**Fictional Fairy Tale Farm**

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## Introduction

Fictional Fairy Tale Farm

The farm will be managed predominately by myself (David Alexander). I have close to 10 years of experience growing and selling a wide range of certified organic vegetables.

I have always dreamed of starting my own farm business. For my reasoning, see the vision section. There are a number of things that I think I am quite good at and an equal number of things I need to work on.

Below is a list of what I believe my strengths are.

1. I think I am a good people person. I can be good at making personal connections with people and have no trouble with small talk.
2. I am a detailed oriented person. Budgeting and record keeping will be a strength I can lean heavily on when planning.
3. I am confident in my production skills. Of course, I have many things to learn and will continue to further my own education when it comes to production practices. I will do this through intentional trials every year, as well as attending workshops and conferences.

Below is a list of things where I definitely need to improve.

1. I have never been a good salesman. I don’t enjoy it. I don’t like website work or social media work. I don’t like creating physical marketing content either. I don’t feel that I’m an overly creative person. I will either have to invest time in taking courses so I can manage this myself or will hire/barter with someone to help me manage this aspect of the business.
2. I am not a risk taker and have trouble making decisions quickly without weighing all my options carefully. This can cause me to procrastinate when getting important tasks done. I will spend time every winter trying to anticipate what big decisions I will have to make and doing my research in a less busy time.
3. I like working with other people but have trouble being a ‘boss’. At some point in the future, I would like to have an intern or possibly staff member. I will re-evaluate the needs of the business every year and will focus on professional development to improve these skills should the need arise.

## Vision

I am starting this business mainly to provide a good life for my family. One in which they have lots of access to the outdoors and good food. The business will be large enough 10 years down the road that it could provide employment opportunities for my children and become a family business. The farm will be an anchor in the community. In addition to serving my neighbours through a CSA type model, I will sponsor local events/charities with donations of produce. I will also act as a keen steward of the land I will occupy and be a voice for surrounding land, always striving to improve environmental conditions. In the short term, I will focus most of my energy on making the business financially viable, even if it means sacrificing some of my longer term goals.

See the vision worksheet in the appendix for the high level detail of short and long term plans.

## Production

**Land and Infrastructure**

My partner and I own a house with 10 acres of land about 20 minutes outside of Guelph, Ontario. The land has a house that is our personal residence and has a small room that will serve as the farm’s office. There is a detached garage as well but would prefer to keep that for family use instead of farm use. There is a 500 square foot drive shed that will be used predominately by the farm. There is four acres of cleared land surrounding the buildings, the remaining six acres is mixed woodlot.

**Products/Services**

The plan for the first year is to attend 20 weeks at the Elora Farmers Market. I will grow a diverse range of vegetables to sell. The long term plan is to move towards a CSA model where members pick-up on the farm. I will slowly add eggs, other livestock, and value added products to the farms offerings. For a detailed crop plan, please refer to the appendices.

**Field Preparation**

We do not own a tractor at the current time. We have a neighbour who we paid to open 1.5 acres of land last year. That land is currently in cover crop. The same neighbour will be helping to manage that cover crop for us this year. We plan to grow on ½ acre for this season. The rest will be actively managed to suppress weeds and boost fertility through green manures. We do have a used BSC walk behind tractor that will be used for all the secondary tillage and bed preparation.

**Transplant Production**

We have a small well-lit area in our house that will be used to start all transplants this season. In order to accommodate all the trays needed as dictated by the crop plan we will have to build a rack to hold all the trays. A priority for this fall will be to erect a small hoop house that will be used for seedling production in future years. We have already purchased all the trays we will need for this upcoming season and have potting soil being delivered this spring.

**Direct Seeding and Transplanting**

All transplanting will be done by hand. For direct seeding, we have purchased both a Jang and an Earthway seeder. Some crops will be direct seeded by hand. If the farm does acquire a tractor at some point, a tractor mounted direct seeder would be a desirable option.

**Harvesting**

We have purchased a large number of harvest bins second hand. We also have a garden cart to move things to and from the garden. We have a large selection of scissors, pruners, harvest knives, digging forks, shovels, etc. that should be suitable to harvest all the crops we plan on growing.

**Post-Harvest**

We have purchased all the packaging (twist ties, rubber bands, plastic bags, pint containers) that we will require for distribution. Much of this packaging will happen in the field during harvest to minimize handling of the crop. A wash station will be set up in and near the drive shed. Most of the washing will have to happen outside the shed as there is no drainage inside. We have a tent that can be erected for shade and there is a bit of a gravel pad to help with drainage. We have picked up two large stainless steel sinks from an old restaurant that will be used to wash. We also have a few wire rack tables that we can spray crops on. We aren’t sure how we will label bins for inventory purposes yet. We have purchased a number of hoses and spray nozzles to facilitate washing.

 We plan to purchase some old refrigerator panels to erect a 150 square foot cooler with a coolbot inside the driveshed.

 We are also hoping to add an appendix regarding how each item will be packaged, priced and displayed.

**Irrigation**

 We have a dug well on the property that has enough output for all residential needs, wash station and irrigation. We plan to purchase a mix of both drip and micro overhead to meet our watering needs.

**Weeding**

 We have purchased a wide variety of hand hoes and have plans to purchase a pair of wheels hoes. All of the weeding will be done by hand for this season but if a tractor is purchased in the future mechanical weed control is highly desirable. We explored using black plastic to help control weeds but have ethical issues with it.

**Long-Term Goals**

* We would like to avoid buying a tractor if possible. We have always been inspired by draft power and are hoping we can get away with custom work and the BCS until we make a long term decision.
* Improve soils. We will constantly be striving to improve soil quality. We will conduct annual soil tests and take steps to improve every year.
* Fertility. At this point, ruminants are not one of our long term goals. Although the farm will not be biodynamic we do like the idea of the farm as a closed loop and would like to produce as much of our own fertility as possible. With our limited acreage we are not sure if we will be able to pasture animals. We also don’t have the infrastructure to house them. We will remain open to the idea and continue to explore ways to produce as much of our own fertility on farm as possible.

## Marketing

**Brand**

 We will be working hard to develop a brand for Fictional Fairy Tale Farm. We have had some preliminary discussions with a graphic designer to develop a logo for our business. We have purchased the web domain and started both Facebook and Instagram accounts.

###  Products

 For this upcoming season, the only product will be organically grown (but not certified) annual vegetables. We will focus on quality and freshness to help make our product stand out. We will be able to talk at length about all varieties we grow and our practices. We will eat everything we grow and be able to provide advice on how to store and prepare. We will encourage feedback from regular customers on what we grow and what they would like to see more of.

###  Distribution

 For this season, all of the farms products will be moved through the Elora Farmers Market. We have already secured a spot and paid our fee. We have committed to attending from the 3rd Saturday in June to the last Saturday in October. The market is open May long week to December so there are options to extend if we have more produce than anticipated.

**Market Infrastructure**

 We have already purchased a pair of tents, one for the wash station and one for the market. We have four folding six foot tables. We have table cloths and have been collecting various crates and baskets from thrift shops over the past year for display purposes. Once we have our logo and brand developed we will obtain a banner for our stall. We have also purchased a variety of clips to attach signage to our various baskets and bins. For signs, we will use laminated heavy weight paper that will have our branding and crop name on it. We will have to write in pricing using dry erase marker.

**Vehicle**

 This is a major barrier for us. We have a minivan for personal family use and are really hesitant to use it for farm related tasks. The family has a small sedan as a second car and we are exploring the option of a small trailer towed by this car to act as our market vehicle. Failing this we will use the family minivan but will prioritize a solution for the farm. Ideally this would be some sort of cargo van.

## Financial Strategy

**Whole Farm Strategy**

 Because the vegetable operation is the sole enterprise on the farm for this upcoming season the whole farm budget is basically also the enterprise budget for the garden. This also means that all the overhead costs associated with the farm will fall to the garden to cover.

 There are a few basic goals of the farm in its first year.

1. Cover 100% of the operating costs of the farm. This does not include paying a wage to myself who will be the primary labour.
2. Cover 50% of the start-up costs. We recognize that there will be a significant number of purchases that need to be made in order to get the business started. We are prepared to support the business with a personal loan and our line of credit that will be repaid as the business grows.
3. Our income forecast is $20 000 gross for the year. Well above what is required to get a Farm Business Registration Number in Ontario. Obtaining an FBRN is a basic goal despite this forecast.

**Classifying Costs**

 In the detailed budget (appendix X) we have classified any item with a useable life of three to five years as a start-up cost. Any consumables are classified as operating expenses. We do have a few items that should have longer usable lives (>5 years) classified as capital costs. To make things easier for the future when we have more enterprises, we have also separated out some overhead costs

## Risk Management

**Production**

 By operating a diversified vegetable operation I am already mitigating many production risks. I am confident in my skills as a grower but changing weather patterns are something I am concerned about. I have identified a number of production risks in the corresponding appendix and my plan to deal with them.

**Marketing**

 This is an area I am more concerned about. For my first season, I only have one marketing channel that I will be selling through. I am also less confident about my ability as a salesman. I have addressed a number of different marketing risks in the appendix.

**Personal Health**

This is another area that concerns me slightly. Both from a mental and physical standpoint. I am a fairly social and talkative person and I anticipate spending a lot of time alone in the first season on the farm. With myself being the only labourer on the farm, it is paramount that my physical health remains in good condition. I have identified a number of risks in both areas and plans to address them in the appendix.

**Financial**

This is less of a risk due to my personal situation. However, I need to ensure that the farm does not become a drain on my family’s finances.

**Public Policy**

I have never been the type of person to rally people around public policy issues. I don’t foresee this changing in the near future but I do think it’s important for me to be aware of issues that could potentially harm my business.

## Regulations

## Record Keeping

##

## Appendices

###  Vision

| **Important Factors** | **Short Term \_start-up, first 2 years?\_\_\_** | **Medium Term \_establishing, up to year 6\_\_\_** | **Long Term \_established, years 7 and beyond\_\_\_** |
| --- | --- | --- | --- |
| **Core Values (corner stones of the business, what you promote to the public)** | * Sustainability. Financial, social and environmental
* Food education for consumers
* Land stewardship
 | * Sustainability. Financial, social and environmental
* Food education for consumers
* Land stewardship
* Advocate for local, healthy food
 | * Sustainability. Financial, social and environmental
* Food education for consumers
* Land stewardship
* Advocate for local, healthy food
* Fossil fuel free
 |
| **Products & Services (what are you offering)** | * 20 weeks at local farmers market with vegetables from ½ acre
 | * 20 weeks at local farmers market with vegetables
* Eggs from 50 hens
* 20 member CSA
* Meat from 5 pigs
 | * Eggs from 100 hens
* 75 member CSA
* Preserved food for sale in fall
* Meat from 8 pigs, 100 broilers
* More perennials?
 |
| **Market Channels (market stall, CSA, etc.)** | * Entirely through farmers market
* Start to promote an upcoming CSA
 | * Some farmers markets
* Start and expand CSA
* Meat share?
 | * CSA
* Maybe some wholesale to restaurants
 |
| **Labour force (yourself, staff, family, volunteers, interns, etc.)** | * Myself full time
* Any volunteers willing
 | * Myself full time
* Probably an intern or paid seasonal staff
* Any volunteers willing
 | * Myself full time
* Hopefully at least one of our children
* If children aren’t interested than paid seasonal staff
* Any volunteers willing
 |
| **Where (geographical location and land base)** | * 20 minutes outside Guelph
* 10 acres total
 | * Same as previous
 | * Same as previous
 |
| **Lifestyle (vacation, hobbies, etc.)** | * At least 1.5 days off/week
* 1 week ski vacation in winter
 | * 2 days off/week
* 2 weekends camping in summer
* 1 week ski vacation in winter
 | * 2 days off/week
* 1 week long camping in summer + 2 weekends
* 1 week ski vacation in winter
 |
| **Community Involvement (open house, workshops, events)** | * 1 open house for community
 | * 2 open houses for community
* 2 cooking workshops for community
 | * 2 open houses
* 4 cooking workshops
* Sponsor youth sports team
 |
| **Income streams** | * $20K gross from market
* $40K from partners full time off farm employment
 | * $20K gross from market
* $10K gross from CSA
* $2K gross from eggs?
* $2K gross from pigs?
* $50K from partners full time off farm employment
 | * $40K gross from CSA
* $4K gross from eggs
* $4K gross from pigs
* $2K gross from preserves
* $60K from partners full time off farm employment
 |

###  Production Plan

###  Product Description

###  Markets

###  Budget

|  |  |  |  |
| --- | --- | --- | --- |
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| --- |
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|  |  |  |
|  |  |  |
|  |  |  |
| **Fictional Fairy Tale Farm Budget** |  |  |
| **2018 Calendar Year** |  |  |
|  |  |  |
| **Income** |  | NOTES |
|  |  |  |
| Farmers Markets | $20,000.00 | 20 weeks attendance at an avg. of $1000/week |
| Miscellaneous Sales | $0.00 |  |
|  |  |  |
| **TOTAL** | $20,000.00 |  |
|  |  |  |
| **Expenses** |  |  |
|  |  |  |
| **Overhead** |  |  |
|  |  |  |
| Mortgage | $5,000.00 | Based on using the land and portion of the house |
| Internet | $120.00 | 20% of use |
| Phone | $290.00 | 40% of use |
| Hydro | $150.00 | 10% of use |
| Heat | $80.00 | 10% of use |
|  |  |  |
| **TOTAL OVERHEAD** | $5,640.00 |  |
|  |  |  |
| **Capital** |  |  |
|  |  |  |
| BCS tractor | $5,500.00 |  |
| Hoop house | $4,000.00 |  |
| Furnace | $4,500.00 |  |
|  |  |  |
| **TOTAL CAPITAL** | $14,000.00 |  |
|  |  |  |
| **Start-up**  |  |  |
|  |  |  |
| Irrigation equipment | $2,400.00 |  |
| Wash station | $800.00 |  |
| Walk-in cooler | $1,500.00 |  |
| Small tools | $800.00 |  |
| Pest control | $600.00 |  |
| Seed starting | $450.00 |  |
| Market infrastructure | $1,200.00 |  |
|  |  |  |
|  |  |  |
| **TOTAL START-UP** | $7,750.00 |  |
|  |  |  |
| **Operating** |  |  |
|  |  |  |
| Seeds | $900.00 |  |
| Compost | $550.00 |  |
| Potting soil | $600.00 |  |
| Market supplies | $150.00 |  |
|  |  |  |
| **TOTAL OPERATING** | $2,200.00 |  |
|  |  |  |
| **TOTAL ALL** | $29,590.00 |  |
|  |  |  |
| **INCOME - EXPENSES** | -$9,590.00 |  |

###  Cashflow

###  Relevant Risks

 **Production**

* Extreme/unpredictable weather
	+ The field I’ll be growing in is fairly well drained. Flooding shouldn’t be a concern.
	+ I have purchased an irrigation system in case of a dry year.
	+ I have plans to purchase a hoop house to help protect some of the crops that are more sensitive to weather conditions. If the farm seems viable, then I will prioritize putting up more covered growing space.
	+ I will pay close attention to variable first and last frost dates and adjust my plan accordingly. This could also be an opportunity if the length of the growing season increases due to climate change.
* Seed availability – I will be 100% reliant on outside seed sources for at least the first few years. I do have an interest in saving some of my own seed and will make sure this is a learning priority for myself. I will also strive to have my crop plan done as early as possible to ensure I get orders into seed companies early.
* Weeds/pests/pathogens – This is a total unknown as I’ve never grown in this space before. Keeping on top of the weeds will be a top priority. I have purchased row cover to protect against pests. I am an observant person and will monitor closely for signs of pathogens.

 **Marketing**

* Marketing channels
	+ Having a single sales outlet is concerning. One bad weather could change my financial forecasts significantly. I will do my best to top projections during weeks that are nice to buffer against poor weeks. I will also invest energy in promoting a future CSA and explore other marketing opportunities/sales outlets.
	+ I am not confident in my abilities as a sales person. I will work on being more forward at the market and will make a plan to research workshops or other materials that can help me tackle this and become better at it.

 **Personal Health**

 **Financial**

 **Public Policy**

###  Relevant Regulations

###  Sample Record Keeping