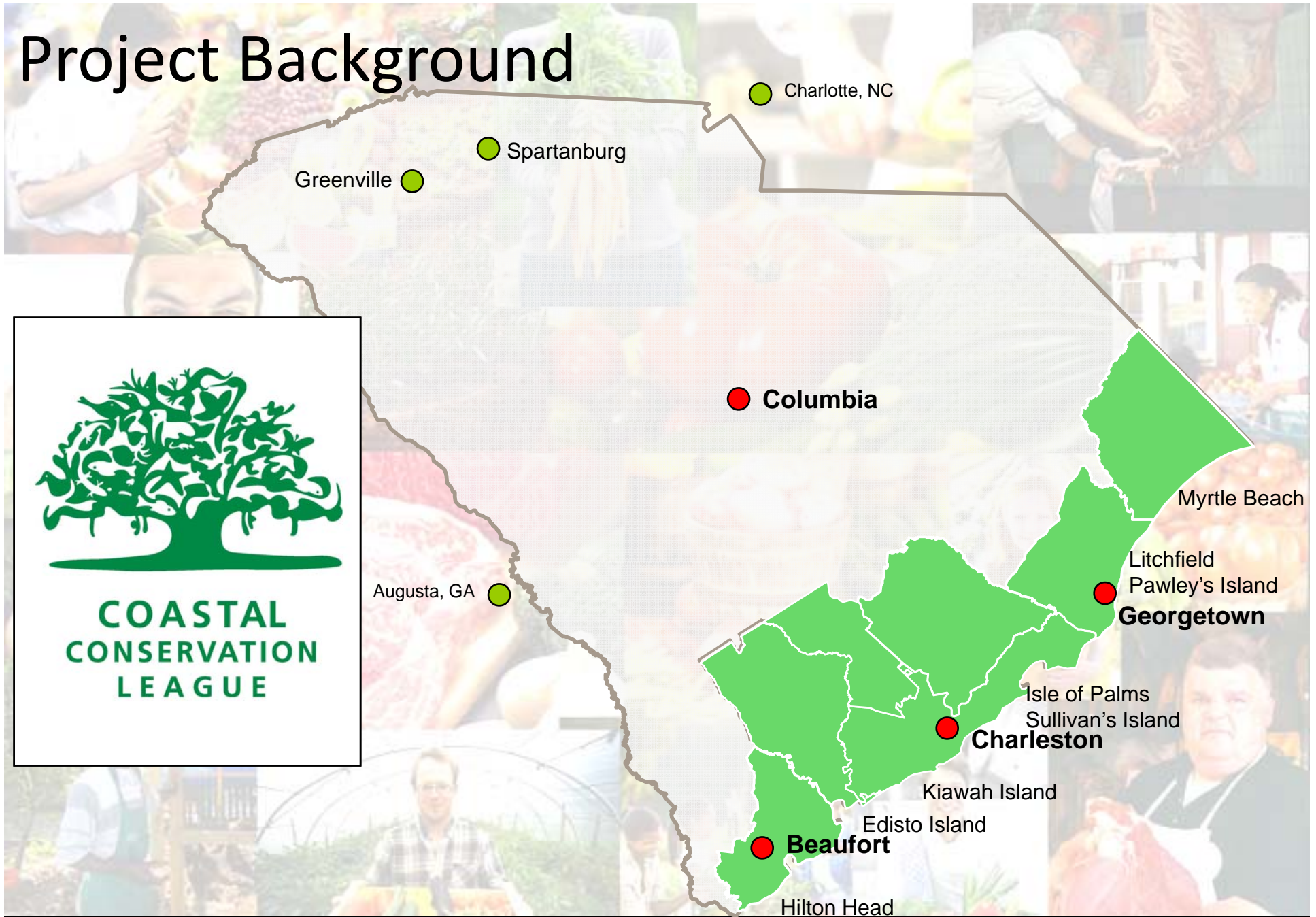






# Project Background



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# Charleston Facility



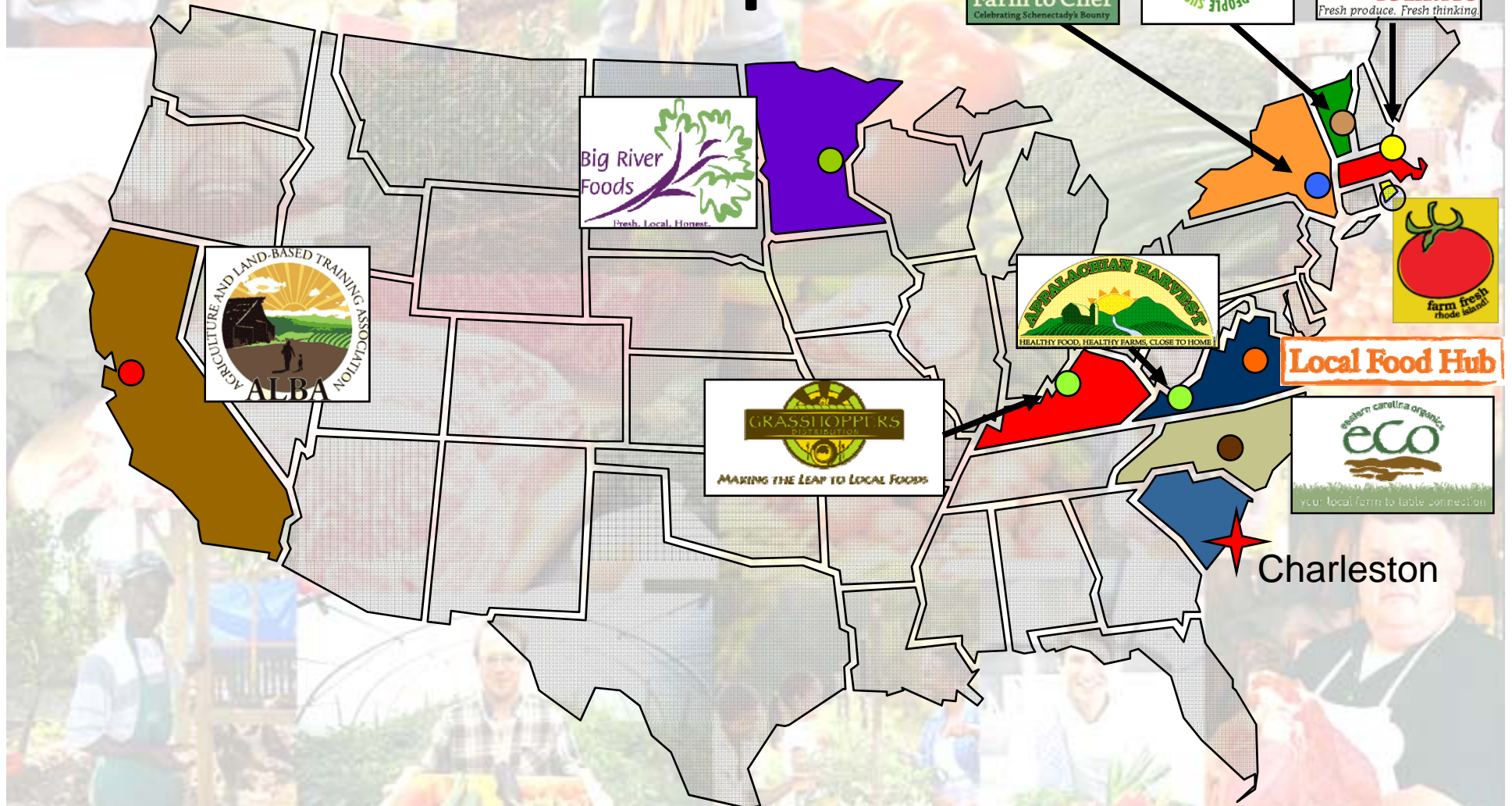
- 6,500 sf warehouse and 3,000 sf office building donated to the CCL for Project Indigo



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# Local Agriculture Distribution Examples



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# Leveraging Our Rural Assets

Preserves the rural communities and protects their way of life

- **40%** of SC residents live in rural areas, but only **20%** of the jobs are there.
- In 2002-2007, SC lost **64,600 acres** of rural agriculture land to development. During that period, agriculture land values increased **84%**.
- Charleston has the highest valued farm land at **\$6,929** average per acre. (SC Avg \$2,858, US Avg \$1,892)

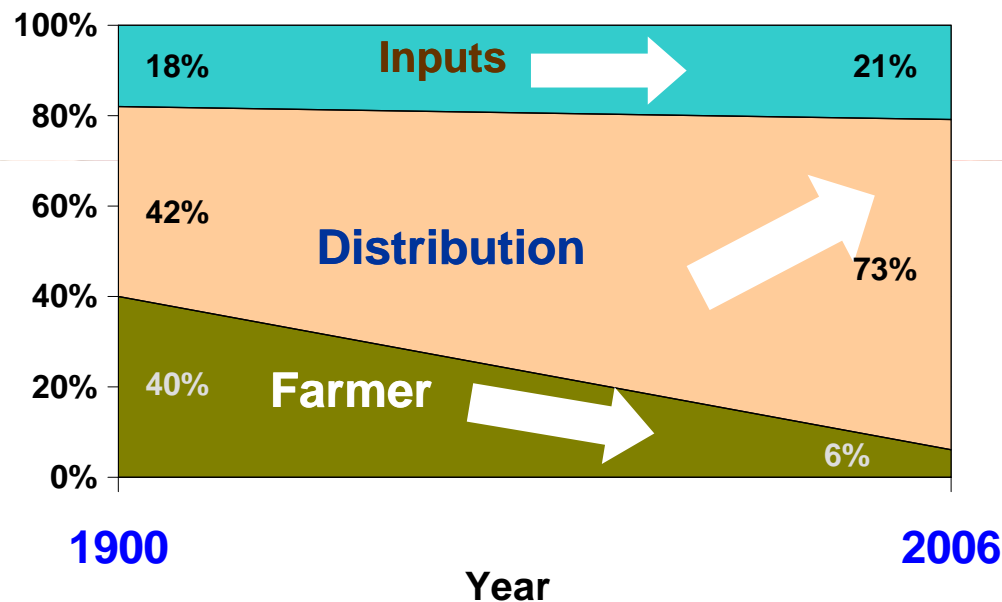


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# Farmers are Getting Squeezed!

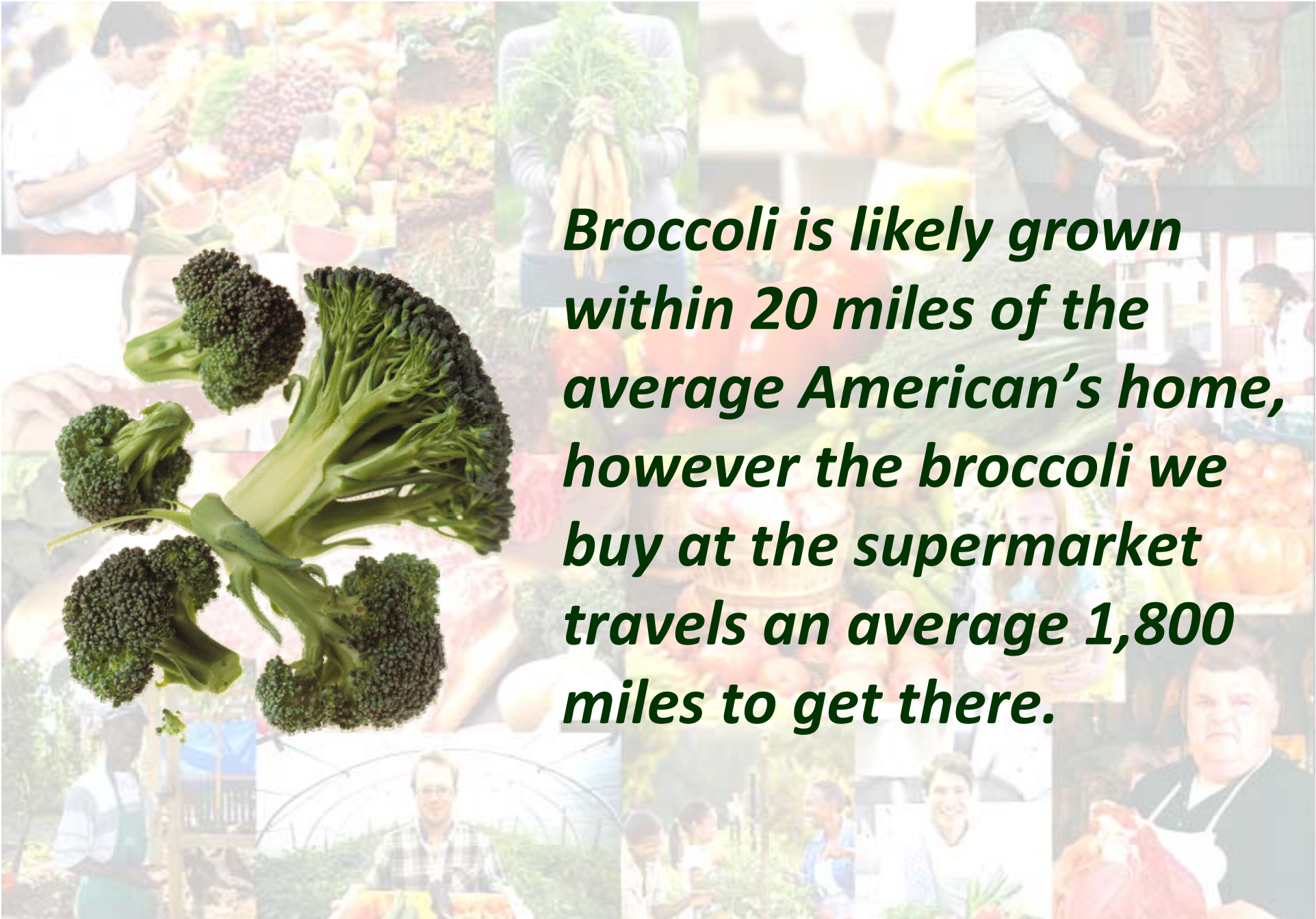
Where Food Dollar Goes. 1900 to 2006



Source: Wallace Center @ Winrock International

- As food production globalized, the local farmer has lost their connection to the customer, thus their ability to drive product value.
- Production farms have diminished quality and food safety to meet distribution demands.
- Without a strong local food supply, a large percent of South Carolina's food purchases is leaving the local economy for out-of-state producers, processors and food service companies.





***Broccoli is likely grown within 20 miles of the average American's home, however the broccoli we buy at the supermarket travels an average 1,800 miles to get there.***



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# Consumer Attitudes

- 71% willing to pay more for food grown locally
- 71% willing to pay more for food if meant it could be produced in ways that protected the environment
- 77% thought government policies should be oriented towards helping family, owner-operated farms
- 59% thought that family farms should be supported even if it meant higher food prices

*Source: Food from Our Changing World: The Globalization of Food and How Americans Feel About It by Ronald C. Wimberley, et al*



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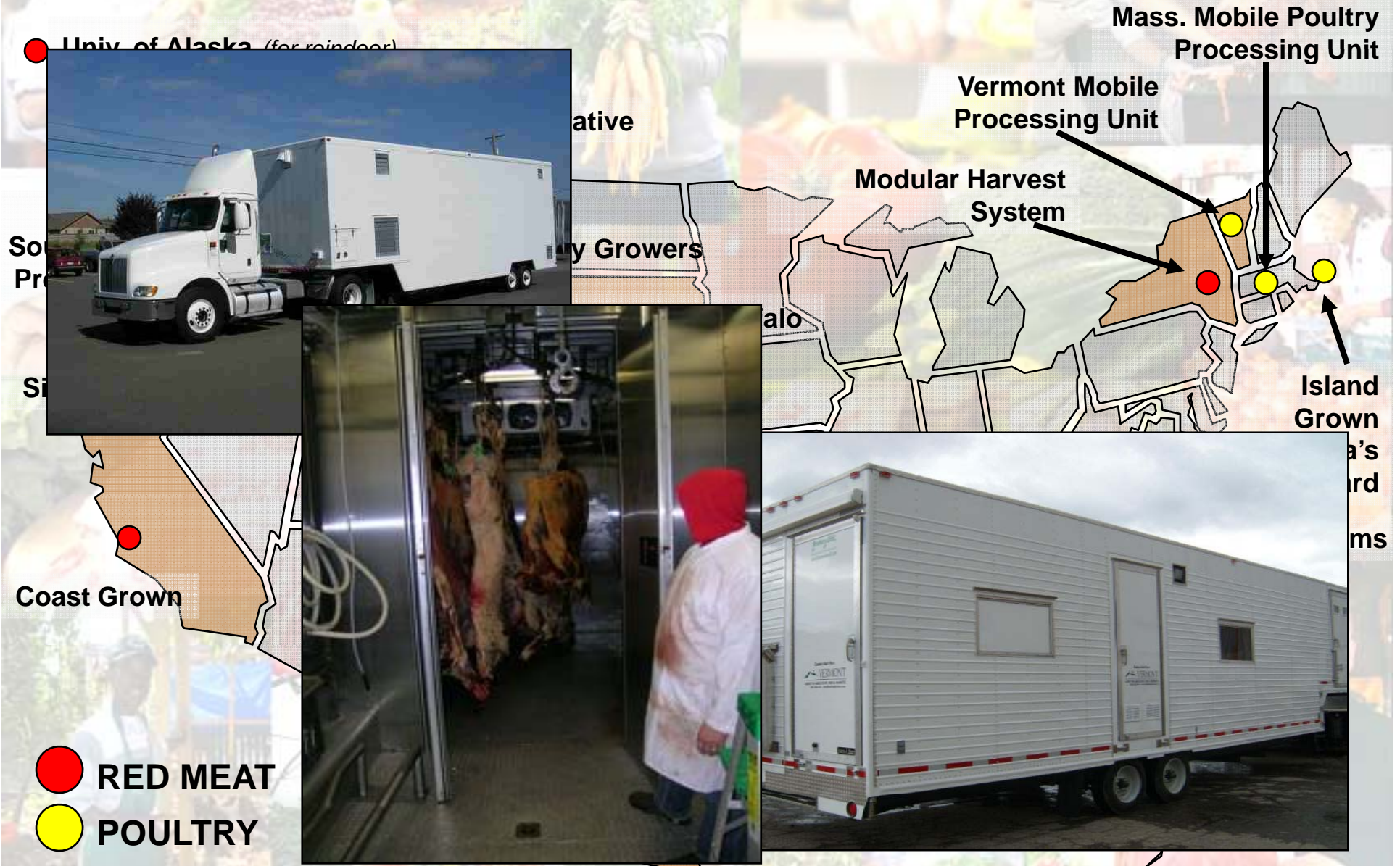
**Farmer's Markets and CSA are great, but account for less than 1% of the fresh produce market.**

- Supermarkets, warehouse clubs, and supercenters control **95% food sales** and **66% of the fresh produce sales** for at-home (non-restaurant) consumption
- Restaurants and Institutional Sales (schools, hospitals, etc.) are the next largest category of buyers.





# Mobile Abattoir Units in Operation



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# The Charleston Food Market

Residents\* of the Charleston Metropolitan Area spend **\$2.2 billion** on food each year.

**Charleston Resident @ Home Food Spending\***



\* Does not include visitors/tourist or restaurant consumption.

- The Charleston Market has a lot of room for local products to flourish.
- Beaufort/Hilton Head provides nearby secondary distribution market
- Increasing the availability of local products can also expand the market for fresh products at the detriment of frozen and processed products.





# Small Farmer Hindrances that Indigo can more efficiently provide

Requirements to sell into established channels and meet customer demands

- Indemnification Insurance
- Traceability Regulations
- Good Agriculture Practices (GAP) Certification
- Sales & Marketing
- Premium Pricing through Unified Branding
- Delivery and Handling
- Availability to handle Customer Service
- Managing orders and accounts receivables





# Expanding the Reach and Mission...

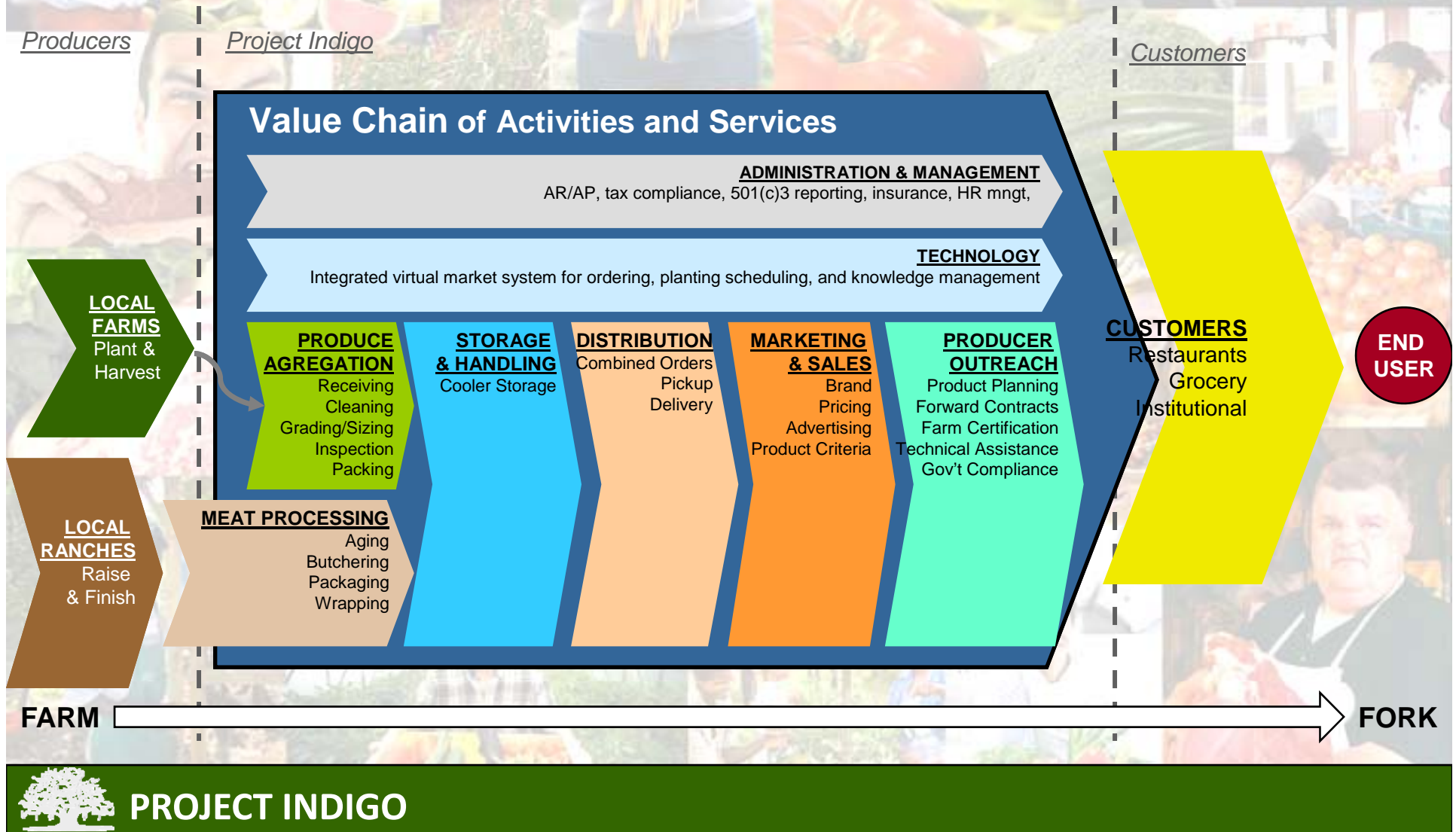


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# Indigo's Value & Supply Chain

*Farm to Fork & Gate to Plate*





# Planting Schedule... value-added services

- Virtual system that communicates farmers' availability and capabilities and allows customers to make request of their needs and schedules will create a more efficient market that will allow local farms to diversify their production with some assurance of a market.
- Less local competition will improve pricing/profits for local products
- Less local competition can generate more local collaboration (*sharing labor, equipment, & know-how*)
- Knowledge management will allow empirical information to continuously improve





# What are the Benefits?



## RURAL COMMUNITIES

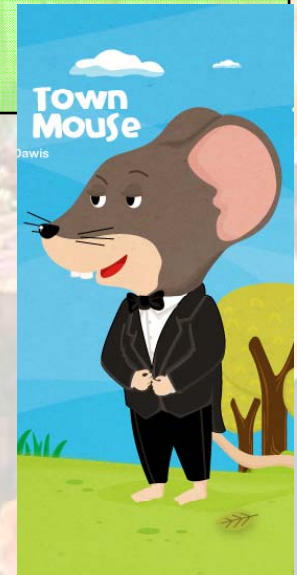
- Provides small farmers access to into larger market channels
- Better Pricing for Farmers
- Less local competition – *neighbors can collaborate rather than compete*
- New income/ economic development opportunities for rural communities.
- Preserves quality of life.



**KNOW YOUR FARMER  
KNOW YOUR FOOD**

## URBAN COMMUNITIES

- Fresher, safer & quality meats and produce
- Supports local farmers/ economies.
- Sustains farms and protects open space
- Supporting rural economies takes load off urban centers.



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# Project Indigo's Statement of Purpose

*To create a more diverse agriculture for the South Carolina Lowcountry that supports sustainable local and regional food production, improves access and affordability to healthier food, conserves farmland, and expands economic opportunities for urban and rural communities.*



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