

Getting Started: Financial Planning for Organic Vegetable Growers with Daniel Brisebois, Tourne-Sol Co-operative Farm

Intro

Tournesol = is French for sunflower and a play on words for turning soil. The farm is a working cooperative of 5 people. We all met during university. Together they are now in their 8th year of operation. I have spent 5 years on other farms – as both a manager + apprentice, and didn't grow up on a farm. My interest in organic farming was inspired from my concerns for the environment, as well as appreciating top quality locally grown food. Community as well! I studied agricultural engineering in University but was more interested in the environmental aspects of soil and water quality than in agriculture when I started. However, that all changed when I started working on farms during the summer. Be the change that I wanted to see in the farming world. I've been farming for 13 years.

We rent 12 acres from an organic cash-crop operation. We grow veggies, some typical (lettuce, tomatoes, cucumbers) and others that are less common (i.e. kohlrabi celery root and sweet potatoes). We also grow cut flowers; seedlings in the spring; medicinal herbs + teas and manage a small seed company with our own organic seed, which is processed by hand. We raise livestock for ourselves.

If you want to farm – it's great to work with other farmers as a primary means of gaining experience, whether with great farmers or not-so-great farmers. Our farming experiences and apprenticeships helped us establish a good solid farming background, learned what worked right for us, and get some mistakes are out of the way (beginner ones at least!)

Main Discussion

Set your financial goals

Number one question: There are lot of reasons we farm, but you have to think about money and consider the balance of ecological goals and time goals: *How much money do we need to make? Are we going to try to cover everything from the farming income?*

As a beginner farmer, don't target more than 10,000\$ in your pocket, if you have minimal experience. You want your profit to be half of what you're making. Gross = 2x

your profit. Each farm has different ways to spend money. It's very useful to start off with a budget. Once you've spent more than you plan on spending, unless sales are going great, you're just taking money out of your pocket.

One tip: establish two bank accounts: 1) Personal and 2) Farm. Add weekly / monthly payments to the Farm account, as if you're paying yourself a salary. Make conscious decisions to dip into your personal bank account. 10K / person / year *full time = gross.

The most successful organic farmers seem to gross about 40,000\$ / person full time.

Develop a marketing plan

What do you want to grow? How are you going to distribute? What are you going to charge?

Projecting over the growing season, what do you want to have regularly available?

Think carefully about your market audience.

Community Supported Agriculture (CSA):

Works well because you know how many clients you have.

Shareholders pay cash up front. If you have a trap early, you might not have some later on.

However, you should budget carefully so you don't spend this money too early in the year.

Responsibility – you have to deliver these vegetables.

Can be stressful to any new farmer. Preparing CSA boxes/shares takes a lot of work.

You can distribute by volume – it's a lot easier (provide example). This means less work in the field or washing station.

Choice for clients is something to consider as well – exchange basket.

Quality has to be good.

Start with a small group and expand. Friends and family can support – social community.

Number of weeks (16-20 weeks) 1st year = less weeks is better.

The beginning months (spring) of the CSA are hard to present a diversity of crops.

Fall = storage issues.

A weekly value (15-45\$) 20-25 is recommended.

People don't always eat as many veggies as you do. Biggest complaint = too many veggies end up in the compost.

Be moderate. Think of your options. You don't want the selection to be too much of a headache.

5-20 shares per person on the operation. (Long-standing/experienced CSA Farms can increase 30-75 shares per person on farm)

Managing a CSA is more complicated than growing only a few types of veggies. START OFF SMALL. This may seem like a joke, but it's better to deal with challenges on a small scale. Think of your crop plan, what you can grow at different times of the year, what veggies are going to be the most popular, what you should plant in succession, etc.

Farmer's Markets:

Can change from week to week.

Depend on competition. When you start out- there is plenty that's unknown (i.e. what do your customers want?). As you go on – sales can become fairly regular, and you will have a stable amount that you can sell.

Are less predictable than running a CSA (the weather can affect the amount you sell, as less people may come to the market).

Restaurants / wholesale

Seed Catalogue / Online store

What are you selling and how are you selling?

The format of how you're selling vegetables influences how they're sold (i.e. boxed/pinted, versus loose, by the lb., etc.).

TIP: Visit different farmer's markets and see what they're doing and how they're selling. What works in one place may not work in other places. Before the season begins, create a list for yourself of everything you plan to grow with the format you wish to sell it and its price. Keep prices pretty constant throughout the year, so you don't have to reconsider them week-to-week. You don't want to make big pricing decisions during the growing season.

Make a sales projection for all your outlets of what you would like to sell of each item each week of your season. Even if you are estimating, these numbers are valuable. Use this as a growing guide.

Goals:

How much do people want to make? How many shares do we need? What we should be grossing to make those salary targets. Use these goals to make decisions, both short term and long term. Over time you can better learn what you need, while lowering costs + increasing your gross profit. As you expand your production, you can save by buying larger seed quantities (in bulk).

Choose Infrastructure Carefully

Suggestion:

First thing to build: a small hoop house (Caterpillar / Henly tunnel). Can be purchased or made using Bent pipes, rope along top, cover with plastic. Creates a warmer microclimate, adds heat + keeps the rain off plants, which in turn can help prevent disease (According to Dan, a hoop house increased his yield for a factor of 4).

START WITH THE BARE MINIMUM / ONLY WHAT YOU REALLY NEED.

- If you're selling stuff off farm – need a dedicated vehicle.

- How are you going to work your soil? Better to minimize tractor investments early on and instead put money in wash station, cold room, and irrigation. You either need a walking tractor or a tractor with rototiller, disk harrow, and mower.

START OFF WITH CHEAP EQUIPMENT, BORROWED EQUIPMENT OR DO THINGS BY HAND.

Thing you might actually need:

Cool Room- if you have one, you don't have to harvest until the last minute. Vegetables that can cool down overnight can sometimes be in a better state at market/CSA delivery than those that are freshly harvested.

Wash Station – Doesn't need to be expensive. It's also important to have cover. Think about where are you going to be processing vegetables and make it a comfortable space

Irrigation System- A good way to make sure you can have a reliable crop. Sprinkler > drip lines. Almost the same in terms of cost.

A greenhouse is a good next step.

Soil Management:

It's better to choose land with good soil than to inherit a problem soil. It's worth investigating your soil. Good to know which key micronutrients are missing so you can target them specifically. This can otherwise become a huge problem.

Digital Infrastructure: (Free!)

You must communicate your farm's story via website, regular communication, Email, blogs (only use it if you plan on updating it. Having a non-updated blog can detract attention).

Facebook (easy to not update but hide that fact)

Use the media to your advantage. Use press releases! They offer free advertising and eventually more press will get to know you. Presenting the story of young people starting to farm is a nice and easy story (not to mention increasingly popular) to tell. Send in a good picture too!

You want to be sharing who you are and what you do. A story makes your product special. What story do you want to tell and how do you want to present it? YOU NEED A WEBSITE. Don't publish what's not finished. You need to tell people your name – introduce who you are and allow people to relate to you! You need a face to your story.

