



case 3-589-225 January 23, 2019

Ravi Anupindi

Michigan Dining: 20% Local by 2025

Steve Mangan sat at his desk enjoying an apple and yogurt, both produced on farms not far from his office. As the senior director of Michigan Dining (MDining), one of the nation's largest college dining operations, he had begun to brainstorm some notes about the 2017–2018 school term when he was interrupted by the loud ring of his telephone. Responding, he was elated to hear the voice of Tom LaGrasso, owner of LaGrasso Bros. Produce, a produce distribution company based in nearby Detroit. This interaction put a smile on Mangan's face, as cultivating relationships with Michigan-based distributors and suppliers had been a major priority for him and his team. However, after the conversation, Mangan's jubilation began to wither as he focused on the daunting challenges ahead of him.

As part of the University of Michigan's sustainability goals, a target had been set to supply 20% local food by 2025. By 2017, Mangan's team had reached 17.7%, but not without running into several roadblocks. While strides had been made through modifying procurement strategies to prioritize local and sustainable spending—selecting local vendors and launching related sustainability initiatives in the dining halls—Mangan knew he had a long road ahead of him. Mangan understood that building relationships with local suppliers was crucial, but they often did not have adequate supplies or attractive price points to meet the university's high-volume requirements, especially when paired with the relatively short Michigan growing season. MDining could diminish such logistical challenges by relying on food distributors and aggregators but that would minimize the profitability of local growers, who were already working under small margins and complying with the food safety certifications that were required in order to sell to MDining. Yet Mangan was determined to make this work, because he strongly felt that as one of the largest employers in Michigan, the university should contribute to the local food movement, support the surrounding economy, provide students with fresh and nutritious food and shrink the school's environmental footprint. Overall, he was interested in how MDining could use its purchasing power to help change the way food was produced, sourced, recycled, composted and perceived. Why wasn't the rest of the Michigan campus embracing this mission? Why weren't other campuses galvanizing around this movement? How could his work motivate

Published by WDI Publishing, a division of the William Davidson Institute (WDI) at the University of Michigan.

© 2019 Ravi Anupindi, Emily Doyle, and Adele Wunsch. This case was written by University of Michigan graduate students Emily Doyle and Adele Wunsch under the supervision of Ravi Anupindi, Colonel William G. and Ann C. Svetlich Professor of Operations Research and Management, at the University of Michigan's Ross School of Business. The case was prepared as the basis for class discussion rather than to illustrate either effective or ineffective handling of a situation. Some aspects of the case include fictionalized elements (i.e., all student names and some conversations) that have been added for discussion purposes only. The case should not be considered criticism or endorsement and should not be used as a source of primary data. Financial support for the case study was provided by the Center for Value Chain Innovation at the Ross School of Business and the Erb Institute of Global Sustainable Enterprise at the University of Michigan.