



How We Stop Wasting Food

August 10, 2020

Getting surplus food into the mouths of the hungry is more complicated than it seems. Join our moderator, Hugo, and portfolio manager, Simon, for a conversation with Laura Winningham, CEO of City Harvest London, which has rescued 4,000 tons of surplus food and delivered 10 million meals to those in need.

Laura's comments are edited excerpts from our podcast, which you can listen to in full below. (33:01)

https://media.blubrry.com/the_active_share/b/content.blubrry.com/the_active_share/The_Active_Share_Laura_Winningham

Why did you start City Harvest London?

Laura: I was aware of food rescue efforts in other major cities around the world, but when I arrived in London 12 years ago, there really was no one doing this—rescuing perfectly edible surplus food that's unused for any number of reasons, such as oversupply or mislabeling.

How did you get your arms around the program? How did you discover how much food was being wasted and how many people were going hungry?

Laura: The United Kingdom, unlike other first-world countries, didn't keep food poverty statistics. But we had information on poverty and could infer that people were hungry. So we started small, collecting food from Whole Foods Kensington and delivering it to one church in West London. From that point, we could see how great the need was.

Then, a couple of years ago, Bain & Company did some pro bono work for us so we could have numbers

surrounding food poverty and food waste. From that research, we learned that in London, every month, 9.2 million meals are missed by people living in food poverty, and 13.3 million meals are wasted by businesses. So there's more than enough food being wasted to feed people every meal that they're missing.

How did you identify who the big food wasters were, and how do you get them on board to help?

Laura: Given limited data, it involved networking—speaking to companies one at a time. At the time, the media was starting to look at food waste and supermarkets were getting into trouble on social media, so they were interested in speaking to us.

So it's not that people don't want to help; they just need a solution that is fairly frictionless?

Laura: Exactly. And the challenges differ by business.

In an average supermarket, the person by the back door is making the decision about whether to chuck the food or put it safely aside for us to collect. Because there's high turnover, even if we introduce the concept of donating surplus food, when the person by the back door changes, we're back to square one.

Manufacturers have surplus food coming out of assembly lines, but those assembly lines are efficient, and manufacturers don't want to add the extra cost of stepping in and collecting the surplus. They also might not have storage facilities.

So, we work with each potential donor to understand its needs and how we could offer a frictionless solutions.

Can you share a success story?

Laura: Nando's restaurants were throwing out a lot of edible chicken because its moisture decreased after a couple of hours. So they started putting the chicken pieces in freezer bags in a dedicated freezer. City Harvest came in, went to the freezer, picked up the chicken pieces, and left. So it was as easy for the restaurant to give us the chicken as it would have been to throw it out. That's the best-case scenario. The supplier is happy it is donating, and there's no extra work or cost.

How often do you try to partner with a producer of surplus food and find it just too difficult to make it work?

Laura: Once we get our foot in the door, the relationship rarely ends. The hardest part is getting in. Sometimes someone will call us and ask for help, but when we get in the door, senior management isn't interested. It could be generational. Younger people are more focused on food waste and the environment, so maybe 10 years from now, when the people that are calling me are in more senior positions, things will be different.

How much surplus food is still out there to be captured?

Laura: Pre-crisis, some weeks we were rescuing 30 tons of food, around 65,000 meals. We just had a 70-ton week, around 150,000 meals. People who come to our West London depot are stunned by the volume of food they see, but it's just the tip of the iceberg. We're probably collecting 3% of what's out there. I think as investors start to ask more questions, changes will be made. But those questions aren't necessarily being asked as much as they should be.

Is there an ESG or reputational angle here, so in time stakeholders in companies will be asking these sorts of questions much more?

Laura: I think the focus on ESG actually could make a difference. In a couple instances, I have seen a shareholder of a company step in and drive change. And the companies that were influenced really felt good about it afterward; they actually didn't know there was a solution.

So I'm confident that it will change. The food is there; companies just aren't being forced to do anything about it at this point. I understand there would be a cost for them to put aside the food, so I'm not minimizing that. But if there's edible food, it shouldn't be wasted when thousands of people are going hungry. And when it goes to landfill, it's so detrimental to the environment.

Let's talk about the demand side—how you increase awareness so the hungry can find you.

Laura: I think that side of the business benefited from my background as a financial analyst. There was no centralized list of community organizations preparing meals for vulnerable people, so I spent a year researching it. Now, I have a Google map of 1,300 community organizations we could be delivering to. We deliver to 300 and have a waitlist of 200 organizations. Many of these places we deliver to aren't just simply feeding people; they're using the food as a tool to bring people in, often to give them other services.

You've grown very fast and are in every borough right now. How do you manage that intense growth?

Laura: It's logistically complicated because we don't know what food is coming in each day. And the charities have many different dietary requirements and are open different times of day. I wish I could say technology made it all possible—we do have an app that routes our fleet of 14 vans—but it takes a lot of human interactions to make it work each day. We have a logistics team that just sits and tries to figure it out.

What makes it so complicated?

Laura: Our drivers are not just collecting then delivering. The routes go pickup, pickup, delivery, pickup, delivery. We also have ad-hoc calls coming in, sometimes from film shoots, and drivers don't know how much food is going to be donated at each stop. So they have to make decisions along the way. If they're going to a charity that helps children, they'll take the produce from the first donation stop and put it aside so that the children get the ripe fruit and vegetables.

On what does future growth depend?

Laura: We'll always be limited by funding because we're a charity. Vans and paid drivers have to be added to the fleet for us to be able to grow. All in, it costs us around £50,000 to keep a van rolling each year. But we get the food

for free, and the charities that get that food can use their food budgets for other essential services. The ripple effect is huge. One van can redistribute around £500,000 a year in value. That's a 10:1 ratio.

Could you talk about the funding landscape?

Laura: A couple of years ago, we were dependent on a few private donors. That's grown, and we've had more corporate engagement, like William Blair. Now we're looking at things like corporate sponsorships for the vans.

Has the current pandemic-related crisis changed the landscape?

Laura: There's tremendous hunger that people don't know about—a sort of hidden hunger. It's the working poor—people who have jobs but at the end of the month don't have money for food. I think this crisis has brought that to light. Companies that were making generous donations to food aid in Africa are starting to wake up to the fact that in addition to that problem, there's a problem in their backyard.

If you were prime minister for a week, what would you do to help City Harvest?

Laura: A couple of years ago, I would have said the government should stay out of it, but I've changed my mind a little. Because there's so much food surplus, there might have to be some legislation. I think companies have to be more transparent in reporting their food. And there are also subsidies that make it less expensive for companies to send edible and inedible food waste to anaerobic digestion, which disincentivizes food donation.

What might accelerate giving, so every organization that has surplus food donates it?

Laura: Awareness is needed, and I think the current crisis will actually lead to long-lasting change. At the beginning of the crisis, people just wanted to do something. But places with food surplus have found that their employees enjoy giving back; it makes their lives better.

This is what we've told food companies all along. For example, the Nando's chicken donation program came about because Nando's canvassed its employees and asked, "What can make your life better?" It wasn't about the environment, and it wasn't about food waste. Employees said, "Throwing out food is depressing."

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