



The path to food waste prevention starts here.

Food Waste Prevention Case Study: Lueken's Village Foods

Background

Just how large of a problem is food waste? There are numerous estimates, but they all suggest between 30 percent and 40 percent of the food we produce becomes waste somewhere in the supply chain from production to consumption. Globally, this represents 2.6 trillion pounds of food waste according to the Food and Agriculture Organization of the United Nations.

Focusing just on the U.S. out-of-home restaurant and foodservice industry, LeanPath estimates between \$8 billion and \$20 billion of waste occurs at the pre-consumer level — this includes losses before food ever reaches a guest, including overproduction, spoilage, expiration and trimmings.

But LeanPath is helping foodservice operators prevent food waste at the source. They provide automated food waste tracking systems and coaching services to measure, manage and reduce waste. You'll find the LeanPath System in numerous hospitals, colleges, universities and restaurants across the country.

What about supermarkets? Can something be done about the food waste generated at our local grocer, or is that waste just a part of doing business?

Overview

LeanPath has teamed up with Lueken's Village Foods in Bemidji, MN, to discover the answer. This family-owned grocery in Minnesota has three stores, each with up to 110,000 square feet. They aren't used to being in the spotlight, but they have emerged as innovators in food waste prevention since their flagship store implemented a LeanPath Tracker earlier this year.

As an organization committed to sustainability, Lueken's was looking for new ways to reduce food waste while combating the rising wholesale cost of food. With LeanPath, they are conducting a first-of-its-kind grocery food waste study that started in February 2012, initially focusing on the deli department. They have already seen a dramatic reduction in the amount of food they're throwing away. Lueken's considers the LeanPath System a "crucial element of their long-term business strategy" and have plans for implementation in all perimeter departments in the coming year.

Objectives

The goal of the pilot program is to track all deli food waste daily using an automated tracking system at Lueken's 110,000 sq. ft. flagship store. Every time food items are being discarded, they are first weighed using an automated LeanPath scale and touch-screen terminal. This data is uploaded to a management dashboard, where the grocery leadership reviews weekly reports of what's being thrown out and can drill-down to identify where opportunities exist to change production, purchasing and merchandising practices to reduce waste.

Upon initial review of the waste tracking data, they found that hot case items in the deli accounted for 48% of the waste, followed by the salad bar (23%). The remainder of the waste was from the meat case, salad case, catering and other areas. When they delve further into the hot case loss reasons, they found that 86% of the hot case waste was due to overproduction. So they made some adjustments to purchasing and production. They also used the data to raise employee awareness so everyone could see what was being thrown out and the value of the items.

Results

In just 2 months of utilizing food waste tracking, Lueken's Village Foods flagship store experienced a **27% reduction in deli food waste**, and is projected to **save nearly \$40,000 in waste** over the course of the year. Waste as a percentage of sales has decreased from 16% to 9% over the course of the study.

LeanPath Food Waste Prevention Case Study: Lueken's Village Foods

How to

De-stigmatizing food waste represents the first step toward a more realistic and productive work culture. Publicly communicate that food waste is undesirable, but that every operation struggles with it and the best operations do so candidly. Reinforce that management understands that no employee wants to waste food and that anyone talking about food waste (even things they prepared) is part of an important improvement process. Keep it positive, and make sure all managers walk this talk. With this foundation, you can begin to dig deeper into the problem with support from your team.

The second waste prevention strategy involves data. Pre-consumer food waste reduction relies on data. With accurate, detailed information you can diagnose problems, set a baseline, compare your progress and engage your team in the effort. To get this data, you need to implement a daily pre-consumer food waste tracking protocol, using either automated food waste tracking systems or manual paper processes. Done correctly, this will not add labor costs and it will give you the power to manage food waste prevention efforts every day. The Basic Law of Food Waste Tracking is this: You must track sufficient detail to be able to drive behavior change. At a minimum, this usually means tracking 1) what food was discarded, 2) how much was lost, and 3) why it was lost (e.g. overproduction, spoilage, expiration, trim waste).

Always emphasize prevention above diversion. And confidently pursue prevention through a combination of culture change and data-driven problem solving. With these approaches, you will save significant dollars, help the environment and strengthen your operation.

Contact Information

www.leanpath.com

info@leanpath.com

Tel: (503) 620-6512

Photos

