



Kentucky Proud Buy Local Program

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Program Overview

The Kentucky Department of Agriculture (KDA) is providing an incentive to local restaurants and other foodservice businesses to purchase eligible Kentucky Proud products. The Buy Local Program reimburses restaurants and distributors a percentage of the purchase cost of qualifying products.

This program benefits growers by opening up additional local marketing opportunities in the restaurant and related foodservice markets. In turn, the Buy Local Program helps compensate participating businesses for the higher costs that can be incurred in buying local products, thus enabling them to maintain their usual food costs. Additionally, restaurants benefit from being able to incorporate fresh, locally grown products into their menu items. This program is also a means of promoting KY Proud products to consumers.

Foodservice providers and food distributors located in Kentucky may participate in this program. The restaurant or foodservice is required to sign an agreement with the KDA and is encouraged to promote Kentucky Proud brand products or farms in their establishment and on their menus. Food distributors are required to sign an agreement with the KDA and substantiate the level of direct farm impact from program participation. Participants could also be subject to an audit by the KDA.

Participating foodservices may receive reimbursements of 15% for qualifying purchases, with a \$12,000 annual limit and a \$36,000 lifetime cap. The actual reimbursement amount is determined by the type of products purchased, with products classified as “Gold,” “Silver,” and



“Bronze.” Gold level products are eligible for 15% reimbursement under the Buy Local Program Guidelines. Silver level products are eligible for 15% reimbursement, so long as they do not exceed one-fourth of the foodservice establishment’s total Buy Local amount. Bronze level products are not eligible for reimbursement but are tracked by KDA.

Gold products are classified as edible farm products that have 100% Direct Farm Impact, as defined by KDA. Fresh produce grown on Kentucky farms and products solely made from grains grown on Kentucky farms are examples of gold level categories. Silver products are “edible processed products where significant portions of the commodities used to produce the products were sourced from Kentucky farms and have some level of Direct Kentucky Farm Impact,” according to KDA. This could include products like salsas, sauces or jellies and jams where some of the ingredients are not sourced from Kentucky producers. KDA defines bronze products as “edible agricultural products harvested, produced, processed, or manufactured in Kentucky



¹Matt Ernst is an independent contractor with the Center for Crop Diversification.

that have negligible Direct Kentucky Farm Impact,” i.e., the major agricultural components are grown outside of Kentucky.

Participating food distributor firms that provide detailed quarterly reports on behalf of participating restaurant clients can be considered for an administrative reimbursement on eligible Kentucky Proud sales. The distributor’s incentive is in addition to the foodservice reward provided to the restaurant and is dependent on both parties following the program guidelines.

All products must be purchased from a Kentucky Proud member and conform to the KDA eligibility guidelines. Growers who follow Good Agricultural Practices (GAP) and have obtained the KDA GAP certificate could have a marketing advantage with foodservice buyers. Post-harvest handling and packaging are also important considerations when selling to restaurants.

Growers and foodservice businesses interested in any aspect of the Kentucky Buy Local Program should contact the KDA regarding eligibility requirements and for more program details.

Contact Information

KENTUCKY PROUD BUY LOCAL PROGRAM

<http://www.kyagr.com/marketing/buy-local.html>

2017-18 KENTUCKY PROUD BUY LOCAL PROGRAM RESTAURANT AND OTHER FOODSERVICE PARTICIPANT APPLICATION & GUIDELINES

http://www.kyagr.com/marketing/documents/KYP_BuyLocal_Restaurants.pdf

2017-18 KENTUCKY PROUD BUY LOCAL PROGRAM DISTRIBUTOR PROVIDER APPLICATION & GUIDELINES

http://www.kyagr.com/marketing/documents/KYP_BuyLocal_Distributors.pdf

Selected Resources

- Kentucky Proud (Kentucky Department of Agriculture) <http://www.kyproud.com/>
- Food Systems Innovation Center (University of Kentucky) <http://www.uky.edu/fsic/index.php>
- Kentucky Good Agricultural Practices (GAP) Program (Kentucky Department of Agriculture) <http://www.kyagr.com/marketing/GAP.htm>
- Produce Food Safety Resources (UK Center for Crop Diversification) <http://www.uky.edu/ccd/foodsafety>
- Marketing Fresh Produce to Restaurants (University of Kentucky, 2011) <http://www.uky.edu/ccd/marketing/market-resources/wholesale/restaurants>
- MarketReady (University of Kentucky) <http://www.uky.edu/marketready/>

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For additional information, contact your local **County Extension** agent

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