



MEMORANDUM

From the office of ...

MacBreadBin

TO:	President, VP Administration, Members of the Executive Board
FROM:	Taylor Mertens and Hannah Philip
SUBJECT:	Memo - Delivery Strategy and Feasibility Strategy
DATE:	June 30th, 2017

Hello Executive Board,
Based on the delegation to study and develop a strategy for the Good Food Box to turn into a delivery service. Here is a memo that shows the strategy and study results. The results:

Delivery Strategy

Option A:

In this plan, we would retain the current sourcing and structure of the Good Food Box (GFB) operating through the Grace Lutheran Church. Partnering with the Grace Lutheran Church would give us a maximum capacity of 50 Good Food Boxes per month, however we are getting close to hitting 50, and this year we may find ourselves in a position where we are unable to fulfill all the Good Food Box orders that we receive.

Option B

Our Good Food Boxes are large bags filled with heavy produce, this can make it difficult for students to carry the GFB home. With this plan, we would have employees/Customer service representatives to transport the Good Food Boxes to the users who purchase them with the cost being added into all Good Food Boxes. Sourcing and packing of the Good Food Boxes would remain within the Grace Lutheran Church and deliveries would be made the first Tuesday of the month.

Keeping the delivery system in house may help us keep costs down and give us more autonomy over the program, however creating the infrastructure for a delivery system that runs smoothly is not possible within the month but can be a long-term goal for Mac Bread Bin to work out, perhaps for the following academic year.

Option for sourcing is Simpler Thyme, a small farm run by the lovely Ann and Mike Lanigan, and their farm partner Bill Orosz. Their small farm grows many leafy greens, many varieties of fruit as well as a selection of herbs and flowers. When we connected with them, they were amenable to working with us to provide sourcing for the Good Food Box, the only concern they raised was that they were unsure if they would be able to provide enough produce to fill them, especially as they only provide for CSA's till October at the latest, roots such as potatoes are a possibility for the winters months, but only as long as supplies last in their root cellar. Perhaps for this year we could work on a monthly basis and next year if we choose to continue with them we would have more input in their planting season to ensure enough produce for the full year.

Option C

As mentioned previously, in the previous academic year the Good Food Boxes were close to hitting maximum capacity and if trends continue we may not be able to meet the demand. It is therefore valuable to consider other sourcing for the Good Food Box.

One large obstacle to acquiring sourcing for the coming year is that most farms only planted as much as they thought they would need to supply their CSA's, if we can approach farms in January or just before the growing season begins when farms are planning what to grow, we can ensure produce for the Good Food Box as well as have a say in what produce we want in them.

To run this delivery system currently, the best-case scenario would be to outsource the delivery to a third-party organization with existing infrastructure and delivery routes within the city, however as you might imagine, the delivery systems that we could find would rather deliver their own produce.

One possible option is Plan B Organic Farms, run by Alvaro Venturelli. Mr Venturelli is a passionate individual who runs the farms and the delivery system associated with it. Plan B grows a variety of produce but also partners with other small local farms, and delivers seasonal produce every week to individuals who purchase good food boxes in many cities surrounding them in Oakville, the GTA, Flamborough etc. Currently they have about 700-1000 shares every week and they supply produce in the form of boxes that come in a few different sizes allowing customers much more flexibility in choosing what they want. One large advantage Plan B has over other farms is that they deliver produce year-round whereas most farms will only produce during their growing season which ends in October, this is very important for us as we would like to supply Good Food Boxes for the entirety of the scholastic year. The only issue is the price, at \$30 dollars it is a large jump from the \$9-\$15 Good Food Boxes that we provide and even at a 10% discount that Venturelli mentioned, it may be too expensive for the average student. We could offer this organic box at a premium price to our community partners who are able to afford it, or even a more expensive option to students where we absorb some of the cost.

Recommendation

Option B is the best option when it comes to having our own autonomy, controlling costs, giving students more jobs, providing the delivery service to everyone who wants it. However, because of the seasonality of local farms and the timing of the GFB (i.e. sourcing within November to February), it is undoable in a short time frame. However, it is what MacBreadBin will be striving for in the long term and will be continuously worked on until it becomes a reality.

Therefore, offering a two tier with one GFB being produced with our current model at Grace Lutheran Church which focuses on affordability, while implementing Plan B's GFB which focuses on organic, supporting local farms, and is physically accessible. Option C is the current best method for the short term which will give us the necessary planning time to form relationships with local farms and achieve a long-term autonomy. To move forward, having a Good Food Coordinator shall be a lead point of contact to develop the Good Food Box into a delivery system, working towards making the relationships necessary, the physical logistics, and best course of action for the upcoming year. The Mac Bread Bin Director and Assistant Director shall work extensively at this long-term goal.

Feasibility Study

Option A

Price Point	How much will this cost?	Remains at the \$9-12-15 split.	1
	What will the price point be in relation to students, MBB partners, with delivery included?	Not possible under this option.	0
	How many pricing options are available?	Maintain the 3 options, have the Community Members pay the upper costs of MBB Partners.	1
	How low can we do this?	This is as low as possible currently.	1
		Total	<u>0.75</u>
		40% Decision Criteria	0.3
Availability Options	Small, large, organic options?	Not possible under this option.	0
	Can we expand?	Yes, this leaves us in the same place currently.	0.5
		Total	<u>0.25</u>
		25% Decision Criteria	0.0625
Delivery Options	Do they have it/will they, do it?	Not possible under this option.	0
	Internally develop the delivery process (i.e. drop it off to the MSU)?	Not possible under this option.	0
	If yes, what logistics will need to be developed on our end?	Not possible under this option.	0
	Weekend? Weekday? Timing/window of delivery to receive the GFB?	Not possible under this option.	0
	Radius of their delivery?	Not possible under this option.	0
		Total	<u>0</u>
		25% Decision Criteria	0
Internal Logistics	How can this be developed throughout the whole year?	Yes, this leaves us in the same place currently.	0.5
	Feedback and processes? Is the company receptive?	Not possible under this option.	0

Option A

	Do we have the internal capacity for this?	Yes	1
	What other resources can we leverage, clubs, faculty societies,e.t.c	Yes, we can work with the community to reach new people and work with groups.	1
	Total		<u>0.625</u>
	10% Decision Criteria		0.0625
Total Score			0.425

Option B

Price Point	How much will this cost?	Costs will increase but not necessarily by a large amount.	0.5
	What will the price point be in relation to students, MBB partners, with delivery included?	Estimate of \$3 more, being used for the delivery increase (\$14.00/hr * 3 hours *3 employees = \$126 costs spread to 50 GFB, \$2.52).	1
	How many pricing options are available?	Maintain the 3 options, have the Community Members pay the upper costs of MBB Partners.	1
	How low can we do this?	With more people, the charge for delivery that's built in would spread (i.e. 100 GFB = \$1.26 costs).	0.5
	Total		<u>0.75</u>
	40% Decision Criteria		0.3
Availability Options	Small, large, organic options?	With controlling our sourcing, we can expand it eventually but not right away.	0
	Can we expand?	Yes! We control the growth and the price.	1
	Total		<u>0.5</u>
25% Decision Criteria		0.125	
Delivery Options	Do they have it/will they, do it?	Yes (eventually).	0.5
	Internally develop the delivery process (i.e. drop it off to the MSU)?	Yes!	1

Internal Logistics	If yes, what logistics will need to be developed on our end?	A lot of work, i.e. a continuous project throughout the year.	0.5
	Weekend? Weekday? Timing/window of delivery to receive the GFB?	Maintain the Tuesday timing, probably create a three-hour window for delivery.	1
	Radius of their delivery?	Westdale, South of Main	0.5
		Total	<u>0.7</u>
		25% Decision Criteria	0.175
	How can this be developed throughout the whole year?	A lot of work, i.e. a continuous project throughout the year.	0
	Feedback and processes? Is the company receptive?	Yes, this allows us to take all the feedback, communicate directly to our community.	1
	Do we have the internal capacity for this?	Not currently but can develop in the long term	0.5
	What other resources can we leverage, clubs, faculty societies,e.t.c	Yes, we can work with the community to reach new people and work with groups.	1
		Total	<u>0.625</u>
	10% Decision Criteria	0.0625	
Total Score		0.6625	

Option C

Price Point	How much will this cost?	Creating two tiers allows for both a very fair/affordable price and allows a more expensive but organic and physical accessible one.	0.5
	What will the price point be in relation to students, MBB partners, with delivery included?	Maintain for the current food box, while \$27-30 for students for the organic.	0.5
	How many pricing options are available?	Maintain for the current food box, while \$27-30 for students for the organic.	0.5
	How low can we do this?	Not control other Plan B prices therefore at their price range.	0.5
		Total	<u>0.5</u>
		40% Decision Criteria	0.2

Availability Options	Small, large, organic options?	Yes!!	1
	Can we expand?	We can expand our own capacity while maintaining the already expanded service from the Good Food Box.	0.5
		Total	<u>0.75</u>
		25% Decision Criteria	0.1875
Delivery Options	Do they have it/will they, do it?	Yes!!	1
	Internally develop the delivery process (i.e. drop it off to the MSU)?	Nope, they will do it which means it fits our current structure	0.5
	If yes, what logistics will need to be developed on our end?	Relationship building and operating their software.	1
	Weekend? Weekday? Timing/window of delivery to receive the GFB?	Maintain the Tuesday timing, probably create a three-hour window for delivery.	1
	Radius of their delivery?	All of Hamilton, maybe expand into other cities on other days.	1
		Total	<u>0.9</u>
		25% Decision Criteria	0.225
Internal Logistics	How can this be developed throughout the whole year?	Not a lot of work, most retaining info on these organic GFBs, and relationship management.	1
	Feedback and processes? Is the company receptive?	This is dependent on the relationship management and how receptive they are.	0.5
	Do we have the internal capacity for this?	Yes!!	1
	What other resources can we leverage, clubs, faculty societies,e.t.c	Not possible under this option.	0
		Total	<u>0.625</u>
	10% Decision Criteria	0.0625	
Total Score			0.675