



Agriculture Aggregation, Distribution and Logistics Infrastructure Study

BASIN FOOD SUMMIT: EXPO & FORUM
OCTOBER 24 & 25, 2019

Outline



- Project objectives
- Project deliverables
- Stakeholder consultation
 - **Case studies**
 - Options
 - Study team



Project Objectives



- Complete an analysis of the distribution and logistics infrastructure supporting the agricultural sector in the Columbia Basin Trust region.
- Identify what role and associated actions the Columbia Basin Trust could undertake to mitigate barriers and enhance growth and investment in this sector.

Project Deliverables

Complete an analysis of the distribution and logistics infrastructure in the Columbia Basin Trust region, at a regional and sub-regional economic corridor level, to include:

- An assessment of the freight and storage needs of commercial growers, producers and food processing in the Columbia Basin;
- Summarize interviews with existing, producers, processors, distributors and aggregators;
- An inventory of distribution, aggregation and logistics infrastructure;
- Constraints and challenges of the current infrastructure;
- High-level impacts of identified constraints and challenges on the agriculture and processing sectors and on the regional and sub-regional economies within the Basin; and
- An assessment of expected local impacts of new regulations on trucking hours of service as they impact current commercial growers and producers in the Columbia Basin.

Project Deliverables

Develop and provide recommendations to the Columbia Basin Trust, including:

- Actions that would minimize existing challenges;
- An assessment of how incentivized distribution models could be applied in the Basin;
- Actions that would improve distribution, aggregation and logistics infrastructure in the region; and
- Identification of potential roles for the Trust to mitigate barriers, enhance growth in the primary agriculture and processing sectors, and encourage investment in the Basin.



Stakeholder Consultations

- From producers and processors, we sought insights and information on current transportation-related activities, challenges in freight transportation within the region, and opportunities to improve economic efficiency and market access.
- A confidential questionnaire was created to help gather your insights. It was available online through the following URL:
<https://www.surveymonkey.com/r/cbtagdisttranslog>.
- The short questionnaire asked you about your business, your shipping and logistics practices and where you see opportunities for improvement.



Case Studies - were selected based on the research and survey findings

Four Topics:

- Existing Food Hub Operator Review.
- Agricultural Product Market Channel Exploration within the Basin.
- Small Scale Transport Delivery Service within the Columbia Basin Trust region.
- Temperature Controlled or Refrigerated Transport Delivery Service.



Small Scale Transport Delivery Service

Key questions for session participants:

- Would you use a small scale transport delivery service within the Columbia Basin Trust region? Why or Why not?
- What portion of your annual crop or production could you foresee using a small scale transport service?
- How could a small scale transport service help you provide improved service to existing customer?
- What new customers could you serve if there was a small scale transport service within the Columbia Basin Trust region?

Production



Aggregation/ Distribution



Logistics Infrastructure



How Can Logistics Become an /En'abler?

New Paradigm

- Enhanced market access.
- Sustainability.
- Resiliency.
- Infrastructure improvement to support ranchers, farmers, value-added production by food processors and beverage production.
- Local economic benefits and impacts of increasing agriculture and food production.

Draft options for CBT Consideration:

- Market Development;
- Sales Aggregation & Distribution;
- Logistics and Transportation Aggregation & Distribution; and
- Logistics and Transportation Infrastructure.

Market Development

Description	Root Cause	Ease of Implementation	Resources Required	Cost to Maintain
Consumer awareness and education	Small customer base	Easy	Money People	Low
Create a Kootenay grown label	Undifferentiated Products	Easy	Money People	Low
Develop a reward program for restaurants, business, and other sectors for supporting local farms and food	Need for a Proven Method to Grow and Sustain Market Share	Easy	Money People Time	Low/Moderate
Develop and train market network coordinators	Help small scale farmers & producers achieve economies of scale and efficiency	Moderate	Time Money People: Often requires commodity-specific efforts	Moderate

Sales Aggregation & Distribution

Description	Root Cause	Ease of Implementation	Resources Required	Cost to Maintain
Promotion programs and sales campaigns	Small customer base	Easy	Money People	Low
Vendor awareness sessions	Time and cost associated with small farmers and producers expanding their sales pipeline	Easy	People Money	Low
Foster links between local producers and distributors	Lack of cost effectiveness of producers and distributors needing to meet with numerous small farmers and producers to access suppliers	Easy	People	Low
Institutional purchasing programs	Help small scale farmers & producers achieve economies of scale and efficiency	Moderate	Money People Time	Moderate
Financing for local food hub	Inadequate capital base from small producers and farmers to financing growth	Moderate	Money People Time	Moderate

Logistics & Transportation Aggregation & Distribution

Description	Root Cause	Ease of Implementation	Resources Required	Cost to Maintain
Cargo matching load board	Helps match cargo with equipment and drivers	Easy	People Money	Low
Sharing economy logistics	Helps match cargo with equipment and drivers	Moderate	People Time	Low
Transportation purchasing group	Addresses lack of economies of scale and buying power associated with small farmers and producers	Moderate	People Time Money	Moderate
Creation of a CBT regional delivery service	Addresses market reach and service frequency	High	People Money Time	High

Logistics & Transportation Infrastructure

Description	Root Cause	Ease of Implementation	Resources Required	Cost to Maintain
Abattoir	Lack of access	Moderate	People Money Time	High
Distribution Center	Necessary for product aggregation	Moderate	People Money Time	High
Highway Improvements	Necessary to get products and supplies to and from market	Hard	Money Time People	High



Darryl Anderson, Team Leader

Darryl's vision is to help organizations thrive by surmounting the obstacles of moving goods and people to market. He has worked with international trade, supply chain, freight and maritime sector clients for 30 years. Darryl has applied his multimodal and logistics transportation expertise to help organizations with interests in the agricultural, energy, export/import, intermodal, manufacturing, rail, port, shipping, road sectors. Senior consultant for the Columbia Basin Trust Regional Shipping and Logistics Analysis study.

Mr. Anderson's private sector leadership roles have included Managing Director, Wave Point Consulting, President & CEO of the Port Alberni Port Authority, and Business Development and Planning Manager for the Greater Victoria Harbour Authority. Non-profit and public sector involvement includes serving as Interim National Director/Special Advisor Mercy Ships Canada, Policy Manager, Rail, Intermodal & Marine for Alberta Transportation, Manager, Trade Policy and Business Intelligence for Alberta Energy departments and Chief Harbour Authority Implementation for Fisheries and Oceans Canada.

He holds an MBA (Distinction) from the Australian Maritime College, BA Trinity Western University, Diploma, Urban Land Economics, UBC and Certificate in Shipping and Marine Operations, BCIT.

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Abra Brynne, Senior Consultant



Ms. Brynne is a food systems analyst and advocate based in the Basin. In the thirty years that she has resided there she has been deeply engaged in promoting and catalyzing viable Basin-based food economies. She has worked throughout the Basin on initiatives ranging from community conversations about food to area agriculture plans, to abattoir licensing and waste management options. She is currently the President of the Kootenay Country Store Cooperative and has been involved with the coop for almost 30 years, during which time it has incubated and provided a reliable, low barrier market for many Basin-based products. Abra is a system thinker and problem solver, most recently with a focus on the regulatory barriers faced by many farm, fish, and food-related businesses



Phil Davies, Senior Consultant

A multimodal transportation economist who has over thirty years of experience in market research and freight planning. Major studies include logistics, railways and intermodal facilities, port operations, port trucking, goods movement and land use, economic analysis and program review, and aviation. Team leader for the Columbia Basin Trust Regional Shipping and Logistics Analysis study.

Clients have included Transport Canada, the British Columbia Ministry of Transportation, the Ports of Vancouver, Prince Rupert, Seattle and Portland, local governments, and private sector clients. Mr. Davies He served on the Board of Directors of the Canadian Transportation Research Forum from 2009 to 2016.

Mr. Davies' experience spans the public and private sectors in traffic forecasting, market analysis, planning and logistics. This experience includes six years in strategic planning and marketing with the Potash Corporation of Saskatchewan, and eighteen years as a Senior Economist with Transport Canada. After leaving Transport Canada, he served as Senior Consultant at the Vancouver, BC office of IBI Group, and as Vice President of Halcrow Consulting Group. Since 2008 Mr. Davies has been Principal of Davies Transportation Consulting Inc. in Vancouver.

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