

Good Food Farmers Network:

A Replicable Model of Farmer-Owned Joint Marketing and Sales

*Overview and Discussion
For Farmers, By Farmers*

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Introduction

Dear fellow farmers and friends of the farming community,

This report documents our work to date developing a model for farmer-owned joint distribution that can be readily adapted by other groups and modified as appropriate. Good Food Farmers Network is our version of this model and provides a first example. We outline the process of developing and managing such a network and highlight the choices we have made to meet our specific goals.

This model intentionally requires little start-up capital and utilizes nationally available resources to make it more readily available to any group of farmers. It is purposefully flexible and can be melded to meet your group's specific needs. We share our lessons learned and offer them to you to support your own work.

We hope this document will help move the conversation regarding farmer-owned joint distribution and related efforts forward within farming communities in the Hudson Valley and around the country.

We are always interested to collaborate with others, and can imagine a network of networks that moves our work from local efforts to interconnected regional webs. Please do not hesitate to reach out to us. We may also be able to consult on your project if that would be helpful.

Overall, we hope this work supports the farming community by broadening our collective direct marketing reach and making all of our farm enterprises more profitable and resilient. It remains a work in progress, so please take it as such.

From our fields to yours,

Henry Corsun, Dog Wood Farm &
Good Food Farmers Network Coordinator

Project Beginnings

This project began in 2014 when our farm, Dog Wood Farm (DogWoodFarmNY.com), was just getting started and needed a sales outlet. We knew we needed the margins of selling direct but were concerned about the time requirements. And we knew we couldn't make our finances work through wholesale.

We raise pastured livestock and considered many options – farmers' markets, Community Supported Agriculture (CSA), monthly buying clubs, etc. We could have started a multi-farm CSA, but many farmers in our area in Columbia County in New York's Hudson Valley had for many years expressed interest in some form of farmer-owned, direct, joint distribution. We also felt that traditional CSA held barriers for participation that were limiting the reach of the farming community. We sought to expand the reach of direct sales by removing some of the common barriers.

In addition, as farmers growing produce organically and committed to raising livestock on pasture, we were becoming frustrated by non-farmer owned distribution and food service companies playing up "local", "sustainable", "organic", etc. while, in our opinion, not remaining true to such claims.

Lastly, we had limited resources, so we needed to accomplish our goals without a lot of start-up capital.

Evolution and Current Status

The evolution of Good Food Farmers Network and this model has been a slow, organic process. We have planned, tested, reevaluated, and tried again. We have experimented with many ideas all working towards achieving our overarching goals:

1. To be **farmer-owned**.
2. To specifically support **small-scale and beginning farmers** by offering an outlet that offers better prices and more control than selling wholesale and takes less time than selling direct.
3. To specifically support **holistic, regenerative agriculture** by only offering produce grown without pesticides, synthetic fertilizers, or genetically modified organisms, and animal products that are 100% grassfed or pasture-raised and fed only non-GMO grains as appropriate by species.
4. To expand demand for locally produced foods by offering **greater flexibility and convenience** for customers.
5. To continue to raise awareness and support for local agriculture and build a more resilient food system by **fostering direct connections between members and farmers**.

In the beginning, Good Food Farmers looked a lot like a multi-farm CSA with one pickup location at a church, where we laid out all the vegetables on a table, had extra items such as eggs in coolers, and members came with their own bags to pickup their items. We used FarmOS, which is an open-source platform worth checking out and following as it continues to develop.

In 2015, we switched to CSAware because we need a more robust platform than FarmOS could offer at that time. We considered many other platforms but settled on CSAware for some important reasons that we outline below. Members paid by the week, instead of at the beginning of the season, and had more add-on options available. We also experimented with new drop sites, including a restaurant, college, and additional church. As most members chose the smallest vegetable share option (\$20), the average weekly spend remained in the low twenties, around \$23 per week per member. At three sites, we had a limited pickup window (1 to 2 hours at each) while at the restaurant we dropped directly to their walk-in cooler. That was our first experience of offering a much wider pickup window (11 am to close at the restaurant on the day we dropped). Space constraints ultimately caused us to drop the site, but member satisfaction notably increased with the wider pickup window.

In 2016, we overhauled the model completely and dropped back to only the two church sites. We purposefully limited our growth to reduce risk while testing the new model. We continued to use CSAware but switched from using their traditional CSA platform to using the “Customizable Share” option. This continues to have limitations but, overall, has worked for us.

The “Customizable Share” option allows members to pick a weekly, recurring default bag. In 2016, we offered 5 default options: Vegetarian; Vegan; Veggies, Poultry & More; Meats & More; and Meal Box. Each week, we chose items for each bag valued at \$45. Unless a member put their order on hold, they would automatically be charged for and receive the default bag they subscribed to. However, members could also log into their online account, and customize as desired – they could take items out of the default bag and put any other items in. About half the members in 2016 customized their delivery each week. The remaining members opted to receive the default bag as we had designed it, with many commenting that they liked the mix and/or didn’t want to bother with customizing.

Members could also put their entire delivery on hold and not be charged. We are still exploring this variable. In 2016, approximately 20% of members were on hold each week, so our 55 members resulted in approximately 40 members being “active” (i.e. receiving a delivery). We expect this percentage to vary significantly by site; it is an important number to pay attention to.

Due to the extent of customization, orders were pre-packed in reusable shopping bags prior to being loaded onto the van. The \$45 order minimum that we initiated with the 2016 model has been critical to success. \$23 average spend per week was not sustainable for us.

For 2017, we have made a few changes that we expect will further improve our offerings. Creating the default bags each week took quite a bit of time, as it was a puzzle to make everything add up to precisely \$45 (more on this in a later section). Although we have simplified this process, we have also opted to only offer 2 default bags, one bag with meat (\$60/week) and one bag without meat (\$45/week). We have dubbed these “Farmer’s Choice 45” and “Farmer’s Choice 60”.

The projected increase in membership has led to joint crop planning, which we are experimenting with for the first time this year. This has taken tremendous upfront planning, but will result in much more efficient operations during the growing season. This is also particularly necessary when working with small-scale and beginning farmers for whom participation in the network represents a more significant portion of weekly farm sales. This step has only been possible since settling on an overarching model that works.

In addition, this upfront planning will facilitate coordinated food preservation and prepared foods for winter deliveries.

Lastly, recognizing the need for increased convenience, we have switched our suburban neighborhoods to 100% home delivery. We charge \$5 per week for this service although also offer the option for members to find a “buddy” so that we can drop two bags at one location. The cost for this delivery option is \$2 per person per week. If larger groups form at a single location such as an office or community center, there will be no delivery fee charged. In urban areas, we will continue to have drop sites at central locations with 2-hour pick-up windows. There is currently no delivery fee for this service.

This table outlines the evolution of Good Food Farmers Network from 2014 to 2017:

2014	2015	2016	2017
<ul style="list-style-type: none"> • Multi-farm CSA-style • No customizing • No holds • Single, up-front payment via check or credit card • June through Thanksgiving • FarmOS platform • Veggie shares with some add-on shares • 4 farms • 45 members • 1 delivery site • Sales \$45,000 	<ul style="list-style-type: none"> • Switched to CSAware with 3 vegetable share options • Weekly payments via credit card • June through Thanksgiving • More add-ons (eggs, etc.) with ability to choose delivery frequency for add-on items • No customizing • 6+ farms • 4 delivery sites • 110 members • Ave. spend \$23 • Sales \$65,000 	<ul style="list-style-type: none"> • CSAware, “customizable shares” option with 5 default bags • May through Thanksgiving • Automatic charge to credit each week • Fully customizable • All orders pre-packed • 65+ items offered each week • Ability to place weekly delivery on hold and not be charged • 10+ farms • 2 delivery sites, piloted some home delivery • 55 members • Min. spend \$45 • Sales \$65,000 	<ul style="list-style-type: none"> • CSAware, “customizable shares” option with only 2 default bags • Piloting year-round deliveries • Piloting inclusion of prepared foods • 12+ farms • Joint crop planning with 5 core vegetable farmers • 2 new drop sites • 2 neighborhoods with 100% home and office delivery • 80 to 160 members • Min. spend \$45, with \$60 option • Projected sales \$120,000 to \$240,000

Further thoughts on the ordering platform:

In our experience, both for our financial viability and for customer satisfaction, it is important that members automatically receive a delivery each week unless they have actively put their order on hold. Receiving a delivery must be the passive option; whereas, not ordering is the option that requires action. CSAware is the only platform that we have found that offers a mechanism to ensure that every member receives a delivery each week unless they have actively put their order on hold.

Ideally, the ordering platform also enables you to limit inventory from week-to-week. CSAware does not currently offer this option. This is a significant limitation.

CSAware also does not have a way to actually enforce the weekly order minimum. Customers can technically order less than the minimum. This has not been a major problem but is a risk. We are looking for a solution that resolves this problem.

Lastly, building the default bags each week can be a challenge to get the items to add up exactly to \$45 or \$60, as in our case with the two Farmer's Choice (default) bags that we offer. The best way we have found to handle this is to have one or more items that appear in the system at multiple price levels. For example, we use Herbs to fill this purpose and have bunches from \$1.50 to \$3.50 in \$0.25 increments in our system. When we build the bag, we choose the herb bunch in the amount that rounds out the total value of \$45.

Making the Model Work for You

Figuring out how to put all the pieces together into a workable system has taken trial and error to figure out. We are grateful to Northeast SARE for funding this aspect of the project to truly make the model replicable.

There are several key elements that are necessary to make this model work:

1. Finding a Core Group

You will need to identify a core group of farmers who are committed to working collaboratively. As is the case in most projects, working together takes extra effort but the potential rewards are significantly greater. Also, especially in the beginning when weekly orders may be small, be sure to consider proximity when forming your group.

2. People Power

All of the below responsibilities can be carried by one person or spread among many. Ultimately, all of this work will be paid for but, starting out, the group will have to invest money to pay people, volunteer their time, or donate the time of existing farm staff. Number of hours per week will vary based on scale and intensity (how quickly you seek to get everything up and running).

- **Point person:** Coordinating a collaborative effort requires a lot of communication. You will need a point person who can hold everything together – directing the process, communicating between farmers, facilitating meetings, etc.
- **Administrative support:** This can be the same person as above. But, essentially, your group needs an admin person who can field questions and issues from members, send the weekly e-newsletter, create the default bags each week, manage the online platform and website, pay bills, etc. As in any farm business, marketing is key and the time required for outreach and customer service should not be overlooked.
- **Packing/Delivery:** You will need to develop a system for efficiently packing orders each week. As a point of reference, it currently takes us about 5 hours for one person to pack 40 bags, including setup and breakdown. Deliveries will of course depend on how far you are traveling and whether you choose to offer pickup windows vs. drop sites vs. home delivery, etc.

3. Time

Getting started will require your core group to meet many times to hone in on values, markets, offerings, prices, etc. You should expect at least 15-20 hours of meetings to get this set up. We have found 3-hour to 4-hour working sessions to be quite effective.

4. Some Money

How much money you will need will depend on the resources available within your group. Payments come in by the week, so there is no large upfront capital to get started. The platform does allow you to require members to pay, for example, for their first three deliveries (or any other amount you choose). We have not experimented with this option but it is available; we felt it was too risky to cover start-up costs with operating income as we wanted to be sure there was money in the bank to pay participating farms from the outset.

- **Delivery vehicle:** There is probably a vehicle in your farm network that you can use to at least get started. We built a homemade refrigerated box in a high-top van for about \$1,500 using a CoolBot, small A/C unit, and scrap building materials. There are also packing options (ice packs, insulated bags, etc.) that may not require a refrigerated truck.
- **Start-up capital:** You will need to buy reusable shopping bags and other miscellaneous supplies, print materials, etc. The exact amount you need will depend on your choices along the way and the resources available to you. We spent around \$3,000 in the first few years on bags, other supplies, and very limited marketing. Now in our fourth year, we are investing about \$3,500 more to improve our systems. You will need more start-up capital if you are using paid labor from the outset to cover administration, etc. Our administrative labor has been mostly donated at this point. The hours are being tracked so compensation can be retroactively distributed.

5. Target Market / Strategic Marketing / Community Connections

As with any enterprise, you need customers for any distribution to work. Take the time to tell your story and to connect with people. This is where we as farmers have a tangible edge over non-farming entities. But be careful to allocate your time wisely. For example, is it better use of a farmer's time to drive the delivery van or to call ten members each week to see how everything is going? Whatever the case may be for you and your group, be sure to consider how you can best connect with your members and foster deeper relationships. Successful word-of-mouth marketing is key so excellent customer service is paramount.

6. A Place to Pack Orders

You will need a place to receive (and potentially store) deliveries from your member farms, and you will need a place to set up tables to pack orders.

Steps to Get Started

1. Find your core group.

Three to four core members is likely enough to get started and small enough to not be unwieldy. We currently have six core group farms comprised of three produce farms with three to fifteen years experience and three to fifteen acres in production, one anchor produce farmer with over twenty years experience and twenty acres in production, one mixed produce/livestock farm with three acres of produce plus pigs and chickens, and one livestock farm with grassfed beef, eggs, and turkeys.

We have about eight farms on the periphery that we partner with for specific crops such as strawberries and other fruit, etc.

Core group members were all up and coming or established farms with an interest in developing this model and share a common set of production values and practices.

Our farm served as the coordinator of the project and has spearheaded the project.

Having at least one “anchor” vegetable farm is highly recommended, particularly when working with small-scale and beginning farmers. Anchor farmers have many years experience selling through diverse channels and may operate at a larger scale. This extra experience in the group is invaluable and is particularly helpful for figuring out pricing, brainstorming marketing, helping to adapt the crop plan in the event of crop failure, etc. to name a few.

2. Establish your values.

Shared purpose is essential to any collaborative enterprise. These values also provide an important benchmark for making decisions along the way. Return to them often when making decisions and when expanding your group. Be sure to include your intentions regarding growing practices.

We have found it particularly useful to follow the Holistic Management framework when considering group values and enterprise decisions along the way.

At Good Food Farmers, we have outlined the following values:

1. To be **farmer-owned**.
2. To specifically support **small-scale and beginning farmers** by offering an outlet that offers better prices and more control than selling wholesale and takes less time than selling direct.

3. To specifically support **holistic, regenerative agriculture** by only offering produce grown without pesticides, synthetic fertilizers, or genetically modified organisms, and animal products that are 100% grassfed or pasture-raised and fed only non-GMO grains as appropriate by species.
4. To expand demand for locally produced foods by offering **greater flexibility and convenience** for customers.
5. To continue to raise awareness and support for local agriculture and build a more resilient food system by **fostering direct connections between members and farmers**.

Although our group is also extremely committed to food access and food justice, we felt we had to put this value on hold to get the project up and running. Once we feel secure in our operations, we will add this as a value and specifically seek to implement strategies that work towards the goal of increased food access. These are the important conversations that need to happen at the beginning of the project to ensure that all core group members are on the same page.

3. Set up your entity.

In our first year, in New York State, we operated as a dba (“doing business as”) under our farm’s Limited Liability Company (LLC) designation. In our second year, we set up a separate LLC for the project. As the business gets more established we will be revisiting this legal structure and are considering NYS for-benefit corporation, certified-B corporation, and farmer-owned cooperative. Most importantly, we seek to institutionalize our values to ensure they are not lost over time and to ensure that the entity survives beyond any individual’s leadership.

4. Set up your bank accounts and bookkeeping system.

We have two bank accounts – Exchange and Operating. All sales are deposited into the Exchange account, and all payments to farms are made directly from the Exchange account. Periodic transfers are then made from the Exchange account to the Operating account (this represents the margin in the business). Operating expenses are then paid out of the Operating account. This helps to ensure the operating expenses do not dip into the funds needed to pay farmers. We use Quickbooks to manage our bookkeeping. This has worked well for us though other options exist.

5. Evaluate your markets and craft your direction.

As described above, we started with a fairly traditional multi-farm CSA model and have evolved to be fully customizable with weekly payments and options for holding deliveries, etc. We connected with existing communities to find members and get our entity off the

ground. It is up to your group to make a plan based on review of possible markets, existing distribution enterprises, etc.

6. Develop a budget for your group and identify your key profitability metrics.

We have included our 2016 income statement and 2017 budget in the Appendix. Over the course of the year, we keep close track of active members per week and average spend per member per week. We have found these numbers to be critical in managing overall profitability.

7. Establish your offerings and set your prices and packing standards.

As a group, you will need to figure out what you want to offer (from your core group farms and wider farm network). Then, you need to establish set prices and sizes/packing standards. Packing standards are critical for consistency and customer satisfaction. Standard prices make setting up the default bags each week much more efficient. See our example in the Appendix.

8. Create a collaborative crop planning system.

Crop plans will inevitably change, but setting up a basic framework will help all participating farms plan their production. In addition, the more crop planning completed in advance, the less administrative work there will be during the season. This does not need to be accomplished for the first year. For several years, our participating vegetable farms dealt with the produce side and determined what would be in the bags each week. However, as membership grows, more farms get involved, and particularly if you are considering off-season deliveries, crop planning becomes essential.

We currently use GoogleSheets to maintain a shared crop planning document and item list with prices and packing instructions that all core group members can access. This has multiple benefits:

- a) Core group members know what they are expected to supply for each week, what price they will receive, and how each item needs to be packed.
- b) As the season progresses, core group members can look ahead and project where issues may arise. They can then, independently of the central group administrator, work with one another to figure out a backup plan. The group administrator has final sign-off on any changes, but the legwork of coming up with an alternative option has been completed by those most involved in the situation.
- c) Members can access the Product List at anytime to double-check how specific items are supposed to be packed (ex – a bunch of kale should weigh approximately $\frac{3}{4}$ -lb, mesclun mix gets packed in $\frac{1}{2}$ -lb bags with a farm label, etc.), the retail price, and the price the farm will receive.

A sample from our shared documents is included in the Appendix.

9. Set up a website and your online ordering platform.

We used wordpress for our website. This can be free or, in our case, we sprung for the \$100/year option to get custom colors etc. that better supported our brand. There are plenty of other website options available.

We have explored many ordering platforms and are currently using CSAware. Although limitations exist, this platform has served us well. We will continue to conduct an annual review of available platforms. The customer interface is not flashy and in no way can compete with the fancier interfaces of better-capitalized businesses. But, our customers have been very satisfied. CSAware charges us monthly based on sales. In total, with credit card processing fees, etc., we figure 5% of sales to cover the costs of the online ordering and payment platform.

10. Set up your back-end logistics.

This includes:

- a) Sending orders each week to farms in the group.** In our group, customers have until midnight each Sunday to customize their order. Then, our group administrator creates a Purchase Order for each farm. This is emailed to each farm by 6:30 am Monday morning. We highly recommend having a mechanism in place for a second person to check that the Purchase Orders are correct. It's easy to make a mistake!
- b) Receiving orders prior to packing.** Orders are then received to our farm for packing between 3 and 6 pm each Monday. We review each order when it arrives to make sure everything has been received and items are in good condition. We use a standard label on all crates and cases to facilitate receiving items and to identify which farm the crate/box belongs to so that it can be returned.
- c) Paying each farm.** We cut checks from the Exchange account for payments to participating farms every-other-week. Farms must provide an invoice with each delivery!
- d) Mechanisms for dealing with issues that arise.** We meet as needed throughout the season to deal with issues that may arise. The point person also checks in with each farm regularly to make sure everything is progressing as planned.

11. Develop an annual plan for meeting, evaluating, revising.

We have established a rhythm for our group of meeting one time in the summer, one time in the fall, and monthly from January through April. This may evolve in to a meeting each quarter once our systems are further solidified and rhythmic from year to year.

Lessons Learned

Here are a few overarching suggestions that we feel have been critical to success:

1. Grow slowly, work out the kinks at a small-scale. Keep your core group small and work with additional farms to source specific products as needed. Choose your target market carefully and don't overextend yourself.

2. Manage perishables and have an outlet for them.

If you choose to carry any inventory, be sure to manage this well to avoid losses and have an outlet to sell items that are nearing expiration. This outlet can be your core group, an existing farm stand, etc. But beware that inventory losses can add up!

3. Start with what will get the project going. You, like us, may have ambitious plans but be sure to start with what you feel confident you can accomplish to help put the enterprise on firm footing. This could be seasonal weekly deliveries, monthly frozen foods, winter deliveries, etc.

4. Find your committed core group that is willing to help see the project through to success. You will need a committed core group of farmers who are willing to go the extra mile to help ensure success. This may include offering to help with tabling or other marketing to get things going, delivering an extra crate of carrots because the Purchase Order contained an error, etc. This can also include farmers that are willing to accept a lower price should the entity need to retain extra cash to cover operating expenses in the beginning (i.e. perhaps closer to wholesale prices to start). As mentioned previously, in our experience, it has been integral to have anchor farms as part of our group; these are more experienced growers with well-established farm businesses who share our values and are committed to the project. Anchor farms are often much better positioned than beginning farmers to assist with start-up capital etc. and often have tremendous marketing experience to share and perhaps other resources.

5. Do what works for you! As we work to supplant the conventional food system and build a more resilient alternative, we need to craft systems that work for us and don't burn ourselves out. Be cognizant of your own needs and the needs of your group; protect your long-term wellbeing for maximum impact.

Let's Connect!

If you are working on a similar project, are considering starting such a project, or are interested in the overall subject of farmer-owned joint marketing, we'd love to connect!

Please feel free to be in touch:

Hilary Corsun, Dog Wood Farm
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Appendix

2016 Income Statement

ASSUMPTIONS

active members/week	75%	41	active members/week
total members	55		
delivery days/week	1		
delivery weeks/year	29		
per hr, deliveries/pack	\$0.00*		
per hr, admin	\$0.00*		
cost of reusable bags	\$1.42		
ave. purchases/member/week	\$45.00		
COGS (% of retail price to farms)	75%		

INCOME

sales	\$53,505
<i>less: COGS</i>	\$40,129
net for operating	\$13,376
additional delivery income	\$0
TOTAL OPERATING INCOME	\$13,376

insurance, liability	\$880		
insurance, van	\$1,485	\$165	per month
professional services	\$0		
van	\$4,716	\$524	per month
van maintenance	\$150		
supplies	\$500		
time, admin	\$0	0	hrs/week
TOTAL OVERHEAD COSTS	\$7,731		

bags	\$422	25%	of members (new bag)
time, pack/load	\$0	8	hrs
time, deliveries	\$0	10	hrs/day
online store	\$2,675	5%	of sales
fuel	\$1,160	\$40	per delivery run
TOTAL VARIABLE COSTS	\$4,257		
TOTAL COSTS	\$11,988		
NET	\$1,388		

** Time for deliveries and administration was volunteered (\$0/hr) in 2016. Hours were tracked.*

2017 Budget, as of February 2017

ASSUMPTIONS

active members/week	70%	140	active members/week
members	200		
run/week	2		
weeks/year	39		
per hr, deliveries/pack	\$16.00		
per hr, admin	\$20.00		
cost of bags	\$1.75		
ave. purchases/member/week	\$45.00		
COGS (% of retail price to farms)	72%		

sales \$245,700

less: COGS \$176,904

NET OPERATING INCOME \$68,796

insurance, liability \$1,000

insurance, van \$1,980

\$165 per month

prof services \$1,500

van \$6,288

\$524 per month

van maintenance \$1,000

supplies, printing \$1,000

time, admin \$9,360

12 hrs/week

TOTAL OVERHEAD COSTS \$22,128

bags \$2,389

25% of members (new bag)

time, pack/load \$12,480

10 hrs/delivery run

time, deliveries \$14,976

12 hrs/delivery run

online store \$12,285

5% of sales

fuel \$3,900

\$50 per run

TOTAL VARIABLE COSTS \$46,030

TOTAL COSTS \$68,158

NET \$638*

** This represents a break-even budget with all wages and labor expenses included.*

Ownership & Legal Structure, Further Discussion & Resources

As previously mentioned, in our first year, in New York State, we operated as a dba (“doing business as”) under our farm’s Limited Liability Company (LLC) designation. In our second year, we set up a separate LLC for the project. Our primary goal as we consider ownership and legal structure is to ensure that our most important priorities of supporting farmers and being farmer-directed are not lost over time. We seek to institutionalize our values and to ensure that the entity survives beyond any individual’s leadership without adding overly burdensome administrative requirements. We are currently considering:

1. Farmer-owned cooperative
2. Benefit corporation
3. Certified-B corporation

Cooperatives are a legal structure distinct from the corporate structures discussed below. According to the USDA Rural Development program, “cooperatives follow three principles that define or identify their distinctive characteristics... user-owned, user-controlled, and user-benefited.”

USDA Rural Development program offers many useful resources for understanding and starting a cooperative. Funding may also be available through USDA to support formation. A few resources that we have found to be particularly helpful include:

Cooperative Information Report 7: How to Start a Cooperative (Rev. 2015)
Cooperative Information Report 55: An Introduction to Cooperatives (Rev. 2016)

Benefit corporations (benefitcorp.net) and Certified-B corporations (bcorporation.net) are often confused. A benefit corporation is a federally regulated organizational structure that is similar in nature to the more common C-corporation except that profits are no longer the only legal objective of the institution. B-Lab, founder of the Certified-B designation, assisted in the development of the benefit corporation structure. Benefit corporations are accepted business structures in 30 U.S. states as of 2017. In many states, being legally structured as a benefit corporation is a prerequisite for pursuing the more rigorous Certified-B Corporation status, which includes an in-depth audit every two years.

As stated on the B Corp website (bcorporation.net), “B Corp is to business what Fair Trade certification is to coffee or USDA Organic certification is to milk... B Corps are for-profit companies certified by the nonprofit B Lab to meet rigorous standards of social and environmental performance, accountability, and transparency.” B Corp certification exists outside of federal organizational structure. It is a third party designation.

The following table (bcorporation.net/what-are-b-corps/certified-b-corps-and-benefit-corporations) outlines the key differences between benefit corporations and Certified-B corps:

Issue	Benefit Corporations	Certified B Corporations
Accountability	Directors required to consider impact on all stakeholders	Same
Transparency	Must publish public report of overall social and environmental performance assessed against a third party standard*	Same
Performance	Self-reported	Must achieve minimum verified score on B Impact Assessment
		Recertification required every two years against evolving standard
Availability	Available for corporations only in 30 U.S. states and D.C.**	Available to every business regardless of corporate structure, state, or country of incorporation
Cost	State filing fees from \$70-\$200	B Lab certification fees from \$500 to \$50,000/year, based on revenues
Role of B Lab	Developed Model Legislation, works for its passage and use, offers free reporting tool to meet transparency requirements; No role in oversight	Certifying body and supporting 501c3, offering access to Certified B Corporation logo, portfolio of services, and vibrant community of practice among B Corps; To learn more about B Corp certification, visit www.bcorporation.net .
* Delaware benefit corps are not required to report publicly or against a third party standard		
** Oregon and Maryland offer benefit LLC options		

Products, Pricing, and Pack Spreadsheet, Sample

ITEM	Category	PACK	RETAIL PRICE	COGS %	COGS \$ to farms
Apples, 1/2 peck	Fruit	tbd	tbd	tbd	tbd
Basil, bunch	Herbs, edible flowers	bunch	\$2.50	72%	\$1.80
Basil, pesto pack	Herbs, edible flowers	1/2 lb bag	\$5.50	72%	\$3.96
Beans, green	Produce	1 lb bag	\$5.50	72%	\$3.96
Beans, purple or mixed	Produce	1 lb bag	\$5.50	72%	\$3.96
Beets, bulk, lbs	Produce	loose	\$2.75	72%	\$1.98
Beets, bunched	Produce	approx 1 lb	\$3.50	72%	\$2.52
Bok choy, head or bunched	Produce	1 medium head or 2 small heads	\$3.00	72%	\$2.16
Braising mix, cooking	Produce	1/2 lb bag	\$5.50	72%	\$3.96
Broccoli, crown(s)	Produce	approx 1 lb	\$5.50	72%	\$3.96
Brussel sprouts, bagged	Produce	1 lb bag	tbd	tbd	tbd
Cabbage, conehead, head	Produce	1.5 to 2.5 lbs each	\$2.75	72%	\$1.98
Cabbage, green, head	Produce	2 to 3 lbs	\$2.75	72%	\$1.98
Cabbage, mini	Produce	2 heads per unit	\$2.75	72%	\$1.98
Cabbage, napa, head	Produce	1.5 to 2.5 lbs each	\$3.50	72%	\$2.52
Cabbage, purple chinese, head	Produce	1.5 to 2.5 lbs each	\$3.50	72%	\$2.52
Cabbage, red, head	Produce	2 to 3 lbs	\$2.75	72%	\$1.98
Cabbage, white chinese, head	Produce	1.5 to 2.5 lbs each	\$2.75	72%	\$1.98
Carrots, bulk, lbs	Produce	loose	\$2.75	72%	\$1.98
Carrots, bunched	Produce	approx 1 lb, cut tops, "adorable"	\$4.00	72%	\$2.88
Chard	Produce	min. 3/4 lb per bunch	\$3.00	72%	\$2.16

Crop Planning, Sample

farm code	item	category	pack	order notes	farm price	retail price
WEEK 1	CHF	Pea shoots, 1/4 lb	Shoots, microgreens	1/4 lb bag	\$3.06	\$4.25
	CHF	Lettuce, Little Gem	Produce	2 heads per unit	\$1.98	\$2.75
	DWF	Eggs, 1 dozen	Eggs	1 dozen with label	\$6.12	\$8.50
	LBX	Salad, mesclun mix	Produce	1/2 lb bag with label	\$5.76	\$8.00
	LBX	Herb(s), bunch 1.50	Herbs, edible flowers	bunch	\$1.08	\$1.50
	LSG	Kale, bunch	Produce	min. 3/4 lb per bunch	\$2.16	\$3.00
	LSG	Turnips, hakurei, bunched	Produce	approx 1 lb	\$2.52	\$3.50
	LSG	Radishes, bunch	Produce	approx. 3/4 lb per bunch	\$2.52	\$3.50
WEEK 2	RCM	Mushrooms, shiitake, quart	Produce	approx 3/4 lb bag with label	\$7.20	\$10.00
	CHF	Shoots, peppercress	Shoots, microgreens	clamshell	\$3.24	\$4.50
	CHF	Lettuce, head	Produce	1 large or 2 small	\$1.26	\$1.75
	CHF	Lettuce, head	Produce	1 large or 2 small	\$1.26	\$1.75
	DWF	Eggs, 1 dozen	Eggs	1 dozen with label	\$6.12	\$8.50
	HVF	Cheese, HVF May Hill	Produce	min. 3/4 lb per bunch	\$7.20	\$10.00
	LBX	Salad, arugula	Produce	1/2 lb bag with label	\$5.76	\$8.00
	LBX	Herb(s), bunch 2.00	Herbs, edible flowers	bunch	\$1.44	\$2.00
	LBX	Herb(s), bunch 2.00	Herbs, edible flowers	bunch	\$1.44	\$2.00
	LSG	Chard	Produce	min. 3/4 lb per bunch	\$2.16	\$3.00
	LSG	Beets, bunched	Produce	approx 1 lb	\$2.52	\$3.50

Farm Participation, Sample Questionnaire

In considering how best to grow our network of farms, we have drafted a farmer questionnaire that prospective farmers will complete. The process we intend to use for bringing new farms into the network is (1) completion of the questionnaire, (2) phone conversation, (3) farm visit, and (4) discussion and decision by the core group. We will be accepting questionnaires on a rolling basis so that we have a list of farms to contact should opportunities to participate arise.

Good Food Farmers Network Farmer Questionnaire

Contact Information

Farm Name: _____

Farmers' Names: _____

Address: _____

City: _____ State: _____ Zip: _____

County: _____

Phone Number: _____

Email Address: _____

Number of Acres:

____ Fruit
____ Vegetables
____ Pasture
____ Managed woodlot
____ Other (please specify): _____

Number of Years Farming (for each farmer named above):

Please describe the history of your farm, including the year founded, the evolution of the operation, length of tenure on current land, and the past experience of each farmer:

Current Markets:

Market Type	Approx. % of Sales (sum to 100%)
Farmer's Markets	
CSA	
Wholesale	
Other:	
Other:	

Do farm owners actively work on the farm? YES NO

Full Time Staff #: _____

Wage Range: \$ _____ - \$ _____

Part Time Staff #: _____

Wage Range: \$ _____ - \$ _____

Interns/Apprentices #: _____

Do you use other forms of labor on the farm (WWOOF, H2A, etc.)? YES NO

If yes, please explain:

What other benefits are provided to farm workers (housing, food, health insurance, retirement, etc.)?

How would you best describe the growing practices on the farm? What, if any, certifications do you have? (Eg. Certified Organic, Naturally Grown, Fair Trade, Certified Humane, Animal Welfare Approved, Biodynamic, etc.)

Do you routinely test water (annually)?

Do you store product in a cooler? Do you keep a temperature log?

Do you wash produce before packing?

Where do you pack product (field pack, pack house)?

Do you have a food safety plan?

Does the farm have any food safety certifications (GAP, HACCP, etc.)?

For meat producers: Where do you process your meat? Is it a USDA certified facility?

Do you use a 20C kitchen? Or do you operate under home exemption?

Would you welcome visitors and GFFN farmer members onto your farm for scheduled visits? YES NO

What products are you hoping to sell through the Good Food Farmers Network?

Are you interested in or currently able to supply any of the following items:

<i>Check each column as applicable</i>	Able to Supply	Interested	Varieties	Seasonal Availability
Grassfed beef or lamb				
Pastured pork				
Pastured chicken (meat)				
Pastured chicken (eggs)				
Annual vegetables				
Annual fruits				
Perennial fruits				
Storage/Winter crops				
Early spring crops				
Dry beans, grain, corn				
Dairy/Cheese				
Fermented/Preserved foods				
Honey/Maple				
Prepared Foods or baked goods				
Flowers				
Other:				

Thank you for your interest in joining Good Food Farmers Network!