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Innovation in Sustainable Supply Chain: Burgerville

By Lee van der Voo

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Burgerville's commitment to quality, local food has amounted to stability for farm families and boosted returns in the berry industry.

The company sells burgers made with pastured, vegetarian-fed and antibiotic-free beef at its 39 Pacific Northwest restaurants and also offers seasonal fare like blackberry milkshakes and onion rings made from Walla Walla sweet onions.

The offerings lead to consistent, dependable sales for family farms, keeping some in business and allowing financial security for others.

"The most important impact to us is the impact on the local farmers, ranchers, orchards and so on, and we know because we build those relationships intentionally so we get feedback from those folks on a pretty regular basis," said **Jeff Harvey**, president and CEO of Vancouver, Wash.-based Burgerville.

Mellie Pullman, [who teaches food supply chain management](#) as a professor at Portland State University, explains that while there is high demand for quality beef cuts from restaurants and grocers, it's Burgerville's demand for ground beef that's supporting 120 ranch families who supply it.

"Burgerville makes it so that they can sell a whole animal," said Pullman. "If they didn't have Burgerville as a partner, they would be struggling with what to do with the ground beef."



Jeff Harvey, CEO of Burgerville, says local sourcing is a business value.

Pullman notes as much as half an animal remains after butchering has produced steaks. The high volume of resulting ground beef is too much for grocers alone, particularly because it commands a price shoppers may not pay. Burgerville buys almost all of that supply, solving a critical problem for ranchers. The company's demand on the persnickety berry industry is similar.

"They can take a berry that isn't perfect because they are making them into shakes and that really helps berry growers because the berry market is very exacting," said Pullman. Growers would otherwise take lower prices from buyers who make jam.

Scott Exo, executive director of the [Food Alliance](#), said Burgerville's own aim to buy products from Food Alliance certified processors and packages, in addition to certified farms, promotes a sustainable ethic in farther flung corners of the supply chain. Burgerville purchases [pumpkin from Stahlbush Island Farms](#) at Halloween, for example, which is a certified processor, and also uses Truitt Brothers, Inc., also certified, to package food.

For food producers, processors and packers "there's nothing more persuasive than more business or getting a better price to ensure that their investments in those measures are appreciated and rewarded by society and by the marketplace," said Exo.

Burgerville "uses their purchasing power to send a very powerful message back down the supply chain."

Burgerville also supports the renewable energy industry. The company purchases wind power credits equal to 100 percent of its electricity use, offsetting 17.4 million pounds of CO2 annually, a contribution equivalent to taking 1,700 cars off the road. Recycled canola oil from restaurants is also converted to biodiesel fuel, producing roughly 40,000 gallons in 2007.

"We don't hold things like local supply or sustainability as competitive advantages. We see those as values in the way we do business," said Harvey.

Those values also translate into a \$15-a-month health care plan for employees, a program designed to foster a corporate culture in which healthfulness is a goal that results in innovation and creative problem solving.

Burgerville's employee-led recycling and composting program, for example, removes waste from landfills, a significant contribution from a chain that generates 340 tons of waste each month. Food waste, soiled commercially compostable paper and packaging are converted to nutrient-rich compost at 21 restaurants and processed by Everett, Wash.-based Cedar Grove Compositing, which bags it and sells it to retailers. Burgerville restaurants also recycle plastic, glass, paper and tin.

Lee van der Voo, lvdvoo*at*gmail.com, is a freelance writer for Sustainable Business Oregon.