

# From Barn to Banquet

OPPORTUNITIES AND BARRIERS TO GREATER USE  
OF MINNESOTA GROWN FOOD AT CONFERENCES



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Available upon request:

- CVB survey results
- List of interested meeting planners

## Executive Summary

In Minnesota, convention centers and hotels are host to a large number of local, regional, national and international conferences each year. In 2004, there were nearly 84,500 confirmed room nights for conventioners staying in St. Paul hotels alone, according to the St. Paul Convention & Visitors Bureau (CVB).

However, very little Minnesota-grown food is used by the conference venues that participated in this research. Beyond wild rice and walleye, few venues highlight Minnesota foods on their menus. The menu choices made by conference organizers are driven largely by cost-consciousness and risk aversion. Where local food has been used at a conference, it has usually been arranged on an “exception” basis by organizers willing to take on the legwork of designing special seasonally-appropriate menus, coordinating with farmers, organizing delivery and so on.

On the whole, the conference market lags behind other foodservice markets like farm-to-school and farm-to-college where efforts to use local food are expanding and media attention is growing.

Nevertheless, there is growing demand for local food among key players in the conference world. For instance, 26% of the professional meeting planners who responded to the “Barn to Banquet” survey indicated that they would be “very interested” in having Minnesota-grown food or beverages at their conferences. An additional 66% said that they are “somewhat interested”. Even more importantly, several of the conference venues studied say that offering more Minnesota-grown foods would be of strategic benefit to their business. A lack of knowledge about what Minnesota agriculture has to offer and uncertainty about where to purchase local foods are key barriers to greater use of local foods by conference venues.

Most conference venues prefer to source food and beverage from a small number of distributors that can meet their needs for consistency and reliability. Sourcing options for most chain hotels are further constrained by national sourcing contracts with major distributors. Expanding use of local food on a systemic basis will depend largely on expanding access through established distributors that the venues already know and trust.

Conferences that draw participants from other parts of the country often try to incorporate “local color” in their events, and are likely to be good targets for local food offerings. Health, environmental, and agricultural groups, and other clients that may have a natural interest in fresher and more innovative menu options are also likely to be good fits for local food options.

On the food production side, the conference market will be most relevant to larger farmers and producer groups that work through distributors and for whom pricing at or slightly above commodity pricing is attractive. It is unlikely to be a good fit for farmers that are too small to sell to distributors, that need premium pricing, and/or that lack access to adequate post-harvest handling and other infrastructure.

A number of distributors already provide a range of local fresh fruits and vegetables in season at competitive prices and a few offer it “cut and bagged”, as is typically required in foodservice settings. Sourcing of local meats will be more challenging given the volume, pricing and distribution demands of the conference business.

More and more trade associations, larger businesses, and other conference sponsors employ professional meeting planners to organize the logistics of their conferences. Given that they usually make menu decisions and manage food budgets, meeting planners are probably the single most important “point of influence” in mobilizing demand for local foods. An effort to educate and engage meeting planners could be very valuable.

A wide range of communication and knowledge gaps were found among distributors, chefs, catering directors and other actors. A well-organized effort to educate and build relationships among key players could go a long way toward opening this market. The development of practical tools, like seasonal menus featuring accessible local foods that are suited to the unique demands of conference environments, could also make a real difference at relatively little cost. Minimizing the legwork of developing menus, identifying reliable sources of local food, and marketing local food options to meeting planners will be key.

While the market for local foods among Minnesota conference venues has its challenges, it is also one arena that has received relatively little attention thus far. Unlike many other segments of the food system, this is one that appears to be largely unaddressed by agriculturally-oriented non-profits and others focused on market development within the state. For a relatively modest investment, Minnesota Grown could play a meaningful role in developing a market for local agriculture that is otherwise likely to remain untapped.

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## A. Introduction to the Issues and Players

Expanding the marketplace for Minnesota-grown foods is critical to the vitality of Minnesota's farm communities and is a central goal of the state Department of Agriculture's Minnesota Grown Program. Nationally, there is growing interest in locally grown food as evidenced by the proliferation of farmers markets and growing activity among farm to school, farm to hospital, and farm to college programs. However, one arena that has received relatively little attention is the conference market and the venues where conferences and conventions are held.

In Minnesota, convention centers and hotels are host to a large number of local, regional, national and international conferences. For instance, there were nearly 84,500 confirmed room nights for conventioners staying in St. Paul hotels alone in 2004. While there appears to be no central repository for data about food and beverage use at conferences in Minnesota, convention-related food and beverage purchases by St. Paul hotels are conservatively estimated at \$2.2 million annually, based on data from the St. Paul CVB and the International Association of Convention & Visitors Bureaus.

Among convention centers themselves, Wildside Caterers, which has the exclusive contract for catering at St. Paul's RiverCentre, purchases roughly \$1.8 million in food and beverage per year for use at RiverCentre, in addition to purchases for catering in the Xcel Energy Center's suites. The Duluth Entertainment & Convention Center purchases about \$600,000 in food per year.

However, use of Minnesota-grown food in convention and conference settings is currently quite limited. The vast majority of food and beverages served at the six conference settings under review is purchased from distributors that source product on a national or international basis. Most of the distributors serving these conference centers do not explicitly offer Minnesota-grown foods. Notable exceptions include Bix Produce, Roots & Fruits, and the nascent Farmers Market program at Sysco, all of which source Minnesota-grown products and are able to track its origins throughout their system.

Where local food has been used, conference sponsors have typically worked with the conference venue on an "exception" basis for a specific event. In these instances, groups like Minnesota Farmers Union, Food Alliance Midwest and the Minnesota Project have used their own staff or engaged an outside "forager" to develop menus with the caterer/chef, identify local sources of product, and organize delivery to the conference site. The legwork this requires is substantial and is a major barrier to greater use of local foods.

Relatively little research has been done to learn what would open the conference market to local food producers on a more systematic basis. That analysis is the purpose of this research. This feasibility analysis included interviews with:

- Organizations that have held conferences featuring local foods
- Professional meeting planners

- Chefs, outside caterers, directors of catering and buyers for selected hotels and convention centers in St. Paul, Duluth and Rochester
- Convention and Visitors Bureau staff in St. Paul, Duluth and Rochester
- Selected distributors
- A limited number of Minnesota-based producer groups, food processors and food manufacturers.

Web-based surveys were also conducted with Minnesota-based professional meeting planners and with Convention & Visitors Bureaus. A list of interviewees is provided in the attachments, as are full results from the meeting planner and CVB surveys. A list of meeting planners who indicated that they are “somewhat” or “very” interested in having local food at their conferences was also generated. Readers should note that the terms “Minnesota-grown” and “local” are used interchangeably in this report, reflecting the Minnesota Grown Program’s commitment to agriculture across the state.

While hotels and convention centers are at the core of the convention business, a constellation of other players also influence the foods that make it “from barn to banquet”. These include the meeting planners who choose menus and manage food budgets, distributors, and Convention & Visitors Bureaus that market hotels and convention centers to potential conference clientele. The next section of this report explores operating dynamics, motivations and constraints for each of these players. This is followed by a set of conclusions and recommended next steps for the Minnesota Grown Program.

## **B. Convention Centers and Hotels**

Six conference centers and hotels were studied as part of this research. They include the Duluth Entertainment Convention Center (DECC), RiverCentre in St. Paul, the Mayo Civic Center in Rochester, The Kahler Hotel in Rochester, the Radisson Riverfront in St. Paul, and the Holiday Inn Duluth. Conversations were also held with staff at Madison, Wisconsin’s convention center, the St. Paul Hotel and the Minneapolis Hilton.

These businesses vary considerably in how they position their banquet and other catering services in the market, the scale of their operations, their food sourcing practices and their interest in locally grown foods. They had the following experiences and perspectives to share:

### **“How much Minnesota-grown food are you currently using?”**

Each of the six venues commonly holds meals for 100 to 1,500 participants. A large facility like RiverCentre can serve 20,000 meals per day. On the whole, their use of Minnesota-grown food is very limited. None of the venues were able to provide specific numbers about use of Minnesota foods (other than those who guessed the figure was zero), but it is likely that local product is less than 1% of their total food and beverage purchasing.

Among the venues interviewed, the DECC was the bright spot for current purchasing of local foods. DECC's Director of Catering estimates that 25% of the food used for catering and concessions at the DECC is produced in Minnesota or Wisconsin. For instance, they use breads from local bakeries, local dairy, and some local meats and packaged grocery items. Those local items that are available on a consistent basis are also featured on their menus with place-oriented names like "North Country Potatoes," "Lake Superior Trout," and "Minnesota Wild Rice." The DECC is also unusual in that it has a major commitment to environmental stewardship, with its Director of Catering having started a program several years ago to encourage composting of food waste, recycling, reduced use of plastics, and similar measures.

*"We purchase millions of dollars of food. Our distributor makes it hard to source locally, but I would rather buy locally for two to three months in the summer and then incorporate local winter vegetables into our menu. It would be great if we could form a partnership with our broadline distributor to source locally through them for three months every year."*

*-- Convention Center staff*

With the other venues interviewed, the question about how much local food they use was often met with responses like "none", "we don't know," or "we're at the mercy of what our distributors provide us." Most venues do offer foods that are commonly associated with Minnesota, namely wild rice, walleye or trout. The Kahler Hotel noted that they buy herbs from a Rochester-area farm because the quality is so high, but few other cases of direct sourcing from individual farmers were found. Most noted that they had gotten few requests for local food, per se, although wild rice dishes are very popular, particularly among conference groups that draw a national crowd interested in trying foods that are associated with Minnesota.

Several venues noted that conference clients who are themselves food manufacturers or commodity producers occasionally request that a particular product be served (like their own brand of pork, butter or breakfast cereal). Several venues believe they could provide Minnesota-themed meals if a client requested it, but few of those interviewed had actually done so.

In the case of Madison, WI's convention center (the Monona Terrace Community and Convention Center), staff also estimates that Wisconsin and Minnesota-grown foods constitute less than 1% of their food purchases, although they note that they frequently use Wisconsin cheeses and wines. As the Center's food buyer commented, "It's very difficult for an operation our size to find enough suppliers to do large functions. We have wiped producers out of their whole inventory, and find that producers are hesitant to commit their sales to us because they don't want to leave their other customers high and dry." However, Center staff note that they make every effort to use local food, would take more if they could get it, and are deterred primarily by the inability to source sufficient volume at a consistent quality.

*"As long as it tastes good and is priced reasonably, we don't worry about where it came from. I've never seen any food at the many banquets I've attended labeled 'Minnesota Grown'. What's the difference?"*

*-- Meeting Planner*

## “Would offering local foods be of strategic value to your convention center or hotel?”

Despite limited use of local food to date, when one asks about potential future interest in local foods a somewhat different picture emerges. Interest in local food seems to correlate fairly closely with the degree to which the venue seeks to differentiate its catering services from the competition through innovative menu offerings, and whether they believe that Minnesota-grown foods can be a compelling point of differentiation.

For instance, Wildside Caterers has the exclusive contract for catering at St. Paul’s RiverCentre and the Xcel Energy Center and a national reputation for innovation and quality. Executive Chef Michael Harper voiced strong interest in providing Minnesota-themed meals to his clients. As he says, “We would love to offer Minnesota-themed meals. It would be a great marketing tool for us. If our distributors can provide the local product, we’d love to do Minnesota meals.”

Similarly, the Director of Food & Beverage at The Kahler Hotel (which is also a major caterer serving the Mayo Civic Center) indicated that, “We love to have a menu that generates the ‘wow factor.’ Any time you can add a Minnesota product, that helps creates the ‘wow’. Minnesota-themed menus would help.”

*“It would be great to have a package of Minnesota-themed food items and beverages. I would love to stamp ‘Minnesota’ all over our menus and sell it year round, but if we could say ‘available July through September’ that could work. If I have a conference coming in January and they want local, I’ll need menus that can work. I’d like to mix and match local products that are available at different times of the year.”*

*-- Hotel Caterer*

DECC staff also noted that they have made a major commitment to environmental stewardship, even though it doesn’t necessarily reduce costs or generate business for them. Already a proponent of locally grown foods, their Director of Catering suggests that greater local sourcing would be very consistent with their mission.

Not surprisingly, some other venues see a more tenuous connection between local foods and their organization’s clientele and strategic interests. For instance, one of the caterers that serves the Mayo Civic Center noted, “We’re a meat and potatoes style caterer. We offer good food at moderate prices. You struggle to get conventioners to like local product like Summit beer because they’re familiar with Budweiser and they want what’s familiar. The conventioners we serve just want a decent meal.” Other venues thought that conventioners’ interest in local food could grow but are taking more of a wait-and-see approach.

## “What trends do you see in food consumption at conferences?”

This question prompted a variety of somewhat contradictory responses. Some caterers and chefs noted growing interest in healthier foods. Others see a trend away from healthier foods toward comfort foods. Others noted that meeting breaks had become healthier, with growing use of granola bars and real fruit juices and fewer cookies and candy bars. Interest in Aitkin’s type diets seems to be on the wane.

Interest in vegetarian and vegan meals is widely viewed as on the upswing, although the DECC indicates that vegetarians still rarely represent more than 1% of their conference attendees. Demand for special diet meals (e.g. low sodium and gluten-free) is on the rise. Some venues reported more curiosity among their clients about organic food, but said that the higher cost of organic stops most buyers in their tracks. Several reported difficulty finding sources of organic product on the rare occasions when they were seeking it out.

One area of consensus was that convention goers seem to throw their diets out the window when traveling. Some suggested that even though people may say they are interested in healthier foods that doesn’t generally drive the menu choices actually made by most meeting planners.

## “How do you currently source food and beverages?”

Most of the venues interviewed have a primary, broadline distributor and a more regionally-based produce provider. Some work with an additional meat distributor. Among the venues interviewed, Sysco and US Food Service were the most common broadline distributors identified. Bix Produce was the most common provider of produce. Other distributors mentioned include Upper Lakes Food, Northwest Fruit, Alliant, Reinhart, Stockyards, Roots & Fruits, and Bergin Fruit. Most venues need fruits and vegetables to be pre-cut.

*“The biggest challenge is the distributor. If they don’t offer something that’s easy for us to order and use, we probably won’t pursue it. It takes too much time to contact local producers. It’s hard to make the case for replacing established, smooth running processes by existing distributors with something that is more time consuming and less reliable.”*

– A Caterer

Most conference center staff interviewed did not know if their distributors offered Minnesota-grown products and said that their distributors were not marketing local products to them. (Roots & Fruits was the one distributor that was consistently known for carrying a wide variety of local products.) A few reported that their mainline distributor makes it difficult to source locally due to added fees for local food or contractual obligations that make it difficult to source locally during Minnesota’s brief produce season.

Generally speaking, the convention centers interviewed seem to have more latitude than national hotel chains in their choice of distributors. The largest convention center interviewed, St. Paul’s RiverCentre, noted that their needs are so great that they currently source from multiple large distributors and could perhaps accommodate a small number of additional

vendors if they could provide distinctive products. However, sourcing practices by hotel chains are typically driven by their corporate headquarters, with the requirement, for instance, that facilities purchase 80 to 90% of their food under a national contract with one broadline distributor.

Despite this limitation, some distributors like Sysco are showing interest in providing more locally grown fruits, vegetables and meats. Bix Produce, Bergin, and Roots & Fruits already offer an array of local fruits and vegetables. Even where sourcing is limited by national contracts, the 10 to 20% leeway available to national chain hotels is still a sizable market.

### **“What barriers do you see to expanding the use of Minnesota-grown foods at your venue?”**

Six key barriers emerged during this research with hotels and convention centers:

**1. The need for a large, reliable supply with consistent quality.** Concerns about the volume and consistency of supply were the most commonly raised. For convention centers and hotels, the volume of food required is significant and many would have difficulty incorporating small, sporadic increments of local product into their operation. The need for consistent quality is also extremely high. Venues need a product supply that they can plan around and assurances that product will be delivered as agreed. Most need it to come through their distributors rather than directly from producers. Some larger conference sites also have difficulty predicting their own demand and need large quantities on several days’ notice. Conference centers tend to have little room for error and are highly sensitive to customer service problems with their distributors.

**2. Price.** Demand for foodservice in conference environments is, generally speaking, very price sensitive. Many of the venues interviewed noted that they would consider using local foods if the price and quality were the same as non-local foods. In some cases a price premium of a few percentage points might be feasible, but more than this is unlikely on a wide scale. One exception to this may be a venue like RiverCentre, that focuses on innovative offerings and services gala fundraisers, corporate suites and other contexts where higher-end clients may have the interest and means to “do something special”.

*“The distributors aren’t coming to the rest of us to help us see what’s available, and make it easy to source locally. I would love to offer Minnesota foods, but I have no idea where to get them.”*

*-- Executive Chef*

Interestingly, many Minnesota-based produce distributors who offer local product say the price they charge buyers for local is generally the same as the price for non-local. While local farmers can’t expect a premium price from such distributors, this seems to debunk the notion that local produce would necessarily be more expensive than non-local.

Pork producer Jim Van der Pol also shared a story about his experiences foraging local foods for three Minnesota Farmers Union events at a Four Points Sheraton (on Industrial Boulevard in St. Paul). He says that when the chef first saw the prices for New Prague-based Cedar Summit's grass-based dairy products he balked, but was willing to try it. By the second annual conference, he wouldn't use anything but Cedar Summit.

Expanded use of such premium local products will undoubtedly involve some tension around pricing until chefs and caterers experience the higher quality. Also key will be finding ways to link such products with that subset of conference sponsors who are both willing to pay for higher quality and need quantities that are compatible with available supply.

In other situations, prices above commodity pricing will not be feasible. However, foodservice markets like conference centers may be a worthwhile market opportunity for producers who are seeking larger markets and/or who would welcome opportunities to market difficult-to-sell cuts of meat, for instance. As a result, the conference market will be attractive to some producers and not to others.

**3. Limited awareness of what Minnesota agriculture has to offer.** Where the convention business is concerned, Minnesota's "local food identity" seems to be limited to wild rice and walleye. Even among conference foodservice staff there appears to be limited knowledge of what Minnesota-grown foods are available. The lack of a more distinctive local cuisine is also a limitation for local food marketing efforts.

As Michael Harper, Executive Chef at Wildside Caterers (RiverCentre) noted, "Local food hasn't been marketed to the point that foodservice people understand it. People only think of wild rice and walleye. When I moved here I had no idea that there are great local varieties of apples available. Now I know that there are bison, hormone-free beef, and unusual breeds of cattle. We need to educate caterers on what's distinctive and available locally. Many chefs don't know about the great apples, the great sweet corn, but the high quality and freshness will be huge draws if caterers and chefs understood what's available." This signals a real need for an educational effort among chefs, caterers, directors of catering, food and beverage sales staff and others operating within conference settings.

**4. Uncertainty about where to purchase local foods.** Few conference center staff say they know how to obtain Minnesota-grown food, and they perceive that distributors are not marketing local food to them. A range of misperceptions were found about availability of local foods. For instance, some of the venues use distributors that don't offer local product, but venues believe they do. In other cases, the distributors do offer local product in season and even highlight it in their weekly newsletters, but buyers and chefs remain unaware of the local product available to them. In other instances, distributors seemed ambivalent about the need to actively

*"Demand for local food is there, but you need to make it simple and cut out the barriers. It would be helpful if you had themed menus featuring local foods that caterers can use -- menus that work for mass production, are visually attractive and hold well in a warming cart. We can't spend as much time fiddling with the food (as high end restaurants) because we are trying to move very large numbers of meals all at one time."*

*-- Caterer*

market their local product offerings if buyers were to know it was available. Providing foodservice buyers with more specific information about how to purchase local product and building more transparent relationships with distributors could help close this gap.

**5. A lack of menus that incorporate local foods.** Hotels and convention centers typically develop menus that bear no relationship to the supply of food that is locally available. Menus are generally based around foods that are available year-round through national distributors and in very large, consistent quantities. As a result, these venues are not accustomed to working with local, often seasonal products, and meeting planners are not being offered local options. The paucity of menus that incorporate local food effectively prevents all but the most motivated meeting planners from choosing local.

The challenge of linking local supply to workable menus is exacerbated by the short season for local fruits and vegetables. Even chefs and caterers who express interest in local foods noted the legwork that would be involved if they tried to identify what products are available when, determine how to get it in sufficient quantity, build menus around those foods, and then market those menus to potential clients. That legwork is a major barrier.

**6. Turnover among conference center staff.** Turnover among chefs and catering staff is quite high, particularly at hotels. This will complicate efforts to educate, build the relationships, and cultivate new sourcing and menu design practices among catering professionals.

### **“What would help you integrate local food into your offerings?”**

There are a number of ways that more locally grown food could be incorporated into conference centers’ offerings. This would include:

- focusing on a few “high visibility” items like wild rice and walleye
- incorporating a wider variety of local products into the overall food stream, or
- developing Minnesota-themed meals (e.g. a “Minnesota dinner” featuring locally-raised pork, grilled seasonal vegetables, and pumpkin pie)

Most venues thought that a combination of these approaches could work. However, Minnesota-themed meals were thought to offer a clear marketing advantage, particularly with national convention clients seeking to experience the “local color”.

The feasibility of each approach is influenced by the way that catering services are provided. At five of the six venues interviewed, catering services are handled in-house by venue staff. Only the Mayo Civic Center works with an approved list of outside caterers that determine their own menus. The convention centers and hotels that handle catering in-house typically have a standard set of banquet menus that are put in place for 12 to 24 months. As a result they have relatively little flexibility to alter those menus once printed. Most venues would be reluctant to add “Minnesota meals” to their standardized menus due to uncertainty about supply and fluctuating prices for local produce.

However, this was not viewed as a major barrier to use of local, seasonal foods. Several venues noted that they could accommodate local and seasonal products by offering periodic “specials”, designing seasonal menus that could be offered to clients in addition to the standardized menu, and providing flyers to their sales staff encouraging them to stress the availability of local menu offerings on a seasonal basis.

Nevertheless, the challenge of incorporating local offerings into menus didn’t appear to deter most interviewees, even though it would require a greater marketing effort by staff to make local options visible to potential clients.

When asked about what particular local foods would be appealing, wild rice was typically the first mentioned, but a wide range of others foods were also identified: walleye and trout, vegetables generally, beef, chicken and pork, distinctive local varieties of apples, various dairy products and beverages like Shakers vodka and local beers. The fact that items like chicken and pork aren’t unique to Minnesota didn’t seem to be a deterrent for most interviewees. Higher quality, distinctiveness, and freshness were viewed as the most compelling attributes of Minnesota-grown food and beverage. Some interviewees thought that attributes like “family farmed” could also be attractive.

#### **“If you offered more local foods, how would you want to market them?”**

For most catering operations, the key marketing link takes place between catering sales staff and the meeting planners that are their clients. Most suggested that well-prepared sales staff and caterers could market Minnesota-themed menus effectively through their relationships with meeting planners.

A standardized set of promotional materials, farmer profiles, or something akin to the Minnesota Grown logo were not thought to be all that compelling for use with meeting planners. The DECC, though, displays the names of farms on some of the materials that consumers see and makes sure that locally produced beers are front-and-center on their beverage service tables. For many chain hotels, the content of marketing materials that reach individual patrons are dictated by corporate policies that seek a uniform image, limiting their options for more localized marketing efforts. Most venues who expressed interest in local food would want to market those offerings and ensure that they were visible to their clientele. It appears likely that those marketing efforts would need to be tailored to the particular needs of each venue.

## C. Meeting Planners

Many trade associations, corporations and other frequent conference sponsors engage professional meeting planners to organize their conferences. Others use their own staff to plan conferences. Meeting planners are often where “the rubber hits the road” as they manage conference food budgets, make menu selections and bear the consequences if menu selections don’t go over well with conference participants. As a result, meeting planners are key players when we look at opportunities to expand use of local foods at conferences.

A web-based survey was conducted with meeting planners who are part of the Minnesota Society of Association Executives (MSAE, which represents about 200 trade associations in Minnesota and the Dakotas, ranging from civic organizations, financial institutions, and business in communications, agriculture, energy and health among others) and the Minnesota Chapter of Meeting Planners International (MPI, a national association of professional meeting planners). Leaders of the two organizations were also interviewed. Forty-eight responses to the survey were received. The following insights emerged about their perceptions, motivations and operating constraints:

- Seventy-one percent of the meeting planners who responded to the survey say they have never selected menu items that feature foods from Minnesota or requested that Minnesota-grown foods be included in their menus. Twenty-nine percent say they have selected or requested Minnesota-grown foods.
- Sixty percent of the respondents said that they hold their largest annual conference event at a hotel, while 23% hold their annual conference at a convention center.
- Ninety-four percent say they work through foodservice staff that is employed by the meeting facility to select foods for their annual conference. Only 6% work with an outside caterer.
- Meeting planners were asked which of several statements best reflected their priorities and budget situation:
  - Fifteen percent agreed with the statement that, “It all comes down to price. We typically choose lowest cost option that will meet our basic needs.”
  - Fifteen percent indicated that, “Food is a relatively low priority and we have little flexibility in our budget for innovation and quality.”
  - Fifty-six percent said, “Food is somewhat important and we have some flexibility to pay for something interesting.”

*“You have to understand the mindset of meeting planners. Their job depends on satisfying their meeting attendees. It’s a big risk to them if a menu doesn’t go over well. Rubber chicken is safe, which is why meeting planners keep choosing it.”*

*-- Former meeting planner*

- Fifteen percent agreed with the statement that “The food served at our conferences is very important to our participants, and we are willing to pay more for food that suits our particular needs.”
- When asked about how they make decisions about food and beverages, 85% of respondents said that the “desire to minimize complaints about the food” was very or extremely important to their decision. Cost was deemed very or extremely important by 84%. Interest in unique or creative menu selections was identified as very or extremely important by 69% of the respondents, with healthiness of the food coming in at 56%. Food with the local identity or a connection to the meeting location was very or extremely important to 18% of the respondents, with 38% saying it is of moderate importance. Certified organic food was identified as “not at all important or “of limited importance” to 96% of respondents.
- Twenty-seven percent of the meeting planners surveyed say they “frequently” work with foodservice staff or caterers to create special menus. Forty-four percent do so occasionally, while 29% say they rarely request special menus.
- When asked how interested their organization would be in having Minnesota-grown food or beverages at their conferences, assuming the price and quality were on par with other menu options:
  - 26% said they were very interested
  - 66% said that they were somewhat interested
  - 6% said not very interested
  - 2% indicated “no interest.”
- When asked about willingness to pay more for local food, all else being equal:
  - 38% of respondents said that they would not be willing to pay any increased cost food
  - 30% would be willing to pay 1% to 3% more
  - 17% would pay 4% to 6% more
  - 11% would be willing to pay 7% to 10% more
  - 4% would be willing to pay 11% to 20% more.
- When asked what stands in the way of making Minnesota-grown food more available to their conference attendees:
  - Sixty-one percent agreed with the statement that “Minnesota-grown food just isn’t on our radar screen/we haven’t explored it.”
  - Fifty-five percent noted that caterers and chefs don’t offer them local food options.
  - Twenty-six percent thought that it would be too complicated and time-consuming.
  - Twenty-two percent thought that it would be too expensive.

- Eleven percent suggested that their conference attendees would not be interested in Minnesota-grown food.

*“We are a state association and my participants are from Minnesota, so having something ‘local’ isn’t a novelty, nor do I find anything particularly ‘unique’ about Minnesota cuisine. On an economic level, I think it’s always a good idea to use local vendors and suppliers for whatever you are doing, but in this case, that’s between my caterer and their wholesaler – I don’t have the time or desire to get involved.”*

*-- Meeting Planner*

- Meeting planners were also asked what Minnesota-grown foods would be of most interest to them. Meat and fish were among the priorities (including chicken, turkey, beef and walleye. Some noted the difficulty of working with trout on a large scale and some attendees’ dietary restrictions that put pork off limits). Wild rice, beer and vodka were additional priorities. Vegetables (generally) and apples were also frequently cited.
- Planners were also asked how important it would be to promote local foods and make them visible to conference attendees if they included Minnesota-grown foods in the menu. Twenty-eight percent said it would be very important. An additional 28% said “moderately important”. Promotional suggestions included signage on buffet tables and on menus, promotional materials in conference brochures/registration packets/give-away bags, verbal comments by presenters during the conference, table tents, exhibition booths, and the featuring of other “Minnesota” products and promotional materials to re-enforce a Minnesota theme.

## D. Convention & Visitors Bureaus

Convention & Visitors Bureaus are non-profit entities charged with attracting convention and tourism business to their region. As a result they play an important role in positioning their community as an attractive site for conferences and linking conference sponsors with appropriate venues. CVB staff in St. Paul, Duluth and Rochester were interviewed and a survey was issued to Convention & Visitor's Bureaus nationally. Eight responses to the survey were received. The following insights emerged from the interviews and survey:

- Food is a minor factor in CVB marketing efforts. CVBs focus on marketing the quality and cost of area hotels, meeting facilities, transportation, and the recreational amenities available to convention goers. Some CVBs note that their only food-related marketing effort is to mention the quality of the food in those venues that stress particularly high quality. Emphasis on food is greater in regions of the country that have a distinct, nationally-known cuisine (e.g. New Orleans).
- Participating CVBs suggested that up to 20% of their conference clients would be “interested” or “very interested” in food from their regional or locality. They noted that regionally distinct foods that help patrons connect to the meeting location are often attractive to clients – once they have selected the city and venue in which to hold their conference.
- Fresher and healthier food offerings were thought by the CVBs surveyed to be moderately-to-very attractive to many potential conference clients. Other rationales for using local food, such as helping the local economy or supporting family farmers, were thought to have limited appeal to conventioners.
- Healthcare, nutrition and medically-oriented convention groups and conferences that draw participants from other parts of the country were viewed as the most likely to be interested in local cuisine. Local and state-level groups with an interest in Minnesota's economy, rural development, environment and agriculture might also respond well to offerings of locally grown food.
- Some conference venues get a large portion of their business from repeat customers that return to the same convention center year after year and book several years in advance. Such clients may be particularly advantageous targets for cultivating the market for locally grown foods. CVB staff could potentially be helpful allies in identifying such clients.

## E. Distribution

Six distributors, ranging from regionally-oriented providers to national players, were interviewed. Further input about supply and distribution issues was also sought from various producer groups and conference venues. The need for most local foods to come through existing distributors was clear from the conversations with hotels and conventions. Below are some of the other key distribution issues that influence the feasibility of expanding use of local foods in conference settings.

- **Minnesota-grown food is a small market in the eyes of most distributors.** Even for Bix Produce, which is one of the larger suppliers of local produce, local food represents only about 5% of their annual sales (or about \$2.75 million). For some smaller produce distributors, it is a significantly larger share of their revenues.
- **Demand for local hasn't emerged on a significant scale among conference clientele.** While interest in Minnesota-grown food from white table cloth restaurants and private colleges is perceived as growing rapidly, the distributors participating in this research say they are not yet seeing demand for local among convention and hotel clients.
- **While some local foods are available through larger distribution channels, access remains problematic** for many hotels and convention centers. Most venues do not know where to obtain local products. Local produce appears to be the most accessible category, on the whole. Typically (although not always), venues need to purchase produce that has been cut and bagged rather than fresh by-the-case. A number of Minnesota-based distributors who currently offer some local produce also have in-house processing operations and can provide an array of cut and bagged Minnesota-grown produce items. As a result, the need for local produce that has been processed does not appear to be a significant barrier for those venues that are able to source from these distributors.

*"You can lead a horse to water, and we already do that. We just need buyers to drink. We have local product and we already tell them what's available locally in our newsletter and send weekly faxes. Buyers just need to place the orders. We have hundreds of customers and we're not going to call and make a pitch for them to buy local. Local farmers aren't paying us to promote their product."*

*-- Distributor*

- **More difficult will be sourcing of local meat and dairy.** Few venues could identify a distributor that could offer them these products. Most source their meat and dairy from broadline distributors or large meat distributors that don't offer local product. Cost, volume and regulatory issues are also more likely to be a barrier for local meat producers and processors. Having a reliable source of affordable local meats would be particularly important given meat's role at the "center of the plate" if the Minnesota-themed menu angle is pursued. More in-depth research is needed concerning the barriers and opportunities for sourcing of local meats into conference environments.

- **Distributors and conference center buyers are not communicating effectively about locally grown food.** Distributors and buyers who participated in this research are not clearly communicating with each other about what local foods distributors have and what foods buyers would be interested in purchasing. Misperceptions abound among conference center buyers about what local products their distributors do and don't offer. Even clients of those distributors that now offer local food do not seem aware of what is already available. Some distributors voiced some resistance to expanding their marketing efforts related to local food given how small they perceive the market to be.

*"We do supply some of the large hotels. They are very price driven. Sysco and US Foods come in with cheap product, so even a few pennies per plate is a deterrent. Nevertheless convention and hotel business is attractive for us. Demand tends to be sporadic, but we are in a position to be responsive."*

*-- Regional Distributor*

- **The "available supply" of local product is difficult to gauge.** Even a distributor like Bix that has active relationships with a dozen local producers is challenged to articulate how much local produce would be available at a given price if demand from conference centers were to increase. However, most distributors interviewed say they are confident that they could obtain local produce as requested. There is also something of a "chicken-and-egg" dynamic at play in which demand from conference centers may be constrained until an assured supply is in place and supply may not grow until greater demand is voiced. This would argue for starting small, working with more motivated and less risk-averse conference settings first, and building demand incrementally from there.
- **Distributors may have limited interest in expanding the number of local farmers they buy from.** Few distributors are willing to work with a large number of small farmers, each with their own ordering, billing and delivery systems. There is a strong preference for working with a smaller number of larger producers/producer groups that can offer a larger supply of more varied products. Also, most produce distributors have national supply contracts in place. Some will be reluctant to interfere with those relationships in order to incorporate local supply during the relatively short season for Minnesota produce. Others make it a practice to switch almost entirely to local product in-season.
- **The weather is a big factor with produce.** The local season for fruits and vegetables can swing several weeks in either direction or be cut short by adverse weather. This makes it difficult (and sometimes impossible) for distributors to make assurances about what local products will be available when and at what price. Rather than guaranteeing the availability of local product, it may be more workable for buyers to have an understanding with their distributor that the distributor will provide local product when it is available within agreed price and quantity parameters and that the distributor will fill the buyer's order on time, but with non-local product should that local supply become unavailable.

- **Commodity prices are likely to prevail.** When working through distributors, producers offering commodity products will have difficulty obtaining more than commodity prices. (For instance, several distributors who participated in this research say they typically pay local produce suppliers the same price as non-local suppliers. A premium for “localness” appears quite unlikely among larger distributors.) However, this market may be attractive for producers and producer groups who are seeking larger markets, are comfortable with close-to-commodity pricing, and/or who are interested in markets for products they otherwise find difficult to sell. Venues that stress quality and innovation may offer somewhat better pricing for specialty produce, meat and dairy products.

*“I am optimistic about convention supply as an attractive business for farmers. We were able to sell pork roasts to a hotel at prices that were attractive for us. This was a good market for product we had difficulty selling anyway. The chef seemed to enjoy working with the product, and was challenged by doing something different. With conventions that want to do something a little special I think there is a lot of room for creativity.”*

*-- Food Alliance – approved Pork Producer*

- **Appropriate post-harvest handling is crucial.** Some distributors suggested that local produce has a reputation for less reliable shelf life due to weaknesses in the “cold chain” between farm gate and the distributors’ door. Others noted that this has become less of a problem in recent years as some Minnesota producer groups have invested in post-harvest handling infrastructure. Given that conference setting buyers view freshness and higher yield as major reasons to buy local food, quality assurance is critical.

- **Trace-ability can be a challenge.** Some distributors do not attempt to track the geographic origin of their food. Such trace-ability would be important for conference venues that wanted to market menu offerings as “Minnesota-grown”.

## F. Conclusions and Next Steps

Several key conclusions have emerged about the nature of the conference market for local foods and the opportunities and limitations associated with it:

1. **The conference market is behind others foodservice markets** like farm-to-school and farm-to-college where there is expanding media attention and an increasing number of working local food models that can serve as examples. The growing demand for more locally-grown food that is evident in grocery retail, farmers markets and other venues has yet to hit the conference world on a significant scale. In most conference environments, the choice of menus tends to be driven largely by cost-consciousness and risk aversion.

2. **Use of local food in conference settings lacks a clear, vocal constituency.** Although many conference attendees may object to the “rubber chicken” syndrome, it appears that a clear constituency voicing demand for alternatives has not yet mobilized. This makes the conference world different than K-12 schools, colleges, hospitals, and corporate campuses where use of local foods is being propelled by growing ranks of concerned parents, college students, workers, employers and patients.

3. **There is demand for local food in conference settings.** As noted earlier, 92% of the meeting planners surveyed said they were either somewhat or very interested in having Minnesota-grown food at their conferences. A subset of the conference venues interviewed perceive a strategic benefit to their organizations from using more local foods. Potential allies who could help promote use of Minnesota-grown food in area conference venues would include:

- Conference center chefs who are motivated to use fresh, high quality, specialty food items
- Hotels and convention centers that seek to differentiate their food offerings from the competition and serve a clientele that values more distinctive, fresh, high quality foods
- Convention groups that include individuals from other parts of the U.S. and those that may be particularly interested in foods that are fresher, more distinctive and/or have regional identity. This is most likely to include health-related, agricultural, and environmental groups, among others.
- Chefs, caterers, and others in the culinary and hospitality industry who want to build the culinary reputation of Minnesota and the Twin Cities in particular.

4. **Commodity prices are likely to predominate.** Given the price barrier associated with organic food and a perceived lack of enthusiasm about other types of certified product, conventionally produced local products are likely to be the best fit for price-conscious conference food buyers. There may be opportunities for more sustainably produced items, off-season hydroponic vegetables, unusual breeds of meat products and other items with buyers like

*“We need someone to step in and say, ‘why don’t you use Minnesota-grown food’ and make us more conscious about our purchasing habits.”*

*-- Convention Center  
Director of Catering*

Wildside Caterers/RiverCentre whose clients may have the interest and budget for more innovative cuisine.

**5. Expanding access to local foods through existing distributors is critical.** Expanding use of local food on a systemic basis will depend largely on expanding buyers' access through distributors that are already known entities. For distributors to be interested, they will need to see the demand for local products from conference center clients. Some interested distributors may also benefit from a third party's help in locating additional sources of local supply. An unbiased intermediary who knows the capacities of local producers and producer groups could play a useful role in connecting interested distributors with appropriate local producers and facilitating initial contacts. Local meat products are likely to be the most challenging category from a volume, price and distribution perspective.

**6. The conference market, if pursued on a more systematic basis, will have most relevance for larger farmers and producer groups that work through distributors** and for whom pricing at or slightly above commodity pricing is attractive. It unlikely to be a good fit for farmers that are too small to sell to distributors, that need premium pricing, and/or that lack access to adequate post-harvest handling and other infrastructure.

**7. A well-organized effort to educate and build relationships among key players could go a long way toward opening this market.** As discussed throughout this report, the linkages between local producers, distributors, conference centers, meeting planners and other players are rife with communication and knowledge gaps. A systematic effort to build relationships, educate key players and equip them with practical tools like menus featuring local foods could make a huge difference at relatively little cost. Building relationships and minimizing the legwork of sourcing local food will be key.

**8. The Minnesota conference center market is largely untapped.** While this market has its limitations and challenges, it is also one arena that has gotten relatively little attention from the local food advocacy community. Few of the local non-profit advocacy groups have explored this market on a significant scale. (The closest would be Food Alliance Midwest, although their efforts to develop foodservice markets are focused largely on colleges and corporate campuses). Unlike many other segments of the food system, this is one that is largely unaddressed by non-profits and others focused on market development within the state. Minnesota Grown could play a meaningful role in developing a market that is otherwise likely to remain untapped.

## Possible Next Steps

Should Minnesota Grown decide to pursue the conference center market, several next steps will be called for. These include:

- **Further research the feasibility of making local meat products available** at prices and volumes that are workable for both producers and conference setting buyers. Identify existing distribution channels through which conference centers' access to local meats could be expanded. This will be critical to the success of Minnesota-themed meals. Improving access to local dairy products would also be useful, although this is less critical than meats, given their role at the "center of the plate".
- **Enlist motivated players in shaping the next stages of this effort.** Among the conference center staff interviewed during this research, Michael Harper at Wildside Caterers/RiverCentre and Chelly Ferguson at the DECC would be priorities. Further exploration would undoubtedly yield other potential allies in the conference center community.
- **Educate chefs and caterers** that work in conference environments about what Minnesota agriculture has to offer. Work with them to identify local foods that are of greatest interest to them and provide information about where they can be obtained.
- **Work with distributors** that already do some local food sourcing to more effectively market the availability of local foods to conference clients. Facilitate more effective two-way communication about the demand for local foods. Consider sponsoring a knowledgeable, unbiased third party to serve on a short term basis to link interested distributors with appropriate local producers. If pursued, this role should be designed in coordination with interested distributors.
- Enlist the local chapter of the National Association of Catering Executives or similar group to **develop and disseminate seasonally-appropriate, cost-effective menus that feature local foods** and are appropriate to conference environments.
- **Educate meeting planners about the benefits and options for choosing local foods.** Messages that local food is fresher, helps connect conventioners with the meeting location and offers "something different" are likely to be attractive. Supporting the local economy may also resonate with some conference sponsors. The Minnesota Society of Association Executives and the local chapter of Meeting Planners International would be good points of entry to the meeting planning community.
- Work with conference center leadership and their sales staff to support the **marketing of local food options** to meeting planners, conference attendees and other audiences that they deem important.

- Coordinate with interested conference centers and local CVBs to **identify and engage conference groups that are mostly likely to be interested** in local menu options. Help interested conference center partners to pilot new menu offerings and begin integrating local foods into their sourcing and marketing practices.
- Consider linking efforts to promote use of local foods at conferences with efforts by the Minnesota Grown Program to **expand use of local foods at worksites in the state.**
- **Publicly recognize** those conference venues, distributors and conference sponsors who expand their use of local foods.

\* \* \* \* \*

## Attachment A: Research Contacts

### Conference Center Venues

- Duluth Entertainment Convention Center: Chelly Ferguson (Director of Food & Beverage)
- Duluth Holiday Inn: Shawn McLaughlin (Director of Catering)
- Mayo Civic Center: Cris Powers/Canadian Honker Restaurant
- The Kahler Hotel: Scott Mauer, Director of Food & Beverage
- Radisson Riverfront St. Paul: Kathy Roberts (Director of Catering and coordinator of National Association of Catering Executives Twin Cities Chapter) and Joe Hansen (Purchasing Manager)
- RiverCentre/Wildside Caterers: Keith Reardon (General Manager) and Michael Harper (Executive Chef)
- St. Paul Hotel: Chuck Paton (General Manager)
- Madison WI Convention Center (Monona Terrace Community and Convention Center): Patty Lemke (Director of Catering Sales) and Craig Bloyer (Purchasing Manager)

### Meeting Planners

- Meetings Professionals International: Michael Bergman (also a chef with Minneapolis Hilton)
- Minnesota Society of Association Executives: Kathy Johnson (Executive Director)
- Builders Exchange and former head of St. Paul CVB: Tom Getzke (CEO)

### Distributors

- Sysco Foods: Jeff Larson
- Bix Produce: Barb Sletten, Cheryl Edward (Sales Reps), Jeff Severson (Buyer) and Duane Pfleiger (COO)
- Roots & Fruits: Troy Ludgate (General Manager)
- Northwest Fruit Co: Robin Elison (Sales Rep)
- Upper Lakes Foods: Sue Ryan
- Stockyards: Paul Malone (President of MN Division), Jim Wimmer (Twin Cities Sales Rep)
- Bergin Fruit Co, Inc.: Tom Bergin, Jr.
- Cre8it, Inc.: Dave Stahel (Sales Manager)

## Convention & Visitors Bureaus

- Duluth CVB: Renee Eppel (Executive Director)
- St. Paul CVB: Julie Larson (VP of Convention Sales & Marketing), Karolyn Kirchgesler (CEO)
- Rochester CVB: Ross Messick (Executive Director)

## Non-profit Advocates and Local Food Foragers

- Food Alliance Midwest: Jim Ennis (Project Director)
- Minnesota Project: Diane Jensen, Karen Lehman, Trish Johnson
- Minnesota Farmers Union/Pastures a Plenty: Jim Van der Pol
- Julie Bloor (Forager, formerly of Lucia's Restaurant)

## Producers & Food Processors

- Hope Creamery: Victor Mrotz (General Manager)
- Lorentz Meats: Mike Lorentz
- Prairie Farmers Cooperative: Dick Knowles (General Manager)
- MN Fruit & Vegetable Growers: Gary Pahl
- MN Buffalo Association: Gail Griffin (President)
- Southeast Minnesota Food Network: Pam Benike (General Manager)

## Other Chefs & Caterers

- Mintahoe Catering: Annette Lee (President, also Publisher of Catersource Magazine)
- American Culinary Federation/Minneapolis Chapter: Chris Dwyer (Chapter President)
- Tria's Restaurant: Jeremy Rousch (Executive Chef), former Executive Chef at the St. Paul Hotel

## Industry Analysts

- Patrick Simmons, Explore Minnesota Tourism, State of Minnesota