



The Food Industry Center

2011-2012 ANNUAL REPORT

OUR MISSION

The Food Industry Center will develop and inform food industry leaders through educational programs and research inquiry.

ABOUT US



The Food Industry Center (TFIC) was founded in January 1995 at the University of Minnesota as one of several Alfred P. Sloan Foundation Industry Studies centers and the only one that studies the food industry. TFIC has a seventeen year history of conducting primary research on the food industry and offering forums on current industry topics and best practices. Originally established as The Retail Food Industry Center, the Center changed its name to The Food Industry Center in 2001 to accurately portray the breadth of food industry studies the Center conducts.

TFIC is a collaboration of scholars made up of faculty, students, and industry leaders who address the issues of an efficient, ethical, healthy, and safe food system. The Center addresses cross-sector issues through developing and disseminating data and analysis focused on how food moves from farm to fork.

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A NOTE FROM THE DIRECTOR

It has been a year since I became director and while we have made some changes in how we do things, we are still fundamentally committed to working with students interested in food industry careers. Our students come from a variety of backgrounds—some are pursuing formal degrees or certificates, while others already work in the food industry. Altogether, their diverse set of experiences inform our collaborative learning on the food industry.

For our current University students, we offer outside-the-classroom educational opportunities to link students to food industry firms and current industry topics. Opportunities include a new monthly luncheon speaker series, various networking events, and participation in industry activities such as the National Grocers Association case study competition. Finally, this year we

have been working with undergraduate students on tracking their food consumption to construct a grocery basket of student food. Price data will be collected on a regular basis to track changes in the cost of a student's grocery basket. We look forward to working with the students as they develop their analytical abilities through this project. Check out our Center Update emails and Food Thought Blog posts as they chronicle our students' activities and learning throughout the year.

Our food marketing class, taught by Applied Economics Professor and TFIC Research Affiliate Ben Senauer, was filled again at its 25 student capacity this year. This course is highly ranked by students from our program and food science and is considered a writing intensive course.

As in the past, our collaborative efforts extend out into the University and food industry communities. We continue to partner with other food centric programs on campus such as the new Food Policy Research Center and the Grains for Health Foundation on public programs and research. This past May, in cooperation with the College of Food, Agricultural, and Natural Resource Sciences and the University of Minnesota Foundation, we started a workshop in conjunction with the annual Siehl Prize program. Meanwhile, the Supermarket Panel Survey will once again be sent into the field this fall. In addition, our research on employee safety culture is bringing fascinating insight into how companies are approaching safety and how it is spilling over into health and wellness programs. Watch for more to come on this evolving industry issue.

INDUSTRY SUPPORT

The passion that our industry partners have for working with our students has impressed me the most in my first year as Center Director. We benefit from outstanding industry cooperation and have many activities already planned for our 2012-2013 year. The contributions we receive from our Sponsoring Members are leveraged to support our many activities like those listed throughout this report. They also allow us to leverage competitive grants to support graduate students and research activities. In the past 12 months, Tim Beatty, the Center's Research Director, and I have been able to secure more than \$100,000 to support doctoral student research in nutrition and food policy issues. The cost of training and educating a doctoral student is approaching \$40,000 a year, so our ability to leverage our work into research grants is critical for building the

next generation of university teachers, researchers, and industry leaders. You will read more about the projects Tim and his students are working on later in this report.

As we look forward to our next year, it is filled with learning and leadership opportunities for all students of the food industry. Several student visits to local food industry firms are planned, as well as visits by industry leaders as part of our speaker series, and several joint activities planned with other University organizations. Our Supermarket Panel Survey data will be available in early 2013 and our students will begin publishing their food price index findings in the spring. Finally, Tim and I will continue to be active in different industry and professional society activities. We look forward to seeing you during this busy upcoming year!



Feel free to contact me at boland@umn.edu or 612.625.3013 about any issue.

STUDENT ACTIVITIES



Workshop interns from left to right: Megan Lovejoy, Angelica Almanza, and Brendan Cooper

Workshop interns from left to right: Dustin Nelson, Andrew McBride and Andre Gordillo

“[T]he introductions that my mentor was able to make were meaningful and provided some insight into the various relationships that are fostered by events like the NGA Show.”

- Brendan Cooper

LEARNING FROM INDUSTRY COLLEAGUES

The Food Industry Center’s student delegation at the 2012 National Grocers Association Convention was the largest ever to represent the University of Minnesota at the annual convention. Undergraduate students Angelica Almanza, Andre Gordillo, Megan Lovejoy, and Andrew McBride along with two graduate students, Brendan Cooper and Dustin Nelson, moderated and participated in the Convention’s breakout sessions and met with industry mentors to walk the Convention’s trade show floor. For the students, the Convention offers a real time industry education and career preparation opportunities.

As in past years, students spent time with their industry mentors who provided valuable insight into the complexity of the country’s food distribution and grocery system.

Angelica commented:

“I liked that we were able to walk around the tradeshow and see a lot of well-known food companies, and up and coming ones too, displaying their products and seeing new products as well.”

Brendan noted:

“[T]he introductions that my mentor was able to make were meaningful and provided some insight into the various relationships that are fostered by events like the NGA Show.”

Public health student Dustin Nelson said:

“In fact, there was a booth about nutrition labeling and nutrition scoring for foods... I am using a similar food scoring system for my Masters project so it was especially nice to visit with them.

“All of the students participated in workshop sessions that ranged in topics from reducing perishable shrink to sitting on a student panel discussion about enticing new graduates into the independent grocery sector.” Andre Gordillo sat in on the panel discussion and noted

“I, along with other students enrolled in leading food industry programs, spoke candidly and openly about issues and stereotypes that the grocery industry faces. Listeners of

the student panel were hopefully able to better understand how to be an employer of choice for high-potential employees now entering the workforce, ...”

How would you integrate mobile coupons into a grocery chain’s marketing strategy?

Angelica, Andre, Andrew, and Megan offered their solution to this question as members of the University of Minnesota team participating in the Convention’s annual case competition. The team competed against five other schools from Louisiana State University, Sam Houston State University, St. Joseph’s University, Arizona State University, and Portland State University. Angelica noted about her participation

“It was a great learning experience as our mobile coupon recommendations could be implemented and used in actual independent grocery stores. What I liked best about this case competition was that we were able to present our real world recommendations to judges that are... knowledgeable in the independent grocery industry. I also enjoyed that we were able to listen to the other schools’ presentations and see how other students were able to take the same topic and formulate a different presentation.”

Andrew commented that

“Our strategy to address this mobile coupon problem evolved into a mobile marketing plan that integrated grocery stores’ existing websites, social media, in store promotions... and the most widely used, reliable, and user friendly smartphone features, text messages and email... It was interesting to listen to the different approaches to mobile coupons (by other schools) even though we were drawing upon much of the same research and data.”



Case Study Team from left to right: Angelica Alamanza, Megan Lovejoy, Andrew McBride, and Andre Gordillo

More commentary from the students on their experiences at the 2012 National Grocers Convention is available on the Food Thought Blog at blog.lib.umn.edu/tfic/foodthought/2012/03/.



CENTER PROFILES

CHARLOTTE TUTTLE

Charlotte Tuttle, a PhD student in the Department of Applied Economics, has been lending her economic research experience to a small group of nutritionists, statisticians, and psychologists from around the U.S. who have received collaborative research funding from General Mills. Their research examined the effect of cereal consumption on the food security and nutritional status of children. In this study, they used the National Health and Nutrition Survey (NHANES) to estimate whether ready to eat cereal and milk have mitigating effects on the food security status of low-income children. Using NHANES data afforded the research team the ability to estimate the effect of specific foods on food security given the detailed food diary included in the NHANES data set.

Charlotte has been contributing her research talent to this group of food industry professionals and its timely research since her funding from General Mills started in 2011. She has also visited General Mills to present her research to project leaders. She credits the General Mills funding for also providing her with time to dedicate to her own research alongside her advisor, Dr. Tim Beatty, which has focused on food security, food expenditure and participation in federal nutrition programs.



MARIN BOZIC

Marin Bozic joined the Department of Applied Economics as Assistant Professor in Dairy Foods Marketing Economics, a new faculty position created in a collaboration between the University of Minnesota and the Midwest Dairy Association. The mission of this newly established position is to develop a research program that includes analyzing the economic potential of new dairy foods products, price and trade analysis to identify threats and uncover opportunities for dairy industry both nationally and in export markets, and investigating consumer trends and analysis of price risks faced by producers and buyers of dairy products.

Before joining the University of Minnesota, Marin worked as researcher at the Institute of Economics – Zagreb on projects that included developing framework for analysis and planning of sustainable development of islands and stakeholder community development strategies. He holds a masters degree in comparative local development from University of Trento, Italy and doctorate in agricultural economics from University of Wisconsin-Madison. His doctoral thesis focuses on price performance of agricultural futures and options markets, especially grains and dairy products.

In his new job, Marin developed a three-pronged research agenda with a common theme of interdisciplinary approach to analysis and emphasis on synergistic cross-university collaborations. The first research area covers consumer analysis, where experimental auctions are combined with dairy and sensory science methods in a series of projects that aim to understand consumer behavior related to dairy foods. The second area can be described as 'technology and market assessment', with focus on estimating market potential of new dairy food production processes. The third research area addresses risk management issues throughout the dairy supply chain. Finally, Dr. Bozic will also be providing his time and expertise to The Food Industry Center's graduate students and programs.



STUDENT PLACEMENTS

JIM WHITE

Jim White, research assistant to Dr. Michael Boland, accepted a position as an Assistant Professor in the Agricultural Economics department at the University of Wisconsin - River Falls (UWRF). The position is primarily focused on teaching, with additional requirements for research, mentoring students and service.

Jim returned to the University of Minnesota to pursue his PhD after a 15-year career in finance and business development (including marketing, consulting, application development and mergers & acquisitions). His research interests have been in agricultural cooperatives and other group action business models, farm-level financial modeling, and behavioral economics.

The Agricultural Economics department at UWRF is housed in the College of Agriculture, Food and Environmental Sciences (CAFES), which has a primary focus on the practical application of a wide range of disciplines to agriculture and the food economy. As a result, Jim is being asked to teach the Professional Selling class the department offers to students across CAFES, taking advantage of his business background. He will also teach classes across the undergraduate curriculum, focusing on strategy, marketing, and finance.



ALISON SEXTON

Alison Sexton recently completed her PhD in the Department of Applied Economics at the University of Minnesota (UMN). Her research falls in the interface of environmental and health economics with a particular focus on how consumers and businesses respond to health related information. She accepted a position with Abt Associates, a consulting firm focused on research and program implementation in the fields of health, social and environmental policy, and international development. She is working in the Domestic Health Policy division out of the Cambridge, MA office. While at UMN she was funded by several fellowships including the USDA National Needs PhD fellowship and Resources for the Future's Joseph L. Fisher Doctoral Dissertation Fellowship.

BRENDAN COOPER

Working with Dr. Michael Boland, Brendan Cooper completed his masters thesis which examined the various strategies that multinational food corporations employ to signal a sustainable supply chain to their stakeholders who include NGOs, stockholders, and consumers. The supply chain is a sustainability issue for the industry and companies are increasingly turning to outside alliances and partnerships in order to credibly communicate their practices. Cooper's paper examines sourcing for coffee and cocoa in detail, where companies engage outside certification bodies (e.g., Fair Trade Alliance) and pursue other sustainability partnerships as well. Among other findings, corporations that have the most credibility, such as Nestle, are able to signal sustainability with internal measures whereas others, such as Hershey's, may have to partner and lose some decision-making autonomy to achieve the same result.

Brendan will be working as a Research Associate for Heitman, a real estate investment firm, and perform local economic analysis in markets where the firm owns or wants to invest in commercial properties.



EVENTS & OUTREACH



Panelists Bob Branham, Dan Kennedy, and Brian Knudson

EXPLORING THE FUTURE FOOD SYSTEM

The 2011 Learning and Leadership in Food event provided a rich venue for exploring what the future global food system may look like and how leadership will function in the evolving food environment. Over 100 students, industry professionals, faculty, and staff gathered for the October 7th event hosted by The Food Industry Center, Department of Food Science and Nutrition, CFANS Alumni Office, and Career & Internship Services. This annual educational and networking event provides an opportunity for current and future food industry professionals to gather and meet, while participating in discussions about current topics impacting the food industry.

Diving into a discussion of the future food system, speakers explored issues ranging from extreme weather incidents to leadership effectiveness. Professor Ben Senauer set the context for the day's discussion with his overview of trends in the future food system including volatile food prices due to weather extremes, a growing global middle class, competition with biofuel production, declining production

yields, and growing consumer interest in how food is produced. Bob Branham, Director of Sustainability for General Mills and Minnesota alumnus, presented his company's waste mitigation strategy that is employing efforts of waste reduction, increased food bank donations, and reducing food production demand on natural resources. Minnesota alumnus Dan Kennedy, from the Solae Company, discussed the increasing protein demands of the growing global population, the varying kinds of animal and plant proteins available to meet this demand, and their environmental impacts. Wrapping up the day's discussion was Minnesota alumnus Brian Knudson from Cargill, who challenged students to think about their personal effectiveness in the future food environment and what their leadership role will look like. In particular, he advocated for leaders with the ability to create value and make an impact by translating ambiguity into next steps, offering a fluency in financial skills, and bringing a deep understanding of diverse cultures to their work.

An expanded overview of the Future Global Food System discussion is available in the December 2011 Center Update available online.

Speaker presentations are also available at ...
foodindustrycenter.umn.edu/NewsEvents/PastEvents/index.htm



FOOD INDUSTRY LEADER IN THE CLASSROOM SERIES

In 2011, The Food Industry Center introduced a new events series titled Food Industry Leader in the Classroom (FILC). This luncheon series invites food sector professionals into the classroom to meet with University and food sector students to share their knowledge about working in the industry.

The inaugural 2011-2012 season kicked off by inviting three speakers into the classroom to share their career experience and unique insights from their position in the food system. On November 10th we welcomed Mike Erlandson, Vice President for Government Affairs, and Katie McComb, Category Merchandiser, from SUPERVALU. With their wide range of knowledge, Erlandson and McComb discussed everything from the future of the neighborhood grocery store, to merchandising strategies and implementing mobile strategies, to a discussion of competing against large retailers such as Target and Walmart.

Read more on the SUPERVALU discussion at ...
blog.lib.umn.edu/tfic/foodthought/2011/12/food-industry-leaders-in-the-classroom-mike-erlandson-and-katie-mccomb.html

On March 29th, The Food Industry Center welcomed Darrin Peterson, Assistant Vice President and Product Line Leader for Corn Sweeteners at Cargill to a FILC luncheon. As he discussed Cargill's involvement in both sides of the sweetener business, natural and artificial, students' curiosity about this segment of the food industry was apparent. Starting with a discussion about how participants' sweetener preferences have changed over time, the group rounded out their time together with a discussion ranging from nutritional research to consumer trends.

Read more on the Cargill discussion at ...
blog.lib.umn.edu/tfic/foodthought/2012/04/conversations-about-sweeteners.html

Our final speaker of the season was Clint Fall, CEO and President of First District Association in Litchfield, MN. After taking the audience on a video tour of the cooperative's plant, Fall discussed the operation's processing of over 400,000 pounds of cheddar cheese and more than 500,000 pounds of fluid milk each day. Fall offered advice on food industry careers and noted it was a particularly interesting time to pursue a career in the food industry because of how quickly things are changing and the food industry's global expansion.

Read more on the First District discussion at ...
blog.lib.umn.edu/tfic/foodthought/2012/04/opportunities-in-the-dairy-industry.html

Read more about our Food Industry Leader in the Classroom luncheons and discussions on the Food Thought Blog. If you would like to join us for the 2012-2013 season, sign up to receive luncheon announcements via our events email listserve at foodindustrycenter.umn.edu/Join_Our_E-mail_List/index.htm



Mike Erlandson speaking at November 2011 Food Industry Leader in the Classroom event



EVENTS & OUTREACH



COLLABORATING ON FOOD EDUCATION

FOOD DAY ECONOMICS

On October 24th, The Food Industry Center joined the wide variety of groups, students, centers, and departments on campus that focus their educational energies on food, to celebrate National Food Day. Over 1,000 students, faculty, staff, and community members gathered at Coffman Union to learn more about the variety of programs educating on and researching food and health at the University of Minnesota.

As a University partner to the event, TFIC hosted a table at the exposition to introduce and promote the Center's programs and its analysis of food production, distribution, and consumption through an economic lens. The 2011 event was the University's inaugural celebration of Food Day. Thank you to TFIC Sponsoring Member Land O'Lakes for their in-kind support of this University-wide event.

Read more about the day's events and what "Good Food" means to the students of the University of Minnesota on Facebook and the Food Day web page at hfhl.umn.edu/NewsEvents/HFHLEvents/FoodDay/index.htm.

GROWING THE BUSINESS OF WHOLE GRAINS

The Food Industry Center co-sponsored and was invited to share its industry expertise as moderator of the *Business, Economic, and Consumer Opportunities in Delivery of More Whole Grain Foods to Consumers* breakout session at the 2012 Whole Grains Summit in Minneapolis. With over 50 cross-sector participants from food and research companies, academic institutions, k-12 institutions, and public health and trade organizations, participants discussed how to increase the consumption of whole grains in the public diet. Speakers also discussed their success with research trials integrating whole grains into school lunch diets, how market research can inform integration practices, and other possible strategies for encouraging whole grains diets.

The Summit, titled "Whole Grains for Health: From Practice to Theory," was hosted by the Grains for Health Foundation on May 21st. More information on the 2012 Whole Grains Summit event and its findings and outcomes is available on the Foundation's website at grainsforhealth.org/news-and-events/2012-whole-grains-summit-from-theory-to-practice1/.

The Food Industry Center's collaborative participation in both of these events broadens our mission's reach of education and research on the food industry. By working with and leveraging the expertise of our University partners, we are able to offer an even broader spectrum of food industry knowledge to our student and industry constituents.



RESEARCH

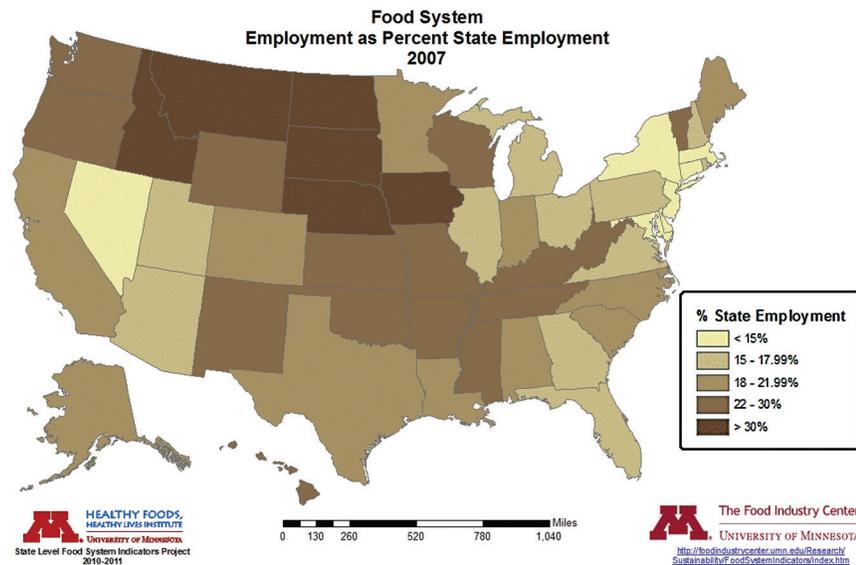
STATE LEVEL FOOD SYSTEM INDICATORS

The food system is complex and multifaceted. It affects human health, the environment, and the economy. It is also closely linked to culture and our sense of community. Knowledge of the current status of the food system and of changes in that status over time is important for food businesses, policy makers, and the stakeholders they serve.

With funding from the University of Minnesota's Healthy Foods, Healthy Lives Institute, a team of researchers led by former TFIC Director Rob King has developed a comprehensive set of food system indicators and has compiled indicator data for all 50 states for the period 1997-2007. These indicators measure structural, economic, environmental, health, and social changes in the food system.

Data for the indicators were compiled primarily from government sources, with the two most important sources of data being the US Census Bureau's Economic Census and the USDA's Census of Agriculture. Two indicator summary tools - national maps and state fact sheets - were developed to communicate indicator data and to highlight differences across states and changes over time. More than 300 national maps and 153 state and national fact sheets are available on The Food Industry Center web site, along with sample presentations based on the indicator data and the spreadsheet containing the data compiled for the project.

The indicator data highlight the importance of the food system in our economy. Nationally, the food system – which includes input supply, farming, food processing, food distribution, food retailing, and food waste and recycling – accounts for about 19.0 percent of jobs and 8.7 percent of payroll in the U.S. economy. The payroll share is



relatively low due to the large number of part-time jobs in farming and food retailing. As shown in the map, there is considerable variation across states in the food system's share of jobs. It ranges from less than 15 percent in highly industrialized Mid Atlantic and New England states to over 30 percent in highly agricultural states in the northern Great Plains.

Other noteworthy insights revealed by the indicator data include:

- The share of retail food sales made through traditional grocery stores and supermarkets has declined significantly from 1997 to 2007, in part due to a rising share of sales in supercenters.
- The value of agricultural chemicals purchased per acre of farmland declined in most states east of the Mississippi River (including Minnesota) between 1997 and 2007.

- In 1997, the percentage of adults with diabetes exceeded six percent in just six states. In 2007, the percent of adults with diabetes exceeded six percent in all states except Colorado, Minnesota, and Utah.
- In 2007, the percentage of farmers whose principal occupation was "farming" was less than 40 percent in 47 of the 50 states.

The research team for this project included: Robert King and Gigi DiGiacomo from the Department of Applied Economics at the University of Minnesota; Molly Anderson from College of the Atlantic; David Mulla from the Department of Soil, Water & Climate at the University of Minnesota; and David Wallinga from the Institute for Agriculture and Trade Policy.

The remarkably rich collection of resources developed under this project can be accessed at: foodindustrycenter.umn.edu/Research/foodsystemindicators/index.htm.

RESEARCH



ARE AMERICANS EATING BETTER?



Travis Smith

“The researchers estimated that 10.5 percent of the dietary improvement in the U.S. population can be explained by food reformulation ... ”

Diet quality is often used as a proxy for wellbeing and an outcome variable for a wide variety of public health interventions. In a cooperative agreement with the U.S. Department of Agriculture, Travis Smith, a PhD student in the Department of Applied Economics, along with his advisor and TFIC Research Director Tim Beatty, addressed the question, ‘Are Americans eating better?’ by measuring changes in the distribution of overall adult diet quality in the U.S. between 1989 and 2008. For the population as a whole, study authors Beatty, Smith, and Biing-Hwan Lin from the USDA Economic Research Service found significant improvements in diets across all levels of dietary quality.

The project also disaggregated the population into two groups: individuals eligible for Federal food assistance programs and ineligible individuals. In both groups, they found improvements at all levels of dietary quality, although the low-income group continued to lag behind their higher-income counterparts in overall diet quality. Further, dietary improvements varied between these groups with regards to when the improvements occurred over the 20-year period and where in the distribution of dietary quality.

The researchers estimated that 10.5 percent of the dietary improvement in the U.S. population can be explained by food reformulation (e.g., decreases in saturated fats, sugars and sodium) and an additional 52 percent of the improvement is due to demographic changes (i.e., an aging, more educated and ethnically diverse population). In other words, over half of the observed improvements can be explained by an evolving population mix and food reformulation, absent any dietary changes.

Research from the study was presented at the 2012 Agricultural & Applied Economics Association (AAEA) Annual Meeting in Seattle, Washington. A working paper from the study is available online at ageconsearch.umn.edu/handle/124945.

TFIC IN THE NEWS

FROM PINK SLIME TO VEGGIE PICTURES: A YEAR IN REVIEW OF THE FOOD THOUGHT BLOG

Just as pink slime seemed to dominate the food news headlines in the spring of 2012, its popularity and public curiosity about the product was also reflected on the Food Thought Blog. The interview is the second most read article in the Blog's history. Other popular Blog topics from last year included a study looking at how to increase children's consumption of vegetables through school feeding programs, feeding the world's population and food industry leadership.

Following up on the intense media attention on pink slime in the spring, TFIC blog writer Sadie Dietrich published an interview with Applied Economics professors Brian Buhr and Michael Boland who specialize in the economics of livestock markets and agribusiness management, respectively. The interview relayed the complex layers of the pink slime discussion that were not often discussed in the initial coverage of the controversy. The interview highlighted the immediate economic impact on some of the businesses involved, how Lean Finely Textured Beef (e.g., "pink slime") became part of the food supply, and the economic and supply implications if the product is removed from the food supply.

Sadie also conducted an interview with Assistant Professor Elton Mykerezzi, a member of the research team who collaborated with school cafeterias to find ways to influence greater consumption of vegetables by school children. The research team sought to influence children's consumption through visual "nudges" such as placing pictures of vegetables in food tray compartments. Mykerezzi's candid responses to the results of the study, how the study was conducted and analyzed, and the response of the students is captured in the article.

The Food Thought Blog saw an increase in its readership over the past year thanks in part to the faculty, staff, and students who have shared their knowledge and learning of the food industry.



blog.lib.umn.edu/tfic/foodthought/



IN THE NEWS

"The producers have responded by saying, 'we're going to switch to producing grains'," says Michael Boland, director of the Food Industry Center at the University of Minnesota.

In response to Argentinian government policies designed to shrink the country's beef exports.

"Farewell To Argentina's Famed Beef"
Nancy Shute, *National Public Radio*
Dec. 8, 2011

The evidence of increased need "reflects the severe financial hardship that so many Minnesota families are facing," said University of Minnesota economics professor Ben Senauer,...

"Jump in food need has Minnesota schools looking for ways to help."
Julie Siple, *Minnesota Public Radio*
May 7, 2012

"There is a sort of diminishing return," said Rob King, a professor in the Department of Applied Economics at the University of Minnesota. "As (farmers) go to more and more markets, it takes a lot of time for them to do that. And as the number of markets grows—and if it grows faster than the number of consumers — then we may see a new market cannibalize an existing market.

"Minnesota: Too many farmers' markets?"

Andy Greder, *St. Paul Pioneer Press*
May 8, 2012

"Eliminating these costs will save taxpayer money, help lower the state budget deficit, decrease health care costs, and increase the health and welfare of millions of Minnesotans," ...

Jean Kinsey discussing findings from the Cost/Benefit Hunger Impact Study.

"What's the cost of letting the poor go hungry?"

Cynthia Boyd, *MinnPost.com*
Dec, 21, 2011

... the University of Minnesota's Food Industry Center studied the economic impact of the failure to meet the state's full hunger need. It found that hunger in Minnesota conservatively added \$1.6 billion annually in preventable costs, especially related to health and education.

Referencing The Food Industry Center's study 2010 Cost/Benefit Hunger Impact Study.

Robert Johnson, *Milling & Baking News*
April 3, 2012

In Roseville, Minn., an inner-ring St. Paul suburb, the proportion of subsidized lunch students rose to 44 percent this fall from 29 percent in 2006-7, according to Dr. Senauer, the economist. "There's a lot of hurt in the suburbs," he said. "It's the new face of poverty."

"Lines Grow Long for Free School Meals, Thanks to Economy"
Sam Dillon, *The New York Times*
November 29, 2011

"Middle-class families who never thought they'd be dealing with this kind of hardship and poverty are now having to face it," said University of Minnesota economics Prof. Ben Senauer, who's researched several metro-area school districts' school lunch data. "This is the new face of poverty."

Professor Ben Senauer reflecting on an increase in Minnesota students signing up for free or reduced-price lunches.

"Hungry, needy kids swell lunch lines"
Kelly Smith, *StarTribune*
December 4, 2011



TFIC FINANCIAL REPORT

FY12 REVENUE & EXPENSE SHEET

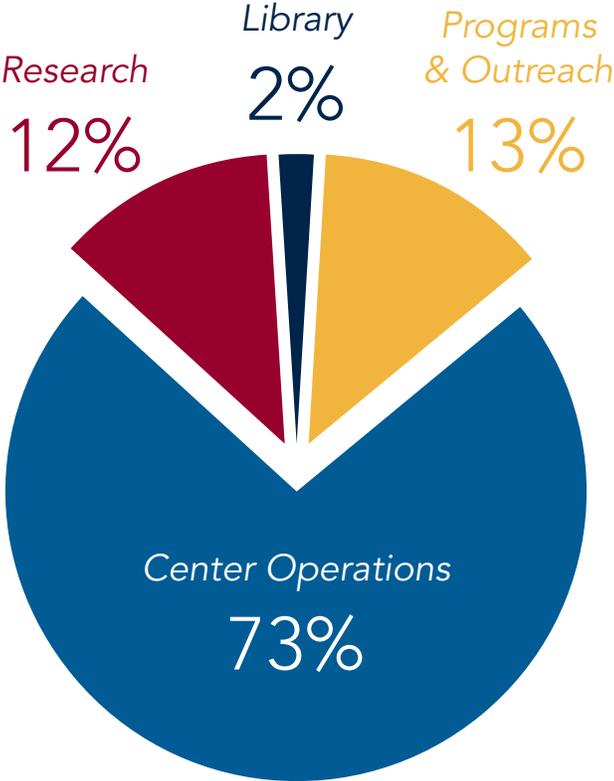
REVENUE	
FY12 Sponsorship & Contributions	\$117,000
Restricted Revenue	\$21,439
TOTAL REVENUE	\$138,439

EXPENSES	
TOTAL EXPENSES	\$160,967

TFIC FOUNDATION RESERVES*	\$194,556
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*The Center is required by University of Minnesota policy to have at least one full year of its budget as a reserve.

FY12 EXPENSES



ACKNOWLEDGMENTS

The Food Industry Center would like to acknowledge and extend a special thank you to all the people and organizations who contributed their knowledge, support, and time to our programs and research this past year.

Dr. Marin Bozic, Assistant Professor of Applied Economics, University of Minnesota

Bob Branham, Director of Customer Sustainability, General Mills

Dr. Brian Buhr, Professor and Head, Department of Applied Economics, University of Minnesota

Mary Buschette, Director of Alumni Relations, College of Food, Agricultural, and Natural Resource Science, University of Minnesota

Helen Clark, Director of Marketing, Health and Wellness, ConAgra - Lamb Weston

Gigi DiGiacomo, Research Fellow, Department of Applied Economics, University of Minnesota

Mike Erlandson, Vice President for Government Affairs, SUPERVALU

Clint Fall, CEO, First District Association

William Fenske, Vice President, Technical Services, SunOpta

Heather Fredrickson, Assistant Director, St. Paul Career & Internship Services

Healthy Foods, Healthy Lives Institute; University of Minnesota

Sharon Heron, Employer Relations Coordinator, St. Paul Career Center, University of Minnesota

Dan Kennedy, Senior Account Manager, Solae

Dr. Robert King, Professor of Applied Economics, University of Minnesota

Dr. Jean Kinsey, Professor Emeritus and Director Emeritus of The Food Industry Center, University of Minnesota

Brian Knudson, Marketing Director, Animal Nutrition, Cargill

Maggie Kubak, Assistant Director, St. Paul Career & Internship Services

Allen Levine, Dean of the College of Food, Agricultural, and Natural Resource Sciences and Professor of Food Science and Nutrition

Darren Lochner, Associate Director, CFANS Alumni Office

Carol Martinson, Vice President, Asset Protection, SUPERVALU, Inc.

Katie McComb, Category Merchandiser, SUPERVALU

Sara Nagel Newberg; Director; Career and Internship Services, CCE, CDes, CFANS; University of Minnesota

Darrin Peterson, Assistant Vice President – Corn Milling, Cargill

Dr. Ben Senauer, Professor of Applied Economics, University of Minnesota

Cindy Sorenson, Vice President, Retail National Accounts, Midwest Dairy Association

Dr. Laurian Unnevehr, Food Economics Division Director, Economic Research Service, USDA

Jean Weber, Senior Technology Manager Ingredient Technology Group, G-Tech, General Mills, Inc.

Students

Lauren Allen
Angelica Almanza
Anna Buck
Brendan Cooper
Erik DeBlicke
Sadie Dietrich
Jason Foster
Denise Fung
Annette Gooch
Andre Gordillo
Megan Lovejoy
Andrew McBride
Dustin Nelson
Brynn Olson
Cory Risch
Alison Sexton
Travis Smith
Charlotte Tuttle
Samantha Wheeler
Jim White
Alex Yangas
Fabian Young

ACKNOWLEDGMENTS

The Food Industry Center would like to extend a special THANK YOU to our Sponsoring Member companies and organizations for their financial support during the year. We would also like to extend a special Thank You to our Board of Executives, for their leadership and support of the Center this past year.

Sponsoring Member Companies

General Mills, Inc.
Land O'Lakes, Inc.
Kelloggs
Midwest Dairy Association
National Grocers Association
The NPD Group
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