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Veritable Vegetable

Setting Standards for Sustainable Food and Business Practices

Produced by Sean Barr & Written by Camila Osorno

San Francisco's Veritable Vegetable (VVEG) was founded in 1974 and has since grown from a small people's food collective into a bastion of sustainability and ethical business practices. As the oldest organic produce distributor in the country, VVEG has unsurprisingly developed and maintained a business model that emphasizes strong relationships, internally as well as with growers and customers, at its heart.

Through transparency, deep relationships, collaboration, cooperation and clear communication, VVEG has succeeded in creating a business worthy of emulation. As a mission-driven company, every decision is guided by its belief that food is for people, not profit, and it should be accessible to all.

VVEG typically distributes fresh fruits and vegetables, eggs, dairy, dried beans and grains to a network of independent retailers, cooperative markets, restaurants and schools across California and into New Mexico, Arizona, Nevada and southwest Colorado. VVEG has even shipped products as far as Hawaii and New York. Throughout its business the company is dedicated to doing business without ever losing sight of the environmental impact it has on the communities it serves.

"Our founding idea was to give people an alternative to the large chain grocer model, to support farmers and to offer eaters

healthy, fresh foods at reasonable prices," asserts Mary Jane Evans, CEO of VVEG. "We consider the environment at the core of every decision we make."

Whether dealing with one of its major producers of year-round staples or a small seasonal grower of heirloom items, VVEG serves as a resource for farmers to help maximize annual yields

and find the best markets for a particular product. "We have a highly involved purchasing department that focuses on working with competent and ethical producers," says Evans. "They form lasting relationships with growers and often work together to come up with the most advantageous production plan possible."

Whether or not a grower sells exclusively to VVEG, purchasers will work with producers to establish exactly what kind of production scale is possible given a grower's

experience, soil type, climate and current market trends. In addition, VVEG can help growers find more ways to reduce environmental impact, because the company believes that being environmentally responsible should be taken into consideration along every part of the value chain. The company is certified as an organic handler by California Certified Organic Farmers.

Supporting Farmers and Staying Green

The company operates two warehouses at its San Francisco





headquarters, with 35,000 square feet and 10 coolers to keep produce fresh. VVEG has begun work on a third warehouse just up the block to increase storage capacity; the space will provide ripening areas for some of its fruits and vegetables.

Behind the scenes, VVEG has taken both small and large steps toward becoming a zero-waste operation by adopting new policies and initiatives. Over 99 percent of VVEG's waste is

diverted from landfills through recycling, composting and reuse. The company only uses nontoxic cleaning supplies, low-volatile organic compound paints and furniture made from renewable, reclaimed or recycled materials.

In 2009 the company installed a 560-panel, 106-kW solar electric system to one of its warehouses in San Francisco. The new system saves VVEG an estimated \$60,000 annually and will supply the operation with free electricity for at least 25 years.

VVEG constantly searches for viable alternatives to petroleum-based fuels and investigates small ways the company can have a big impact on fuel usage and efficiency. "We have always been very conscious about the fact that oil is not a renewable resource, and that anything we can do to increase our efficiency is imperative to doing good business," says Evans.

Among its smaller initiatives, VVEG enacted a company policy, even prior to the state's law, prohibiting drivers from allowing trucks to idle. The company constantly upgrades its truck fleet with the newest environmental technologies. "We are so ahead of the curve we often have to wait for technology to catch up with us," jokes Evans.



The attorneys of Sheppard Mullin salute our long time client Veritable Vegetable.

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More recently VVEG invested in six new hybrid trucks and a fleet of hybrid tractor trailers, resulting in big fuel savings. The new trucks are estimated to save 45 gallons of fuel for every 1,000 miles driven. In addition, the tractor-trailers have a 35-percent better fuel economy rate than standard models and zero emissions to boot. Considering that VVEG drivers drive over 1 million miles every year, the savings add up quickly.

According to Evans, the next major hurdle for the VVEG transportation department will be developing an integrated system to keep trucks fully loaded with cargo between stops. VVEG knows that if the trucks can stay full in every direction, the increased efficiency will translate into savings that ultimately trickle down to the consumer.

Going the Extra Million Miles for the Future of Food

In recent years VVEG has begun supplying local schools with fresh fruit and vegetables at or below cost to help support healthy eaters and education. “We are always excited and motivated to figure out how to enter these and other new communities and how to make this system viable,” asserts Evans.

The VVEG team is constantly looking for ways to evolve itself as markets change and evolve. Within the company VVEG

attempts to reduce the stress of physically demanding labor and staggers tasks to reduce injury and engage workers in different ways.

VVEG promotes a company culture dedicated to evening out the differences between entry- and executive-level compensation for the benefit of the entire company. One effort is keeping both executive and beginning salaries at a 5:1 ratio. VVEG also insists on paying above-market wages for all drivers and operational positions to attract the talent that keeps its food on the move. All staff members receive comprehensive training on sustainable agriculture and health and safety in the workplace to drive home the impact of VVEG’s business model and the company’s values.

“Our goal is to prepare this company to be successful in perpetuity and become a model of a business that operates with very small margins, but still manages to find enthusiastic, motivated and talented staff, and provides fair compensation,” explains Evans.

As the company continues to evolve, VVEG sets the standards for ethical business practices across market sectors. The company will continue to adhere to its goal of providing food for people, not for profit, allowing Veritable Vegetable to bring fresh produce to the American table and serve as a model for socially and environmentally responsible businesses everywhere. •

