CLASS OUTLINES

January

January 4, 2013 – Class 1 “Crop Enterprise Budgets and Deciding What to Grow

* Introduction to Richard Wiswall’s Book “The Organic Farmer’s Business Handbook”
	+ This man was a farmer in VT for many years, decided he was tired of working so hard and making so little money.
	+ Started keeping track of absolutely every aspect of his business
		- List everything he kept track of
	+ He made complicated spreadsheets on his computer so that he could plug in all of the information he kept track of.
		- This spread sheet told him how much money he was actually making on each crop
			* He was VERY surprised to find out that some of the crops he thought he was making very little money on were actually good money makers and vice versa.
			* He used this information to change what he grows and change how he manages his business.
* Sarah Marshall – Grow for your markets!

Show Power Point slides of Enterprise budgets put into fields with pictures.

Tell Story of 3 farmers who planted 1 acre farms with different market concepts

(only one farmer did actual market research connected to their production plan)

* + - * One planted what he thought people liked to eat
			* One planted what she determined was the best money making crop
			* One planted what she remembered were her bestselling vegetables from last season ensuring there was enough diversity to attract different customers

What can we learn from each of these farmers?

Make Smart Decisions about what you choose to grow and spend time on.

What is a smart decision?- look at your markets

* What can you sell for most money
* What do you need to have for customers
* Which crops make the most money / sq foot
* Which crops make most money / time needed
* Show examples of crop enterprise budgets
* Do a crop enterprise budget together
	+ I pick carrots because it is a crop that many farmers grow inefficiently (harvesting with a knife instead of pitch fork), plant far too much of, and spend a huge amount of time maintaining.
	+ I introduce the idea of valuing the farmer’s time and we pick $10/hour as a fair compensation for their time in the field and market.
	+ 30 minutes to go line by line through the blank enterprise budget .
		- Class has to decide everything jointly – how many times do you weed, how much time does it take to weed each time, how much time will it take a tractor to make the beds, how many bags of soy bean meal are spread on that portion of the field, etc, etc.
		- Plug in different scenarios at the end to show how much income varies depending on how the carrots are sold – ex: sell all of the carrots to one wholesaler all at once; sell half the carrots wholesale and half at market; only able to sell half of the carrots.
* Show farmers other completed budgets that I did based on my guestimates of their growing process. Look at African corn, cucumbers, tomatoes, green beans, and more if time allows
	+ Talk about why or why not a crop should be grown even if a farmer isn’t making much money from it.
		- Important for CSA?
		- Important for cultural reasons (African corn)?
		- Important as a way to lure customers into your farm stand?
		- Is it time to cut back on X crop?
* Exercise:
	+ Everyone receives a packet with a sales tracking chart for each vegetable that they grow
		- With staff help, farmers think about their sales of each crop and record details
		- Example:
			* How many weeks did you sell celery at farmers markets
				+ How many bunches did you sell each week
				+ Do appropriate math to determine overall number and dollar value of celery sold at market in 2013
			* How many weeks did you put celery in CSA shares
				+ How many CSA member did you have
				+ Do appropriate math to determine overall number and dollar value of celery given to CSA in 2013
			* How many weeks did you sell celery to your wholesale account
				+ How many bunches did you sell each week
				+ Do appropriate math to determine overall number and dollar value of celery sold wholesale in 2013
			* Discussion one-on-one with each farmer about each set of calculations
				+ Is that more/less than you thought you sold over the course of the season?
				+ Do you think that you can sell more at market?
				+ Did you give it the appropriate number of times to CSA
				+ Compared to how much work it took to grow this crop, does it feel worth it?
				+ Do you want to grow more or less of this crop next year?