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Microgreen Production: Entering a New Market Toward Social Good

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ABSTRACT

This research is part of a semester-long project from undergraduate students at Molloy College in Rockville Centre, NY. The theme emerges from a pedagogical philosophy that an essential learning outcome of their undergraduate studies is the significant influence that business has upon society while working with a local non-profit. For example, having students enter into the business world with an integrated disposition that encompasses not only the need for qualifying skill sets, but that of ethical and social leadership should be prevalent among today's business leaders. The learning activity leading to the learning outcome is requiring the undergraduate business students to experience this type of real-world project. The students are presented with an opportunity to study pressing issues that are present within their assigned non-profit and they are to collectively make a set of solution-driven recommendations that will ultimately lead to social good.

Keywords

Microgreens, social responsibility, marketing, not-for-profit, legal produce requirements

1 PEDOGOGICAL PHILOSOPHY

The decision to earn an undergraduate degree requires students to acquire foundational knowledge and preparation toward their future career goals, but also asks that they demonstrate educated citizenship. Here students focus on the breadth of their chosen concentrations and then upon pursuing their graduate degrees would focus on depth; becoming professionally self-sufficient and believing in continuous learning.

The Dominican education incorporates four pillars toward student success: Study, Spirit, Community, and Service. Molloy believes that transformative learning is the key toward student success (i.e. lifelong search for truth and the promotion of ethical leadership).

Molloy's Capstone courses are built upon educational program outcomes. This is the last course that students complete which brings their Molloy college careers full circle; students produce exemplary presentations to partnering non-profits that promote civic engagement. Not only do the students display their acquired skills and knowledge gained throughout their college careers, they leave Molloy with an admired disposition that will serve them well when entering and/or pursuing their careers in the business world.

The Spring semester 2017 Undergraduate Capstone Class was divided into three consulting teams. These team were representative of their newly creative consulting firms that were introduced to real-world clients (i.e. partnering non-profits) with real-world problems. This paper captures the essence of the work produced by the students under the consulting firm named "UpgrAID+ Consulting." The team used the Bloomberg Philanthropies, "Mayor's Challenge" application to guide the consulting experience through the following four stages: 1) establishing a solution-driven vision, 2) developing a turnkey implementation plan, 3) determining the impact of the plan, and 4) determining if the solution can be replicated.

2 THE CONSULTING PROBLEM

The client is *Smile Farms, Inc.* This organization is in its infant stages and is looking to expand significantly over the next several years. This non-profit's mission is to provide meaningful working opportunities for adults with developmental disabilities at local farms. The Executive Director of the organization served as the direct client for the student consulting team.

In summary, *Smile Farms, Inc.* being the non-profit arm of 1-800-FLOWERS is looking to minimize the rate of adults with developmental disabilities that aren't currently employed. This number has reached 80% according to *Smile Farms, Inc.* statistics and the organization feels this is

unacceptable. The organization was created to be an agent of change by rallying local family, friends, and creating long lasting partnerships to provide more inclusive job opportunities for this deserving population. The organization is quickly growing, however, its expenses are equally growing and they have limited resources to maintain sustainable growth. The consulting problem is the need to optimize resources while continuing to build the *Smile Farms* brand.

3 THE VISION

The vision for UpgrAID+'s recommended solution is the development of a turnkey recommendation plan to increase brand awareness through product expansion to promote socially responsible and sustainable growth for *Smile Farms, Inc.*

Based on the team's analysis, they have concluded that it will cost an estimated \$207,000 over the next three years with the inclusion of 20 employee salaries as part of the overall cost structure. *Smile Farms, Inc.* would make \$240,000 in that time period, resulting in a gross profit of approximately \$32,000. Initial costs would be \$14,000+ for a 1,000 tray operation. According to their model, the venture would become profitable by the third harvest (assume 8 harvests per 5 month growing season). A further breakdown of costs will be demonstrated via the actual presentation.

The Vision is innovative in that it focuses on the development of an entire new channel of products to expand the exemplary work that *Smile Farms, Inc.* provides to its deserving population. Their recommendations don't only hold monetary value with supporting future programs and/or employee salaries, but sentimental value as well. There are many in our local communities that find value in supporting non-profits and their causes, *Smile Farms, Inc.* being as reputable as they are to date, will certainly benefit from patrons would want to assist with future developments for adults with developmental disabilities at their farms.

UpgrAID+'s implementation strategy is based off of their own monetary accomplishments due to the limited resources within the *Smile Farms* organization. These initiatives speak to impressive revenue streams over the long term that have not been sought after by this non-profit to date. Acquiring additional donations coupled with building their donor pool and contact information will surely generate great brand exposure and increased donor relationships.

In summary, through the establishment of this innovative marketing strategy, *Smile Farms, Inc.* will achieve socially responsible and sustainable growth.

4 THE RECOMMENDATIONS

Research State and Federal FDA Regulations

We plan to implement our idea by first thoroughly researching information regarding State and Federal FDA regulations for growing and selling various types of produce including our main objective, microgreens. These

microgreens are namely: 1) basil, 2) mint and 3) cilantro.

Apply for Any and All Certificates and Create Guidelines for Each Type of Produce

Once we fully gather the information, we must apply for any and all certificates necessary as well as put together a list of required guidelines for each type of produce. We will also identify any other specific requirements, including labor commerce laws. In order to label our produce as organic, we must obtain an agent through the state and go through the necessary processes involved to be legally certified.

Outreach to Local Markets and Restaurants

Additionally, we will reach out to local markets, restaurants, and any other potential produce customers in order to both gauge the market for locally grown produce and set the framework for a business relationship between *Smile Farms* and potential customers.

Determine Growing/Selling Logistics

Lastly, it will be necessary for us to determine the logistics of growing and selling produce. Questions such as: 1) Is additional training required? 2) What are the costs associated? 3) What restrictions may we face? Will be addressed?

5 FACTORS THAT COULD DERAIL THE PLAN

There are many risk factors if we were to implement this big idea. One of these risk factors would be to ensure that our facilities are up to the standards that the FDA expects. This includes sanitary standards and passing sample examinations in labs in order to proceed with production of the microgreens.

Another issue that may arise is organizing and finding the resources or organizations within the Northeast reach that will be of interest when implementing our action plan. For now, the *Smile Farms*' location in Moriches has the space readily available to use during the off season of flowers. However, in the future they may explore growing microgreens full time.

Additionally, raising enough capital or finding the real estate that will be needed to continue our idea is critical.

Food regulations and other agricultural regulations cannot be avoided when expanding.

Although these are just a few of our main risk factors, it is essential that we make these factors our main priority when conducting research. If these initiatives are not properly executed, we will be unable to implement our plan.

6 SUMMARY OF DESIRED OUTCOMES

Our main objective is to implement a sustainable way for *Smile Farms, Inc.* to generate alternative funding through the production and distribution of microgreens. This is a new market for the organization to tap into and with their venturing into this new area it presents a lot of unknowns.

The charge is to research the local legal requirements of producing and later distributing such produce with the confidence of rolling out this innovative program across state lines as the organization continues to expand (i.e. *Smile Farms* has a vocational program in California). The ideal outcomes to be achieved are having alternative resources that would be of minimal cost that will produce significant revenue and aid in the reduction of adults with developmental disabilities over the long term.

How Long Do You Think It Will Take to Show Results?

This process will be complicated and require diligent efforts to implement successfully. Therefore, it is likely that 1-2 years will be necessary to roll out our idea across the *Smile Farms* platform. Samples and tests must be done and sent to labs to ensure there is no potential contamination in our soil, water supply, or within the actual herb itself after all materials are bought. This process can be very time consuming and quite vague, therefore, 1-2 years would be a feasible time frame.

Who Do You Think are Your Leading Partners in Order to Make This Marketing Strategy a Success?

We are aiming to secure business relationships with nearby restaurants to serve as a steady stream of revenue as well as a means to turnover our inventory. We are also looking to gain entry to farmers markets as a way to sell directly to the end consumer while simultaneously learning the needs, wants, and demographics of the individuals in the market for microgreens. Learning this information will provide information that we can use to streamline production as well as distribution. Currently, potential partners include Chipotle, Hick's Nursery and Anthony's Coal Fired Pizza.

How Will You Manage Sustainable Efforts?

Employee knowledge of monitoring regulations, sampling of soil, and monitoring the water supply need to be up-to-date to ensure lasting production. Additionally, a dependable management structure is essential for this plan to reach its full potential. The need for talented staff who can seek additional opportunities for expansion and cultivation of business relationships over the long term will be invaluable.

7 IMPACT ON SOCIETY

There is a need for this solution throughout the US. *Smile Farms, Inc.* believes that all of our local communities possess talented people that can participate in meaningful work activities inclusively to help our world grow socially as well as resourcefully. It is the added brand awareness and the nature of the cause that will help unite everyone within their local communities to build a strong brand for the greater good.

UpgrAID+ wishes to impact the world in positive ways. We are passionate about our recommendations and believe that with the dedication of *Smile Farms, Inc.* employees, management, volunteers, and donors, the brand is sure to enhance the lives of adults with disabilities. We are proud of our research efforts and are optimistic about our plans

toward implementation of microgreens. Our ideas will support both social and brand expansion at minimal cost. This is not only rewarding for our team, but will positively impact others within our local community.

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REFERENCES

Not provided.