

# **MSU Center for Regional Food Systems - Michigan Food Hub Network**

## **Request for proposals – feasibility study for a statewide IT service function platform**

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### **Problem statement**

Matching IT functions with current and potential business needs is essential for viability of Michigan food hubs. Hubs participating in the Michigan Food Hub Network have IT needs ranging from a dynamic grower/buyer interface (i.e. web exchange function) to a more complex set of IT functions that include inventory, distribution management and complete traceability as the product moves to the final purchaser/end user. Communication among existing Michigan food hubs indicate there are several paths forward, including each hub finding its own solution independent of the other hubs. Food hub evolution dictates a range of short-term decisions and long-term planning. A new IT platform that can perform a wide set of business functions and connect existing hubs and their buyers/sellers is a desirable goal.

There is a willingness among many Michigan hubs to consider researching and if feasible, implementing a more interdependent, statewide long-term solution where an IT platform with a comprehensive set of business function modules could be available to all hubs. Smaller hubs may only need a few functions/modules to start with, such as web exchange and on-line ordering, where the larger hubs may need to fully utilize all available functions. Rationale for a long-term solution of a module-based platform includes (1) increased transparency and business communication, and more seamless coordination across hubs that will lead to access to new markets, (2) potentially decreased per hub cost due to fewer workarounds, manual interventions, and reduced data re-entry (3) ability for a centralized resource to support shared information and inform hub management and funders/investors with timely data tracking and reporting, and (4) opportunity for other, new food businesses, farmers, and food buyers to use the platform and decrease transaction costs across local and regional food value chains, thereby opening new markets. We hope such an IT platform would open up communications to “communities of interest” – other local food businesses and organizations that wish to connect with this online food hub community.

### **Goal of feasibility study**

Fully assess the need, function, ownership structure, and start-up and maintenance costs of a statewide IT platform for Michigan food hubs that would lead to improved performance and more seamless communication across all Michigan food hubs and their business partners. Options should include continued use of existing systems that function more interactively across hubs and business partners.

### **Content of study**

An expected output of this study will be a report that includes: 1) objective review of current IT services for food hubs, 2) the range and scope of potential uses of IT modules for Michigan food hubs based on current and future capability and markets, 3) characterization of the pros and cons of a statewide, module based IT platform that would be suitable for Michigan food hubs and their food buyers and sellers in various stages of evolution and capacity. The study also should suggest under what business/market conditions such a statewide system would be more likely to succeed, including affordability for the range of Michigan food hubs. Assuming that pros outweigh the cons to developing a statewide IT system, the feasibility report should include (as an example of business to business collaboration) a logistical hub-to-hub work flow map with corresponding IT modules described at each process/activity point along the entire supply chain from production to final delivery.



## Proposal Submission

Each proposal should contain the following components:

1. A letter describing your interest in and qualifications for this project;
2. A proposal (not exceeding 8 pages in length) that articulates a set of questions the feasibility study will address, a description of the methods/strategies to be used as well as monthly timeline for executing this project;
3. An itemized budget for the proposal
4. A vitae and/or resume for each lead person involved; and
5. Names and contact information for three references who have received service support from the applicant or the applicant's organization

Criteria for selection of a successful proposal include level of qualifications/experience for executing the project, proposal clarity and focus, references, and a reasonable, transparent budget. The awardee for this study will be expected to present their findings (as well as deliver the written report) at a meeting of Michigan food hubs and other key partners.

Submit as one file as a Microsoft WORD attachment to: [rspirog@msu.edu](mailto:rspirog@msu.edu)

Deadline for submission: Monday, January 26, 2014

Proposals of up to \$22,000 for a feasibility study that can be completed by May 31, 2015 (assume a February 15, 2015 start date)

If you have questions about the RFP process, you may contact:

Rich Pirog, Senior Associate Director - MSU Center for Regional Food Systems ---- [rspirog@msu.edu](mailto:rspirog@msu.edu)

Noel Bielaczyc, food hub and meat supply chain specialist ---- [bielacz1@anr.msu.edu](mailto:bielacz1@anr.msu.edu)

## Michigan Food Hub Network

The Michigan Food Hub Network provides a learning community to support Michigan food hubs to successfully work with their public and private partners to meet their business goals. Increasing food hub viability provides more opportunities for food hubs to develop effective and efficient ways to supply healthy food to low-income communities in the state. CRFS and Morse Marketing Connections LLC convene the Network.

[http://foodsystems.msu.edu/activity/info/michigan\\_food\\_hub\\_learning\\_and\\_innovation\\_network](http://foodsystems.msu.edu/activity/info/michigan_food_hub_learning_and_innovation_network)

## CRFS Mission

CRFS works to engage the people of Michigan, the United States and the world in applied research, education and outreach to develop regionally integrated, sustainable food systems.

## CRFS website

<http://foodsystems.msu.edu/>

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