We Don't Waste and Their Innovative Food Recovery for the Hungry: Growth complications with non-profits

By Jackson Lamb and Robert (Bob) Farmer

Introduction

On a national and international scale, an astonishing amount of edible food is wasted every day. In America alone, it is estimated twenty-seven percent of the food available for consumption is wasted. This equates to approximately a pound of food per person per day. This happens in homes, schools, and just about any type of foodrelated commercial and non-commercial facility, including restaurants, hotels, hospitals, convention centers and sports venues. (Schneider, F. 2013) In 2009, Mr. Arlan Preblud observed the frustrations of caterers, as they were looking for a way to give their excess food to those in need. He examined the challenges relative to the recovery and redistribution of overproduced but useable prepared food in the Denver area. Mr. Preblud had personally observed excess food production and wasted food at several catered events, and he contemplated how to bring together those people that are overproducing food, and connecting them with those groups and assistance agencies that help those at or below the poverty level. Along with the acknowledgement of this dilemma, he also became aware of an opportunity. Mr. Preblud examined the obvious obstacles and determined that there must be an innovative way to solve this challenge. What follows is the beginning of We Don't Waste.

The concept of food reclamation from restaurants, caterers, and other food production outlets was visionary and a bit daunting at the same time. However, Mr. Preblud only needed one food service provider to help him begin. He felt that after the first restaurant got in line to donate their soup from yesterday or their day-old artisan bread, then a second provider, then a third restaurant, and over time, Mr. Preblud would have a number of providers of restaurant quality food.

At the same time, Mr. Preblud needed to seek out those agencies that provide actual meals to the indigent, and who may appreciate the donation of high quality meals. Certain agencies have unique nutritional and caloric needs. Beacon Place is a shelter with 80 beds for homeless men. The Dolores Project has beds for 60 women with no children, and frequently have an additional 10 women sleeping on fold-up cots. The Colorado Aids Project needs food high in calories and

Jackson Lamb and **Robert (Bob) Farmer** are both affiliated with Metropolitan State University of Denver.

iron. Metro Caring feeds 1000 homeless people per day, and always accepts any foods We Don't Waste brings. Father Woody's Haven of Hope offers a hot breakfast and lunch to 500 people daily.

There are stark differences to the types of foods distributed by typical food banks and the foods and service We Don't Waste provides. Due to food perishability issues, food banks primarily work with shelf-stable items, usually dry or canned goods. A typical 28 pound box of food distributed by the Food Bank of the Rockies may include 1 jar of peanut butter, 2 boxes of cereal, 1 can of tomatoes, 1 bag of rice, 1 pound of spaghetti, 1 can evaporated milk, 1 packet of dry milk powder, 1 can of apricots, 1 can of fruit juice, and a can of vegetarian chili. None of this food is prepared, requires additional cooking, and lacks freshness. There is usually no access to meats, produce or fresh dairy products. (Remley, D. T., Kaiser, M. L., & Osso, T. 2013)

We Don't Waste distributes restaurant quality foods, including protein-based foods, dairy and baked goods. Fresh fruits and vegetables are always an option.

Food for Those Who Need It

In the early 2000's, the concept of reclaiming quality food product from viable resources throughout the region to feed the hungry was not a new idea. Similar initiatives had been attempted in years prior, but none were sustainable. (Thang, H. 2009)

Built into the requirements for the success of the We Don't Waste mission were several layers of responsibilities. How much food could they collect? How many agencies and people are food insecure needing this service? How much working capital will it take to keep this enterprise solvent? How can We Don't Waste interact with the various chefs and management teams with minimal involvement in order to identify and pick up eligible food product? How will they pick up the donated food and how do they motivate volunteers to help? Committed volunteers had to be identified and coordinated to help pick up and deliver food. It was clear to Arlan that past processes of other organizations needed to be evaluated, analyzed, and reality-based solutions needed to be created to make this community-based program a sustainable success.

Getting Started

In September 2009, Arlan fired up his Volvo station wagon, and made the first pick-up from various caterers and restaurants, delivering the consumable quality food to a handful of agencies that were providing meals to the hungry. It was normal to see the Volvo filled to the interior roof with breads from a local store to the point of not being able to see out the back windows. Yes, the organization was comprised of a single dedicated front-line employee, Arlan. While the pick-up and delivery process took place day-to-day and week-to-week, Arlan also continued to investigate how other food rescue agencies were functioning in order to assess the sustainability and growing challenges of the We Don't Waste program. Shortly after, in January 2010, an actual office was established, and a local beverage distributor donated a used Pabst Blue Ribbon delivery van to use for the pick-up and delivery function of the fledging non-profit organization. This was a new addition and valuable resource for the organization. The Volvo got some well-deserved rest, and the scope of the volume of deliverable food began to expand significantly. Donated food was increasing, and We Don't Waste hired their 2nd employee, a full time driver.

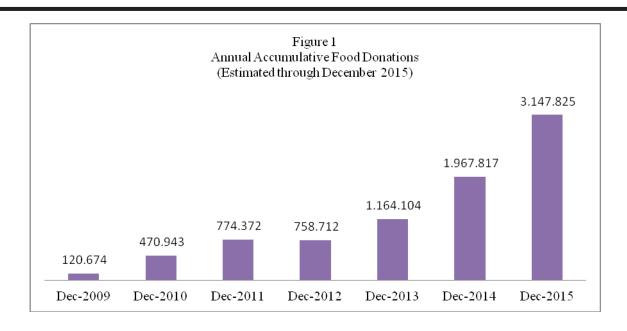
We Don't Waste built up a nice list of upscale caterers, restaurants and hotels that eagerly called when they had excess food. Most of these food providers found that We Don't Waste was providing a service that they wanted to do anyway. Frequent items donated include premade sandwiches, packaged salads, artisan breads and rolls, pasta, rice, potatoes, and an amazing variety of proteins. While there is no consistency in what may be donated at any given time, Mr. Preblud began to build a database of what products were donated daily, in an attempt to be able to synthesize the data and determine patterns of donations. (Giuseppe, A., Mario, E., & Cinzia, M. 2014)

Cash Needed for Growth

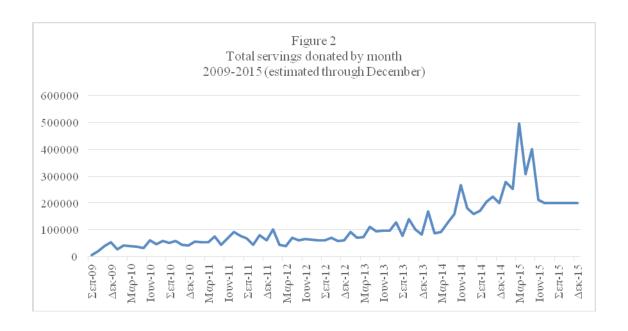
Food alone doesn't pay the bills for a non-profit organization, and it soon became evident that cash donations were needed for vehicle maintenance, fuel, and employment expenses. We Don't Waste was founded on the principle that they do not charge to pick up food, and they do not charge to deliver food. Mr. Preblud immediately realized that he had to knock on doors for donations of dollars to keep this not-for-profit enterprise afloat. Aside from typical donations, the We Don't Waste team begin grant writing to find more reliable sources of funding. While grants are detail-oriented, time consuming and rewarding, it is a slow process, and grants can never be considered a dedicated revenue stream. Ultimately, We Don't Waste evolved their fundraising efforts into an annual premier event called Fill a Plate for Hunger. This high level social event, held in a beautiful outdoor venue featuring music, cocktails and passed hors d'oeurves prepared on site by 20+ restaurants, is complete with a live auction and a "paddle raise" that helps raise additional funds. Attended by over 400+ guests, We Don't Waste enjoys high profile exposure, has done an excellent job in branding their image, and has established an excellent base of supporters for fund raising. This now-annual event helps raise between \$135,000-150,000 each year. https://www.wedontwaste.org/newsand-events/fill-plate-hunger/

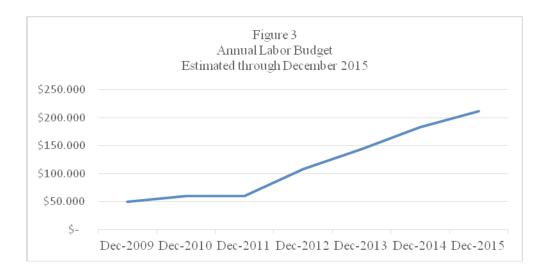
Dealing with Exponential Growth

We Don't Waste has evolved into a unique food distribution system that receives overproduced restaurant-quality food from more than 60 donors, and has established relationships with more than 60 local agencies that either provide meals, or re-distribute the donated food further into their community. In 2009, We Don't Waste redistributed 120,674 servings of food. In 2010, that number grew



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to 470,943. 2011 saw 774,372. In 2012, We Don't Waste redistributed 758,712 servings of restaurant-quality food. 2013 enabled We Don't Waste to share 1,164,104 servings with the community. In 2014, they redistributed 1,967,817 servings of food. As of June 2015, they were on track to redistribute 3,100,000 servings. The agencies that receive the foods redistributed by We Don't Waste include the agencies previously mentioned, as well as Volunteers of America, Project Angel Heart, Bienvenidos Food Bank, Denver Inner City Parish, and the Colorado Coalition for the Homeless. Food producers that regularly donate include Serendipity Catering, the Epicurean Group, Centerplate, Sysco and Occasions Catering. These annual food serving donation numbers are illustrated in Figure 1.

The Business Model

Today's model has the food providers (restaurants, caterers, sports stadiums, convention centers, hotels) calling We Don't Waste, after excess food is determined, and a pick up is requested. Food servings donated always equal food servings distributed. There is no waste. We Don't Waste takes detailed notes, and picks up the product the following day after it has been properly refrigerated overnight by the food provider, minimizing food contamination. Once the donated food report is called in, nutritional analysis of the donated food is determined, receiving agencies that are compatible with these particular foods are contacted, and a delivery schedule is established for the following day. We Don't Waste picks up the food products from point A, and delivers it to point B. They handle the product once. They do not store. They do not warehouse.

The Dilemma of Distribution

In 2010, We Don't Waste continued to expand its presence with food providers, contributors and end-user agencies. This sharing of high quality food helped to broaden dietary alternatives and introduced healthy eating alternatives to the underserved. With the donated van. We Don't Waste was redistributing approximately 100,000 portions of food per month. The biggest problem was that the van was not refrigerated. In winter months, this was not much of a problem. In Denver's warm summer months, the internal temperature of the van could easily rise to above 100 degrees on a warm day. This is not a good environment for delivering refrigerated food. A Capital Campaign was launched, and after 12-14 months, in February 2014, a second truck was brought on line. The new truck, a refrigerated box truck, would allow We Don't Waste to handle its cargo in a much safer manner. With the addition of a second truck, We Don't Waste hired its 3rd and 4th employees. Donated food numbers continued to grow through 2014, and spiked when donated servings hit 266,000 portions in June 2014, up 150% from April 2013. Coming into January 2015, donations were again at 278,000 servings per month, and went as high as 498,000 servings of food redistributed in March 2015. This spike in donated food is attributed to creating relationships with local broad line food distributors, who have the same concern for redistributing quality food. This is an almost 300% increase over their donations of food just 2 years earlier in March 2013. See details in Figure 2.

Increased Food Donations Leads to Increased Labor

As the food donations were increasing, the amount of budgeted labor was increasing exponentially as well. In the course of 6 years, We Don't Waste went from paying 1 employee, to paying 4 employees, with an increase of 400% in the labor budget from 2009 to 2015. See Figure 3.

Are We There Yet? How Do You Manage Growth?

There is more food in the Denver market available for pick up that We Don't Waste cannot get to with their current infrastructure. The organization now has to decline invitations to pick up food from certain locations. We Don't Waste is already maximizing its existing fleet of 2 vehicles. The organization is again in need of another truck. However, past performance indicates that with an additional vehicle, food donations will continue to grow exponentially.

The organization, as of June 2015, has recently retired the original van. They still operate the 14-foot refrigerated box truck, and are beginning another campaign to purchase a new truck, valued at \$90,000. We Don't Waste has 60+ active donors, and serve over 60+ food distribution agencies. Collectively, these agencies serve over 6,000 people daily. From a car full of food in 2009, We Don't Waste has grown to a point where they redistributed nearly 2 million servings in 2014. As of

June 2015, We Don't Waste had gone over 2 million servings, with anticipated donations expected to exceed 3.5 million servings in 2015.

A Nonprofit Dilemma

When working in the nonprofit food world, when will we have enough trucks, food and manpower to solve hunger problems in our own cities? Never. For those non-profits that are committed to making their community a little better, non-profits like these face a myriad of operational problems that must be addressed and overcome if the entity is to be successful and sustainable.

Discussion Points

There are several issues worthy of discussion with We Don't Waste. First, food recovery and food redistribution are major topics. Is there a need for food reclamation in your own community? Can you identify who are the overproducers of food in your community? Can you also identify who those in need are?

Second, the dilemma of exponential growth and increased expenses is critical in understanding how a non-profit operates. Should We Don't Waste lower their expectations on achieving such high numbers in food distribution? Would it be wiser to set a goal of only distributing 1 million serving per year, and lower their labor and vehicle maintenance expenses? A discussion of distribution systems can lead to exploring volunteers, vehicles, maintenance costs and volume. An examination of similar systems around the country or the world will reveal multiple types of distribution networks for foods. Other than using a fleet of trucks, what are other ways foods are distributed? What are the hard costs associated with distribution? Will they ever have enough trucks and people to pick up more food donations?

Third, a dilemma that occurs with all non-profit organizations is cash flow. We Don't Waste works on an extremely small budget, and a major repair to one of 2 trucks can cripple the annual budget. What conclusions can be drawn when food donations increase, but cash donations do not? What are other ways to fundraise, outside of the existing event called Fill a Plate for Hunger?

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