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University of Idaho Extension

COMMUNITY SUPPORTED AGRICULTURE (CSA):

A marketing strategy for small acreage producers in Idaho

by Ariel Agenbroad, Cinda Williams, Lydia Clayton, and Robert Tripepi

As the line between urban and rural areas increasingly blurs, new and/or downsized farms of 1, 5, or 10 acres are common in many parts of Idaho. According to the 2007 United States Department of Agriculture (USDA) Census of Agriculture, 49 percent of Idaho's farms and ranches comprise less than 50 acres. New and experienced growers seek to make their small acreages profitable while caring for the land and preserving quality of life. At the same time, many urban consumers' appetites and values are leading them to search for high quality fresh, local, organic or sustainably grown food and products in their communities.

One increasingly viable marketing option for sustainable small farms is a Community Supported Agriculture, or CSA program. CSA can connect farmers to consumers in a mutually beneficial partnership through a produce subscription or shareholder program.

WHAT IS CSA?

The USDA defines CSA as a community of individuals pledging support to a farm operation so that the land becomes "legally or spiritually, the community's farm, with the growers and consumers providing mutual support and sharing the risks and benefits of food production. Members or shareholders of the farm or garden pledge or pay in advance to cover anticipated costs of the farm operation and farmer's salary. In return, they receive shares in the farm's bounty throughout the growing season, as well as satisfaction gained from reconnecting to the land. Members also share in risks, including poor harvest due to unfavorable weather or pests."

HISTORY AND GROWTH OF CSA

The CSA concept is believed to have originated in Japan in the 1970s in response to the growing industrialization of the Japanese food production and supply systems. A group of women concerned about the increase in food imports and the corresponding decrease in the farming population organized a direct growing and purchasing relationship between their group and local farms. This alternative distribution system, independent of conventional



DIRECT MARKETING FARM PRODUCTS

Growing and marketing fruits, vegetables, flowers, and other high-value farm products directly to consumers is rewarding for many small-acreage producers. Growers may operate a CSA program, sell products on the farm, at farmers' markets, to local chefs, school lunch programs, and even online. Often a combination of direct marketing strategies is best.

Benefits. Direct marketing has several known benefits. Producers often retain a greater percentage of the food dollar and may earn higher returns when marketing their own products and setting their own prices. Some forms of direct marketing reduce excessive transportation, lowering fuel use and enhancing produce quality. Extensive packaging or shipping materials may be unnecessary, further reducing costs and waste. Often, direct marketing brings consumers both physically and figuratively closer to the farm, strengthening relationships and fostering an understanding of local food systems and rural issues.

Planning. Of course, successful direct marketing of any kind involves a great deal of planning and forethought. Choosing strategies suited to the individual producer, product, or market requires careful understanding of the requirements, risks, and rewards. Resources at the end of this publication will help.



markets, is known in Japan as "teikei," which translates literally to "putting the farmers' face on food." The idea traveled then to Europe.

International sustainability advocate and innovator Jan VanderTuin of Eugene, Ore., imported the concept of Community Supported Agriculture to the United States from Switzerland in the mid-1980s. By 1986, Robyn Van En's Indian Line Farm in Massachusetts and the Temple/Wilton Community Farm in New Hampshire were established as the first American CSA farms.

Over the next two decades, as awareness grew and small farmers increasingly searched for methods to remain viable, more and more farms adopted CSA as a marketing strategy. Early operations often relied on a community of buyers for their direct support of the farm. In addition to providing funding up front for their produce shares, many "sold" a piece of the farm to a shareholder for the privilege to visit and work on the farm. Some farms sold individual fruit trees or animals, and "owners" would come to the farm to pick fruit from "their" tree or milk "their" cow. Creative variations still exist on the operational structures for current CSA programs.

The 2007 USDA Census of Agriculture counted 12,549 farms marketing their produce at least partly through a CSA. Nearly 140 of these are Idaho farms. At the time of this publication, nearly 50 had created farm listings through the Local Harvest database—*www.localharvest.org*.

HOW CSA WORKS

Community supported agriculture farms are typically organized in one of two ways. Approximately three-quarters of CSA programs are farmer driven. In this structure, a producer or group of producers organizes and markets the CSA, sets the price, recruits shareholders, makes the majority of production and management decisions, and is responsible for most of the labor. Shareholders may be invited to participate in farm work in some cases.

Less common, especially in the western United States, are shareholder-driven CSA programs in which a core group of members—often a community or nonprofit organization, group, or housing development—organizes the CSA, secures land, hires growers, and shares management of the program details.

Fresh vegetable CSAs are most common, but increasingly, producers are responding to customer needs and adding value by including fruit, cut flowers, bread, or even eggs, cheese, or meat to their shares. Of course, growers



should always be aware of and follow local, state, and federal guidelines for processing and sales of all products, especially meat, dairy, or poultry.

Certification. Many CSAs use organic production principles and choose to add value to their products by completing organic certification through an accredited agency such as the **Idaho State Department of Agriculture**. Other CSAs follow organic principles and avoid synthetic pesticides, but do not certify as such, choosing either to communicate this to their shareholders or participate in an alternative certification program like Certified Naturally Grown— http://www.naturallygrown.org/.

The number of shareholders a producer can support and the length of the CSA season depend on a number of factors. Available land, labor, water, and community interest are most important. Production experience, climate, input costs, transportation, and marketing skills are additional important factors. Growers may also make production decisions based on the income the program needs to generate to be economically sustainable.

When to sell shares. Most marketing for a CSA program is related to share sales and is typically completed before the growing season begins. Shares are usually advertised and sold between December and March, depending on the growing season. In some cases, a successful CSA will have many returning shareholders or even a waiting list. One benefit of a CSA is that growers can concentrate on production during the season, rather than promotion and marketing of the program. Pre-season share sales also help generate operating capital when it is needed most.

Delivering produce. Throughout the season, the grower and any additional workers typically plant, tend, and harvest the crop, as well as package and organize transfer of shares. Sometimes a grower will hand deliver weekly shares. Commonly, one or more weekly pickup points are determined, for example, at a Farmers' Market or other public location. Some programs operate similar to a "U-pick" enterprise, with shareholders coming to the farm to collect their shares or even harvest their weekly produce themselves. Some growers trade labor or other services for a share.





SCSA RIGHT FOR YOUR FARM?

If you can say "yes" to the following, CSA may be an appropriate strategy for you and your farm.

- My community would be interested in CSA.
- I have enough land, water, and labor resources available to start and "grow" a CSA to meet my income goals.
- I am capable of planning for and attaining specific yield quantities.
- I enjoy working with people.
- I am a good communicator.
- I have a backup market for potential excess and a backup supply for unforeseen shortages.
- I have researched the legalities and liabilities of this type of enterprise.



SUSTAINABLE SMALL-SCALE AGRICULTURE

Small farm operations are often in a unique position to model sustainable agricultural practices on a modest scale. Compare the concept of sustainable agriculture to a three legged stool: Stability is achieved when environmental responsibility, economic viability, and social equity are present and in balance.

ACHIEVE SUSTAINABLE PRODUCTION BY

- Reducing reliance on fuel and chemical inputs
- Conserving natural resources
- Fostering ecological diversity and
- Encouraging natural predators.

Integrated management of pests, weeds, and diseases uses available biological, cultural, mechanical, and chemical controls to keep outbreaks in check.

Sustainable farms strive to provide the necessities and comforts essential to an acceptable standard of living for farmers and laborers, and they contribute to the economic health of their communities.

Preserving quality of life for producers, workers, and consumers is important in sustainable agriculture. Ensuring equitable conditions for agricultural workers can contribute to a healthy and reliable workforce. Increased local access to resources, value-added processing facilities and consumers markets may lead to strengthened regional food security and the improved economic and social well being of communities.



Liability. All growers should secure sufficient on-farm and product liability insurance, especially when employees, volunteers, or visitors will be present on the farm.

CHOOSING CSA

With national share prices averaging \$300 to \$500 per season or more, CSA programs could be an important income source if sufficient resources, competency, and support are applied. For example, an experienced market grower with excellent planning skills, low operational costs, a cooperative climate, and plenty of local interest could feasibly support from 50 to 75 families or more on less than 5 acres from May through November and potentially make a small profit.

Challenges. Beginning and managing a profitable CSA, however, can be a complex process. Growing the appropriate quantities and diversity of vegetables to satisfy a large number of customers every week takes a considerable level of planning and skill. While shareholders assume a certain level of risk, a grower who fails to provide the expected quantity or quality of produce may not have a second chance the following year. Advertising for the CSA shares and securing shareholders, especially in an area where either the concept or the grower are unknown, may be challenging.

GETTING STARTED & SUCCEEDING WITH CSA

Interviews and surveys of successful CSA farmers in the United States and Canada indicate several ways for prospective growers to get started.

Talk to other growers. First, other local growers are among the very best sources of regional production and market information. Some may even offer internships or mentorships.

Start small. Second, new growers should start small, perhaps growing for a farmers' market for a season or two to evaluate consumer demand, determine their own production capacity, and gain valuable experience. Due to the rising popularity of CSA programs, many production and planning resources have been developed and are available to growers considering this marketing strategy. See resources section.

Diversify crops/outlets; collaborate. Diversifying products and marketing strategies is another key point shared by growers. A wide variety of crops and



several outlets for sales are recommended to reduce risk. Sometimes collaborating or trading with other growers in order to offer a wider array of products over a longer season has been successful. Exploring and implementing techniques to extend your growing season can supply produce earlier and later and thereby expand product diversity over a longer period.

Sell image plus produce. Some growers claim that the success of their CSA program depends in part on their ability to effectively "sell" their farm image and story, rather than just high quality produce, to their urban shareholders. Some shareholders may fail to grasp the inherent seasonality of a CSA, and sometimes must be gently educated about what grows in a region and when it is available. Often what grows well in a given climate or season is unfamiliar to potential clients. Growers have used newsletters or e-mail to let shareholders know what is being harvested and what to expect from their weekly share. In addition, they often include recipes or instructions for cooking new or unusual vegetables.

Communicate. Communication and education can work in many ways. Some growers rely on regular conversations with shareholders, while others circulate a survey at the end of the season.

Soliciting continual input from shareholders and valuing their contributions help keep growers abreast of trends and responsive to market demands. Also, providing input lets shareholders feel that they are part of the farm's decision making and fosters a sense of shared ownership that also helps retain customers.

See page 3 sidebar for additional considerations in choosing CSA as a marketing strategy.

SUMMARY

For some small-acreage producers, a CSA program is a valuable marketing strategy that contributes to whole farm sustainability. The growing popularity of CSA programs, farmers' markets, and other local food outlets across the United States and in Idaho points to the increasing consumer demand for safe, fresh-picked produce grown close to home.

Consumers who have participated in a CSA program are generally very enthusiastic about the quality and quantity of food they receive and appreciate the value of their share. Some even become interested in issues related to small farms and local food production, and they become concerned with the success and welfare of "their farmers."

UNIVERSITY OF IDAHO RESOURCES

Cultivating Success Small Farms Education Program. University of Idaho, Washington State University, and Rural Roots collaborate to offer courses, training, and hands-on experience in sustainable small farming and ranching. See *www.cultivatingsuccess.org.*

University of Idaho Extension Small Farms: Contact University of Idaho Extension faculty across the state, find resources, enroll in courses or attend opportunities for networking, and read about ongoing research at http://www.cals.uidaho.edu/sustag/smallfarms/.

University of Idaho Extension Master Gardener http://www.extension.uidaho.edu/mg/. This recently updated Master Gardener Web site includes 24 chapters you can download on topics ranging from organic gardening to composting and growing vegetables.

University of Idaho Educational Communications offers publications and video titles related to small-acreage farming, fruit, and vegetable production and marketing at *http://www.cals.uidaho.edu/edComm/catalog.asp*. Many of the publications can be downloaded for free. At this same site, you'll also find publications to help with growing a variety of crops and food animals. Here are some publications and videos to consider.

PUBLICATIONS

Marketing Alternatives for Specialty Produce, PNW 241. Find it on the Web at http://extension.oregonstate.edu/ catalog/html/pnw/pnw241/.

Marketing Products Directly to Consumers, EXT 741

Pricing Nontraditional Products and Services, CIS 942. You can download it on the Web from http://www.cals.uidaho.edu/edComm/pdf/CIS/CIS0942.pdf.

Specialty Farming in Idaho: Is It for Me? EXT 743.

Specialty Farming in Idaho: Selecting a Site, EXT 744. Download it free from the Web at http://www.cals.uidaho. edu/edComm/pdf/EXT/EXT0744.pdf

VIDEOS (each costs \$25 plus S&H). Find them at *http://www.cals.uidaho.edu/edComm/catalog.asp.* Search by title.

Nothing But Herbs, #911

Riley Creek Blueberry Farm, #917

Meadowlark Farm: Case Study of a Small Acreage Farm, #929

Affinity Farm: A Small Acreage Farm Shares Strategies, #930



OTHER RESOURCES

CSA Resources for Farmers: Selected Books, Reports, Articles, Research Projects, Periodicals and Videos Focusing on the Business of CSA Farming.

Alternative Farming Systems Information Center (AFSIC), National Agricultural Library (NAL), U.S. Department of Agriculture, compile much up-to-date research and best practices at <u>www.nal.usda.gov/afsic/pubs/csa/csa.shtml</u>.

Food Routes—www.foodroutes.org—offers information and resources for sourcing, producing, and sharing local food.

Idaho State Department of Agriculture. Find marketing resources, programs, and publications, including Organic Certification Program requirements, the Idaho Farmers Market Directory, U-Pick Directory, and information on the Idaho Preferred Program at

http://www.agri.state.id.us/Categories/Marketing/index Marketing.php.

Local Harvest maintains a voluntary, searchable database of local food outlets, organic growers, and farm listings across the nation: *www.localharvest.org*.

Northwest Direct. This USDA-funded collaborative effort to understand, evaluate, and improve direct marketing opportunities for small farms focuses on Idaho, Washington, and Oregon. Its Web site—http://www.nwdirect.wsu.edu/ explores profitability of poultry and links to a 14-page publication you can download for free titled Farm Management Tools for the Small Acreage Producer.

Robyn Van En Center for CSA Resources at *www.csacenter.org* maintains a database of all farms participating in CSA programs. You are encouraged to add yours. At press time, it listed 19 from Idaho.

Rural Roots. This non-profit organization serves Idaho, Eastern Washington, and Oregon by promoting and supporting local, organic, and sustainable agriculture through education. Its Web site—*www.ruralroots.org* offers numerous direct marketing resources.

Find more small farm resources and publications online at www.cals.uidaho.edu/sustag/smallfarms/



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