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 Department of Horticultural Science

COMMUNITY SUPPORTED AGRICULTURE IN NORTH CAROLINA

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Community Supported Agriculture (CSA) is a form of direct marketing in which a community of individuals pledges to support a farm. At the beginning of the growing season, members pay for a subscription to the CSA. In return, farmers provide the members with a weekly share of the harvest. Both growers and consumers have found this relationship to be mutually beneficial. Members receive a variety of fresh, local produce and have the satisfaction of knowing where their food comes from and how it is produced. Farmers, in turn, benefit by receiving funds upfront to buy seeds and inputs. They also are relieved of most of the task of marketing by having a guaranteed market and price for what they will produce.

CSA Yesterday and Today

CSA began in the mid 1960's in Japan in response to unsettling changes in the agricultural scene. Imported foods were replacing local foods on market shelves, farmland was being lost to development, and farmers were taking jobs in cities. Wanting to slow the tides of change, a group of women approached a local farm with their idea. They proposed that multiple families support the farm financially and in return the farm would supply the families with fresh vegetables and fruit. The concept was called teikei, which translates: "food with the farmer's face on it." The idea caught on throughout the country and was soon adopted by European growers as well. In the 1980's, the concept arrived in the US and was given the name "Community Supported Agriculture." (1)

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Over 1,000 farms in the United States are currently involved with CSA. While the largest concentration of CSA farms can be found in California and the Northeast, a growing number are sprouting up in the Southeast. North Carolina, with its long growing season and concentrated urban populations, is fertile ground for CSA.

How it works

In the traditional CSA model, members purchase shares of the season's harvest. One share typically feeds a household of four or a vegetarian household of two. Some farms also offer half or partial shares, but these often cost more than half the amount of a full share. Each week during the growing season, members receive a bag or a box containing a variety of in-season produce, mostly vegetables. The method of distribution varies by farm. Farms with distant members may box up the shares on the farm then bring them to a central location for member pickup. Where members are in closer proximity, the farm often serves as the pickup location. Members either pick up pre-boxed shares or they pack their own box according to the farmer's instructions. Some CSA farms also deliver shares to the members' doors.

A less common CSA model, used by farmers who sell at the farmers' market or have a roadside stand, is the debit CSA. Members also pay up-front for a share, but the share is

for a set dollar amount to be spent throughout the season. A balance sheet is kept for each member. This model gives shareholders more freedom in selecting which vegetables they want, when they want them, and in what quantities. Further, the cost of the CSA may be a discounted price of what the farmer charges non-CSA customers. For example, a farmer might charge only \$225 for \$250 worth of produce. While this might appear to be an expensive compensation by the farmer, the pre-season cash flow and the guaranteed customers make it worthwhile.

Along with the main vegetable share, some CSA farms also offer shares of other farm products and value-added goods. These may include fruit, meat, eggs, honey, syrup, canned goods, bread, cheese, butter, and Christmas trees. In this model, two or more farms often join together. This combined CSA allows the farms to offer their customers a greater diversity of products while sharing the responsibility of recruiting members and delivering shares.

These are only a few models of CSA. Every CSA farm is unique and must discover what works best for the farmer and the members.

Is it right for you?

Personal considerations

CSA is unique in that the risks of farming are shared between the farmer and the CSA members. CSA farmers pledge to grow for a certain period of time to the best of their abilities. Members in turn, agree to support the farm even if the harvest is poor due to unfavorable weather or pests. This is not an excuse for poor farm management. CSA members expect a variety of high quality produce in sufficient quantities for the duration of the growing season. This requires a solid plan of succession plantings and its successful implementation.

The more experience a grower has, the better able he will be to provide members with a consistent food supply. Beginning farmers are strongly advised to gain a year or two of experience before marketing their produce through a CSA. Many farmers have come to CSA with a production background. Others have apprenticed or worked on CSA farms before starting their own. There is no replacement for hands-on training. A helpful source of information is other CSA farmers. Many are glad to share their successes and failures. Workshops and meetings are a good way to network with fellow growers.

Local extension agents often have calendars of upcoming events. There are also many helpful resources in print and on the internet (see resources section).

Because it is a highly interactive marketing strategy, a successful CSA farmer must also have good people skills and be prepared to deal with people regularly. Some farmers may feel the constant interactions are a time burden compared to other marketing options. For growers wanting a closer connection to their customers, though, CSA can be a satisfying option.

Farm considerations

A farm's location is a major factor in determining CSA membership. Farms in very rural areas may have difficulty recruiting enough members in their own neighborhoods. The farmer must then decide if it will be worthwhile to make weekly deliveries to members in a nearby town or to a distant major city. Recruiting distant members can also be a challenge. Farms on the edge of large cities or near suburbs have more options. These farms can be a rural destination for city dwellers, or farmers can organize weekly drop-offs in the city. Some CSA farms also exist within city limits, offering their members convenient pick-up and a nearby farm experience.

A farm's size also determines how many members a CSA can support. On an intensively managed farm, a farmer can expect to harvest about 20 shares per acre (1), though this may vary by region and farm practices.

Financial considerations

Computing CSA income is straightforward. The number of shares is multiplied by the cost of a share. Determining the profitability of the CSA, though, is more complicated. In general, the price per pound received for CSA vegetables is equal to retail or farmer's market prices. And because farmers receive cash up-front, CSA can eliminate the need for seasonal loans.

Yet, a farmer needs to be realistic about the costs of production, including labor and time. CSA can be more time consuming than other marketing strategies, such as the weekly sorting and bagging of shares.

Many farmers combine CSA with other markets, such as restaurants, farmers' markets, and retail sales. Caution needs to be taken to meet CSA members' expectations first before extending into these additional market outlets.

Production considerations

A major selling point of CSA is that members know how their food is being grown. Most CSA farms, therefore, employ best management practices. These include careful nutrient management, IPM to reduce or eliminate unnecessary pesticide applications, and careful planning involving crop rotations and cover crops. Both conventional and organic CSA farmers follow these practices. Due to market demand though, a large portion of the growers who have adopted CSA as a marketing strategy use organic production practices.

Getting Started

What to grow

CSA farms often offer around 40 different crops over the course of the season, including vegetables, flowers, and herbs. Of these, most customers are interested in receiving the basic garden staples, such as tomatoes, cucumbers, lettuce, beans, potatoes, and sweet corn, supplemented with smaller quantities of seasonal and specialty items, such as greens, garlic, and basil. Share boxes typically contain 7-12 crops a week, depending on the season. When including unusual varieties or species, members appreciate an explanation of the crop and some suggestions for preparing it. An end-of-year survey can help determine what items members liked and didn't like.

How much to grow

The amount a CSA farmer grows depends on what the shares will include and how many shares will be sold. A weekly full share typically contains \$10-\$20 worth of farm products. Members should feel they are getting what they paid for, but there is danger in offering too much. Members who regularly experience vegetables rotting in their refrigerator are not likely to return. Further, starting out the first year with shares that are too generous can lead to disappointment by members if quantities are reduced in the future. Again, surveying members helps to determine adequate share sizes.

After deciding what a share will contain, the CSA farmer needs to create a crop plan. This should include approximate planting dates (including successions) and estimated amounts to plant. Helpful planning charts can be found in Elizabeth Henderson's book "Sharing the Harvest" (1). CSA farmers should also plant 5% to 25% more for insurance against insects, disease, and adverse weather. Careful records should be kept from year to year to monitor farm production and adjust the crop plan as needed.

How long to grow

In North Carolina, most CSA shares run from April to October, with a progression of spring, summer, and fall crops filling the share baskets. To provide variety to their members, many CSA farms try to extend the growing seasons of certain crops. Spring tomatoes, for example, might be grown in a greenhouse. These practices cost money, though, and must be factored into share costs. Some CSA farms also offer their members a separate winter share, which may include weekly or monthly baskets of sweet potatoes, winter greens, and root crops.

Determine share costs

Most CSA farms determine the cost of their shares by charging a set amount per week (usually \$15-\$20) and multiplying that cost by the number of weeks shares will be distributed. Each week, the share box is filled with an amount of produce equal to this dollar amount, based on farmers' market prices. Farmers may overstock their shares some weeks to compensate for under-stocked shares other weeks.

Another method to determine share cost is to divide the farm's operating budget among the shareholders. These costs of operation include yearly expenses such as seeds and fertilizers, as well as machinery purchases and upkeep. The share also pays the farmer's wage. Because farm costs differ, share prices vary accordingly. The identity of a share, such as length of season, weekly quantity, and produce variety, also factor into the cost of a share. Most CSAs charge between \$400-\$700 per year for a full share.

Many potential CSA members are deterred by the large investment required at the beginning of the season. Some farms, therefore, allow members to pay in multiple installments. Educating the member about the value of their share can also reduce the sticker shock. A recent study compared the cost of a CSA share with the cost of purchasing the equivalent produce at a supermarket. Researchers found that members saved on average \$300 for conventionally grown produce and \$600 for organically grown produce over the course of the season. (2)

Determine member involvement

CSA is a cooperative effort between the farmer and the members. On some CSA farms, the members own the land and farm equipment and hire a farmer to grow the produce. On other CSA farms, the farmer is the sole

owner. Regardless of ownership, the level of member commitment needs to be determined prior to selling shares.

Some CSA farms create a core group of members. The core group assists in the administrative aspects of CSA, such as advertisement, record keeping, and produce pickup coordination. They help with volunteer activities and farm events. They may also serve as decision-makers, determining short and long-term goals for the CSA. For their efforts, these members may receive a discounted share.

Many CSA farms offer working shares. In this arrangement, members put in a certain amount of “field time” a week in return for a discounted share. This work allows members to become involved in the farm while providing the farmer with extra help. This level of cooperation, however, can sometimes cause frustration for the farmer or the members. Members should understand what is expected of them before signing up for a working share. In return, farmers should be prepared to deal with members at all skill levels. They should also understand that the members are students as well as field workers. Members wanting to work on the farm are often interested in learning more about agriculture. With good communication, working shares can be a win-win situation.

For members who desire only a small amount of hands-on participation, many farms offer a pick-your-own option. Members may be invited to pick all their own produce or just certain items. Crops that are labor intensive to harvest, such as beans and peas, are often offered at a reduced rate or a higher quantity if the members harvest their own. Flowers and fresh herbs are often pick-your-own as well.

Finally, many CSA farms hold celebrations to encourage member interaction. These may be work festivals, such as a planting day, or a true party where the only work is piling the potluck offerings high on a plate.

Recruit and retain members

CSA can alleviate the stress of marketing during the busy growing season, allowing the farmer to concentrate solely on farming. The marketing, however, occurs before any seeds are planted. After deciding how many members the CSA can provide for, the farmer starts recruiting. Since

CSA is still relatively new, farmers attempting to sell shares must often explain the CSA concept. A brochure can be the single most important advertising tool. Many CSA farms have found success with a colorful tri-fold brochure that explains CSA, provides details about the farm, and has a tear-off enrollment form. These can be mailed to potential members and placed in public places, such as the library, post office, and grocery store. A one-page flyer, a web-site, and word of mouth can spread the message as well.

The USDA maintains a national CSA list at <http://www.nal.usda.gov/afsic/csa/csastate.htm>. This list allows potential members to easily locate a farm near them. Inclusion on this list is free. Another source of free advertising is the local media. Sending a press release to the newspaper about a CSA venture can turn into a full-page story. One article in a prominent newspaper netted a CSA farmer over 40 inquiries (3).

If possible, use the share drop-off location as an advertising opportunity. A highly visible location could draw interest from people passing by. A drop-off at the local Farmers’ Tailgate Market could be convenient for the customer and the grower, as well as an opportunity to recruit new members. Another marketing strategy is to talk to businesses whose customers or employees might appreciate an opportunity to purchase fresh vegetables. If there is enough interest, the drop-off site could then be at the place of business. The Center for Environmental Farming Systems (<http://www.cefs.ncsu.edu>) has coordinated such a program with companies within Research Triangle Park. Finally, CSA farms can offer incentives to existing members who recruit new members.

In addition to recruiting new members, successful CSA farms must focus on retaining current members. Along with providing quality produce all season long, CSA farms communicate with their members. A weekly or monthly newsletter goes a long way in keeping members up to date on farm activities and available produce. Some CSA farms continue the newsletter through the winter to help members stay connected. Verbal and written feedback from members throughout the season assures the CSA farm is holding up to the members’ expectations. Many CSA farms send out an end-of-year survey to help plan for the next year. Finally, some CSA farms offer a financial incentive in the form of a reduced share cost, for returning members or for members who join early.

Farmers feed their neighbors and those neighbors in turn support the farmer. It is a connection as old as human civilization. CSA is merely a recent approach to the partnership. Yet for farmers searching for a stable market and people looking for a local source of fresh food, CSA can be the perfect match.

References

- 1) Henderson, E. 1999. Sharing the Harvest. White River Junction, VT, Chelsea Green Pub. Co., 1999.
- 2) Cooley, J. and D.A. Lass. 1997. "What's Your Share Worth? Some Comparisons of CSA Share Cost versus retail produce value." In 1997 CSA Farm Network, NE Organic Farming Association.
- 3) Houston, S. 2002. "Share the Bounty." Raleigh News and Observer. 23 January 2002, 1E.

CSA Resource List

Appropriate Technology Transfer for Rural Areas (ATTRA)
P.O. Box 3657
Fayetteville, AR 72702
1-800-346-9140
<http://attra.ncat.org>
Information on production practices

Carolina Farm Stewardship Association
PO Box 448
Pittsboro, NC 27312
919-542-2402
www.carolinafarmstewards.org
North Carolina CSA Farm list, events and links

Growing Small Farms
www.ces.ncsu.edu/chatham/ag/SustAg/index.html
Chatham County Center
NC Cooperative Extension Service
P.O. Box 279, Pittsboro, NC 27312
919-542-8202
CSA section includes Resource Guide for Farmers, list of NC CSA Farms, CSA web resources and books

National Organic Program - USDA
www.ams.usda.gov/nop/indexIE.htm
The National Standards for Organic Agriculture Production and Handling

Project Greenleaf
The University of North Carolina Greensboro
312 Brown Building, UNCG,
Greensboro, NC 27402-6170
336-256-0439
336-334-5674
<http://greenleaf.uncg.edu>
CSA information for consumers and farmers and summary of research conducted with NC CSAs

Sustainable Agriculture Network -USDA
www.sare.org
Links to sustainable agriculture resources and on-farm grants

USDA Alternative Farming Systems Information Center
www.nal.usda.gov/afsic
National CSA database, extensive resource list and CSA links

Community Supported Agriculture of North America at University of Massachusetts Extension
www.umass.edu/umext/csa
CSA resource list