



2017 IOWA HUNGER SUMMIT

Iowans United in Fighting Hunger - At Home and Abroad

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IOWA HUNGER LUNCHEON - KEYNOTE

Speaker: *Diana Aviv*

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Diana Aviv

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Hello, everybody. Great to be here. What a wonderful room and so many wonderful people and such a distinguished table. I must say, it's a great honor, Governor, to be at the same table as you. And thank you for being here. So many people don't stay for the whole meeting, and we really appreciate you being here.

And it's wonderful to be with so many people who are so passionate about ending hunger in this extraordinary state, and for me in particular it's special to be here with seven of my colleagues, talented executives from the Feeding America Food Banks. If my colleagues would raise their hands and just say hello so everybody can see you. Of course, I would ask you to stand, but I don't think they would listen to me. I encourage you to take a moment to seek out these incredible professionals and to say hello to them. I'm sure they will rope you into doing some volunteer work, and that's how it should be. They're doing an amazing job, and I'm so proud that they're a part of the Feeding America network.

Before I begin my formal remarks, I'd like to salute and thank our host, the World Food Prize. This summit, now in its 11th year, has become the go-to place for learning the best practices and hearing the latest on the legislative front. And, Ambassador Quinn, I am not surprised. I had an opportunity to do a sidebar with him this morning for a few minutes, and I learned about his work in Cambodia. They had to drag me away, because I wanted to hear a lot more about the connection between food and agriculture and peace and that there is a connection. So we look to you for another 17 years of work in this area.

Now, speaking of plenaries and so on, this morning's plenary was utterly spectacular. And I must say that to be able to have a once in a lifetime glimpse into the policy world of the United States Department of Agriculture and to hear from Secretaries of Agriculture share their thoughts and to see how, regardless of political affiliation, how many areas in common there were that's being placed in that kind of sense of role of responsibility that you had more in common than you did have in regard to differences. What was also wonderful about listening to their discussion was, I spent a lot of time in Washington D.C., is the civility with which their



conversation was held. Even with differences, it didn't matter. I mean, differences of course matter, but it was possible for us to listen and to think seriously about the different arguments, rather than to be defensive and take sides. So thank you, Mr. Secretary, one left, for the wonderful plenary that we had this morning.

Now, this afternoon I'd like to address the state of hunger across America and then several critical trends that are reshaping the landscape of hunger in the United States. And I'm going to begin with a small town in rural Iowa, about two hours northeast of where we sit here today. And living there is Kim and Brian, who were actually leaving the dream. Brian had a steady job at the large iconic American company that had been for decades booming and had been the booming economic engine of the entire community. The couple had, to quote Kim, "hit the jackpot." Brian's factory job brought in good money, enough so that Kim only had to work part time and could happily focus her energies on raising their five daughters. In 2015 the family's prospects changed overnight. Brian's employer folded. The factory closed its doors. He lost his job, along with many others in the town. Kim said of that time, and I'm quoting her, "And just like that we went from having more than enough to wondering where we would get the next meal. Looking back on it," says Kim, "I can say that that winter was the toughest of our lives."

Now, fortunately, the company heard about a local food pantry at a resource meeting held for all the newly unemployed neighbors. They had never known this experience before. Kim began visiting it, usually at the end of the month, to pick up fresh fruit, veggies, meat, particularly when money was tight. Since then, luckily, Brian has found some work as a truck driver, not paying the same as what he used to earn. Kim continues to work part time but is hoping for a full-time job at a local store. It's not available at the moment. She knows the jobs in small rural towns aren't as easy to come by, but Kim remains optimistic. And she knows that the food pantry will be there for her in more ways than one. She said, and I quote her, "We're appreciative of the food, and we're appreciative of the friendly smiles and greetings that we receive each time we walk through the door. The food pantry played a huge role in getting my family through a really tough time, and I'm thankful it was there when we needed it most."

And many of you know that hard-working neighbors like Kim and Brian – many of you may even know such people, people trying to cobble together a decent life for their children while routinely facing impossible choices between food and bills. Such decisions are the norm for people served by our nationwide network of 200 food banks and 60,000 food pantries, soup kitchens, meal programs and other agencies. Feeding America's national study, *Hunger in America*, found that 69% of these folks have to choose between food and utilities; 57% have to choose between food and housing. Some folks like Kim and Brian set back by a job loss from which they have not fully recovered, but others, as you can imagine in California and in our southern states, were hit by a natural disaster such as back-to-back storms that we've seen – Harvey, Irma, Maria, Nate, or the wildfires of California. And still others have suffered debilitating injuries that have prevented them from working. Just about all lack the kind of network, family or friends, who can help out when times are tough. That is what we have found.



Now, I joined Feeding America just over two years ago, and since then I've visited every state in the Midwest, sorry, except for the Dakotas and Wisconsin. I will go there—just invite me, and I'm there. I'd love to come. That includes many trips to Chicago, the home of one of our two national headquarters. Along the way, I've talked with and I've listened to scores and scores of people who use our services in the Midwest and beyond, the people who are on those pantry lines. And what struck me about them is the mountain of obstacles that they wrestle with every single day.

I must tell you that when I hear some of their stories, I wonder if I would be able to do it. I can't tell you how many times they told me about getting a flat tire on the way to work or not having enough money to fill their gas tank, which causes them to lose their job—it's a domino effect. Others have talked about working multiple part-time jobs. A sudden shift change by one employer ripples across their lives, upending their already ending fragile daycare arrangements. I'm also struck by how many of them feel ashamed—we heard this on the panel this morning—feel ashamed of having to depend on public assistance and our help.

For us all, values like hard work and independence are prized. What I have seen written across these individuals' faces is fierce determination to get back on their feet and find a way to give back to others. To a person, they are eager to become self-sufficient and independent of government or our assistance. And even while getting help, they want to earn it by volunteering at the pantry or distributing some food to neighbors who couldn't make it to the pantry. I'll never forget seeing someone say to me, "You know, you think that I'm really badly off and didn't seem to have much at all," he said, "but there are people on my street who are much worse off, and at least I can share what I take from the pantry with them. They can't even get here." These folks are to me an eternal reminder that the work that we are all doing is not only profoundly meaningful, it is vital for millions of people.

In America today, one in eight don't get enough nutritious, healthy food on a regular basis. That's now an astounding 41 million people, including 13 million children and 5 million seniors. Hunger plagues every county and every congressional district across all 50 states, plus the territories and the District of Columbia and Puerto Rico. It ranges from a low 3% in Grant County, Kansas, to a high 38% in Jefferson County, Mississippi. Its scope is simply staggering. The state of hunger in America is wholly unacceptable. I am sure you agree with me. For a nation filled with countless resources, immense wealth and generous citizens, and yet 12% of all U.S. households are food insecure. That translates to a whopping 15.6 million homes, which is 13 times the number in Iowa.

Now at this point you might be wondering how your state stacks up against the national figures. Compared to the country as a whole, we estimate that Iowa is home to a smaller share of individuals who are food insecure—something to celebrate indeed. And the estimated cost to purchase a meal in Iowa is lower than the national figures as well. But that said, hundreds of thousands of people here remain at risk of hunger, and well over a hundred thousand of them are likely to be ineligible to receive public nutrition assistance. This is why even in Iowa food



insecurity continues to be a serious problem and why the work of charitable food assistance, what many of you do day in and day out, is so vitally important.

According to the United States Department of Agriculture, the share of households in Iowa estimated to be food insecure in 2016 was 10.7%, which by the way, good news, is lower than the national average, which unfortunately was at 13% for the same year. Now, however, Iowa's state rate of food insecurity has remained essentially the same for recent years at 10.7% in '14, '15 and '16. We estimate that 38% of food insecure population in Iowa earn more than 185% of the poverty line, and therefore unlikely to qualify for most federal nutrition assistance programs.

So to put that in perspective, a family of four with an income of \$46,000 is likely to be ineligible for SNAP, WIC, the programs we heard talked about this morning, and child nutrition programs, even if they are food insecure. This means that compared to the country as a whole, a higher share of Iowans need to rely on food banks and agencies just to make ends meet. In Iowa, the majority, 54% of people estimated to be food insecure are likely to qualify for SNAP. Over 38% or more than 144,000 individuals are estimated to live in households with incomes that are likely to disqualify them for these programs.

Now, if you want to learn more about how Iowa compares to the nation, I encourage you to visit our free online interactive map of the United States. In your browser, type in www.feedingamerica.org or Google "Map the Meal Gap," and you'll be able to click on all 99 counties in Iowa.

So where do we go from here? If we agree that the state of hunger in Iowa, the Midwest and across the nation is unacceptable, how can we put ourselves in a stronger position to fight hunger? I'll answer that by recognizing how quickly and radically the world is changing around us.

For our purposes today, I'm going to zero in on four specific trends that are impacting the food industry and in turn our work in alleviating hunger. And these four trends are: last mile efficiencies, technological advances, changing funder expectations, and the social safety net. At Feeding America we've been exploring these trends for well over a year. This was part of a broader commitment to identify challenges and opportunities ahead for both our national organization and our network of food banks. We zeroed in on the four trends most likely to affect our ability to solve hunger today and into the future. And I think that these trends are relevant in some way to us all, any of us involved in the struggle to end hunger.

So the first trend, last mile efficiencies, is indicative of the many disruptions we have seen across all industries and all sectors. For us in the world of food supply, you can't ignore one of the biggest change agents in our field. It was mentioned this morning. Anybody remember what company was called out this morning? Amazon, which is radically changing online purchasing and traditional brick and mortar stores. This past summer, the giant retailer



disrupted the grocery sector overnight with its purchase of Whole Foods for nearly \$14 billion. As Amazon moves forward, we can expect it to drive food costs down, offer more direct delivery services, and track inventories tighter than we've ever seen. Such changes, among others, are resulting in what author Matt Guttenberg called "the greatest disruption in the food industry in over 50 years."

As Amazon and other online food retailers forge ahead, traditional food companies are challenged. At the same time, they themselves are taking aim at zero waste targets, a change that will broadly impact sourcing models across the field of hunger relief, be very good at harnessing excess food. In other words, as businesses become more efficient over time, we will have less surplus food available to donate. There won't be less food overall, but it will likely be different kinds of food that's available, for example, more prepared foods. We are also seeing a change in traditional supermarkets. You might notice that center aisles are shrinking and both prepared food and fresh produce sections of those supermarkets are expanding.

Finally, let me mention two additional changes in the food delivery system. The first is a growing popularity of new and nimble delivery services like Blue Apron and Hello Fresh that sidestep traditional grocery retailers, shipping food directly to consumers' front doors, so there's no opportunity for us to catch the excess.

The second is a little bit more futuristic. Thom Blischok from the Dialogic Group is an expert on food retail, and he talks about companies investing in new delivery systems such as drones and driverless vehicles. And in light of these changes, organizations like ours are deeply committed to ensuring there is enough food today for people facing hunger and to question what changes we need to make now to shorten lines everywhere. And driving the pace of the change in our lives, of course, is technology, and that's the second trend that I want to address.

Just two weeks ago I read an article in *The Wall Street Journal* that reported on how often the average person checks her cell phone, excuse me, his or her cell phone, every day. Any guesses out there how many times we check our cell phone every day? Not bad. Someone said 40, but in fact it's a whopping 80 times a day. That means that we stare at that little computer in our hands about 30,000 times over the course of a year. Technology has changed how we socialize with one another. Remember those people you bump into and complain under your breath because they're looking at their cell phone walking down the street? How we rent cars and catch rides, how we read today's headlines, how we shop for clothing, book a flight or buy groceries.

Online platforms will continue to disrupt the world of food. Last year, for example, about 3% of U.S. food was bought digitally online. In 2025, we expect that number to jump to at least 20%. That's if we can predict that fast. Technological advances have already reshaped how food is manufactured and stored. In the past, many food products were made and stored until consumers were ready to buy them. That's a traditional supply and demand model, but today demand often drives supply. With a click of a mouse, consumers dictate when, where and how



they'd like to purchase groceries. Millions of orders are placed 24/7 and are shipped within moments. Along the way, big data helps track items with near pinpoint accuracy as they travel through vast logistical chains coast to coast. Shipping errors are automatically rerouted, and problems with items are detected and corrected.

The shared economy or the exchange of skills and resources online is yet another example of the way in which our world is changing rapidly. And here I want to offer you examples that include things like time banking and lending circles. Time banking lets people swap time and skills instead of money. People complete tasks, bank their hours and exchange them for needed purposes.

It's all managed through Web-based software systems and mobile apps like Our World which is funded through a National Science Foundation grant. Our World currently has something like 45,000 members, and they're in over 720 communities. Lending Circles offer financial security and asset building to individuals with little or no credit history and limited liquid assets. So a Lending Circle is simply a group of people who chip in every month, or some other predetermined framework, to lend money to one another at no interest. One nonprofit called Mission Assets Fund uses technology to administer, scale and support Lending Circles in partnership with another 15 nonprofits in 17 states. And today they have served over 7,000 borrowers, and so on and so forth.

The reason that I share this with you is that in this shared economy there are opportunities. In fact, in the coming years the sharing economy and computing power will likely accelerate. And the key for us will be using technology to capture food sooner, differently, or tapping new food streams. One possibility involves capturing much more wasted food. In the United States, about 40% of all food grown, processed and transported is not consumed. That's a whopping 70 billion pounds of good, safe, edible food that could be used to feed hungry people. I believe that ending food waste is a golden opportunity that we must all consider exploring more fully. Our collective ability to help feed people depends, as you know, also not just on everything that I've described so far, but also people investing in our work, otherwise known as funders. And that leads me to our changing funder expectations, which we think is a very important trend to pay attention to.

At Feeding America we are seeing changes from various stakeholders who are expressing a keen interest in seeing evidence-based outcomes, not just measurable outputs. Said differently, it seems that no longer is it enough to measure the number of meals, even as impressive as 4.2 billion meals is, but also what difference it made to the people that we serve. Some donors are more interested in moving the needle on hunger or on any issues specifically by showing the impact we are having on people's lives. These outcomes are certainly challenging to capture, but they do in fact help paint a more holistic picture of an organization or of our organization's impact.



We are also seeing a movement that's more donor-centric than we've seen in the past. Said differently, some funders want to become more involved in the formulation and execution of operational strategies. Many, especially younger donors, are willing to put substantial resources to get behind efforts if they believe that those efforts can make a difference. And they want to be there and see it with their eyes and their hands, every part of it.

Now, I've got a colleague who works very closely with the ultra-wealthy – and when I talk about the ultra-wealthy, I'm talking about people who've got assets of at least \$5 billion or more – and he told me recently that many of them express a genuine interest to improving the world and that they want to use their assets in service of that. But at the same time they're exceedingly hesitant about stepping up to the plate. They feel that they might choose the wrong issue or invest in the wrong way, so they are holding back. Allowing them to roll up their sleeves and lean into an organization's activities is not only a traditional donor model but we think that it is a great way to engage them and to let them see for themselves firsthand that it's really worth their time. And I know you all are going to say, great, and some of you are going to come at the end of this talk and say to me, "Can we meet some of those donors, please?" Be happy to show them, to have them roll up their sleeves.

Changing donor expectations for us as hunger relief organizations means that we must work harder to understand what is motivating funders, how to engage them differently, and how to measure overall outcomes rather than just outputs. It's no easy task, I know. Just ask the folks in this room who raise funds for a living or who have invested incalculable hours competing for limited funds from stakeholders with their own ideas about what's needed.

Our collective work in fighting hunger is immensely important in the big picture, but I must tell you that with all of the great work that we in Feeding America and many of you in this room do and all of our food banks and pantries and everybody who's involved, that it all pales in comparison to the reach of federal, state and local governments. And that's the last trend that I'd like to address today, and that's our social safety net.

This morning's panel with the U.S. Secretaries of Agriculture, I think, was extraordinary. In fact, I'm really glad I came, for that reason alone. It was just an amazing panel. And of course for me in particular it's great to see Secretary Vilsack, because he is a member of our board of directors, though I think I'm kind of grateful he's not here right now.

For our purposes this afternoon, I'd like to focus on the next Farm Bill, which needs to be reauthorized by September 30th of next year. The Farm Bill is our nation's largest legislative vehicle that addresses food production including food assistance and impacts every community. While there are never any guarantees when it comes to legislative work, one thing we do know is that the Farm Bill happens down the center of the aisle in Washington DC. Our nation's growers and producers, nonprofits that address hunger and rural development advocates must all work together, and do, to ensure support for a Farm Bill that can help ensure access to the food and resources that people and communities need. And while there's a worry



that the pressures to cut spending could result in a loss of critical food assistance for millions of people, I'd like to focus on the opportunities we have to work together to achieve meaningful bipartisan legislation.

The challenges facing many of the core issues covered in the Farm Bill are significant. For those struggling with food insecurity, they are facing an economic recovery that for many of them has been uneven. Although the national unemployment rate has fallen – and we are incredibly grateful for that – food insecurity and the need for food assistance remain intractably high and has not fallen as fast. The number of people who qualify for SNAP has fallen faster than anticipated, which is a good thing, as the workforce participation has increased, but many must still depend on food assistance.

Our nation's food producers have also been dealing with challenges, including the imbalance between food production and markets as well as natural disasters that have impacted their harvest, including wheat in Kansas, cotton in Texas, and citrus in Florida. And rural communities nationwide, as many of you well know, are wrestling with inconsistent job opportunity and a significant need for resources to fight the opioid crisis. Three weeks ago we were honored to have two representatives from our system, from our network, testify before the Senate Agriculture Committee. And both made a strong case to preserve SNAP and also to strength CSFP, the federal commodities program, and invest in public/private partnership with growers. If the next Farm Bill proceeds as it has in the past, which for us means essentially on a bipartisan basis to protect federal nutrition programs, it will give policymakers on both sides of the aisle a much-needed win. Now, wouldn't that be nice?

In the meantime, I urge everybody in this room to remain vigilant about protecting federal nutrition programs, especially as we see efforts to cut food assistance. While we'll continue to seek bipartisan victories, I don't want to underestimate the difficulties in the current political climate. And I do know a little bit about that, because for good or ill I live in downtown Washington, DC. We all do well to continue telling the story of how agriculture and nutrition must work together to enact the strongest Farm Bill possible. To me, that means telling our story and making sure that our public officials understand the critical role that we and public nutrition programs continue to play to combat hunger.

I encourage you to invite all of your elected representatives to volunteer at your local organization. There is nothing like getting your hands into this work to understand what it means. And I think that volunteering is a terrific way to see this firsthand. You will also find, if you're interested, a wealth of advocacy materials on the Feeding America website.

Before closing, let me underscore the importance of the work that all of you do every day in this field and related fields. At the same time, I think we all agree that the level of hunger in every state in America is unacceptable – but it's not insurmountable. If we position our organizations correctly, we can take advantage of the many disruptions taking place across the food industry. Acting on them will certainly carry risk but will also present great opportunity.



The key, I believe, is leaning into the trends in the last mile efficiencies, in technology, in funder expectations, and the social safety net to help benefit people like Kim and Brian and all of the folks that you serve. You know your communities far better than anyone, and I have every confidence that every one of you and the people with whom you connect every day can find even better ways to fight hunger and eradicate it Iowa and beyond.

Thank you very much.