

Institutional Buyer Landscape for Food Products & Services

For Central Brooklyn Food Democracy Project Cooperatives



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Photographs were provided by RiseBoro Community Partnership.

Pratt Center for Community Development brings 60 years of experience working with New York City's low-income communities of color in pursuit of a more just, equitable, and sustainable city. Our approach combines participatory planning, community organizing and education, research and policy advocacy to advance innovative solutions to social, economic and environmental inequalities in partnership with small businesses, community-based organizations, and policymakers.

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1. Introduction



This report provides RiseBoro Community Partnership and the Central Brooklyn Food Democracy Project network of cooperatives with a broad sense of the institutional procurement landscape in the local food sector, a framework for assessing institutional buyers, a summary of findings and assessment of institutional buyers based on interviews and other research, recommendations for co-ops growth and how RiseBoro can support them, and resources for further learning.

Project Background and Goals

RiseBoro, a community organization in Brooklyn, and its Central Brooklyn Food Democracy Project (CBFDP) and the Worker-Owned Cooperatives along the food supply chain that it has incubated and supported since 2020, seek to create an integrated strategy to secure built-in markets with institutional buyers and anchor institutions for cooperatives individually and as a network. As part of RiseBoro and CBFDP’s market-building initiative, Pratt Center for Community Development (Pratt Center) engaged in research to assess the landscape of institutional procurement of food goods and services in New York City and opportunities for RiseBoro and the CBFDP network of cooperatives.

Our goals for this research were to:

- Assess the landscape of institutional procurement of food goods & services in New York City, with a focus on Central Brooklyn
- Create a framework and tools for RiseBoro and co-ops to assess institutional buyer opportunities
- Identify opportunities and recommendations to inform RiseBoro’s services and strategy for helping co-ops grow through an institutional buyer network

Findings were delivered in a presentation to CBFDP cooperatives as well as in this report and its appendices.

Research Scope and Methods

Literature Review. Pratt Center conducted an analysis of existing literature on New York City’s procurement and food policy, institutional procurement network and small business growth strategies, food sector and related industries, and other related reports and public data. These resources are listed and summarized in Appendix A.

Interviews with cooperatives and allies. In August 2023, Pratt Center interviewed CBFDP staff as well as worker-owners representatives from each of the cooperatives that were in the CBFDP network to learn more about their business operations and goals. The list of cooperatives interviewed and summary of findings can be found in Appendix B. RiseBoro staff conducted interviews with allied organizations, including those that have pursued the development of institutional buyer networks and cultivation of anchor clients for cooperatives and small businesses they support, and provided notes on these interviews to Pratt Center.

Identification of, Outreach to, and Interview with Institutional Buyers. From October 2023 through January 2024, Pratt Center conducted outreach to organizations, businesses, and government agencies of varying sizes across industries/sectors, with the goal of securing 12 interviews with diverse potential buyers. (See Appendices for the full list of potential buyers, outreach conducted, interviewees, interview questions, and interview notes.)

For the purposes of this study, RiseBoro and Pratt Center defined a target institutional buyer as a business, organization, or agency that purchases products and services provided by two or more of the CBFDP cooperatives, and which could make large and consistent purchases.

Pratt Center ultimately completed 13 interviews with various institutions from several different sectors who purchase a range of food goods and services, as outlined in the below chart. A full list of institutions identified, outreached to, and interviewed can be found in Appendix C.

Institution Type	Goods and Services Procured				
	Catering/ Prepared Foods	Packaged goods	Produce	Nutrition/ Culinary Ed.	Other
Non-profit	✓	✓			
Restaurant/Cafe	✓	✓	✓		Compost Collection
Independent grocer / food co-op	✓	✓	✓		
Corporation	✓			✓	Cafeteria services
DOE/Schools		✓	✓	✓	
Dept of Aging/Older Adult Centers	✓		✓	✓	

2. Policy & Industry Backdrop



Across sectors and types of institutions, food product and service purchasing decisions and procurement practices are shaped by a range of policies, movements, and industry and market conditions. We highlight key influences in the following areas: Food policy and industry conditions, Procurement law and practice, and Equitable economic development policy & movements.

1. Food policy and industry trends and conditions

As a result of food justice advocacy, food policy at the city, state, and national level is increasingly focused on increasing access to locally-sourced, sustainably-grown, and healthy food, particularly in low-income communities of color, and growing local food supply chains. In New York City, this is guided by [Food Forward NYC](#), a Ten-Year Food Policy Plan for 2021-2031, stewarded by the recently-created Mayor's Office for Food Policy. This plan includes the implementation of the Good Food Purchasing Program, which aims to ensure that City food procurement advances the goals of nutrition, environmental sustainability, valued workforce, animal welfare, and local economies, within the constraints of procurement law (discussed below) while pursuing reforms as necessary. Since 2008, New York City has established nutrition standards for all the food it purchases. Individual agencies and programs may have various different food policies aligned with citywide food policy goals; for instance, the Department of Education offers one plant-based meal a week under the Adams mayoral administration.

Movements for local, sustainable, and healthy food have also shaped food purchasing in the private sector, from corporations to restaurants to individual consumer decisions. Individual consumers are increasingly prioritizing plant-based foods, whole foods, and local and sustainably-grown and -packaged foods,¹ which may also influence institutional purchasing decisions. A small subset of consumers and buyers that serve them may be particularly aware and concerned with these and other environmental, health, and social impacts of food consumption decisions (including labor practices). Large corporations often have targets around environmental impact and sustainability,

which may include strategies around food purchasing. Small businesses in the food sector may be owned or managed by individuals concerned with sustainability in food purchasing. It must be noted that these policies and industry targets are typically goals, not mandates, and may be part of public relations strategies more than meaningful procurement policy. For nearly all buyers, these goals are in competition with other procurement considerations, such as cost. **Food safety regulations at the city, state, and federal level govern how businesses prepare and handle food.** Food manufacturing, processing, and packaging must be done in a facility that meets Department of Health and Department of Agriculture standards,² as outlined in the NYC Health Code, and subject to annual inspection. Larger-scale businesses and buyers may require third-party audits. Food handler's licenses are required for restaurants, caterers, and other food businesses. Some food businesses, such as street vendors, may require additional licenses. Licenses and certifications required for food businesses include but are not limited to:

- [Food service establishment permit](#) (catering companies, food manufacturers)
- [Food protection certification/Food Handler's License](#) (catering companies, food manufacturers, any business serving food)
- [Federal food labeling guidelines](#)
- [Food seller's permit](#)
- [Food services businesses licenses and permits](#)

While small nonprofit organizations or businesses that are not in the food sector may not check compliance with these regulations as part of their procurement process, businesses in the food sector (such as restaurants and grocery stores), large corporations, and government agencies all require compliance with these standards from their vendors.

Inflation, rising food costs, and other market conditions are affecting food purchasing decisions, especially by small businesses and nonprofit organizations. Nearly all buyers' food procurement decisions are being affected by rising food costs, from small restaurants to food pantries to the City of New York. Other rising costs also create downward pressure on institutional buyers. New York City's restaurants, despite being part of a nearly \$27B market,³ struggle with shrinking margins due to high rents, labor costs and turnover, high cost of goods, and the growth of third-party platforms (such as delivery services).⁴ Remote work has also shifted food purchasing trends; many employers have reduced catering and cafeteria purchases due to remote work and reductions in other in-person gatherings, but are increasingly relying on the provision of meals to incentivize in-person gatherings and boost morale for mandatory in-person work. Grocery stores remain among the strongest and most stable retail businesses in New York City and State, including throughout the pandemic, but are also grappling with balancing price points for their target customer and rising cost of goods and labor.

2. Procurement Laws and Practices

Procurement laws at the city, state, and federal level create strict and complex requirements for agencies to work with vendors. While these regulations may in part be shaped by important goals of transparency, combating corruption, and effective spending, they create cumbersome processes that limit opportunities for small businesses and organizations. (City procurement methods are discussed in the Institutional Buyer Considerations section of this report.) The City of New York is one of the largest purchasers of food in the city, spending \$500M annually on food (or 2.5% of the local market),⁵ but its rigorous and complex procurement requirements—and scale—makes doing business with the city a challenge.

Nonprofit procurement practices. As discussed in the Institutional Buyer Considerations section of this report, procurement systems and practices range across organizations depending on their size and mission. Among nonprofit community-based and advocacy organizations, and other smaller organizations, procurement decisions are often made by operations or programming staff for whom procurement is one small part of their responsibilities. Often, there are no clear evaluation criteria for vendors, and overworked staff rely on word-of-mouth, internet searches, and public reviews to select vendors. In larger organizations or for larger purchases, there may be internal requirements to demonstrate that quotes from several vendors were considered.

Purchases made as part of government contracts or grants may include additional requirements more closely-aligned with government procurement rules and systems, or additional documentation and reporting related to the government program. (For example, vendors providing meal services to Older Adult Centers run by nonprofit providers funded through the City's Department of Aging must submit recipes to a centralized city system that vets them for alignment with City nutritional guidelines.)⁶ Some organizations or departments may create goals for spending with local or BIPOC-owned businesses, but often these are informal. To save time and resources, nonprofits will often continue to rely on the same vendors. Some organizations may require that vendor agreements use the organization's contractor terms.

Grocery and restaurant buyer practices. Independent grocers, food co-ops, and smaller restaurants rely on a mix of large distributors and direct relationships with small vendors. Buyers are accustomed to being cold-called or approached in person with samples from vendors (at the same time, vendors should expect to be turned away if the buyers are busy).⁷ They are often interested in seeking out new products and staying on trend, usually identified through their professional networks, social media, food fairs, and researching competitors. Their

procurement processes are typically informal, starting with smaller purchase orders, which may be renewed depending on product popularity. They do not typically require insurance, but do require compliance with food regulations.⁸ Some larger grocery chains such as Whole Foods have Local Purchasing teams and programs.

The Institutional Buyer Considerations section of this report, below, discusses these practices among small and mid-size food businesses, but does not address in-depth the practices of larger restaurant groups, national grocery chains, or large distributors.

3. Equitable economic development policy and movements

As a result of advocacy across movements to address income inequality and the racial wealth gap, the government and nonprofit sector has a range of initiatives and policies to support small and local businesses, people of color-owned businesses, and cooperatives. The initiative most strongly enshrined in government policy is MWBE certification, requirements to consider MWBE vendors, and MWBE purchasing targets. MWBE certification, however, has barriers for small businesses and is only of competitive value when seeking contracts with city agencies, their contractors, and corporations.

The City's Worker Cooperative Business Development Initiative supports the development of worker cooperatives and has helped raise awareness of worker co-ops, along with movement advocacy led by the New York City Network of Worker Cooperatives, but this has not resulted in procurement policy or meaningfully improved contracting opportunities.

Long-standing organizing to support Black-owned businesses, later advanced by racial justice uprisings in 2014 and 2020, have raised visibility and support for Black-owned businesses across the private and nonprofit sectors, particularly in Brooklyn. Institutional and individual consumers in New York City can access a range of directories of Black-owned businesses, including independent directories such as [Together We Thrive](#) and [The Black Community Shoppe](#), social media accounts such as [@BlackOwnedBklyn](#) and [@NYBlackOwned](#) on Instagram, and the City of New York's Small Business Services (SBS)'s [Shop Your City](#) directory's new feature highlighting Black-owned businesses. Local publications will often highlight Black-owned businesses during Black History Month and on Juneteenth. Business development and support initiatives targeted to Black business owners include NYC SBS's [Black Entrepreneurs NYC \(BE NYC\)](#) and business technical assistance services from social service organizations based in Black communities and with a racial justice focus.

3. Institutional Buyer Framework



4. Institutional Buyer Procurement Considerations

Based on research of procurement practices and policies across institution types and sectors, including the literature review and interviews, Pratt Center identified business practices, qualifications, and characteristics that institutional buyers take into varying levels of consideration in the vendor search and selection process. We organized these into several categories:

- Customer Service & Back Office
- Capacity and Cost
- Certifications, Licenses, Vetting
- Food quality
- Local ownership and location
- Black ownership

This report summarizes key findings on these practices and considerations across institution types, sectors, and goods and services, based primarily on interviews as well as additional literature. The attached assessment summary and tool rates the importance of these criteria on a three-point/color scale, where green is the lowest barrier to entry/low-importance, yellow represents some value and flexibility, and red is high-priority and high level of standards. Given the breadth of institutions considered and the diversity across institution types and sectors, this should be understood as a set of initial insights to guide further research and assessment of individual opportunities, rather than a definitive set of conclusions.

Customer Service and Back Office

What aspects of a vendor's customer service and back office operations are most important to a buyer, and how flexible are they? Criteria and expectations vary across sectors and institution types, but typically include:

- Responsiveness: how quickly the business responds to inquiries or issues
- Customer service & sales skills: how consistent, reliable, easy, and enjoyable the communication is, particularly with a single contact person; flexibility and accommodation; whether the salesperson is assertive and persistent without being overly aggressive; whether the product/service and pitch reflects an understanding of the buyers' customer and needs
- Marketing materials: availability of information about services, pricing, and how to work with the vendor, including an online presence with clear, accessible, and visually appealing information
- Back office systems: booking and payment systems, system to manage customer information and accounts, track service/purchase history and follow up on sales
- Tech and admin capacity: ability to use customers' online procurement systems, complete complex forms, manage website, email, CRMs, etc.

Across the board, having a functioning customer service and back office was a top priority. Responding days later to requests is generally not acceptable, especially for those in the food business. For small restaurants and groceries in particular, having a reliable contact person who quickly answers emails, including after office hours for emergencies, makes a huge difference in who they choose to continue to work with. Having information and systems readily-available online or through responsive customer service is especially important for small businesses and organizations, where the program or operations staff person managing the purchase may be juggling many more responsibilities. (Large corporations and government, on the other hand, often have staff specifically dedicated to procurement and contracting.) One operations staffer at a citywide nonprofit organization expressed frustration at time spent trying to get information about hiring small businesses that only have a Google listing but no website; while researching vendors and soliciting quotes, it saves significant time to be able to get basic information from a website rather than to have to call or email.

Smaller and mission-aligned nonprofits and businesses may have more flexibility with response time, especially for programs or purchases being planned ahead and where working with small, local, and BIPOC-owned businesses is a priority. The same nonprofit operations staffer noted that they have made accommodations for local, worker-owned, and BIPOC-owned vendors regarding payment systems or slow response times, especially if the business comes highly recommended by a trusted partner. However, they have opted not to hire or re-hire small businesses because of extreme lack of responsiveness or difficulty with their back office operations.

Local grocery stores and restaurants are more accustomed to in-person sales as well as mobile phone and email interactions with an individual contact person, whereas nonprofits and corporations typically expect a formal online presence and centralized customer service communications.

Corporations and government agencies typically solicit bids or applications from vendors, who must apply using the buyer's own online portal and forms, often through a competitive process. Vendors must be able to navigate these systems and understand the required documentation. Basic customer service and back office capacity are important here, but the process and communication is typically slower.

Capacity and Cost

All institutions require that vendors can provide products or services at the volume, frequency, turnaround-time, and price their operations require. This varies widely, and opportunities with particular institutions, and/or priorities for cooperatives' operations, should be assessed based on the scale of these requirements.

A local food co-op may require more frequent deliveries of

Customer Service and Back Office

Non-profit/ Community Organizations	<ul style="list-style-type: none"> • Price list of products/services easily accessible, either online or sent promptly by email • Return calls/emails within 1-2 days (during business hours) • Ability to accept credit cards highly desirable, some flexibility
Restaurant	<ul style="list-style-type: none"> • Return calls/emails immediately (within a few hours, including late night/early morning), ideally with a clear and consistent contact person • Strong sales and account management skills • Social media presence may be a plus in initial sales, but online presence not a must-have
Independent Grocery, Food Co-op	<ul style="list-style-type: none"> • Return calls/emails within 1-2 days (or more quickly, if related to urgent shipment) • Strong sales and account management skills • Ability to process complex contracts and forms through online systems • Professional online presence • Strong customer service communications
Corporation	<ul style="list-style-type: none"> • Ability to process complex contracts and forms through online systems • Professional online presence • Strong customer service communications
DOE/K-12 Public School	<ul style="list-style-type: none"> • Ability to process complex contracts and forms through online systems
Dept. of Aging/Older Adult Center	<ul style="list-style-type: none"> • Ability to process complex contracts and forms through online systems

smaller order sizes because of limited storage space for inventory, whereas a national grocery chain may require larger orders to be distributed across multiple stores. Similarly, a larger store may have more space to test new products and have more flexibility on sale-through times. Grocery stores generally do not commit to future purchase orders in advance, and vendors are expected to follow up for re-orders, especially in the pilot stage of selling a product at a store. It is common for vendors to visit stores themselves and track inventory status on the shelves, as buyers at the store are managing many accounts simultaneously.

Turnaround-time depends on the food or service and industry norms. Catering, culinary education, and other services tend to have longer lead-times than products, especially for larger events (and therefore larger purchases). These contracts are often for one-time services (with the exception of some ongoing contracts for regular trainings or other programs at nonprofits or agencies). Grocery sales of prepared foods may require daily deliveries, but typically with a menu and volume set in advance.

Cost is nearly always the first or second consideration in buyers' vendor selection processes. Government agencies may be legally required to select the lowest bidder, and nonprofit organizations and small businesses may be constrained by inflexible budgets. This is particularly true for programming that is under-prioritized; for instance, wellness program managers across institution types reported lack of funding, particularly for nutrition and culinary education. Generally speaking, larger and higher volume purchases

will have a lower unit price in exchange for a larger overall purchase as a result of their negotiating power in the market.

The flipside of capacity and cost, from the vendor's perspective, is the buyer's purchasing power and price sensitivity. Bigger purchasers of food are likely to require vendors to deliver at a higher volume and frequency; buyers that can work with smaller businesses may not be able to serve as anchor clients but may be mission- and price-aligned. Margins and price-points vary significantly across industries and markets, with restaurants and other brick-and-mortar food businesses facing some of the tightest margins in New York City.

Certifications, Licenses, and Vetting

In addition to general legal requirements for businesses to comply with food safety and other regulations, some buyers may vet compliance and impose other business qualifications (such as having general liability insurance). Further, some have rigorous procurement evaluation systems, including complex application systems and forms, multiple levels of review, and formal evaluation criteria. Larger institutions, like corporations and government, typically have more rigorous requirements and processes.

The City of New York, and any Federal, State, and City agency programs, have among the most cumbersome vendor selection, vetting, and contracting processes. The three primary procurement methods used by city agencies

Capacity and Cost

	Volume	Turnaround-time
Non-profit/Community Organizations	<ul style="list-style-type: none"> Small staff meetings (10-20 people) (sporadic) Community meetings (20-50 people) (monthly) Events (100-1,000 people) (annual) 	Meetings typically planned at least one week in advance, events longer lead time
Restaurant	Varies greatly by restaurant, menu item - may require frequent smaller orders	Expect emergency orders, changes, including during off-hours
Independent Grocery, Food Co-op	Varies greatly by store, item - may require frequent smaller orders	Typically order in advance, may have changes in delivery schedule
Corporation	<ul style="list-style-type: none"> Often single vendor/contract across local offices, rely on large vendors for sub-contracts Smaller partnerships not "procurement" 	<ul style="list-style-type: none"> Typically slow contracting process, predictable orders Catering may be last minute
DOE/K-12 Public School	Serving >150M meals per year	Typically slow contracting process, predictable orders
Dept. of Aging/Older Adult Center	Decentralized Older Adult Center providers, 30-200 meals per day per center	Typically predictable contract, may vary by center / provider

Certifications, Licenses, and Vetting

	Food Safety (DOH Health Standards, Food Handler's License, etc.)	Insurance	Vendor Qualification/ Registration systems and vetting
Non-profit/Community Organizations	Not typically requested	Not typically	<ul style="list-style-type: none"> Small organizations/purchases: informal process Larger/ government-funded organizations, contracts may require more documentation
Restaurant	Essential	Not typically	Samples, small initial purchase order (does not usually involve complex system)
Independent Grocery, Food Co-op	Essential, may require third-party audits	Not typically	Samples, small initial purchase order (independent grocers do not usually involve complex system)
Corporation	Relevant food safety and business certifications likely requested	Yes	Must enroll in internal procurement systems, some companies have lengthy risk management review processes
DOE/K-12 Public School	Relevant food safety and business certifications likely requested	Yes	City procurement system (PASSPort), complex contracts, documentation, review
Dept. of Aging/Older Adult Center	Relevant food safety and business certifications likely requested	Yes	Subcontracts via nonprofit providers may be slightly less onerous, but compliance documentation required

are: 1) Sealed bid, a competitive solicitation process through which agencies must choose the lowest bidder, for purchases larger than \$1M; 2) Request for Proposals (RFP), which enables agencies to further outline and consider contractor qualifications beyond rates, for some larger contracts; and 3) Small Purchase / Noncompetitive Bid.⁹ For food purchases, Good Food Purchasing Program requirements apply to purchases larger than \$100,000 at some agencies.¹⁰ The Department of Education, the city agency that purchases the most food, typically relies on competitive sealed bids for purchasing food goods; this limits criteria that can be considered other than price. Providers of services may be selected through RFP, but these require lengthy applications and meeting requirements of doing business with the city, and are not often used for food-related services. One avenue for small and minority- and women-owned businesses to access city-funded contracts is as a subcontractor to a larger entity, but this still requires compliance with relevant city regulations for a given funding source. Government contracts also often require significant reporting.

Corporations may have similarly rigorous processes. The procurement leader we interviewed at a global financial services corporation expressed that they are constantly working to expand their pool of qualified vendors, but it can be a multi-year process of initial meeting and onboarding, including conducting a risk assessment, as an option before hiring. The process includes responding to a Request for Information, completing an application including the scope of work and how they compete on pricing and provision of products and services, and then, if selected, going through an official Request for Proposals, which is “a long and daunting process, especially for small companies,” the representative said. For cafeteria services, this company and others like it generally depend on one large food services vendor which subcontracts and manages all related food purchases as needed.

In general, the bigger the buyer’s purchasing power and operations, the greater the requirements from the vendor. There are exceptions to these more rigorous processes; departments may have partnerships with small businesses as part of given community impact initiatives, which do not go through formal procurement processes. Where buyers have opportunities for smaller businesses, the road to becoming a vendor is often less clear (word of mouth, cold calling, etc). For instance, many corporate cafeterias feature pop-ups from small local restaurants and other food businesses, sometimes as often as once or twice a week. These partnerships may be run by the real estate or community engagement teams, and may emerge from philanthropic partnerships, individual relationships, or other small business initiatives. City agency staff may have small budgets for catering, where the vendor selection process is similar to that within small nonprofit organizations.

Food quality

Considerations of food quality generally fall under two categories: taste and nutrition.

Taste. Is the food delicious? The answer is subjective, so it is important to understand who makes this assessment for an institutional buyer, and how heavily it weighs in their procurement decisions.

For restaurants, some independent grocers, and others in the food business, this is a top concern in vendor selection because their own sales depend on it. Further, particularly in specialty and high-end food businesses, staff are passionate, opinionated, and knowledgeable about food. In these businesses, the initial assessment of food taste will typically be made by buyers (staff) within the business. Customer feedback may be a factor in considering first purchase (for instance, if food co-op members repeatedly request the store carry a product), and will be the deciding factor in whether to re-order (as reflected by sales, primarily).

Taste is a lower priority for institutional buyers who are not in the food business, such as nonprofits, corporations, or universities hiring caterers for events or meetings. Food is being offered to encourage attendance and participation, or as a perk to boost morale (among staff, students, clients, or community members), so it should be enjoyable but is not a fundamental component of the service being provided or sold by the institution. Taste is informally assessed in the vendor search process using word-of-mouth recommendations, online reviews, usually by an operations staffer (not someone with culinary experience). Participant feedback may factor into decisions about whether to re-order, but is rarely collected or evaluated through a formal process; the program or operations staff working on the event might make a decision to re-hire a caterer based on their recollection of which items ran out the fastest or what they heard participants talking about.

For nonprofit and government buyers that are providing food as a service, such as food pantries and Older Adult Center meal services, providing good-tasting food may be an aspirational value formally adopted by the institution and held individually by staff, but is constrained by price (both through formal requirements to consider price first, and through overall budget constraints). There may be formal and informal mechanisms for recipients of food services to provide feedback on food quality.

Taste is also shaped by culture, class, trends, and other factors. A restaurant chef or grocery store buyer may personally love the taste of a product but recognize that their customer base is unlikely to buy it. A nonprofit organization whose staff do not share the same cultural and ethnic background or culinary traditions from the communities they serve may defer to feedback from participants (if participants’ satisfaction with the food is a high priority). Understanding the tastes of the “evaluators” of food deliciousness within a given institutional buyer may be an

important factor in assessing whether they are a target customer. (Note: cultural responsiveness/representation is addressed under the category of Black business-ownership.)

Nutrition. Is the food good for you? The weight of this question in vendor decision-making varies depending on the program or even within the menu of a given program.

Institutional buyers that provide food as a public service, including the Department of Education and Department of Aging and other government funders, have adopted formal criteria regarding health and nutrition. For culinary education and wellness programs, nutritious items and recipes are often a priority. (However, this may also be constrained by price or other programmatic goals. For instance, culinary and nutrition education programming to teach people how to cook on a budget or using food pantry items will require that ingredients reflect these constraints. Food pantries' budgets and operations require that much of their purchasing include nonperishable food, which is not generally as nutritious as fresh food.)

For those providing food for enjoyment, whether a restaurant, grocery store, or nonprofit organizing hiring an event caterer, nutrition and health are lower priorities and may not be formally defined. The importance of nutrition will vary depending on the restaurant or grocery store's market and section of the menu (such as dessert) or products. Some

grocers may have certain ingredients they do not sell, or certain standards specifically for health foods. There is general awareness about nutrition and the importance of having healthy options within a menu.

Including menu options that address dietary restrictions (religious, medical, and otherwise) is a consideration for every institutional buyer. Some have formal requirements (such as the Department of Education and Aging), others may survey participants, and others (groceries, restaurants) may have general targets to ensure that various subcategories and customer subsets are satisfied. Some restaurants or groceries may cater to specific restrictions.

Local ownership and location

Some institutions may value that a vendor is local, either for convenience and accessibility or because of the institution's formal or informal values of having a positive social or environmental impact.

The convenience and accessibility of a local vendor is generally more important for services that must be delivered in-person, but may be of value for the logistics of picking up or receiving delivery of products. Buyers are most concerned that vendors are able to deliver products reliably, regardless of their location, but may maintain a list of smaller, local

Food Quality		
	Taste	Nutrition/Health
Non-profit/Community Organizations	Not essential to service being provided; assessed based on informal referrals, online reviews, participant feedback	<ul style="list-style-type: none"> Depends on programming (health-focused event vs. team-building/fun) Dietary restriction accommodations
Restaurant	Success depends on food quality; decided by chef/staff buyers, then sales and feedback	Varies by restaurant, menu item
Independent Grocery, Food Co-op	Decided by staff buyers, also informed by customer recommendations and sales	<ul style="list-style-type: none"> Varies by product type/segment Health food stores and co-ops may have list of banned ingredients
Corporation	Not essential to service being provided; cafeteria/food services vendor selected mainly based on capacity and cost (which then manages all related food purchases), catering based on recommendations, partnerships	<ul style="list-style-type: none"> Depends on programming or section of menu Dietary restriction accommodations
DOE/K-12 Public School	Procurement requirements restrict consideration of taste factor (though student taste tests and taste panels exist)	<ul style="list-style-type: none"> Defined nutritional standards Plant-based, dietary restriction requirements
Dept. of Aging/Older Adult Center	Budget and procurement requirements may restrict consideration of taste	<ul style="list-style-type: none"> Defined nutritional standards (recipes are vetted) Plant-based, dietary restriction requirements

Local ownership and location

	Convenience/Accessibility	Supporting local economy, environmental impact
Non-profit/Community Organizations	<ul style="list-style-type: none"> Highly valued because of internal capacity constraints Especially important for in-person programs 	<ul style="list-style-type: none"> Important for community-based and economic justice-focused nonprofits, though goals may be informal and budget is a constraint “Local” refers to neighborhood or borough
Restaurant	<ul style="list-style-type: none"> Valued for short-notice needs, but most important that goods can be delivered on time Valued more for some goods/services (e.g. compost) 	<ul style="list-style-type: none"> Dependent on owner, staff values Generally accepted as a value, but may not be reflected in purchasing (cost, quality more important)
Independent Grocery, Food Co-op	Valued for short-notice needs, and to extent that some small grocers/co-ops have limited storage space and need more frequent deliveries, but most important that goods can be delivered on time	<ul style="list-style-type: none"> Nearly all grocers (independent and chain) feature local products Some more substantively committed (demonstrated spending/local buyer program, philanthropy) than others “Local” may refer to state/region
Corporation	<ul style="list-style-type: none"> Not highly valued, given reach/scale Most important for building services and in-person activities, and to have in the mix of vendors for short-notice needs Local and small business partnerships typically run through philanthropic, PR, and other programs, not under procurement 	<ul style="list-style-type: none"> May be included in non-binding spending targets for local, MWBE, and environmental impact goals “Local” refers to city- or state-level
DOE/K-12 Public School	Not essential for goods	<ul style="list-style-type: none"> GFPP/other City procurement rules establish targets for local procurement For produce and other food products, “local” refers to the State
Dept. of Aging/Older Adult Center	Nonprofit providers may aim to subcontract to partners in the neighborhood/borough; meal preparation and delivery requires local presence	<ul style="list-style-type: none"> GFPP/other City procurement rules establish targets for local procurement For produce and other food products, “local” refers to the State

vendors as back-up for short-notice needs. Smaller businesses and organizations where staff must pick up purchases themselves may prioritize local businesses. Neighborhood-level convenience is most important for small-scale catering (e.g. business meetings, small events).

There is widespread awareness, from advocacy organizations to government to global corporations, of the economic and environmental benefits of buying locally. All staff responsible for procurement decisions will express general support for the goal of supporting local vendors, but recognize that cost, quality, and other factors are weighed more heavily, and that targets are informal.

Hiring a locally-owned business may be prioritized for public-facing programming, such as a fundraiser highlighting neighborhood-based groups or issues,

as part of corporate social responsibility initiatives, or in efforts to engage constituents (staff, students, community members). Nonprofit organizations focused on New York City may use “local” to refer to the borough or neighborhood, while others usually refer to the city or state. In the realm of food purchasing, particularly among restaurants and grocery stores, “local” often refers to products grown or manufactured in the state or region. Government-funded procurement policy includes metrics for purchasing within New York State.

Black business-ownership

Many institutions' procurement policies value if a business is owned by people of color (MWBE-certified or not), and may have some programming or unofficial interest in supporting Black businesses. Among the corporate, nonprofit, and small business buyers interviewed, all expressed an awareness of and support for the social and economic impact of supporting Black-owned businesses, but few institutions had formal policies dedicated to

supporting POC-owned businesses or Black-owned businesses specifically. Some specifically noted that focus on this issue had waned since 2020. Often, decisions to prioritize procurement from Black owned businesses may depend on the individual staff's level of commitment. The ability to offer culturally-responsive food may be of value for some institutions.

Black business ownership			
	MWBE Certification	Supporting Black-owned business	Cultural responsiveness and/or diversity in services/products
Non-profit/Community Organizations	<ul style="list-style-type: none"> Not important; many nonprofit staff recognize barriers May use MWBE lists to identify vendors, or have obligations under government funding 	<ul style="list-style-type: none"> Valued abstractly, but few concrete goals May be driven by specific procurement or program staff 	<ul style="list-style-type: none"> May be especially important for a given program/ constituency Influenced by participant requests Aim to accommodate dietary restrictions (religious, political)
Restaurant	Not important	<ul style="list-style-type: none"> May be driven by individual buyer 	<ul style="list-style-type: none"> May be important for a given event, season, location Menu may be culturally narrow/ specific; varying accommodations of dietary restrictions
Independent Grocery, Food Co-op	Not important	<ul style="list-style-type: none"> May be important for a given location, season, or section of store May be driven by individual buyer 	<ul style="list-style-type: none"> Specialty store or sections of store target different cultures and diets Diverse offerings generally valued
Corporation	<ul style="list-style-type: none"> MWBE solicitation requirements and purchase targets are common MWBE certification required to meet targets 	<ul style="list-style-type: none"> Not a priority May be important for a given initiative 	<ul style="list-style-type: none"> Aim to accommodate dietary restrictions (religious, political) May be important for a given event, season, location
DOE/K-12 Public School	<ul style="list-style-type: none"> MWBE solicitation requirements and purchase targets MWBE certification required to meet targets 	<ul style="list-style-type: none"> Not a formal requirement (and may be constrained legally) 	<ul style="list-style-type: none"> Must accommodate dietary restrictions (religious, political) May be programming goal
Dept. of Aging/Older Adult Center	<ul style="list-style-type: none"> MWBE solicitation requirements and purchase targets MWBE certification required to meet targets 	<ul style="list-style-type: none"> Not a formal requirement (and may be constrained legally) 	<ul style="list-style-type: none"> Must accommodate dietary restrictions (religious, political) May be programming goal

3. Opportunities and Recommendations



1. Institutional Buyer Opportunity Assessment

The framework for assessing institutional buyers' vendor considerations provided in Section 2 can be used by RiseBoro Community Partnership and the CBFDP cooperatives to assess alignment with CBFDP cooperatives' operations and goals. Based on Pratt Center's understanding of the CBFDP cooperatives present conditions, we provided an initial assessment of this alignment.

Generally speaking, larger institutions with more purchasing power, such as government agencies or global corporations, also require greater capacity to deliver services and meet robust procurement requirements, and may be less mission-aligned. Institutions that are more aligned with cooperatives' values and have lower barriers to entry in terms of capacity and vetting are less likely to purchase products and services regularly and at a large scale. (This is a high-level assessment, and opportunities will vary significantly across sub-sectors and institutions of different types and sizes. The framework can be used to further assess markets or given institutional buyers.)

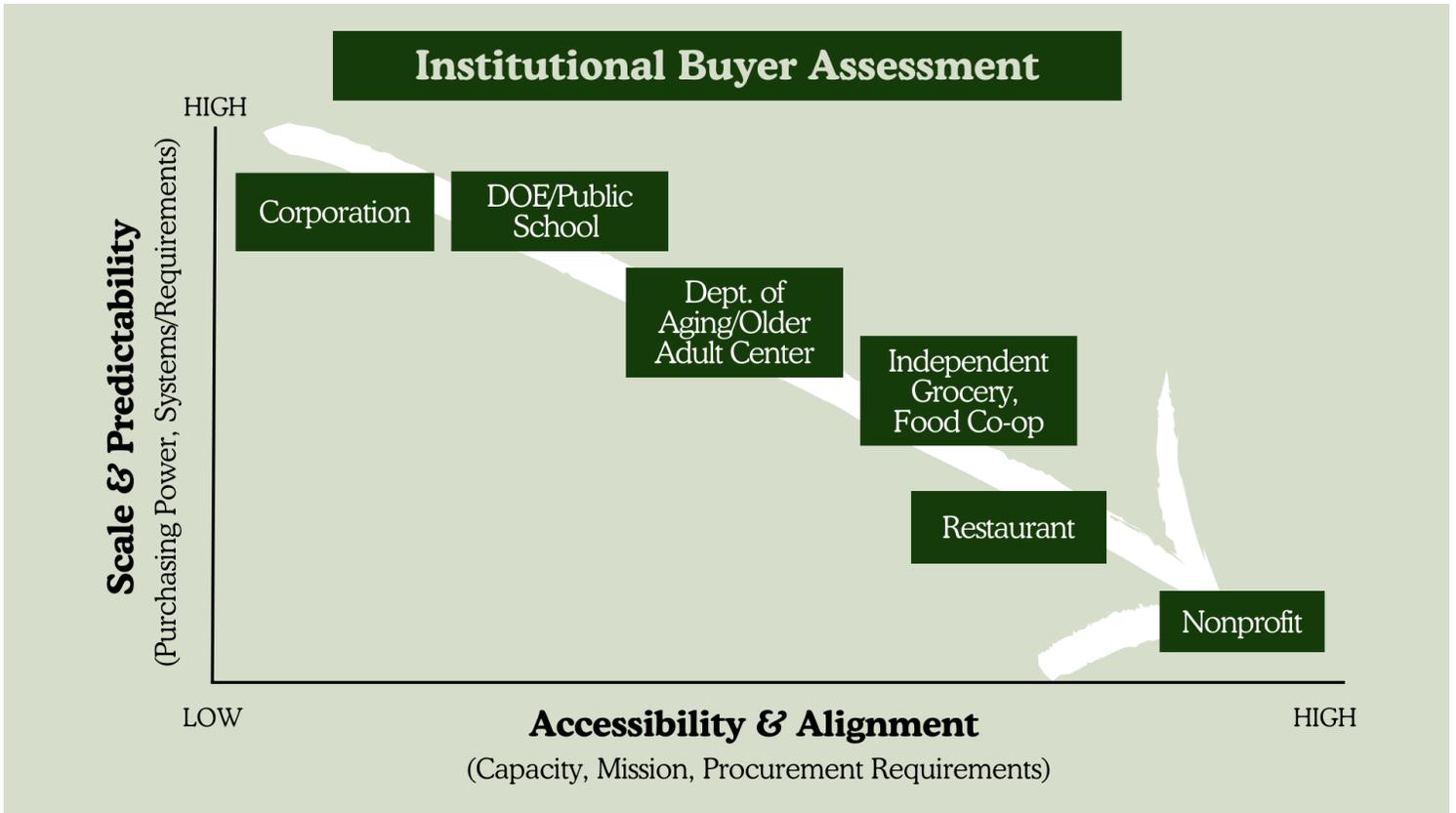
Based on this assessment, Pratt Center is providing a recommendation for both long-term and short-term institutional buyer opportunities for CBFDP cooperatives.

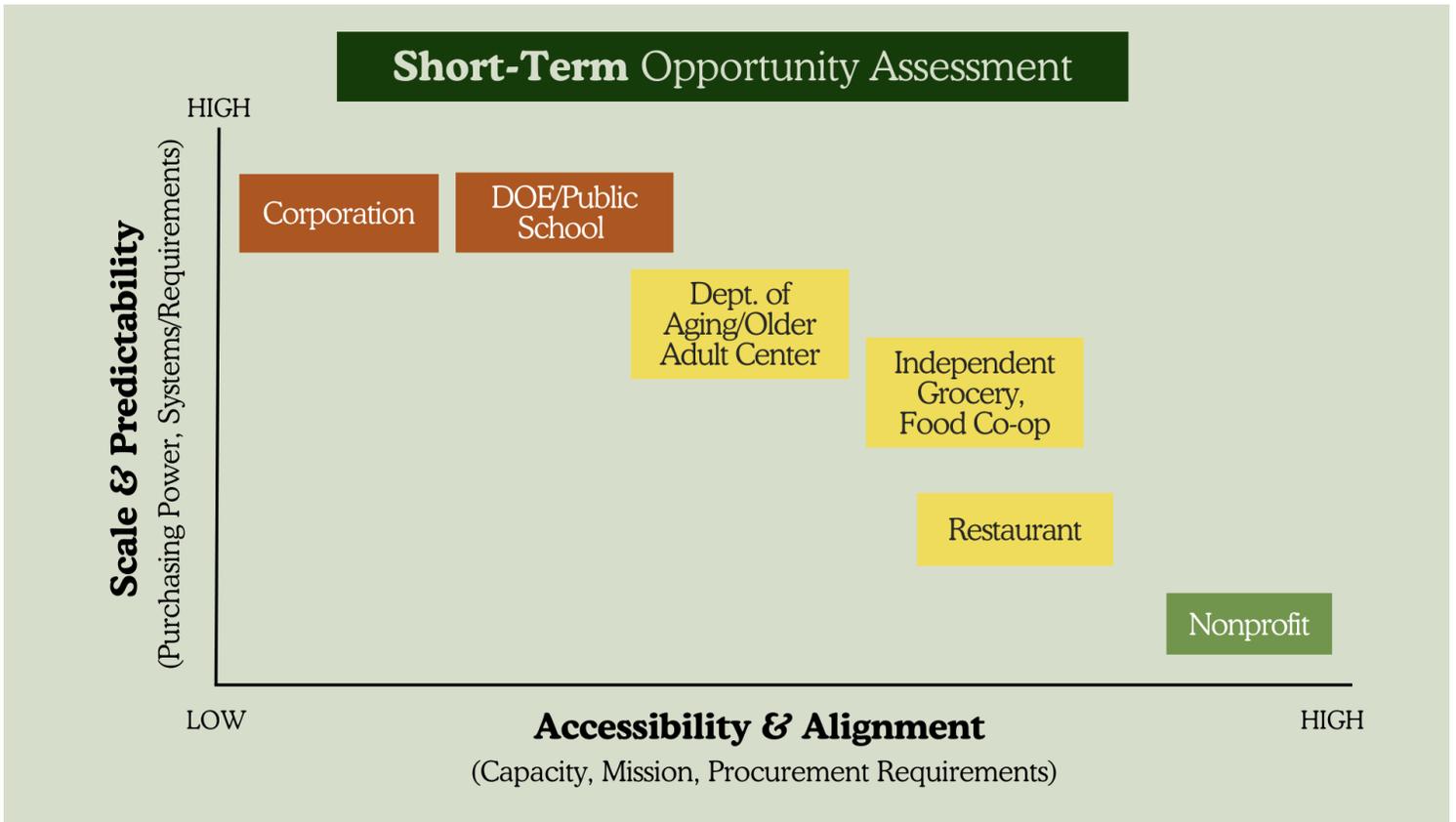
In the short-term, allied nonprofit organizations provide an accessible entry-point for cooperatives, often willing to grant

flexibility for customer service and price in order to support local, Black-owned, small businesses. These organizations are likely to be purchasing at a scale that CBFDP cooperatives are more able to fulfill in their startup phase. Organizations in RiseBoro and CBFDP's professional and personal networks present even more viable opportunities.

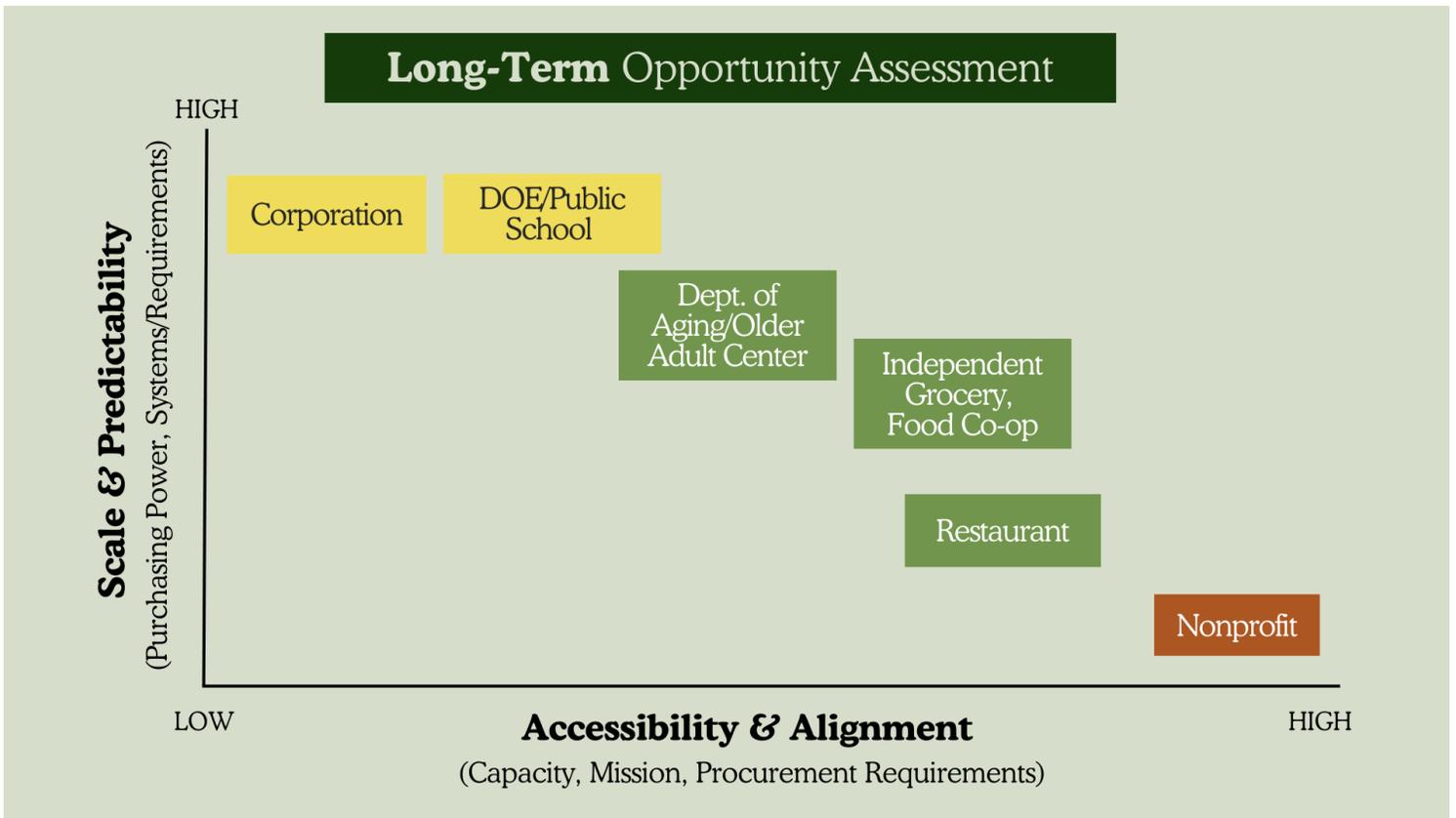
Building out business practices and capital through these opportunities can be a stepping stone towards slightly more ambitious targets, including small local, mission-aligned restaurants, groceries, and City-funded social service programs such as senior centers. While larger institutions may not be within reach for traditional procurement, there are opportunities for cooperatives to forge relationships with these institutions through specialized programming such as guest chef programs in corporate cafeterias and restaurants. In this phase, co-ops will take more of an individualized marketing approach as they build out their operations with RiseBoro's support. RiseBoro can further analyze procurement practices among long-term targets as part of an institutional procurement network strategy.

Longer-term, RiseBoro and the cooperatives should focus on scaling up with grocery stores and restaurants, and piloting networked procurement models with trusted nonprofit partners. Among government agencies, there may be opportunities with programs like the Department of Aging's Older Adult Centers, as discussed below, but this will remain a challenge in the mid-term. Corporations will likely be out-of-reach for many years, but there could be opportunities for smaller scale procurement with these entities after years of building up the business.





Green indicates the primary target in each phase, followed by yellow, and red representing the institution type to be de-prioritized for growth in a given phase.



2. Recommendations for RiseBoro Community Partnership

There are both significant opportunities and challenges for CBFDP cooperatives to reach institutional buyers on the individual business and network levels. In the immediate-term, RiseBoro should focus its technical assistance services on building cooperatives' operations, and particularly their customer service and back office, while partnering with mission-aligned, scale-appropriate nonprofit organizations and small businesses. Simultaneously, RiseBoro should research and build relationships with larger nonprofits and universities, independent grocers and small local restaurants, and nonprofit providers of government services to further study the feasibility of a network procurement model. One challenge to the networked procurement model is that, particularly among large institutions, procurement of different services may be siloed. Further, buyers may not see the benefit of being a client of the network if back office and contracting systems remain separate across each co-op. These recommendations focus on optimal targets for this research, testing, and capacity-building.

1. Test procurement network model with Older Adult Centers and Independent Grocers, building on RiseBoro relationships. In addition to leveraging RiseBoro relationships to generally support co-ops marketing strategies, including to institutions (with nonprofit CBOs being the lowest barrier to entry), RiseBoro could begin to explore a network-level approach to institutional buyers with the institutions listed below. The model and potential effectiveness of a procurement network approach is still unclear, based on this initial research. Many institutions view procurement through relationships with individual businesses. Further, those institutions that could be customers of multiple co-ops often have different teams and procurement approaches for those goods and services. That said, we have identified two opportunities to explore a procurement network model.

1a. Older Adult Centers: Catering (Prepared Foods), Nutrition Education (Maybe: produce). Government procurement will remain a challenging long-term goal. Given that Older Adult Centers are operated by nonprofit providers, however, and that RiseBoro is one of those providers, there is valuable opportunity for research or piloting collaborations to better plan for long-term strategy related to government buyers.

- Meet with team managing Older Adult Centers to learn more about their meal programs (including number and type of meals served, current staffing and subcontractors, and vetting and recipe review process) and required nutrition education programs
- Request introductions to other Older Adult Center providers, potentially by participating in or sharing

information with Department of Aging-convened provider meeting

1b. Food Co-ops and Independent Grocers: Catering (Prepared Foods), Juices, Teas, Produce

- Cultivate relationship with buyer at Park Slope Food Co-op, other co-ops with whom RiseBoro has partnerships
- Support co-ops to individually pitch grocery store buyers and collect feedback on practices and outcomes

2. Develop shared CBFDP network resources for marketing to and working with institutional buyers, both by supporting the cooperatives to pool resources and by raising and committing funds, including:

- Shared booths at fairs (e.g. Fancy Food Show, annual NYC show popular with independent grocers and restaurants: exhibit is \$4,500); support co-ops with planning, application, costs
- Commercial kitchen space, a low-cost way for businesses to meet health and safety standards/certifications and grow their capacity. This could mean supporting co-ops to join existing shared commercial kitchens, or securing shared commercial kitchen space for CBFDP co-ops. Models to examine include Hot Bread Kitchen and Bed Stuy Restoration's new RBxA food incubator initiative; NYC SBS may be able to provide resources on shared commercial kitchens.
- Revolving loan fund for small upfront costs, such as samples for grocery buyers, demos, and inventory or other upfront costs. Ideally, businesses would build this into their financial plans, and/or start with buyers and parts of the food sector that do not have these expectations, but it may make it easier for co-ops to compete.
- Shared equipment and supplies for demos, events, and services—as well as storage space for both equipment and inventory. Catering and culinary education co-ops may find overlapping needs (cookware, serving ware) for events or demos that are important marketing or startup opportunities, but do not provide consistent sales and where clients cannot provide or pay for that equipment. The feasibility and utility of this proposal should be assessed with the co-ops.

RiseBoro should also explore and support cooperatives to join existing networks that offer shared operations or marketing support, such as existing commercial kitchens and Made in NYC and other marketing and business support

organizations.

3. Prioritize back office development and sales skills in technical assistance services, with a focus on 2-3 target sectors/clients.

Across institutional buyer types and for all services and products, customer service and back office functionality were high priorities in vendor selection and retention. Norms vary across institution types and sub-sectors, however. Co-ops focused on working with restaurants and grocers, for instance, will need infrastructure in place to respond to customers by email and phone within the same day or much sooner; they will also need sales skills to meet directly with buyers. Government, large nonprofit, and corporate customers, on the other hand, will require competence with complex online portals and forms. These require very different resources, and RiseBoro may be best able to build its own capacity to develop co-ops' skills and systems in these areas by narrowing its focus.

4. In foreseeable Academies, consider prioritizing catering co-ops over those that provide culinary education services or sell refrigerated beverages:

Catering: Growth opportunities are high, with a clear roadmap:

- Catering industry is growing: per one 2024 study, 60% of restaurants in NYC (and 54% nationally) plan to expand to catering
- Institutions across buyer types purchase catering services, at a range of scales for all stages or business readiness
- Among institutions with high barriers to entry for traditional procurement, smaller catering opportunities are an accessible entry point (aligned city agencies, corporations)
- Catering has diverse applications (prepared foods in grocery stores, delivered meals)
- Roadmap to growth is clear: allied organizations and city agencies (small and larger one-off events, recurring contracts), to subcontracts for meal services funded by city agencies, to larger-scale events with larger businesses and corporations, to subcontracting for large cafeteria services companies
- Co-ops may be able to share resources or collaborate to gain economies of scale

Culinary and Nutrition Education: build knowledge from current co-ops and additional research before supporting more co-ops in this area:

- Employee and student wellness programs are neglected across institutions, and many do not prioritize food programming. This is particularly true among allied institutions in RiseBoro's networks that might be starting clients.
- Additional market research is needed; potential areas

include:

- Philanthropic funding for culinary, nutrition, and wellness education programming; many community-based organizations are interested in the programming, but cannot fund it
- City programs that require and provide funding for nutritional education programming (e.g. Older Adult Centers)
- Employer team-building clients: conduct secret shopping with competitors

Refrigerated beverage market is extremely competitive and risky:

- Competing for shelf-space with many emerging and global brands
- Supermarkets have faster sell-through requirements for refrigerated items, putting more pressure on a new product to perform
- Requires infrastructure and investment including: production in a commercial kitchen, costly storage and transportation, etc.

Composting may provide opportunities for growth for future academies, either by supporting existing worker co-ops or conversions of existing businesses or nonprofits in this sector (such as BK ROT), or by incubating new co-ops. Challenges in this sector include the need for space (affordability and neighbor complaints are both obstacles), equipment and other capital costs, the need for specialized skills, and the expansion of public residential composting programs. Opportunities include the expansion of commercial waste zones.

Conclusion

The research conducted by Pratt Center, in close collaboration with RiseBoro and CBFDP cooperatives, provides an overview of types of institutions procuring food products and services in New York City, criteria affecting their decision-making and different weight of those considerations in their vendor selection, and opportunities and recommendations for advancing a network procurement strategy for Black-owned worker-owned cooperatives in Central Brooklyn.

Endnotes

1. Penn State Extension, "[Food Trends 2023](#)"; McKinsey, "[Hungry and confused: The winding road to conscious eating.](#)" 2022
2. NYS Department of Agriculture and Markets Division of Food Safety and Inspection, "[Basic Standards for Home/Commercial Kitchens and Small Scale Food Processing Facilities.](#)" 2019
3. Office of the New York State Comptroller, "The Restaurant Industry in New York City: Tracking the Recovery," September 2020
4. TouchBistro, "[State of Restaurants in 2024: New York City Report](#)"
5. Mayor's Office of Food Policy, "[NYC Good Food Purchasing: Citywide Goals & Strategy for the Implementation of Good Food Purchasing.](#)" September 2021
6. Interview with NYC Department of Aging
7. Interview with a Food Co-Op Buyer; Interview with Fort Greene restaurant Back of House Manager
8. The Rules of The City of New York, Title 9: Title 9: Procurement Policy Board Rules, Chapter 2: Procurement Process and Chapter 3: Methods of Source Selection
9. NYC Mayor's Office of Contract Services, "New York State Food Purchasing Guidelines"

Appendices

Available upon request

- A. Literature review**
- B. Co-op interviews: summary of findings**
- C. Institutional Buyer list - potential targets and interview list**
- D. Institutional Buyer assessment summary and tool**
- E. Presentation delivered to CBFDP Cooperatives**