



United States
Department of
Agriculture

Natural
Resources
Conservation
Service

AE-2

Alternative Enterprises – Community-Supported Agriculture

How to provide healthful food to local consumers and strengthen your bottom line

What is Community-Supported Agriculture (CSA)?

Unlike conventional food marketing systems in which farmers sell to wholesalers or other intermediaries, Community-Supported Agriculture allows farmers to sell “shares” of their fresh fruit and vegetable production directly to local consumers over a growing season. Consumers pay farmers in advance of production for weekly delivery of fresh, locally grown produce at a later date. Some CSA’s supplement shares of fruits and vegetables with meat, eggs, poultry, or other value-added items purchased from other farmers. Depending on the CSA, customers can pay for their share in cash, or they can work on the farm in exchange for reduced share costs.

CSA’s can be organized in different ways:

Subscription Farming: Growers sell “shares” of their production directly to consumers, but maintain control over all production and management decisions.

Shareholder Driven: A group of consumers organizes a CSA and seeks out farmers to grow the produce of their choice.

Cooperatives: The grower and the consumers jointly own the land and production resources, work together to produce the food, and share in the management decisions.

Why Community-Supported Agriculture?

Under this direct marketing approach, consumers get the freshest seasonal food possible, often at reduced prices and better quality, while gaining greater control over the way their food is produced. Many CSA’s produce food using organic or low-input production systems that consumers increasingly demand.

Meanwhile, CSA’s provide small-scale farmers with profitable production opportunities that return 100 percent of the consumer’s dollar. And because consumers pay for their produce in advance, farmers have income well before harvest, reducing the need for operating loans. Meanwhile, consumers share much of the production risk with the grower.

What Should You Consider?

Natural Resource Assessment: Are your land, soil, and climate suitable for quality fresh fruit or vegetable production demanded by local consumers? Do you have enough acreage to generate sufficient income? Studies show that CSA’s need at least 100 members in order to maintain a minimal income; how much land that requires depends on what is being grown.

Labor Supply: CSA’s are labor intensive. Do you have access to an adequate seasonal labor supply? If not, will shareholders be willing to provide labor? Do you have the time to devote to planning and implementing a CSA?

Knowledge and Experience: Growing fruits and vegetables differs greatly from producing commodity-type crops; it requires different equipment, facilities, and production practices. Do you have the know-how? Research on CSA’s suggests that to be successful, growers need at least 18 months to plan their CSA and 2 to 4 years of experience growing produce for farmers’ markets or other outlets.

Financing: How will you finance your start-up costs before you’ve built your membership base?

Customer Base and Marketing: Are you located close enough to your customer base to sell enough shares to keep your business profitable? Have you developed a clientele and reputation through sales at local and regional farmers’ markets? What local organizations or businesses can you

partner with to help market your CSA to consumers and promote its growth? Some CSA's offer variable rates to low-income consumers.

Legal Matters: What unique insurance needs might your CSA have? What are your legal obligations and liabilities under your proposed CSA venture?

Where To Get Help

There are a number of information resources that can help you get started on your new venture. A few of those resources are listed below. For more information, contact your USDA Resource Conservation and Development (RC&D) Council area office. For a national listing of RC&D offices, see <http://www.nhq.nrcs.usda.gov/RCCD/rc&dstate.html> on the web or call your local U.S. Department of Agriculture Service Center (in the phone book, under "Federal Government").

For a national listing of alternative enterprises and agritourism liaisons, see <http://www.nhq.nrcs.usda.gov/RESS/econ/ressd.htm>.

U.S. Department of Agriculture (USDA)

USDA's Sustainable Agriculture Research and Education program and its Sustainable Agriculture Network, in collaboration with the National Agricultural Library's Alternative Farming Systems Information Center, has created a new resource dedicated to providing farmers with information on Community-Supported Agriculture. For comprehensive informa-

tion on planning, developing, and marketing CSA's and for other sources of information, see <http://www.sare.org> on the web or call (202) 720-5203.

Appropriate Technology Transfer for Rural Areas (ATTRA)

ATTRA offers extensive information on initiating and maintaining successful CSA's and provides links to CSA organizations that can help you. See <http://www.attra.org/attra-pub/csa.html> on the web or call (800) 346-9140. ATTRA is sponsored by USDA's Rural Business-Cooperative Service.

University of California Cooperative Extension and UC Small Farm Center

The University of California publishes a CSA how-to manual, *Community Supported Agriculture...Making the Connection*, that is available for purchase. Call 530-889-7385 or write UCCE, 11477 E Ave., Auburn, CA 95603.

Farming Alternatives Program (FAP), Cornell University

FAP produces a step-by-step workbook to help you plan and evaluate a new enterprise. The workbook, *Farming Alternatives: A Guide to Evaluating the Feasibility of New Farm-Based Enterprises*, can be ordered by calling (607) 255-9832. Also see <http://www.cals.cornell.edu/dept/ruralsoc/fap/fap.html> on the web.

For additional copies of this information sheet, AE-2, call 1-888-LANDCARE or see the website at <http://www.nhq.nrcs.usda/RESS/econ/ressd.htm>.

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