

So you want to become a CSA farmer!



**This is a beginner's guide to CSA farming. It is by no means
the definitive guide to CSA farming – just a primer.**

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Before you get your CSA project in motion, there are many questions you need to ask yourself about your CSA farm's structure, products, pricing, etc. If you are a farmer already, chances are, your business side of things is already established. If not, then as a new farmer, you'll want to setup your CSA operation just as any other type of business. To operate a CSA farm, you'll have some laws to review and understand as well as keeping a good set of records. It's not overly complex, but there are steps that you need to complete in order to avoid any problems down the road.

PLANNING AND DECISION MAKING

Any business owner will tell you that the planning stage is the most important. This is the time to ask yourself many questions such as; how will you establish a customer-base, how will you manage your farm, what will you sell and many other questions. This is the time to be as thorough as possible. Each farm is different, which is what makes CSA such an exciting concept. Below are some basics in regards to your planning stage:

- 1) Do you understand what CSA is all about? [Check out this summary.](#)
You may want to consider what your objectives are for becoming a CSA.
- 2) What type of products will you offer?
It's good to have a variety of products available at different points throughout the growing season.
- 3) How many customers do you want to target initially?
A market study for your area is good to find out the initial demand for CSA farm produce.
- 4) Will you operate an on-farm store as well?
If so, you will have other laws to follow.
- 5) Will you make deliveries or have farm-pickup only?
Some CSA farmers deliver to 1 or 2 locations for customer pickup. Others simply have farm pickup only, or both options.
- 6) What will you charge your customers per share? Will you offer half shares? Will you offer work shares?
After figuring out the cost of seeds, machinery, labour and any other fees incurred when running a CSA farm, you must decide on the share costs as well as payment options.
- 7) Will you grow organic products?
If so, there are certain standards that must be met in order to state that your products are organic.
- 8) How will you recruit customers?
You need a marketing plan in order to advertise your products and get customers.
- 9) Do you have the initial capital?
Do you have enough money to cover your first year expenses in case you don't get enough customers during the first year?
- 10) Will you require outside help?
Some farms need to hire extra help, and others don't. It all depends on your situation.
- 11) How will you keep track of your books?
You will be required to keep track of all expenses and income. Choose early and keep on top of it so it doesn't snowball into a mountain of work.
- 12) Do you have a business plan? Check out these [tips for CSA farmers.](#)
Putting everything down on paper in an organized format will help you keep focused on your goals. It will also ensure that you have answers to all the questions you need in order to get started.

SUGGESTED BOOKS FOR THE NEW CSA FARMER

- **Our Field: A Manual for Community Shared Agriculture**, 1994, by Tamsyn Rowley and Chris Beeman. Chapters focus on beginning and marketing CSA projects, as well as on the best agricultural practices suited to CSA. Includes appendix of CSAs across Canada. 89 pages. \$15. Tamsyn Rowley, University of Guelph, Guelph, Ontario, Canada N1G 2W1; phone 519-824-4120 ext. 8480; fax 519-763-4686 (The Ontario government supports the University of Guelph by providing funding each year for agriculture and food research).
- **Basic Formula to Create Community Supported Agriculture** by Robin Van En. This is a step-by-step guide to forming a CSA, including budget, harvest and distribution information. 80 pages. \$10.00 postpaid. From Indian Line Farm, Box 57, Jugend Road, Great Barrington, MA 02130.
- **Community Supported Agriculture (CSA): Making the Connection** by Bill Blake et. al. Handbook for farmers, includes information about getting started, designing CSAs, recruiting members, creating production and harvest plans, setting share prices and legal issues. Incorporates ideas and strategies of many successful CSAs. \$31.81 (make check payable to UC Regents). UC Cooperative Extension, Attn: CSA Handbook, 11477 E Avenue, Auburn, CA 95603; phone (916) 889-7385.

NEW TO FARMING? CHECK OUT THESE RESOURCES

A farm is a business. As such, you must incorporate your farm business and keep the paperwork on taxes, purchases, sales, etc, as all other types of business must do. Below are links to some great information. For example there is material on starting a farm, doing organics, growing market crops, CSA resources and so on.

OMAFRA Documents: <http://www.omafra.gov.on.ca/english/products/economics.html#management>

OMAFRA Resources on starting a farm or CSA: <http://www.omaf.gov.on.ca/english/crops/organic/organic.html>

Organic Agriculture Centre of Canada: http://www.organicagcentre.ca/Consumers/cons_csa.asp

USA National Agricultural Library: <http://www.nal.usda.gov/afsic/pubs/csa/csa.shtml>

RESOURCES ON HOW TO RUN CSA'S

Wikipedia's CSA description, history and references: http://en.wikipedia.org/wiki/Community-supported_agriculture

Publications for CSA farmers: <http://www.nal.usda.gov/afsic/pubs/csa/csafarmer.shtml>

The Great Lakes CSA Conference: <http://www.csaconference2008.ca/resources.html>

Michigan CSA Resources: <http://www.csafarms.org/>

University of Massachusetts CSA Resources: http://www.umassvegetable.org/food_farming_systems/csa/

A Training Guide for the New or Prospective CSA Grower: Produced by CSA: Michigan: <http://www.csafarms.org/>
([Click here](#) to download the guide in zipped format - it's 2.7mb in size))

RESOURCES ON OPERATING

Canadian Federation of Independent Grocers (trade association for retail stores): <http://www.cfig.ca>

Canadian Health Food Association (trade association for retail stores): <http://www.chfa.ca>

Ryerson University (has a retail centre that offers training): <http://www.ryerson.ca>

FOOD SAFETY

Under the Health Protection and Promotion Act (1983), it is mandatory to notify the health inspector of your intentions to open a food premises (basically, any place that sells food is a food premises, so you must notify them of what you're planning to do). Call your local Health Unit (find your closest office at http://www.health.gov.on.ca/english/public/contact/phu/phuloc_mn.html or check the blue pages of your phone book).

Read over the Food Premises Regulations 562 to understand which health regulations apply to your case and whether you're exempt. Health Protection and Promotion Act: <http://www.e-laws.gov.on.ca> (Current Consolidated Law) (([Click here](#) to download it))

The inspectors from your local public health unit may conduct surprise inspections to ensure safety and make sure you're following the regulations (they have that right if they feel there's a risk to the health of the public).

The Health Unit also likely offers education courses on food safety for you and any potential staff you may be hiring. The course outline comes from the Ministry of Health and it covers things like basic food safety, etc. Generally, these courses are less than \$50 and last one day or less. Even if you are exempt from the regulations, it is well worth ensuring that you and your staff have the good understanding of basic food safety that these courses can provide.

ARE YOU ZONED TO SELL PRODUCTS?

Essentially, you are "retailing" (just another word for selling) your farm-grown products directly to consumers. Most municipalities don't allow commercial sales from agricultural land unless it is produced right on that same farm.

Contact your local City Hall and ask for the Planning and Zoning Department to find out what bylaws are in place for your area. You may need to get some of your zoning changed.

THE ON-FARM STORE

If, in addition to CSA pick-ups, you are looking at running an on-farm store or even just adding a few processed items like honey or maple syrup, you may wish to get in touch with and attend a meeting of the Farm Fresh Marketing Association. They can be found at: <http://www.ontariofarmfresh.com/>

Note that most municipalities will have a bylaw that prevents you from adding food made or grown in other locations in your on-farm stand. You may be required to change your zoning or apply for a business license among other things. You should check with your municipal office to ensure you are "in compliance with" (or obeying) all the municipal bylaws that apply to you.

WHAT'S INVOLVED IN GROWING ORGANIC PRODUCTS?

If you are interested in calling any of your products "organic", they must have been produced in accordance with Canada's national organic standard for production and/or processing. The Canadian General Standards Board website has a lot of information:

Standards for Organic Agriculture: http://www.pwgsc.gc.ca/cgsb/on_the_net/organic/index-e.html

Guide to Food Labelling and Handling: http://www.pwgsc.gc.ca/cgsb/on_the_net/032_0315/standard-e.html

ON THE BUSINESS SIDE OF THINGS

The Canada Ontario Business Service Centre website (<http://www.canadabusiness.ca>) has a lot of general "how to start a retail outlet" information. This is for things like hiring staff (WSIB, CPP, EI), and collecting sales taxes (PST & GST), etc. A good start is: <http://www.canadabusiness.ca/gol/cbec/site.nsf/en/bq00328.html>

Websites with information on Starting a Business:

The Government of Ontario:

http://www.gov.on.ca/ont/portal/!ut/p/.cmd/cs/.ce/7_0_A/.s/7_0_252/.s.7_0_A/7_0_252/!en?docid=EC001061#start

Ministry of Economic Trade and Development: <http://www.ontario-canada.com/> and in particular, this document: http://www.2ontario.com/software/brochures/establishing_business.asp

Canada Customs and Revenue Agency: <http://www.ccra-adrc.gc.ca/business>

The good news is that for income tax, you can include the revenue in your own farm income as long as it is a very small portion and don't have to declare it separately as another business.

Industry Canada Strategic & Business Planning: http://www.ic.gc.ca/epic/site/stco-levc.nsf/en/h_qw00062e.html

The **Small Business Enterprise Centres** focus on providing support to start-up and small enterprises during their first through fifth years of operation. Entrepreneurs are provided with easy access to business consulting services and information covering management, marketing, financing and technology. You can find your closest office at: http://www.ontariocanada.com/ontcan/en/expanding/ex_locations.jsp

Some of the support and resources provided by Small Business Enterprise Centre include:

- Free start-up consultations with a qualified business consultant, mentoring and networking opportunities
- Review of business plans, workshops and seminars
- Consultations through a lawyer/accountant referral service
- Up-to-date, leading-edge information that's yours for the taking - booklets, pamphlets, brochures, articles - all geared to the needs of the entrepreneur
- Access to current resource materials, including directories, trade indexes & books that you can peruse on-site
- Guidance on licenses, permits, registration, regulations and other documents for starting a business
- Import and export information
- Information on patents, copyrights and trademarks
- Internet and computer access for business research and planning

INSURANCE

Liability insurance for your farm business is highly recommended in order to protect yourself and your consumers in case of illness or if they injure themselves by eating your food (biting down on a bit of metal accidentally included in a bundle of lettuce or something). There is an excellent section on "risk management" and what you need to think about for small businesses at the website of the Insurance Bureau of Canada

http://www.ibc.ca/en/Business_Insurance/Risk_Management/.

You may be able to insure under your general farm policy, or to find insurance for your business, call:

IBC Information Services
Toll Free: 1-800-761-6703
2235 Sheppard Avenue East,
Atria II, Suite 1100,
Toronto, Ontario M2J 5B5
Tel: (416) 445-5912
Fax: (416) 449-9357

MARKETING

(Remember, your signage is considered marketing)

The Guide to Packaging and Labelling has information on how to advertise products at:

<http://www.inspection.gc.ca/english/fssa/labeti/guide/toce.shtml>

This is a federal law and is not inspected by the same person that does your health inspection from the Health Unit. The federal inspectors will conduct surprise visits or visit you if someone complains, so it's better to get the advertising set up based on the law right from the start.

Ontario also has some requirements for the signage and labelling of meat and fresh produce, look under the headings at: http://www.omafra.gov.on.ca/english/food/inspection/faq_farm_prod_grades_act.htm.

There may also be bylaws in place regarding pick-up stands, the size and placement of signs (assuming you'll want to advertise the CSA business with signage at your house). The Ontario Ministry of Transportation

<http://www.mto.gov.on.ca/english/engineering/management/corridor/signs.htm> has signage restrictions. The local bylaw officer will likely know the restrictions.