

A pure|STRATEGIES Report

# Connecting to the Farm

How Companies are  
Engaging in Agriculture  
to Build Regenerative and  
Thriving Supply Chains



pure  
INSIGHT



**Agriculture relies on productive land, adequate water, workers' labor, and the welfare of animals.** However, environmental damage and social injustice threaten these basic needs. The loss of half of our arable soil, extreme drought, widespread poverty across smallholder farmers, and growing farm labor shortages weakens the entire agricultural supply chain. This is driving companies, farmers, workers, and the environment perilously close to failure.

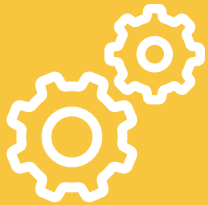
Instead of expecting producers to manage these challenges on their own, leading companies are reaching through their supply chains and connecting directly with their raw material suppliers. These businesses seek to understand, encourage, and support efforts to rebuild the soil, replenish water, boost productivity and deliver fair pricing and respect for farmers, workers, and animals.

This report describes the efforts of five companies—**Danone North America, Dr. Bronner's, Sun World, The North Face,** and **Wrangler**—to engage in their supply chains and help shape the future of sustainable agriculture to a more regenerative and thriving system.

A few of the featured companies are at the early stages of their journey; others are farther along. They share a common set of best practices to advance sustainable agriculture in their supply chains based on three fundamental farm engagement principles: communication, collaboration, and building capacity.

## BUSINESS CASE FOR ENGAGING IN SUSTAINABLE AGRICULTURE

Cost savings, risk reduction, and growth opportunities emerge when companies engage at the farm level.

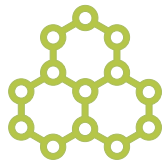


- **SUN WORLD's** work to establish California Harvesters Inc., a labor cooperative, and their efforts to build water banks on company land help reduce operational risks from labor and water shortages.
- **DR. BRONNER'S** commitment to fair-trade and certified organic raw materials helped the company build consumer trust, create new product offerings, and build supply resilience.
- **THE NORTH FACE** points to the Cali Wool Beanie selling out during its first year online as proof of consumer interest. The hat was made with wool from sheep raised on land using soil carbon sequestration practices.



### Communication

Take the time to understand the supply chain situation, include producers and other stakeholders to build the program, and incorporate two-way feedback into the implementation of the program.



### Collaboration

Think win-win with producer partners and other organizations that can provide expertise and support for the program.



### Capacity

Start small but design for scalability, leveraging standardized criteria, training, technical assistance, and other tools.

# The Future of Sustainable Agriculture

Sustainability is the principle of meeting the needs of the present without compromising the ability of future generations to meet their own needs.

This principle demands more than the halting of damaging practices; revitalizing and rebuilding efforts are often needed. Companies and their supply chains are stepping up with several approaches and practices, such as:

- **Soil health:** Wrangler sources from producers using soil health best practices of no-till, crop rotation, and cover cropping, along with others, to conserve soil and build soil ecosystem services, such as carbon sequestration (removing carbon dioxide from the atmosphere).
  - **Regenerative systems:** Dr. Bronner's couples holistic systems approaches that address soil, animal, and human wellbeing. Their coconut and palm oil projects incorporate organic agriculture, soil health practices, agroforestry, fair-trade, and community development. Some organizations, such as Carbon Underground, use regenerative to focus on improving soil—soil health and carbon sequestration. Others use the term to refer to the rebuilding of ecosystems
- within agriculture, focused on soil health, biodiversity, and watersheds. A common principle of regenerative agriculture is a net improvement through system-level approaches.
- **Animal welfare:** The North Face spearheaded the development of the Responsible Down Standard to ensure that geese and ducks in the down supply chain lived without unnecessary harm and were provided the Five Freedoms for health and wellbeing.
  - **Fair trade:** Dr. Bronner's has long included fair-trade certification in its sourcing to ensure the producer gets paid appropriately for their product and is incentivized to use best practices.
  - **Empowered employment:** Sun World helped launch an innovative farm labor cooperative, California Harvesters Inc., to stabilize labor demand by providing higher-quality year-round work, empowering the workers in the operation of the organization, and providing valuable benefits.



## THE FUTURE OF SUSTAINABLE AGRICULTURE



**regenerative**  
improved ecological systems



**thriving**  
healthy animals, communities,  
and economies



## CASE STUDY: DR. BRONNER'S



“Beyond the production of a product, our work is an investment in the health of the soil, the farmers, their families, and communities.”

GERO LESON, VICE PRESIDENT OF  
SPECIAL OPERATIONS AT DR. BRONNER'S

**David Bronner, the third-generation leader of the family-owned company, and his team are inventors.**

Since the early 2000s, they have been developing new ways to ensure that the raw materials for Dr. Bronner's personal and home care products are produced and sourced responsibly. As David Bronner states, “We have to take responsibility for our supply chain. It is an ethical imperative.”

By 2006, the company had a foundation of certified organic ingredients and led the natural and organic product market. This market position, however, did not address the social aspects of producing and trading the materials. To meet this challenge, the company shifted to sources that were both certified organic and fair-trade certified. Along the way, it learned more about its supply chain, uncovering challenges that could limit the availability of responsibly sourced options.

Coconut oil is a primary ingredient for Dr. Bronner's soaps. To meet the company's growing demand, it looked to Samoa. Samoa was once a key region for coconut production, but the industry had been declining. Farms producing coconuts for generations were losing their market, along with the livelihood for thousands of families and communities.

Dr. Bronner's saw an opportunity to recreate that market by helping farmers convert to organic and fair-trade practices. The company took it a step further by integrating agroforestry at the farms because mixed forests with coconut, cocoa, and other tree and field crops boost coconut yields. So, in addition to facilitating the organic certification of 1,500 farmers and the resumption of coconut oil production in an oil mill owned by its local partner, Dr. Bronner's worked with Ecotop, an agroforestry expert, to replant farms in a dynamic agroforestry system.

To make coconut production attractive again, Dr. Bronner's also increased the low price received by farmers for coconuts with a 50 percent price increase for the organic and fair-trade production. Dr. Bronner's is confident that it will, in cooperation with other buyers and the Samoan Ministry of Agriculture, bring about a demand-driven revitalization of the Samoan coconut and cocoa industries, formerly the two largest agricultural industries in Samoa, in a sustainable way.

# Communication

Get to know your farmer to identify needs and opportunities, align on priorities, and build in two-way feedback.

To provide real value, an agricultural engagement effort needs to address supply chain-specific issues, which differ across crops and materials. Taking the time to learn from producers and experts is an important part of getting started. Maintaining that line of communication throughout the program sets it up for success.

**Wrangler** began its journey of understanding the supply chain by engaging at the farm level all the way upstream to the producer level. Wrangler met one-on-one with a few producers. The brand discovered that soil health, which aligned with producer priorities of resilience and profitability and brand priorities of sustainable practices and land stewardship, was a common interest. Consequently, soil health became the focus of the brand's agricultural efforts.

**Sun World** responded to a California labor shortage by taking the time to learn about the benefits and shortcomings of the existing labor system and asking the community about gaps that could help strengthen and stabilize the workforce. A key insight was that workers lacked access to options such as health care and education because they were not coordinated or connected to the options. This communication process showed Sun World that a farm labor cooperative could be a win-win for the company and the workers.

## HOW DO YOU BRING YOUR PRODUCER COMMUNITY ON BOARD?

The need to build trust and provide clear value to your producers cannot be overstated. Start with getting to know their situation, what they care about, and what they are concerned about. It helps to start by engaging with pioneering farmers, those that others look to for ideas, and including them in the creation of your efforts.

- **WRANGLER** spent time with the producers in its cotton pilot to understand their priorities and work to address them in the engagement effort it built, including improving the producers' profitability through increased yield, reduced costs, and lower risks. The company was also clear about its commitment to sourcing the sustainably grown cotton and getting the producer's story out.
- **THE NORTH FACE** included producers and suppliers in the development of the Responsible Down Standard. This collaboration helped the producers and suppliers buy into and trust the process and understand the business value for adopting it.
- **DANONE NORTH AMERICA** believes that engaged producers are a key source of best-in-class ideas and innovation. The company created a producer network that encourages peer-to-peer learning and collaboration to facilitate best practice sharing. Further, the company supports long-term relationships through a cost-plus model, which helps to provide stability and build trust to support its robust network.



## CASE STUDY: SUN WORLD



“California Harvesters is a powerful approach, because it brings stability to farm workers while also respecting their role in the supply chain by empowering them and providing valuable benefits.”

RUPAL PATEL, CSR AND SUSTAINABILITY  
LEAD AT RENEWABLE RESOURCES GROUP

**Sun World is a vertically integrated produce company that planted its first grape vines in California 40 years ago.** Acquired by Renewable Resources Group (RRG) in 2013, the company remains committed to *Better Farms and Better Flavor* through its innovative sustainability program and proprietary grape variety development.

The company pioneered an approach to sustainable water management. Over 550 acres of Sun World land were developed as water banks—which collect surface water on-site during heavy-precipitation periods and percolate it into the ground for storage for future use in dry years. This system has already banked the company’s water need for the next five years, with a portion donated to the local community as well. Sun World and RRG use that entrepreneurial approach to tackle additional issues.

Sun World began searching for innovative options to address California’s farm labor shortage, while improving the working conditions and support systems for farmworkers. After interviewing farmworkers, experts, and community service providers, the company began developing a new model—a farm labor cooperative organization.

Sun World pulled together a group of organizations with expertise and shared interests to provide funding, tools, and guidance to help Sun World build and effective pilot. Early in 2018, California Harvesters Inc. was launched as an independent cooperative with local managers and service providers, and with Sun World as its anchor client. Within the first month, California Harvesters met its initial recruitment goal of 250 workers, with up to 650 members expected by the end of 2018. As co-op members, they get \$0.25 more an hour and access to health care, education, and other opportunities. Because California Harvesters is a cooperative, its members will be trained and empowered to serve as the organization’s leaders and shape its—and their—future.

Sun World is committed to hiring workers from California Harvesters and supporting its growth, to meet Sun World’s farm labor needs as well as those of other produce companies. Rupal Patel, CSR and Sustainability Lead at Renewable Resources Group, which supports Sun World on this project, notes, “California Harvesters is a powerful approach because it brings stability to farm workers while also respecting their role in the supply chain by empowering them and providing valuable benefits.”

# Collaboration

Partner with organizations and companies that can help fill the identified needs and share the value created by the collaboration.

Companies do not have to advance sustainable agriculture on their own. It is important to look to like-minded organizations for help.

To support their soil-sustainability efforts on cotton, **Wrangler** pulled together organizations with a shared interest of advancing soil health with local and expert knowledge and aligned aims. Groups such as Field to Market, the Soil Health Initiative, the Texas Alliance for Water Conservation, The Sustainability Consortium, and others provided tools, research, and advice to help the brand build an effective pilot with cotton produced using soil health best practices.

Like Wrangler, **Danone North America** is advancing its sustainable agriculture program by emphasizing soil health. The company is starting with a “dream team” of experts from Cornell University and Ohio State University who will test the soil and analyze the farming practices at 16 pilot farms to help them successfully implement new soil health best practices.

At the same time, the company will learn how it can leverage best practices across its supply chain, and the researchers will gain insight to further their research and innovation.

**Sun World** develops most of its water projects in collaboration with agencies that manage water for the wider community so that the benefits of these programs not only support Sun World’s needs, but also ripple out to the community and other farms across a 6,000 square mile region between Fresno and Bakersfield, CA. For Sun World’s work to build an effective labor cooperative pilot program, it sought out insight and support from The Workers Lab, Democracy at Work Institute, The Working World, Coalition of Immokalee Workers, and Farmworker Institute on Leadership and Education Development.

## WHY IS THERE SO MUCH FOCUS ON SOIL?

Production of food, fiber, and other natural materials begins with the soil. Half of our soil has been lost due to conventional agricultural practices and conversion of land to cropland, but there are known best practices that reduce soil erosion and build soil health.

Soil is also the largest terrestrial pool of carbon, with the potential to accumulate more carbon by following the same best practices that build soil health. Although the potential to be a carbon sink varies by region, the status of soil degradation, crops grown, and production practices, The Nature Conservancy estimates that widespread adoption of soil health practices could mitigate 25 million metric tons, or 5 million passenger cars’ worth, of carbon each year.

Awareness of this carbon mitigation opportunity is on the rise all along the supply chain, from farmers to brands. **THE NORTH FACE** supported early research by the nonprofit Fibershed to evaluate best practices for building soil health and soil carbon sequestration to help mitigate greenhouse gas emissions. With promising results, Fibershed developed the Climate Beneficial Wool standard and piloted it at the Bare Ranch in California. **THE NORTH FACE** sourced the certified wool for the Cali Wool Beanie that sold out on their online store during its first year in 2017. The program is currently at the single ranch phase, but there are plans to expand so more North Face products can be created using certified wool.





## CASE STUDY: DANONE NORTH AMERICA



“ The long-lasting relationships we have with our growers and dairy farmers, who have a passion for change and strive for continuous improvement, have enabled us to launch this program.”

RYAN SIROLI, AGRICULTURE DIRECTOR  
FOR DANONE NORTH AMERICA

**The North American subsidiary of Danone, the world’s largest Certified B Corporation® and leader in plant-based and organic food and beverages, has been advancing its farm-level engagement.** The company began to shift to sourcing their milk directly in 2012 to establish a closer connection to its producers. This connection rests on a cost-plus model of providing payment for the cost of production plus an agreed-to margin for specific requirements and continuous improvement. This method provides greater transparency and enables changes in production practices, such as animal welfare certification and Non-GMO Project Verified feed. Now the company is building a best-in-class soil health program, aimed at enhancing organic matter and soil fertility, into their supply chain.

The company partnered with a team of university researchers and a data tracking software provider on a pilot study of 16 farms beginning in 2018. Dairy and feed growers will have their soil and farming practices evaluated to establish a baseline across the various growing systems and regions.

Baseline data will be used to identify ways to enhance organic matter and soil fertility with long-term benefits such as soil carbon sequestration, reduced chemicals use, improved soil water-holding capacity, greater biodiversity, and the economic resilience of farmer communities.

Ryan Sirolli, Agriculture Director for Danone North America, notes, “The long-lasting relationships we have with our growers and dairy farmers, who have a passion for change and strive for continuous improvement, have enabled us to launch this program. We know this work requires collaboration to make a meaningful impact, and we are excited to bring together uniquely skilled partners to help us to continue to fulfill our ambition.”

The pilot farm learnings are anticipated to be a source for training on soil health best practices with their producers, through reports and field days with farmers. The company will then begin to integrate these approaches into its cost-plus model to drive continuous improvement in its supply.

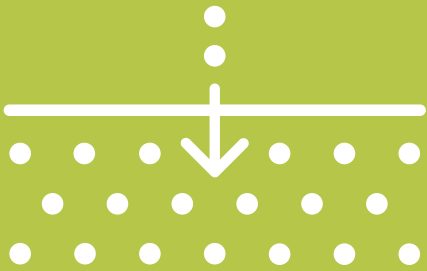
# the benefits of healthy soil



drought resilience



weed reduction



carbon sequestration



cost savings



soil and water retention



yield improvement



nutrient and microbial  
enhancement



greater profitability



## CASE STUDY: WRANGLER

# Wrangler

“From the health of our communities, to the conservation of our land, water, and air, we take responsibility for the legacy we leave future generations.”

ROIAN ATWOOD, SUSTAINABILITY  
DIRECTOR AT WRANGLER

### **Wrangler brand jeans were first made in 1947.**

Since then, the brand has held deep community partnerships, such as its 50-year support of the Future Farmers of America. The brand is now a part of VF Corporation and continues to build on its heritage. Roian Atwood, Sustainability Director at Wrangler, notes, “From the health of our communities, to the conservation of our land, water, and air, we take responsibility for the legacy we leave future generations.”

The brand wanted to deepen its connection and sense of responsibility with cotton, its number one raw material. About half of Wrangler’s supply of this natural fiber is grown internationally and the rest in the United States. The brand began to source from Better Cotton Initiative–certified producers for the internationally grown volume and looked for a way to support U.S. growers more directly.

Wrangler began its efforts in the United States with a discovery process that involved meeting with several experts and producers to learn about practices used and decisions made.

During this process of understanding the producers’ challenges, goals, and priorities, it became clear that known best practices to build soil health address many of the priorities producers have, particularly risk reduction and profitability.

The Newby family, who are seventh-generation Alabama farmers, were one source of this insight for Wrangler. The brand started working with the Newbys to pilot an approach that implements and measures the effects of robust soil practices such as no-till, crop rotation, and cover cropping. This approach involved bringing in experts, including E3, the Soil Health Institute, and others. Their trusted and expert on-the-ground knowledge helped improve yield, water and energy efficiency, and soil conservation.

Forty thousand pounds of Newby cotton will be used to make a special collection of Wrangler denim jeans in 2018. Additional producers are included in this pilot, with a target of doubling the amount of healthy-soil cotton in the fabric by 2019.

# Build Capacity

Directly support the supply chain and create solutions that are scalable.

Ultimately, supply chain engagement must involve more than a few farms. Programs often begin with a smaller effort and provide resources and use tools to build the capacity and scale.

**Dr. Bronner's** had been supporting organic production of coconuts and palm fruits in Sri Lanka, Ghana, and India since 2007. More recently, the company started demonstration farms to test and prove-out dynamic agroforestry in Ghana and Samoa and is now scaling that approach. Training farmers helps make the transition from the demonstration farm to many farms. The company also assists producers finance replanting and fills in other resource gaps to enable scalability.

This has included setting up downstream processing infrastructure, such as getting a coconut oil-processing mill running for smallholders in Sri Lanka or a palm oil mill in rural Ghana that purchases palm fruits from smallholders and employs 250 staff.

In another example, to improve the treatment of birds in its down supply chain, **The North Face** looked to invest in an approach that could be widely adopted and chose to develop an industry-level standard for animal welfare in down production. The North Face spent time training its supply chain members on the standard, so they could meet the requirements. The company met its target of sourcing only certified responsible down ahead of schedule, and over 50 brands adopted the standard within four years.

## HOW DO YOU MEASURE PROGRESS?

Projects need performance measures, because without tracking progress it is hard to know if the aims are being achieved. The metrics to use depend on the objectives of the project.

- **DR. BRONNER'S** uses the Cool Farm Tool to estimate the soil and climate benefits of the measures its supplying farmers are taking. That information is included in the calculation of the company's carbon footprint. Dr. Bronner's also tracks the number of supplying farmers, volume and value of purchased materials, and the volume and use of the fair-trade premium paid to farmer communities.
- **WRANGLER** uses the Fieldprint Calculator from Field to Market to track progress on soil conservation, greenhouse gas emissions reduction, and energy and water efficiency. The tool allows producers to evaluate their decisions. Because data entry was a barrier for adoption, Wrangler partnered with software solution provider MyFarms to ease that burden.
- **DANONE NORTH AMERICA** measures profitability, milk quality, cow comfort, and other measures in its current cost-plus model, which pays actual production costs plus an agreed-to margin for meeting defined requirements and continuous improvement. The results from the work on soil health practices will be integrated into the model in the future.



## CASE STUDY: THE NORTH FACE



“Developing a standard with involvement across the entire supply chain and all geographies was critical to reaching the scale for notable impact. We are now working on a similar approach for land management practices in wool production.”

**JAMES ROGERS, DIRECTOR OF  
SUSTAINABILITY AT THE NORTH FACE**

**The North Face offers gear and apparel for outdoor enthusiasts.** With the close connection of its products to the environment, sustainability has been core to the brand’s history. Now a part of VF Corporation, the brand aims to empower exploration, protect the environment, and make its products responsibly. The North Face has piloted and scaled advances in raw material production to support these goals.

Duck and goose down deliver critical insulating properties to many The North Face products, including outerwear, sleeping bags, and accessories. After questions were raised by external stakeholders about animal welfare, the brand began an investigation of its supply chain. Because down is a byproduct of meat and liver production, The North Face did not have direct relationships with producers and needed to reach through the complicated supply chain to understand down’s sources and production practices.

After that exploration and talking with experts, The North Face identified animal welfare issues it could act on, and the company began developing a standard. The process included a detailed look

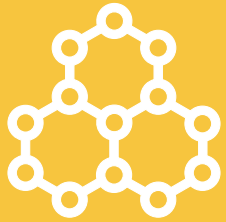
at the entire supply chain, from hatcheries to farms, slaughterhouses, collectors, pre-processors, processing facilities, and garment manufacturers. These stakeholders worked in partnership with the nonprofit Textile Exchange and certifier Control Union to develop a traceable, verifiable approach that could align the vastly different types of farms across a variety of geographies to a common set of criteria to protect the birds and set up the industry for a change at scale, extending well beyond The North Face’s own down supply.

Textile Exchange has owned and operated the Responsible Down Standard (RDS) since its launch in 2014. The North Face committed to sourcing down from certified farms and supplies, and by 2016, the brand has used 100 percent certified responsible down, hitting their goal one year earlier than expected. As of the summer of 2018, more than 90 brands from the outdoor, apparel, and home industries are using the RDS to verify their down and feather products, including H&M, C&A, Mammut, and others. It is estimated that over 500 million birds are under RDS certification at the farm level on over 3000 sites in Europe, Asia, and North America, including 2000 industrial farms.



## communication

learn, align, feedback



## collaboration

fill needs, share value



## capacity

pilot, support, scale



## Engage Now

The issues in agricultural supply chains, such as labor shortages, loss of arable soil, and animal welfare demand focused and effective action. Leading brands and retailers are connecting through their supply chains to their producers and together they are making meaningful advances in sustainable agriculture.

Supply chain engagement is not just about reaching out externally. It also requires including company leadership and business functions, such as procurement and marketing. It is important to integrate the efforts into the organization and everyday business activities.

With this commitment, important shifts in thinking and action can lead to more transparent, connected, regenerative, and thriving agricultural supply chains that effectively support sustainable agriculture for future generations.



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## Additional Resources

### Carbon Underground

[thecarbonunderground.org](http://thecarbonunderground.org)

### Cool Farm Tool

[coolfarmtool.org](http://coolfarmtool.org)

### Fieldprint Calculator

[fieldtomarket.org](http://fieldtomarket.org)

### Rodale Institute

[rodaleinstitute.org](http://rodaleinstitute.org)

### SAI Farm Sustainability Assessment

[fsatool.com](http://fsatool.com)

### Soil Health Institute

[soilhealthinstitute.org](http://soilhealthinstitute.org)

### The Sustainability Consortium

[sustainabilityconsortium.org](http://sustainabilityconsortium.org)

## ABOUT PURE STRATEGIES

Pure Strategies has been transforming business through sustainability performance since 1998. Our team helps companies initiate and enhance existing sustainability programs by setting meaningful goals, devising effective management strategies, and making changes to products and supply chains that deliver value to the business and society. Our clients include Walmart, Wrangler, Seventh Generation, Sun World, The North Face, Sephora, and Ben & Jerry's.

Pure Strategies is proud to be a co-founder of The Chemical Footprint Project, a licensed GreenScreen® Consultant, have a staff member be a registered service provider through The Sustainability Consortium, and to be a certified B Corp.

## ABOUT THE REPORT

Pure Strategies has been helping companies engage in their supply chains, including supply chains that support sustainable agriculture, for many years. To prepare for this report, we conducted global market surveys of sustainability leads about their successes and challenges in understanding their supply chains and engaging at the farm level. With this background, we identified a need to outline the best practices in farm-level supply chain engagement. We coupled our experience and past research with in-depth interviews of the companies featured in this report.



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The mark of  
responsible forestry