



SAFSF

Breakout Group Discussions

- ❑ Please navigate to the slide associated with the lever/breakout group you are participating in.
- ❑ Discussion questions are listed on the slide.
- ❑ Please select 1) a **notetaker** to take notes on the slide and 2) a **reporter** to share *three themes* from your group's conversation in the main room.
- ❑ You will have 25 minutes for this discussion.
- ❑ We will broadcast messages with time countdowns. If you see it, alert your group!

Lever 1: Catalytic Capital (Participants: Sarah Kelley, Orquidea Hale, Francois-Jerome Selosse, Lewis Perkins, Neesha Mirchandani)

Why did you select this group/lever, or what was most resonant about this lever for you/your organization?

- Lewis Perkins - All - we package programs and use blended capital approach
- Neesha - Impact Stars - in regenerative space, everyone is in silos - great
- Orquidea - One Earth - interested in Catch-22
- FJ - “recovering extractive capitalist” - Fibershed RFMI
- Terri Barker - MI Dept of Ag - would like to learn more about fiber & industrial hemp - conversations with banks etc. to build capital stacks. Can we embrace more slow investing model - to get investors & angels on board

What questions do you have on the material presented in main presentation about this lever?

- Catch-22 - does it feel like a possibility that enough corps could break out?
- Lewis: partnering with Textile Exchange
- Could we get a coalition of brands to pull the “demand lever”?
- FJ - one complexity - fragmentation

Based on your experience, what are the best models that you know of? How could you see this lever evolving? What next actions would you suggest to move this lever forward in 2021?

- FJ- thinking about it at a systems level. But also aspects on regionality of supply chain - which tool will unlock it.
- Not yet at the point of saying - exactly what we need. Approach is grounded in SUPPLY
- Mapped and inventoried all the entrepreneurs to find need.
- Also need technical assistance to be successful - business + engineering TA - key to keep in mind as we structure Lever 1
- Next year they plan - supporting entrepreneurs on 1-on-1 basis, setting foundation for fund in 2022 + beyond
- What’s the fund strategy? Any reason we can’t accelerate it?
- Neesha - Purchase agreement are key - they got 2 grants from that. It’s very powerful
- This will open up even more models - beyond just federal or philanthropic
- How could we get every funder in SAFSF to support it?
- Terri - working with processors in hemp supply chain - might direct them to this project

Lever 2: TA (Participants: Rebecca Burgess, Jennifer O'Connor, Eric Henry, Perri Kramer)

Why did you select this group/lever, or what was most resonant about this lever for you/your organization?

- TA Will look different per region
- San Joaquin Valley- Cotton, shipping of cotton to east coast is more than the price of raw material. The TA to understand what machinery will scale the match of production- on a 20 year horizon line (due to changing climate- interfacing with engineering specs- and dynamic financial systems modeling)
- Bringing in experts from other places: Europe and New Zealand (wool)- connecting these networks - Fibershed raises \$50k a year just for knowledge sharing - connecting old guard of fibers and new experts on engineering/business etc
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- 10,000 pound project- TS Designs: Meeting farmer where they are. Farmers are having zero say in the price. 40% of farm revenue came from subsidies - want to move this to 100,000 pounds - work with cotton farmers across the country. Each year, end up with a blended cotton product from producers across the country. Farmers need a seat at the table - need total cost accounting
- Fibershed and TS designs working on cotton together
- Mentorship programs- bring in expertise internationally- New Zealand wool experts
- FS6 fiber accelerator programming
- Matchmaking entrepreneurs with engineering specs/engineer TA (this must include analyzing the downchain and upchain people) - that then get connected with very skilled financial modelers - before the business plan can be finalized
- Network connections throughout the supply chain- ways to bring different pieces of each supply chain together- coordinator roles will be key (like Other Half Processing is doing with leather)

Lever 3: Policy (Participants: Traci, Virginia)

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Based on your experience, what are the best models that you know of? How could you see this lever evolving? What next actions would you suggest to move this lever forward in 2021?

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Lever 5: Infrastructure Investments (Participants: Calla Rose, Kirby, Jim Stoll, Sarah Bell, Nicholas Wenner, Ernie Stevens, James Stoll, Susie DiMauro)

Why did you select this group/lever, or what was most resonant about this lever for you/your organization?

- Sarah Bell: experience with PRI loan to Huston Textiles - had been funding Fibershed; saw TA needs for Huston & gave a grant. Experience of capital coming on 2 separate timelines has now paired grant/TA - learning. Also looking at how to leverage federal policy \$; role of grants to patient capital. Excited to think more collectively. Pairing PRI with a grant. Fund Native Fibers program too; on board of Regen Ag Fdn. Ecosystem is critical; supporting this work - equitable economic development, tribal sovereignty.
- Nick: manufacturing systems engineer with Fibershed - similar work in the western U.S.
- Kirby: FORA - in companies doing supply chain infrastructure and also funding them.
- Jim: lead of three - wife, son, and himself - worked through the supply chain to produce some of the first U.S. grown hemp; realized how fragile the supply chain is. Got more involved on the fabric side thru Huston Textiles - significant investment into them to take the next steps for turning it into a production facility. Issues discussing for a \$9b industry - \$100m investment is just a drop in the bucket given low-hanging fruit.
- Ernie Stevens: Oneida Nation in WI - founder, manager of Great Lakes Hemp Cooperative - bringing tribes to work together cooperatively; focused on economic development; hoping most tribes in the Midwest/hopefully nationally, partners/nations - focused on economic development, carbon sequestration, regen ag.

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Based on your experience, what are the best models that you know of? How could you see this lever evolving? What next actions