Driving Towards a SUSTAINABLE FUTURE

Wholesome Wave Annual Report | 2014
OUR VISION
Affordable, healthy, local food for all

OUR MISSION
Wholesome Wave inspires underserved consumers to make healthier food choices by increasing affordable access to fresh, local and regional food.
OUR PRINCIPLES

We believe:

1 | All people, regardless of economic status, want to feed their families well.
2 | Consumers and small and mid-sized producers are reliable drivers of market-based systems change.
3 | Qualitative and quantitative data and evaluation are critical to our work and ultimate success.
4 | Our work cuts across all political boundaries.

5 | Moving our work to scale will require a commitment to invention, meaningful innovation and adaptive learning.
6 | The success of our programs is based on our respect for local, community-based knowledge.
7 | Collaboration is essential to scalable success in the field.
8 | Shifting large pools of capital towards affordable access to healthy local food will create systems change.
LETTER FROM OUR CEO

Dear Friends,

2014 proved to be a seminal year for Wholesome Wave, one that would not have been possible without your support. The focus of our work this past year was threefold: determine a strategic vision with measurable goals for Wholesome Wave over the next five to ten years, advocate for policy change around affordable access to healthy foods, and continue to develop, test and refine our program models.

At the beginning of the year, Wholesome Wave underwent a strategic planning process. We refined our mission and vision, put our case for change onto paper, and developed five-year goals and ten-year outcomes to push ourselves even further. This process reaffirmed our commitment to expanding affordable access to healthy, local foods for underserved consumers through collaborative efforts with community-based organizations, farmers, healthcare practitioners, government officials, and NGOs — just to name a few. The first half of this year's annual report lays out pieces of our strategic plan so that you can see how we anticipate reaching our vision of affordable, healthy, local food for all.

One of the many steps in achieving that vision is to see nutrition incentive programs written into federal legislation. In early 2014, the government passed the Federal Farm Bill, mandating $100 million for nutrition incentives over five years through the Food Insecurity Nutrition Incentive (FINI) grant program. This marked a pivotal moment in Wholesome Wave’s short history, as it was just seven years prior that we launched our Double Value Coupon Program in three states. As I write this, I am proud to say that Wholesome Wave received a grant for nearly $3.77 million from the USDA through FINI to support expansion of Wholesome Wave’s national network of nutrition incentive programs, increasing affordable access to fruits and vegetables for more than 110,000 SNAP consumers and their families in 17 states and DC.

Finally, we spent 2014 refining our Fruit and Vegetable Prescription (FVRx) program model and delving further into retail work through our Healthy Food Commerce Initiative. The FVRx program expanded outside of community health centers, ran at a third hospital in NYC, launched through a retail chain in Minnesota, and began an exciting new partnership with the Navajo Nation. Leveraging our food hub and supply chain work from the past few years, we also began work on nutrition incentive retail pilot projects at trading posts, convenience stores, and grocers.

Just seven years into this journey, I am proud of what we at Wholesome Wave have accomplished and am excited as we drive toward the outcomes our strategic plan calls out. With a clear path outlined for growth, program models that are poised for advancement, and data that we can continue to leverage for clear policy change, our future is bright. I want to thank all of you — our numerous sustaining donors and the many who are new to supporting this cause. It is because of you that we will see a brighter, more sustainable food future for all.

Sincerely,

Michel Nischan
Founder & CEO
Dear Friends and Supporters of Wholesome Wave,

Welcome to Wholesome Wave’s 2014 annual report. I am proud to let you know that in fiscal year 2014, Wholesome Wave continued to make incredible strides building our National Nutrition Incentive Network to 32 states and the District of Columbia. Our FVRx work expanded in New York City and is now being implemented in Navajo Nation, a first for Wholesome Wave. As a result of the support and commitment from a broad base of generous donors, the organization grew significantly, with revenue up 51.9% over 2013, to a record $5.59 million.

We have used this increased funding to better serve those who rely on our services in two important ways: (i) undergoing a strategic planning process, as part of our mission of continuous self-improvement. As a result of this year-long evaluation, we refined our mission, vision and value statements and identified key areas for both deepening and widening the effectiveness of our work; and (ii) reinvesting in the business in the form of bringing on additional personnel in our programs and policy departments. This not only allowed us to more efficiently and effectively deploy our resources but also compliments a team comprised of what we consider to be some of the brightest minds in healthy food access.

Fundamentally, we believe that food touches all aspects of our lives — health, the economy, the environment and local communities. Improving the opportunity for all Americans to access and afford nutritious food is at the core of our work. All Americans, regardless of income or social status, should have affordable access to healthy food. Local and Federal government, individuals, corporations, foundations and non-profits are working more closely than ever to address food insecurity and nutrition for underserved consumers.

As a nation, we still have a ways to go to ensure every American can put the same delicious fresh food on their plates. Yet the progress is real and momentum is building for our work.

Thank you for your continued support in making our journey possible and the future bright.

Best regards,

Andrew Hertzmark
Chairman of the Board
WHY FIX FOOD?

America’s broken food system is undermining the health of our bodies, our communities, the environment, and local economies. And although the dysfunctional system that has evolved over the past century affects us all, the people most in need—the nearly 50 million Americans who are food insecure—bear a disproportionate burden of the impact.

In this light, the food equity mission of Wholesome Wave could not be more urgent or compelling.

Beyond these immediate impacts on public health, the affordability of healthy food has been going in the wrong direction. While the cost of processed snacks is shrinking, fresh fruits and vegetables are becoming treasures out of reach for too many. Market forces stack the deck against a national diet rich in healthy, locally and regionally grown food.

In the aggregate, the nearly 50 million SNAP consumers spend more than $80 billion a year on food just using their SNAP benefits. Like everyone else, they want their families to eat fresh, healthy food; yet too often, affordability poses a barrier. When provided affordable fruits and vegetables, their purchasing decisions affirm this desire. Yet the artificially low price of an unhealthy diet, coupled with limited options for access to healthy food, conspire against this ideal for too many low-income Americans.

It is time to transform our food system, and affordability is at the heart of the matter. Address affordability, and we will see positive effects across the nation. There will be more food security; parents will not have to eat half a meal so their children can eat a whole one. Our collective national health will benefit from eating more fruits and vegetables. This shift will drive more sustainable production; our water, land and air will not have to struggle under the impacts of intensive agricultural practices. Local economies will grow: Farmers that shift to growing fruits and vegetables create 2.6 times more economic value than those engaging in other plant agriculture.

Wholesome Wave seeks to accelerate this necessary transformation. Our simple, proven solutions are credible and effective in rural and inner-city communities, corporate boardrooms, and the halls of Congress. This uniquely positions us to effectively recast the conversation for real change in food equity and access for underserved Americans. Through our comprehensive networks, we aspire to create transformational change throughout our food system—a collective impact that will be greater than any one organization can generate.

We want all Americans, starting with the most disadvantaged, to have access to affordable, healthy food. We want small and mid-sized farms to thrive, meeting an invigorated demand for healthy, local food. We want public policy to emphasize food equity and reflect the intimate linkages between...
human health, economic health, environmental health and the food system.

It has been a long time coming, but fissures and cracks are beginning to appear in an American food system once thought to be the ultimate answer to feeding the world. Consumers, especially younger ones, are demanding to know more about where their food is coming from, how it is grown, and what is in it. People are taking action in their own communities to find or build healthy, often local, alternatives to the conventional food system. Public health advocates, chefs and restaurateurs, and high-profile political figures are joining together to push for system-level change in the way our society thinks about food.

Wholesome Wave therefore approaches the next several years from a position of strength, with big dreams and limitless horizons.

Diet has surpassed smoking as the number one cause of death and disease in America.

Obesity and diet-driven illnesses cost the economy half a trillion dollars each year.

Only 1 in 3 Americans maintains a healthy weight.

9 out of 10 children do not eat enough fruits and vegetables.
CHANGE

Our Pathway

WHY?

Community Health
Economic Health

VISION

Affordable, Healthy,
Local Food for All

Human Health
Environmental Health

HOW?

Affordability for Individuals
Access for Communities

INCENTIVES
SUPPLY CHAIN
RETAIL

OUR 5-YEAR GOALS

Wholesome Wave
Footprint in all 50 States
$500M in Public and
Private Resources to
Support Initiatives

$55M Raised to Implement
Wholesome Wave Programs

10 Million Underserved
Consumers Reached with
Behavioral Change Messaging

Impact Supply Chain
of 50+ Retailers and
Institutions

10-YEAR CHANGE INDICATORS

Over $1 Billion in Purchases
by Low-Income Consumers
at Direct Markets

Improved Diet Quality Among
Low-Income Consumers through
Increased Fruit & Vegetable Intake

$8 Billion in Local
and Regional Sales
Our Theory

Wholesome Wave wants to unlock the economic power of millions of low-income consumers to create fundamental change in the American food system. Focusing on these consumers, we believe, can provide Wholesome Wave with the necessary lever for increasing both the supply and demand of affordable, healthy local food.

Our goal is not to increase the investment the American public is making in solving these problems. Instead we desire to shift the way its current investment is leveraged so that there is a better outcome for everyone.

Wholesome Wave uses a four-step approach for developing programs and setting institutional priorities that will yield healthier people, healthier communities and healthier farms.
INNOVATION POISED FOR GROWTH

The Fruit and Vegetable Prescription Program®

The Fruit and Vegetable Prescription (FVRx) Program is an innovative solution to preventing and treating chronic diet-related disease. Through partnerships with healthcare providers, community organizations and fresh produce retailers, the FVRx program provides low-income patients and their families affected by diet-related diseases with nutritional education and a prescription for fruits and vegetables to be spent at participating retailers for a six-month period.

2014 Highlights:

2014 was spent developing and refining iterations of the FVRx program model for expansion and replication. Innovations include:

• **Patient Population:** Children, Adult Diabetics, Pregnant Women
• **Location:** Rural, Suburban, Urban
• **Stakeholders:** Hospitals, Healthcare Clinics, Community-Based Organizations, Grocery Stores, Trading Posts, Farmers Markets, Mobile Markets

Partner Spotlight

**New York City: The New York City Health and Hospitals Corporation (HHC), 2013–present**

*Building an FVRx model that can be replicated city-wide*

**Hospital sites to date:** Elmhurst, Harlem, Lincoln, Bellevue

In collaboration with The New York City Health and Hospitals Corporation (HHC), the New York City Department of Health and Mental Hygiene, GrowNYC, and Harvest Home, Wholesome Wave developed a model for FVRx that can be run at hospitals throughout the country and replicated on a city-wide scale.
Partner Spotlight

Navajo Nation: Community Outreach and Patient Empowerment (COPE) Project, 2015

Bringing Healthy Food Access to Navajo Nation

Food insecurity rates on the Navajo Nation are the highest reported to date in the USA, with over 75% of the Navajo population experiencing food insecurity. The USDA has identified nearly all of Navajo Nation as a food desert. According to the NIH1, reducing food insecurity on the Navajo Nation will “require increasing the availability of affordable healthy foods, addressing poverty and unemployment, and providing nutrition programs to increase demand.”

Working with Partners in Health’s Community Outreach and Patient Empowerment

“I haven’t seen a program that has engaged and rewards the patient at the level that the FVRx program does.”

— Elmhurst Hospital, Health and Hospitals Corporation, NYC

(COPE) Project, Wholesome Wave will bring FVRx to Navajo Nation in 2015. The Navajo Nation FVRx Program will offer chronic disease prevention outreach and build partnerships between communities and clinics, with the goal of improving the diet and health of Navajo families. Navajo families will be able to redeem prescriptions for healthy produce at grocery stores, trading posts, convenience stores, and a mobile farmers market. The Navajo FVRx Program will launch at 10 Navajo health centers and retail sites, with an anticipated reach to over 3,000 Navajo family members.

Impact on 6,134 Individuals and Family Members:

- **Health Improves:** 47.2% of patients decreased their BMI
- **Affordable Access Increases:** Families can afford to buy more healthy produce and have access to healthier choices in their communities.
- **Food Security Increases:** 45% of patient households reported an increase in food security over the program period.
- **Communities Thrive:** Nearly $500,000** in FVRx prescriptions have been spent on fruits and vegetables benefitting local and regional farmers and community retailers.

*2011-2015, **2011-2014

1 http://www.ncbi.nlm.nih.gov/pubmed/23369257
Under the Double Value Coupon Program (DVCP) model, originally launched in 2008 in 3 states, Wholesome Wave partnered with farmers markets to begin running nutrition incentive programs that encouraged consumers to spend their federal nutrition benefits (SNAP, WIC, etc.) on healthy foods by offering a monetary incentive, for purchasing produce, based on how much the customer spent.

Since 2008, the farmers market based incentive program model has grown tremendously, spreading nationally under a variety of names and models, and transforming from the original “program” into a network of diverse, community-based organizations affiliated through their implementation of nutrition incentive programs at direct-to-consumer markets. Wholesome Wave now oversees a National Nutrition Incentive Network that provides a robust community of innovation and learning while standardizing and aggregating incentive program data collection and evaluation in order to support the expansion and adoption of incentives through policy change.

Network Impact:

50,119 Consumers and their Families
5,641 Farmers

$3.3 Million Total Nutrition Incentives and Federal Benefits Redeemed

*Projected **Includes Farmers Markets, Mobile Markets, and Community Supported Agriculture (CSA) sites
FINI – A Driver of Change

After seven years of Wholesome Wave and like-minded partners advocating for nutrition incentives, the 2014 Farm Bill passed, incorporating the Food Insecurity Nutrition Incentive (FINI) grant program. FINI, administered by the National Institute of Food and Agriculture (NIFA), allocates $100 million over five years for SNAP nutrition incentives in an effort to increase the purchase of fruits and vegetables among low-income consumers. Every dollar distributed through FINI requires an equal dollar match from private or municipal funds.

Wholesome Wave received a $3.77 million grant from the USDA through the FINI grant program. With the required matching funds from Wholesome Wave and its partners, this represents a $7.4 million commitment to improving affordable healthy food access for SNAP consumers.

“Wholesome Wave has a phenomenal track record of working with partners across sectors and geographies to successfully pilot and expand programs that improve food systems, public health and local economies.”
— Newman’s Own Foundation

A Project Snapshot: 2015-2018

17 & DC | 32 Network Members

$3.77 Million over 3 years

Supports the expansion of Wholesome Wave's national network of nutrition incentive programs, which benefit SNAP consumers, small and mid-sized farm businesses and local economies.

Outcomes

• Increase Affordable Access of Fruits and Vegetables for SNAP Consumers.
• Measure Effectiveness of Incentive Levels on SNAP Consumers’ Purchase and Consumption of Fruits and Vegetables through Randomized Control Trial (RCT) evaluation.
• Increase Capacity & Program Infrastructure of Network Members.

Projected Impact

110,000 SNAP Consumers
3,400 Farmers
425 Direct-to-Consumer Markets

Wholesome Wave will provide technical assistance on 4 additional FINI grants
In 2014, Wholesome Wave began providing technical assistance and running various projects that test the efficacy of farm-to-grocery incentive programs in an effort to:

- **Increase fruit and vegetable purchasing** among SNAP consumers and individuals impacted by diet-related diseases;
- **Generate additional revenue** for retailers; and
- **Improve opportunities** for local and regional farmers to sell produce to grocery stores, convenience stores, trading posts, and other retail outlets.

A great deal of the work, along with the outcomes, will feed into 2015 and beyond. Pilot projects include:

- **Maine Farmland Trust (ME) and Green Mountain Farm to School (VT) FINI sub-grantee project:** Wholesome Wave will provide technical assistance as both groups work to deploy SNAP incentives at retail grocery outlets and aggregated CSAs.

- **The Center for Prevention at Blue Cross and Blue Shield of Minnesota:** Wholesome Wave and Blue Cross teamed up with one of Minnesota’s leading grocery retailers — Coborn’s in Melrose, MN — to test redemption of Fruit and Vegetable Prescriptions in a retail setting. At Coborn’s, FVRx families redeemed their prescriptions, spending a total of $15,284 on fruits and vegetables over the four month program.

- **Navajo Nation Food Access Assessment:** Wholesome Wave staff is working collaboratively with the food access coalition on Navajo Nation to develop and strengthen the local food supply chain system, specifically conducting a food access assessment and providing technical assistance to small stores to increase their capacity to market and sell healthy items, work with local producers, manage supply chain issues and procure food from local growers.

> FVRx has created a lot of excitement at Coborn’s in Melrose! Both employees and FVRx customers have commented on how great it is to have affordable fruits and vegetables available to program participants.”

— Chris Schlichting, Store Manager, Coborn’s
All of the farmers in the Skowhegan Farmers Market would like to commend Wholesome Wave for all the support of both our programs and of the food system in this country overall. You help to give a voice for farmers and consumers in places that we are not always able to be present. We are incredibly thankful for your support over the past few years and look forward to continuing our work together in the future.”

— Skowhegan Farmers Market, ME
Wholesome Wave Receives 3-Year, $900,000 Grant from Newman’s Own Foundation

The funding supports Wholesome Wave’s participation in a special Nutrition Cohort, a group of six nonprofits and one research organization that will each bring distinctive expertise and programming to collaborate and collectively pursue greater impact.

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