

REDEVELOPING A MONTANA FOOD PROCESSING INDUSTRY: THE ROLE OF FOOD INNOVATION CENTERS

Jessica Babcock

Professional Paper Research – Summary of Proposal
UM Environmental Studies Program

Goal

Develop recommendations for how food innovation centers can most effectively facilitate redevelopment of a food processing industry in Montana. These recommendations will be aimed at informing Grow Montana, The Economic Affairs Interim Committee of the Montana Legislature, and other policy makers.

Background

The 2007 Montana Legislature passed Senate Joint Resolution 13 (SJR 13), an interim study bill that calls for research on how best to re-develop a food processing in Montana as a form of community economic development. The study calls for a two-prong research approach. One part of the research emphasizes the importance of getting input on Montana's food processing industry from Montanans in all sectors of the food system. The other part calls for finding out what other states are doing to effectively support food processing.

SJR 13 identifies 15 categories of key stakeholders to consult for input on how Montana should go about redeveloping its food processing industry. For the first part of the research, Grow Montana steering committee members and Babcock completed 18 interviews with stakeholders. The interviews focused on identifying barriers, needs, and opportunities associated with food processing in Montana. Lack of technical and marketing assistance was perceived as the number one barrier to food processing in the state. Other barriers include a lack of processing infrastructure/facilities; high costs coupled with a lack of available capital; the need for a more cooperative and entrepreneurial climate; and complex regulations. The number one perceived need/opportunity to overcome these barriers was to promote research and training in the University System and other agencies. A close second was the need to establish food-processing centers, like the Mission Mountain Food Enterprise Center (MMFEC), throughout the state to meet regional processing needs. Results were presented to the Economic Affairs Interim Committee in Miles City, November 2007.

Based on the preliminary analysis and discussions in Miles City, Babcock has decided to conduct further research that seeks to contribute to the policy discussion by exploring how food innovation centers might address some of the existing gaps in the food processing sector. The term "food innovation center" refers to any program that offers facilities for food processing and testing, and often includes technical assistance for marketing, business development, and regulation compliance.

Specific Objectives

The following four objectives will be carried out during the spring and summer 2008:

1. Explain both the historical and contemporary context of food processing in Montana.

The research will briefly review relevant statistics regarding Montana's historical food processing sector, and how it has changed over time. It will also discuss how food innovation centers may differ from the processing sector of the past.

2. Describe and analyze what other states are doing with regard to food innovation centers.

I will interview the directors of 8-10 food innovation centers in other states. Preliminary research has identified the following as centers of potential interest: The Food Innovation Center at Oregon State University; the University of Idaho Food Technology Center; The Food Center in Taos, NM; the Food Processing Center at the University of Nebraska-Lincoln; the Rutgers Food Innovation Center (NJ); and the Northeast Center for Food Entrepreneurship at the New York State Food Venture Center. Questions to be explored include:

- a) What services are provided?
- b) What services get the most use and should therefore be prioritized?
- c) Who uses the centers and to what extent?
- d) What services pay for themselves (e.g., through user fees)?
- e) How are the centers structured? What agencies collaborate?
- f) What role do colleges and universities play? What curriculum, if any, is used?
- g) How are these centers funded?
- h) What markets are the centers oriented toward?
- i) What works well?
- j) What are the challenges?
- k) What advice do those who run these centers have for maximizing success?

3. Describe and analyze what the Mission Mountain Food Enterprise Center (MMFEC) in Ronan is doing, including some assessment from their users.

In addition to business, marketing, and technical assistance, MMFEC offers its clients a dry fill room, large processing area, kitchen rental, dehydration room, USDA meat room/depot, and gluten free processing area in which to add value to their products. This research will include in-depth interviews with key staff at MMFEC, as well as a telephone survey of clients—both current and past—to assess the effectiveness of MMFEC services.

MMFEC currently has 57 clients, nine of whom simply receive informational assistance from MMFEC and 48 who use MMFEC facilities to process their products. These clients produce teas, soup mixes, spices, wines, sauces, salsa, honey, oil, jerky, dried fruit, sausage, etc. There are also 67 clients who are no longer using the facility, 21 of whom used the processing facilities and 46 who were only consulting projects. A sample from both past and current clients will be surveyed, with a focus on those who are using or who have used the processing facilities.

4. Utilize the research findings to make recommendations for how food innovation centers may or may not address identified needs regarding food processing in Montana. These recommendations will focus on ideas for expanding and improving food innovation centers in Montana, as well as specifics for improving MMFEC.

*** For more information or to make suggestions,** contact Jessica Babcock at (406) 241-1496 or babcockjess@hotmail.com .

This research is being conducted under the guidance of Neva Hassanein, Associate Professor, UM Environmental Studies. Other members of the faculty committee include: Thomas Campbell, Director of Culinary Arts, UM College of Technology, and Joshua Slotnick, Instructor and PEAS farm director.