

Weight of the Nation:

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Public Private Partnership For Healthy Communities

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LAURA KETTEL KHAN:

One of the things that we've recognized at the CDC is that convergence partnerships are very novel kind of outside the box, non-traditional and are of extraordinary value in this arena of healthy eating and active living and obesity prevention. And so what we have this afternoon is four exemplary partnerships that we'll hear about kind of a general description of what those partnerships are but then proceed with a question-and-answer session.

So, let me continue with some introductions. First, is James McBride, who is the director of Hannaford's Guiding Stars Program. They are collaborating with Maine's Let's Go Public Health Program, which is a multi-sectoral community demonstration project. The Guiding Stars Program is a nutrition labeling initiative within the Hannaford grocery store company.

Secondly, Jeremy Nowak works for the Reinvestment Fund which collaborates with Philadelphia's Food Trust and more specifically the Fresh Food Financing Initiative in Pennsylvania. The FFFI is establishing new and/or augmenting existing grocery stores and corner stores throughout the state in underserved neighborhoods.

The third partnership is going to be presented by Andria Rico, who is one of the leads for the trade health and environment impact project. This collaboration is a community and university-based partnership which focuses on reducing the impacts of trade ports, meaning seaports, in goods movement. And they are looking at the negative impacts on health and community life in Southern California.

And then, Judith Bell is going to give more of the nuts and bolts of how the convergence partnership works and our main areas of focus and give you some insights for that partnership as well.

JAMES McBRIDE:

The two efforts that I'd like to share with you today include a program called guiding stars, which was started by Hannaford Supermarkets, and then a program active in the greater Portland, Maine, community called "Let's Go." So, I may take a few extra minutes to cover both of those efforts. They are completely separate, but have done some very exciting work together.

The Guiding Stars Program was developed by Hannaford Supermarkets. Hannaford is a chain of 165 full-service supermarkets in Northern New England and upstate New York. And the program was started, at least the initial effort, started about five years ago as a way to offer consumers in a supermarket setting a way to identify more nutritious foods. As food retailers, Hannaford realized it had a role to play in the obesity epidemic as well as addressing other chronic disease states that all have as a common denominator, nutrition. And the fact that we sell food, we really thought there was an opportunity to help consumers.

So, we came up with the concept of Guiding Stars, which is a navigation system based on rating individual foods for their nutrition quality. We did this internally by starting to collect nutrition data and the ingredients listed on all of the products that we sell in a supermarket and loading all that information into a large database. The program highlights foods that have higher nutritional density and yet it doesn't police foods or it doesn't make consumer feel like they are making a bad choice if they choose a non-starred food in the stores.

The program was developed and the algorithm was developed by a scientific advisory panel. We have seven experts that advise the Guiding Stars Program and helped us to develop the algorithm and the program itself. I'm very pleased that three of our scientific advisers are here today. Dr. Lisa Southerland from Dartmouth; Lori Kaley from the Musket Institute at the University of Maine; and Tracy Fox, a Nutrition policy consultant. And they've been great partners and terrific advisers as we've developed this program.

We have a patent pending, and we don't share the exact details of the cut points. In essence, it's a balancing program that assigns points and gives credit to foods that are higher in things that we should eat more of. So, vitamins and minerals, dietary fiber, whole grains, those elements are credited; and at the same times, it debits foods that are high in things that we should eat less of: Trans-fat, saturated fat, cholesterol, added sodium and added sugars. And through this balancing approach, everything is scored and assigned a weighted total based on a 100 kilocalories reference point so that we can use the same algorithm across all foods within the store and get fair and equitable ratings.

It's a very conservative approach. And if you can imagine over the 25,000 products that are sold in a typical supermarket, only about 25 percent of those currently earn one or more stars under our program. And then the program -- or the ratings of each food are shown on the shelf tags, the unit price tag and on scale labels throughout the store. So, it's a very simple of good, better and best: One, two and three stars.

The Guidance Stars Program is accurate. We take great pains to collect nutrition data from foods. The ingredients list is all captured into a database that we've developed and maintained. Packaged data comes right from the nutrition facts panel. Our team captures all of that data as well as the complete ingredients list and any allergens that are listed on the product.

Fresh products that we rate -- fresh meats, seafood, fruits and vegetables -- we use the USDA's standard reference data for, and we are proud to say that no other database that we are aware of is as

accurate, current and comprehensive and up-to-date. Any time we observe a change in the nutrition facts on a product, we capture the updated data. And if the star value changes its own, it's on the store shelves the very next week. And, again, as I mentioned, the stars show up in the stores on shelf tags, on scale labels and in-store signage.

The exciting part is that this program really works. Over the past three years that it's been in place, we've seen significant changes in consumer behavior based on sales and movement data, and we can see the consumers move consistently from no-starred items in starred items in areas such as milk. We've seen reduction in whole milk purchases at the same time increasing in skim and low-fat milk. The same thing with yogurts, breads, et cetera.

As I mentioned earlier, Guiding Stars was started by Hannaford and has been expanded to other food chains including Food Lion at Sweep-based supermarkets and Bloom. So, at this point, the program is in place about 1,500 stores from Maine to Florida. Earlier this year, we launched the Nation's first school nutrition evaluation program in a public school -- it's a pilot project in a public school in Maine -- so that students in the middle school and high school settings have the opportunity to use Guiding Stars in making their food choices.

And later this fall, starting next month, we are going to be rolling out the Guiding Stars Program at Bates College, a liberal institution in Lewiston, Maine, and at the University of New Hampshire throughout all their dining services. So, we are very excited about the opportunity to use it in a food service setting as well as in retail. Guiding Stars at this point has been -- we've created a licensing company, and we are actively trying to license the program to other retailers, manufacturers and food service providers as well as looking for the opportunity to sell some of the data that we've collected. And so there are some very exciting opportunities ahead.

Very quickly I mentioned Hannaford Supermarkets. Their strategy is to inspire healthy choices for consumers, communities and then 27,000 associates that they have. Very pleased that they offer in-store nutrition services through RDs that cover 34 stores. They give in-store classes and tours through Hannaford stores that are very active in supporting the communities through outreach efforts with schools, healthcare providers in the communities and other groups.

So, I would like to switch gears to cover the Let's Go Program that I mentioned earlier. Let's Go is a five-year funded program, community-based partnership in Portland, Maine, that was started in 2006 and is now at the end of our third year. It's a healthy weight initiative focusing on children, youth and families, and it was funded by a diverse group of private sector, nonprofit and healthcare organizations that are listed below. So, Anthem Blue Cross Blue Shield, Hannaford Supermarkets; Maine Medical Center, the largest hospital in Maine; Maine health; TD Bank North; Unum Provident, a disability insurer; and the United Way of Greater Portland. The Let's Go Program focuses on four unique areas of focus and covers twelve communities throughout Greater Portland. Maine is a very rural state, but Portland is the largest city in our area. It covers approximately 275,000 people.

The key sector is covered by the Let's Go Program, including the education sector which includes not only the K through twelve grades in local schools, but childcare as well as after-school care. And the other sectors include healthcare, hospitals, clinics, doctors' offices, dentists, the workplaces, small medium and large employers, and communities themselves. And they are all connected, which is shown in this slide, which is really important part of the whole program is that connections being made by virtue of the program so that we can learn from what's being done in these other sectors.

Common messaging is important. We have a little red guy for our mascot. His name is "Ready." So, Ready, Let's Go. And if you are in Portland, it's hard to miss him. Ready is just about everywhere. You can see signs, TV ads. Shows up in the hockey game, parades, everywhere you look.

Consistent messaging is an important part of the Let's Go Program. We focused on the mnemonic 5-2-1-0. Many of you are probably familiar with that. We didn't create it, but it's a great way to teach healthy behaviors to kids and families. Five or more fruits and vegetables every day. Two hours or less of screen time. One hour or more of physical activity, and no sugar sweetened beverages to focus on water and low fat milk. We have had terrific marketing support, including a television campaign, website design and lots of special events all focused around Let's Go using 5-2-1-0.

I don't have time to get into some of the sectors, but I wanted to just highlight some of the things going on in the school systems. We have used 5-2-1-0 Goes To School. At this point in 43 schools throughout Greater Portland, including almost 18,000 students that are covered, and it's done at the local building level. So, as schools sign on to the program, they agree to make a commitment to provide a Let's Go team of local leaders as well as a champion and to share their policies and work on specific goals and objectives that can help kids to make healthy choices. Let's Go has also spent a lot of effort in trying to build a terrific website where all of the tools that are involved in the program are shared, and I would encourage all of you to take a look at <www.letsgo.org>. So in closing, I just want to say how excited I am to highlight both Let's Go and Guiding Stars. Thank you.

DR. NOWAK:

I run the Reinvestment Fund, which is community development financial group that manages about six hundred million dollars and also has a bill policy and planning operation. And we are located in Philadelphia and Baltimore and have an office actually here in D.C. but largely do things in four states in the mid Atlantic, and we have done about a billion dollars of financing. And so why am I here talking about food I guess is the question.

About four and a half years ago, we got together with the State of Pennsylvania and a really interesting group called the Food Trust to put together a program called the Fresh Food Financing Initiative in this state. And the idea here was that we wanted to provide financing for supermarkets and corner stores and farmers markets and a variety of venues that would provide access to high quality, fresh food, and to do so in competitive prices, because the problem in inner city Philadelphia is an access problem and probably rural areas as an access problem. But in the intercity, in particular, the problem is also a price problem. And so the question was: How do we solve the problem of both access and price?

And so to some extent, this was a public health advocacy issue. And as many of you and, you know, we all cared about these issues, it was also an economic development and equity issue for many people in cities and rural areas. And our question was: How do we take it from a public health advocacy question and from an economic development and equity issue and how do we make it programmatic and how do we invest in things and how do we create access?

So, we met with the State of Pennsylvania, and the State of Pennsylvania put up \$30 million dollars and TRF put up \$90 million dollars of private money. There is a description outside of the program -- outside. Some of you may have picked it up; but if you didn't, it's right outside this room. And we have now in four-and-a-half years provided financing for more than four dozen stores, and they will be, by the time we are done, probably of 60 or 70 in the next year or so. There will be another 20 or 25 that we will finance.

And this has brought fresh food financing opportunities for people that didn't have it. It's brought those opportunities for about 500,000 people as best we can recognize. Now, the grant money was be often

used. We financed, we were doing the debt financing and equity financing for stores. But we were using grant money to help with costs that were hard for entrepreneurs to deal with. These were what sometimes referred to by economists as market failure costs, higher labor costs, and there should have been higher credit costs, information gaps, higher costs for public safety, a variety of different issues, that pose barrier to entries.

So, it was really a combination of us managing the grant money and us also being a financing group that allowed us to create other programming and to have this success. It had both economic development consequences which have been successful, which have been really important. It also had job consequences, had real estate value consequences, and had consequences as related to fresh food access that hopefully will have significant consequences as it relates to childhood obesity and a variety of other diet-related diseases.

This is a program that only works if it can be flexible. We had a great deal of flexibility over this capital, both the state capital and the private capital. And it is a program that we think can be replicated all over the country. We are doing it actually right now in New Jersey and actually talking to some people in the State of Maryland about some similar things. And I sort of laid out, the usual remedies for a grocer in cities where to deal with market failure by either not going there, or if you go there, even especially if you are a smaller store, you would have higher prices, lower wages and benefits and poor food choices. And the question was: How can we move that in a different direction, demonstrate that there is a market, and work with some good operators and solve this.

In four-and-a-half years, my sense of this is that this is a solvable problem. This is an absolutely doable problem. I think that the food desert problem in Philadelphia in the next few years will be largely solved in terms of access, depending on how you measure it specially.

And now we are now working with the Food Trust, with Policy Link and with many other organizations around the country and working with the Whitehouse to see what the possibilities are for national replication. And we would welcome any of your ideas on that and obviously your support.

The possibilities are great. The Whitehouse came out on their first urban conversation visit. Was actually at one of our supermarkets in West Philadelphia where we had a couple of cabinet secretaries and one under secretary with a few community members and the guy who ran the supermarket and the mayor and myself talking about food and talking about the relationship between rural and urban sectors and how they had mutually reinforcing interests, and the possibilities of replication of what we have done in Pennsylvania and how it isn't such a mystery. But it's something that if we work on we can change and we can shift the paradigm and how if you can get it done in Philadelphia, you can get it done anywhere. And that it really takes political will and frankly not all that much capital in order to move this.

I think ultimately many of these public health issues have got to be resolved as have to be understood and also be economic development issues. And I think there's a great opportunity right now in this moment for people who care about what you guys care about in public health and people who have been in the economic growth and economic development world that I've been in to join forces and to show the interface of equity, of high quality health outcomes, and the economic development. Thank you very much.

JUDITH BELL: I am the president of PolicyLink, and we are the program directors for the National Convergence Partnership. We are a national research in action institute focused on advancing economic and social equity by lifting up what works. And the partnership you heard about, how it's a collaborative of these six national funders along with the CDC, big important focus on making sure that it's advancing multi-

field, equity focused policy and environmental change, advancing in effort to get to healthy people and healthy places.

The funders are Robert Wood Johnson, Nemours, the Kellogg Foundation, the California Endowment, Kresge Foundation, Kaiser Permanente, and the Centers for Disease Control and Prevention. So, that's the steering committee of the partnership, and that committee actually makes the decisions for the partnerships. There is an MOU that each of the partners has signed that holds them together and that governs the work of the partnership, and then the CDC has a separate MOU. And just by one piece of information, we have actually made that MOU available to some of those partnerships in different regions and they have used it as a model. So, we think that is something in and of itself that's an accomplishment.

So, with this goal of accelerating and amplifying efforts to create environments that support healthy people and healthy places, the partnership has now gone through both a visioning process and that actually even preceded the work of PolicyLink, a visioning process that helped to bring them together, helped them to identify all of these different components to get to this goal, and then has gone through a process to actually figure out, okay, so if we know that policy matters and if we know that place matters, and we know that particularly in low income communities and communities of color, there are particular components of place where we need to focus to make them healthier.

So, if you combine that notion of policy and place matters, and then you begin to think about in that context what should the convergence partnership do, we now have significant steps that the partnership has undertaken to get to their goals. So, a few examples to give you a sense of what's happening.

So, the partnership and looking out has said, so we want to build a field. We want this to be the formation, the platform for a broader movement. Let's look and see what regions are doing, and then let's figure out, as a national partnership, what can we do to support that: What steps can we take, what technical assistance, what kinds of investments and resources can we bring to the table and what might that mean for those regions. And then we have said, what kind of innovations can we help to spur -- How can we have more foundations around the country investing, in particular, in built environment and access to healthy food work. And so that is under way as well.

And so, we have different structures, you see different ways that the funders are coming together. Sometimes it's funders only. Sometimes it's funders and advocates. Sometimes it's funders and government. There is all sorts of different ways they have come together. But it's all under this rubric, all really focused to get to similar outcomes from the national partnership.

And then the partnership said well, we don't want to just focus in the places where things have begun. There are plenty of areas of need where we would hope things would get started. And so for Louisiana, Mississippi and Kentucky, the partnership is seeing whether there is anything there that suggests with some investments and focus, some assistance the partnership could help to move things along, and so we are in that process as well. The partnership will seek to help these regions. We will be bringing them together. We will be looking to see where there are connections that can be helped within regions as well as across regions, and we are looking forward to seeing what can come out of that.

So, in addition to the innovations fund and in addition to the work in regions, the partnership has also done some very targeted investments to advance its efforts. And in the transportation arena, the partners said transportation is something that clearly has an impact on health, and it's also an arena in which most of the partners were not investing and didn't anticipate they would be investing. And so the partnership set forth to do that. It did it in a bunch of different ways. It supported the transportation for America effort at sort -- supported the American Public Health Association to increase the voice for health in the context of

transportation to allow people to see how that would impact, and it has just released a document available online. There were some out front as well called "The Transportation Prescription: Bold New Ideas for Healthy Equitable Transportation Reform in America," trying to help people see new connections and new ways of impact.

And then the partnership has also done some investments in access to physical activity. And the partnership is supporting efforts by the Reinvestment Fund and the Food Trust to take what has happened in Pennsylvania and get it to the national scale to allow the country to address the fact that 70 percent of people in low income communities do not have access to healthy food, and we cannot expect people to change the way they eat if they simply do not have access to what they need to eat to have a healthy diet. So, PolicyLink is working with the Reinvestment Fund and with the Food Trust. And we are quite hopeful that we will get somewhere nationally. And then there are other efforts that the partnership is doing in the access to healthy food arena as well.

What I want to say in closing is that I think there's an enormous opportunity here for advancing things in a new way for making connections that need to be made for advancing an agenda that gets both advocates, funders and, government out of the typical silos that we operate in that allows us to see the connections and to advance policy and environmental change in a new way that gets to the kind of on-the-ground changes that people really need in order to live healthier lives in healthier communities and healthier neighborhoods. Thank you.

ANDRIA RICO: If I asked each of you how international trade affects obesity, you might say televisions, we are watching too much television. Computers, we are spending too much time reading our e-mails. Our kids are spending too much time playing Wii. But there's another impact that international trade has that I think ties into the obesity epidemic and that's air pollution. And I am going to talk about a partnership in Southern California that partners community-based organizations and Asthma Alliance and two academic organizations to try to reduce the levels of air pollution from international trade, from the ports, the rail yards, the freeways that are moving goods from California through our region and on to the rest of the country.

So the ports of LA and Long Beach are the largest ports in the United States. The ports actually think that the cranes are lovely. Some of the neighbors who live there think that the cranes are a blight in terms of their view. So it depends on your perspective.

Inside those containers are thousands of toys and dolls and computers and other goods that are moving across the country. Millions of them a year coming through the ports of LA and Long Beach. And the Long Beach freeway handles 37,000 trucks a year. And next to that freeway are 220,000 children. In the first census track on either side of the freeway are 220,000 children when you add them all up. That freeway is called the jugular from the ports to the downtown rail yards, and there are 25 schools within half a mile.

The freeway plans to double or triple in size to handle two or three times as many trucks coming from the ports. So, in concert with the Los Angeles County Public Health Department, we've been looking at the expansion process and our community collaborative. And I'll give you the name - it's called the Impact Project. It has been working together, the academics, the scientists, the policy people and our community advocates to try to focus on some of the issues that are along the 710 freeway. But LA County as a whole has a nine percent diabetes rate for 18 and older along the 710 corridor. Again these -- the first census track we have sixteen and a half percent of people over 18 have diabetes. Obesity, it's 21 percent compared to 28 percent. And we have similar concerns with mortality, and the poverty levels are very high along the 710.

This is what it's like -- the containers get on the train to someone's rail yard in the City of Commerce, one of our partners. Again, would you have a child who was "free range" and ask that they go outside and play in this environment? So, what I would like to look at is just what international trade and this goods movement means for recreation and breathing healthy air. Because if we want our children to go outside and play and adults to go outside and exercise, we really need to be thinking about what other risks we are putting them at and how we need to clean the air. And we all need to have a partnership and think about ways that you can also put clean area into your agenda.

We talked about bicycling. The Port of Los Angeles and the Port of Long Beach have the largest single sources of air pollution in Los Angeles, a park under the 710 freeway. The backyard of a child's home in the City of Commerce.

We have formed something called THE Impact Project, which is, the "THE" in "impact" stands for the Trade Health and Environment Impact Project. It's funded by the California endowment. And we recently received additional funding from the Kresge Foundation. So, we thank both of those foundations for their forward thinking of looking at impacts like this.

Our partners -- we have four community-based partners. Three of them are environmental justice groups. They follow the way the trucks and trains moved from the ports up to the 710 freeway, so the first group -- actually East Yard Communities For Environmental Justice is near the rail yards. Communities For A Safe Environment is near the ports. The Center for Community Action Environmental Justice is out in Riverside where all the warehouses are. And then we also have the Long Beach Alliance For Children With Asthma, which is near the other port. We have two community -- two academic organizations that are involved. Occidental College, which has actually been very involved; the Urban Environmental Policy Institute in the food issue; and then our Community Outreach and Education Program at the USC Tech School of Medicine that I direct, and that's NIE Adjust Center. And as many of you know, the NIE Adjust has always encouraged partnerships with community.

From the academic side, we have trained lay people from the mothers from the Long Beach alliance for children with asthma, how to look at the risks in their community, ways to actually measure air pollution with P-Traks that measure ultrafine particles. We have trained them in the science of air pollution. Here we have this sort of scientific team doing street signs in Long Beach counting traffic. And then when they are done with their scientific efforts, they present that information to policy hearings. We are trying to get changes -- clean truck program, cleaner action plan. In this case, trying to suggest that it's not a good idea to double the size of a rail yard or to build a new rail yard right across from homes and schools in Long Beach.

We also have together, with many partners throughout California, sponsored a number of conferences on this issue where community members get to talk about what their concerns are and our scientists get to hear the community concerns firsthand which has impacted our research agenda. We also have the scientists speak to the community-based organizations. In this particular conference which was a year-and-a-half ago, we had 550 people from all over the United States from port and rail communities who came together in part to hear what we were in California that might be models for them. And that resulted in another small grant to provide technical assistance to other communities. And next week I am going to Kansas to talk to them about our experience in California with rail yards.

The impact project website < www.theimpactproject.org >. And we are putting onto that website other rail communities and port communities and organizations that are working on these issues in other states. So, if some of you are working on obesity but you are also really concerned about air pollution, please contact us, and we are developing an interactive website networking tool. Thank you.

LAURA KETTEL KHAN: Time for questions and comments from our audience.

QUESTION: My name is Leon Hamm, and I'm with the Eutaw partnership for healthy weight. I am assuming Hannaford is a privately owned company. Can you comment on whether the initiative has been neutral in terms of profitability or is seen either as increasing profitability or at least something of a marketing expense because all helps differentiate yourself from the competition?

MR. McBRIDE: Hannaford is a publicly traded company through our parent company, Delhaize Group, which is a Brussels-Belgium-based organization. The program has not been cost neutral. And although I don't know the specifics, we have poured a lot more money in than we have seen coming out. Frankly, when we designed the program originally, it was intended to help us to be more appealing to consumers who hopefully would spend more of their overall shopping dollar through Hannaford stores as opposed to our competitor stores. We didn't expect to gross sales from current or existing consuming because you are not really likely to spend more money just knowing which foods are nutritious.

But given half the folks polled are interested in purchasing more nutritious foods, we thought that it would be a competitive advantage as well as a cost of entry in these days. There are other programs being developed and many of Hannaford and other supermarket competitors are experimenting with different programs. So, although I think we are thrilled with the results of the program after three years, at this point, it has not covered the cost that we have invested to develop the program. But it's certainly gotten a company and our partners a tremendous amount of exposure and great goodwill, just wonderful comments from consumers, and many inquiries from consumers well beyond the trade area of the supermarkets that currently have Guiding Stars in play.

QUESTION: My name is Regina Flynn, and I just wanted to comment on the fact that you mentioned some evaluation criteria for the Guiding Stars Program, which I think is helpful for folks that work on the community level, such as you have seen an increase in reduced fat milk and decrease in whole milk. So, I was be wondering if maybe you could talk a little bit more about some of the other things that you evaluated. And also have you noticed any trends in terms of products coming into the store or coming into your criteria that you are seeing any change in terms of more products that now earn one star or two stars?

MR. McBRIDE: In terms of the evaluation of sales and movement of items since we introduced the program three years ago, Hannaford does not have a frequent shopper program. So, we are not able to measure changes on a household level. But the trend data in aggregate has been very exciting as we have seen, not only an increase in the percentage of Star items being purchased by consumers overall, but very specific increases in certain categories. I mentioned the dairy categories, milk, yogurt, clear increases in purchases of Star items over non-Star items, breads, cereals, and whatnot.

One of the Guiding Stars' licensing companies, Food Lion, does use a frequent shopper program. So we are eager to work with them to analyze the data that they might have on specific consumer segments or individual households using Guiding Stars.

The second question related to changes in the marketplace specifically from manufacturer's products. We have had many discussions directly with manufactures who are interested in the program. We invited them to come in, sit down with us, learn how we develop the program. We share very openly their results as well as the data that we have captured on their products. We don't share the exact points that they were accredited or debited with, but they are star values. And we share enough value with them that they can clearly start to understand the program and -- at least see it from our perspective if you will.

We've been very pleased that over time we have seen a gradual but a significant shift in a number of manufacturers and food segments actually improving their nutritious quality. Chips are a great example. The

folks from Frito-Lay came in very early on and sat down with us. I would never claim that they have changed their manufacturing process based on Guiding Stars alone, but they have significantly reduced the amount of sodium in their products. Changed from saturated fats to non-saturated fats and so on. And so a surprising number of Frito items actually earned one or more Stars. And that's a great success story. Hannaford has also worked directly with their private brand manufacturers to specifically look for opportunities to make their foods more nutritious so they might earn one or more stars.

QUESTION: I am Phyllis Wood, the CATCH director. CATCH is the Coordinated Approach To Child Health in over six counties in Southeastern Illinois for the Egyptian Public and Mental Health Department. And I happen to personally live in one of those food deserts that I've been hearing people talk about. Our county where I live just recently lost its only grocery store. So, I am very interested in hearing about the food initiative and how quickly you can skip over some of those middle states and come on over to Illinois and spread that our way and who you might be talking to in the Midwest about doing that very thing.

DR. NOWAK: Actually the State of Illinois just made an appropriation of \$10 million dollars to create the Fresh Food Financing Initiative. I don't know that there's an RFP out. We were going to talk to some local organizations, lenders, economic development organizations in Illinois about replications, see if we could be helpful with that. So, to date, Illinois, New York and Louisiana are making a move in this direction. So, you know, hopefully something will happen in Illinois. But I would keep the heat on to make something happen.

The two big things I think in this for replication: One is, will there be some movement in the federal government. The second -- and I think maybe the bigger problem is that we are in a period where there is a great credit lockdown. So the ability to go out and raise capital for this has been significantly diminished.

Now, eventually things will return and the new normal will allow us to do that again. But my sense is that there is enough fervor out there among state legislative bodies, among governors, among mayors, and now among a lot of the congressional leadership in the Whitehouse that there's going to be a movement in this direction. So, I think something will happen in Illinois and I hope so.

QUESTION: I am Melissa Shepherd with Leadership for Healthy Communities. We are a national program with the Robert Wood Johnson Foundation. First, I want to applaud your efforts in increasing access to healthy foods in areas that previously did not have those foods available. And the leadership for healthy communities recently released our actions strategies tool kit. And in that tool kit, which is a comprehensive guide for state, local and school district level policy makers, it has healthy eating and active living policy strategies examples, tips for getting started, A list of stakeholders. We featured the Pennsylvania Fresh Food Financing Initiative in the work that you've been doing at the reinvestment fund. And that's available on our website, <www.LeadershipForHealthyCommunities.org/actionstrategies>.

And my question is: How is the Reinvestment Fund funded, or what is your business case for funding, what you call market failures?

DR. NOWAK: What's the business case for it? I made no business case for it. The Reinvestment Fund raises individual institutional capital, and it uses that to invest for commercial and residential -- we have done 20,000 units of affordable housing. And we have done about seven million square feet of largely urban, but not just urban, commercial real estate. We financed 56 charter schools. So we have a small business portfolio. And it's private capital and we live largely off the interest rate spread and the points like any lender would. That's what we do.

Now, we get some philanthropic support for our policy and our data work. The business case I have to say there was a terrific state representative who ran the Appropriations Committee, which was really a good thing. And in Pennsylvania, this has been a longstanding urban, and also rural, but certainly a

longstanding urban issue about markets. And he said to me, "I am tired of hearing about it." He said, "What have we got to do to get this done?" So, I spent a bunch of time in a very unscientific way, speaking to supermarket operators, some of whom are in the city, some of whom are not in the city, and I asked them what were there constraints to begin to understand the cost constraints in terms of long-term fixed costs. And I developed my own little theory, not very complicated -- it has no patent, but I am glad you've got a patent -- about what was the application of smart subsidy, subsidy that would not create efficiencies of something that you could defend because it was -- there was no way that an investor or entrepreneur could incur that cost in a competitive way, and how would it get us to this goal of high quality fresh food at competitive prices. Right? And that to me was the big issue.

And I said to the state representative, "How much money do you think you can get?" And he said, "I can get \$30 million dollars." So, I said, "I'll match it three to one," of course, not knowing I could match it three to one, right? And we did it. We launched it. And I matched it. He got it. And now it's viewed as a very scientifically rigorous program.

This guy Dwight Evans is just a terrific guy. His view to me was -- I remember you just met Don Hinkle. I said, "This is the guy that's going to run the program, Dwight, you know, if there's any issues." He said, "Man, I don't care about any of that." He said, "I want supermarkets." He said, "Just get me supermarkets."

And he went out and created the institutional and political space in which we could be successful. He made sure that other programmatic things within the State of Pennsylvania's toolbox of program -- of economic investments would work for us. He got everybody on board. The State of Pennsylvania wanted this to would work. And he moved it forward. So, we had the political space. We had a proto-scientific analysis and we had capital. And we had the flexibility to try to solve the problem in different ways. I mean, we felt to corner stores and we said, you know, these were not great stores in terms of what they were delivering, and we bought them refrigerated barrels right around schools and we had them load them up with fruit packets so that kids would go and they would buy the fruit. So, we looked. We did everything from 900 square foot stores to 75,000 square foot stores. We just looked and tried to be innovative. And now that it's worked, everybody loves it.

JUDITH BELL: Let me say few things about TRF just to be clear about Jeremy speaking off the cuff. No, because he is making it seem like it wasn't scientific, but you should understand that TRF is a community development financial institution. It's probably one of the best one in the country. So, he brings this knowledge into this process, and then to just underscore in addition to the grocery stores they have financed farmers markets, co-ops, public markets, 3,700 jobs created that are retained, more than a million square feet of retail space.

So yes, it started with these trailblazers and folks who are leaders in the country, and now they really do have a model that can be replicated that will require additional leadership. But now we really do have a toolbox of the kinds of different types of financing mechanisms. They have come up with different ways to make one-time grants or loans, and then after that you've got on-going concerns. Their rate of success in Pennsylvania and 90 percent of their projects have been successful. That's better than the private market. That's better than supermarkets and grocery stores can claim.

And they have been so successful that now at the national level, the two major associations, the Food Marketing Institute and the National Grocers Association, are supporting this effort as well as public health organizations and community development organizations and advocates. So, by virtue of the leadership that they took in Pennsylvania, they really do now have a model replicated at states and help at the national level as well.

QUESTION: I'm Loyal Solomon with Kaiser Permanente. We've been watching this Hannaford experience with great interest. So, it's great to hear you present. I am wondering if you could speak to the challenge that might be posed by multiple rating systems creating a den that creates a sub-optimal impact on the consumer. And a related question: Is there a business model that you can imagine that would allow you to have a non-proprietary system to increase transparency or is that so critical to your business model that you can't conceive of changing that part of it?

MR. McBRIDE: The short answer is, it's easy to deal with multiple because ours will win and be the best. There are some other programs under development that will be out. Some of them are already out in their early stages in the marketplace. And before long, you will be able to go to several markets in New England and shop literally three or four different programs on the same afternoon. Ultimately the consumer will decide which one might be the best. We are thrilled with the results we have seen in three years in the marketplace and clearly eager to see how the other programs are as well accepted by consumers overall.

Regarding a business model around a transparent program, that's one knock that we have had because of our patent. We were encouraged to not share the details of our program. We are rethinking that at this point. The patent process is pending. It may still be years before it's awarded.

So, we have had some criticism about our willingness to be open about the details about our algorithm, and I hope that we will be able to share more of that in the coming months. There is a version that our scientific advisory panel has proposed in a paper to the Journal for the American Dietetic Association. That paper is currently under review; and if it's accepted, I think the details of the program will be widely recognized.

QUESTION: I am from the University Medical Center in Amsterdam. I was going to ask a question about the patent as well because you are dedicated to public health. So, I was kind of wondering what it was behind having a patent on the rating system. But apparently I understand that you are intending to make it public, then what was the beginning of the logic having a patent anyway?

MR. McBRIDE: Because we had invested internal funds to develop the program. There was no outside funding whatsoever. And the early success, we were clearly thrilled that it was recognized and just didn't want to have other programs trying to knock us off and do the exact same thing. So we applied for a patent to give us those protections.

QUESTION: My name is Olaya Hastings, and I work at Tufts University on the chain study that is a Shape-Up Somerville replication project. I had previously worked on a study that was working with corner stores as well. The refrigeration units were funded specifically for healthy beverages - 100% fruit juice, low fat or no fat milk and waters, and we had lowered the price point as well. One of the things we found was that even if we had someone deliver the items to the stores, the amount of time that it took out of the owners day and the fact that stores were mostly family owned, (one person working in the store). So, they wouldn't necessarily open right at nine o'clock, and so the distributors would leave. And I was wondering if you ran into any of that and if you had any strategies going forward.

DR. NOWAK: You know, that's a great question and I'm sorry I don't know the answer. The Food Trust people have been the ones working on the corner. We funded it, but they have been the ones working on the initiative. The thing to remember is that this is a low margin, tough business. And at the end of the day, my theory of social change in cities is that it's going to be driven largely by consumer demand change, whether it's a high quality school or it's a high quality supermarket. And that what you've got to do is create enough choices and provide enough information to create the right kind of consumer demand.

What we were focused on at the corner stores is that they were in and around schools. You found that what kids would do is would run in and out and that's where they would get things to eat. And my understanding is that the data has been pretty interesting. I guess the other thing I would say is that you fight an uphill battle because of the junk they are fed in schools. The schools, even good suburban schools, what kids get fed is a disgrace. But I think the corner stores was a way to get at kids, or young kids, going in and out of the stores before and after school.

LAURA KETTEL KHAN: I want to thank our panelists. They were absolutely delightful.