

seth kroeck
brunswick
LD 1894

Good afternoon honorable chairs, Curry, and Gere, members of the housing in economic development committee and staff.

My name is Seth Kroeck and I run Crystal Spring Farm in Brunswick. For the past 22 years we have been produce and wild blueberry growers with a focus on wholesale production for large scale grocers and distributors as well as independent Maine based retailers. To produce for this market, we have federal food safety certifications and have made significant investment in field and packaging equipment that helps us deliver a product we think exceeds the national standard for fresh produce yet is branded very clearly as Maine grown. This last point is particularly important because over the last two decades it has been proven to us through our work in this market that the people of Maine will buy a Maine grown product whenever possible.

Over the past 5 years, we have worked with several local retailers and distributors as well as 2 large grocers, Hannaford and Whole Foods. We are in conversation with Market Basket for the coming season and Shaws has repeatedly shown no interest in local growers. Looking at the 2 chain stores we currently work with Hannaford and Whole Foods, both owned by large multinational concerns, tied to commoditized international distribution chains. Both require us to deliver our products to individual stores, maintain food safety certifications and track, order and book keep through their portal systems. The difference between the two is in how they interact with Maine growers. Whole Foods allows us to negotiate seasonal prices for each item we offer them, Hannaford does not. Maine's largest retail grocer with 68 locations in the state, many of which are the only option for rural communities, will not negotiate pricing with growers that deliver to their individual stores. Instead, they provide pricing from an in-house economist that sets the "competitive" rate that they are willing to pay for an item. For example, the price they are willing to pay for a 2 pound bag of our carrots has not changed since before the pandemic and represents a number that is below our current cost of production. Over the years I have had several conversations and long email chains with their buyers and department heads explaining that my carrots grown on a 30 acre farm in Maine are not the same product as those grown on a 2000 acre farm in the Salinas Valley of California. Many Maine eaters will agree, yet Hannaford will not providing an economically viable place on the shelf next to those California carrots. The core problem here is that Hannaford, who claims to loves local, does not believe that Maine products, produced within the state, and supporting the local economy, have a real value to the people that live here.