



Developing a Minnesota Processed Food Products Logo

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Table of Contents

Executive Summary

Introduction

Background

Timeline

Appendix #1

Appendix #2

Appendix #3

Appendix #4

Appendix #5

Appendix #6

Appendix #7

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Executive Summary

In response to a legislative mandate, a processed foods logo program committee was formed to determine if a state logo was feasible to use in the food industry in Minnesota. The committee was created to evaluate and suggest how a logo program should be structured so feedback from a wide sample of food manufacturers could be polled for input.

The processed foods logo program committee has recommended that a state logo program identifying Minnesota products and companies could have value for food manufacturers, retailers and consumers. The program focus should be to identify processed foods products made in the state and processed food companies that impact the Minnesota economy through jobs creation to consumers at the retail level. As such, the definition of a qualifying product and/or company should be any product that is processed or manufactured in final form in the state of Minnesota and/or any company that is headquartered here in the state of Minnesota. The committee has further recommended that a \$100 annual membership fee be charged for use of graphic artwork and eligibility for inclusion in any marketing programs featuring the processed foods logo.

Based on this committee-recommended definition of a logo program, 54 percent of the Minnesota food companies surveyed said they would use a state logo identifier in their marketing efforts. Of the 54 percent that would use the logo, 59 percent stated that they would not be willing to pay a \$100 annual membership fee.

Introduction

During the 2009 legislative session, the Department of Agriculture was tasked with completing an investigation to determine whether a processed foods label or logo should be developed. Minnesota Laws Chapter 94, Article 1, Section 102 stated “*The commissioner shall consult with interested parties including, but not limited to, the following organizations: (1) the food processor industry, including representatives who represent different business sizes and product categories; (2) the food retailer industry, including at least one representative with retail store locations located outside of the Twin Cities metropolitan area; (3) the Agricultural Utilization Research Institute; and (4) statewide agricultural producer groups. (b) No later than March 31, 2010, the commissioner shall report findings and recommendations to the legislative committees with jurisdiction over agriculture policy and finance. The report shall include an assessment of the level of food processor interest in developing a trademarked logo or labeling statement as well as recommendations regarding program funding options, product eligibility criteria, and coordination with existing labeling and promotion programs and resources.*”

Background

The first step in compiling the report was conducting an online survey of producers and processors listed in the Department of Agriculture’s database. The database contains information on approximately 780 companies of varying size, product lines and marketing methods. The survey was created on Survey Monkey, a free web-based survey tool. There were 69 responses, an 8.8 percent response rate.

The survey asked Minnesota companies if they would use a processed foods logo to identify their products both in-state and out-of-state. In answer to those questions, 54 percent of respondents said that they would use the logo in-state, while 44.1 percent said they would use it out-of-state. While a majority of companies said they would use the logo in-state, 68.7 percent of respondents said that they were not willing to pay an annual fee for that service.

The initial survey gave enough feedback to warrant further discussion of a logo program and how it would function. Survey participants were asked if they had interest in serving on a committee to discuss

the program concept and potential creation. Respondents who indicated they had interest in committee membership were contacted and added to an e-mail distribution list.

The committee first met on September 17, 2009, to discuss at length the concept of a processed foods logo program and, if deemed a worthwhile effort, what the program objectives would be and how it would be structured. The committee agreed that companies could find benefit in a Minnesota processed product logo program. It was stressed that the word ‘processed’ should not appear in the program name as it doesn’t necessarily translate positively to consumers. The group further expressed that there needed to be a clear definition of what the program identifies and what type of companies could be members so it’s meaningful to consumers. Membership could be based on 1) company headquarters located in Minnesota, 2) percentage of total production in Minnesota, 3) incorporation in Minnesota or 4) number of jobs company brings to the state. A majority of the committee members felt that a user fee is appropriate for membership in order to supplement any state funds that would be allocated to the program.

The second committee meeting (February 2, 2010) focused on two major outcomes of the first meeting—the program definition and what the cost structure should be. After a lengthy discussion about the program definition, the committee voted to recommend that membership be open to any company producing a final product in the state and/or headquartered in the state. Rather than simply identify products that are made in final form in Minnesota, the committee felt that the logo should identify products and companies that have a dramatic impact on Minnesota’s economy. This approach would allow companies and brands consumers already identify as local (i.e. General Mills, Malt-O-Meal, etc.) to participate in the program, and, most importantly, make the program implementation easy for retailers to carry out. The committee also recommended a \$100 annual membership fee to supplement any other program funding. It will be especially important in the first years of the program to have a sufficient budget to launch the program. If the consumer cannot connect the logo to its meaning, the program will not be successful.

A second survey was sent out outlining the committee recommendations and asking Minnesota companies to indicate their likeliness in using such a program. Of the respondents, 54 percent said that they would use a state logo in their marketing plan; however, 59 percent of those respondents said they were not willing to pay a \$100 annual fee. Further, 48 percent said that they would use the logo on their package label and 44 percent said that they would use point-of-purchase materials featuring the logo. As of the submission of this report, we have received 27 survey responses, a 3.4 percent response rate.

Timeline

August 3, 2009	First Survey Monkey online survey distributed
September 17, 2009	First program concept committee meeting
February 2, 2010	Second program concept committee meeting
January-March	Calls to supermarket managers
March 10, 2010	Second Survey Monkey online survey distributed

Appendixes

Appendix 1	First Survey Monkey results
Appendix 2	Committee members
Appendix 3	Sept. 17, 2009, meeting notes
Appendix 4	February 1, 2010, meeting notes
Appendix 5	Supermarket manager questionnaires
Appendix 6	Second Survey Monkey results
Appendix 7	Other state logo programs



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Developing a Minnesota Processed Food Products Logo

Appendix # 1
First Survey Monkey Results



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Response Summary

Total Started Survey: 69
Total Completed Survey: 69 (100%)

Page: Default Section

1. If a Minnesota processed products logo were developed, would you use it to identify your products in retail or foodservice locations in Minnesota?

[Create Chart](#) [Download](#)

	Response Percent	Response Count
Yes <input type="text"/>	59.4%	41
No <input type="text"/>	40.6%	28

[Show replies](#) If no, please tell us why. 34

answered question 69

skipped question 0

2. If a Minnesota processed products logo were developed, would you use it to identify your products in retail or foodservice locations out-of-state?

[Create Chart](#) [Download](#)

	Response Percent	Response Count
Yes <input type="text"/>	44.1%	30
No <input type="text"/>	55.9%	38

[Show replies](#) If no, please tell us why. 35

answered question 68

skipped question 1

3. If a Minnesota processed products logo were developed, would you be willing to pay an annual fee to use the logo?

[Create Chart](#) [Download](#)

	Response Percent	Response Count
Yes <input type="text"/>	31.3%	21
No <input type="text"/>	68.7%	46

[Show replies](#) If yes, what do you feel is a reasonable annual fee? 22

answered question 67

skipped question 2

4. If printed materials with the logo were printed and offered by the Dept. of Agriculture, which materials would you be most likely to use?

[Create Chart](#) [Download](#)

		Response Percent	Response Count
artwork for use on packaging/brochures	<input type="text"/>	72.5%	37
shelf talkers for retail	<input type="text"/>	43.1%	22
stickers for packaging	<input type="text"/>	52.9%	27
window decals	<input type="text"/>	15.7%	8
price tags	<input type="text"/>	9.8%	5
Show replies Other (please specify)			9
answered question			51
skipped question			18

5. The Dept. of Agriculture would like to organize a meeting related to development of a state processed product identity program. Would you like to participate in a forum in St. Paul to discuss the concept?

[Create Chart](#) [Download](#)

		Response Percent	Response Count
Yes	<input type="text"/>	33.3%	23
No	<input type="text"/>	66.7%	46
answered question			69
skipped question			0

6. Please provide the following:

[Download](#)

		Response Percent	Response Count
Show replies	Name: <input type="text"/>	100.0%	58
Show replies	Company: <input type="text"/>	100.0%	58
Show replies	Email Address: <input type="text"/>	96.6%	56
Show replies	Phone Number: <input type="text"/>	91.4%	53
answered question			58
skipped question			11



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Use Cases

- Customer Satisfaction
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- Employee Satisfaction
- Market Research

Languages

- English
- Nederlands



Developing a Minnesota Processed Food Products Logo

Appendix # 2
Committee Members

Appendix #2
Developing a Minnesota Processed Food Logo Committee

Contact	Company	Email
Majdi Wadi	HolyLand	majdiwadi@holylandbrand.com
John Carlson	HolyLand	
Don Johnson	Fraboni Sausage	djohnson@frabonis.com
Phillip Brooks	H Brooks & Co	phillip.brooks@hbrooks.com
Preston Clark	Cameron Clark Products	pdclark@q.com
Dominic	Gehrke Company	dominic@gehrke.com
Lavonne Kucera	Caribou Coffee	lkucera@cariboucoffee.com
Connie Karstens	Lamb Shoppe	lambshop@hutchtel.net
Adnan K Abuzanat	HolyLand	adnanabuzanat@holylandbrand.com
Per Persson	Seneca Foods	ppersson@senecafoods.com
Tom Dietman	Uncle Pete's Mustard	tom@unclepetesmustard.com
Jay Buckingham	Old Dutch Foods, Inc	jay.buckingham@olddutchfoods.com
Fred Wescott	Mississippi Valley Fruit Co	fred@wescottorchard.com
Valerie Shannon	Buffalo Gal/Money Creek Buffalo Ranch	sales@buffalocal.com
Jennifer Zirbel	Midwest Dairy Association	jzirbel@midwestdairy.com
Paula Marti	Morgan Creek Vineyards	martimcv@aol.com
Mark Doty	Soluppa	mdoty@soluppa.com
Paul Shuster	Forestedge Winery	info@forestedgewinery.com
Lori Karis	Sweet Cheeks Baby Food	info@sweetcheeksbabyfood.com
Marv Hinnenkamp	Pride of Main Street Dairy	marv@prideofmainstreet.com
Daniel Blackburn	Whole Foods Market	dan.blackburn@wholefoods.com
Tim Barinka	Hormel Foods International	tpbarinka@hormel.com
Theresa Oslund	Special T's Oh So Good Gourmet	toslund@gmail.com
Kim Wilhelm	Gibbs Wild Rice	gibwldrc@paulbunyan.net
Jamie Pfuhl	MN Grocers Association	jpfuhl@mngrocers.com
Thom Peterson	MN Farmers Union	thom@mfu.org
Chris Radatz	MN Farm Bureau	cradatz@fbmn.org
Teresa Spaeth	AURI	tspaeth@auri.org
Dan Lempke	AURI	dlempke@auri.org
Dale Monson	Cub	dale.o.monson@supervalu.com
Kelly Baumann	Coborn's/Cashwise	kelly.bauman@cobornsinc.com
Robin Kinney		
Doug Spanier		
Paul Hugunin		
Shannen Bornsen		
Rep. Al Juhnke		
Quinn Cheney		



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Developing a Minnesota Processed Food Products Logo

Appendix # 3
First Meeting Minutes

Processed Foods Logo Meeting Sept. 17, 2009-Freeman Building, State Capitol Grounds

In attendance: Lauren Mihajlov, Caribou Coffee; Dan Lemke, AURI; Jay Buckingham, Old Dutch Foods; Per Persson, Seneca Foods; Majdi Wadi, Holy Land; Jaime Pfuhl, MN Grocers Association; Thom Peterson, MN Farmers Union; Chris Radatz, MN Farm Bureau; Preston Clark, Cameron-Clark Products; Robin Kinney, MDA Assistant Commissioner; Doug Spanier, MDA Assistant Director of AMS; Paul Hugunin, MN Grown Coordinator; Shannen Bornsen, MDA International Resources Manager, Quinn Cheney, MDA Policy Director

Meeting Outcomes:

- The group assembled agreed that companies can find use in a MN processed product logo program.

- The word ‘processed’ should not appear in the program name as it’s not necessarily a positive word in the industry.

- There needs to be a clear cut definition of what the program identifies and which companies can be members so it’s meaningful to consumers. Membership could be based on:
 - 1) company headquarters located in MN
 - 2) percentage of total production in MN
 - 3) incorporation in MN
 - 4) number of jobs company brings to the state

- A user fee is appropriate for membership.

Meeting Minutes:

Assistant Commissioner Robin Kinney opened the meeting with a welcome and background on why the legislature asked for a report on developing a processed foods logo program. The intent of asking for this report was to investigate whether or not processed food companies in Minnesota would value a logo program identifying Minnesota origin, and if so, what would be the architecture of the program. She further explained that what legislators really wanted was a program that would help consumers walking down the grocery aisle to easily identify products with some sort of *Minnesota based* signage.

Paul Hugunin gave an overview of the MN Grown program. MN Grown is an identity program for products grown or raised in MN. Most processed products don’t fall into those categories. He also presented materials offered to MN Grown members and outlined the funding stream for the program, part general fund money and part industry contribution.

The agenda outlined five issues that needed to be addressed in this initial meeting: 1) evaluation of program need, 2) define product eligibility, 3) program funding, 4) program materials, and 5) program administration. The discussion regarding each topic was as follows:

Evaluation of program need:

Jay Buckingham – Discussed the difference in being a regional company versus a national company. A regional company may find more value in tying into a buy local program. He thinks that our Upper Midwest region values heritage and cares about the local community. Local business represents value to the community.

Lauren Mihajlov – Caribou is trying not to be a regional brand and is battles that on a national level with their retail footprint. There are 500 coffee houses in the U.S. with 180 of them here in Minnesota. Right now, they are not expanding their stores but rather focusing on the grocery sales. Should a logo program be developed, they would likely do their own research to find out how the application moves its customers. The concept has potential, but she's no sure how it would actually work in their applications.

Majdi Wadi – Consumers really care about where products come from. While he realizes outside of the state a MN designation could be a negative, he found he doubled sales in certain stores statewide as soon as he started marketing as a MN product. He also sees it as a way for small companies to compete against larger national companies. He believes that a logo program would really be useful and is a “big fan of the idea.”

Per Persson – Seneca has people internationally asking for an identifier to the state or the U.S. One problem for them is that they have processing in both MN and WI. They can't necessarily separate the origin by product.

Majdi Wadi– Feels that MN really has unique customers that discriminate for local companies. Many smaller companies can't find tools and money to promote their products. There needs to be some sort of annual event that really recognizes locally processed products.

Jamie Pfuhl – There are some concerns about actually branding the package. She gave an example of eggs. There are many table eggs that don't come from MN, but are graded in MN. How would they fit into the program? Perhaps we should have some focus groups of consumers to see where that value might lie. We want to make sure that the logo program resonates with customers. She feels that MN Grown has given a marketing advantage to its members.

Dan Lemke – He feels that some of the AURI clients would see a benefit in such a branding program.

Jamie Pfuhl – There are stories to be told about MN-based companies. We should look at having a MN product month or something along that line. Consumers also need to know the number of jobs the MN processors bring to the state.

Lauren Mihajlov – She would like a program that is easily identifiable at retail. Thinks it would be rather easy to pool funds for cooperative ads.

Jamie Pfuhl – There’s been some push back on using the word “Processed” in the program name. Perhaps something like “Made in MN” would be better. The program also needs to define clearly what using the logo means and of what kind of business ethic is portrayed by its members. We also might want to look at using a percentage of total production as a means to determine what kind of companies qualify.

Define product eligibility

Jay Buckingham – If a company simply has a distribution center located in MN, he doesn’t believe it should qualify for the program. It would be a misrepresentation to the consumer. Rather, he’d like to see companies based in the state and paying tax in the state to be recognized by the logo.

Jamie Pfuhl – Questioned whether or not companies such as distributors should be included in this type of program because they have a wide distribution and support a number of jobs in the state.

Chris Radatz – The program sounds a bit like country of origin labeling. He thinks that consumers should be able to walk down the aisle and know what’s from MN. Sounds like a simple process, but it’s not.

Preston Clark – What if we used the companies’ letter of incorporation as criteria? The letter has to be sent into the state showing that it’s a MN based company. Having a product identified as a MN one is a positive. Consumers need that identifier.

Thom Peterson – The program has admirable goals, but has some roadblocks.

Jay Buckingham – Pennsylvania used the name “Favor Your Neighbor.” Believes it’s important that the program itself doesn’t define how companies use it.

Preston Clark – Thinks that we should require that companies be based here. He also doesn’t like the word ‘processed’ used in the name.

Chris Radatz – Maybe we should look at the regional impact of such a program. If we have impact for a WI company as well, should that be an issue?

Jamie Pfuhl – Again, suggested using consumer focus groups to find out what criteria would make the program credible to the public. If every single cereal in the aisle can use the program logo, the program is going to lose credibility with consumers and/or grocers. Thinks that basing membership on incorporation here is too broad.

Quinn Cheney -- Asked what incorporating here in MN actually means and what the criteria are. Doug Spanier responded that anyone who does business in the state can incorporate here.

Thom Peterson – Asked if there were other state identifying programs and what their criteria is. Shannen Bornsen replied that several states have logo programs and eligibility varies from state to state.

Lauren Mihajlov – Suggested using headquartered here and a percentage of processing or jobs provided. For the program to be credible, it has to be exclusive in some way.

Jay Buckingham – We don't want to exclude a start-up company who is growing or could grow. Sometimes they have to make decisions to move the work force or something similar in the best interest of the business.

Paul Hugunin – We should pay attention to the aspect of consumer understanding. The program should be easy for customers to understand and easy for companies to use. That makes the program easy to enforce as well.

Program funding

Overall the group believes a user fee is reasonable.

Lauren Mihajlov– Really believes that paying to use the logo would be appropriate. She is shocked that MN Grown is only \$20. She feels that Caribou would be willing to support coop marketing. There needs to be an initial activity that really kicks the program off.

Per Persson – They would probably use the logo on a small percentage of products.

Jay Buckingham – Maybe the program should have a sliding scale for the membership fee based on the volume of materials a company uses.

Quinn Cheney– MN Grown gets general funds, but it's very unlikely that any general fund money would be available for a new program.

Program materials

Paul Hugunin– Explained that MN Grown members get as many materials as they want for their \$20. The directory is paid for with a \$40 inclusion fee and additional ad revenue.

Jay Buckingham – Feels that produce is a different animal, and it’s easier to get retailers involved.

Preston Clark – Retailers are just trying to keep up with their daily shelf programs and to add to the schedule wouldn’t be a benefit. It’s a time consuming process for retailers to set up their displays and restock shelves. Companies are not going to want to change the label or put thousands of stickers on their product. He’s seen piles of shelf talkers in back rooms of retail outlets no being used. Who are we depending on to get those materials up?

Paul Hugunin – He has seen a recent switch in retail mentality from “give us signage” to “we only want to use what we produce and what fits into our branding.”

Jay Buckingham – He would be concerned for the program future if there’s a low level of interest from the retailers. There are a diminishing number of retailers that are based in this state.

Jamie Pfuhl – Said that the question we’ll get from retailers is “what is this program representing?” It needs to be something that helps retailers is different.

Jay Buckingham – There needs to be a spike of funding for the program at the beginning. We could offer different levels of membership based on the different promotions we did (e.g. cooperative advertising.)

Program Administration

In interest of time and because the basic definition of the program needs further discussion, this topic was not discussed.

Next Steps:

Shannen Bornsen will collect data on other state logo programs for reference. She will also work with Jamie Pfuhl on visiting some of the retailers to get more input on what makes a logo program workable in their eyes.

Another meeting of this advisory group will be scheduled, probably in November.



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Developing a Minnesota Processed Food Products Logo

Appendix # 4
Second Committee Minutes

Minnesota Processed Foods Logo Meeting February 1, 2010 – Freeman Building, State Capitol

Present:

Dominic Fragomeni, Gehrke Company; Thom Peterson, MN Farmers Union; Mark Doty, Soluppa; Jamie Pfuhl, MN Grocers Association; Paul Hugunin, MDA; and Shannen Bornsen, MDA

Meeting Outcomes:

The group made a recommendation that the Minnesota processed foods logo program include companies that manufacture products in the state and/or have a headquarters located in Minnesota.

The group also made a recommendation that annual fees should be set at \$100.

Meeting Minutes:

On the agenda, there were two major points of discussion: 1) the definition of a qualifying product and/or company and 2) the dues structure.

Definition of a Qualifying Product

Mark Doty – The logo would not be a benefit outside of MN for most companies, only here in MN. He uses ‘locally made’ as a promotional tool for his product.

Jamie Pfuhl – The MN Grocers Association members have had some loose conversations about the proposed processed products logo. Overall, they feel it’s a good concept/program in promoting MN products.

Mark Doty – It’s better to have something that is displayed on a sign or having a sticker rather than a logo that’s to be imbedded in the product packaging.

Jamie Pfuhl – The MN Grocers Board likes having shelf talkers. Because stores are quite busy all ready with signs and advertisements, we want to have something for this program that clearly identifies what we’re trying to promote.

Paul Hugunin was asked to explain the difference between the MN Grown program and who this processed product program would represent. Paul stated that in essence “something that isn’t tied back to a specific farm” would fall into this logo program.

Dominic Fragomeni – Very few ingredients coming from MN would qualify. We need to focus on where it’s made. A number of companies process out of state or commingle product. It’s harder for them to identify which specific product is made in MN.

Jamie Pfuhl – Agreed with Dominic’s previous comment. One of her companies mentioned that the majority of time, they sell eggs from MN. However, during Easter, they have to bring some product from Iowa. What would that mean for qualifying for this program? Would they have to have traceback for using the logo only on MN eggs?

Thom Peterson – How were products selected to be displayed in the State Fair booth?

Paul Hugunin – They were selected from companies that either have made product here in the state or are based here.

Thom Peterson – Has the Minnesota Grown Board discussed this program concept at all?

Paul Hugunin – The Minnesota Grown Board has discussed it briefly. As long as the new program doesn't change the Minnesota Grown program as it is, that Board doesn't have any immediate concerns.

Jamie Pfuhl – Referencing the list of other state programs that was provided at the first meeting, she stated that Iowa's program is as broad as it can be by definition. She posed the question why a MN program couldn't/shouldn't be as broad and let the companies decide whether or not they want to participate.

Mark Doty – Also referenced the list of other state programs and added that just the name of many of those programs doesn't define what the program identifies. We need to make sure that our definition is clear. He also stated that he'd like to see the program identify companies rather than specific products.

Jamie Pfuhl – Some companies all ready know how'd they'd use it and market their product. There are companies that would embrace this program right away. She then asked if MDA had talked to retailers about private label products.

Shannen Bornsen -- Stated that the informal survey that had been conducted had not included private label products. She also reiterated that in her conversations with retailers to this point, they expressed the need for a program that was easy for them to execute. They did not want to have to go in and identify each product that qualifies but rather a company or grouping of products.

Dominic Fragomeni – He thinks that house brands would use a logo program if they could. Private labels have become so advanced and are positioned so much higher in the market than they used to be. Many are aiming to be identified as premium products. Buying local also means it's a premium product in the minds of consumers.

Mark Doty – Basically smaller companies would qualify under a definition of a local manufacturer.

Shannen Bornsen – There are two concepts in front of the group at this point. The first is outlining a program that identifies products that are actually processed here. The second is a program that identifies companies with an economic impact in MN. We need to define which program we are recommending to the legislature.

Jamie Pfuhl – It's going to be confusing to consumers if one product from a company is identified under this logo program, but another wouldn't be.

Mark Doty – The program should be as simple as it gets. Defining our program as a business that is based here is as simple as it can get.

Jamie Pfuhl – The Minnesota Grown program is so clear cut, but a processed foods program is so much more ambiguous.

Dominic Fragomeni – With a broader program, small companies can still add a logo to their packaging or put “Made in MN” on the package to further distinguish their products.

Jamie Pfuhl – Most companies will not use a logo embedded in their label/packaging.

Paul Hugunin – There are many Minnesota Grown members that only use the logo artwork, but none of the point of purchase materials.

Shannen Bornsen – This committee needs to decide if the logo program should be a promotion of manufacturers or a program to promote economic impact.

Mark Doty – He doesn’t think that the bigger companies would like the smaller companies using the locally made concept to carve out a niche.

Shannen Bornsen – Asked the committee members to put their business hats aside and think as a grocery consumer. Are supporting local manufacturers and supporting companies that provide jobs in Minnesota equal motivators for purchasing a product when you shop?

Jamie Pfuhl – For her, she would support a company that adds jobs in MN.

Mark Doty – Both ideas impact him the same as long as he knows that the company is adding jobs to the state. He also feels that a company that is making product here automatically equates to an economic impact for consumers.

Thom Peterson – A product made in the state is a bigger motivator for him.

Dominic – A product made in MN has a higher impact for him.

Paul Hugunin – Thinks that for most consumers, their mind goes to where a product is processed first.

Jamie Pfuhl – Is there a value to starting small at first, keeping the definition tight. What is going to be our benchmark for success for this program? Is it the number of logos in a store?

Thom Peterson – Thinks the logo identifies that a company is a little more invested in the state.

Dominic Fragomeni – Isn’t the value of the logo program actually having the image on

the product. Why have a logo if you can't allow more companies to be involved to support it.

Paul Hugunin – Value in the program is having a blanket marketing program that looks the same in, for example, Cub vs. Byerley's.

Mark Doty – Will big companies use this logo/program?

Dominic Fragomeni – Equated a program like this to kosher products. Companies spend billions to be kosher even if it appeals to a small part of the population. It has intrinsic value even though it's a segmented market.

Jamie Pfuhl – Don't forget that big companies involved in the program might make the logo mean something that carries over to small companies. The larger companies based here all ready have strong recognition. Tying small and medium-sized companies to those well-known brands could be a real positive.

In a round the table vote, the committee voted to support a definition of the program as including products made here in MN or identifying companies headquartered here in MN.

Thom Peterson – Mentioned that the legislature has looked at a green report done by AURI which looks at the impact of jobs in MN.

Program Dues Structure

Paul Hugunin was asked to outline the dues structure for the Minnesota Grown program. Paul stated that Minnesota Grown received \$186,000 of state funds, and brings in an equal match of private funds. The program produced about 2 million point of purchase items in 2009, and the cost was about \$20,000. Postage is not included in that number. Those materials are free of charge to members.

Thom Peterson – For a dues structure, perhaps there could be a one time grant from the legislature which then transitions to a self-funding program. Perhaps, companies could be charged for the materials they use. This could make the program lean so it doesn't cost so much to maintain.

Shannen Bornsen – She stated that it would be very surprising if a program would succeed self-funded. She has not heard of a state logo program that is self-funded.

Jamie Pfuhl – We could develop a tiered program based on number of employees.

Dominic Fragomeni – It would be nice if some of the larger food companies could kick in some start up funds for the program.

Shannen Bornsen – The recommendation sent out to committee members after the first meeting was to have one program fee of \$100.

Dominic Fragomeni – Why have it so expensive if it's not going to completely fund the program?

Paul Hugunin – For any program spearheaded by government, it's imperative to show industry financial support.

Jamie Pfuhl – Asked if we should consider a lower fee for brand new companies (start ups).

Mark Doty – It's imperative that companies understand what the value of a program is. A company will pay for something that adds value to their business. They won't pay a dollar if they can't distinguish that value.

The group voted to stay with the \$100 annual fee recommendation in order to ensure some operating funds were available for the program.

Next Steps:

Jamie Pfuhl is going to present this information at her next board meeting to gather some more input from retailers.

After the meeting minutes are approved and sent out, Shannen Bornsen will conduct another Internet survey of the company database to gather what information she can outside of the processed foods logo committee. The final report will be drafted after completing that survey and finished before March 31, 2010.



MINNESOTA DEPARTMENT
OF AGRICULTURE

Developing a Minnesota Processed Food Products Logo

Appendix # 5
Supermarket Manager Questionnaires

Proposed Minnesota Processed Products Logo Program RESPONSES

- 1) What is your initial reaction to a proposed logo program?
 - While we fully support a MN logo program, the consensus is that the consumer of today is not looking at the label of the product to make the decision based on where it is manufactured, so would there be a financial benefit for companies to add more to their packaging? In specific categories, knowing that you are buying authentic product, from a known best in class area, is a key decision point.
 - Like the overall recognition for our MN partners but nervous about increased execution costs.
 - A small sticker like on bananas and fruit has good merit – low cost and get recognition

- 2) How could a logo program positively affect your business?
 - Locally grown for produce sends a strong message of being locally relevant. Putting a value to that is challenging, but it does add value to the business. We are proud to be a MN based company to our MN stores; we are not saying that to anyone in the IA, IL or WI markets we do business in.
 - Not sure if people really make decisions based on local connection – look at Trader Joes.
 - Would probably appeal to a certain segment of customers.

- 3) How could a logo program negatively affect your business?
 - If it were to mean another “program” of signs and shelf talkers, it would just add to the clutter of such programs. It should not have any negative financial impact unless it adds to the costs from the manufactures side of the business.
 - Increased administrative costs.
 - If quality is not as good or doesn’t meet their expectations.

- 4) What steps do you as a retailer have to go through in order to implement a marketing program featuring local products? Ex. headquarter approvals, employee time for managing signage, storage of materials, etc.
 - Approving such programs is easy, executing all depends on the extent of the program. A full marketing blitz is costly in material and labor to manage and unless a statewide campaign, will have a heavy amount of throw away investment associated to it.
 - Quality and price must provide value compared to other options.

- 5) What information would have to be supplied to you for your record keeping?
 - Do not believe that the retailer should be required to track anything or at least do not understand what it would be if we had to.

6) What are the best tools you can use at point-of-purchase to identify local products and motivate consumers to purchase? (*How about; If there is a new state logo program, what point-of-purchase materials would be most valuable to you and most likely to motivate consumers to purchase?*)

- Motivating consumers has to begin and end with them in mind. Why should they purchase this item? What is the benefit to them? Pride will carry it for a while, in the end quality and value will be the items used to make the final decision. POS is wallpaper after a few weeks, if it is to be used it must have a point of differentiation for consumers and maintain a fresh look. Shelf talkers, signs and bib tags are the wallpaper I mentioned above.



Developing a Minnesota Processed Food Products Logo

Appendix # 6
Second Survey Results



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MN Processed Product Logo 2 [Edit Title](#)

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Response Summary

Total Started Survey: 28
Total Completed Survey: 28 (100%)

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Page: Minnesota Processed Foods Logo Survey 2

1. Does your company produce/manufacture a processed food product in the state of Minnesota?

[Create Chart](#) [Download](#)

	Response Percent	Response Count
Yes <input type="text"/>	89.3%	25
No <input type="text"/>	10.7%	3
<i>answered question</i>		28
<i>skipped question</i>		0

2. Is your company headquartered in the state of Minnesota?

[Create Chart](#) [Download](#)

	Response Percent	Response Count
Yes <input type="text"/>	92.6%	25
No <input type="text"/>	7.4%	2
<i>answered question</i>		27
<i>skipped question</i>		1

3. Approximately how many people are employed at your operations in the state of Minnesota?

[Download](#)

	Response Percent	Response Count
Show replies Headquarters <input type="text"/>	78.6%	22
Show replies Manufacturing facilities <input type="text"/>	78.6%	22
<i>answered question</i>		28
<i>skipped question</i>		0

4. Where do you primarily market your products?

[Create Chart](#) [Download](#)

	Response Percent	Response Count
In-state <input type="text"/>	21.4%	6

Regionally	<input type="text"/>	21.4%	6	
Nationally	<input type="text"/>	53.6%	15	
Internationally	<input type="checkbox"/>	3.6%	1	
			<i>answered question</i>	28
			<i>skipped question</i>	0

5. If a logo were developed to identify Minnesota processed food products, would you be likely to use that logo in your marketing efforts? [Create Chart](#) [Download](#)

		Response Percent	Response Count	
Yes	<input type="text"/>	55.6%	15	
No	<input type="text"/>	44.4%	12	
			<i>answered question</i>	27
			<i>skipped question</i>	1

6. Would you be willing to pay a \$100 annual licensing fee for the rights to use the logo on your packaging, point-of-purchase materials and advertising efforts? [Create Chart](#) [Download](#)

		Response Percent	Response Count	
Yes	<input type="text"/>	42.9%	12	
No	<input type="text"/>	57.1%	16	
			<i>answered question</i>	28
			<i>skipped question</i>	0

7. Would you envision incorporating that logo into your package label? [Create Chart](#) [Download](#)

		Response Percent	Response Count	
Yes	<input type="text"/>	50.0%	14	
No	<input type="text"/>	50.0%	14	
			<i>answered question</i>	28
			<i>skipped question</i>	0

8. Would you envision using point-of-purchase materials such as stickers, rail tags or hanging signs? [Create Chart](#) [Download](#)

		Response Percent	Response Count	
Yes	<input type="text"/>	42.9%	12	
No	<input type="text"/>	57.1%	16	
			<i>answered question</i>	28
			<i>skipped question</i>	0

9. If this logo concept were to proceed, how would you envision the program to operate? [Create Chart](#) [Download](#)

		Response Percent	Response Count
As a private, non-profit entity	<input type="text"/>	40.0%	10
As a state program funded through licensing fees and state funds	<input type="text"/>	32.0%	8
As a state program funded solely through licensing fees	<input type="text"/>	32.0%	8
answered question			25
skipped question			3

10. Please provide the following: [Download](#)

		Response Percent	Response Count
Show replies	Name: <input type="text"/>	96.2%	25
Show replies	Company: <input type="text"/>	96.2%	25
Show replies	Phone: <input type="text"/>	84.6%	22
Show replies	E-mail: <input type="text"/>	88.5%	23
Show replies	Additional Comments: <input type="text"/>	34.6%	9
answered question			26
skipped question			2



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Developing a Minnesota Processed Food Products Logo

Appendix # 7
Other State Logo Programs

Appendix # 7 - Developing a Minnesota Processed Food Logo Report
Summary of Other State Programs

State Logo Programs

State	Program Name	Definition	Annual Fee	One-time Fee	Price Cards	Stickers	Labels	Signs/ Posters	Window decals	Banners	Others
AL	Buy Alabama's Best	Produced, manufactured or headquartered	\$300		x			x	x		
CO	Colorado Proud	Grown, raised or processed--encouraged to use CO ingredients	Free				x	x	x	x	
FL	From Florida	Packer, shipper, processor of Florida products	\$50/free to retail, foodservice			x					shirts, cards, coasters, bags, pins, pedometers
ID	Idaho Preferred	Processed in state and at least 20% of content by weight from Idaho	\$50 producer/\$100 packer, processor, free to retailers, dist.		x	x					bottle hangers, bags, aprons, mugs, lunch bag
IL	Illinois Product	Produces, processes, packages or manufactures	Free			x					caps
IA	Choose Iowa	Processed or headquartered	\$25 per item to max. \$500								
KY	Kentucky Proud	Major ingredients from KY and facilities or headquarters in-state	Free								
MA	Massachusetts Made With Pride	Processed	Free		x	x		x			

Appendix # 7 - Developing a Minnesota Processed Food Logo Report
Summary of Other State Programs

State	Program Name	Definition	Annual Fee	One-time Fee	Price Cards	Stickers	Labels	Signs/ Posters	Window decals	Banners	Others
MI	Select Michigan	51% of content grown in MI or processing plant must be in Michigan			x	x					
MO	AgriMissouri	Grown, raised or processed	\$50		x	x		x		x	bags
NM	Taste the Tradition	Grown, raised or processed	Free		x		x		x	x	license plates, jackets
NY	Pride of New York	Produced or processed		\$25	x	x		x	x		pens, pins, plant tags
ND	Pride of Dakota	Produce, manufacture or process	Based on employees, from \$50-\$250		x	x					
OH	Ohio Proud	50% grown, raised or processed	\$25								
OK	Made in Oklahoma	Manufactured or processed	Free								
TN	Pick Tennessee										
TX	Go Texan	Grown and processed	\$25					x			