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*A greener future
for the food sector*



Northfield Green Business Guide

-for Grocery Stores & Restaurants-

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+ I. Introduction & Overview



Intent of this Guide

This guide is meant to be a starting point for Northfield businesses that wish to take steps to becoming a greener, more sustainable business. It should be noted that this guide is a work in progress; it was created by St. Olaf students Evelyn Boss and Terese Nygaard in the Environmental Studies Senior Capstone class (Spring Semester, 2016) under supervision of Professor John Schade and Kim Smith, a member of the Greater Northfield Sustainability Collaborative (GNSC). Currently, the guide only presents information relevant for Northfield's food sector. The intention is for this guide to be elaborated upon by St. Olaf students in the Environmental Studies Senior Capstone class in future years, eventually to include all business sectors, finalized, and distributed to Northfield businesses for their personal use. For the time being the working guide will be available on the GNSC's website (<http://northfieldsustainability.org/>). Any comments and critiques are welcomed.

What is a Green Business?

A **Green Business** is a business that conveys a commitment to environmental sustainability and stewardship in most all of its practices. This means meeting sustainability principles, supplying products and services that are environmentally friendly, and being transparent towards employees, customers, stakeholders and the general community about its business operations. So what do Green businesses have in common?

❖ **Preserve or enhance environmental quality**

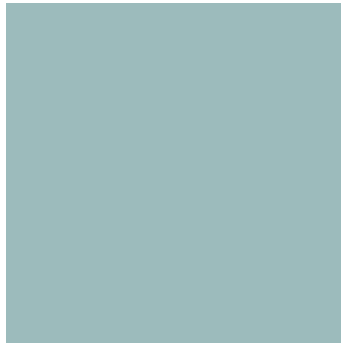
Green businesses implement environmental sustainability principles and practices that protect the planet. They challenge themselves to bring environmental sustainability in all their activities.

❖ **Commit to workers' wellbeing**

Green businesses work to implement practices that can promote the wellbeing of their workers.



<https://www.epa.gov/sites/production/files/styles/large/public/2015-09/teachers.jpg>



<http://pinsoftstudios.com/wp-content/uploads/2012/08/fundraising-team.jpg>

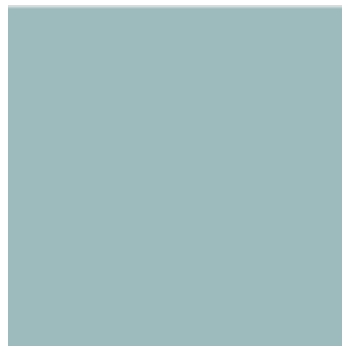
❖ **Contribute towards the community**

Green businesses are committed to social justice initiatives that include contributing to the economic development in underserved communities. They can also engage in other activities that benefit the community at large, such as donating to local foodshelves.

❖ **Provide access to education**

Green businesses work to educate their producers, their supply chain, employees, customers, and communities on environmental issues.

These four principles will be used in later sections of this guide in our assessment of existing businesses and in our suggestions for the sustainable development of Northfield's grocery stores and restaurants.



Benefits of Making Your Small Business More Sustainable

Small businesses are important to the economic development of rural towns, and an essential part of the main street corridor. They are usually small and do not require a lot of space, as opposed to larger chain businesses. Small businesses are visible in the local community, and their decisions will be felt directly by customers. The benefits of greening a small business are many, and does not only help protect the environment, but also may help a business improve its bottom line.

Direct cost savings: Businesses that focus on reducing energy consumption do not only help the environment, but also reduce their costs in form of lower energy bills. Businesses can also implement cost reducing practices such as shutting of lights when they are not in use. On site treatment of waste can also eliminate the costs of paying an intermediate business to compost or recycle the waste.

Indirect cost: Small businesses often retain a loyal customer base, where the customers feel that the business is attempting to be environmentally friendly and contributing to the local community. Businesses that are open about their practices also strengthen trust among their customers, which will continue to use the service of the business

High worker morale: Businesses that are concerned with their workers' wellbeing tend to create a healthier workplace. This leads to increased productivity of employees, and may attract workers that are committed and engaged in the success of the business.

Consumer demand: As the public is becoming more environmentally conscious, consumers are demanding more green products and services. The market share of organically produce continues to grow, and business can tap into this market by offering more sustainable and safe products.

II. Strategies for Small Businesses



Green businesses operate a “values-based” social enterprise according to the “triple bottom line” (TBL). This is an accounting framework that goes beyond traditional measures of profit and return on investment, to include environmental and social dimensions. While profits are measured in dollars, environmental and social impacts can be difficult to assess, as they don’t have a common unit of measurement. The TBL accommodates the differences between environmental, social, and economic units of measure.

Economic Measures

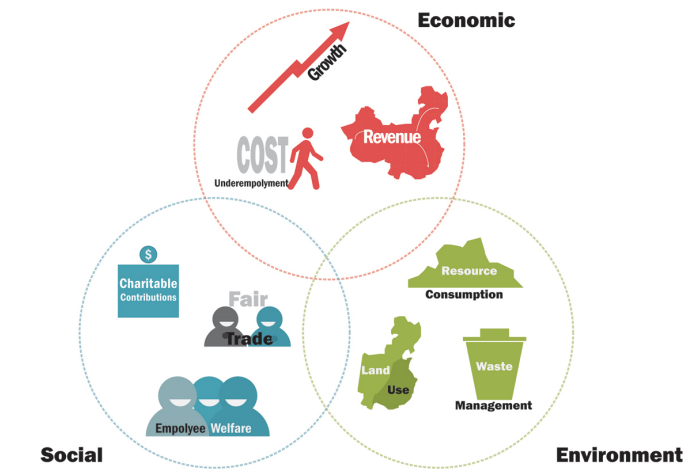
- ❖ Personal income
- ❖ Cost of underemployment
- ❖ Establishment sizes
- ❖ Job growth
- ❖ Employment distribution by sector
- ❖ Percentage of firms in each section
- ❖ Revenue by sector contributing to gross state product

Environmental Measures

- ❖ Selected priority pollutants
- ❖ Electricity consumption
- ❖ Solid waste management
- ❖ Hazardous waste management
- ❖ Change in land use/land cover
- ❖ Other emissions

Social Measures

- ❖ Unemployment rate
- ❖ Female labor force participation rate
- ❖ Median household income
- ❖ Relative poverty
- ❖ Average commute time



For small businesses it might be challenging to find resources in terms of time and capital to carry out the TBL assessment. Additionally, the assessment requires extensive data collection. Data for many of the measures can be found on state and national levels, while others may be available at the regional or local level. For a small business it may be best to determine the TBL measures of success using regional or local data.

For small businesses that have not advanced to be able to measure their impacts, but are looking to implement sustainability practices in their business, the next section will provide a framework for implementing these practices.

Establishing the Green Business Framework

Small businesses have the potential to create positive environmental and social changes to their operations, as well as contributing to the local community. Business can achieve this by implementing sustainable practices in two of the major components of the business: the businesses' daily operations (operational) and in their general guidelines (strategic). The operational and strategic components are summarized in the table below, and develop a more descriptive outline around the principles in section I: **What is a Green Business?**

Green Business Sustainability Principles:

- ❖ Preserve or enhance environmental quality
- ❖ Commit to workers' wellbeing
- ❖ Contribute towards the community
- ❖ Provide access to education

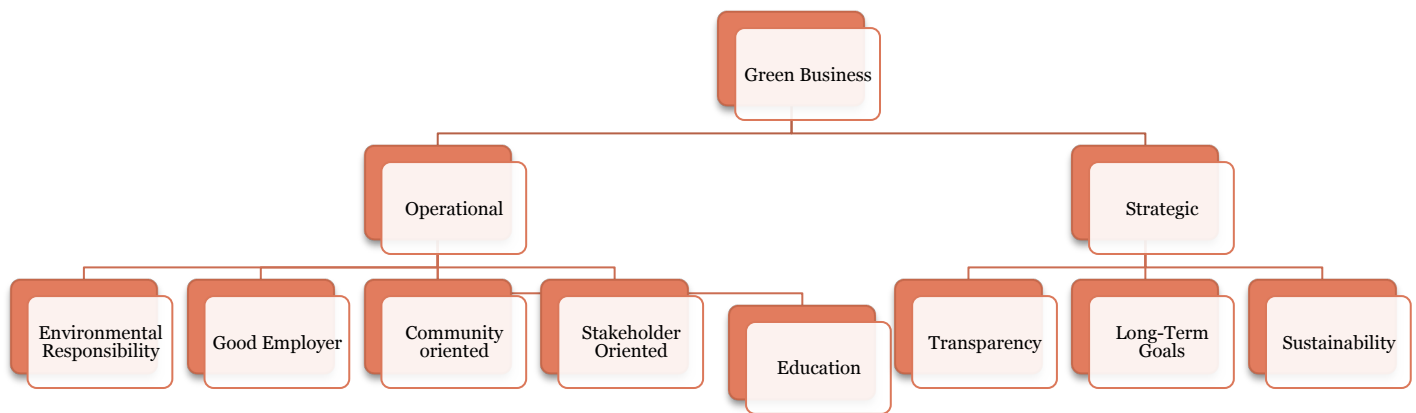
Implementing Sustainability Principles:

Operational

- ❖ **Environmental Responsibility:** The business has to ensure that their products are produced, transported, and distributed to consumers in the most sustainable way. The business must ensure that the use of natural resources in this process is minimized.
- ❖ **Good Employer:** The business must be committed implement practices that promote worker's wellbeing, personal development, and satisfaction. They create jobs that empower workers, while also ensuring fair labor conditions.
- ❖ **Community Oriented:** The business must contribute to the community in which it operates, through sourcing materials locally or participating in local community programs, such as donating to local foodshelves. The business can also commit to social justice initiatives that promote economic development in underserved communities.
- ❖ **Stakeholder Oriented:** Stakeholders that are involved in the business can hold the business accountable for its ecological, financial and societal impacts. A business must assess the importance of each stakeholder, determine opportunities for stakeholders to become engaged in the business, and make efforts to communicate the business' green efforts its stakeholders. Stakeholders may have the potential to affect the success of a sustainable business.
- ❖ **Education:** The business should conduct staff training on environmental issues. The business should also provide information to consumers about the products they sell by labeling carefully. The business may hold information sessions or classes open to the local community on their sustainability efforts.

Strategic

- ❖ **Transparency:** The business must be open with stakeholders, partners, customers, and the local community in all its operations. This means, for example, incorporating environmental messages in product or packaging.
- ❖ **Long-Term Goals:** The business must consider the long-term impacts of its decisions. The business must look for solutions that are beneficial for all parties involved and surrounding in the business.
- ❖ **Sustainability:** Sustainability should be among the business' main priorities, and be implemented within the business. The business should encourage all its stakeholders to do the same.



<http://www.bentleymills.com/wp-content/uploads/2014/03/EnvGoals.jpg>



https://www.unf.edu/uploadedImages/aa/coggin/about/business_centers/Center_for_Sustainable_Business_Practices/Diagram.jpg



The Green Market

Nationwide, efforts are made by NGOs, businesses, and customers to encourage green sourcing and the supply of organic products. A study conducted in 2014 found that sustainability is a key factor in U.S. purchasing habits, and customers prefer buying products that support their own personal principles of social responsibility (Green America, 2013). Consumers are willing to spend an average of 31 percent more per week on “safe and sustainable” foods. From 2001 to 2011, the organic food category grew at a rate of 238 percent, compared to 33 percent growth in the overall food market. In the face of increasingly globalized markets, small businesses have to engage in innovative practices to survive. In doing so, they also have the potential to take advantage of opportunities in the growing “green” markets, and should capitalize on the strengths they already have in their communities.





Advantages and Disadvantages for Small Businesses

Despite the clear market advantage of becoming green, businesses located in small towns face challenges different from businesses in cities. Firstly, in small towns, it is common that customers shop in all stores in the area because they are within walking distance to one another. This means increased competition, and a more vague customer base. However, the customer base will be smaller compared to in a larger city, so the business should respond and engage with local customers and local organization. Perhaps the best strategy for a small local grocery store is to become a part of the community.

Green practices in business operations are becoming mainstream both for large companies and small businesses. However, unlike large companies, small businesses have lower capacity in implement sustainable strategies. For the small business, it might not be feasible to aggressively market their sustainability strategies, or hire a sustainability staff.

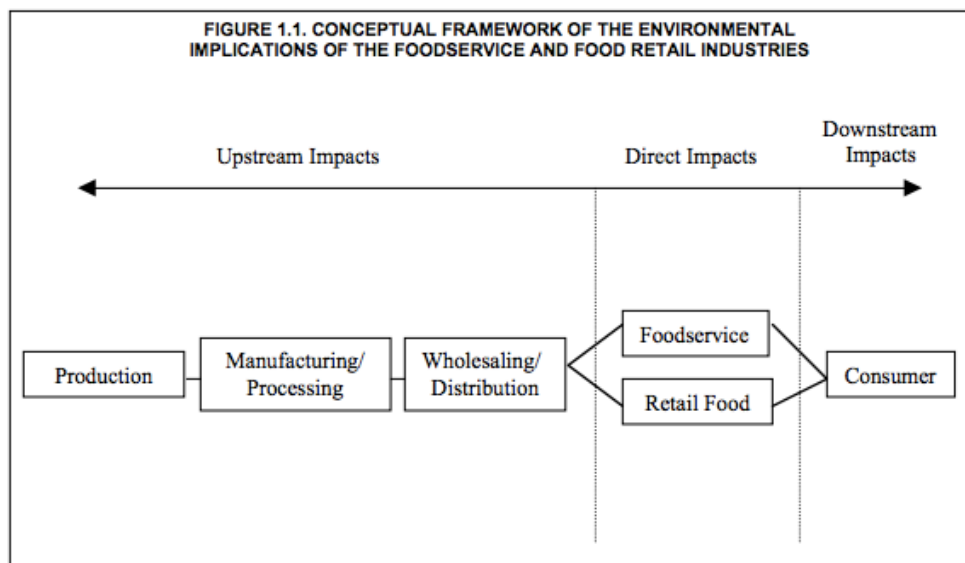
III. The Food Sector



Environmental Impacts

The foodservice (restaurants) and food retail industries (grocery stores) are parts of a larger food marketing system, that includes the whole supply chain of producing and distributing foods, as well as marketing food products to consumers. The food retail industry in the U.S. had an estimated total sale of 5.21 trillion dollars in 2014 (Statista, 2016)

Naturally, the environmental impacts of these industries are significant. There environmental impacts can be classified to three components: (1) *direct environmental impact*, such as energy use, solid waste generation, air and water emissions, food safety concerns, refrigerants; (2) *upstream* environmental impacts, such as the influence restaurants and grocery stores have over their supply chain and the impact of their upstream activities; and (3) *downstream* environmental impact, which refer to the linkages between operators in these industries and consumer behavior.



Source: Davies (2000)

Grocery Stores

Incentives

Grocery stores play an important role in local economies, both as employers and providers of goods and services. However, the environmental impacts of grocery stores are many. Approximately 11% of all food waste generated from the food retail industry is coming from grocery stores. Furthermore, the typical prepared American meal contains ingredients from at least five countries (NRDF, 2007). This means that food appearing on the shelves in your local grocery store is imported from far distances, typically transported by ship, airplane, or truck.

As consumers are becoming more and more conscious about the environmental impacts of the products they buy, the markets are changing. According to the BBMG Conscious Consumer report, nearly nine in ten Americans identify themselves as a “conscious consumer”. There are five main principles driving the socially conscious consumer: health and safety, honesty, convenience, relationships, and doing good. The changing consumer culture means that grocery stores must take new and innovative steps to ensure the trust of their consumers.

Where to Start

The grocery store market is changing rapidly, and recognizing the consumer demand for fresh and healthy foods. In effect, the growing market of co-operations is a response to these insights. Currently, there are approximately 130 grocery cooperatives across the U.S. A cooperation is a business that is owned by its members who invest and receive benefits from the business. Its member-owners, who invest in and receive benefits from the enterprise, democratically control the cooperation. The members democratically control its operation, and profits are distributed to members or donated. (ICA, 2015)

Cooperations play a leading role to the introduction of natural and organic foods, bringing healthy innovations to the markets, and a strong emphasis on supporting local food system while paying attention to environmental sustainability. By supporting the local food system, they might have a bigger impact on the local economy compared to conventional grocery stores.

*38,000
supermarkets*

*3.4 million
employers*

519.4 billion USD

*“In 2005, the import of
fruits, nuts and
vegetables into California
by airplane released more
than 70,000 tons of CO₂,
which is equivalent to
more than 12,000 cars on
the road.” (NRDF,
2007)*

Health & Safety

Honesty

Convenience

Relationships

Doing good

Grocery Stores

CASE STUDY:

Just Food Co-op



When searching the Internet for organic food retailers in the areas surrounding Northfield, a number of farmers markets and one grocery store can be found. Northfield's Just Food Co-op (JFC) is the clearest evidence of a grocery store that undertakes substantial efforts to be sustainable. JFC is located in downtown Northfield, as provides high quality, fresh, local organic food, and a variety of household products. JFC claims to follow policy guided by a six principles that sets limitations for their product selection:

- ❖ "We strive to meet customer demands and follow market trends."
- ❖ "We are a financially viable, member- owned cooperative."
- ❖ "We provide healthy, sustainable produced products."
- ❖ "We work to strengthen our local foodshed."
- ❖ "We work to build a resilient social, economic, and ecological environment in our community and beyond."
- ❖ "We strive for fairness in all our relationships."

Because JFC is the only grocery store in Northfield that includes sustainability in both the operational and strategic aspects, JFC could provide guidance for other grocery stores in Northfield. Undertaking an analysis of JFC's operations, and their applicability to other grocery stores in Northfield provide a starting point for addressing the remaining stores in Northfield, such as Econo Foods.

Online Reviews of the Just Food Co-op:

"Community resource"

"Connectedness with earth"

"Mission-driven organization"

Sources: Localharvest.org,
Eatwellguide.org

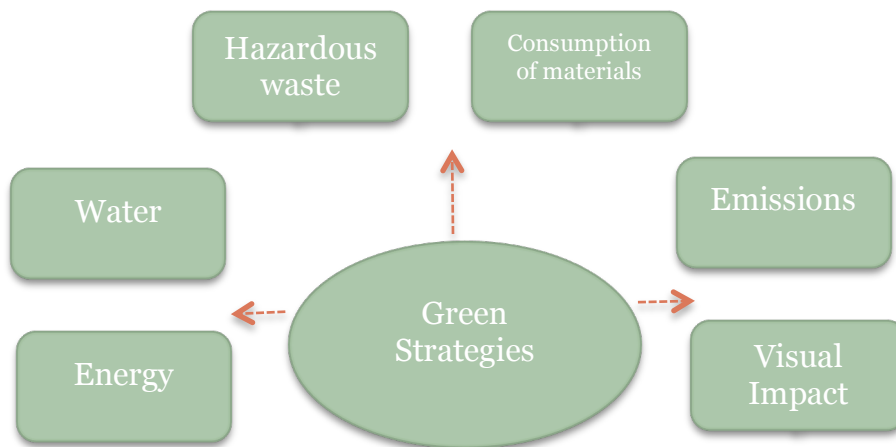
Grocery Stores

Implementing Sustainability in Northfield Grocery Stores

- ❖ Preserving or enhancing environmental quality
- ❖ Committing to workers' wellbeing
- ❖ Contributing towards the community
- ❖ Providing access to education



<http://www.northfield-vt.gov>



Extract from Lappe (2006)

Farmer cooperatives, community-supported agriculture, farmers' markets—all are part of a new food economy based not on highest return to shareholders but on highest return to the land, its stewards, and those who depend on its harvests.

Also enjoying new energy are consumer food cooperatives. After 9/11, grieving and angry citizens in Northfield, Minnesota, began a weekly downtown vigil, Phil Stoltzfus, professor of religion at Saint Olaf College, told me.

"We got to know each other, and from our group came Just Food—the nation's newest food co-op. We opened in 2004 with 750 household members; now we have one thousand. And that's in a town of only twelve thousand people," Phil beamed. "We specialize in food produced locally. The co-op transformed our town. The state representative, the mayor, everybody is joining."

Nationwide, there are roughly five hundred food cooperatives, stores owned by their members, focusing on whole, organic, local food.⁸⁰



Restaurants

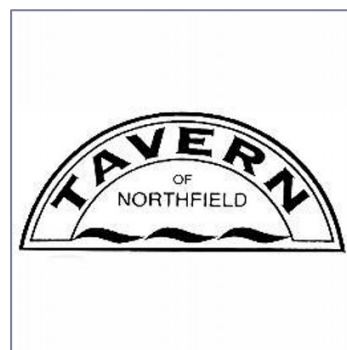
Incentives

With approximately 33% of all food waste coming from the restaurant sector, the greening of restaurants is vital to the reduction of the quantity of waste we produce. A number of green restaurant certification programs already exist, making it easy for restaurants to explore what sustainable actions they can make for the betterment of the environment and how these changes would benefit them as well. Not only is the greening of restaurants good for the environment, it is also good for business; 75% percent of consumers say they are more likely to choose a green certified restaurant (1) plus the restaurant will reap economic benefits via cost savings associated with reducing energy use.

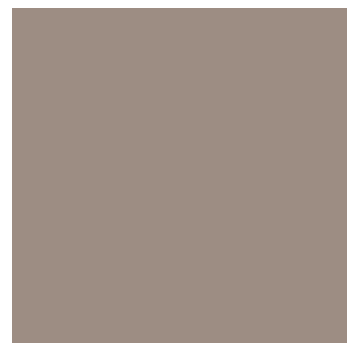
Where to Start

When searching the Internet for any information on Northfield's restaurants' dedication to sustainability, little information can be found. The only bit of evidence in regard to environmentally-conscious efforts by restaurants in Northfield is a short snippet on The Tavern Restaurant's home page and Tandem Bagels' webpage. The Tavern claims to use "locally sourced and seasonal products (2) while Tandem Bagels claims not only to use "fresh, seasonal, local and organic ingredients," but also asserts that their missions is "to make quality, soulful food in an inviting setting, and to leave a small carbon footprint through eco-friendly serving materials, high efficiency lighting, and bike racks for those who leave the car behind" (3).

Because these restaurants are the only two that advertise a commitment to sustainability, it seems a logical to begin by working with them - conducting interviews to better establish their standpoint on sustainable action and the feasibility of expanding upon their green business practices. (The Ole Store is under the same ownership as The Tavern; it may be rational to begin with them as well.)



https://pbs.twimg.com/profile_images/



<http://www.tandembagelco.com>

Restaurants

CASE STUDY:

Duluth Grill

The following is an assessment of a the Duluth Grill, a restaurant located in Duluth, Minnesota – a town with a comparable demographic to that of Northfield - whose owners made the choice to transform this once-franchised restaurant into a privately own diner with an outward dedication to sustainability.

This assessment will follow the fourfold framework outlined in Section I of this guide.

All information presented in regard to the Duluth Grill was retrieved from the 2008/2009 case study conducted by Sustainable Twin Ports in partnership with students of the Sustainable Management class at the University of Minnesota Duluth. (4)

<http://www.superiortrails.com/duluth-burgers-3.html>



1. Preservation or Enhancement of Environmental Quality

- Adoption of The Natural Step framework, a framework for businesses that outlines strategies to become more sustainable, reducing costs along with ecological and social impacts (5)
- Use of locally-sourced, seasonal, organic ingredients
- Reduction of waste production
 - Implementation of Farm-to-Fork program
 - Construction of orchard and rain garden in back parking lot
 - Intensive recycling
 - Composting of food waste (and other compostable wastes)
 - Replacement of one-use plastic ketchup bottles with reusable bottles
 - Compostable take-out containers
- Reduction of energy consumption
 - Replaced lighting fixtures/bulbs to increase energy efficiency
 - Reduction of utilities by 51.6% after replacing old equipment with Energy Star certified models
 - Low e-blinds to reduce energy use in cooling of building
- Installment of bike rack to encourage commuting by bike rather than motorized vehicles
- Received Hobart Center for Sustainability Grant in 2013

Restaurants

2. Commitment to Workers' Well-being

- High wages in comparison to industry standards

3. Contribute to the Community

- Support local farmers and food producers by sourcing food locally
- Involvement in community service projects, including hosting of fundraisers for...
 - Breast cancer research
 - Veterans
 - Food drives
 - Children's books
 - Local school supplies
- Addition of on-site orchard and gardens provided employment (currently over 50 employees work for the Duluth Grill)
- Tends to various dietary restriction by providing vegetarian, vegan, and gluten-free options

4. Provide access to Sustainability Education

- Yearly training program with The Natural Step (the sustainable business practice framework which the restaurant adopted and abides to)

<http://www.rolfhagberg.com/wp-content/gallery/food/duluth-grill-banh-mi-duck-burger.jpg>



<http://www.duluthgrill.com>



Future for the Food Sector

Suggestions for the Sustainable Development of Northfield's Grocery Stores and Restaurants

Outlined below are our suggestions for the sustainable development of the restaurants and grocery stores in Northfield, following the same fourfold framework outlined in Section I of this guide, along with a number of resources that will assist in the achievement of these greening goals.

1. Preservation or Enhancement of Environmental Quality

- Adopt a framework that assists with moving towards sustainability, such as The Natural Step
 - Resource:
 - <http://www.thenaturalstep.org/>
- Adopt greening strategies as outlined by green certification programs, and ultimately aim to become a green certified business
 - Resources:
 - <https://www.sba.gov/managing-business/running-business/green-business-guide/green-certification-and-ecolabeling>
 - <https://www.epa.gov/resources-small-businesses>
- Work to source foods more locally so as to minimize transportation costs
 - Resource:
 - <http://stolaf.cafebonappetit.com/farm-to-fork/>
- Partner with other Northfield restaurants and grocery stores to obtain a central compost bin (as Northfield's current composting facility is at capacity)
 - Resource:
 - Contact the Chair of St. Olaf's Environmental Studies department to obtain name of students in the Environmental Studies Senior Capstone class of 2016 whose capstone project investigated the expansion of Northfield's composting capacity
- Replace light bulbs with compact fluorescent bulbs, which use 75% less energy than incandescent bulbs
- For products that are mail-ordered, request that Styrofoam not be used in packaging
- Re-use fryer oil (restaurants only)
- Opt for sustainable take-put containers (restaurants only)
 - Resource:
 - <http://www.fold-pak.com/products/Bio-Pak.htm>

Future for the Food Sector

2. Commitment to Workers' Well-being

- Provide a safe working environment
- Aim to offer competitive wages

3. Contribute to the Community

- Source food more locally so as to support local farmers/suppliers
 - Resource:
 - <http://stolaf.cafebonappetit.com/farm-to-fork/>
- Tend to various dietary restrictions by providing vegetarian, vegan, and gluten-free options
- Dedicate one day (or part of one day) per month (or some other time scale) to community service
 - For example, the business can host a fund raiser, or staff can volunteer at local soup kitchen
- Invite St. Olaf and Carleton students to act as interns for a semester (or more), tasked with investigating what sustainable business practices the business may feasibly adopt and how

4. Provide access to sustainability education

- Hold periodic training sessions for employees to keep them up-to-date on the restaurant's sustainability framework and initiatives



IV. Resources by Section



Section I: Introduction/Overview

Green Consultants: Sustainability Strategies to Help Organizations Thrive. 2016. Retrieved from: <http://www.greenconsultants.com/why-green.php>

Section II: Strategies for Small Businesses

IBR Indiana Business Review: The Triple Bottom Line. 2016. Retrieved from: <http://www.ibrc.indiana.edu/ibr/2011/spring/article2.html>

Nulkar, G. (2014). *SMEs and Environmental Performance- A Framework for Green Business Strategies*. Procedia- Social and Behavioral Sciences. DOI: 10.1016/j.sbspro.2014.04.177. Retrieved May 5, 2016.

Green America. (2013). The Big Green Opportunity for Small Businesses in the U.S. Small Business Sustainability Report, 2013. Retrieved from biggreenopportunity.org

Section III: The Food Sector

Environmental Impact

Statista. 2016. Retrieved from: <http://www.statista.com/topics/1660/food-retail/>

Davies, T. 2000. *Environmental Implications of the Foodservice and Food Retail Industries*. Retrieved May 5, 2016. Web: <http://www.rff.org>

Grocery Stores

Natural Resource Defense Council (NRDC). 2007. *Food miles: How far your food travels has serious consequences for your health and the climate*. Retrieved from: <https://food-hub.org/files/resources/Food%20Miles.pdf>

Bemporad, R., Baranowski, M. 2007. *Conscious Consumers Are Changing the Rules of Marketing. Are You Ready?* BBMG Conscious Consumer Report. Retrieved from: http://www.fmi.org/docs/sustainability/bbmgs_conscious_consumer_white_paper.pdf?sfvrsn=2

International Co-operative Alliance. 2015. Retrieved from: <http://ica.coop/>

Just Food Co-op. 2016. Retrieved from: <http://justfood.coop>

Lappe, F. M. (2006). *Democracy's Edge: Choosing to Save Our Country by Bringing Democracy to Life*. San Francisco, CA: Jossey-Bass.

Restaurants

(1) <http://leafme.ca/blog/>

(2) <http://www.tavernofnorthfield.com>

(3) <http://tandembagels.com/>

(4) <http://www.sustainabletwinports.org/CMS/files/Duluth%20Grill%20Case%20Study%202012.pdf>

(5) <http://www.thenaturalstep.org/>