analyzing data based on the thirty in-depth, semi-structured interviews that were conducted for this study. The analysis generated several themes regarding the motivations, opportunities, and challenges producers in Southern Ontario face participating in FVCs. A phenomenological description, incorporating the themes and aiming to describe the lived experience of the producers participating in FVCs in Southern Ontario, will be provided. The themes will then be outlined in greater detail.

5.2 Profile of participants

5.2.1 Geographical Distribution

Participants interviewed for this study are all located in Southern Ontario. Although substantial effort was put into contacting farmers in all parts of Southern Ontario with the intention of having various regions and distances from urban centres represented, many farmers who were contacted did not provide a reply or did not demonstrate a willingness to participate in the study. As a result, numerous counties in Southern Ontario are not represented in the study. Figure 5.1 below – a map of Southern Ontario outlining county boundaries – illustrates the approximate location of the farms of the producers who partook in the study.
Table 5.1 below, outlines the name and identification code of each county along with the number of interviews conducted in each county. As it is demonstrated by the table, many counties in the eastern part of Southern Ontario are not represented in this study. On the other hand, several farmers were interviewed from other counties. It is important to state that since the study focuses on Southern Ontario as a whole, the representation of farmers in each municipality does not appear to be significant.
Table 5.1: Identification code and name of municipalities included in this study along with the number of interviews conducted in each.

<table>
<thead>
<tr>
<th>Identification code</th>
<th>Name of municipality</th>
<th>Number of interviews</th>
</tr>
</thead>
<tbody>
<tr>
<td>15</td>
<td>Peterborough County</td>
<td>1</td>
</tr>
<tr>
<td>16</td>
<td>Victoria County</td>
<td>1</td>
</tr>
<tr>
<td>19</td>
<td>Regional Municipality of York</td>
<td>3</td>
</tr>
<tr>
<td>20</td>
<td>Municipality of Metropolitan Toronto</td>
<td>3</td>
</tr>
<tr>
<td>23</td>
<td>Wellington County</td>
<td>1</td>
</tr>
<tr>
<td>25</td>
<td>Hamilton-Wentworth Regional Municipality</td>
<td>2</td>
</tr>
<tr>
<td>26</td>
<td>Niagara Regional Municipality</td>
<td>1</td>
</tr>
<tr>
<td>29</td>
<td>Brant County</td>
<td>2</td>
</tr>
<tr>
<td>30</td>
<td>Region of Waterloo</td>
<td>3</td>
</tr>
<tr>
<td>31</td>
<td>County of Perth</td>
<td>3</td>
</tr>
<tr>
<td>39</td>
<td>Middlesex County</td>
<td>1</td>
</tr>
<tr>
<td>40</td>
<td>County of Huron</td>
<td>3</td>
</tr>
<tr>
<td>42</td>
<td>County of Grey</td>
<td>3</td>
</tr>
<tr>
<td>43</td>
<td>Simcoe County</td>
<td>2</td>
</tr>
<tr>
<td>49</td>
<td>Parry Sound District</td>
<td>1</td>
</tr>
</tbody>
</table>

5.2.2 Profile of Business and Marketing Strategies

The producers interviewed for this study varied in production type, production method, scale, and marketing strategy. It was important for this study to capture a wide range of farmers. Having various types of farmers participating in FVCs would help capture the essence of the experience of participating in FVCs themselves. It is important to note that many research participants partake in various modes of production at the same time. For example, a participant grows several root vegetables but also grows grain, from which she bakes and sells bread and pastries. Another participant grows various vegetables as well as operates a maple syrup production. Most farmers who partook in this study grow vegetables and/or fruit as their main method of production. Others participate in dairy production from cows and goats which
results in various products including milk, cheeses, and ice-cream. Others, still, focus on meat, egg production, honey, maple syrup, and grain. As such, the production method of farmers participating in FVCs in Southern Ontario is broad and can include a wide range of products.

The amount of land used for production varied greatly. The farms included in this study range from 0.25 acres to 1,000 acres. As such, a wide range of farm sizes is represented in this research. This suggests that FVCs are an attractive business option for farmers of various sizes. FVCs are unique depending on the partnership and can thereby accommodate any type of farmer. Findings of this study suggest that farm size does not determine the type of FVC in which farmers participate. For example, in this study, farmers of various sizes, including a farmer with 0.25 acres, a farmer with 50 acres, and a farmer with over 100 acres, sell their products to restaurants. The only FVC in which farm size does seem to matter is in partnerships with large retailers. In this case, participants who have partnerships with larger retailers are ones who have over 100 acres in production. An exception is a participant who has 20 acres under production and sells to one store in his town that is part of a large retail chain. It is important to note that all farmers interviewed partook in several FVCs at the same time. The most common type of value chain in which research participants partook was box programs, but many also partner with restaurants, coffee shops, catering companies, specialty stores, bakeries, butcher shops, cooking schools, not-for-profit organizations, or mid-scale or large grocery stores. Several participants also sold their products to other farmers who then sold directly to eaters via farmers’ markets or CSAs.
5.2.3 Participation in Direct Marketing

In addition to having several FVC partnerships, many farmers in this study also participate in direct marketing. Direct marketing strategies include farmers’ markets, CSAs, farm gate, farms store, online through their farm website, or festivals such as the annual Stratford Kiwanis Garlic Festival. It is important to note that participants will partake in several activities that market directly to consumers. For example, a garlic farmer may sell their products online but also attend garlic festivals. Participants who have more than 100 acres in production are less likely to participate in direct marketing. However, there is one participant with over 200 acres of land in production who, in addition to FVCs, operates a small CSA. There are also several participants with less than 5 acres in production, who are not taking part in direct marketing. In those cases, these participants have a specialty product that they sell exclusively through their FVC.

For those who participate in direct marketing, doing so yields importance for several reasons. First, direct marketing appears to be a strategy to mediate risk. There is a strong perception amongst participants that direct marketing provides them with the highest profit margins, allows them to maintain control over their business, and is more predictable than other marketing opportunities. When describing the diversification of marketing strategies, a farmer stated,

I don’t want to get too friendly with any one business, in the sense that you are dependent on them for your livelihood. It’s nice to keep some of your own source of income because you don’t know when their prices will belly out, just like they did before in the grocery stores. (Interview 8)
Many participants hold similar views and believe that depending exclusively on FVCs bears more risk than selling through direct marketing or a combination of both. Another participant links direct marketing with FVCs. She believes that selling her product via direct marketing strengthens product sales via FVCs. She stated,

I think a mix is good. The farmers’ market gets my face and my husband’s to the consumer. Then they can go and buy it at the store. Whereas, if we just had our product in the stores, and if we haven’t done open houses and sampling, then we wouldn’t have sales. You need that face to the product, I think. (Interview 4)

This participant sells her products at a local farmers’ market, operates a small CSA, and sells to restaurants and a local butcher shop. She believes that by selling products at the butcher shop, she is providing her clients with greater and more convenient opportunities to buy her products. This strengthens the relationship between her and her clients, but also the partnership she has with the butcher shop.

Second, participants use direct marketing to maintain contact with the eaters of their product, which yields numerous benefits. Many participants believe that consumers continue to demand knowing who grows their food and having a personal relationship with the farmer. When this demand is met, many participants believe eaters will demonstrate their appreciation through loyalty – regularly returning to that farmer, and through financial means – willing to pay higher prices for products and not negotiating the prices of products. As a result, participants want to maintain some face to face interaction. It is important to mention that several participants who do not sell directly to consumers continue to engage directly with consumers via festivals, food shows, or in-store demonstrations. As one participant stated, “We do not sell directly to consumers,
but we try to engage with our consumers as much as possible. We are a very hands-on company. When we do interact with consumers, they are blown away by the experience” (Interview 10). This participant also believed that face to face interactions with the end-users of his product allows him to receive feedback about the product that otherwise he would not have. As he stated, “Because if you don’t know who your customer is, or if you don’t have a voice with them, they don’t have a voice with you; how do you learn about your business and how do you learn where to improve? How do you get customer reaction?” (Interview 10). Financial benefits, loyalty from consumers, and feedback about the product are some of the reasons why farmers continue to participate in direct marketing.

Contact with eaters, either through direct marketing or otherwise, appears to yield another benefit to farmers. Having direct communication with eaters allows farmers to have some influence over how their product is perceived or consumed. As one research participant stated, I want them to know us. I want to be there to answer their questions. I want to keep the relationships intact…. Part of the idea of the CSA is that relationship and the face of who grows your food. They pull kohlrabi out of the box and they don’t know what it is and you are right there to say ‘This is delicious. Trust me. You need to just slice it, mandolin thin, put some salt on it or dip it in the hummus’… Certainly educating people about how we grow and giving people the opportunity to ask questions and have them answered. Having that face to face with the farmers is very valuable for the both of parties. (Interview 4)

Having the ability to educate consumers and answer questions about products bears more significance with novelty products or foods with which the public is not familiar. As a participant and farmer of microgreens claimed,
We do a demo for three hours in the store and you will get new customers because people have never tasted the product before. That is a new opportunity for us. You need money and the right people to educate and to do those demos. We need to constantly be in the stores representing our product and talking to produce managers. (Interview 22)

Having direct interactions with eaters ultimately gives more power and control to farmers over the consumers’ first impression of the product, the story or message behind the product, and overall brand representation. Participants in this study believe that as farmers they can answer questions about the products, the farm, and even provide suggestions about how to store, prepare, and consume the product.

Another benefit of direct marketing that participants identified was that it is a good learning opportunity for new farmers to sell their products, as it does not require a lot of experience nor, a lot of financial investment and allows new farmers to build a strong consumer base. As one participant claimed,

If you are a new farmer, I am pretty sure [direct marketing] will give you the experience of what consumers actually want and need. They give you a much simpler way of a regulatory framework as you don’t need to meet wholesale regulations. Whereas, with wholesaling, to have to push into the wholesale market, it is a different ball game. (Interview 26)

Participants believe that direct marketing can prepare farmers for other market opportunities that may require complex levels of coordination regarding growing crops, meeting compulsory regulatory requirements, and developing broader networks and partnerships.
5.3 Phenomenological Description

In this section, I provide a phenomenological description of farmers participating in FVCs in Southern Ontario. The description is based on themes that are outlined in more detail below. The description is based on the lived experiences of all research participants but compressed into a single voice. It is a composite based on the interviews gathered during this study. It is written in an informal manner – in a language that farmers use when describing their experiences and, in a language, I hope, that will evoke more empathy and understanding of the lived experience. The purpose of the description is to share with readers a story that is unique to farmers who are taking part in FVCs in Southern Ontario. The phenomenological description is written in the first person to help readers feel that the farmer is speaking directly to them about their experience.

When reading phenomenological descriptions, the reader must be open-minded. The reader must be open to accepting that words or phrases might be used differently than they may be used to which may, in turn, challenge the reader to think critically about their own relationship with the words or phrases. The reader must take time and patience to access the lived experience, and not critically examine the words or phrases themselves (Persuad 2016). As van Manen (1997) states, phenomenological descriptions and writing are successful when the meanings and experiences become recognizable to the reader. A good phenomenological description of a lived experience will resonate with the reader in a way that is relatable but will, at the same time, bring to
light something new and unique in the experience or bring forward something that was taken for granted.

*I never intended on wholesaling. I was going to be 100% CSA and farmers’ market. Direct to consumer. This is what everybody told me to do. This is how you are supposed to make the most amount of money. You are in control and your own boss. But guess what? It is a very long-term commitment and you have to build up your consumers, which is so exhausting. Sometimes you can come home on a farmers’ market day and it rained like crazy and no one showed up; I didn’t sell nothing. No one comes when it rains, and you have all this produce left over. It just wasn’t the stability that I was looking for. I wanted something that would match my growing system. With family circumstances, I needed to grow faster than I anticipated to take on the mortgage. It was quicker to wholesale than it was to do the marketing yourself. Because the marketing, I pretty much feel that I am full time paperwork. It is hard to make sense financially from direct marketing. And my personality is that I can’t stand people’s questions. I can answer them, and I am willing to, but you don’t need as much communication to sell volume stuff. I don’t think it is realistic to think that the majority of people are going to get their food from direct sales from farmers. It is not convenient enough for people in the city and it is too much work for the farmers.

*I like my way. It goes to the store or whatever. I have done my part to keep it fresh all the way up until it gets there. It is up to them what they do with it. How they put it out on display, but most of the time, they have it in the refrigerators. I personally like this better because it is a lot easier and I can tend to the plants better. I have more time
to farm versus going to a farmers’ market or whatever. People I work with want some diversity, but they want larger volumes and quality is the most important. So that is what we started focusing on, root vegetables and leafy greens. Because of the micro-climate here, we didn’t feel confident that we will be able to have a really good variety for a CSA basket. So, we kind of abandoned that idea before we started a CSA. I think pre-orders like this, it’s at least an organized form of agriculture and sales for us. In that sense, if you go by your word and stick to what you say you are going to do, that works for us quite well. The price was also very good. I like working with people who know I work hard and am not trying to cheat them. I work hard and my employees work hard. I just want a fair exchange for my work. I know they want what we have. I want to do that for them. The price points we are asking are not unreasonable. Never. We never try to profiteer on the prices. And you know, the two times they tried to chew me down, just a buyer who is just trying to do what buyers do. I didn’t take it personally. I said, ‘It’s okay, we are not going to do it at that price. We rather hang onto it and sell it over the next two weeks.’ Right? It was an early crop so I could still sell it over the next two weeks. Maybe to a couple of stores and instead of getting $0.50, I could get $0.75.

With the garlic greens, they first approached me when they were first opening a few years ago. They offered us a good price. At $0.50 each, or whatever it was, it was a great price. You know? I think it is a market opportunity that you find once in a while. Nobody was doing garlic greens and it was something that we could easily do. We decided to do it because they asked us to. We like the green garlic in the spring, and we agreed to it and now we are doing it, you know? We suggested we could do more of it
for next year if they wanted it. We have been growing more garlic greens for them every year. As their business grows, we grow more garlic greens for them. And they are trying to promote it. There are not a lot of businesses out there really coming up with real ways to promote growing local food but asking for it to be produced for you and seeing it through, it is the most viable way. But you know what? They asked somebody else to do it this year, you know? I don’t know what it means. I thought we were doing a good job. Every year they wanted more and more so I thought we would keep going. I feel a bit betrayed because they never told us anything. We have been working with them for years, you know? Maybe they are growing too fast and they need bigger orders. Maybe they don’t want to deal with the smaller guys anymore. They want fewer farmers but ones that can still provide very large amounts. There are a few farms like that in Ontario. But it’s not a big deal for me. Our production capacity over the years has gone up.

We are looking at growing in some ways. We decided to support another company that distributes food from farmer to restaurants or small retailers. We like the people. We like other people they are working with. We think they provide a good segue way into the restaurants and food service sector. For retail and for restaurants, we just find that the price points they require are lower than what we can usually handle so we feel that these guys have done a lot of work with restaurants at building a food service supply chain that we know works economically for farmers. They know the farming industry and are trying to fill a gap. They are really trying to help farmers and trying to build up the local food system around here. They are building a system and putting a
larger organization at play. There is a huge demand from the chefs for our kind of product. But the challenge is to get it from the farm to the restaurant. So, this is where this company comes in. I am going to try it out. I do have a few references from farms they work with that are trustworthy and are friends of ours. This company is not asking farmers to do unrealistic things at unrealistic prices, you know? They work with farmers to market their products. They have farmer bios on their websites and really promote them to their clients. Friends tell me that the chefs they work with are really passionate about this kind of stuff. There is one farmer, our close friend, who does a fundraiser for food banks every year on his farm, so the chefs that buy his produce would come to the farm and volunteer during their fundraiser. A lot of them will bring their staff so they will see how the farm works and how food is produced. And then their staff at the restaurant can say “This salad comes from a farm that I have been to and this is the kind of thing they are doing.” We think that is a good thing and a good opportunity to work with this company.

It’s a relationship, right? You have to just feel it out. If they want me to do something for them, then I have to at least give them the opportunity to pay me fairly. If I don’t do that, then I am an idiot. Right? Often people have tried to chew us down, and we just say no. I don’t want to do this for diminished returns. I will not spend my time on a weekend to do a larger wholesale order for someone outside of my life just to lose money or to get paid really poorly. I don’t need my workers to do that. The people here are all a little bit overworked and underpaid. I see everything as an opportunity, in a
sense. You know? We can do another 10,000 seedlings for a company if we want and if it’s a fair price, you know?

But I will give these guys a try. They are really good at communicating too, which is important. I talked to them several times and they are easy to communicate with. Communication is super important because it makes everything so much easier. There are no bumps or surprises when there is good communication. If there is good communication, I can predict what they want before they know it themselves. I like working with people who will come to the farm and will sit down with me, try my products and we will plan for the next season. I say to them, “Here are the crops I want to grow. Which ones interest you? How much will you need and when?” So, there is a bunch of communication that happens in the winter and then there is the “Okay, your salad mix is going to be ready next week. Let’s firm up the numbers.” This kind of communications. The people I work with the best, they are my friends, you know? We hang out at events; we have dinner and they come to the farm to visit. They understand my business and I understand theirs.

The local food system in Ontario is a small world so we know most of the people in it. We know who to trust and who not to trust. People like to talk. We know who the bad apples are. If for example, a restaurant chewed down other farmers and did not want to pay them, we will know about it. Restaurants are famous for this. They never want to pay on time. Another thing restaurants do is they will put your name, your farm name, on the menu but they never actually ordered from you. Did you know this happens? This happens a lot. And it is frustrating because there is no one to stop them.
And you know, consumers don’t know about this either. They are just happy to support local farmers. They are naïve. So, on the one hand, consumers want more local food, but I think we are reaching a limit. Most consumers just want to feel good about themselves. They don’t want to learn what a lemon cucumber is. I don’t even know they would know what to do with it. At the end of the day, there are only so many people that we can convince to eat lemon cucumber over an English cucumber. People don’t want to pay more, and they don’t want to change their behaviour. I can’t tell somebody living in downtown Toronto that they are responsible for my livelihood. They have to buy my product because if they don’t buy my product I go out of business. They don’t care. It’s not important. I shouldn’t say they don’t care. But ultimately, if I am not meeting their needs, why are they going to support me? The consumer is the only person that matters. In the end, we get left behind. I want to tell consumers to pay more for their food because it is not only better for me, but better for their health and for the environment and the economy. But it is hard to put those messages across. Consumers just want to feel good about ordering from the menu that has a farmer’s name beside it. Whether is it actually true or not – most people don’t seem to care.

There is a juicing trend now, which is like $12 for a little bottle of juice. Only people that are super rich can do that. People are willing to pay $12 for a little juice, but they complain when I want to sell my tomatoes for $0.50 more than in the grocery store? It’s ridiculous. I want everybody to eat my tomatoes because I believe they are better quality and they are healthier for people to eat, but I also want to make sure I get paid. You know? My heirloom tomatoes are two times more than what you would get
from a California or Mexico importer. All these products start off elitists and somewhat expensive. Changing that is the goal. It is to make the product more accessible to the market by increasing the volume. Getting the scale and efficiencies. It is ideally to bring down the cost and make it more accessible to more people. This is what we want to do with these partnerships.

Farmers’ markets and CSA are great, but they are not going to supply supermarkets and restaurants and that sort of thing. If we want to change the food system, we have to get food from local farms into supermarkets and restaurants and into food service. You have to have some sort of value chain there. The key is to keep it as short as possible. To keep it short and transparent. And to make sure it benefits everybody who is involved in it. When we are selling to a retail store, it is us, the delivery company and the retail store. That’s it. There are no brokers, no importers, no long-distance transporters. Nothing like that. We are getting a bigger chunk of the final price. We are looking at food systems change, not just changing farming, but changing the whole food system. So, for us it is really important that we have partners at different levels who are going to push that change and help make it happen. It is pretty simple. Everybody wins.

5.4 Motivation

5.4.1 Farmers’ Motivations

There are two main motivations participants identified for developing FVC partnerships. These include financial and strategic. Although direct marketing can provide a higher profit per unit, one is less likely to sell large volumes through direct
marketing. FVCs allow participants, especially mid-sized farmers, to sell large volumes of products at a reasonable price. In FVCs, products are usually pre-ordered at a pre-established and guaranteed price. In most cases, participants along with other FVC partners work together to determine what type and the volume of produce farmers will grow for the upcoming season. As such, farmers participating in this study believe that this helps them minimize wasting labour, time and resources on growing food that they may not sell. In FVCs, what farmers grow at the beginning of the season, in most cases, has a buyer already and thereby a guaranteed income. As one participant mentioned, “The price that they were offering us was probably a big motivator. I think along with that came the commitment to support the local and organic farms” (Interview 25).

One of the other main reasons, identified by research participants, for choosing to sell food via FVCs is that it allows them to stay on the farm and tend to the crop. Although participants believe they are required to have a diverse set of skills and participate in various duties to operate a farm, many participants make very clear distinctions between various activities, such as growing food, packaging, distribution, and marketing. Many farmers in this study realize that as partners in FVCs, certain duties and responsibilities can be managed by other actors. Participants believe that this allows them to focus more on the aspect of simply growing high quality food and not worrying about how to market or distribute the food. While describing the difference between direct marketing and FVCs, one farmer outlined,

Just that you don’t have to do the marketing. That someone is doing the marketing for you. Which would appeal to people who do not enjoy the ‘people’ part of it,
which I am sure there are a lot of farmers who would really like not having to do the ‘people’ part of it. (Interview 7)

Another participant described his reasons for not participating in direct marketing. As he stated, “We don’t like interacting with lots of little customers all the time. We didn’t want CSA customers showing up on the farm all the time. Some people like that, we are just not the kind of people who do that” (Interview 18).

He further stated,

We have been extremely strict from the beginning that we won’t sell to anyone unless they pick up from the farm. So, we get calls from chefs all the time, ‘We want to buy from you directly.’ We say ‘Fine, but you have to come and get it because we are not driving to your restaurant’. Because delivery and distribution is a totally different business and we didn’t want to do THAT business. (Interview 18)

Recognizing that each step of the supply chain fundamentally requires a unique set of skills, labour and resources was essential for many participants to transition from direct marketing to FVCs.

Several participants who identify themselves as mid-scale farmers claim that FVCs are the most suitable and strategic market opportunities. As one mid-scale farmer claimed,

It is a funny position to be in because the smaller farms can have a niche strategy and the larger have economies of scale and the volume. They can control the large part of the market. For us, you need a number of strategies and markets and you have to be prepared to enter newer areas where the older ones become crowded or more mainstream or harder to be competitive. (Interview 23)

The increase in food box programs, natural food stores and specialty food stores have created more spaces for mid-scale farmers to sell their products.
A FVC partnership ought to be flexible and able to accommodate the unpredictable conditions of farming. Several participants mentioned that having a good partnership often provided farmers the opportunity to sell large and unexpected volumes of produce very quickly. As one farmer mentioned, “I had a bunch of carrots. We had a really warm February. I had to off-load them really quickly. I approached them when I asked if I could off-load the carrots before I lost them, and they took them” (Interview 8). While explaining how she sought out her FVC partners, a participant described,

I had a lot of berries that were starting to go to waste. Things like red currents, gooseberries, elder berries. I was doing jellies for many years and then it became less of a desire to do that. I thought maybe there was somewhere, where I can have someone take my extra produce that also understands what it is to be organic and natural. (Interview 17)

Farmers in this study appreciate the opportunity to sell large unexpected volumes as it allows them to regain some profits but also minimizes waste on the farm. Participants mentioned that they are not aware of any other marketplace in which such an activity can happen so quickly and efficiently.

5.4.2 Assessment of Potential Partners

While considering the partners with whom to develop a FVC, it is important for participants that potential partners hold several values. First, it was noted by participants that partners have to appreciate the high-quality product and the hard work of farmers. Farmers want to feel like equal partners and want their hard work and high-quality product to be acknowledged and fairly compensated for. As a participant said simply, “I will look for someone who will value my work” (Interview 14). Another one stated, “We are very grateful that people appreciate [our product] and are willing to do a
good exchange for our product. That is what keeps us passionate about it” (Interview 2).

Farmers in this study believe that the best partnerships work together to support each other’s businesses. By including farmers’ products in a retail space or a restaurant benefits not only the farmer, but the owners of the retail space as well. Participants believe their high-quality products bring people into stores or restaurants. As one participant proudly described stores carrying his products,

[It is a] win for the farmer. Win for the consumer. Win for the retailer. If you have my product and if you are across the street from Loblaws; you can’t buy my product at Loblaws. People have to come into your store to buy it. I think it is a win for them as well. You get to have a premium brand. (Interview 10)

Many research participants also appreciate when their partners have some experience or knowledge of farming or the farming industry. As mentioned above, one of the main reasons why many farmers either do not participate in direct marketing or aim to minimize their markets direct to consumer is because of the time and effort it takes to educate their clients. The assumption held among participants with FVCs, is that little education about crops, farming or local food will take place. The assumption that participants hold is that partners having knowledge about the farming industry will help minimize unrealistic expectations about the price, the quantity of products or the aesthetic appearance of produce. Farmers in this study often cited knowledge about weather conditions and seasons as key to developing realistic expectations about produce with partners. A participant used an example to describe the benefit of a food box program partner understanding the farming industry.

When I begin one of these relationships, I will say ‘Just so you know, my dates might change based on the weather. On the same track, I will be flexible to your needs as your numbers change.’ I state it out right but I don’t think there is
education. They get it right off the bat. For example, the plan was that we will have arugula ready for the first week of June but if there is drought, it might be delayed a week or two. They get that. I also have an understanding of their box program. We make everything that will be enough for 600 boxes. There is a mutual understanding of each other’s worlds. (Interview 15)

Mutual understanding of each other’s businesses further contributes to the notion that all parties in the FVC are equal partners. Participants believe that all actors in the FVC are dependent upon each other and the success of the FVC relies upon partners working together to strengthen each other’s businesses. As one participant summarized,

I think that those partnerships, finding those when you are working in that food value chain, it is finding people that you click with and you really work well with and they are willing to support you and you are willing to support them. I think that is really the key thing. I have had a couple times, it seemed like it would be a good fit, but they couldn’t grasp things from our point of view. As a farmer, we only have so much flexibility, right? I guess it is finding people with similar approaches and values and marketing so that you can dovetail together. (Interview 30)

In addition to appreciating the hard work of farmers and understanding the farming industry, it is important for participants that their partners value and promote local, healthy and high-quality food. The actions and marketing of the partners must reflect their commitment to more than financial profit. Supporting local food and local farmers must take priority in the eyes of the participants. When participants described how they accessed potential FVC partners, the most common answer was that their values must align with those of the farmers. As one participant simply stated, “It is good for our farm to be working with a company that has a good name and has the same values and beliefs as we do” (Interview 28). Another participant described,

For the restaurants, you definitely want to make sure you are working with people
who want to work with you so that they have access to local food. You can’t just work with every pub because if they are concerned mainly with price. It will be a constant battle. I don’t work with people who nickel and dime me. (Interview 4)

It was noted by participants, that partners committed to local food will provide fair compensation, will promote the farmers with whom they are working through their marketing avenues and will ultimately treat farmers as equal partners.

Farmers in this study are excited to engage with partners who hold the same values and are willing to work together to grow a stronger and more resilient local food system. Most participants believe that there is a lot more room for growth in the local food system in Southern Ontario and want to work with people who hold a similar perspective. As one participant stated,

They are really the perfect people for us to partner with. Their owners are visionaries when it comes to being food pioneers and bring local food to the market. They really care about cutting down food miles associated with the carbon food print, they care about the freshest produce as possible…There is always room for expansion with them. And they are just great people. (Interview 12)

Participants want to work with partners who want to be innovative, introduce novel local foodstuffs and fill gaps in the local food market, such as distribution and processing.

I think there are opportunities to help companies and farmers. That is what [one of our partners] is about. A company that we are actually invested in and we sell our products through. They do a lot for the local farming community in terms of helping them scale up and supplying them to key restaurants and food service in Toronto and Southern Ontario. That sort of thing is very interesting. (Interview 22)

Working with partners who hold similar values is not only important for the success of all partners along the FVC, but farmers in this study want to ensure that their work contributes to something bigger than the supply chain itself. They want to build a
stronger and more resilient local food system with people who are equally passionate about doing the same.

The final characteristic that participants look for when developing FVCs is trust. Several participants outline the lack of loyalty and trust in the industrial food system by stating that many actors like distributors, wholesalers and retailers often prioritize price and will often switch producers based on the lowest available price. Participants seek partners who do not prioritize profit and who will build trust and loyalty with farmers. Trust between partners is important for several reasons. The vast majority of farmers interviewed claim there is no formal contract between FVC partners. Partners either confirm arrangements with a handshake or simply trust that the arrangements made via email, telephone or in conversation will be delivered. By illustrating a scenario with one of his partners, a participant explains how trust ensures he receives fair compensation. As he stated,

If they would purchase too many of something, I may not know until I go there and see that there is left over product next week. They don't give stuff back to farmers because it is just not the way that they... If they agree to purchase something, they purchase it. (Interview 20)

Such a scenario demonstrates a clear distinction with large retailers, where several participants claimed they were not compensated for products that were not sold in store.

Participants declared that trust is a key characteristic in achieving financial success for all partners. Farmers in this study believe trust encourages all partners to strengthen their commitment to local food, encourages partners to produce high quality products and adds economic value along the FVC. As one participant described,
Trust is really the main one. There has to be trust between the partners. Just generally, trust, there is no BS, no games. Especially with produce because it is such a volatile commodity you are working in... Just knowing that someone has your best interest in mind. And vice versa. That we are giving a price that is fair for the quality involved and supporting the values. Understanding that it is a business and that it is competitive... But yeah, trust, knowledge and experience. That really pays off... I call them economies of trust, these sort of arrangements where there is trust between them. Everybody makes more money that way. (Interview 23)

Participants also believe that trust allows partnerships to be more personal and thereby allows space for human errors without consequences to the partnership. This further strengthens the partnership and commitment to the FVC, resulting in all partners working harder to achieve their established values.

Most farmers interviewed partook in numerous FVCs. This appears to be integral to managing risk for many farmers. Participants are very cautious about doing business with only one partner, as, from their perspective, this bears significant risks. As a result, participants develop multiple partnerships to avoid dependence on one large client. As one participant explained, “We are actually not looking for a huge customer. We don’t want to be held to ransom. We do not want to make a commitment to one large customer. We rather have 5 medium sized customers” (Interview 1). Another participant described in more detail;

[ Farmers] say they don’t want any single customer doing more than five percent. That is simply because if you work with large players, they pay you strategically because they know you are dependent on their market. They give you a good price for a year and then you focus and invest so you can produce for one person and then they say, ‘Oh well, we have this other person doing it for 15% less. Are you agreeing to match their price?’ Then that is your profit basically. We are living a in a low profit market and 15% less on price means I produce at zero profit. I just cover my costs, my mortgage and my capital. And, I don’t pay myself. I am basically volunteering on my own farm. But I have to continue doing that because
of the contract or to pay my capital investments. That is something people say why they don’t want to become dependent on a single market. (Interview 26)

There are several reasons why participants were motivated to participate in FVC. Many participants were taught that direct marketing would yield most financial reward. However, many found direct marketing to be a strain on labour, resources and profits. Various challenges with direct marketing was often the reason why farmers sought alternative marketing opportunities. Mid-scale farmers in this study found that FVCs are most suitable for their scale and allows the farmers to focus on growing food, rather than other activities like marketing and distribution. Prior to engaging in FVCs, participants accessed their potential partners based on several criteria. Participants accessed whether partners appreciate farmers’ hard work, whether they understand the farming industry, how committed they are to local food and whether the partners are trustworthy. The motivation of farmers in this study to seek out alternative marketing strategies and the ability for farmers to develop several partnerships supports the notion that demand for FVCs is increasing and that farmers are willing to take part in developing novel strategies in promoting local food in Southern Ontario.

5.5 Opportunities

5.5.1 Marketing

Farmers in this study identified several benefits of working in FVCs. As mentioned previously, many participants choose not to partake in direct marketing because they do not like or do not want to deal directly with the end users of their products, and they do not want to spend time developing effective marketing strategies. In most FVCs in which participants are taking part, the responsibility of marketing falls on one of the other
partners or is shared amongst numerous partners. The marketing that other partners do on behalf of participants is perceived as positive. As long as their story is being told, participants in FVCs are content to bestow this responsibility upon one of the other partners. This benefits the participants and helps them grow their brand, but also helps their partners as it connects consumers with the farmer who grew the product. One participant described the marketing strategy that one of the partners utilizes with his products. As he described,

They refuse to put our produce in the aisle without having a differentiator that tells the story of where the food is coming from. Because for them, they have to tell the story to get the people to really push the produce and start to buy it. If it is just another clam shell on the rack, then it will not do much. For me, the optics is everything. That message and local and free from pesticides and herbicides and nutritional value and transparency is everything. They refuse to have that food without that message alongside it. (Interview 22)

Effective marketing on behalf of the partners ensures the story of the farm and farmer is still communicated to the consumer without much effort from the farmers themselves.

Several food-box programs or restaurants have an online web page dedicated to the producers and farmers with whom they work. These sites often provide a short description of the farm which is often accompanied by a photograph of the farmer. One participant describes one of her partners promoting farmers on their website. As she stated,

If you go to their website, we are on there. There is a write-up on us so people can really get the feel. …. Like I said, they promote our product. They are friendly with us. They want to find out about us. They want all the information they can get
about us. They promote other farmers and they themselves care about the community, the environment. They really say who they are. (Interview 5)

As noted by participants, the marketing of farmers on partners’ websites acts as a form of verification to both farmers and consumers that companies do in fact support local farmers and are committed to the local food system.

Restaurants will often include the name of the farm on their menu beside the product that the farm supplied. Participants demonstrate that such marketing strategies help farmers develop their brands and demonstrate to farmers that their partners value their product and are committed to working with them. One participant described how several restaurants promote his farm:

A few of our big restaurants print their menu for a set amount of time and they rarely deviate from that because that is the way they are set up. Sometimes, they have this menu a little bit beyond our supply period, right? They might have a menu that goes to the end of November, when we are usually finishing salad supply in mid-October. They will leave our name on the menu until the end of that period and they are buying it from somewhere else. With them, they are super loyal customers. They buy tons of salad from us. They are committed to using our product. We are not going to get worried about that. It is not completely honest to their customers, but they are walking the walk, in terms of buying locally and using our product. There might be sometimes, where they have to substitute. (Interview 18)

Participants acknowledge that the ways in which partners market the farms are not always perfect and honest. Depending on the relationship, the actions of the partners may or may not be justified from the farmer’s perspective. The participant above has a strong relationship with his partner, which allows him to justify the lack of honesty to consumers for a short period of time. Another farmer in this study mentioned that his partnership with a box program was very brief. Yet, the box program kept his profile on
their website for several years despite him asking them to remove it. In this case, the farmer does not appreciate this company and their method of marketing. Nevertheless, in most cases farmers encourage their partners to promote the farm and their stories through their marketing platforms.

5.5.2 Personal Relationships

One of the major aspects of FVCs that farmers in this study appreciate is the opportunity to develop personal relationships with their partners; when this happens, farmers feel more confident and secure that they will not be easily replaced due to errors that may take place. There is more flexibility and leniency. When a personal relationship exists, partners work together to develop a solution and do not penalize each other for those mistakes. One participant’s story demonstrates this well.

There is one driver that has been there forever, probably since year one that we started one. He knows where everything is. I had left an order because I was in a pinch one day because I wasn’t sure if I was going to be back in time and I called him… Something came up with my daughter and had to go do something. He put that order on the truck himself. He knew where. He could self-serve. I would never do that intentionally but it’s nice to have that kind of relationship. That in a sense, gives you more… It’s more human. It allows you to be not perfect. (Interview 8)

Due to a close relationship with the driver from a box program company, the farmer felt confident that the order will be picked up while she manages an emergency family situation. The farmer also felt confident that this would not cause significant inconvenience to the driver or the partner company.

Participants notes that a close relationship with FVC partners can also minimize uncomfortable price negotiations. In a partnership where close and personal relations
exist, farmers feel confident that they can set a fair price and not receive a lot of push-back, as they might from customers at farmers’ markets or from large retailers who seek the lowest price per unit. In FVCs, the quality of the product takes priority over the price of the product. When describing why he continues to work with his partners, a participant claimed,

Because I want the control. I don’t like the idea that I will sit there and complain every year that my customer is not giving me the money I need or whatever it is. That customers I sell to, I set the price and if they like it, they buy it and if they don’t, they don’t. (Interview 16)

He later compared this experience to the experiences with large retailers that included constant price negotiations, additional fees and insecurity in whether he will get paid or continue selling to them in the future.

In cases where partners question the price of the product, many farmers invite their FVC partners to the farm. The personal relationship between the partners allows for this to take place. Farmers in this study often invite their partners to the farm to show them that the price farmers are offering is a fair compensation for the work they put into growing food. As one farmer illustrated using an example,

I have one example of a larger Chinese store that probably has 6 or 7 larger supermarkets now. They have been on and off with me for years. One year, they brought the truck out but when he got to the farm, I put him in the pick-up truck and told him what we have to do to get [the corn] and the different stages and the process. Then it made a huge difference in the way he bought after that. He could understand. Before, it was just a raw commodity and he didn’t want to pay any extra for the produce and wanted it as cheap as possible. But after, he saw that these guys are not making loads of money and that there is a bit of fair work that goes into the product. It made a world of difference. (Interview 16)
Farmers in this study often invite their partners to the farm, including the owners of companies, chefs, produce purchasers or managers with whom they interact. Some participants have formalized this process and have a day once a year dedicated to inviting their partners to the farm, where tours and shared meals will take place. Others do so only when they find it necessary. Ultimately, participants believe that the financial sustainability of farmers is essential to the sustainability of the local food system. If FVC partners want to build a strong local food system, all partners along the FVC have to be financially profitable, including the farmers. Personal relationships allow farmers to mediate this process.

5.5.3 Communication

Another characteristic that partners find necessary in a successful FVC is clear communication. Participants often compared the quality and extent of the communication in FVCs with their experiences with direct marketing or large retailers. Communication and feedback in direct marketing is often extensive, but not always constructive and largely stems from customers not having a well-developed knowledge base about the production of food. Participants claimed that communication with large retailers was almost non-existent. When it did take place, it was about negotiating the price or contractual obligations on behalf of the farmer. In FVCs, farmers believe they have the opportunity to work together develop a high-quality product that will yield benefits to all partners. Communication is vital to achieving this.

Strong and consistent communication allows farmers to meet the expectations of their partners in terms of what products to provide and in what quantities.
Communication also allows partners to receive feedback from one another. One participant described the benefits of partners visiting the farm. As she explained,

> We are finding out what they want. We would find out that they don’t want the leaves that big. They want them younger or older. They don’t like this variety or this one. It was helpful for us to find out what they were looking for. And then it is helpful for them to understand how to care for the product and to see how we do stuff. (Interview 28)

Open communication can help farmers learn about the quantity, the aesthetic appearance that consumers demand and how to package product which can create efficiencies along the supply chain.

Strong communication also provides feedback about novelty products and suggests whether producers ought to continue with the new product. As one participant described,

> I like feedback. I like to know what is going on in the market. When we did flowers, we always tried to do different stuff. I try new stuff. I have some restaurants, but I have good communication with them weekly, basically. I say, ‘I have some new item, what do you think of it?’ I will give them a free sample and they will say ‘Yeah, I like it’ or ‘No, it’s not for me’. (Interview 13)

With FVCs, participants have the ability to try novel products and test them in the market without much risk. Partners welcome novel products and will provide feedback that farmers can use to adjust their crop plans accordingly. As one farmer in the study explained,

> Restaurants in the winter are less busy and they will tell us in advance, ‘We will not need as much kale two or three weeks from now.’ We will say, ‘Ok.’ So, we will look for either another customer to supplement that kale or we will scale back and start growing something else like parsley or whatever. It is having that openness and both parties knowing to keep each other abreast of things well in advance and
not having any surprises. That is the most important thing. Open communication.  
(Interview 12)

Even when changes occur, farmers claim they can be flexible with enough notice. Open communication can help farmers save their product and sell through another avenue. Lack of communication can create a lot of inefficiencies in the supply chain and decrease trust, which ultimately results in waste and lost financial opportunities.

5.6 Challenges

5.6.1 Consumer Education

Farmers in this study demonstrate that one of the benefits of direct marketing is that farmers can develop a close relationship with the eaters of their food. This gives farmers the opportunity to educate consumers about the food they produce, the farming industry and about the local food system. When farmers participate in FVCs, they often lose the degree to which communication with eaters takes place. Although many participants aim to maintain some contact with the end customer via participation in farmers’ markets, festivals, trade shows or product displays in retail outlets, the farmers are no longer the only actors educating the consumers. Some partners in FVCs are often in a better position to participate in education. What this means for farmers is that they lose some control over educating consumers and over what information takes priority. Issues such as food waste and unrealistic expectations around the aesthetics of produce take priority for farmers in this study. Issues such as novelty products and farmer information are often the priority for the FVC partners. Study participants claims that FVC partners prioritize promoting the farmer but do not educate consumers about more complex issues related to local food. Whereas partners focus on establishing a
relationship between consumers and farmers, participants want consumers to move beyond that and begin challenging their own behaviour around how they consume local food.

One farmer in this study addressed the possible contentions between consumers wanting local food but also wanting convenience. As she stated,

I think the bigger issue is that everything focuses on what the consumers’ want. I don’t think we talk about enough is that we really want strong farms and strong rural communities. But if we really want this, you have to start thinking about what helps the farm survive... Having that relationship with your farmer is the very best education that there can be. But everyone wants to put funding into scaling programs, but whereas I think what we would want to do is try to get consumers to work a bit harder but that’s not what people want. They want their groceries to show up in boxes on their doorstep with their eggs and orange juice and their whatever. They want everything to be easy. But once again, I think the farm comes short. (Interview 7)

She further compared this to the behaviour of a CSA customer.

CSA customers have a learning curve as well. They get what we have that week and they have to learn how to use it. So people make that commitment to that learning curve. I just think restaurant and stores don’t have the same personal convictions necessarily as an individual and also, they have a bottom line. So the commitment to the learning curve is not there. (Interview 7)

This farmer believes that farmers are the ones who can best educate consumers about the local food system. Although farmers in this study believe that most consumers of local food are somewhat knowledgeable about local food, there is a lot more education that should take place. Participants want to challenge eaters about their behaviour. For example, they want consumers to have more realistic expectations about the aesthetics of food. Participants want consumers to begin to challenge the notion that the aesthetic appearance of produce correlates to the health, safety and overall quality of produce.
Farmers in the study also want to educate consumers on how to minimize food waste. It appears this education is not taking place in FVCs, whose partners are not educating consumers about these issues and farmers do not have an avenue within the partnership through which they can educate consumers.

Partners' priorities to satisfy the consumer and retain their consumer base often perpetuates unrealistic expectations about food. For example, when consumers complain about the aesthetics of produce, partners often participate in apologetic behaviour by replacing the product or providing consumers with credit. Farmers believe that this rewards poor behaviour rather than challenges it. Farmers in the study want FVC partners to use such opportunities to educate consumers about issues that challenge consumer conveniences. The pressure of unrealistic expectations around aesthetics puts pressure on farmers to provide produce that may be impossible to achieve. One participant described one of her partners,

Being reasonable with the product. There is a client who we are finding difficult dealing with. Just because they are very picky and they are constantly returning things, wanting pictures of things before they send it. They are a challenge to deal with. They always want a discount and turning around and there is nothing wrong with the product and they return it. They will say, ‘We want a discount, but now we are returning half of it.’ Even though there is nothing wrong with it. It looks beautiful but their consumers want perfection, beyond perfection. (Interview 28)

Although all parties in the FVCs agree that eaters ought to be more educated about various aspects of local food, participants claim that farmers and various FVC partners prioritize different aspects of local food while educating eaters. Participants want to challenge certain consumer behaviour while partners often focus on meeting all consumer demands.
Participants expressed worry that partners’ focus on consumers may shift their commitment from helping farmers and the local farming industry to consumer satisfaction. From the perspective of farmers in this study, meeting consumers’ expectations and conveniences does not often align with what is best for farmers or what the farmers perceive to be best for the local food system. Participants believe that the goal of FVCs in developing the local food system is sometimes lost at the cost of meeting consumer demands. As one farmer in the study explained,

The customer is the person that they are answering to, right? I am assuming. All the decisions they are making are about pleasing their customers. That is their sale. I think if customers, eaters are driving the agenda, then farmers are going to get left behind. Which is what always happens with the industrial food system... I am genuinely concerned about what is going to happen if everyone can dial a number and have a box of food delivered to their door, which seems like it is happening… I think this movement is bending over backward to make it hyper convenient for consumers and to also make them feel really good about what they are doing. (Interview 7)

By taking part in FVCs, participants often lose the ability to educate consumers about what they think is valuable in developing a sustainable local food system. This often results in partners perpetuating unrealistic consumer expectations, which puts pressure on farmers to grow products in ways that may not be realistic due to weather, climate, or the nature of the product. Participants also worry that focusing on consumer satisfaction may result in shifted priorities, which may negatively impact FVC parentships.

5.6.2 Significance of Scale

Farmers in the study often recalled times when they started their FVC partnerships. Farmers were excited to work together with their partners to grow each
other’s businesses but also work together to build a more sustainable local food system. Participants reminisced about sitting together with their FVC partners, often around a dinner table, discussing their businesses, developing plans about the partnerships and exploring how they will evolve the local food system together. Conflicts begin to arise when the scale of one of the partners changes. In the situation below, a research participant described a food box program which the farmer has supported from the beginning. The food box program has grown very fast over the past several years and has expanded into the geographical area in which farmers supplying produce for the box program also market directly to consumers via farmers’ markets or CSAs. Participants are finding this problematic as they feel the box program is in direct competition with their direct markets. As a farmer described,

I know farmers in Guelph who are competing with them and you just feel very conflicted. Because CSA farming and what we do, they are in a direct relationship with our customers. I think it is so important to the survival of small farmers like ours and important to the genuine education about the farms for eaters. If we get pushed out, it’s just a really sad story for the food system. But there seems to be a real momentum for these programs. (Interview 7)

She continues further,

They extended to [our region] so they are also competing with us. So that, I think, that’s when it went a bit sour for me, is that they use our story but then they are not doing that work, because they are not living that story, they are not growing the food, they can put all of their resources into super fancy marketing, delivery and they can craft this incredibly consumer friendly, consumer desirable product at a price that we can’t compete with. I am sure they have a full-time web person who is just working on their fancy website and supplementing the boxes with eggs and artisanal bread. They craft this great program which is better than any grocery store plus there is that kind of ethic that people can buy into that ethic of our small farm. (Interview 7)
For farmers who continue to participate in direct marketing, the expansion of the box program into their regions results in an additional competitor – a competitor with more resources for advertising, marketing, and meeting consumer desires. As a result, participants do not see this competition as fair. The difference in scale also appears to have altered the way in which the partner compensates the farmer. As the farmer above describes, “It seems that now if there is a way to save money, they do. [They] used to pay us really well. Every year, it’s getting harder and harder to get what we want” (Interview 7). Farmers in the study worry they may lose customers to the box program. At the same time, the box program may not purchase larger orders from the farmers in the regions to which they expanded. Further, they may begin mimicking behaviour that participants often see amongst large scale retailers, such as asking for lower prices or demanding unrealistic quantities of produce.

The change in scale prompts another farmer in the study to question whether the same box food program will change their loyalty to their small farmers.

Because you are guilty by association in terms of what your values are. So, I hope that they [stay true to their values]. And I actually had this discussion with one of the drivers because they have expanded so quickly. Are they going to stay true to the grassroots stuff? Are they going to stay true to the small farmers or are they going to take the easy route and start getting it cheaper from other countries? (Interview 8)

Farmers demonstrated worry about the scale and expansion of their partners.

From the farmers’ perspective, the growth in scale appears to be connected to the commitment to the values of supporting local, small-scale farmers. In addition to being direct competitors, farmers worry, if their partners expand, their loyalty,
commitment and values may shift.

It is important to mention that, at times, it is the farmer who has expanded and scaled up. In such cases, participants worry their partners will not be able to handle the amount of product farmers want to provide. When farmers get bigger, they also expect their partners will place larger orders, as small orders may no longer be efficient for farmers to process. One participant, who partners with large-scale and small-scale retailers, described why he will attempt to continue to partner with smaller retailers, despite the fact that sourcing produce to them is increasingly inefficient. As he described,

I think we want to continue our relationship with the core independents. That is where we came from and we want to make sure we are not just selling out our brand. It is a balance. We definitely want to maintain the balance. The distribution is tough. You have to drive to their stores to drop it off. Sometimes, they are ordering $100, when it is not even worth driving to those stores. The scale again, you can run yourself ragged trying to deliver to 70 stores in the winter. All of our major retailers come to our greenhouse to pick up because they have the trucks on the road. It is far more efficient. We really want to focus on growing the product, not on the distribution. At some point, we might have to let some go. We used to sell one unit at a time. Then we moved to six box cases. Some of the really small retailers don’t want to buy six at a time and you just have to make that leap where we are growing this business and we have to let go. Just to survive and making it profitable, we need to actually do that sort of thing. (Interview 22)

In either scenario, scale may result in conflict between partners. The scale may put into question the values and loyalty that initially founded the partnership, potentially altering the ways in which the partnership functions. Difference in scale may also result in inefficiencies, which may not be financially viable for one of the partners, potentially altering or ending the partnership.
5.6.3 Challenging Elitism

One of the other major challenges that farmers experience during FVC partnerships is the pressure to respond to the criticism that local food is too expensive and is essentially an elitist product, as it is more accessible to those with a higher income. Most participants acknowledge that their product is more expensive than its conventional counterpart and most farmers agree that this is problematic when trying to increase demand of local food or trying to address issues like food insecurity. On the one hand, they want to provide a product that is healthier for their consumers and better for the environment. Many participants confirm that people who would benefit from their higher quality products most are people who, unfortunately, cannot afford it. On the other hand, they want to maintain the value of the product and ensure they are being fairly compensated. This appears to cause an inner conflict within many farmers. As one farmer in the study claimed,

The shorter the distribution than the lower the price point, the more success there is within the company based on high quality. I just think we can keep our price low, as low as I can, then the mark ups are less. Then you look at, if I sold into Whole Foods, they would double or double and a half the price of my cheese and then it makes it elitist and I do not want it to be elitist. I want it to be fair value. (Interview 3)

Farmers express the desire for their products to be accessible to everyone. As the participant above pointed out, it is not only the farmer who impacts the price of the product; other actors, such as distributors and retailers also contribute to the price of high-quality food.
Although participants acknowledge the cost of local food is high and not accessible to everyone, they argue that it is not fair to place pressure or fault on farmers alone. As one participant discussed elitism of local food;

We are aware of it. There is tremendous price pressure. There is a bit of a premium, but in the supply chain, it is the stores hanging on to it. That is a different thing. If it is a fair price for what it is, it is not the farmers’ fault that it costs more to grow it properly or that is costs more to grow at this scale, which is human. That is local economies that support the workers. The wages and the place to live when they are away from home for 6 months a year. That is not the fault of the farmer. You know? Everything is an income issue. It leads back to what is minimum wage, all that is externalized costs. Cheap food has problems. Food sold by [large supermarkets] creates other issues. (Interview 23)

In addition to being fairly compensated for their labour, farmers want to provide good working conditions and fair compensation to their employees as well. Participants believe developing a strong local food system also entails developing well paid employment for farm workers. Many of the farmers interviewed stated that they prioritize paying their employees before paying themselves. Several farmers disclosed that there were many years where they did not pay themselves at all. Trying to make high quality products available to a broader population, while fairly compensating their employees and themselves seems to be a burden that farmers continuously face and try to reconcile. Participants are continuously investigating how they can become more efficient and cut down the costs of production. Not only will this make the farm more profitable but will also help them address the issue of accessibility, which is tormenting the farmers.

Few participants work together with their FVC partners to address issues of food insecurity. In most cases, farmers take the responsibility upon themselves to address
the elitism of their products and make their food more accessible to a broader population. Many farmers in this study volunteer or participate in other charitable actions as a way of addressing this burden. Some of the activities in which farmers participate include helping run community gardens, sitting on boards of local community organizations, developing and teaching educational programs about food or farming, fundraising and donating food to food banks or emergency food providers. One participant described his actions to address food insecurity in his community.

We do, at the same time, engage in charitable activities or going out to some of the community food centres. We have things here. 'Would you want potatoes? We will wash them and put them in bags. We have extra of something this year, if you have a community kitchen, then you can use that too.' There are those alternatives too. (Interview 23)

Because participants are so bothered and disturbed by the notion that their product may be elitist, many farmers attempt to reconcile this by taking part in charitable activities. Farmers are putting a lot of responsibility on themselves, even though they acknowledge that other actors along the supply chain are equally, if not more responsible for contributing to the high price of local foodstuffs.

5.6.4 Concerns with Alternative Food Networks

Most research participants outlined numerous issues with the industrial food system throughout the interview. Likewise, most farmers also demonstrated dissatisfaction with alternative food networks (AFNs). It appears that many farmers are not satisfied with the assumptions or perceptions associated with local food and AFNs. The experiences of many participants with AFNs, specifically with the local food movement, often do not reflect the practices or perceptions that are commonly
associated with AFNs. There are several criticisms of AFNs that farmers outlined in their interviews, including issues with direct marketing, ‘greenwashing’ in the industry and criticism towards increasing specialization and specific labour practices. Many of the participants did not feel they are truly embraced by or are a part of AFNs.

Participants were often taught or told by various actors that direct marketing is the best option for farmers. Direct marketing eliminates any middle actors, which should yield more financial profits for the farmer. Farmers will have more control over their business and will develop a stronger relationship with their consumers. Direct marketing was promoted as the ultimate challenge to the industrial food system and as the best solution to the issues developed by that system. However, based on experience, many farmers found direct marketing very unsatisfying. For many farmers, experiences with direct marketing encouraged them to seek out novel marketing opportunities and develop novel partnerships through FVCs. Most participants agree that the education that consumers receive at farmers’ markets and CSAs yields positive results for farming businesses. At the same time, educating consumers is very laborious, time consuming and does not guarantee profit. One of the main reasons why farmers in this study did not enjoy direct marketing was personality. Farmers’ markets for example, require farmers to be positive and patient and constantly engaged with consumers; this ultimately requires farmers to put on a performance for their clients. One participant described his experience at garlic festivals,

Obviously at the garlic festival – that is the most high maintenance. You find yourself stuck in a conversation. I am happy with the conversation, but it is a massive festival and you have one person wanting to talk to you for an extended
period of time. It is tricky to slip out of the conversation or give them a card to email you because you don’t want to miss someone else coming through who wants to buy something, right? (Interview 19)

Several participants mentioned the difficulty about organizing and managing CSA pick-up times. Farmers demonstrated they are also required to respond to numerous questions and requests from CSA members, which requires a lot of time, for which farmers are not directly compensated. Engagement with clients at festivals, farmers’ markets or CSA pick-ups, ultimately requires a specific type of personality. As one farmer bluntly declared, “I don’t really like people and don’t want to deal with the general public” (Interview 16).

Many participants do not view the time spent at a farmers’ market, for example, as productive, hoping they could spend more time on the farm, tending to their crops. As one participant claimed,

I tried a farmers’ market once and this is my personal opinion on it. I can’t stand watching my stuff sit outside and I take time out of my day that I could be farming, you know what I mean? Tending to the plants. I go to a farmers’ market, sit there for half a day and watch my stuff die in front of me while people pick and choose what they are going to buy. That just drives me up the wall. (Interview 21)

In addition to time not well spent, many participants recognize that direct marketing is not always financially profitable. Although one may receive a better price per unit at a farmers’ market, farmers do not sell as many units as they do through FVCs. Great effort is put into consumers who may only purchase a limited number of items. Not only do participants work hard to perform for customers at the farmers’ market, farmers must prepare for, travel to and set up for the market. Many farmers mentioned waking up as early as 4am in preparation for the market. One must also consider the time and effort
to grow the vegetables and then picking, packaging and displaying them for the market. Most farmers in the study believe that consumers do not consider all the effort that is required to bring product to market. As one farmer described,

For the first five years that we were in business we sold at the farmers' market just up the road. We found that that was our least efficient way of selling produce. We could make more money with less effort by selling wholesale – larger volumes in wholesale. We were making slightly more per item [at the farmers’ market] but the amount of work that we had to put into harvesting, prepping those products and time spent in the market meant that our return on labor was much lower than selling wholesale. (Interview 18)

Although the increase in farmers’ markets in urban centres demonstrates that the demand for local and high-quality food is increasing, farmers believe that this also has a negative impact. One farmer described the over saturation of farmers’ markets in Toronto,

From farmers’ markets, from years of doing them, most of the time, people are losing money. We used to do them for years in Toronto…There were only few markets and we did well, and we did better and better and then there was another 50 markets in the area and market concentration didn’t change. Ninety five percent of people were still getting their food at the big stores. With 50 more markets, just cannibalizes and nobody was making money. Everything or half of it comes back. You didn’t sell it. You did it all for nothing. You spent your time in a market losing money. You paid to drive there… We were one of the first ones to step away. (Interview 14)

More farmers’ markets result in fewer people visiting each market, decreasing opportunity for profits. It is also important to mention that the volume of consumers at farmers’ markets is significantly dependent on weather. Participants noted that when the weather is poor, farmers’ opportunities to make profit significantly decreases. This results in the loss of labour and time that is associated to going to the market. In addition, produce that was brought to market will likely have to be
discarded, as it will no longer be in a state to sell elsewhere. Many farmers also demonstrate dissatisfaction with vendors who purchase produce from the Ontario Food Terminal and resell them at farmers’ markets. Vendors purchasing produce from the Terminal often sell their products cheaper, putting farmers at a competitive disadvantage. Participants believe that most consumers are not aware of this practice and cannot identify who is purchasing produce at the Terminal. Therefore, consumers assume that all vendors at the market are all farmers selling only products they grow.

Although marketing by partners is one of the benefits that farmers participating in FVCs identified, farmers did mention that there is an increasing amount of ‘greenwashing’ that is taking place. ‘Greenwashing’ refers to the practice of making false or misleading claims about the relationship between a product and environmental benefits. In this context, the term refers to the practice of a company or a person stating that they support local when in fact their support is non-existent or minimal. Since demand for local food is increasing, farmers believe, many retailers and restaurants want to demonstrate their support for local food and local farmers. As demonstrated by many of the partnerships in which farmers participate, many businesses work closely with farmers to meet the increasing demand for local food. However, farmers also mentioned that many companies post misleading information, stating that they support certain farmers when in fact they do not. One participant described ‘greenwashing’ related to local food,
I haven’t found it so much on the side of the people who are reselling, but I found that more in restaurants where they are like, ‘Oh yeah, we will get your stuff. We will put you on the menu.’ Then they come and buy twice and then that is it. But you are on their menu for two or three years, right? So, they can talk about local food. (Interview 30)

Another participant claimed,

It happens a lot. We get restaurants who put our name on the menu who are not buying from us. People tell us. We have chefs call us and tell us, ‘Don’t tell anyone that you heard it from me, but so and so down the street has you down on your menu and I know you don’t sell to them.’ So, we call up and say, take our name off the menu…We have had a home delivery program that was doing prepared meals, come and interview us, take a couple of pictures, put us on a website and then never actually order from us. It happens a lot. There is a ton of greenwashing. (Interview 18)

Farmers in the study often feel discouraged about the amount of misleading advertising that takes place in the local food system. Farmers work hard to build their brand and are frustrated when their brand name is being misused. The lack of monitoring and policing around this issue means farmers have to monitor this themselves, which consumes precious time and resources.

There are several issues that are engrained in the philosophy of AFNs with which farmers do not agree. As mentioned previously, participants have been told and taught via various avenues that direct marketing will yield most benefits to farmers as well as to the local food system. Many found this not to be true. Not only does this require a lot of additional work for farmers, but it was also not always financially viable. Upon doing further evaluations and analysis of their farms, the climate and soil of their farms, many found that what would yield most benefits, including financial and environmental, was
specialization. When discussing his transition from direct marketing to FVCs, a participant described,

> Everything we read, everyone we talked to were all about direct marketing. There are a lot of farms that do well at direct marketing. We sort of thought from the beginning that our farm has to work with our soil that we happen to have on the farm, the micro-climate we have, our personalities as people, what my wife and I enjoy doing and where the market is. When we looked at all those different variables on our farm, it made more sense to sell wholesale than direct marketing because we like having a short growing season so we can do things in the winter. Take time off. (Interview 18)

Another farmer explained that specialization increases efficiency but is not always suitable for direct marketing.

> If we are going to try and increase the efficiency of what we are doing, we are going to do better to specialize in certain things. Like beets and carrots can be grown fairly easily with the same set of equipment and run the harvester with them. It also seems to work with our land base and our scale. So, yeah. The [farmers’ market we attended] was good because it became fairly big so we can afford to specialize and be there with the maple and the carrots and garlic. Whereas, at a small market you can’t do that. You have to have a wider selection. (Interview 30)

Farmers in the study noted that specialization is something that is often perceived as negative within the philosophy of AFNs. Specialization is often linked with monocultures, which is a source of many current environmental issues and a key characteristic of the industrial food system. It is important to mention that none of the research participants take part in monoculture production. When referring to specialization in this context, farmers in the study refer to growing about four or five crops. Nevertheless, they felt that they are breaking one of the main pillars of AFNs, which made them apprehensive about their decision to specialize. They were worried about being criticized from...
members of AFNs, not receiving support from the AFN community and being grouped in the category of the industrial food system.

The worry about being outcasted by the AFNs community is further complicated when the issue of labour is introduced. Farmers in the study who utilize migrant labour or disapprove of alternative labour movements such as WWOOF (World Wide Opportunities on Organic Farms) are often open to more criticism. Migrant labour is a topic that is also strongly associated with poor farming practices in the industrial food system. Research participants hire migrant labour mainly because there is a shortage of willing and experienced farm labour in Southern Ontario. Farmers found migrant workers a lot more knowledgeable, experienced and hard working than local labour. Research participants who utilize migrant labour value the hard work of their employees and believe they are vital to a strong local food system. As one farmer described,

There was a lot of concern and care, especially for the guys from Jamaica because so much is depending on their ability to send money home to family and there is no health care there and everything is out of pocket. There is a lot of long-term relationships that are a cross between professional and personal. The land stewardship, rural economic development, and being supportive of the right of migrant workers. We put a lot of time into that. (Interview 23)

Although farmers value their employees and treat them well, farmers utilizing migrant labour are often hesitant to promote this practice as there are many negative connotations associated with it.

Another form of labour practice that has gained popularity in AFNs is the practice of WWOOF or more commonly referred to as ‘wwoofing’. Under this model, people volunteer on farms in exchange for food, accommodations and farm mentorship. This
practice is often promoted to farmers as an alternative to traditional labour practices found in the food system. Farmers are encouraged to host ‘wwoofers’ as it will decrease their labour costs but will also help educate the next generation of potential farmers. Many farmers in this study who have taken the opportunity to host ‘wwoofers’ have become critical of the practice. Volunteers often lack experience on the farm and require a lot of education, attention and supervision. The inexperience and high turn-over rate of volunteers often results in many mistakes that are costly to the farmer. Some farmers believe that utilizing volunteers skews the perception of the real cost of food production. As one participant explained,

We believe that people should pay more for their food. The true costs of production. We won’t hire ‘wwoofers’ because it skews the cost. People ‘wwoofing’ will tell you that they want to do this. There are elements of it that are fair, but the point is that it skews the cost of food. It is an artificial price, because it is not what it really costs to produce cheese or anything. (Interview 3)

Farmers believe that volunteers do not increase efficiency or productivity on the farm. Similarly, to promoting migrant labour practices, farmers are hesitant to criticize the practice of ‘wwoofing’ in fear of a backlash from the AFN community.

Making the decision to be more specialized was difficult for many participants at the beginning. However, once farmers became more specialized, it was a lot easier to develop FVC partnerships. By specializing, farmers can focus on growing a limited number of high-quality crops, provide a more consistent product and provide higher volumes to their partners. As one farmer described,

We realized that we can find efficiencies by having some specializations. My wife and I are systems people. We like to develop systems and refine them so we can
do things really efficiently. And we found that if we focused on a few different crops and got really good at growing them and have really great systems for planting, harvesting and everything else, that we could put those out in large volumes and sell to the wholesale market. (Interview 18)

Farmers believe that specializing can ultimately strengthen the local food system by providing more consistent and higher quality foodstuffs to markets beyond farmers’ markets or CSAs. Farmers also believe that specialization may be more beneficial environmentally, as farmers are only growing crops that are suitable to the farm’s soil and climate. Although many participants believe some specialization is beneficial, they understand that this is not a common perception amongst supporters of AFNs. It is difficult for participants to reconcile between what they have been taught about the local food system and what they believe will be most beneficial to them and to the system they are trying to build. As a result of specialization and utilizing migrant labour, participants have received some backlash from fellow farmers and advocates of local food in Southern Ontario.

Farmers are mainly motivated to participate in FVCs for financial reasons. FVCs also seem suitable for mid-scale farmers and farmers who want to spend their time tending to crop rather than managing relations with many consumers. Farmers choose their FVC partners based on whether they appreciate the hard work of farmers, understand the farming industry, hold the same values about local food, and are trustworthy partners. Having these characteristics in place helps develop a stronger partnership. Farmers appreciate FVC partnerships because there is an opportunity for partners to aid with marketing as well as develop strong partnerships where businesses can work and grow together to develop a strong local food system. Farmers in the study
also identified communication as a key characteristic of a successful FVC partnership. Farmers often lose control over educating consumers while participating in FVCs, as other partners are in a better position to do the education. Challenges can also arise when the scale of business between partners changes. At times, partner businesses can outgrow farmers, and, at times, farms outgrow the partners. Loyalty, trust, and values are often challenged in such situations. Study participants face the pressure to deal with elitism of local food while in FVCs. Farmers participating in FVCs also seem to have a unique perspective of AFNs. The motivations, opportunities, and challenges outlined above combine together to formulate the unique experience of farmers who participate in FVCs in Southern Ontario.

5.7 Summary

This chapter presents the findings of this study. The chapter provides a description of the farmers who partook in this study, including geographical scope and summary of their farming business and marketing strategies. The chapter provides a phenomenological description of farmers who participate in FVCs in Southern Ontario. The description represents the unique lived experience of these farmers. The chapter then outlines the themes upon which the phenomenological description was based in more detail. The motivations, opportunities, and challenges that farmers in Southern Ontario face while taking part in FVCs are examined. This chapter brings to light that farmers taking part in FVCs are presented with some unique opportunities and challenges, which contribute to their unique lived experience.
6 Discussion

6.1 Introduction

The previous chapter presented the findings of this study. It summarized the farmers’ business and marketing strategies and provided a phenomenological description that aimed to illustrate the lived experience of farmers participating in food value chains (FVCs) in Southern Ontario. To reiterate, this research study will examine the lived experience of farmers participating in FVCs in Southern Ontario. Generalizing, conceptualizing, reflecting, or comparing experiences are not the intentions here, as this is not suitable or appropriate when using phenomenology. This research aims to understand the experience of farmers participating in FVCs in Southern Ontario from their perspective. The objectives of the study are to:

1. Determine the motivation of farmers participating in FVCs in Southern Ontario.
2. Identify opportunities that farmers experience participating in FVCs in Southern Ontario.
3. Identify the challenges of FVCs in Southern Ontario as experienced by the farmers.

Taking into consideration the research objectives of this study, this chapter will discuss the significance of the findings from the previous chapter. It is important to emphasize that the focus of this research is to explore the experience of farmers. This chapter demonstrates that the lived experience of farmers can provide valuable information about the local food system and FVCs. The findings section above outlines the
motivations, opportunities, and challenges of farmers participating in FVCs in Southern Ontario. The discussion below reflects the experience and perspectives of farmers participating in FVCs in Southern Ontario, based on the findings above. When assessing the findings above, several themes emerged that overlap across all three objectives. The chapter is divided into two sections: one discussing the implications of farmers’ lived experience on the local food system and one discussing the implications of FVCs.

6.2 Implications on the Local Food System

6.2.1 Small Farm Orthodoxy

Many farmers producing local food aim to achieve goals that reach beyond the financial viability of their farm. Farmers producing local food aim to strengthen the local food system by limiting food miles, contributing to the local economy, and developing stronger bonds between farmers and consumers. Others may also utilize ecological farming practices, such as certifying their farm organic. Growing food ecologically and growing food for the local market is embedded in literature on alternative food networks (AFNs) which aim to challenge the industrial food system. As mentioned previously, AFN literature states that local food yields a wealth of benefits, including environmental, economic, and social. When reviewing literature on AFNs, there appears to be a certain formula that farmers ought to follow if they want to challenge the industrial food system. The formula presented by AFN literature is a list of prescriptions that include a wide range of aspects about farming businesses. Farmers are often advised to keep the farm
small, grow a wide diversity of vegetables and, most importantly, sell directly to consumers via farmers’ markets of community shared agriculture (CSA) programs.

The list of prescriptions that farmers ought to follow in AFN literature will hereinafter be referred to as the ‘small farm orthodoxy’. It is important to note that this concept as a standalone entity is absent from academic literature. Literature critical of AFNs often includes aspects of the small farm orthodoxy. For example, literature puts into question the relationship between local food systems and sustainability (Winter 2003; Smith et al. 2005; Born and Purcell 2006) and its ability to challenge the environmental issues created by the industrial food system. Others also question the ability of small-scale farming to provide sufficient food required for the growing demand for local food (O’Neill 2014). However, academic literature does not identify a concept that includes all these elements together, and that focuses on the negative impacts this can have on farmers and their farming businesses. Brent Preston, the co-owner of The New Farm near Creemore, Ontario, coined this term in his book. Preston’s book depicts a story about his family transitioning from living in a large city to a small town and starting a farm. Apart from this book and this research study, the term ‘small farm orthodoxy’ is not present or depicted anywhere else in literature.

Preston states the small farm orthodoxy encourages farmers to do the following:

[S]tay very small (five or maybe ten acres, max), grow as many different kinds of vegetables as possible (with a strong emphasis on heirloom varieties), keep some livestock around (chickens and hens and pigs for sure, and maybe sheep and cattle if you’re feeling ambitious) and sell what you produce directly to consumer. (2017: 66)
He claims the most prescriptive aspect of the orthodoxy is how farmers ought to market their products. CSAs, farmers’ markets, and running a farm stand are the optimal strategies. This formula, which Preston (2017) refers to as the small farm orthodoxy is demonstrated in many farming educational books and is often presented to farmers via various educational programs or farming associations that help small farmers develop their business. Many farmers in this study confirmed that they are extensively exposed to the concept of the small farm orthodoxy. Before developing partnerships, many believed this was the only way their farm can be profitable. Although study participants were doing everything the small farm orthodoxy was prescribing, many of them admitted they were not financially profitable. For many research participants, this created a sense of hopelessness and frustration.

AFNs literature appears to encourage a binary approach to farming business – that farmers only have two options. They either join industrial agriculture by significantly scaling their business with land and equipment and sell to wholesalers or to large retailers, or run a small-scale farm where products are sold directly to consumers. Under the small farm orthodoxy, any middle actors such as distributors and wholesalers are to be avoided, as they prioritize price, do not value high-quality products, and will continuously negotiate for lower prices. There does not appear to be much literature encouraging farmers to develop innovative marketing schemes outside the binary. It is important to note that mid-scale farmers often do not fit into this binary. Not only are they rejected by the industrial system as they are considered too small, but AFNs also
neglect the role of mid-scale actors in contributing to the development of an alternative food system as they are considered too big.

Many large-scale farmers may also not fit into the binary. Farmers in this study who operated large plots of land found it difficult to fit into the binary. Some participants refused to fully adopt the industrial model of agriculture and chose not to apply synthetic fertilizers or pesticides, despite having large scale plots. They agreed with literature from AFNs with regards to creating sustainable farms and local food systems, but the scale did not allow for a complete adaptation of the farming models presented in AFN literature. Although the small farm orthodoxy often applies to small scale farms, farmers of various sizes experience the small farm orthodoxy. It is important to acknowledge that different types of farmers can contribute to the success of the local food system (O’Neill 2014). As such, it is important to challenge this binary and not oversimplify and romanticize small, local farming (DuPuis and Goodman 2005; O’Neill 2014).

For some farmers in this study, it took several years to realize there are gaps in the small farm orthodoxy. Preston (2017) states he, himself was fascinated and captivated by the small farm orthodoxy when he and his partner started farming. In his book, Preston describes how he, and his partner were encouraged to follow the small farm orthodoxy. Other farmers, farming organizations, and educational resources were preaching the message of the small farm orthodoxy. Eliot Coleman is one of the main authors whom farmers turn to for advice on how to make a small farm profitable. As Preston states, “Eliot Coleman says that a couple can make a living on two or three acres, using nothing more than a walk-behind Rototiller, with no outside labour. Gillian
and I followed that prescription for two seasons and came to an irrevocable conclusion: Eliot Coleman is a liar” (2017: 187).

Preston than argues “I’m convinced that one of the biggest contributors to the perennial farm financial crisis is that most farmers harvest their crops before they are sold, then take what the market is offering” (2017: 198). Preston’s story resonates with many farmers who were interviewed. Once farmers began to access and quantify how their time and resources are spent, many confirmed that harvesting and preparing crops for the market was most time and resource consuming. When selling at a farmers’ market, significant time and resources were spent on preparing products that were not guaranteed a sale.

However, due to the small farm orthodoxy, small farmers especially were hesitant to divert from direct marketing. It often took several years for farmers to open their minds to novel strategies and to diversify their marketing strategy. Although many farmers continue to participate in direct marketing to some degree, farmers conclude that they benefit most from a diversified marketing portfolio – one that includes some direct marketing and one that includes FVCs. Some farmers have abandoned the small farm orthodoxy altogether, increased their arable land, begun to specialize in a limited number of crops, and do not sell directly to consumers in any capacity.

The small farm orthodoxy does encourage some direct sales to restaurants, but only under specific conditions. As Preston describes, “The image is one of a farmer showing up at the back door of a restaurant, handing over a few boxes of produce to the
chef and then heading back to the farm, cash in hand. Some farms might sell a progressive restaurant a few CSA shares” (2017: 141). Realistically, most restaurants do not deal directly with farmers but purchase food from a distributor. In many ways, it is not practical or efficient for restaurants to manage sales from numerous small farmers. Likewise, dealing directly with restaurants is often a burden for farmers as they must frequently deliver fresh produce, must manage last-minute order changes, and must frequently inquire about payment. Interviews with farmers in this study confirm that working with restaurants directly is often a difficult task.

Although there is demand from chefs and restaurants for high-quality local food, there is a lack of infrastructure in Southern Ontario to efficiently move local produce from farms to restaurants. The Ontario Food Terminal provides farmers direct access to thousands of wholesalers. However, local farmers, especially mid-scale and small farmers, are marginalized at the terminal as they compete with imported produce and large-scale farms that often offer a much lower price (Ferro-Townsend 2011). The way the Terminal functions encourages farmers to also sell produce as low as possible. Farmers must harvest and prepare their produce for their potential clients at the Terminal. As at a farmers’ market, farmers are not guaranteed that they will sell the produce they prepared for the Terminal. As such, farmers have a great incentive to sell their produce as fast as possible. The longer farmers wait to sell their produce, the value of the produce decreases. Farmers will rather sell their produce at a loss than bring the produce back to the farm. The wholesalers at the Terminal may take advantage of this and attempt to negotiate the price as low as possible (Preston 2017).
In addition to the Terminal, there are many independent and family-owned distributors in Southern Ontario. Although distribution in Southern Ontario exists, it is largely localized and fragmented. Many distributors do not appear to meet the needs of farmers or restaurants focused on local food. Farmers often complain that distributors constantly negotiate prices down; they do not promote the farmers or their products; and often demand unrealistic expectations from farmers regarding quantities, timeframes, and the aesthetic appearance of produce. Restaurants often complain that orders are incorrect in quantities as well as the types of products that were delivered. Distributors often substitute products without consulting the restaurants.

A distributor that appears to meet the demands of farmers and restaurants is 100km Foods Inc. Farmers have described this company as a passionate, innovative, and essential actor in developing a stronger local food system in Southern Ontario. When collaborating with 100km Foods Inc., farmers set the price and the company adds a markup. There are no price negotiations, which demonstrates appreciation and respect for the product and the farmer. Farmers also do not feel the pressure to match the price set by other farmers. In scenarios where two farmers have the same product, 100km Foods Inc. will list the two products separately. Every farmer has their profile posted on the website. Chefs can choose the farms they wish to support. 100km Foods Inc. picks up produce from the farmers and delivers it to restaurants. As a result, farmers can tend to their crops and not worry about managing the expectations of chefs and restaurants. Another challenge that the company addresses is that they are the ones who handle the payments. This takes the pressure off the farmers as they do not have to worry about
reminding restaurants about compensation. Chefs trust that the company has a good relationship with the farmers and that they are receiving high-quality products. Finally, working with 100km Foods Inc. allows farmers to avoid wasting time and resources preparing products that are not guaranteed to be sold. With this company, farmers sell products before they are harvested. As Preston explains,

Most of the money and labour required to produce our vegetables is in the picking, washing, and packing stage. We don’t even weed stuff unless we’re pretty sure it’s going to be sold. If we don’t sell a bed of lettuce or a few rows of beets, we just till them under and return the nutrients to the soil. We lose the cost of the seed and the labour to plant it, but that’s not much. (2017:199)

Working with this middle actor allows farmers to avoid wasted time, resources, and produce. They are working together with a company that is meeting both the demands of farmers and restaurants

The local food system requires distributors who believe in local food and aim to strengthen the local food system by supporting farmers, compensating them fairly, respecting and valuing the product and promoting the farmers with whom they work. Distribution itself is not a gap in Southern Ontario, but distribution that meets the needs of farmers aiming to develop the local food system is. The experiences of farmers confirm that distribution required for developing the local food system is lacking.

Meeting local food demand requires the participation of middle actors. Literature on AFNs and local food ought to be open to including middle actors in its conceptualization and within practical information about how to implement AFNs. The stories of successful partnerships with wholesalers and distributors such as 100km Food Inc. ought to be shared and promoted to counter the commonly held perception that all middle actors
are to be avoided by small farmers. In addition to addressing gaps in infrastructure, middle actors can be active participants in a growing demand for local food and developing novel markets. Stories of successful partnerships should encourage farmers to be open-minded and seek out novel opportunities that can significantly contribute to the local food system in Southern Ontario.

Recent AFN literature has been opened to including some middle actors. Specifically, food hubs have increasingly been portrayed as a potential way of increasing the distribution of differentiated food, including local food. It is important to state that food hubs yield numerous definitions (Blay-Palmer et al. 2013). Some are broader in scope and include a wide variety of actors and arrangements while other definitions outline the specific actors and activities that occur within the boundaries of a food hub (Fischer, Pirog and Hamm 2015). Although definitions vary, all food hubs aim to achieve some value beyond financial goals. As Fischer, Pirog and Hamm (2015) claim, many food hubs actively aim to develop sustainable and successful local food systems. Food hubs differ from conventional food distributors that may source local food due to convenience or circumstance. Research participants of this study partake in various types of partnerships, some of which are considered food hubs. Others developed partnerships that fall outside the scope of food hubs. Food hubs are just one type of partnership that falls under the broader umbrella of FVCs. For example, a farmer working with several restaurants or small retailers would not be considered a food hub per se. Nevertheless, these partnerships include people and businesses that aim to strengthen and scale up local food. FVC can take various forms, as demonstrated in
this research. Although food hubs are one way of scaling up local food systems, other types of FVC can also play a significant role. A such, AFNs ought to include these types of partnerships within its literature and as potential ways of challenging the industrial food system.

In addition to being flexible on the role of middle actors, the small farm orthodoxy presented in AFNs literature ought to be challenged on other fronts. Farmers’ experiences with FVCs also demonstrate farmers’ hesitation to increase their land in production, to specialize in fewer crops, to utilize migrant labour and reject alternative modes of labour such as ‘woofing’. These actions are associated with the industrial food system and thereby rejected by AFNs. Many research participants of this study found that increasing their arable land, specializing, and utilizing migrant labour allowed them to become financially profitable. When farmers chose to move away from the small farm orthodoxy, much experienced disapproval, and disappointment from fellow farmers. Preston describes his farm’s journey as it relates to the small farm orthodoxy,

By the middle of our fifth season of farming, we had rejected or come to question many of the major tenants of the small farm orthodoxy. We sold the large majority of our produce wholesale, rather than direct to consumers. We were increasingly specialized, growing fewer crops each year. Our farm kept getting bigger, and we were ever more dubious about the long-term viability of relying on interns for our farm labour. (2017: 233)

Increasing arable land, specialization, and utilizing migrant labour were not decisions easily made by farmers. Upon analysis of the soil, the climate, their personalities, and various steps of the production process, many farmers decided to seek out novel market opportunities. The prescription of the small farm orthodoxy made
it difficult for many study participants to take the necessary steps that would make their farm more profitable and, in their eyes, more sustainable. As Preston states, “Employing migrant workers is a very serious departure from the small farm orthodoxy, and I could tell that some farmers disapproved when we told them we would no longer be taking on interns” (2017: 266). Farmers who do not fit the small farm orthodoxy feel excluded and often stall their decisions to alter the parameters of the farm and to develop partnerships that can ultimately make their farm financially viable.

Utilizing migrant labour, however, is perceived as inherently exploitative in AFNs literature. Questioning small farm orthodoxy encouraged farmers to ponder and reflect upon how specialization and migrant labour may fit into a sustainable model of agriculture. There are many documented cases in Canada, including Southern Ontario, of poor and unfair working conditions of migrant labour. However, utilizing migrant labour ought not to be inherently exploitative.

When facing the decision of utilizing migrant labour, Preston states,

In the end, it was los muchachos themselves who settled the argument. They were skilled and competent workers and beautiful human beings who badly wanted to return. The pay and the working conditions were so much better on our farm than anything they could find in Mexico, it made the sacrifice of being away from the families worth it. We weren’t sure if we were allowed to do it under the rules of the program, but we gave them a big bonus when they left. (2017: 266)

Research participants in this study claim that migrant labour can have a positive role in developing the local food system in a way that is beneficial to all involved parties.
Despite their best effort, many farmers aiming to develop a sustainable and successful local food system have failed to attract paid local employment. Some turned to alternative labour programs like ‘woofing’ or taking on volunteers and interns. This model of labour is perceived as inherently positive in AFNs as farmers save on labour costs in exchange for accommodations and mentorship. Many farmers became critical of this exchange. In addition to issues such as extensive training and numerous costly mistakes from volunteers, farmers began to question the ethical implications of utilizing volunteers or interns. Farmers began asking questions such as: What is the long-term viability of a local food system that relies on interns or volunteers as labour? Is utilizing unpaid labour of volunteers inherently exploitative? Rather than simply outlining the type of labour that is appropriate under AFNs, the priority should be about how the labour is treated and whether all parties are being treated justly and fairly. It is important to note that although participants in this study problematized the use of volunteers as farm labour, few questioned the power dynamics of utilizing migrant labour. As demonstrated above, there are scenarios where migrant workers are happy to be working on farms in Ontario. Their knowledge and hard work are valued, and they are part of the decision making that occurs on the farms. However, the implication of utilizing migrant labour does not appear to be intertwined within the experience of farmers participating in FVCs. Although utilizing migrant labour is a big step away from the small farm orthodoxy, migrant labour is nevertheless a significant part of developing the local food system in Southern Ontario. There is also the potential for migrant workers to add value to the local food system by utilizing their knowledge and skills to grow a wider diversity of
ethnocultural foods in Southern Ontario, for which there is high demand. Yet, the skills, knowledge, and contribution of migrant workers are largely excluded from the local food system discourse.

AFN literature offers a perspective on farming that is placed in opposition to the industrial food system. The industrial food system and AFNs are often placed on extremes with little room for overlap or collaboration. AFNs promote small farms that grow a diversity of crops and sell directly to consumers. This small farm orthodoxy is discouraging small farmers from altering their farm systems, developing partnerships, and contributing to the gap between potential partners. By contributing to the binary, AFNs cast out farmers who do not fit the small farm orthodoxy model but ones who continue to challenge the industrial food system and aim to develop alternative forms of agriculture by using ecological practices or growing for local markets. Although many mid-scale farmers abide by the values of AFNs, they do not feel included by the AFNs community. Their presence is almost non-existent in AFNs literature. Preston describes the role of the farm quite well by stating,

And what is a real farm? It is, first and foremost, a business. A farm can and should be a lot of things: a place where food is grown, a sanctuary for wild things, a gathering place for family and community. But for a farm to endure, for a farm to be sustainable in the broadest sense of the world, it must make money. (2017:14)

For the local food system to grow, farms not only have to be sustainable, but they also must be profitable. Middle actors can contribute to the financial viability of local farms and are thereby essential actors in strengthening the local food system.
Some research suggests that direct marketing is declining in North America (O’Hara and Benson 2019). While in some regions, farmers’ markets may be increasing, the sales are declining (Cumming, Kelmenson and Norwood 2019). This is reminiscent of the story a farmer shared about the increasing number of farmers’ markets diluting the number of local food dollars available per farmer. Farmers themselves have also noticed a decline in CSA memberships and are increasingly becoming skeptical about the authenticity of farmers’ markets supporting local farmers. O’Hara and Benson (2019) suggest that online sales of food have contributed to the decline of direct marketing. Cumming, Kelmenson and Norwood (2019) also suggest that consumers are increasingly obtaining local food via intermediaries. Local intermediaries such as food hubs and middle actors like restaurants and retailers are increasing market opportunities for farmers. As Baker, Campsie and Rabinowicz (2010) suggest, the importance of middle actors is significant to AFNs. Middle actors are key to scaling up and growing the local food system and to retake the middle spaces from global corporations that are currently dominating that space. Embracing middle actors in AFNs will also help address some of the challenges that AFNs are currently facing, such as elitism, by increasing accessibility to local and high-quality food. Embracing middle actors also means embracing different types of farms into the small farm orthodoxy because they may have larger farms, specialize in fewer crops, may utilize migrant labour and do not sell directly to consumers.
6.2.2 Role of Eaters

What we can learn from the experiences of farmers taking part in FVCs in Southern Ontario is that the role of eaters in developing sustainable and successful local food systems ought to be critically examined. Eaters play an important role in any food system. Consumers have increased the demand for local and high-quality food in Southern Ontario. As mentioned previously, research suggests that farmers themselves credit the increase in local food demand to consumers (Davis 2010). Research participants of this study agree that it is the consumers who have created more market opportunities for local farmers. Data from the Greenbelt Farmers’ Market Network (2016) argues that consumers continue to demonstrate an interest in where their food is coming from. Other reasons why consumers choose to buy directly from farmers also include a sense of community, social interactions, and the atmosphere that direct marketing places create. Social aspects of AFNs appear significant in consumer behaviour (Christy et al. 2013). The increase in innovative business models selling local produce and artisan foodstuffs also demonstrates that eaters are seeking access to local food via methods outside of direct marketing. O'Hara and Benson (2019) suggest that a significant contributing factor in decreasing direct marketing is online sales of food. This study demonstrates that many farmers are participating in FVCs with online retailers. The biggest advantage to consumers of online retailers is the convenience of having food delivered to one’s home while still supporting local farmers. It is important to note that although consumers may be purchasing local food via intermediaries, farmers believe they still want a connection to the people behind the food. Eaters want stories
about their food that resonates with their values. Consumers are asking this of novel food businesses. Although eaters may no longer interact directly with the farmers, businesses aim to ensure consumers feel connected with farmers and feel a sense of community. Retailers as well as restaurants often include farmer biographies on their websites and provide updates about any significant developments on the farms. Farmers in this study, at times, will also provide their clients with recipes that retailers can share with their customers. The sense of community may take different forms in direct marketing and FVCs, but the sense of community remains.

Farmers in this study demonstrate their concern for consumers moving towards the value of convenience. Consumers have significantly contributed to creating novel market opportunities such as online retailing, online meal kits, and online ready meals from which many farmers have benefited. These market opportunities are rather novel and stem from consumers seeking convenience. Although businesses aim to develop a connection between the farmer and eater, farmers worry about the quality of those connections and what information is transmitted through those connections. The type of information that farmers and eaters share through direct marketing is often lost. Via direct marketing, farmers often share their knowledge about how produce is grown and offer suggestions about how to store and prepare foods. Personal interactions through direct marketing also allow farmers to challenge consumer presumptions or behaviours such as assumptions about the aesthetics of produce or challenging consumers about food waste. This type of information is lost in FVCs, as partners do not address these issues. From the perspective of farmers, partners aim to please consumers and
accommodate any concerns or complaints. Study participants claim they would use those occasions as opportunities to educate consumers about food-related issues. Taking part in FVCs, farmers lose some control and power over educating the end-users about their products.

The conventional food system has created many efficiencies, one of which is a convenience for consumers as well as producers, distributors, and wholesalers. On the other hand, most AFN models are not convenient for either the eater or farmer. Many of the values under AFNs contradict the value of convenience. As one farmer mentioned, patrons of CSAs appear to have a bigger learning curve and are more committed to local food than consumers through FVCs. The inconvenience of CSAs encourages eaters to learn more about local food and learn more about the farmer and farm operations. CSAs require more commitment from eaters compared to when food is purchased online. Convenience means that eaters want to save or reduce time, physical or mental effort in obtaining their local food. This is a significant point of contention for AFNs that encourage eaters to be engaged, be critical, and develop communities. Prioritizing convenience also means that we cannot rely on eaters to be active and critical actors in developing the local food system. From the perspective of AFN literature, if convenience is the priority, then AFNs will remain in the margins and expanding and scaling up local food will not be achieved. The aspect of convenience may pose a challenge in developing a successful value chain. However, there is potential through FVCs that the value of convenience and other values related to the local food system can be achieved simultaneously.
In FVCs, bonds between farmers and eaters are often limited to short online profiles and inconsistent updates. Farmers in this study claim they would challenge consumers behaviour more than their partners and encourage consumers to be more active in their responsibilities and obligations towards developing a sustainable and successful local food system. Some research suggests that consumers are educated about the local food system (Greenbelt Farmers’ Market Network 2016). However, participants in this study believe that a lot more can be accomplished. Farmers confirmed that many consumers are generally aware of the benefits of local food and that this contributes to the increase in market opportunities. However, study participants also believe that consumers are somewhat naïve and do not challenge concepts like greenwashing where actors simply monetize the local food concept. As mentioned in the previous chapter, farmers believe that most eaters cannot distinguish between a farmer selling their produce at the farmers’ market and a vendor who is reselling produce purchased from the Ontario Food Terminal. It appears that many consumers are satisfied if they perceive to be supporting local farmers. Taking additional steps to ensure that a restaurant is currently sourcing from a farmer whose name appears on the menu is unlikely to occur. Falsely claiming that a restaurant source from farmers constitute actions that Porter and Kramer (2011) refer to as value proposition, where companies simply manufacture the features consumers wish to support. Such actions place the social value at the periphery and do not challenge the notion that social benefits sacrifice profit. FVCs aim to challenge such perceptions. Authentic FVCs will profit from meeting consumer demands such as sourcing local while maintaining
integrity and commitment to social values. However, some actions can mimic FVCs and that would be difficult for eaters to distinguish.

Participants expressed the desire for eaters to be more critical and take more responsibility in the local food system. Although consumers continue to receive a sense of satisfaction by supporting local farms, their contribution to developing a more sustainable local food system may be limited, as their behaviour is not challenged by FVC partners. Convenience, therefore, poses a conundrum. On the one hand, consumer demand for convenient local food via models such as online ordering or online meal kits has created novel markets for local food. Such markets are great opportunities for mid-scale farmers and small-scale farmers who do not wish to participate in direct marketing. These markets can increase profit for farmers, develop rural economies, and expand local food in Southern Ontario. On the other hand, convenience may limit the extent to which consumers actively participate in the local food system.

While defining strong and weak AFNs, Watts, Ilbery and Maye (2005) describe weak AFNs as simply focusing on a product characteristic, not the networks through which they move. Strong AFNs develop networks, communities, and relationships that are absent from the industrial food system (Watts, Ilbery and Maye 2005). While relationships and communities may be different in direct marketing, FVCs develop networks that are not present in the industrial food system. FVCs allow farmers to build relationships with actors with whom, otherwise, they would not have opportunities to do so. Born and Purcell (2006) suggest that, rather than the physical distance,
characteristics such as shortened supply chains and fewer middle actors yield more significance in the concept of local food. Achieving these characteristics is possible when taking into consideration FVCs. Characterizing local food based on the supply chain, rather than distance, challenges the notion that the local food system must be associated with a specific type of farm and specific farm activities. Further, focusing on these characteristics also welcomes middle actors to participate in local food systems. Local food systems that do not abide by the rules of the small farm orthodoxy but aim to challenge the industrial food system via FVC partnerships have the potential to constitute a ‘strong’ AFN, as defined by Watts, Ilbery and Maye (2005).

6.3 Implication on Food Value Chains

6.3.1 Food Value Chains in Practice

Stevenson and Pirog (2013) summarize well the main differences between conventional supply chains and FVCs. First, FVCs do not favour specific partners in the chain. Partners work together to develop a win-win scenario for all partners. Second, producers and farmers are treated as valuable and vital partners with whom other partners want to develop long-term relationships. Third, all partners commit towards one another and commit to ensuring that benefits and profits, as well as risks, are distributed equally along the value chain. Finally, the main difference between conventional supply chains and FVCs is that the FVC can be successfully coordinated at the local or regional level. It is also important that FVC partnerships are characterized by trust, open communication, and transparency (Lerman 2012; Stevenson and Pirog 2013). The FVC
partnerships in which farmers are taking part seem to meet most of the criteria outlined by Stevenson and Pirog (2013).

The participants of this research generally feel valued and as an equal partner. Farmers are confident that they provide a high-quality product at a fair price that cannot be easily replaced. When assessing potential partners, farmers in this study expect partners to hold several attributes and values. One of the characteristics is that partners not only prioritize financial profits but also work towards developing a successful and sustainable food system. While researching FVC in Vermont, Heiss et al. (2015) also found it was important for partners to not be solely profit-driven. If a potential partner holds a reputation as being only profit-focused, actors in the value chains would refrain from developing a partnership. Heiss et al. (2015) found that while financial resources were important, partners are willing to compromise on the financial benefits if the trustful collaboration could continue. Farmers, however, find it difficult to navigate this terrain as they want to maintain a profit but do not want to prioritize it in their partnerships (Heiss et al. 2015). This research study confirms the struggle of navigating this space. Many farmers have been lenient with partners, such as restaurants that do not provide compensation on time or partners that make unrealistic requests of farmers. While farmers are mainly financially motivated to enter FVC, this motivation is never the sole reason. Dedication to developing a sustainable local food system, personalities of farmers, efficiency, or the mere size of mid-scale farmers also drive farmers to develop partnerships. Although farmers, as demonstrated in this study, may be lenient at times, especially at the beginning of a partnership, a consistent lack of compensation
demonstrates that partners are not committed to the local food system, as that commitment includes providing fair compensation to farmers.

Although participants feel confident in their ability to provide high-end products and agree that FVC partnerships are beneficial, there appears to still be some hindrance amongst many farmers to fully embrace FVCs. Most farmers still feel they are taking a lot of risks by participating in FVCs. In addition to being lenient on payments, farmers are not always confident in the consistency of orders. Another frustration from farmers demonstrated in this study was the specific requirements of produce that often resulted in rejected produce. Some farmers also complained about the demand for highly aesthetically pleasing produce. If those products are rejected by the value chain partners, there may not be alternative markets where farmers can make a profit. Farmers thereby face greater risk by participating in FVCs since there may not be demand elsewhere for the products required for their value chains.

Many farmers continue to participate in direct marketing as a risk management strategy. Many continue to market directly to consumers to maintain some relations with eaters and as having a market upon which they can rely on if partnerships fail. Farmers in this study also take part in numerous FCVs, to mitigate risk in case a partner bankrupts or experiences financial issues. As such, farmers have taken several measures to mitigate the perceived risks of participating in FVCs. The focus on mitigating risk and diversifying marketing strategies also stems from the lack of trust that farmers have towards middle actors. The lack of trust towards middle actors is a legacy.
that has been left behind by the industrial food system and reconfirmed by the small farm orthodoxy of the AFN literature.

Participants of the study want to work with actors who are innovative and passionate about disrupting the industrial food system. Farmers want partners who will appreciate their hard work and understand how the farming industry works. Trust and loyalty are also key characteristics that farmers are looking for in FVC partners. The criteria upon which farmers evaluate their potential partners reflect the key characteristics of successful FVCs in literature. However, characteristics such as trust, transparency, and clear communication are difficult to achieve in practice. Farmers in this study acknowledge that relationships take years to develop. As mentioned above, farmers are lenient with partners at the beginning of the partnership. In addition to being forgiving on payments, farmers will often meet last-minute changes to orders to demonstrate their commitment to the FVC. However, if such actions continue or increase throughout the partnership, farmers will terminate the partnership, as such actions will suggest that farmers are not valued and are not an equal partner in the FVC.

Making sacrifices in the name of building trust and loyalty between partners may be beneficial to farmers in the end. Heiss et al. (2015) claim that once a strong relationship is built, farmers can negotiate on quantity, quality, delivery, the return of produce, and price. As such, the duration of partnerships gave farmers confidence and power to negotiate. Research examining FVCs in Vermont demonstrates that, in some situations, lengthy and trusted partnerships allowed farmers to bend or overlook rules,
such as obtaining proper insurance, food safety audits or certifications (Heiss et al. 2015). This research confirms that when all actors feel confident and comfortable in the partnership, farmers can negotiate better terms. Farmers often asked partners to purchase produce that they could not sell elsewhere at the last minute or negotiated deliveries that suited them better. Some farmers refrained from obtaining organic certification or food safety certification because they were confident their partners would not penalize them for it. Corners are cut to demonstrate trust and loyalty to partners. As a result, end consumers may be deceived. For example, an online retailer that claims to source all organic produce sources from farmers who practice organic farming but are not certified organic. Recall from the previous chapter a farmer who described his partnership with a restaurant; the restaurant sources lettuce from this farmer until October, when the growing season ends. However, the restaurant menu displays the farmer's name until the end of November. The restaurant is sourcing lettuce from elsewhere for a period of about two months but does not inform its consumers of this change. Due to the loyalty and trust of the partnership, the farmer is not bothered by this practice. Although the practice may be misleading to the end-user, partners overlook this in the name of having a successful FVC partnership.

Farmers' experiences indicate that there are discrepancies between what literature defines as FVCs and how farmers perceive FVCs. Although most characteristics of FVC, as suggested by Stevenson and Pirog (2013) have been experienced by farmers, there are many cases or scenarios that make it difficult to establish whether the partnership truly embodies all the components of a FVC. For
example, some actors in FVCs may participate in various levels of greenwashing. Also, farmers accept delays in payment and make sacrifices in time and resources in the name of building trust and loyalty, which may take several years to develop. Farmers feel they are risking more than any other partner when taking part in FVCs. As such, it appears risks may not be distributed equally along the chain. FVCs are a lot more nuanced than the literature suggests. They are complex and evolve. Developing a framework that embodies the intricacies of the partnerships that take place can be useful. Based on farmers’ experiences, FVCs differ based on the degree to which social or environmental concerns are addressed; on to how valuable and irreplaceable farmers feel in the partnership; and the degree to which benefits, and risks are equally distributed amongst partners. A framework that encompassed aspects like ‘strong’ and ‘weak’ FVCs will problematize the concept of FVCs found in literature and help demonstrate that FVCs in practice can take various forms. Problematizing FVCs will also inform literature about the role of FVCs in challenging the industrial food system.

6.3.2 Gaps in the Literature

An issue that this study raised and that is missing in literature on FVCs, is that the scale of partners is important. When the scale of businesses of partners appear similar, such as a small farmer and a small retailer or a high-end restaurant, managing the partnership appears effortless and without many obstacles. However, once the scale of a partner changes and one partner outgrows the other, the expectations of the partnership shift. Changes in prices, quantities, and expectations around packaging and delivery may shift and cause instability in the partnership. Trust and loyalty are also put
at risk. As expectations change, misunderstanding of the key characteristics and values of the value chain may occur amongst partners. Addressing the social or environmental issues outlined by the value chain may be understood differently as the scale of partners changes. Stevenson et al. (2011) state that when partners do not have the same understanding of the FVC, the win-win scenario of the partnership will be compromised. This appears to be the case when the scale of business shifted among the farmers or their partners.

In addition to increasing their scale of production, farmers in FVCs must work at a scale that will create broader demand and will create broader influence. All these shifts refer to what Cumming, Kelmenson and Norwood (2019) refer to as an increase in scale. Arnold (2018) claims that FVCs can be profitable if scale, transaction costs, collaboration costs and fair profit-sharing are well managed. The increase in scale can create efficiencies on the farm by decreasing marketing and distribution costs as well as efficiencies in production by increasing specialization. The scale can be beneficial to farmers as well as to the overall operation of FVCs. Such efficiencies can be passed down to consumers, decreasing the price of local food. As Preston claims, “If we were going to build an alternative food system, we needed to make good food accessible and to make small farms profitable” (2017: 278). FVCs can achieve these goals. However, for farmers to obtain the required scale in FVCs and meet the demands of an evolving market, such as online meal kits and online ready meals, small and mid-scale farmers require the necessary infrastructure. Farmers require abattoirs that can provide services at competitive costs, vegetable processing facilities that encourage production at the
wholesale scale and industrial kitchens for cooking prepared meals (Arnold 2018). Without such support, small and mid-scale farmers can only offer prices that reflect the high costs of processing, which ultimately excludes them from the wholesale market.

The typical image of a farmer in AFN literature is one who is at a farmer’s market or distributing CSA shares that they grow themselves. This type of image appeals to many consumers, but it also simplifies the local food system. FVCs are more complex and may be more difficult to market these partnerships to the public. The value chain in FVCs is longer than direct marketing and includes actors who may not be familiar or understood by consumers as part of the local food system. The romanticized image of the farmer in AFNs contributes to this problem. Value chains that make the middle actors visible, including processors and distributors, are extremely rare (Cumming, Kelmenson and Norwood 2019). This may pose a challenge for successfully incorporating FVCs into the local food system.

If FVCs are to be recognized as a potential solution to scaling up local food systems, education will play a significant role. Educating consumers, decision-makers, and farm organizations and associations about FVCs will be important. FVCs will challenge many perceptions about AFNs that are imposed by the small farm orthodoxy on several fronts, including the scale of farms, the role of middle actors, specialization, and labour. Cumming, Kelmenson and Norwood argue that FVCs are “an extension of, not a departure from, the local food initiatives from which they have sprung” (2019:14). FVCs aim to achieve the same goals that AFNs represent. They have the potential to increase profits for farmers, revive rural economies, address environmental concerns,
and provide consumers with high-quality food. If we want to develop a sustainable and successful local food system in Southern Ontario, we must move past a romanticized farmer and focus on developing and investing in solutions that will challenge the industrial food system on broader and long-term scales.

6.4 Summary

Although some research has been done on FVCs and their impact on farmers, much of that research focuses on the financial benefits that farmers gain from the partnerships. Little is known about FVC partnerships from the perspective of the farmers. This chapter outlined the significance of the results presented in the previous chapter. Several lessons can be taken away from the lived experiences of the farmers participating in FVCs in Southern Ontario. Their experiences shed light on the small farm orthodoxy presented in AFN literature. The small farm orthodoxy creates a lot of hindrance for farmers who want to stray away from the image that is presented by AFNs. Farmers want eaters to become more critically involved in the local food system; a more critical consumer can minimize issues like greenwashing in the local food industry. Farmers also make a lot of sacrifices to participate in FVCs and ultimately feel they are the ones who are taking most risks in the FVC.

FVCs also receive little support from decision-makers as well as farm organizations and farmers themselves. Farmers’ experiences inform us that FVCs are not a betrayal to local food values. FVCs can expand and scale-up the demand and scale of local food in Southern Ontario. The role of FVCs in contributing to a sustainable and successful local food system remains poorly understood. As such, it is important
that FVCs receive attention as potential contributors to developing the local food system.
7 Conclusion

7.1 Summary of Research

The industrial food system has contributed to many negative environmental and social impacts. Research often sites soil erosion, water pollution, loss of biodiversity, negative health impacts, and disconnection between eaters and their food. Literature on alternative food networks (AFNs) presents potential solutions to addressing these issues, many of which focus on small scale farming and selling directly to consumers. Although small scale farming and direct marketing can yield various positive impacts, some scholars are critical of the extent to which AFNs can challenge the industrial food system. Some of the main criticisms of AFNs, under which the concept of local food resides, include its ability to create the perceived environmental benefits (Tregear 2011; Presutti 2013; Forssell and Lankoski 2015), its ability to change consumer behaviour (Bimbo, Viscecchia and Nardone 2012) and its ability to revive rural economies (Bimbo, Viscecchia and Nardone 2012; Lerman, Feenstra and Visher 2012; O'Hara and Pirog 2013). Farmers are also critical of direct marketing reaching a large consumer base and providing sufficient profit for farmers. Direct marketing seems to favour a specific type of farm – a small scale farm that provides a wide diversity of products directly to consumers. Other farms, due to their scale or management style, do not find direct marketing suitable.

Food value chains (FVCs) provide farmers with a third option. In FVCs, farmers have the opportunity to work with like-minded companies who work together to create a win-win scenario for all partners while working to achieve a social or environmental
goal. Compare to conventional supply chains, FVCs treat farmers as valuable actors who cannot be easily replaced. Farmers’ product, work, and knowledge are valued equally as that of other partners. Trust, transparency, and clear communication are part of the foundation of FVCs. FVCs allow farmers to move a large number of products at a fair price. It also allows farmers to focus on tending to their crops rather than activities such as marketing and distribution.

Although FVCs are a viable option for small and mid-scale farmers and can contribute to developing a more sustainable local food system, FVCs have been largely ignored in AFNs literature. It is important to reclaim the middle spaces if we are to challenge the industrial food system and provide a sustainable and successful alternative. Baker, Campsie and Rabinowicz (2010) claim that the significance of middle spaces is increasingly becoming important to AFNs. The need to regain middle spaces from a few powerful global corporations will be necessary to increase access to local and high-quality food as well as provide alternative market strategies to producers. Literature on AFNs includes a limited discussion on how to reclaim these middle spaces. These discussions are often limited to the concept of food hubs. The broader concept of FVCs is almost non-existent in AFNs literature.

This study aims to contribute to this body of literature. This study sought to examine the motivations, opportunities, and challenges of farmers taking part in FVCs in Southern Ontario. This was achieved by utilizing phenomenology, a method and methodology that focuses on the lived experience of participants. Thirty in-depth, semi-structured interviews were administered to farmers taking part in FVCs in Southern
Ontario. By focusing on the lived experience of farmers, this study was able to identify the characteristics that make the experiences of these farmers unique. Numerous themes emerged from the analysis. Participants in this study were mainly motivated financially and strategically to participate in FVCs. Farmers also applied several criteria to assess their potential partners, including the partners’ appreciation for farmers’ products and their hard work, knowledge of the farming sector, and partners’ enthusiasm for promoting local food and potential for a trustworthy, loyal, and transparent partnership. Participants identified several opportunities in participating in FVCs. Partners’ ability to market farmers’ products and the potential for developing personal relationships and clear communication are features that make FVCs attractive to farmers. Research participants also faced several challenges including losing control over educating the end consumers about their products, the potential for partnerships to dissolve due to the change of scale among one of the partners, and the pressure on farmers to respond to the elitism of local food. Finally, farmers found the romanticized image of a farmer and farm as described in the AFN literature problematic. This romanticized perception left many farmers questioning their decision to enter FVCs and to adapt their farms according to the demand of their clients. This research helps redefine the notion that local food systems are associated with a particular set of spatial characteristics. The study supports the notion that farmers of various backgrounds, scales, and operations contribute to the local food system. Further, the study demonstrates that although FVCs are highly complex and nuanced, they ought to play a greater role in the development of the local food system in Southern Ontario.
There are numerous benefits of FVCs regarding local food systems. Some research supports that farmers working in FVC earn a higher profit than their counterparts selling through direct marketing channels (Stevenson and Pirog 2013; Cumming, Kelmenson and Norwood 2019). In addition, FVCs can help revive rural communities via the multiplier effect, scale up local food systems, address environmental concerns by decreasing the cost and resources during distribution, build communities between various actors in the food system and help provide differentiated products to the general public. The increasing number of businesses such as food box programs, online retailing, meal kits, and online ready meals have created novel markets for local food. Taking FVCs into consideration is paramount if farmers are to take advantage of these novel markets.

7.2 Future Research

Several authors mentioned that more research into FVC partnerships is required (Stevenson et al. 2011; Fearne, Martinez and Dent 2012; Lerman, Feenstra and Visher 2012). Future research on FVCs ought to focus on the complexity and nuances of FVCs and the partnerships within them. Research about FVCs from the perspective of farmers is also limited. Further research will not only yield practical benefits to farmers and other actors along the supply chains but will also problematize the body of literature on FVCs. Exploring a continuum such as ‘weak’ and ‘strong’ FVCs can help demonstrate the wide diversity of FVCs and help identify what aspects make FVCs successful in addressing social and environmental issues. It is important to note that farmers’ perspectives about FVCs ought to be included in this research.
Literature on AFNs ought to reflect on the practical and conceptual impacts of the small farm orthodoxy. Many farmers taking part in FVCs do not receive support from the AFN community, making it more difficult for farmers to make decisions regarding their market opportunities and operation management. By focusing on a romanticized farmer, AFNs exclude actors who can help build alternatives and provide well-rounded and reliable alternatives to the industrial food system. Scaling up the local food system requires the inclusion of various actors of the supply chain, including middle actors. Research about middle spaces and strategies including middle actors within the broader discussion of AFNs is necessary to reclaim those spaces and provide successful and sustainable alternative strategies.

This research contributes to FVC and AFN literature by incorporating the experiences, voices, and perspectives of farmers. In-depth phenomenological interviews with farmers demonstrate that the examination of farmers' experiences can significantly contribute to both bodies of literature. Further phenomenological research can explore the experiences of farmers participating in FVCs who vary in production type, production method, scale, marketing strategy, or distance from markets. Farmers may have different experiences depending on the size of the farm they manage or the type of FVC in which they participate. Examining activities of FVCs in more depth may help determine what types of FVCs are most appropriate for farmers depending on the scale, operation management, or geographical location. Further research into what type of FVCs are best at mitigating risks for farmers may also be beneficial. Further research
can help establish the essence of specific typologies but also demonstrate the complexity and depth of these experiences.

Phenomenological studies about the experiences of other actors in the supply chain can also be beneficial. Understanding the experiences of processors, distributors, and retailers can help develop a detailed image of how various actors experience FVCs. It will be of interest to examine whether motivations, opportunities, and challenges of other actors in FVCs overlap with those of the participants of this study. When actors along the supply chain better understand each other’s experiences, they can better take into consideration the impacts of their actions on other actors. As such, understanding one another’s experience has the potential for partners to develop stronger partnerships via trust, communication, and transparency.

Further phenomenological research and the distribution of this research can also help consumers better understand the experiences of farmers and other actors in the FVC. This knowledge will allow consumers to gain a better understanding of various supply chains, which can potentially aid in minimizing false representations of partnerships and greenwashing. We know from the research participants’ experiences, that this is a concern many farmers hold. Understanding farmers’ experiences can potentially result in a change in consumer behavior around food waste and decision making of food based on aesthetics. Becoming more familiar with various actors along the supply chain such as distributors and processors will help consumers better understand the role of FVCs in the local food system. Sharing experiences and stories of FVCs can ultimately help market FVCs as part of local food systems.
This study demonstrates there is an increase in businesses that aim to support local food, support local farmers, and provide differentiated food that meets consumer demands. Farmers in this study support the notion that working with middle actors, including restaurants, retailers, and distributors, has the potential to be financially beneficial to farmers, increase the economic viability of rural areas, enrich the environment, and strengthen communities. There is no need to develop a novel model of addressing issues in the food system as FVCs can provide the foundation for addressing those issues and can aid in scaling up and expanding the local food system in Southern Ontario.

The success of FVCs and the success of local food systems are not automatically guaranteed due to its spatial characteristics but requires support and resources. The complexity of local food systems and FVCs must be understood by academics and decision-makers to ensure adequate support is offered. Although the goal of phenomenology is not to generalize, conceptualize, or generalize, this method allows us to better understand a phenomenon, which can result in insight and better-informed decisions made about the phenomenon. Exploring the experiences of farmers participating in FVCs in Southern Ontario brought to light several issues that are missing from current literature, demonstrating that farmers’ experiences are unique, valuable and ought to be considered when developing programs geared towards local food and FVCs.
REFERENCES


Beaulieu, M.S. 2014. “Canadian Agriculture at a Glance – Demographic Changes in Canadian Agriculture.” *Agriculture Division, Statistics Canada* Catalogue no.96-325-X.


DeLind, L., 2011. “Are Local Food and Local Food Movements Taking Use Where We Want to Go? Or Have We Hitched our Wagon to the Wrong Stars?” Agriculture and Human Values 28: 273-283.


Hodgins, K.J., and E.D.G. Fraser. 2018. “‘We are a Business, not a Social Service Agency’: Barriers to Widening Access or Low-income Shoppers in Alternative Food Market Spaces.” *Agricultural and Human Values* 35(1): 149-162.


APPENDICES

Appendix 1: Research Participant Consent Form

CONSENT TO PARTICIPATE IN RESEARCH

TITLE OF RESEARCH PROJECT

What do farmers really think about the food value chain?

You are asked to participate in a research study conducted by Dr. Al Lauzon and Monika Korzun, a PhD candidate in the Rural Studies Program at the University of Guelph. Research results will contribute to Monika’s PhD dissertation and possibly a number of journal articles.

PURPOSE OF THE STUDY

The study is titled “What do farmers really think about the food value chain?” The purpose of the study is to understand the experiences of farmers who partake in food value chains. In food value chains, farmers work in partnership with other actors from the supply chain to help distribute a high quality product. Under the food value chain model, farmers do not sell directly to consumers, nor do they sell their products through conventional channels. Under the food value chain model, farmers sell their product to a local coffee shop, an online distributor or a small retailer who will promote the farmer and the farmer’s high quality product. Farmers and these partners work together and aim to develop a win-win scenario for all involved parties. Although some research has been done to demonstrate the benefits of the food value chain on farmers economically and on local food systems, little research examining the experiences and opinions of farmers on food value chains is recorded. The study seeks to examine the motivations, opportunities and challenges that farmers in Southern Ontario face when partaking in food value chains. More specifically, the study will ask you to share your opinions about why you are currently partaking in food value chains, your experiences working with various partners along the supply chain, and will ask you about your opinion about whether you believe food value chains contribute to a more sustainable and resilient local food system.
The main objective of the study is to examine the motivations, opportunities and challenges of farmers partaking in food value chains. Additional objectives of the study are to:

1. Assess whether farmers selling through food value chains are different based on their socio-demographic, farm and production related characteristics.
2. Address whether farmers’ expectations have been met by the activities and other actors in the food value chain.
3. Assess the linkages and roles of farmers in value chains.
4. Identify whether farmers believe food value chain contribute to more sustainable and resilient local food systems.

PROCEDURES

If you volunteer to participate in this study, we would ask you to do the following things:

1. Take part in one or two tape recorded interviews that will last one to one and a half hours each at a location that is most convenient to you. A second interview may be required for further clarification or to obtain more details about a specific issue.
2. Sign this consent form indicating that you have agreed to participate in the study.

POTENTIAL RISKS AND DISCOMFORTS

The researchers of this study do not foresee any greater risks than the participants would encounter in their everyday life. However, several potential risks have been identified in this study.

1. It is possible that while discussing their business model or relationships with partners in the food value chains, participants may worry about partners in the food value chain becoming aware of their participation in the study. The privacy of the participants will be protected by not using their real names, farm names of exact locations. Participants can also withdraw from, the study if they find the process to worrying.
2. There is a minimal risk that the farmers’ relationships with partners in the food value chain in which they partake may be impacted if farmers’ participation in the study is made public and linked to their opinions. The research team will take all the necessary steps to maintain confidentiality and privacy of farmers’ identities or their opinions.
3. Since the research asks farmers about their business, there may be associated economic risks. Farmers’ participation in the study may impact the relationship with partners of the food value chain in which they partake. Some partners may not approve of research participation and may use this against the farmers in future business partnerships. These risks are estimated to be minimal.
POTENTIAL BENEFITS TO PARTICIPANTS AND/OR TO SOCIETY

Participants will not benefit directly from their involvement in this project. However, it is hoped that participants will benefit indirectly by having their experiences relating to value chains heard by potential end users of the research project (consumers or other farmers) who could incorporate the new information into their activities to promote food value chains and local food systems in Ontario. The research results if the form of a PhD dissertation will be made publically available through the University of Guelph. At your request, a copy of the dissertation or a summary of the report will be made available.

PAYMENT FOR PARTICIPATION

Participants will not receive payment for participating in the study.

CONFIDENTIALITY

Every effort will be made to ensure confidentiality of all personal information that is obtained in connection with this study. The confidentiality of each participant will be ensured by the assignment of an identification code (ID code) in place of your name. Only the research investigators will know your identity. Your ID code will be kept electronically on a password protected computer and will be encrypted. In the publication of findings only your ID code only will be mentioned. This means your name, the name of the farm or your place of residence will not appear in the transcripts, notes, the PhD dissertation or any other reports that result from this study. Some of your opinions or experiences will be used as verbatim quotations. If you do not wish for your words to be used as verbatim quotations in the reports, please let the researcher know. You are also welcome to ask questions about the study or your participation in this study at any point.

For the purpose of ensuring that all information is captured correctly, it is requested that interviews be audio-recorded. However, if you do not wish to be recorded, please let the interviewer know. In this case, the interviewer will take notes during the interview process. Only the research team will have access to the audio recordings or the written interview transcripts. Audio recordings will be kept on the recorder until they are encrypted and transferred onto a password protected computer. Once the transfer is complete, they will be deleted from the recorder. This will happen within 24 hours of the completed interview. When the recordings will be transferred to the computer, they will be encrypted and ID codes will be used to identify the interviews. The recordings will then be transcribed. Once this process is over, the voice recordings will be deleted from the computer.
Once the research study concludes, you will have the opportunity to receive the results of this study. Data collected from this study, including de-identified transcripts and notes, will be retained for about 10 years after the study is complete. This will ensure the researcher has sufficient time to disseminate the results of this study through the production of the dissertation and research reports. The data from this study will be kept in a locked home office of the PhD candidate. Only the PhD Candidate and her supervisor, Prof. Al Lauzon will have access to the data. If you agree to participate in this study you will be asked to sign a consent form that sets outline further details of the study and confirms that you have had all your questions answered.

PARTICIPATION AND WITHDRAWAL

Your participation in this study is completely voluntary. You may refuse to answer any questions you don't want to answer and still remain in the study. You may withdraw from the study no later than May 1, 2018. By this point, the researchers will have aggregated the results and began their analysis of the data. Until then, you may withdraw from the study at any point without reason and without any consequences.

RIGHTS OF RESEARCH PARTICIPANTS

You may withdraw your consent at any time and discontinue participation without penalty. By signing this consent form you are indicating that the terms of the study have been explained to you. You do not waive any legal rights by agreeing to take part in this study.

ETHICS REVIEW

This project has been reviewed by the Research Ethics Board for compliance with federal guidelines for research involving human participants. If you have questions regarding your rights and welfare as a research participant in this study (REB# 17-11-031), please contact:

Director, Research Ethics; University of Guelph; reb@uoguelph.ca or (519) 824-4120 (ext. 56606)

FURTHER INFORMATION

If you have any questions or concerns about the research study, please feel free to contact the Principal Investigator, Dr. Al Lauzon at 519-824-4120 extension 53379 or email at allauzon@uoguelph.ca

You can also contact Monika Korzun, the PhD candidate at mkorzun@uoguelph.ca
SIGNATURE OF RESEARCH PARTICIPANT

I have read the information provided for the study “What do farmers really think about food value chains?” as described herein. I have had the opportunity to ask questions about this study and my questions have been answered to my satisfaction. I am aware that I may withdraw from the study without penalty at any time. I am aware that I have the option of allowing my interview to be audio recorded to ensure my responses are recorded accurately. I have been given a copy of this form.

Name of Participant (please print)

____________________________________
Signature of Participant

Date
Appendix 2: Interview Guide

Background information about the farm
- Can you tell me a bit about your farm?
- How big is the farm?
- When did you start farming?
- What do you produce?
- What are your main markets?

About the food value chain
- When did you start selling to (insert farmer’s food value chain)?
- How approached who?
- What products do you sell to them?
- How much produce do you sell on a regular basis?
- How important is (insert farmer’s food value chain) to your total farm sales?
- How does the arrangement work?
  - How does the ordering work?
  - For example, do you deliver the produce or does someone pick it up?

Motivation
- Why did you start selling to (insert farmer’s food value chain)?
- What motivates you to continue selling to (insert farmer’s food value chain)?
- Is your experience with (insert farmer’s food value chain) positive overall? Why or why not?

Opportunities
- Are there economic benefits to selling through food value chains?
- Are there social benefits to selling through food value chains?
- Are there any other benefits to selling through food value chains (time considerations, greater control, networking)?
- Can you provide examples when you were really happy that you are working with (insert farmer’s food value chain)?

Challenges
- What are the main challenges you faced when you first started producing for (insert farmer’s food value chain)?
- What is the main challenge dealing with the other actors in the supply chain?
- What are the challenges you think that you face with the consumers of your products through the value chain?
- Has there been a time when you thought about leaving (insert farmer’s food value chain)? Why or why not?
- If you could change one thing about the food value chain, what would that be?
**Relationships with actors**

- Do you think regular communication is important for a successful food value chain?
- How do you communicate with the other partners in the food value chain?
- How often do you meet with the partners from the food value chain to discuss any business?
- Do you communicate with all the partners equally? Why or why not?
- Is there a partner with whom you would like more interaction?
- Do you feel like an equal partner at *(insert farmer’s food value chain)*?
- Do you feel supported by the partners in the food value chain?
- Do you think the partners in the value chain help you overcome any challenges you have as a farmer? If so how? Can you provide a specific example?
- Do you think your partners in the value chain understand all your experiences as a farmer?
- Do you think the distribution of power is evenly distributed in the food value chain?
- Has there been a time that the partners did not agree on an issue? If so, how was it addressed?
- What is the key to making the food value chain work?

**Opinions**

- Do food value chains provide a better option for farmers than selling to conventional industrial markets?
- Do food value chains provide a better option for farmers than selling via direct marketing?
- Do you think we will see more food value chains in the future? Why or why not?
- Do you think food value chains can help farmers increase their income? Why or why not?
- Do you think food value chains can help build stronger communities? Why or why not?
- Is there any other type of support you would like to receive as a farmer from actors outside the value chain (such as government or consumer groups)?
- If you could tell other farmers who are thinking about joining a food value chain, what would you tell them?

**Conclusion**

- Are there any other topics you would like to share before we conclude the interview?
Appendix 3: Research Ethics Approval Form

The members of the University of Guelph Research Ethics Board have examined the protocol which describes the participation of the human participants in the above-named research project and considers the procedures, as described by the applicant, to conform to the University’s ethical standards and the Tri-Council Policy Statement, 2nd Edition.

The REB requires that researchers:

- Adhere to the protocol as last reviewed and approved by the REB.
- Receive approval from the REB for any modifications before they can be implemented.
- Report any change in the source of funding.
• Report **unexpected events or incidental findings** to the REB as soon as possible with an indication of how these events affect, in the view of the Principal Investigator, the safety of the participants, and the continuation of the protocol.

• Are responsible for **ascertaining and complying with all applicable legal and regulatory requirements** with respect to consent and the protection of privacy of participants in the jurisdiction of the research project.

The Principal Investigator must:

• Ensure that the ethical guidelines and approvals of facilities or institutions involved in the research are obtained and filed with the REB prior to the initiation of any research protocols.

• Submit an **Annual Renewal** to the REB upon completion of the project. If the research is a multiyear project, a status report must be submitted annually prior to the expiry date. Failure to submit an annual status report will lead to your study being suspended and potentially terminated.

The approval for this protocol terminates on the **EXPIRY DATE**, or the term of your appointment or employment at the University of Guelph whichever comes first.

Signature:                      Date: March 14, 2018

Stephen P. Lewis
Chair, Research Ethics Board-General