



# **Feeding America**: How the Nationwide Network of Food Banks is Building Dignified Solutions to Connect Surplus Food to Those Who Need It

AN INTERVIEW WITH

### Eric Davis and Justin Block of Feeding America

Feeding America's mission is to feed America's hungry through a nationwide network of 200 member food banks and to engage people across the country in the fight to end hunger. To source more meals, Feeding America created MealConnect, an app which makes it easier to connect donors with surplus food





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to their local Feeding America-member food banks and their partners. Amy Ahearn, Associate Director, Acumen, and Alexandria Coari, Capital and Innovation Director, ReFED, spoke to Eric Davis, VP of Retail Product Sourcing at Feeding America, and Justin Block, Managing Director of the MealConnect to gain lessons from their 25 years combined experience in the food recovery sector and hear about the opportunities for continued innovation and partnership they see.

This interview was produced as part of The ReFED Nonprofit Food Recovery Accelerator.

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AMY AHEARN: Can you give us a brief introduction to Feeding America and the innovations like MealConnect that you have developed?

ERIC DAVIS: Feeding America is a nationwide hunger relief organization. Justin and I work for the national organization, which is headquartered in Chicago, IL. We're a network of 200 food banks across the United States and Puerto Rico. Those food banks are independent nonprofit organizations that act as collection and distribution points. There are also smaller organizations that we call agencies. Food banks distribute product to agencies and those agencies in turn distribute product to people in need.

We recover over 3 billion pounds of donated food a year. In many states, we also handle TFAP (The Food Assistance Program). This means that we handle product that is part of commodity buys that then goes to feeding programs like TFAP and SNAP (Supplemental Nutrition Assistance Program).

JUSTIN BLOCK: MealConnect is a technology platform that facilitates many of the operations that Eric just described. It allows our member food banks to manage all of the connections between the grocery stores and their agencies. They can coordinate who's picking up on what day and from whom. It also serves as an easy way to log all that information and submit the data from the



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agency to the food bank and then to Feeding America. We can roll that up into aggregated donor reporting, as well as just general network activity reporting.

There is a smartphone app and public-facing website that allows the food business to post a donation when they have it. Our algorithm notifies the Feeding America-affiliated food bank close by and then starts connecting that donation with vetted agencies that have partnered with the food bank to go pick it up. In some cases, it also allows coordination with volunteer drivers who can pick up that donation and then deliver it to the agency. The majority of food picked up by the Feeding America network of food banks and their agencies comes from retail and consumerfacing businesses, but we also have a fair amount of food that's being rescued more upstream from manufacturers, wholesalers, and produce growers. There's also a function on MealConnect where a warehouse or large supercenter can post donations on the platform when there might be a situation like a rejected delivery or wrong order or a few boxes that were slightly crushed. That donation then gets rerouted to the nearest Feeding America food bank.

ALEXANDRIA COARI: Does the platform also help coordinate volunteers who might be transporting the donated food?

JUSTIN: The food bank has oversight over all the food rescue activity to make sure it's up to our food safety standards. The food banks vet and train volunteer drivers who are on call. When a food business posts product on MealConnect, the algorithms connect it to one of the food bank's agencies. It kicks notifications out to those volunteer drivers to pick up from, for example, Johnny's Taco Stand and deliver the goods to St. Ignatius Food Pantry. It coordinates the dispatching of those volunteer drivers.

ALEXANDRIA: Of the more than 3 billion pounds of food that Feeding America recovers every year, how much would you say of that volume is coming through MealConnect?

JUSTIN: We launched in March of 2014. As of June 30, 2019, we've recovered 1.5 billion pounds and recorded over 3.5 million pickups.

AMY: Wow, that's awesome. What are your respective roles at Feeding America and what brought you to this work?

ERIC: I'm Vice President of Retail
Product Sourcing. I've been with Feeding
America just over 20 years. I manage the
MealConnect group, the retail product
sourcing group (which is all of our
supermarket programs), and the smaller

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group that deals with alternative channels such as online markets and food service, and anything that's not related to a supermarket, but is consumer-facing.

Twenty years ago, I had a skill set that the food banks needed; I had experience with

a process called reclamation and that brought me to this work.

JUSTIN: I'm the Managing Director of Retail Information Systems. I was hired about five and a half years ago by Eric. I was attracted to Feeding America and nonprofit work in general because I really believe that you should endeavor to better the lives of other people through your efforts, not just line your own pockets. Working at a large national nonprofit allows me to have some impact and better people's lives across the country.

AMY: Given Feeding America's long history and significant assets and scale, you are uniquely positioned to act as a hub for innovation. What opportunities do you see for others to build upon the work you've done? What types of partnerships might make sense?

JUSTIN: There continues to be room to innovate. In the last forty years that the Feeding America network has existed, we've worked on getting food from the top of the supply chain down—

from the food businesses either to the food bank or directly to the partner agencies. The logistical challenges with transferring this food are going to be ever-present, but we are

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chipping away at them each year. I think that there's a lot of room for innovation at that last-mile of getting food to the client. Innovation and technology advancement can't happen without taking food safety into consideration, and those operating standards have been the hallmark of our network for decades, but I think there are opportunities for last-mile solutions that would complement our network efforts pretty nicely.

We are working on some of those innovations at the national office and in concert with our network. Ultimately, I think that's going to be the next big challenge. ERIC: When I came to Feeding America some twenty years ago, most of the product that went through the food banking and agency network was non-perishable, shelfstable food coming from manufacturers and warehouses. It was overstock, closed dated product and, in a sense, food banks were the recipients of waste or mistakes. As they became more and more efficient, we started to look down the food chain, so to speak. We worked with retailers to implement programs to recover product from the back of the store that was no longer marketable to customers, but still usable and had shelf-life remaining. Now, we are rapidly approaching the end of the road: we know there's still some product available that can

be picked up on weekends, for example, but eventually we will run out of growth in that area. Retailers will also continue to become more and more efficient getting product to the stores and having less waste.

As we look ahead, we know that the donations that we're going to need to figure out how to receive are going to continue to be highly perishable and the quantities we get per pickup are going to be smaller. Instead of picking up a semitruck full of food, we're now working to collect smaller amounts of food at a time and that comes with different challenges. There's a difference between picking up 500 pounds of product in a climatecontrolled vehicle as opposed to going to a restaurant or a cafeteria and picking up 20 pounds of product. The cost model to move that smaller quantity of food safely in a temperature-controlled environment is quite different than a truckload of nonperishables. As a hunger relief organization, we need to learn to do small donations in a cost-effective manner. If it costs you more to pick that product up and distribute it than it does to buy it, then it makes no sense from an economic standpoint. We brought on Justin because we recognized he had the skill set to identify technological solutions for us. We still haven't really cracked that last-mile. We need to figure out that last-mile.

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AMY: That summary of the history and evolution of this sector is so important. Now I'd like to learn more about the history of specific initiatives at Feeding America, specifically MealConnect. When did it start? What problem were you trying to solve when you developed it? How has it evolved since then?

JUSTIN: As Eric was mentioning, manufacturing donations started to plateau in the 1990s. He was hired to develop the donation program with retailers around the country. Our food banks used to be the hub for receiving product and then food pantries or smaller soup kitchens would come to the food bank to get the donations, but the retail program was growing so rapidly that it started to exceed our brick and mortar capacity.

We started to shift so that partner agencies would go to stores directly and simply tell the food banks what they were picking up. This increased the physical capacity of our network dramatically which is important because you could preserve the remaining shelf life of perishable products. Now, instead of coming to the food bank, the



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product could go directly to an agency to be served later that day. It was in early 2010 when this model really started to evolve dramatically. This new model brought new complications. If you're a food bank you operate with limited resources, as most nonprofits do, and you can't devote a lot of staff time to managing all these connections between grocery stores and agencies. You don't have a lot of time to chase down all the data you need.

By 2014 we needed MealConnect to help the food bank efficiently and effectively manage the potentially hundreds of connections between grocery stores, pickup partners, and agencies. It also gave the agencies a really easy way to quickly submit the data about those pickups back to the food bank and to Feeding America so that we could have a better sense of all the activity around the country and understand the opportunities.

AMY: That's really helpful. What did your initial prototype for MealConnect look like? When did you start to build out a team of engineers? How has the team and product evolved to where you are now?

JUSTIN: It started with a basic prototype we developed with some seed money gifted by the Walmart Foundation and piloted in a few food banks. We collected input from the food banks on the design and functionality of features, and began scaling with the support of a grant from Google.org.

In 2016, with the funding partnership with General Mills, we started to add on additional features like a smartphone app and the algorithm that allows a business to post product whenever they have it. Now we have a team of five with some off-site developers. We manage several thousand users: 27,000 donor locations and almost 9,000 food banks and their partner agencies.

ERIC: Food donor organizations and funders were typically more interested in programs that helped them directly see food coming through the doors of food banks. So Feeding America had to do a lot of sales and marketing to organizations to help them understand that, as a network, we needed this sort of application for us to continue to grow. To their testament, we did eventually find funders that saw there would be a benefit to this platform. In many cases, they were retail partners who were going through technology upgrades on their own so they got it and were able to fund MealConnect.

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AMY: That's what I was going to ask you about next: what is the funding model powering this work? It is available for free, right? And have you ever considered charging for it?

ERIC: MealConnect is now part of our operational budget. As we expand it, we go out and find funders, typically those that we have worked with and understand technology. In many cases they are repeat funders for the MealConnect application. The reason it's free is that we're part of a network so we either have to raise the money to support it, or the food banks have to raise the money to support it.

We feel like from a centralized location, it's probably a little bit easier for us to do it as the network. It would be difficult for some of the food banks to individually raise the funds to pay for a piece of technology like



that. There's very little that we would ever charge our food bank members for. They do pay a small membership fee to be part of Feeding America, but, for the most part, we raise the funding for all the services that we provide them.

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JUSTIN: A big reason why we want to offer a MealConnect for free not only to our members food banks, but also to the donor organizations, soup kitchens, food pantries, and volunteers is to remove barriers for food donation. We want to increase the volume and velocity of donated food running through our network. If you're charging, you run the risk of putting a barrier in front of somebody to do the work that we're trying to incentivize.

I think Eric is exactly right that, because of the reputation of Feeding America and the work that MealConnect is already accomplishing, our funding partners continue to see value in supporting its development.

ALEXANDRIA: Do you use the platform to track tax donation credits and share that back with donors? Have you ever thought about whether there is a way to monetize the app by taking a percentage of the tax credits that donors might receive?

ERIC: There's a lot of complexities there. I can't tell you exactly how they calculate their tax data. We do provide them with data on what they're donating to us and we do sign off on 8382 reports. However the calculations about how they take a tax deduction is really in the hands of the

donors. All we want to do on our end is report back and verify what they actually donate.

For many food companies, the tax deduction is realized at the corporate level, not at the unit level. So the store on your corner does not see the tax benefit so there's really no incentive for them to donate other than it's a program that their corporation runs, and they want to support their local food banks.

We've never had a lot of luck or traction with recovering tax donation incentives and, to be honest, most corporations will not share that information publicly or with you. We don't really know what the value is, but we've been told over the years that many of the large companies reached the ceiling on tax deductions for all of the other things they do and donate.

ALEXANDRIA: That's very helpful. We we've been having conversations with retailers on this topic of maximizing donation tax incentives and whether they are leveraging that opportunity as much as they could. We're learning that it really depends on the accountant and whether he or she has all the information they need and whether it ends up being worth it to file for these at the end of the day. This also has a lot to do with the size of the donor as well. We have a hypothesis that

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recovery organizations are going to have to provide a large amount of support in order to help donor organizations realize these tax credits.

ERIC: Yes, I agree. I think people lose track of the fact that, for these retailers, the amount of product that's donated to us is probably less than half of one percent of their sales. So if I'm a company that's doing the right thing and trying to turn a profit, this is not at the top of my priority list.

JUSTIN: I'd like to underscore that complexity that Alex was talking about. Rescuing food safely is not an easy thing to do consistently at scale. Entering into a service agreement where money is changing hands means you're making awfully big promises that need to be delivered upon day in and day out. If somebody suggested that we start charging for use of MealConnect, they're going to expect a certain service level because they pay for it. And if it falls below that, then they'd start to wonder why they'd entered into this agreement in the first place.



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AMY: Any other major lessons that you've learned from developing MealConnect that you think others can learn from? What would you change if you had to start again?

JUSTIN: I'm constantly reminded that technology is not a solution. It's the people doing the work. The technology just makes it easier. It's great to talk about MealConnect in terms of billions of pounds and millions of pickups and thousands of this and thousands of that, but at the end of the day, it's still people doing the work. We shouldn't lose sight of the people doing the work.

ERIC: I would agree. Our best and most productive programs are not ad hoc donations. They are scheduled pickups that become part of our donors' operations. They know there's going to be somebody from the food bank at their receiving dock, five days a week. It's part of their normal everyday workload. We have people from the food bank who are boots on the ground and visit all of those locations regularly to make sure they know when there's turnover and that the new people at a retail organization know what's going on. It's easy to say that this is a program the donor should manage on their end. The reality is that food banks probably manage that program more than you would think.

Ad hoc donations are great. We believe they are a stepping stone to scheduled, uniform donations being part of their business model. We think they're vital, but the reality is that, operationally, you want the donor to know when you're going to be there and make it part of their process. That is the most productive way that we've found in over 20 years of doing this work.

AMY: We're seeing a proliferation of apps in this space. From your perspective, are there ways that other groups or nonprofits should be thinking about linking up or partnering with MealConnect, versus reinventing the wheel? Or how do they build upon what you're already doing?

JUSTIN: When you come to this problem for the first time, you might see that there's a restaurant with surplus food and a hungry person on the corner. The obvious idea might be to create an app to make that go away or solve that problem. I think that it's an altruistic, but simplistic view of the real underlying issue that goes beyond just logistics. There are so many issues around stigma and dignity and systemic issues that we need to address more holistically. There's a lot to unpack.

ERIC: From an operational standpoint, the issue will never be how many applications

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are out there; it's going to be capacity to take the food that's available. We basically rely on food to get distributed by individuals at agencies that are run by volunteers. Those volunteers are aging out, and they are not necessarily reliable in terms of showing up because they're not getting paid. We hear from food banks that when we push them to go more often and pick up more donations, they run out of local organizations and volunteers that can facilitate those pickups. So as more and more apps are coming out, they're looking at these local grassroots organizations to fill their operational gaps and, at some point, we run out of capacity. I would like to think that in four or five years we're going to figure out how to get food from the donor directly the recipient so we're not relying on somebody running an agency with a truck and volunteers to pick up that product up and then redistribute. Ultimately the goal would be to get the product from the donor directly the recipients. And that's not an easy task.



ALEXANDRIA: Are you thinking about partnerships with companies like UberEats or DoorDash who have the connections to drivers and the logistics platform?

ERIC: We continue to have conversations with organizations like these. Our main programs are moving large quantities of food, and that does not fit with a delivery-

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type driver because they can't pick up two pallets of food from a Walmart, at least not yet. They're not really in a position to help us with manufacturing donors, or retail supermarkets. Currently we're picking up from 22,000 supermarket locations and they are positioned to pick up from food service and restaurants. They're also not necessarily a whole lot more reliable than volunteers because you're relying on available capacity and their primary goal is to deliver for-profit food or to pick up clients. I'm not saying that they're not a viable option or a supporting option to volunteers, but they don't fix it entirely. They're just another option for nonprofits to move food around.

Once again, you have to weigh the cost of picking up the food versus buying food. Generally speaking, if food is handled properly, the cost is somewhere probably over \$1 per pound or \$1.50 per pound to transport it. When you get to that point, you have to start thinking about how you could buy produce for that same amount. There are hundreds of millions and probably billions of pounds of produce that don't get to where they're supposed to go because of transportation costs. You have to start asking why we are picking up from a restaurant or a food service location—because it's sexy? Or is it real? Is it cost effective? Sometimes we make hard

decisions because we look at the product and decide it's not nutritious. We could get different food cheaper. It's a constant battle. We are trying to figure out that food service channel, but we haven't figured out how to do it cost effectively yet.

AMY: Obviously, you have years of experience brokering partnerships and thinking about the complexities of this sector, what would you tell other nonprofits thinking about innovating in this space to keep in mind?

ERIC: From my point of view, don't be afraid to get outside the box. Everything that we've done, that's worked—from figuring out retail donations to MealConnect—were things that people looked at us and said: "You're crazy. We can't do that."

Generally other people are helping bring ideas to us. They're saying: "Hey, did you think about this?" So think outside of the box and don't operate in a vacuum. There are people out there that can help and are probably smarter than you are. There are certainly people out there smarter than I am.

JUSTIN: You need to balance that out of the box thinking with keeping the recipient—the food insecure individual—at the center of the process. When you think about going directly from donor to recipient, what does

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that mean? Is that offering the variety that the person needs? How do you account for their dietary restrictions or preferences? How do we make sure that we are not sacrificing dignity and choice and a feeling of wholeness for logistical ease?

ERIC: Pure waste reduction does not necessarily benefit somebody who's hungry. So if all we're giving them are pastries and bread and bakery, we're really not doing them a service

ALEXANDRIA: What's the next challenge or opportunity for Feeding America and MealConnect? How might others help you reach these goals?

ERIC: We know there's still a substantial amount of retail food available. We have some infrastructure issues we need to address.

While we're getting better and better at produce, we know that we're still only scratching the surface there. Ten years ago, we were recovering 450 million pounds of produce and now we're recovering 860 million pounds of produce, but everybody in the organization believes that there's probably two or three times that amount available. We just need to figure out how to get it where we want it in a cost-effective manner.

We also have a small department that looks at alternative channels, like our Starbucks program, but we will focus on where our largest opportunities are.

JUSTIN: On the MealConnect side, we have a couple of different irons in the fire. One of them is facilitating a digital pantry to a "click and collect model" for food insecure



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folks to shop a food bank's inventory system and then pick it up at a location like a library or church. Overall, it's about increasing connectedness and decreasing friction points. If I had to call out a mantra for any new tech startup that's looking to have an impact it would be to decrease friction points in the whole food recovery transaction.

ALEXANDRIA: How do you decide what to build in house vs. when to partner with others? Is there ever a nonprofit acquisition you would consider? For example, if you see a great tech product being built by another organization, would you ever consider acquiring that vs. building it yourself in house?

JUSTIN: From a technology perspective, partnerships are always interesting. I'm always interested in speaking to folks who are doing similar work or developing applications or technology that might be complementary. There are areas where we

may have less expertise or the technology could be additive to our work so I'd be all about listening and figuring out how to make something work.

ERIC: When some people find out how complicated our network is—both structurally and in terms of tech—that can become a hurdle for a small startup to be able to talk to all of those food banks with different systems. We struggle with that on our end at times. We're more or less a bottom up organization so while we do try to set direction and lead our food banks, they have a strong voice and in our strategy.

AMY: This has been really helpful. Thanks for all your thought leadership.

ERIC: Thank you.

JUSTIN: Happy to help.

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