

Managing a Large Scale CSA with Multiple Locations

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Farm Background:

Red Fire Farm developed from a market garden started by farmer Ryan Voiland when he was a teenager starting in the early 1990's. Ryan farmed mostly on rented acreage until buying the farm's first property in 2001. In the early years the business was focused mostly on a roadside farm stand located in Montague MA in the front yard of Ryan's parents home, as well as a local farmers market and some limited direct to store wholesale to stores & restaurants in Western MA. In 2001 now farming on newly purchased property in Granby, the farm added a CSA share offering, starting with about 100 shares that season. Share #'s have grown over the years, especially after we started doing off farm distributions in the greater Boston area.

Farm Land & Facilities:

Much of the land we farm in Granby MA is land that the farm rents. Most of these fields are not protected by APR, and our rental agreement is season to season. Unable to negotiate any long-term land tenure on these fields, we decided in 2009 to search for additional farmland to purchase. There being no quality acreage in the vicinity of our Granby location, we were able to find two adjacent properties with 45 acres of cropland plus 10,000 square feet of greenhouse space, and office building, a farmhouse and several barns located in Montague MA near the Connecticut River. We decided to take out an additional mortgage and purchase these properties in 2009 and 2010. We then began the three-year process of transitioning the land to certified organic (several years of cover crops). Our plan was to continue the Granby location, but to move the major office and produce packing and distribution functions to the Montague location. Soon after closing on the Montague property we initiated a remodel and addition onto the large barn in order to make it suitable for produce packing. We moved our office and packing starting in January of 2012, so we have had our headquarters in Montague for about two years.

Montague Packing Barn:

We rebuilt the floors so they are all at one level, added a matching five truck loading dock, made four separate cooler chambers (geothermal cooled) that can accommodate up to about 100 pallets of produce for winter storage, added insulation to the walls of the produce wash room, added a drainage field for the muddy wash water. The remodel cost about \$300,000 over two years.

Current Land Situation:

Granby- We own about 15 acres of good cropland in Granby that is immediately adjacent to our Granby Farm Stand / CSA location. We use this acreage almost exclusively for CSA member pick your own crops. There are about 200 members per week who pick up their shares at this location, and we direct all of our Boston and Springfield area members to go to this location for their Pick Your Own crop picking.

We also still rent around 70 additional acres in Granby (despite not having long term land tenure on much of this). We plant around 30 acres of this land per year focusing almost exclusively on Salad Greens, Greenhouse Tomatoes, and Bulk harvested root / storage vegetables.

Montague- Upon moving to Montague, we saw the need for more acreage in addition to the 45 we purchased. Over the last few years we arranged to lease additional fields in the Montague and Sunderland area, including some that one of our farm members purchased on behalf of the farm. Some of these fields are 5 or 6 miles away from the Montague farm base, but good farmland is in very tight supply and high demand, so we have resigned ourselves to the fact that having a contiguous farm is not possible. We now have around 100 acres of potentially croppable land in the Montague area, and planted about 70 acres to vegetables & berries in 2013

Land Summary in 2013 - ~100 acres planted to crops (40 Granby, 60 Montague). Another 50 or more acres in summer cover crops (including acreage swapped with the chicken operation in Granby.)

Vehicles:

We have 5 box trucks (14 or 16' boxes) and once van for produce delivery. Almost all delivery trucks are in use daily from Tuesday until Friday each week, with some weekend use also. Two of the trucks are insulated and refrigerated. For in field harvesting and other jobs we use mostly old pick up trucks. We have a fleet of about 7 field trucks for Montague and 3 in Granby. Due to breakdowns on these vehicles we have lost much crew time and had some major frustrations & would like to upgrade the vehicles. We pay our mechanic about \$100,000 per year (parts and labor) to repair and maintain the farm vehicles and farm machinery.

Management Structure:

As the farm has grown in scale, we have developed a management team structure. These 10 positions we consider the Core Management Team, although there are multiple additional leadership positions within the farm.

Ryan Voiland – co-owner. Overall production manager (crop plans, weekly production to do lists, weekly harvest notes and CSA contents plan, & all direct seeding at both locations), General Manager Functions (finances & budgets, banking, land deals, capital equipment purchases, and everything else that comes up.) Also does some farm stand delivery and farmers market display work each week.

Sarah Voiland – co-owner. Marketing & Communications Manager. Oversees the HR Manager and the labor budget for the farm. Types of tasks include constant contact e-mail communications with the farm members; web & brochure marketing, hiring and oversight of other farm managers, and helping Ryan make major decisions about the farm.

HR Manager- This person hires, fires, manages work schedules and is responsible to keep an adequate work force lined up for all the farm needs. The farm employs up to 90 people at peak season, so doing all of the paperwork and coordination is a substantial job.

Logistics & Wholesale Manger – This is primarily an office job. This person coordinates all wholesale orders and all of the trucking & logistics involved in getting the produce to the CSA locations and to other customers. This person also does purchasing of produce that we buy in from other farms (fruit shares, eggs, etc).

Montague Production Manager- Responsible for executing the weekly production plans. This person does much tractor work himself, but also manages the other tractor operators, field & weeding crews, irrigation, and anything else involved with growing the crops in Montague.

Granby Production Manager- Same as Montague except for Granby location.

Bedding Plant Manager- Manages the plant growing process in the Greenhouses in the winter and spring and coordination of wholesale plant orders. This is a seasonal management position.

Montague Planting Manger- Oversees greenhouse seeding for field plants, and also the transplanting process in Montague.

Montague Harvest & Packing Manager- Builds the daily harvest lists for both farm locations based on orders and CSA distribution plans. Is in charge of all aspects of the harvest and packing process at the Montague location, and the many employees who are part of this process.

Granby Harvest & Packing Manager – Same as Montague, except fewer overall people to manage, since less to harvest at this location.

Office Systems & Software:

Member Management – We have hired a software expert to customize a file maker data base for keeping track of our CSA members, their share options, their payments & past members / mailing list. We have a part time person who manages the input of this data. This CSA coordinator position also handles the general farms e-mail inbox by answering questions and changes from members, or forwarding e-mails to the correct person within the farm.

Online Sign Up Forms – Increasingly more and more of our members want to sign up, make payments or renew their CSA shares online. We accommodate this by using formstack sign up forms that are linked to our website. We take online payments via pay pal (which allows people to charge it to any credit card they want to use.) The system is organized to automatically send the customers an e-mail as soon as we receive an online payment.

Financial Recordkeeping – We keep all of the farm financial records on quick books. We have a bookkeeper who works 1 day a week to enter all receipts, cut checks to pay our bills, balance bank accounts, and work with Ryan and the farms hired accountant for tax preparation season.

Payroll – We hire Farm Credit East to do the payroll every other week and all associated filings. We had two other payroll firms before Farm Credit over the years, and consistently had problems. The value of a payroll service that understands and specializes in farms is essential.

Pick and Pack – Consistently accurate order fulfillment remains one of our biggest challenges. We currently use an excel spreadsheet that is updated by the Montague Harvest Manager for each harvest day (we pick Monday, Tuesday, Wed & Thursday each week). This person compiles all orders (the CSA share plan, bulk orders from members, wholesale orders and orders from our farm stand managers) into a single comprehensive spreadsheet organized by crop, picking location, picking crew & harvest vehicle. This list includes a breakdown of individual orders for the packing shed to use, and also totals for each item for harvest crew leaders to use when picking in the fields. We feel that with improved software we could make a better, faster and more foolproof system for managing the daily harvest. This is something we are slowly pursuing.

Production Plans- These are all done using many different excel spreadsheets that have been customized over the years. For many years Siga Field software was used for input and rotation recordkeeping, but this program was recently discontinued in favor of a carefully crafted spreadsheet.

Production Systems:

Our production practices and tools are reasonably standard for organic vegetable operations in New England. Implements we use include Imants Spading Machine, Chisel Plows, Perfecta Harrow, Disk Harrow, Williams Tine Weeder, Kenco Bed Former, Planet Jr Seeder, Water Wheel Transplantors, Penns Creek Boom Sprayer, Undercutter Bar, Two Bed Potato Diggers, and others. For Tractors we have 4 larger (60 HP or more) and two cultivating (G & an offset ford) in Montague and 2 larger units and three cultivating units (two G's and offset case) in Granby. The larger tractors include several Massey 573's, which we bought new, but all of our more recent acquisitions are John Deere's as the Deere dealers and parts service seem to be somewhat more reliable. We insist on tires that are less than 14" wide and creeper gears on all of the larger tractors in order that we can do specialized vegetable farm work like spading and transplanting. Each location has a complete set of equipment for what needs to be done.

We currently use a harvest isle system with 10 ft sod breaks planted after every 8 beds of growing space. This system has some significant advantages (easy to keep track of crop locations and rotations over time, easier access when fields are wet, good place to spray from, beneficial insect habitat within the fields, less wind erosion from fields open all at once). Drawbacks include the lost space for crop planting (2/10's of the crop land), encroachments of the grass sod sometimes interfering with the outer beds of a block, need to establish, mow and maintain the harvest isles. Despite internal debate among the farm staff, we continue with the harvest isle system for now thinking there are slightly more advantages than disadvantages, but continue to contemplate changes to this system.

Many other details of production systems could be discussed, but will be left for other presentations and discussions.

Finances:

We have found the financial viability of farming at this scale to continue to be almost as elusive as when we were a smaller scale operation. Despite sales of around 2 million per year, our net profit before capital expenses remains well below \$300,000 per year. We typically invest about \$100,000 - \$200,000 per year in capital expenses (equipment and buildings), and then have to pay our mortgages (~ \$80,000 per year). This leaves very minimal take home profit for the owners. For the farm itself we also do not feel we are keeping up with maintenance on many of the existing buildings (painting, new roofs, etc.) and we have many projects that we feel should get done (solar panels on more of our south roofs, improvements to buildings and facilities, better vehicles and equipment.) To often in the last few years we are feeling forced to put off these types of improvements and try instead to get by with what we already have. Overall we are trying to find solutions to our systems and farm arrangements that will improve our margin by \$200,000 or \$300,000 more per year, all while also increasing the wages of our staff by 15-25% over the current rates.

Our we meeting our goals as farmers?

We feel that by increasing in scale over the last few years we have moved the business in a direction that is closer to the goals of being able to successfully serve the needs of the farm customers, made a significant positive impact on the availability of local and organic food in MA, improved our ability to do farm tasks on time in order to optimize environmental and horticultural goals, and allowed our family to live in a beautiful setting near the confluence of the sawmill and Connecticut rivers. Nevertheless we still feel that our farm is at times overly demanding on our time and that of our managers, very stressful to manage, and not as financially rewarding for us and our employees as work that requires this level of skill, dedication and grit should reward.