Hannah Brook Farms



Across Canada the COVID-19 pandemic has affected food supply chains and distribution. Local farmers in Metro Vancouver have been feeling the effects of the COVID-19 pandemic with the closure or reduced operations of restaurants and hotels, and changing patterns of food shopping amongst consumers. Small farms are particularly vulnerable to these changes as they are more interconnected with other local businesses which puts them at higher risk if one part of the network faces challenges.

Hannah Brook Farms started in 2002 on a parcel of land fed by an artesian spring in Ruskin, located between Maple Ridge and Mission. They have since expanded to plots of land in South Burnaby, where most of the operations currently take place. They grow about 110 to 120 types of vegetables. Their primary customers are restaurants, including many fine-dining establishments in Vancouver. They grow several rare vegetables for their restaurant customers from early spring to late fall. Before the COVID-19 pandemic, they would sell to dozens of restaurants. While owner Paul Healey mentions he doesn't "necessarily have sustainability goals", sustainability is already embedded in their business by growing vegetables using biodynamic farming practices without pesticides or chemical fertilizers, composting on-site, and using solar energy.

Challenges Due to COVID-19

Agricultural businesses are deemed essential services by Emergency Management BC and are encouraged but not mandated to stay open during the pandemic¹. Therefore, Hannah Brook Farms was able to stay in production throughout the pandemic and they continue providing food orders to clients. Physical distancing was not an issue for the farm's operations. As Paul mentions, "we can social distance by like 50 metres at all times". COVID-19 research up to now has not indicated that the virus can be passed by eating food, and the B.C. Ministry of Agriculture has stated that regular hand washing by workers to avoid cross contamination between workers handling food is sufficient to meet provincial guidelines for good sanitization practices².

Hannah Brook Farms' main challenges were finding well-trained staff and new markets for their specialty crops.

¹ List of COVID-19 Essential Services. 12 June 2020. https://www2.gov.bc.ca/gov/content/safety/emergency-preparedness-response-recovery/covid-19-provincial-support/essential-services-covid-19#food

² COVID-19 and Good Agricultural Practices and Food Safety Issues. 16 April 2020. https://www2.gov.bc.ca/assets/gov/farming-natural-resources-and-industry/agriculture-and-seafood/food-safety/good-agricultural-practices/frequently_asked_gap_questions_re_covid-19.pdf

Finding Well-Trained Staff

Prior to the COVID-19 pandemic, finding reliable farm help was already a challenge for Hannah Brook Farms. In an average year, most workers came with no farming experience and are often unprepared for the hard labour of farm work. One problem with finding workers is that experienced farm labourers are either entering retiring age or are already operating their own farms. Statistics Canada found in 2016 only 9% of all farm operators were under the age of 35³. One possible reason for this is that more young people pursuing a career in agriculture want to attend a post-secondary agriculture program instead of working on farms. This year, they hired students "because they were going to go to UBC Farm School, and it was cancelled". This arrangement turned out to be highly beneficial for the students to acquire hands-on, paid experience.

Farm work is typically seen as less desirable because it is seasonal and requires a lot of manual labour. With the Canada Emergency Response Benefit (CERB) that went into effect in March 2020, potential employees may have been less inclined to apply for seasonal jobs. Other local farms also experienced labour shortages this year because of the CERB payments and inability to hire temporary foreign workers to fill those gaps, even after advertising generous salaries on different job-seeking sites like Kijiji⁴. Hannah Brook Farms was fortunate that they had "just happened to have enough people", so they were not as hard hit by labour shortages as other farms.



Loss in Tourism, Loss in Sales

Hannah Brook Farms has a reputation for selling delicious, high quality salad greens. However, since restaurants have only reopened for dine-in service during Phase 3 of B.C's Restart Plan⁵, Hannah Brook Farms lost a large percentage of orders between March and June. The loss of tourism to Vancouver's downtown core also resulted in a major loss in sales. The major hotels were ordering between "20 [to] 40 pounds each [per week] depending on how many cruise ships were in per week", and those orders are almost nothing now due to COVID-19. The farm also supplied a number of private yachts which have stopped hosting large events due to social distancing guidelines, and therefore don't need the large produce orders they previously had. Prior to COVID-19 the farm filled about 60 large orders per day. Now, their regular clients are ordering around 5% of what they used to order.

"Every fine dining restaurant in the city [Vancouver] gets their salad from me".

With more people eating at home, grocery stores have been seeing increasing sales. However, large grocery stores or wholesalers require Good Agricultural Practices (CanadaGAP) certification. The certification process requires regular audits of all crops, a heavy paperwork load, and guidelines for all containers, packaging, and equipment used for operations. Given the small size of the farm and limited staff, it's "too time consuming for most farmers unless you're a big ag[riculture] organization that just has somebody to do that job". It's unfortunate because if Hannah Brook Farms were to sell to the big retailers, they could reduce food waste from un-ordered produce by an estimated 15%. However, they can sell to smaller grocers and restaurants which don't require the "expensive and time-consuming infrastructure" of the CanadaGAP certification.

³ Canadian agriculture: evolution and innovation. 14 November 2017. https://www150.statcan.gc.ca/n1/pub/11-631-x/11-631-x/2017006-eng.htm

⁴ Small organic farms see crops go to waste despite demand for local produce. 17 May 2020. https://www.theglobeandmail.com/life/food-and-wine/restaurant-reviews/article-small-organic-farms-see-crops-go-to-waste-despite-demand-for-local/

⁵ Phase 3 - BC's Restart Plan. 8 September 2020. https://www2.gov.bc.ca/gov/content/safety/emergency-preparedness-response-recovery/covid-19-provincial-support/phase-3

Pivoting from Restaurants to Individuals

To recoup some losses from reduced restaurant and hotel customers, the farm began marketing produce to individual consumers. Individuals receive a weekly fresh sheet and use an online form to place their orders for pick-up or delivery if they meet a minimum dollar total. Pivoting to individuals has had some unique challenges, especially in terms of efficiency and also profit. Individuals ordered less of each product and more variety of products than restaurants, the farm had to work harder to fill each order. Individual consumers also had less predictable ordering patterns. For example, there would be "15 things in a box versus 20 pounds of salad in a box," which increased the time for packing and verifying orders. Paul recalls, "Before, all the restaurants I would require them all order two-pound bags only of salad mix and now I'm dealing with lots of individuals that only get a pound of salad or half a pound of another type of green". Filling orders had become more time consuming because of daily changes to the amount of each type of produce being picked. Sales to individual consumers also resulted in lower profits because they "expect to pay something that's like comparable to a grocery store price" unlike restaurants that appreciate the value and understanding pricing of a premium product. Hannah Brook Farms decided to reduce prices so they can keep selling their produce across the board to both restaurants and individual consumers.

"Prices have probably gone down another 25% because of COVID."

Challenges for Sustainability



The day-to-day operations of the farm appeared to not change much due to COVID-19. Orders come in the night before or same day, produced is picked, packed, and is delivered in the afternoon. At a closer glance, there are more changes than initially noticed. First, the number of small orders being processed each day was much higher, which means more time is used to put together and bag orders. This impacted both the efficiency of filling out each order, and amount of packaging being used for each order. The farm estimates it's used quadruple the number of plastic bags so far to fill all the small orders.

Another impact on the farm's sustainability was the increase in delivery distances to fulfill individual consumer orders. This has increased the amount of carbon emissions made during deliveries and cost of deliveries to account for fuel.

One consideration for ecological sustainability over the long term mentioned by Hannah Brook Farms is the impact that COVID-19 will have on local seed diversity. It may not seem obvious at first, but farming can contribute significantly to the local biodiversity of the ecosystem by increasing the number of varieties of produce grown. Prior to COVID-19, the farm grew about 108 varieties of salad greens for distribution. Due to the reduced restaurant orders, they now only grow about 50% of that. Since restaurants were the main customers for Hannah Brook Farms before COVID-19, much of the biodiversity on the farm can be attributed to the demand from restaurants for

specialty crops. When restaurants shut down suddenly, Hannah Brook Farms had to try to market these crops to new customers or risk losing their investment in the seeds. One concern for future biodiversity is that seed suppliers may stop stocking these lesser grown varieties if there is no demand from farms. This could affect seed diversity in the future and limit the biodiversity on the farm.

"[We] used to spend two to four hours a week on bagging...But now it's like almost somebody's you know half a job. Like they spend four hours a day just putting stuff in bags."

Flexibility: The Key to Success

If Hannah Brook Farms had to pinpoint one lesson for businesses to take away from the COVID-19 pandemic, it would be flexibility. Having a flexible business model on the farm in the past has meant always anticipating changes in the quantity and timing of orders. For instance, the owner mentioned that they always grow an extra row or two of certain greens because they know that restaurants may suddenly want to increase their order. Restaurants change menus quickly, and they often demand their food suppliers to be able to meet their level of flexibility with the produce they supply. Flexibility continues to be critical during COVID-19.

"Well it's a lesson that I learned a long time ago which is why I'm still in business is that you have to be extremely flexible with your business model in order to like adapt to the changing market."

Adapting to New Customers

"You can't be reliant on any few restaurants", asserts Paul. While individual customers do not cover the financial losses from the hotels and restaurants the farm previously serviced, these sales have been enough to keep the farm running. Before the pandemic, they invested in a solar panel powered cooler to hold fresh produce. They credit this addition for their ability to pivot to individual consumer sales because it enabled them to keep produce fresh for customers who couldn't pick up orders right away. Without the cooler, they would have been really challenged to store all the orders for individuals. Other farms considering a shift to more individual sales may want to implement a cooler system as well.

Another way to adapt to new customers is to cater to a variety of needs by adjusting pricing. Hannah Brook Farms recognized that many customers were not willing to pay the higher prices for farm fresh produce so they offered a discounted farmer box. The \$55 farmer box would have



produce chosen by the farm that needed to get picked and was offered at less than half the price of individual orders. This was a good option for both the customer and the farm. Hannah Brook Farms was able to recoup some financial losses from not selling that particular produce, and also reduce the food that would be wasted on the farm.

One silver lining in the boost of tourism in some parts of British Columbia was an increase in sales outside of Vancouver. Hannah Brook Farms embraced the opportunity to sell to other markets, such as Tofino and Haida Gwaii, where they send two full planes of produce a week.

Mentoring Less Experienced Staff

Flexibility in staffing was necessary during COVID-19, mainly because the farm had experience with difficulty finding staff in the past. However, they were able to find less knowledgeable, but motivated workers such as students and first-time farm workers. They found that students tend to be more motivated and hardworking when they know they can apply their hands on learning to their future careers. Hannah Brook Farms was able to get 75% of employees' wages covered by the Canada Emergency Wage Subsidy, which helped offset some of the cost of training and mentoring new staff.

"One benefit is that it's given me much more patience with my employees that are new and as a result they have a much better chance of keeping their jobs."

Written by Jamie Varney and Belinda Li, with files from Tammara Soma. Edited by Tamara Shulman. Quotes throughout the case study are from an interview with Paul Healey. Thank you to Paul Healey and Hannah Brook Farms staff for sharing their insights and experiences, and the farm tour. Revised: 2020 October 5.