

**FOOD WASTE CASE STUDY: EMPOWER CITIES TO PREVENT, RESCUE, AND RECYCLE**

# BON APPÉTIT'S IMPERFECTLY DELICIOUS PRODUCE

## INNOVATIVE PURCHASING SYSTEM REDUCES COSTS AND CUTS WASTE BY RESCUING UGLY BUT DELICIOUS PRODUCE



IMPERFECT CARROTS AT RALPH'S GREENHOUSE IN MT. VERNON, WASHINGTON

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**LOCATION:**

33 states across the United States, headquartered in California

**DATE STARTED:**

May 2014

**LEAD ORGANIZATION NAME:**

Bon Appétit Management Company & Compass Group USA

**ORGANIZATION TYPE:**

Bon Appétit is a subsidiary of Compass Group USA, the largest food-service company in the United States, serving 8 million meals a day

**STRATEGY IN A NUTSHELL:**

Purchasing program, Imperfectly Delicious Produce, rescues flavorful but cosmetically imperfect produce and underused parts of fruits and vegetables from farms and distributors

**PARTNER ORGANIZATIONS:**

Farms, distributors, and chefs throughout Bon Appétit

**TYPE OF FOOD:**

Produce

**ORGANIC WASTE DIVERTED FROM LANDFILL:**

More than 2 million pounds of produce annually

**GHG EMISSIONS AVOIDED:**

1,301 metric tons CO<sub>2</sub> equivalent/ year<sup>1</sup>

**OTHER KEY METRICS TO DATE:**

Financial Savings—Imperfectly Delicious Produce costs an average of anywhere from 13 to 56 percent less than alternatives. Water Savings—The embedded water saved is estimated to be 40 million gallons (20 gallons/pound of produce)

### THE CHALLENGE AND OPPORTUNITY

Produce that fails to meet commercial standards for appearance is often left unharvested, rejected at the packing shed, or discarded on the farm. ReFED, a multi-stakeholder nonprofit focused on reducing U.S. food waste, estimates that more than 20 billion pounds of fresh produce are left in the fields.<sup>2</sup> This is largely because the produce fails to meet stringent cosmetic standards for color, shape, weight, or size. In addition, some edible vegetable parts that can be incorporated into recipes are considered unsellable and trimmed off or left in the fields.

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This results in significant losses of the water, agricultural chemicals, labor, and other inputs used to grow this produce. Strict cosmetic standards can also prevent farmers from selling a significant portion of their crops, particularly when difficult growing conditions increase rates of imperfection.

To help tackle this problem, Bon Appétit Management Company launched the Imperfectly Delicious Produce (IDP) program in May 2014. The program aims to save cosmetically imperfect produce from going to waste. Bon Appétit's chefs cook from scratch, making the food-service provider an ideal industry champion for creative approaches for imperfect produce. While flavor is paramount to Bon Appétit's chefs, the produce's appearance and size are often incidental to taste.

## RECIPE FOR SUCCESS

During the summer of 2013, Bon Appétit Co-Founder and Chief Executive Officer Fedele Bauccio visited a range of large-scale farms, which sparked his commitment to minimizing food waste across his company's supply chain.

"He had a visceral reaction to the scale of waste," explains Claire Cummings, waste programs manager at Bon Appétit. "The true inspiration for the program was, frankly, seeing all the waste on farms. It's appalling, it's frightening, and it's compelling enough to make you want to do something about it."<sup>3</sup>

Bauccio's increased awareness spurred Bon Appétit's leadership to invest in staff and programming to minimize food waste across the company's supply chain.

"We've long tried to address waste in our kitchens and cafés, and Imperfectly Delicious Produce takes us a step forward by moving up the supply chain to work with our farmers and distributors," says Bauccio. "Being a leader in more sustainable food service means stopping perfectly good food from going to waste wherever we find it happening."<sup>4</sup>

Bon Appétit teamed up with its parent company, Compass Group USA, the largest food-service company in the United States, and its extensive supplier network to evaluate opportunities to prevent waste across the supply chain and roll out the IDP program state by state.

"We work with farmers, small and large, to identify produce that can be rescued; distributors, to set up the systems for purchasing and transporting the produce to our cafés; and chefs, to find creative ways to incorporate the produce into menus," says Cummings.

Bon Appétit was the first major food-service provider to establish a formal purchasing program in partnership with its distributors and major suppliers to use imperfect produce. The program started in 2014 with successful pilots in California, Pennsylvania, and the State of Washington. Within the first three months of the pilot, Bon Appétit recovered 10,000 pounds of produce spanning 31 varieties of fruits and vegetables – from kale leaves to twisted organic carrots. The program was next expanded to Oregon and Washington, D.C. As of February 2017, Bon Appétit had launched IDP in

## ABOUT BON APPÉTIT

Bon Appétit Management Company is a food-service company that provides on-site food services to corporations, universities, and museums in 33 states. The company serves 200 million meals each year. Bon Appétit has won many awards for its sustainability efforts and is among the first food-service companies to commit to these sustainability practices:

- supporting local agriculture companywide (since 1999)
- striving to serve only seafood that meets Seafood Watch sustainability guidelines (since 2002)
- reducing non-therapeutic antibiotic use in farm animals (since 2003)
- switching to rBGH-free milk (since 2003)
- offering 100 percent cage-free eggs (since 2005; pre-cracked/liquid since 2016)
- tackling the role of food in climate change, with the launch of the Low-Carbon Diet program (since 2007)
- upholding farmworkers' rights, since becoming the first food-service company to sign onto the Coalition of Immokalee Workers' Campaign for Fair Food (2009)
- switching to humanely raised ground beef (since 2012)
- phasing out all pork raised in gestation crates (since 2016)

30 states, while also drawing on Compass Group's broader network of suppliers to have an even greater impact.

"Every time we roll out IDP in a new state, we learn something new from local partners," says Cummings. In each new state, Bon Appétit representatives walk the fields with farmers, visit aggregators' produce processing facilities, and consult local chefs to identify better processes for preventing food waste. These in-person meetings also allow Bon Appétit to explain IDP produce-grading expectations, clarifying product standards for imperfect produce through use of photos and descriptions.

"We do a lot of training for produce houses, distributors, and farmers to educate them about products that meet the IDP produce tiers and characteristics we've laid out," explains Cummings, who helped write the IDP selection standards with extensive input from Bon Appétit's network. "We also do extensive due diligence to ensure that we're diverting produce that would have gone to waste, not buying a lower grade product from another food market, such as tomatoes that would have been canned or scarred lemons that would have gone to juicing."

Bon Appétit's chefs welcome imperfect produce and have been able to easily and creatively integrate off-size or misshapen ingredients into their recipes. They have also been excited to use plant parts that are typically underused, such as mushroom stems (rather than caps) for making mushroom

soup. Persuading the chefs to start using these new products has been the easy part – getting the products into distribution is the real challenge, according to Cummings.

By the end of 2017, Bon Appétit aims to integrate IDP's produce grading system – which identifies overlooked produce in the supply chain that is likely to get wasted, classifies it, and recommends options for use – across all 33 states in which the company operates.

“We're pleased to be able to take this program all across the country,” says Christine Seitz, vice president of culinary for Compass Group USA Business Excellence. “Creating a new supply chain for a product such as inconsistently sized organic Yukon gold potatoes that no one previously wanted isn't easy, but it pays dividends in all sorts of ways.”<sup>5</sup>

Cummings adds, “Expanding similar programs throughout the food-service industry will have positive implications for the efficient use of natural resources and increased income for the agricultural community.”

After two-and-a-half years of operation, the program's rapid growth and food recovery rate is remarkable, though there are many opportunities for further expansion. Once Bon Appétit has integrated IDP into its national operations, there will still be opportunities to add new products and suppliers into the program.

“We have already saved over 2 million pounds and over 50 different varieties of produce from going to waste,” says Cummings. “By expanding the program, we are able to continue to prevent waste in the supply chain and reduce the negative impact it has on our environment while putting money back in the pockets of farmers.”

## KEY SUCCESS FACTORS

### **DETAILED COMMUNICATION BETWEEN CHEFS, DISTRIBUTORS, AND FARMERS IS ESSENTIAL FOR A SUCCESSFUL PURCHASING PROGRAM.**

Chefs need to be involved when imperfect produce is introduced into the supply chain. The cosmetic attributes of fruits and vegetables, such as shape, size, and superficial blemishes, can sometimes influence how a chef can incorporate fruits and vegetables into dishes, along with the labor time and skills needed to prepare them.

“Identifying the flaws up front sounds easy, but in reality is quite difficult,” explains Cummings. “It requires the farmer to notify the distributor of what's wrong with the product, and then the distributor needs to have a reliable system for describing imperfections. Meanwhile, every chef has a different method for ordering ingredients – some order online, some call in, different staff order on different days – which increases the difficulty of sharing the more nuanced product information.”

**INTEGRATE REGIONAL DISTRIBUTORS EARLY TO TRAIN A NEW NETWORK OF FARMS.** Purchasing is commonly handled through independent, regional distributors that have their own networks of growers. Consequently, it often takes time to expand IDP to new locations. Cummings explains, “Each new IDP launch requires Bon Appétit to meet with distributors and their networks of growers to figure out how to integrate

the IDP produce selection with their unique existing processes and systems.”

### **USE CONSISTENT PRODUCE DESCRIPTIONS AND CLEAR STANDARDS TO HELP CHEFS AND FARMERS IDENTIFY IMPERFECT PRODUCE THAT MEETS BUYERS' REQUIREMENTS.**

Clear standards for IDP products are key for long-term program success so that everyone along the supply chain can reliably ensure that products meet all safety standards. Clear communication up and down the supply chain is important, particularly because IDP standards challenge existing norms for produce classifications.

“Typically, farms say that they don't have any products to sell in our IDP program,” says Cummings. “When our teams later visit farms, however, we discover they have a range of great imperfect produce. The farmers don't even realize there's a market for these items, such as clipped, second-harvest spinach leaves, because of long-standing cultural norms.”

### **TRACK AND PROMOTE THE MANY BENEFITS OF RESCUING IMPERFECT PRODUCE, INCLUDING PUTTING MONEY BACK IN FARMERS' POCKETS.**

Bon Appétit has purchased more than 2 million pounds of produce that would otherwise have gone to waste. Rescuing this produce enables farms to generate revenue from these products, while using water, fertilizer, and other agricultural inputs more efficiently by increasing the amount of fruits and vegetables sold per acre of production. Farmers in the IDP program receive a better price for selling their fresh produce than they would have through other supply chains, such as canning or juicing.

### **PROMOTE SAVINGS ON FOOD COSTS TO ENCOURAGE COMPANIES THROUGHOUT THE SUPPLY CHAIN TO RESCUE IMPERFECT PRODUCE.**

Bon Appétit pays an average of anywhere from 13 to 56 percent less for the imperfect produce purchased through its IDP program than for alternative products. This could potentially provide significant financial savings for Bon Appétit as overall food costs decrease for the same high-quality dishes.

## SUPPORTING ROLES FOR CITIES

Bon Appétit's Imperfectly Delicious Program demonstrates the opportunity for food businesses to reduce food waste, support local farmers, and maintain or improve cost-effectiveness. It also models the type of practices that cities can emulate and encourage in their own food procurement practices. For example, in Los Angeles, the Good Food Purchasing Policy directs Los Angeles County government agencies to procure food that adheres to a set of values that includes supporting local economies, environmental sustainability, fair labor practices, animal welfare, and healthy food.

## EQUITY IMPACT

Bon Appétit's IDP program works with farmers to identify produce that can be rescued and with distributors to set up the systems for purchasing and transporting produce to its cafés. Providing a market for imperfect crops that would otherwise go to waste can potentially help farms produce more efficiently while generating income from products that would otherwise go unsold.

## FRUITS AND VEGETABLES RESCUED THROUGH THE IMPERFECTLY DELICIOUS PRODUCE PROGRAM

Bon Appétit's IDP program has recovered more than 50 varieties of fruits and vegetables to date. Here are a few examples:

- **TWISTED CARROTS** that aren't the right size or shape usually get tossed. Prior to IDP, farmers harvested all their imperfect carrots and removed them from the fields to avoid attracting a common carrot pest. Now farmers can set aside carrots for sale through IDP for use in a variety of recipes, from soups to salads.
- **HYDROPONIC LETTUCES** are sometimes slightly too small or have tiny yellow spots on the leaves. Due to these cosmetic imperfections, about 10 percent of every crop is disqualified from primary markets. Normally, the lettuces are packaged in expensive clamshells, but for IDP, Bon Appétit worked with farmers to package them more affordably so that it's more cost-effective to rescue and sell the product.
- **PORTOBELLO MUSHROOM STEMS** are often left behind after the mushrooms are processed and stemmed, as mushroom caps are generally considered most valuable. However, stems can be used for stock or sauces once they are sent through a food processor. While sometimes tough, these overlooked parts of the plant are packed with flavor.
- **CASCADE GREENS** come from the inside portion of a head of romaine lettuce. The greens are too small to be sold as lettuce for sandwiches and are typically discarded, but can be used in a variety of other applications.
- **OUTER ROMAINE LEAVES** are left in the fields as workers peel the heads of romaine lettuce to get at the hearts. An average of more than 20,000 pounds of romaine leaves per acre are left in the fields after harvest, but Bon Appétit chefs can now use these leaves in recipes, such as for stir-fries or vegetable wraps.
- **BROCCOLI STALKS** are wasted in enormous quantities. For instance, about 12 million pounds of broccoli stalks go to waste on just one farm in California every year. As crews comb through the field and harvest broccoli florets, they toss the stalks on the ground to be disced under and wasted. Now, Bon Appétit makes one-half-inch diced broccoli stalks available for chefs to order and incorporate into their recipes.

### ENDNOTES

- 1 Based on calculation using the EPA Waste Reduction Model (WARM) Version 14. Assumes the produce would have been landfilled. <https://www.epa.gov/warm/versions-waste-reduction-model-warm#WARM Tool V14>.
- 2 ReFED, *A Roadmap to Reduce U.S. Food Waste by 20 Percent* (2016), [https://www.refed.com/downloads/ReFED\\_Report\\_2016.pdf](https://www.refed.com/downloads/ReFED_Report_2016.pdf).
- 3 Claire Cummings, waste specialist for Bon Appétit, phone conversation, December 8, 2016.
- 4 Ibid.
- 5 Bon Appetit Management Company, *Compass Group USA and Bon Appetit Launch Imperfectly Delicious Produce Program*, 2015, <http://www.bamco.com/press-releases/bon-appetit-management-co-compass-group-usa-launch-imperfectly-delicious-produce-program-fight-food-waste-help-farmers/>.

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### About NRDC

The Natural Resources Defense Council is an international nonprofit environmental organization with more than 3 million members and online activists. Since 1970, our lawyers, scientists, and other environmental specialists have worked to protect the world's natural resources, public health, and the environment. NRDC has offices in New York City, Washington, D.C., Los Angeles, San Francisco, Chicago, Montana, and Beijing. Visit us at [nrdc.org](http://nrdc.org).

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