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COMMUNITY SUPPORTED AGRICULTURE IN CALIFORNIA, OREGON AND WASHINGTON: CHALLENGES AND OPPORTUNITIES

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Executive Summary

In an era of disappearing family farms, consolidation of the food industry and food that travels an estimated 1,500 miles “from farm to table,” consumers are increasingly seeking alternatives to what many see as an impersonal food system. An increasing number are wondering how their produce is grown, where it came from, and how it got to the supermarket.

At the same time, small farmers are increasingly exploring a broad range of “alternative” marketing mechanisms, such as direct marketing, as a means of increasing their viability by capturing a larger percentage of consumer food dollars. An increasingly popular means of creating direct linkages between small farmers and local consumers is Community Supported Agriculture (CSA). CSA first appeared in the United States in 1986, with the simultaneous but independent formation of the Indian Line Farm in Massachusetts and the Temple-Wilton Community Farm in New Hampshire. The Robyn Van En Center for CSA Resources describes CSA in the following manner,

CSA is a relationship of mutual support and commitment between local farmers and community members, who pay the farmer an annual membership fee to cover the production costs of the farm. In turn, members receive a weekly share of the harvest during the local growing season. The arrangement guarantees the farmer financial support and enables many small- to moderate-scale organic family farms to remain in business. Ultimately, CSA creates “agriculture-supported communities” where members receive a wide variety of foods harvested at their peak of ripeness, flavor and vitamin and mineral content.

CSA rests on a number of important principles, primarily community building through direct marketing between farmers and consumers, capitalization of production on the part of members, “shared risk” between consumers and farmers, environmentally sustainable farming and food that is produced locally by family farmers. CSA members generally pay for all or part of the season’s produce in advance, thereby providing farmers with a guaranteed income and an important source of capital. At the same time, by purchasing “shares” in the CSA, members partake in the farm’s fortunes: when harvests are bountiful, shares are large and when harvests are poor shares are correspondingly small.

The CSA movement has resonated with American consumers seeking a more direct connection with local food and family farmers. The number of CSA farms in the U.S. has grown from approximately 60 farms in 1990 to an estimated 1,700 in 2004. CSAs are now located in all 50 states, with the largest concentrations in California, New York, Wisconsin, Pennsylvania and Washington.

The research set out to gain an in-depth understanding of CSA in terms of a range of issues, including production, labor, marketing, finances, collaboration, competition and community relations. The research identifies a number of challenges facing CSA and how farmers have addressed those challenges. Finally, the report offers recommendations for increasing the viability of CSA, based on the research.

The research methodology consists of in-depth case studies with 13 CSA farms in California, Oregon and Washington. A team of two researchers visited each farm over a two-week period. In-depth conversations were conducted with farmers at each site, utilizing a semi-structured interview protocol. Family members, farmworkers and interns were often present during those conversations and contributed as well. The farm visits generally included an overnight stay, which provided the possibility of participant observation in order to gain a firsthand sense of daily life on the farm.

Production

Agricultural production is without a doubt one of the more complex aspects of CSA. Unlike most farms, which produce a limited number of crops, CSAs are designed to offer members a diverse range of products. Consequently, most grow between 50 and 70 distinct crops during the course of the season. The production of such a diverse mix of crops requires a high level of knowledge and extremely complex planning, since CSAs must provide members with variety both during and over the course of the season. CSA has also become virtually synonymous with organic production, with nearly 94 percent of CSA farmers nationwide using organic methods.

CSA growing seasons vary by region. Most CSAs in California operate year-round, while those in Oregon and Washington, with cooler climates, have a significantly shorter growing season of approximately 20 weeks. Despite a shorter growing season, most CSAs in Oregon and Washington sell shares during all or part of the winter. In some cases shares consist of root vegetables that are distributed in the fall and winter. In addition, many purchase produce from off the farm and resell it through the CSA, a practice known as “buying in,” which is more common among, though not limited to, CSAs operating in regions with cooler climates. While this practice is a significant departure from the original concept of CSA, it represents an important strategy in terms of income generation and member retention, since CSAs do not lose members over the winter when production comes to a halt.

Labor

CSAs differ from other types of farms with respect to labor requirements and their use of labor. In addition to hired and family labor, CSAs also obtain labor from both interns and members. Interns are generally young people – often from around the world – who are interested in learning about organic farming and community supported agriculture. Some CSAs also use member labor, which may be voluntary or required. A number also offer “work shares,” through which low-income members work on the farm in exchange for a weekly share.

Marketing

Unlike the original concept of CSA, in which all production goes to its members, many CSAs now rely on a diverse mix of marketing strategies, including direct marketing, wholesale and retail. In fact, only one of the farms in our sample exclusively uses CSA arrangements to market its products. In addition to distribution to members, direct marketing is generally done at farmers’ markets, while retail clients include groceries, natural foods stores, food cooperatives

and restaurants. CSAs also often sell to one another, through on-going relationships in which they complement shares to provide members with greater variety, or on an ad hoc basis, when faced with poor harvests or to meet wholesale orders that a single farm may not be able to fill on its own. The proportion of sales generated by CSA accounts for 15 to 50 percent of gross revenue for the farms in our sample (with the exception of the one farm that is exclusively CSA). Nonetheless, all of the farmers in our sample consider CSA an integral part of their marketing strategy for a variety of reasons, including the stability that CSA offers, the ability to maximize sales through access to a variety of outlets and access to production capital through advance payments.

Member Recruitment and Retention

Because CSA is based on a direct relationship between farmers and consumers, successful member recruitment and retention is an issue of vital importance. With retention rates of approximately 63 percent per year, CSAs must continually recruit new members in order to remain viable. Members report leaving CSA for a variety of reasons, principally a desire for more control over what they eat, followed by what many consider overly large shares and discomfort with discarding uneaten food. Many members split shares informally as a way of addressing the problem of “too much food,” and some CSAs consequently offer half-shares. However, the issue of choice is more intractable, because CSAs provide seasonal foods when they are available, and cannot easily customize each share in accordance with individual member preferences.

CSAs recruit new members in a number of ways, including word of mouth, farm events, membership drives, brochures, flyers, speaking at local events and advertising through local newspapers and radio stations. Virtually all the farmers in our sample agreed that word-of-mouth is by far the most effective – as well as cost-effective – strategy for recruiting members. Articles about CSA in local newspapers are a particularly effective means of spreading the word and farmers report that they receive numerous calls from prospective members whenever such articles appear. Promotion by community leaders is another effective way of recruiting new members. For example, a minister in Eugene, OR, holds a CSA festival each year, which brings many new members to local farms.

While ongoing recruitment is essential, member retention is ultimately the goal of CSA. Communication is perhaps the most important tool for retaining members. CSAs utilize a number of vehicles for communicating with members, including newsletters, email, websites and bulletin boards at drop-off sites. Newsletters are the most common form of communication, and serve several important functions, including providing recipes for the produce in that week’s share; updates of life on the farm; profiles of farmers, farmworkers and interns; and personal, political and philosophical musings on a range of issues associated with farming and sustainable agriculture.

Finances

One of the hallmarks of CSA is the role of advance member payments in capitalizing production. Many CSAs do not require bank loans at all because advance payments are sufficient to cover most or all production costs. Advance payments also provide an essential source of financing since many CSAs are not eligible for bank loans due to the small size of their operations. However, there are regional variations with respect to advance payments. CSAs in colder climates such as Oregon and Washington, with a discrete growing season and specific start and end dates are more likely to receive advance payments than those in more temperate regions such as California, where production is year-round and members are more likely to pay monthly or quarterly.

Share prices vary significantly among CSAs, in part because they are calculated using different methodologies. Some CSAs price shares are based on the wholesale market value of the produce, while others charge closer to what the produce would cost at retail markets. The one farm in our sample that is exclusively CSA prices its shares based on total production costs.

The profitability of CSA is difficult to gauge, in part because CSA is often one of several marketing strategies and farmers are often unable to calculate the profitability of each marketing component. Three of the farmers in our sample felt that CSA was the most profitable component of their farm operation, while six perceived other marketing outlets as more profitable.

Collaboration, Competition and Community Relations

CSAs often operate in an environment of what some term “collaborative competition,” in which they are competitors and collaborators at the same time. Farms in the same region generally produce the same crops and compete for the same membership base. At the same time, however, there is a very strong spirit of collaboration among CSAs, which contributes to the viability of each farm. Forms of collaboration include sharing equipment, joint purchasing of supplies and materials, selling to one another and selling jointly to wholesalers, transporting produce together and even sharing labor.

The issue of community relations has been a thorny one for CSA, which has been criticized for having a largely affluent membership base. The advance payment requirement is prohibitive for many low-income individuals, effectively excluding them from CSA membership. CSAs have developed a number of mechanisms for extending themselves to low-income community members, including work-shares, free or reduced-price shares for low-income residents and providing surplus food to a range of community organizations serving low-income people.

Conclusion

Community Supported Agriculture in the United States has made tremendous strides since the first CSA farms were formed in 1986, with an estimated 1,700 farms serving several hundred thousand members in 50 states. This movement has clearly tapped into a strong and growing desire among consumers for fresh, local and organic food. At the same time, CSA has responded

to the desire of many farmers for more direct relationships with the people eating the food they grow. CSA contributes to farm viability in a number of ways. Direct marketing allows farmers to capture a higher percent of consumer food dollars, while a guaranteed market offers a high degree of financial stability. Advance payments provide CSAs with an important source of interest-free capital, in many cases obviating the need for production loans. The relationships between farmers and members can also contribute to the viability of the farm operations, since CSAs can draw on members for support during crises or emergencies, or assist with extraordinary expenses such as the purchase of land or equipment.

Introduction

In an era of disappearing family farms, consolidation of the food industry and food that travels an estimated 1,500 miles “from farm to table,” (Pirog 2001) many consumers are seeking alternatives to what they see as an impersonal food system. They are becoming dissatisfied with the taste and texture of the waxy-coated apples and rock-hard tomatoes they find in a typical supermarket, and are increasingly wondering how the produce they eat was grown, where it came from, and how it got to the supermarket.

At the same time, many small farmers are exploring a broad range of “alternative” marketing mechanisms, such as direct marketing, as a means of increasing their viability by capturing a larger percentage of consumer food dollars. This confluence of events has led to a 108 percent jump in the number of farmers’ markets throughout the U.S. between 1994 and 2004 (USDA-AMS).

A less visible, but increasingly popular means of creating direct linkages between small farmers and local consumers is Community Supported Agriculture (CSA). The Robyn Van En Center for CSA Resources (<http://www.csacenter.org/movement.html>) describes a typical CSA operation in the following manner,

CSA is a relationship of mutual support and commitment between local farmers and community members, who pay the farmer an annual membership fee to cover the production costs of the farm. In turn, members receive a weekly share of the harvest during the local growing season. The arrangement guarantees the farmer financial support and enables many small- to moderate-scale organic family farms to remain in business. Ultimately, CSA creates “agriculture-supported communities” where members receive a wide variety of foods harvested at their peak of ripeness, flavor and vitamin and mineral content.

Community Supported Agriculture finds its roots in the “teikei” movement in Japan. Although the literal meaning of teikei is “partnership,” it is often translated as “food with the farmer’s face on it,” in light of the direct relationship between farmers and consumers that is at the heart of this movement. The teikei movement began in 1965 when a group of women “concerned with the use of pesticides, the increase in processed and imported foods and the corresponding decrease in the farm population” (Robyn Van En Center) began to contract directly with local farmers in order to obtain fresh, organic and locally grown produce.

CSA first appeared in the United States in 1986, with the simultaneous but independent formation of the Indian Line Farm in Massachusetts and the Temple-Wilton Community Farm in New Hampshire (McFadden 2004). However, whereas most historians attribute North America’s CSA roots to the teikei movement, Steven McFadden (2004), a long-time chronicler of the CSA movement in the U.S., claims that, “while community farm initiatives got under way in both Japan and Chile in the early 1970s, those efforts did not directly influence the 1986 start of the CSA movement in the states. The U.S. impulse came from Europe, and specifically from the

biodynamic agricultural tradition,” which was propounded by Austrian philosopher Rudolph Steiner. Susan Witt, one of the original co-founders of Indian Line Farm claims that,

One of Steiner’s major concepts was the producer-consumer association, where consumers and producers are linked by their mutual interests....And one of [E.F.] Schumaker’s major concepts was “to develop an economy where you produce locally what is consumed locally.” We began to see CSA as a way to bring these key ideas together. (McFadden 2004)

According to the Robyn Van En Center (www.csacenter.org), the goals of CSA are to support a sustainable agriculture system that: provides farmers with direct outlets for farm products and ensures fair compensation; encourages proper land stewardship by supporting farmers in transition toward low or no chemical inputs; strengthens local economies by keeping food dollars in local communities; directly links producers with consumers, allowing people to have a personal connection with their food and the land on which it was produced; and makes nutritious, affordable, wholesome foods accessible and widely available to community members.

At the same time, for many farmers, an essential aspect of CSA is the opportunity to create direct relationships with consumers, and by doing so create an alternative to what many see as an increasingly globalized and depersonalized food system, in which food is divorced from producers, consumers and traditional agricultural cycles.

CSA rests on a number of important principles, primarily community building through direct marketing between farmers and consumers, capitalization of production on the part of members, “shared risk” between consumers and farmers, environmentally sustainable farming and food that is produced locally by family farmers. CSA members generally pay for all or part of the season’s produce in advance, providing farmers with a guaranteed income and an important source of capital. At the same time, by purchasing “shares” in the CSA, members partake in the farm’s fortunes: when harvests are bountiful, shares are large and when harvests are poor, shares are correspondingly small. While this innovative arrangement helps assure the viability of CSA farmers, it also requires a high level of commitment on the part of consumers, who have little to gain when shares are large (since excess food can generally not be stored), but much to lose when harvests are small.

Other key aspects of CSA include the existence of a “core group” of members, who have traditionally played an important role in the operation of CSA farms, in terms of decision-making and coordinating diverse tasks such as membership, distribution of shares and CSA events.

The CSA movement has clearly resonated with American consumers seeking a more direct connection with local food and family farmers. The number of CSA farms in the U.S. has skyrocketed in recent years, from approximately 60 farms in 1990 to an estimated 1,700 in 2004 (McFadden 2004). CSAs are now located in all 50 states, with the largest concentrations in California, New York, Wisconsin, Pennsylvania and Washington, which account for approximately one-third of all CSAs in the U.S. (Local Harvest). The increasing popularity of CSA and the extent to which it has become more “mainstream” are attested to by recent coverage

in a broad range of media, including Time Magazine, the New York Times, the Los Angeles Times, the San Francisco Chronicle and MSNBC.

With the growth and expansion of this movement, and the entry of significant numbers of newcomers – both farmers and consumers – CSA has evolved in many different directions. Change has taken many forms, and it is safe to say that no two CSA farms now operate along identical lines. Most striking, perhaps, is the evolution of CSA from a consumer-driven to farmer-driven model, in which growers make the decision to form a CSA, rather than consumers initiating that arrangement. That change is in large part a function of the growing number of small farmers who are seeking to develop direct marketing channels, especially individuals who are just entering farming as an occupation. Kambara and Shelley (2002) found that direct marketing is an important entry strategy for small farmers. In that regard, CSA may represent a particularly attractive model for new farmers, offering guaranteed income as well as shared risk between farmers and members.

The evolution of CSA toward a more farmer-driven model has had a number of impacts, such as reduced reliance on core groups of members who provide direction and assistance in running a CSA. At the same time, diversification of marketing outlets, increasing competition among CSAs and the practice of buying in produce purchased off the farm and resold through the CSA have led to more stable share sizes that are less dependent on the harvest.

The increased popularity of CSA has seen the entry of thousands of new members, many of whom have varying levels of commitment, in terms of the amount of time and energy they are willing to devote to the farm itself, and their willingness to share in the farm's risks. At the same time, while CSA offers a certain level of stability for small farmers, more entrepreneurial farmers may feel constrained by the limited opportunities for growth and income-generation that accompany that security.

As a result, CSA “has diversified into a range of social and legal forms, with philosophically-oriented CSAs at one end and commercially-oriented subscription farms at the other.” (McFadden 2004) Change has affected all aspects of CSA, including community relations and member involvement in day-to-day farm operations, advance payments and capitalization of production, share size and pricing, and market diversification. Regional variations in CSA have developed as well. CSAs on the East Coast are more likely to be exclusively CSA, while farms on the West Coast are more likely to consist of “hybrid” operations, in which CSA is one of several marketing strategies (Henderson 1999). According to Jo Meller, co-editor of The Community Farm, a newsletter about CSA, “The Northeast has smaller farms with more core groups where the members are more active. The Midwest is more farmer-driven. In California you have huge CSA farms on a scale that hasn't seemed feasible elsewhere.” (McFadden 2004) Nonetheless, and despite these changes, community-building and direct relationships between farmers and consumers remain at the heart of CSA.

Steven McFadden (2004) believes that CSAs are currently poised for “a third wave of CSA development...that could not only triple or quadruple the number of CSAs over the next few years, but also raise in importance the role these farms play in their communities.” In addition to consumer interest in participating in a more personalized food system with direct connections

between consumers and farmers, issues such as food safety are also contributing to heightened consumer interest in CSA.

Research Methodology

The California Agricultural Direct Marketing Study (Kambara and Shelley 2002) found that CSA was one of the more robust forms of direct marketing, with higher gross sales than other direct marketers and smaller acreage requirements. This research consequently set out to gain an in-depth understanding of CSA, in terms of a range of issues including production, marketing, labor, finances, collaboration, competition and community relations. The research identifies the challenges facing CSA, as well as how CSA farmers have addressed those challenges, and provides a set of recommendations for increasing the viability of CSA for current and future farmers.

This research was conducted in collaboration with the Community Alliance with Family Farmers (CAFF). As a small farm and sustainable agriculture advocacy organization, CAFF has developed and participated in numerous projects involving CSAs and maintains the most complete database of CSAs on the West Coast. A CAFF staff member who is a former CSA farmer in Washington, and possesses extensive experience working with CSA farmers in Northern California, participated in most aspects of the fieldwork. Participation also included assistance in designing the research protocols, coding data and reviewing the final draft of this report. Finally, CAFF's presence provided an important *entrée* into the CSAs included in the research.

The research methodology consisted of in-depth case studies with 13 CSA farms in California, Oregon and Washington. Specific regions include the Capay Valley of California in California, located approximately 90 miles from the San Francisco Bay Area, the Willamette Valley in Oregon, which stretches from Eugene to Portland, and the Puget Sound area in Washington, including the city of Seattle. Those regions were selected in order to obtain a sample of farms representing a range of agricultural, climatic, market and demographic characteristics.

A team of two researchers visited each farm over a 2-week period. In-depth conversations were conducted with CSA farmers at each site, utilizing a semi-structured interview protocol. Family members, farmworkers and interns were often present during those conversations and contributed as well. The farm visits generally included an overnight stay, which provided the possibility of participant observation to gain a firsthand sense of daily life on the farm.

Each interview lasted approximately 2 hours. The interviews were recorded and transcribed. Qualitative data were subsequently coded using *Atlas.ti* software, and content analysis was conducted to extract key points, identify patterns and systematize findings.

Regions

The Capay Valley of California in Northern California is an ideal geographic region for CSA, due to its proximity to the San Francisco Bay Area, a developed network of organic farmers,

several established CSA farms, and one of the leading CSA experts (Judith Redmond) in that area. California's mild winters allow a year-round growing season for CSAs.

The Willamette Valley in Oregon has numerous CSAs, from Eugene to Portland. This fertile region is the most populous area of Oregon and has proximity to several small cities, including Eugene/Springfield, Corvallis/Albany, Salem, and Portland.

The Puget Sound in western Washington State is in close proximity to the cities of Tacoma and Seattle. The area including Pierce, King, Snohomish, and Skagit Counties possesses considerable agriculture, but a limited growing season.

Farm and Farmer Characteristics

As is true of family farms in general, CSA farms tend to be on the small side. The farms in our sample range from a low of 5 acres to a high of 180 acres. However, CSAs on the West Coast are larger than CSAs elsewhere in the U.S., where the national median is 18 acres (Lass, et. al. 2003). Land ownership on the farms in our sample ranged from 25 to 100 percent of land farmed, with an average ownership rate of 75 percent. Three of the California farms in our sample had purchased additional land in the recent past, while none of the Oregon or Washington farms had done so.

Farmer Characteristics

Ethnicity

The overwhelming majority of CSA farmers are of European descent. The 1999 CSA Survey (Lass, et. al. 2003) found that "nearly 97 percent of the farmers listed their ethnicity as White/Non-Hispanic." Those findings are reflected in our sample as well, where everyone is of European descent, with the exception of the farmers at the Winter Creek Gardens CSA, who are from Mexico. Despite the approximately 66,000 Hispanic and 29,000 African-American farmers in the U.S. (USDA 2002), only an estimated 1 percent or less operate CSAs (Lass et. al. 2003).

Language and culture can represent significant barriers for CSA farmers – particularly those not born in the United States – with respect to issues such as marketing, finances, production and member relations. These findings point to the need for increased assistance for minority farmers interested in starting a CSA.

Age

CSA farmers are significantly younger than U.S. farmers in general. The farmers in our sample ranged in age from 23 to 50, with a mean age of 40, compared with a mean age of 54 for farmers nationwide (USDA 1997). These findings are comparable to the 1999 CSA Survey findings, which indicate that, "The average CSA farmer...is a full 10 years younger than his or her counterpart in the rest of U.S. agriculture." (Lass et. al. 2003)

CSA may represent an entry strategy for new and younger farmers. The California Agricultural Direct Marketing Study (Kambara and Shelley 2002) also found a slightly younger age for CSA farmers, compared with other farmers engaged in direct marketing. Lass, et. al. (2003) likewise note that, “Coupled with data indicating that CSA farmers are relatively new to farming, a picture emerges of entry into farming through CSA.”

Gender

The farmers in our sample were evenly divided between men and women. In contrast, the 2002 Census of Agriculture (USDA 2002) found that only 27 percent of principal farm operators were female. Some observers have suggested that CSA may be more conducive or attractive to female farmers for several reasons, including the importance of issues such as relationships and community-building. Conversely, others believe that greater representation of women in CSA may be due to the fact that CSA censuses generally count both owners in the case of farm couples, whereas traditional agricultural censuses list only one farmer – generally the male – as the principal operator.

Farming Experience

The farmers in our sample represent two ends of the spectrum with respect to farming experience. Four have been farming for less than 10 years, while another 4 have been in agriculture for over 20 years, with the remainder in-between. In that sense, this sample represents younger, more recent entrants into farming, as well as the many “40-somethings” who were part of the “back-to-the-land” movement in the 1970s and have since entered CSA. These findings contrast with CSA farmers nationwide, who tend to cluster at the lower end of the scale with respect to farming experience (Lass et. al. 2003).

Production

Successfully running a CSA is a complex undertaking, requiring a broad range of skills, including agriculture, finance, marketing and customer relations. Agricultural production is without a doubt one of the more complex aspects of CSA. Unlike most farms, which produce a limited number of crops, CSAs are predicated on offering members a diverse range of products. Consequently most grow between 50 and 70 distinct crops during the course of the season. Those crops are often complemented with an array of other products, such as flowers, nuts, baked goods, jams and jellies, dairy products, meat and eggs.

The production of such a diverse mix of crops entails a high level of knowledge and extremely complex planning, since CSAs must provide members with variety both during and over the course of the season. That is, shares must include a variety of products each week, and those products must vary over the course of the season. Consequently, in addition to successfully producing a broad range of crops, CSA farmers must also learn how to stagger plantings in order to ensure variety from week to week. As a farmer in the Capay Valley of California explains,

We have to make sure we have enough different things that we can put in the box year round, and that they won't be the same week after week. For example, it's OK to put

carrots in the box every week. It's OK to put salad mix or oranges in the box every single week too. But you can't put cabbage in the box week after week in the wintertime. And people will even get tired of kale, so you want to have chard and kale and bok choy. We've gotten better and better at making sure we can change the contents of the box in a positive way every single week.

CSAs must also find ways to offer variety within the constraints of the relatively limited number of crops that can be produced throughout the year. That is often accomplished by growing a number of different varieties of the same crop.

We definitely grow more variety because we want variety for our boxes. It looks really nice to have that stuff at the farmers' market, but we could get by with two varieties of potatoes. But, because we have potatoes for so long during the year, we like to have 5 or six varieties for our CSA members.

CSA production becomes even more complex when farms must juggle CSA production with other marketing strategies. As a farmer explains,

To be a CSA, to do farmers' markets and to do specialty wholesale, you have to do this incredible plethora of varieties so you always have something to sell. You need to keep it interesting for the CSA customers, keep it competitive at the farmers' market, have something for the specialty wholesalers, have something to keep the crew working and keep us in cash flow, to keep the whole thing spinning. That's why, when I think of somebody who's a cannery grower, I think "that's dead easy."

As another farmer explains,

The easiest juxtaposition would be to look at the large-scale conventional farms around here. They grow a handful of crops, and the "diversified farms" grow 3 or 4 crops. We grow over 50 different crops, and within those crops we grow up to 50 different varieties. So, in the end, our actual different variety list is over a thousand items.

From an agricultural standpoint, growing such a large number of different crops and varieties – each of which has its own production requirements – can be seen as an "orchestration." As a farmer explains,

It's very complicated with the CSA, with crop rotations and everything that we do. Rotations are within a smaller area and we have to hand weed some areas, while cultivating some areas with the tractor. Water this, don't water that. Transplanting is going on next to this bed. It's much more of an orchestration.

Growing so many varieties can also result in higher production costs for CSAs, as economies of scale decrease. As a farmer notes,

If you look at a per box cost to produce something, any time you increase the number of boxes that you're producing, the cost to produce that decreases. It's more efficient to

raise 20 acres of something than it is to raise one acre. We couldn't sell 20 acres of some of the stuff we raise, but we know we can sell one acre to our CSA.

Pest control, a major issue on all farms, can also be significantly more complex for CSAs due to the large variety of crops grown. As a farmer explains,

We can't hire a PCA [Pest Control Advisor] to come out and watch our crop because the PCA would have to be versed in too many different things. A PCA wants to come out and look at one acre of a thousand acres, or be able to catch edges of a thousand acres and be able to extrapolate from that. But we grow 120 acres and we have to look at almost every acre every day.

Most farms grow crops destined for CSA members in the same fields as crops destined for other markets, rather than in separate fields. In part, that is because many CSAs also sell at farmers' markets, which require a similar level of diversity. Only one farm in our sample had a specific plot dedicated to the CSA. Those farmers decided to do that in order to adhere to the "true" principles of CSA, in which members share the abundance and risks of the harvest. As that farmer explains,

We wanted to have our members share our risk with us and we really want to keep the concept that overabundance belongs to the members. If we lose a crop, they don't get their money back. If we have extra, it's theirs. But how do you figure that out when you're growing farmers' market or wholesale crops on top of each other? So, we set aside some acreage for the farmers' market, some acreage for the CSA and some for the wholesale crops. It's a lot easier to keep it all separate that way.

Growing Seasons

CSA growing seasons vary by region. Most CSAs in California operate year-round, while those in Oregon and Washington, with cooler climates, have a significantly shorter growing season of approximately 20 weeks. The length of the growing season has implications for a range of issues, including production, marketing and member retention.

CSAs in California have significantly higher production levels than their counterparts in Oregon and Washington, since year-round production allows them to obtain up to 3 harvests on the same plot of land. As a farmer in the Capay Valley of California explains, "Questions about how many acres are dedicated to the CSA are tricky, because in California you triple crop. We have 3 seasons. We're in and out of fields all the time."

The opportunity to farm year-round is both a blessing and a curse for California farmers. Three of the California farms in our sample had gross annual sales of \$1 million or more, while all the farms in Oregon and Washington had revenues below \$500,000. Nonetheless, despite a year-round growing season, farms in California did not have higher incomes per acre than their Oregon and Washington counterparts. At the same time, California farmers complained about the year-round schedule and accompanying stress and over-work, and longed to have winters off like farmers in colder climates.

Despite a shorter growing season, most CSAs in Oregon and Washington sell shares during all or part of the winter. In some cases those shares consist of root vegetables that are stored and distributed in the fall and winter. In addition, however, many CSAs also purchase produce from off the farm and resell it through the CSA, a practice known as “buying in.” While this practice is a significant departure from the original concept of CSA, it represents an important strategy for many farms, in terms of both income generation and member retention. Buying in is more common among farmers in Oregon and Washington because of their significantly shorter growing season; however, some farmers in California employ that strategy as well. As a farmer in the Capay Valley of California explains,

We’re not a true CSA, in that our primary concern is to ensure that our customers have an interesting, easy to use variety of fruits and vegetables regardless of what time of the year it is. Right now, it’s cold out, it’s rainy and it’s hard to get stuff back in the ground. There are not a lot of interesting things that we can grow in the Capay Valley of California now. We have a lot of greens and that’s about it. So, to ensure that our customers have a unique variety, we purchase from other locales throughout the state to supplement our boxes. We prefer to use our own product first and secondly our neighbors’ and lastly we’ll purchase from places like the Salinas Valley, where they can grow things during times of the year that we couldn’t even dream of growing. Further into Southern California, they have plums already, and our plum trees are just beginning to blossom. So, it’s things like that that we take advantage of to make sure that our customers enjoy what they’re getting.

As another farmer who buys in explains, “Right now, it’s not a really exciting time as far as producing anything. There’s a lot of kale and leeks. If I was a customer and got a box full of greens, I’d say, ‘I don’t know what these guys are thinking, but I need to switch. I’m going to Raleys!’”

Buying in also represents an important way for CSAs in Oregon and Washington to retain members over the winter months, when the season would normally end. CSAs that buy in can consequently retain members throughout the winter, rather than having to re-recruit in the spring. This provides benefits in terms of increased member retention and a reduced need to recruit members in the spring.

One of the more entrepreneurial farmers in our sample has come to see buying in as a way of increased profits. As that farmer, who is clearly in the minority, explains,

What I started realizing is that I could have 100 CSA members, buy in everything, make \$10 a box, and that’s still \$1,000 a week, just for making phone calls and putting a box together. Do I enjoy growing things? Absolutely. But, what I’m starting to realize is that if I could get 100 people to sign up with no produce in the fields at all, I wouldn’t be nervous, I’d be happy.

Conversely, most CSA farmers express ambivalence about buying in, which they see as a means of supplementing – not supplanting – production. As a farmer in Oregon explains, “It would be a

lot more profitable if we didn't grow any food at all, and just bought in vegetables and re-sold them. So, it's this weird dilemma. Are you in it for the money, or the lifestyle and the whole thing?" In addition to farmers' attitudes, it is not clear how buying in will resonate with members, most of whom join CSA because they are seeking a direct connection with the farmers who grow their food.

Organic Production

CSA has become virtually synonymous with organic production. A 1999 survey of CSA farmers found that over 94 percent reported using organic production methods, including biodynamic farming, which is practiced by approximately 10 percent of CSA farmers (Lass et. al. 2003). While a biodynamic farming approach, which is based on the idea that a farm is a "self-contained organism," typically includes organic production practices, it also includes additional practices involving integration of crops, livestock and recycling of nutrients. As a biodynamic farmer explains,

Our farm's ecosystem doesn't bring anything in and doesn't take anything out. These 78 acres are pretty much a self-contained system, except for a couple of soil amendments. The animals contribute fertilizer and graze in the pastures, which are rotated regularly. We compost everything.

The USDA National Organic Standards, which were introduced in October 2002, provide a nationwide set of standards regulating the production and processing of organic food. Many organic farmers – including CSA growers – have expressed ambivalence regarding the National Organic Standards. Some believe that the organic certification process will help increase sales, while others resent feeling obliged to obtain certification in order to maintain their customer base. Farmers have also expressed concerns about the potential additional recordkeeping and the perceived high cost of certification fees. As a farmer explains,

Our whole deal with CCOF [California Certified Organic Farmers], which is who we certify with to be organic, has been really good and we appreciate the label. It really gets people to come to our market. We feel like we pay them a lot, though. It's a huge expense for our farm. It's not our biggest expense, but we feel like they don't do *that* much for us. But the label is so important to us that there is no way that we wouldn't certify with them.

A number of farmers also expressed concerns about the requirement to use organic seed, due to difficulties locating seed that is not treated with fungicide, as well as the higher cost of that seed. Here too, the problem is compounded by the diversity of crops grown on CSAs. As a farmer explains,

The whole organic law, with having to source everything untreated is really difficult. It's a good goal, but not being able to buy treated seed is really limiting varieties. The new organic standard says you can't use treated seed anymore. That's a great goal, but it makes my job of buying a thousand different varieties really difficult. I've also spent twice as much on most of my potato seed. My potato orders this year are 15 tons, so

we're talking about a lot of money for more expensive seed. Not only is it twice as expensive, it's also five times harder to get.

Another farmer reports that, "We're going to have to use only organic seed, but where do you get that from? I need 150 pounds of beet seed every year, and the only organic beet seed I can find comes in a package of half an ounce."

In light of the above concerns, approximately half of the farmers in our sample had decided to forego USDA organic certification at the time of the interview. Several expressed frustration that they could no longer identify their products as organic, despite adherence to what they consider strict organic methods, and were concerned that the lack of organic certification might have a negative impact on sales. As a farmer who had obtained USDA certification explains, "the certification process is a lot of money and a lot of headache, but I probably won't drop it, because that's what people see. People see that label and that means something to them. So I just strike it up to marketing. A really big marketing expense."

Conversely, the two farms relying most heavily on sales through CSA did not feel the need to obtain USDA organic certification, since they felt the CSA model had created a relationship of trust that obviated the need for outside certification. As a farmer explains, "Because the box is sold directly to a customer, I assume they are OK with what we choose to put in it. I've never had anybody call me and say, 'Why did you put this in my box? It's not certified organic'." Similarly, another farmer explains that, "I just don't participate [in the organic certification process]. I don't need to; CSA is the answer to that."

Customer Relations

Perhaps one of the main challenges of producing for a CSA is providing variety while keeping members with a broad range of preferences happy. Since virtually no CSAs "customize" shares in accordance with member preferences, farmers must get member feedback to find a balance that works for everyone. In that regard, member surveys represent an important means of gauging preferences. As a farmer explains,

We've done surveys of our customers and there are certain items that almost all our customers don't want any more of. We've only done a really good survey once, but it definitely helped us make needed adjustments. It's helpful to see what the customer sees, and it has helped us make some changes in planting and timing.

Unfortunately, although farmers agree that member surveys are a useful tool, most note that they do not have the time to administer them or to tabulate the results.

CSA members are, however, rarely shy about expressing their preferences. In addition to eliminating items members are not interested in, CSAs must also be responsive to items that members would like to see more of. As a farmer explains, "The other thing that people want is fruit. So, we made small plantings and we are now a farm that has much more fruit, like peaches and plums and apples and Asian pears." CSAs also rely on advice from other farmers to keep abreast of member preferences, which often change in response to food trends. As a farmer

notes, “Demand changes, and you have these fads that you have to be up on, and usually you’re a year or two behind them. That’s why you work with the other growers, because they might be up on it where you’re not.”

Ultimately, most CSAs seek a balance between being responsive to member preferences and attempting to educate and broaden their palates regarding new and different foods. Most CSAs therefore provide recipes in their newsletters and their websites, which are extremely popular. In addition to helping members learn how to cook with new foods, recipes are an important means of keeping members from getting bored with more familiar, but less exciting items, such as greens or potatoes, that may be distributed many weeks in a row.

Ultimately, some CSAs take a more pragmatic approach to production, providing only products they know their members will like. As a farmer in the Willamette Valley explains,

If people get a CSA box and they can’t get their husband or children to eat what’s in the box, they’re not going to stick around. We’re competing really hard with a lot of CSAs around here. We’ve let the other CSAs have more of the weird greens clientele, and it’s our job to get the folks whose doctor just told them they have cancer and need to start eating organic vegetables. That’s our niche. We want a consumer-friendly box, so that people who decide to take that step don’t think, “Ugh, that was horrible! I’d rather have cancer!” Our rule of thumb is that we won’t give any weird greens more than twice and not too close together. My new thing this year is just grow 5 crops and make them extremely popular crops that people like to eat, and don’t grow things like kale. I like kale and you might like kale, but only about 10 percent of people eat kale, whereas almost everyone eats broccoli. So that’s my new thing; just grow what people eat, and leave the weird stuff out.

Despite the apparent pragmatism of the above farmer’s “market-based” approach, it represents the view of a small minority of CSAs. At the same time, member surveys rarely indicate high levels of dissatisfaction with the range of products offered, and in fact, many express enthusiasm with respect to the diversity of products and report enjoying discovering new fruits and vegetables. As a member of one of the CSAs in our sample noted, “It’s like Christmas every time I open my CSA box!”

Labor

Access to a steady and reliable source of labor is of vital importance to all farm operations. Nonetheless, CSAs differ from other types of farms with respect to labor requirements and their use of labor. In addition to hired and family labor, CSAs also obtain labor from interns and members. Interns are generally young people – often from around the world – who are interested in learning about organic farming and Community Supported Agriculture. Some CSAs also use member labor, which may be voluntary or required. Some also offer “work shares,” in which low-income members may work on the farm in exchange for a weekly share. The following sections discuss the different forms of labor used on CSA farms.

Hired Labor

The often organic and highly diversified nature of production on CSA farms necessitates a skilled work force, with knowledge of both organic farming and the production requirements of hundreds or thousands of different varieties. CSAs must invest considerable time in training their workers and consequently have a high stake in worker retention. As a farmer explains, “It’s beneficial for us to have somebody who has been here every year. You know them and you know what they’re going to do and what they’re not going to do. If you want to talk about sustainability, that’s part of it.”

Hired workers are generally recruited through existing employees, which offers a number of advantages: crewmembers that know each other are more likely to work better as a team, new employees come “pre-screened,” and employees referring new staff may offer an additional level of oversight, since they have a personal stake in them doing a good job. A farmer explains that recruiting through current workers also results in a happier workforce. “We tend to work through our current employees’ networks to get positions filled, because they’re more likely to bring in people they want to work with. We find that the crew works better if they have a sense of their community here.” Another farmer explains that,

Five years ago, we had a really diverse workforce. We had some American workers, some Mexican workers and some from Central America. But over the last few years, the crew has coalesced into more of an extended family unit. If someone wants to work here, we say, “Do you know Pablo?”

While it is generally easy to recruit farmworkers, farmers report that positions requiring fluent English or a valid U.S. driver license can be more difficult to fill. The most difficult position to recruit for is drivers, particularly because of the undocumented status of many farmworkers and their inability to obtain a valid U.S. driver license.

Because social equity is an important component of sustainable agriculture, many CSAs are committed to providing their labor force with decent wages, benefits and working conditions. The farmers in our sample showed great pride in their crews and in their relationships with them. Many farmers cited close relationships with crewmembers, and made efforts to integrate them and their families with their own families.

The fact that CSAs have an involved membership may also play a role in promoting positive labor conditions, since farms with poor working conditions would undoubtedly lose much of their member base of support. As a farmer explains,

I feel like the CSA can be an influence on agriculture for greater scrutiny. Our members have this idea about us that we are good people and we are providing good working conditions. And there are 600 of those people out there. In a way, they can’t keep tabs on us at all, but in a certain way, we feel like they’re looking over our shoulders. I think it does provide some influence to make sure that you’re treating both the environment and your whole community with respect.

CSAs attempt to promote connections between members and farmworkers through communications and on-farm events. As the same farmer explains,

We describe our crew in our newsletter and put pictures of them in there and tell about their lives. We've talked about work conditions in years past. We've given an 8 percent raise to our labor now 3 years in a row and I've been thinking about potential medical benefits that we're going to start. We should probably toot this horn a little bit and tell our members, because we also raised the price of the box this year. The stability offered by the CSA has allowed us to make those improvements, and I think we should tell our members that.

In reality, however, given slim profit margins and the tenuous nature of farming, few CSAs are able to offer farmworkers the kind of wages and benefits they would like. Most CSAs pay above minimum wage; however, entry-level workers on some farms may start at minimum wage. Conversely, skilled long-term crewmembers can earn up to \$16 per hour. Many CSAs offer raises and bonuses, as well as other benefits such as food – and in some cases housing – as a means of compensating for low wages. As a farmer explains,

They're not making as much per hour, but they get free food and they don't have to pay for transportation. We were also giving people a 50 cents an hour raise every year. We never had anyone as low as minimum wage until it went from \$4.75 to \$6.50. That was a big jump for us, so we started people at minimum then. Pablo is making about \$8 and the other guys get \$7, but they're guaranteed a raise if they work through October. Last year we also gave a middle of the year bonus to everyone when we paid back our loans. We've been doing that for 3 or 4 years now. I feel like we're making progress with our crew. They have to have confidence in us. Some people say the bonus thing doesn't work, but I've found that it's really working for me.

Similarly, another farmer apologetically explains that their farmworkers are paid “minimum wage to \$8 an hour.” However, she went on to explain that “they get all the food they want and Francisco even takes water home. But it's hard that we're not paying well. Francisco is still getting \$8 an hour after all these years. It's nothing, but it's just not there.”

Because increased labor costs cannot easily be passed along to consumers, increases in the minimum wage can have adverse impacts on the viability of some farms. As a farmer explains,

Because the minimum wage went up so quickly, it's been really hard, because our prices didn't go up. Wholesale prices have been going down, retail prices at the store aren't going down, but what the farmer is getting is going down. Prices are lower now than they were 5 years ago. We continuously narrow what we grow for wholesale and we're continuously looking for new niches to fit into. We're all dodging the footsteps of the giants. As long as we're running between their toes...

In addition to wages and benefits, CSAs offer a number of other advantages for workers, including stable employment, varied work and opportunities for professional development.

Because farmworkers in California are employed an average of only 26 weeks per year (Rosenberg, et. al. 1998), CSAs attempt to provide workers with permanent, year-round employment to the extent possible. Many have permanent core crews, with additional labor hired on an as-needed basis. As a farmer in California states, “Another advantage of being a year-round CSA is that our workers get stable employment. The majority of our crew is very stable; they are year-round employees.” In addition to higher incomes, stable employment results in reduced migration, with increased stability for farmworkers, their families and their communities. As a farmer in the Capay Valley of California explains,

We have 20 people year round. Through most of this winter they’ve had at least 40 hours of work a week. In the summer we have between 35 and 40 people and everybody’s working 60 to 70 hours a week. So, it’s a vastly different employment scene, but it’s stability for those 20 people. And it’s not just the CSA that keeps them stable, though it’s the CSA that’s really carrying it in the winter. CSA provides stability not just for us as a business, but for us as a business family, for all the employees. About 90 percent of the crew are Mexican immigrants, but they are usually settled here and have homes in the valley between Madison and Guinda.

Work on CSAs is highly varied, which is an additional benefit for agricultural laborers. Farmworkers may experience less repetitive stress injury because of the varied nature of the work. Also importantly, they experience little of the boredom and tedium that are common on other types of farms. As a farmer explains,

Everybody who works here does a lot of different jobs. Everyone has some level of responsibility based on the things they’re particularly good at. Because we’re so diversified, even if someone has a really unpleasant task, they’re not doing it for more than one day. Our workers like that a lot.

The varied nature of production on CSA farms also provides farmworkers with opportunities for professional development, which may even lead to the establishment of their own farms. Farmworkers at Full Belly Farm CSA went on to start the Winter Creek Gardens CSA (which is included in this research as well). Full Belly Farm wholeheartedly supported the formation of that CSA, providing substantial technical and financial assistance, including a startup loan.

Interns and Volunteers

Some CSAs offer internship opportunities, while others have very little interest in that form of labor. Despite the apparent appeal of free or cheap labor, CSAs with internship programs generally do so out of a commitment to helping aspiring young farmers or promoting sustainable agriculture. In fact, virtually all farmers felt that most interns were ultimately a net drain on resources because of the time required to train them coupled with high turnover rates. As a farmer explains,

It takes a lot of time to train someone. A lot of time and energy. They do what they want and then when they’re done they move on to wherever they want to go. And you’ve invested a lot of your time and energy in getting this person to be productive for you. And

you need that person to be productive for you for a significant period of time to pay off how much time you invested in them. So, it's just not worth it.

Many farmers also feel that interns can be “hit or miss” in terms of their quality. According to another farmer,

I've been shifting away from interns. I had interns, but I just got kind of tired of the fact that they're not cost-effective. They cost more than they're worth, I'm afraid. I've got one this year who really wants to learn to farm. And I'm almost always willing to take someone like that. But there aren't too many. There are many more that just want to have a nice time and a place to hang out for the summer.

A small number of farmers also see interns as potential future competition.

Interns are the best way to breed new competition. Business is pretty cutthroat, whether you're in organic agriculture or on the stock exchange. It's the same principles and everyone has the same rules. [Farmer] literally started with us and now he'll compete for deals. So there's a sense of not wanting to give someone the knowledge of how we do this and then have them go off and do it themselves in competition with us.

Despite their ambivalence, some farmers admit that interns do offer a number of benefits.

The intern program is really about growing new farmers. But we also really need them, because they almost always speak English and can come to the farmers' markets. And they often can drive, so they can help with deliveries. So, the things they do that the other crew doesn't do as much is come to the farmers' markets and do deliveries with us.

Another farmer concurs with the above, with additional caveats.

Actually, because our crew has been here so long, there's nothing the interns do that the crew couldn't do, except speak English. If the crew spoke English, we wouldn't need the interns. The only reason we have interns is to train new farmers. I'm not sure everyone would agree with me, but the interns, you have to live with them. You kind of get sick of having interns sometimes. But we need people who speak English. There are definitely exceptions, however. There are interns who come to us with lots of computer skills and knowledge and they can do projects that we haven't trained our crewmembers to do. So, there are special skills that our interns have that the rest of the crew doesn't have.

In addition to interns, farmers generally feel that volunteers are also “more trouble than they are worth.” In addition to the time required to train them, inexperienced volunteers can make costly mistakes, such as pulling up crops instead of weeds. An additional concern is resistance on the part of hired workers, who may feel that volunteers slow them down or have concerns that they may be held accountable for volunteers' mistakes. As a result, most CSAs prefer not to use volunteer labor.

Members have wanted to come out and work on the farm, but it's too much work for us to get them integrated. It just doesn't work. And that's been disappointing for some people. They really want to come out and work, but it's just not worth it for us. We've invited people to come out and have picnics and wander around and pick their own stuff – but “don't bug us.” Trying to integrate them into the pick crew is also really hard. The pick crew is resistant to it. They see it as competition. They're concerned, and rightly so, that if something gets picked that's not right, they're going to catch hell for it. It puts them in an awkward spot. Plus, it cuts into their efficiency. They're having to explain stuff to people and there's probably going to be a language barrier. So we really don't do any volunteer labor.

As another farmer explains,

We're really far away from most of our customers, so getting them to come out here to work for a day is a challenge. And then there's the guys' hard feelings about whether or not they're going to do a good job. And then it's a lot of coordinating as far as timing of the kinds of jobs that volunteers could do. And there's the question of how do we repay them for coming out? Do we just offer lunch, or do we offer them free vegetables?

Nonetheless, some farmers see volunteering as an important way of fostering connections with members. A farmer explains that “volunteering is something I want to set up, just because people get excited about hoeing for a while. It would actually be a burden on us, but it's something we would do.”

Finally, some CSAs offer “work shares,” in which members provide labor in exchange for a share or a discounted share. While work shares were offered on a very informal basis on all but one of the farms in our sample, many CSAs remain open to that idea, which can represent a “win-win” situation for members and farmers.

We have this system of work shares, which is a great deal. Usually it's around harvest, and I'll get 20 people here, but you don't need 20 people to harvest. So, we weed and we plant and do all the farm work. They come different days. Some do market work and some do farm work and I just put them on a schedule. That has worked out really well, because obviously, you don't pay them anything [in cash]. And it works out to be that you pay them \$5 an hour and you don't have to do any tax work or anything. It's just really nice.

Marketing

Unlike the original concept of CSA, in which 100 percent of farm production goes to its members, many CSAs now rely on a diverse mix of marketing strategies, including direct marketing, wholesale and retail. In fact, only one of the farms in our sample is exclusively CSA. In addition to distribution to members, direct marketing is generally done at farmers' markets, while retail clients include groceries, natural foods stores, food cooperatives and restaurants. CSAs also often sell to one another, through ongoing relationships in which they complement shares in order to provide members with greater variety, or on an ad hoc basis, for example,

when faced with poor harvests or to meet wholesale orders that a single farm may not be able to fill on its own.

In our sample, CSA accounts for 15 to 50 percent of gross revenue for the farms (with the exception of the one farm that is exclusively CSA). Nonetheless, all of the farmers in our sample consider CSA an integral part of their marketing strategy, for a variety of reasons described below.

Stability

One of the main benefits of CSA is the stable market it represents for farmers. In effect, CSA functions as a guaranteed contract that is paid in advance. Consequently, even though CSA may represent only a small percentage of total income, the stability it offers makes it very attractive. As a farmer explains, CSA is “really consistent, so it’s really important to the farm, even though it ends up being such a small percentage of the actual income.” Conversely, wholesale markets are very volatile and farmers have little control over them. As a farmer explains,

We get nervous when we see the percentage of our total income from wholesale increasing and then we always start talking about pushing the CSA. The wholesale market is one in which we don’t have a lot of control, and the price is set, so it’s very difficult for us to negotiate. We’re just not in a strong position in the wholesale market. In a CSA, you’re in a relationship with people, and it feels safer and more stable to us.

Besides the obvious monetary benefits, having a secure “contract” allows CSAs to plan their crops in advance, which represents an important benefit for farmers.

With the CSA you get the security of knowing that 60 percent of members are going to sign up again. So you can put that money into the budget right away and you know you’re going to be planting that much more and you know that you’re still going to get more membership. And you might be off by 10 percent or something, but a whole bunch of it’s covered. So that’s a lot less stressful.

Conversely, working with wholesalers is fraught with anxiety.

The CSA provides stability. With a [wholesale] contract, our business is directly tied to the success or failure and needs of another business. For instance, we grow basil for a wholesaler. And whether they want us to grow 50,000 pounds like they did last year, or 25,000, like this year, depends on if they’re selling their pesto. We have absolutely no control over that. And they usually don’t tell us until the last minute. You know, we’re sitting here in March, going, “Ok, do you want this? We’ve got to plant.” The flip side of that is that we actually make a profit off of it.

That last sentence reveals the ambiguity that many CSAs have vis-à-vis the wholesale market. While fraught with problems, wholesale offers the potential for significantly higher profits than selling through the CSA. Some farmers therefore find themselves going back and forth between the stability that CSA provides and the allure of higher profits that wholesale can offer.

We'd rather do all direct marketing, even with all the work involved with that. It's just more stable. But it's also more limited. You lose that entrepreneurial potential to a certain extent. If you're doing a CSA and a couple of farmers' markets, those are a finite number of customers. If you're in the wholesale market and you have a big spike in product, you have an infinite universe of customers. And if the market happens to be good at the moment, you can actually make some money. So, there is greater potential to make money in the wholesale end of things, but it's very stressful. We'd rather work in the finite world of farmers' markets and CSA and have a better feel for what our costs and our income are going to be. But when we look at that model, we're not going to pay the farm off under that plan. So, we're taking our risks with the wholesale market.

Nonetheless, an important advantage of wholesale is the ability to obtain bank loans. As the above farmer explains,

The banks wouldn't loan us money under the finite plan. They wanted to see a bigger gross. If you're churning more money, even if you're holding onto a smaller percentage of it, they see you churning money and they're more willing to lend you money for production. Not good logic from my perspective, but that's bankers.

Ultimately, while some CSAs may have the "luxury" of choosing between more stable or entrepreneurial routes, others are more dependent on wholesale markets. A farmer explains that while they would like to reduce reliance on wholesale markets, that was simply not a viable alternative. "We sell blueberries, broccoli, basil, and burdock wholesale. We have to keep some of it. The burdock is our bread and butter. We would be hard pressed without it. And the broccoli and the basil are great crops."

Maximizing Sales

Unlike most farmers, who are reliant on – and often at the mercy of – a small number of marketing channels, CSA provides the opportunity to maximize sales by taking advantage of a range of outlets. For example, sales at farmers' markets can be highly variable due to inclement weather or other factors. However, whereas growers reliant on farmers' markets must bring their produce home and take a loss on it, CSAs can distribute excess produce to members. Similarly, excess production that is not needed by the CSA can be sold through other marketing channels. As a farmer explains, "With the CSA, part of the benefit profit-wise, is that we're using up some of the things that we grew too much of, so we're selling some things that we might not have sold elsewhere. That's the idea of [market] diversity. We're hoping to market the maximum percent of everything that we grow." Conversely, the highly diverse nature of production on CSAs can present difficulties with respect to both wholesale and retail marketing. As a farmer noted,

I sent [wholesaler] a fax of what we have and what our availability was at the time. But it's really hard, because we grow over 100 different varieties of vegetables. It's hard to tell a person, "Oh, this is what we have right now, but we do grow a lot of different things, so you might want to keep us in mind."

Marketing channels may also fluctuate significantly on a seasonal basis. As a farmer explains,

Now we're about 50 percent wholesale, 25 percent farmers' market and 25 percent CSA, based on a yearly gross sales percentage. In the winter, the CSA makes up two-thirds of what we gross in a week, but in the summer it's more like 10 percent. Wholesale takes over in the summer. Farmers' markets are fairly stable, but they're better in the summer.

There are also variations based on members' schedules. As a farmer explains,

One of the challenges that we've never fully figured out is that in the summer, when we have the most produce, everyone goes on vacation and doesn't need a box. Right in August, the numbers dip precipitously. We have tons of stuff and everyone goes on vacation. We call it the August doldrums. Ideally, for us, our numbers would peak July/August/September/October, but that is not when the peaks are. A lot of our members are families and they like to go on vacation during that time.

Innovative Approaches to CSA

In addition to the above, some CSA are pursuing very innovative marketing strategies. A California farmer discussed plans to open a retail store at a new downtown market development in San Francisco.

We're opening a retail store in the Ferry Plaza Building, which they're turning into a very nice European style marketplace right downtown. So, that ties into our CSA as well. We plan on featuring the best items from our farm at the store year round, and we also plan on offering packages of different types of fruits and vegetables that are very nicely packed. Our intent is, if you're going to a dinner party, instead of bringing a bottle of wine, you could bring one of these nice packages of tomatoes or peaches or citrus.

According to the same farmer, that store will also promote the CSA. The farmer notes that, "there's also going to be a permanent display and there will always be boxes on sale there. So, every person that goes by our store will know about our CSA. That's one of our marketing plans."

Another innovative approach is the Pike Place Market Basket CSA. This represents a unique approach, in that the CSA is not a farm at all. Rather, it is a nonprofit organization that buys produce from local farms and creates weekly shares, which are distributed at the famous Pike Place Market in downtown Seattle. The Pike Place CSA contracts with approximately 3- dozen farms and has nearly 800 members. Approximately half of the farms produce row crops while the other half produce tree fruit crops.

This arrangement offers a number of advantages for farmers and consumers. Farmers enjoy many of the advantages of CSA, including advance payment of approximately 25 percent of the value of the contract as well as near-direct market prices for their crops. However, they do not have many of the drawbacks of CSA, such high administrative costs and the need for a highly diversified production system. Another advantage of this model is that farmers sign contracts with the Pike Place CSA, which can be used to obtain bank loans, something most CSA farmers cannot do.

At the same time, consumers receive a more diverse basket than they might otherwise obtain through a single farm. The Pike Place CSA manager discusses some of the advantages of this arrangement for farmers.

We have some farmers that would never do their own CSA. They would never want to take on the work. For those farmers we can provide a very interesting outlook, because we give them half of the customers they would not find on their own. Similar to the way we help farmers who are tree croppers, or specialty growers. Because if you're in apple farming you aren't going to have CSA. We provide a great direct marketing option for those kinds of farmers.

The Pike Place CSA presents an interesting hybrid approach to CSA. On one hand, it functions as a "sympathetic distributor," contracting directly with individual farms and offering close to direct market prices, while operating as a CSA, offering weekly shares of local, organic produce to its members. Nonetheless, some observers feel this approach is more akin to an organic delivery service than a CSA, given the lack of a direct relationship between farmers and consumers.

Member Recruitment and Retention

Because CSA is based on a direct relationship between farmers and consumers, successful member recruitment and retention is an issue of vital importance. With retention rates of approximately 63 percent per year (Henderson 1999), CSAs must continually recruit new members in order to remain viable. Members report leaving CSA for a variety of reasons, principally a desire for more control over what they eat, followed by what many consider overly large shares and discomfort with discarding uneaten food (Perez et. al. 2003). Many members split shares informally as a way of addressing the problem of "too much food," and some CSAs consequently offer half-shares. However, the issue of choice is somewhat more intractable, because CSAs provide seasonal foods when they are available, and cannot easily customize each share in accordance with individual member preferences.

Member Recruitment

CSAs recruit new members in a number of ways, including word-of-mouth, farm events, membership drives, brochures, flyers, speaking at local events and advertising through local newspapers and radio stations. Virtually all the farmers in our sample agreed that word-of-mouth is by far the most effective – as well as cost-effective – strategy for recruiting members. As a farmer explains, "We've used a lot of different methods for getting new members and almost all of them are not profitable. The only one that really works is word-of-mouth. We get a lot of members through word-of-mouth, so I would urge any CSA to urge their members to be their sales force."

Some CSAs also prefer recruitment through word-of-mouth because existing members are more likely to refer people who "fit in" with the CSA model. As a farmer explains, "Our belief is that if you advertise you get the wrong people. You get all kinds of riff-raff. You get people who want to order exactly what they want, but that's not what we're offering. What we're offering is

a cheap \$14 a week box that's full of veggies, but you take what you get." However, word-of-mouth recruitment has also resulted in a relatively homogenous membership base and limited CSA presence in low-income communities, which will be discussed in greater detail below.

While word-of-mouth seems to work well for CSAs with many members, it may be less effective for smaller CSAs with fewer members. As a farmer at a small CSA explains, member recruitment "is word-of-mouth and it really fluctuates. We depend on this income, so when we lose 20 members, it's hugely significant. We really need to work on our membership because we're only 100 or so members, so there aren't a lot of people to do word-of-mouth."

Farmers' markets are also an important avenue for recruiting new members, since face to face contact is an ideal way for farmers to engage with consumers who may not otherwise have heard of or considered joining a CSA.

Articles about CSA in local newspapers are a particularly effective means of spreading the word and farmers report that they receive numerous calls from prospective members whenever such articles appear. As a farmer recounts, there was "an article in the San Francisco Chronicle about our CSA, and my younger brother actually stayed home from school to collect all the phone calls from the people signing up. That was just from one well-written article placed in the right area." Similarly, another farmer reports that, "there was this huge article in the Sacramento Bee about 10 years ago and we got a hundred phone calls. That brought us our Sacramento delivery."

Promotion by community leaders is another effective way of getting the word out. A radio show host who joined an Oregon CSA began promoting the farm on the air on a regular basis. According to that CSA, they needed someone in the office all day to sign up new members the days the show aired.

Similarly, promotion on the part of local religious leaders can represent a tremendous boon for CSA. A minister in Eugene, OR, hosts a week-long festival promoting CSA every April, which includes question and answer sessions with local CSA farmers, food from CSAs and music and dancing. Local CSA farmers report that many new members sign up as a result of the festival each year.

The United Methodist minister in town has for years made supporting CSA an active part of his ministry. Every year he organizes this event where many, many churches in Eugene get together. It's called the "That's My Farmer Celebration." All these congregations are invited together and it's honoring all the farmers in the area. He does a slide show and there are sing-along CSA songs. He talks about the politics of farming and about how it fits into good stewardship and social justice. There's a question and answer time, where each farmer gets to talk and people can ask them questions. I've never encountered a group that understood CSA so deeply and so quickly as the faith community, because I think at the root of CSA is really deep ethical issues. I had a guy come up to me at the end of the evening, hand me a check for the year and say, "I just want you to know that the produce I'll be receiving this year, I see as a byproduct of our relationship." I was like, "Whoa! I've got members that have been with us for 10 years

that aren't anywhere close to that kind of depth of understanding." So, that's an exciting event.

On-farm events represent another important means of both recruiting new members and retaining old ones. One of the best known of these events is the Hoes Down Harvest Festival, which is hosted by Full Belly Farm in the Capay Valley of California. Hoes Down attracts hundreds of people and offers a broad range of events including workshops, crafts, demonstrations, children's activities, swimming, music and dancing. However, such festivals require significant planning and investment, as well as a large membership base to assure sufficient turnout. At the simpler end of the spectrum, CSAs more commonly invite members for "farm days," which generally consist of a tour of the farm and activities such as hayrides and a potluck meal. Most CSAs also extend an open invitation for members to visit the farm whenever they wish. While most do not take advantage of that, they appreciate it as an option. Since it is often difficult to get members to come to the farm, CSAs also often organize events such as potluck meals in local towns or cities. These events are also an important way of strengthening connections between members and farmers, as well as between members themselves.

A farmer discusses the different opportunities they provide for members to visit the farm and the importance of those events.

We have members out to the farm every week during the summer season. And we schedule special events, like scarecrow making, or garlic braiding. It's also kind of a membership drive, "Come see the farm and join up." We put flyers around for these kinds of events and then we rely on word-of-mouth. The best way for us to do anything, as far as membership building, is to get members talking to other people. There's a lot of communication between members of our CSA. CSA is more time consuming, and some things are more expensive, but if you don't do it, you don't have the community aspect, so it's not worth it for us. We also do field trips where kids come out; we really try to integrate kids a lot.

CSA clearly taps into consumer desires for a closer connection to farms and the land. A farmer in Oregon describes how a call for volunteers in response to a hailstorm actually increased their membership.

We had golf ball sized hail in August of 2000. It completely flattened everything. It was horrible. We decided to ask for volunteers to repair some of the structures that were damaged and replant some things. It seemed like I got a lot more people signing up that fall than I ever had. I think it was just the drama of it all. People felt like they were a part of it.

Ultimately, many farmers claim that one of the aspects of CSA that attracted them to it is the opportunity to form direct relationships with consumers. These relationships are what give life to the farm and are also what help ensure its continued survival. As a farmer explains,

CSA doesn't compare to any other marketing tool or option that we've ever done. It's created a farm with a whole different focus in life. I feel like before we were just

production, and now I write newsletters, and I'm looking for information and I do education, and it's a whole different realm. What it has made us realize is that if you want people to support you, you really want to get their heart tied to what you're doing. Jered [Lawson, CSA advocate] said, "Grocery stores are anonymous, a farmers' market is like a one day stand, and CSA is like dating." So, where do we get marriage, where we are totally responsible for each other? I feel like CSAs are very much more of that philosophy.

Member Retention

While on-going recruitment is essential, member retention is ultimately the goal of CSA. From a philosophical standpoint, long-term memberships are vital to nurturing and sustaining the sense of community that is at the heart of CSA. From a logistical perspective, retaining existing members requires significantly fewer resources than recruiting new ones. New members also come with a new set of preferences that farmers must accommodate.

Communication is perhaps the most important tool CSAs have for retaining members. Most members join CSA because they are seeking a deeper connection to farmers and the land, and have a strong interest in knowing where their food comes from. Communication fosters a sense of community and personalizes the relationship between farmers and consumers. It provides members with a window into life on the farm and offers the opportunity for a two-way exchange of information. Clear communication is also essential for farmers, who may need to explain the reasons for problems such as less than optimal produce or reduced shares. Good communication is particularly important for CSAs that deliver to members in towns and cities, where there is less face-to-face contact with farmers and fewer opportunities for members to experience life on the farm firsthand.

CSAs utilize a number of vehicles for communicating with members, including newsletters, email, websites and bulletin boards at "drop-off" sites. Newsletters, which many CSAs include with weekly deliveries, are the most common form of communication. They serve several important functions, including providing recipes for the produce in that week's share; updates of life on the farm; profiles of farmers, farmworkers and interns; and personal, political and philosophical musings on a range of issues associated with farming and sustainable agriculture. Farmers also use newsletters to foster a deeper understanding of and appreciation for the challenges of running a farm. Members value the newsletters highly. As one farmer notes, "Out of 250 shares that go out one day, if two people don't get their newsletter, they'll call."

Many CSAs have websites as well, which are becoming an increasingly important means of communication with members. Websites provide a wealth of information, including pictures of the farm and the farmers, information on current produce, farm news, updates and recipes. Some CSA websites have become very popular, even among non-members. Websites are also an important way of educating members. As a farmer explains,

On our web page, I put lots of pictures of what crops are growing, other farm news like the fact that we're planting tomatoes. I like to let them know what's going on on the farm so they know the planning ahead that their food requires. We're thinking ahead so that

you'll have your tomato in the summer. People take that for granted. I think it's a great way to bring people together to be a part of your farm.

Finances

Advance Payments

One of the hallmarks of CSA is the role of advance member payments in capitalizing production. In fact, many CSAs do not require bank loans at all because advance payments are sufficient to cover most if not all production costs. According to a farmer in the Capay Valley of California, "We don't have production loans anymore. We have some loans, but not production. The CSA gets us by." Similarly, another farmer reports that, "the advance payments really help us a lot. We've never had to take out a production loan since we started the CSA."

However, there are regional variations with respect to advance payments. CSAs in colder climates such as Oregon and Washington, with a discrete growing season and specific start and end dates are more likely to receive advance payments than those in more temperate regions such as California, where production is year-round and members are more likely to pay on a monthly or quarterly basis, given the size of advance payment for an entire year. As a farmer in the Capay Valley of California explains,

I don't see Californians getting behind paying in advance. A lot of people don't have \$700 sitting around. We have a lot of schoolteachers and community activists who don't make enough money to kick out \$700 at the beginning of the year. We'd love to have the CSA members pay all up front to even out cash flow, but it doesn't and it's not going to. Even people who, from my perspective, should have enough cash to do it, don't feel like they do. We've just come around to the fact that we're going to have customers who can't be expected to pay all up front.

At the other extreme, a farmer in Oregon reports that, "most people pay up front. Maybe 5 customers have a payment plan, but it's usually paid off by the time the season gets going." Nonetheless, when asked to do so, CSA members in California are often willing to provide advance payments to help the farm. As a farmer in the Capay Valley of California relates,

We realized we needed a market truck and that's when we instituted quarterly payments. We had a big conversation about it because we were afraid people couldn't afford it and they wouldn't want to pay us that much money up front. But we put a little note in the boxes and said we needed an up front payment system. We were able to capitalize the truck because a lot of people came through with quarterly payments.

Some CSAs provide discounts as a way of encouraging advance payments. According to a farmer in the Capay Valley of California, "We try to get everyone on at least a monthly installment, and that's \$14 a week. For people that pay quarterly it's \$13.50 a week, and for people who pay annually it's \$13 a week." Similarly, a Washington farmer prices shares at "\$500 if you sign up for the whole 20 weeks, but if you pay in two installments then it's \$550."

Advance payments also provide an essential source of financing for many CSAs, who may not be eligible for bank loans due to the small size of their operations. As the coordinator of the Pike Place CSA explains,

A thing that one of our farmers is doing, and I keep encouraging more, is to take your contract and go to the bank with it. If you're a wholesale farmer and you have a warehouse contract, you're used to taking that to a banker and getting a loan. Small farmers don't have that access to capital in direct marketing.

Share Pricing and Value of Shares

A share is generally considered enough produce to feed a family of 4 for one week. In addition to varying share sizes, the price of shares also varies widely among CSAs. Share prices for the farms in our sample ranged from \$13 to \$27, with an average of \$20.

Share prices vary in part because they are calculated using different methodologies. Some CSAs price shares based on the farmers' market value of the produce in each week's delivery, while others charge closer to what the produce would cost at a retail store. For example, the price of Pike Place CSA prices shares is "about 80-85 percent of retail." As a farmer in Washington explains,

The beauty of the CSA is that we are able to charge what the consumer would be purchasing it for from a retailer, and it cuts out every guy in between, who was also making money on the deal. One of the reasons we're able to proceed with smaller volumes and less efficient production methods is because we can charge more for it. Our goal is to give our customers what they're paying for, so we have a set amount of money that we'll spend on produce for every box, and it doesn't change.

The one farm in our sample that is exclusively CSA prices its shares based on total production costs.

It's pretty basic, since it's just CSA. I try to do a really good budget, and then I divide it by the number of members I'm expecting. I started quite a bit higher than most CSAs in the area, but I feel like other CSAs aren't charging a fair price. They're really too low to cover a lot of their costs, but they use other marketing strategies to make up for it.

No matter how they price shares, most farmers believe that CSA offers good value for members. This has been borne out by several studies comparing the value of CSA shares with the price of comparable retail produce. According to a study conducted by the University of Massachusetts (Boltwood 1999),

All shareholders saved substantial amounts of money when CSA share prices were compared with organic produce sold in retail grocery stores. The study's authors, Jack Cooley and Daniel Lass, concluded that "consumer savings for this comparison ranged from \$682.54 – which cost the members \$450 per share – to \$149.08 for a share which cost \$250."

Other research has produced similar findings.

In a survey conducted by Watershed Farm in Pennington in August 2002 – a particularly dry season – those who had paid \$19 a week for a family share received produce that would have cost \$80 at a natural food store. Last season, an individual share in the Watershed farm cost \$295, which worked out to about \$11.80 a week for the 25-week season. Most farmers say that if there are any complaints from their members, it is that they get too much food, not too little. (Goldblatt 2004)

Since CSA is a “take it or leave it” proposition regarding what is delivered, paying for uneaten produce can also affect the ultimate “value” of the share. Some CSAs have found creative ways of addressing that issue.

Some people don’t necessarily like every single thing in their box. They paid for it, but then they don’t like it all. So, we have the “yum-yuck” box at every drop site. If there’s something in the box someone doesn’t like, they put it in the box. Anything in that box, anybody can take. That has worked really well because some people hate beets and some people love them. It also makes it more of a community thing.

The converse of good value is the fact that many observers of CSA operations feel that CSAs are undercharging for their produce while underpaying themselves. However, many farmers do not believe their membership will support price increases that will allow farmers and farmworkers a better standard of living. As a CSA farmer explains,

We sit down with our core group and we say, “You know, we don’t have health care for our workers or the farmers.” And they say, “Oh, you should build that into the cost.” And then we say, “OK, we’ve figured out our prices for next year.” And they say, “No, we can’t do that!” So, even with our ardent supporters, I don’t think the economics are working. That will have to change in order for the CSA to run well.

Land Costs and Financing

The cost of land presents a paradox for CSA. Since they are based on the premises of direct marketing, community-building and local food, CSAs tend to be located in proximity to urban centers. At the same time, however, land on the urban fringe is significantly more expensive than land in more outlying areas. According to Ellie Kastanopolous, co-director of Equity Trust, Inc., a group that has provided support to CSAs for more than a decade,

We work with many wonderful farmers who produce great crops that their shareholders love, and who are able to earn a substantial income in return for their efforts. But they still can’t afford to buy farmland. CSAs tend to be near urban areas, and that’s where the land values are high.... A lot of CSAs are set up on rented land. This makes them vulnerable. They can improve the fertility of the land, and then lose the use of it.... If a CSA is going to succeed long term, then it better start thinking about securing its land base. (McFadden 2004)

The above sentiment is echoed by a farmer in the Capay Valley of California.

The other issue is the affordability of land. That is an issue that really hurts agriculture and really hurts young farmers wanting to farm. Someone is selling 20 acres here for around \$580,000. Nobody can afford that. If we wanted 20 more acres to make our farm mature, it's out of our range. We've helped young farmers learn how to become farmers and where do they go? Not here. They can't afford it. To me, that's a huge issue.

Although CSAs can obtain loans to purchase land through entities such as the USDA Farm Service Agency (FSA), loan amounts are often low in relation to the high cost of land. As a farmer in the Capay Valley of California explains,

FSA has a limit of \$200,000, so with a \$500,000 piece of land, that's nowhere close. My only hope is that we could do a capital campaign and work with the Yolo County Land Trust to come up with some configuration that we could get that piece for. It's pie-in-the-sky, but maybe one or two other growers could join up with us.

However, because they have the resources of their members to tap into, some CSAs are able to find creative ways to finance land. One of the farmers in our sample recently organized 8 of her members to buy a 47-acre parcel of farmland, which has been organized as a limited liability corporation with the farmer as the manager. That arrangement has been working well, and the farmer notes that she would not have been able to afford to buy the land on her own.

A number of observers feel that community land trusts ultimately represent the most viable option for guaranteeing CSA access to land. Allan Balliett, a CSA farmer and long-time CSA observer notes that, "For the safety and long-term strength and independence of CSA farms, they should go hand-in-hand with community land trusts. With the help of a community, land can be permanently set aside for farming and made available to farmers at a reasonable cost with a long-term lease." (McFadden 2004)

According to Steven McFadden (2004), "Both of the original CSA farms – Indian Line and Temple-Wilton – spent years grappling with the land issue. Both farms, operating out of their own best judgment, eventually secured land long-term through the vehicle of a land trust. This step has greatly increased the farms' long-term chances of survival."

Profitability

The issue of the profitability of CSA is difficult to gauge, in part because CSA is often one of several marketing strategies and farmers are unable to calculate the profitability of each individual component. As such, perceptions of profitability are subjective. Three of the farmers in our sample felt that CSA was the most profitable component of their farm operation, while six felt that other marketing outlets were more profitable and two were unsure. However, it was unclear why CSA was more profitable for some farms than others, as the issue does not appear to be associated with factors such as share price, gross sales or percent of sales from CSA.

In fact, some farmers believe that wholesale actually subsidizes their CSA, which is operated in order to support “the ideal of a community farm.” According to a farmer in Oregon,

We do an extremely rigorous accounting, which means that everything gets charged to each account. By doing that, the CSA does not make any profit, and hasn't. It has covered its direct expenses on a reasonably regular basis. It has contributed overhead to the overall farm, but it has never been able to take care of all the overhead. In other words, if we were to do only the CSA, it wouldn't make it. Our wholesale crops are, in a sense, subsidizing the CSA operation, in terms of covering overhead.

Ultimately, however, some CSA farmers take a more holistic view of profitability, which is considered from the perspective of the entire farm operation as opposed to individual marketing outlets. A farmer in the Capay Valley of California explains this approach.

I'm not sure exactly which [marketing channel] is most profitable. I think that if we were to have to say – seat of the pants – CSA has a higher margin. But, all of us really believe that the reason our farm works isn't any one thing in isolation. If you were an economist, you might want to say, “That corn that you're growing, you don't make any money on that sweet corn, you have a lot of corn earworm and you're losing money from harvesting it. You really should quit growing it.” And we would say “Forget that.” We believe that the sweet corn, even if we lose money on it, is a part of the whole big picture, and we believe that it all fits together and it makes sense. So, within reason, that philosophy is a really important one for economists to understand, because they're always going around looking at one little part of the whole picture and never do you see an economist looking at the whole picture first and then trying to tease out the details. For us, maybe the profit margin is a little bit greater on the CSA, but I don't think that the CSA would work quite as well when it is paired with some of these other things. On the other hand, I know lots of farms that do really great as just a CSA farm. It's just that our system has really integrated a lot of different elements pretty successfully.

Collaboration, Competition and Community Relations

While linkages between consumers and farmers are ultimately at the heart of CSA, connections between CSA farmers themselves, as well as between farmers and the broader community play a vital role in this movement.

Collaboration and Competition Among CSA Farmers

Many CSAs operate in an environment of what some term “collaborative competition,” in which they are both competitors and collaborators at the same time. Farms in the same region are in competition with one another, generally producing the same crops and competing for the same membership base. At the same time, however, there is a very strong spirit of collaboration among CSAs, which stems from a strong desire to see this movement grow and flourish and the fact that collaboration contributes to the viability of each farm operation. Most CSAs feel that they are “in this together” and as such draw sustenance from the existence of other CSAs. As a farmer explains, “Maybe there is competition among CSAs. But there's a farm that's quitting and that

hurts. That's less support. And competition is not important. I feel like if there was only one of us we couldn't survive, because we're so different. So, competition is invalid."

Similarly, when asked about interns as potential competitors, another farmer explains,

I can't view it like that, otherwise I'd become the kind of person I don't want to be. Occasionally I think, "Oh, you're starting a CSA now, great!" But no, we really need more farmers. I do really well at 46, and I can keep up with any 20-year old. But every day I knock on wood because there's going to be a time when I can't do that, and thank God there's younger people coming up and doing it. It's supposed to happen that way. I'm thankful for every young farmer that wants to farm, because it's becoming obsolete and it just can't happen. It just can't. Otherwise the earth will not be cared for.

Conversely, some farmers see competition as a very real threat. As a farmer in the Capay Valley of California explains,

There's no doubt that it's competitive. A lot of people look at organic farming from a very, very idealistic point of view. They think it's a wonderful thing. That it helps the environment, that everyone loves each other and it's just perfect. But the reality is, it's a tough business. If you don't do what you're doing properly and if you don't make money, you're not going to be in business. If the market is flooded with something and there's way more supply than there is demand for it, inevitably the price you're getting for it decreases. And if it decreases to the point where you're not making money anymore, then they're definitely competitors. But if it's small enough so that everyone's doing what they need to do to make money, well then I'd call them colleagues, because then it just builds up the whole purpose that we're here for. And actually, in this valley, we all seem to market our stuff to fairly different people, so we always get rid of it, and it's not very often that we hear about another farm taking our business. And we also are very comfortable with the people we sell to. So, it goes both ways. Competitors, colleagues...

At the same time, CSAs collaborate in a number of tangible ways that contribute to the viability of the respective farm operations. Forms of collaboration include sharing equipment, purchasing supplies and materials jointly, selling produce to one another, selling jointly to wholesalers, transporting produce together and even sharing labor. A farmer in the Capay Valley of California provides a good synthesis of the collaboration among CSAs and attitudes toward competition.

We co-truck and co-buy. With Full Belly, we have one customer that we share. Between the two of us we can service them better. If one of us is low on something, the other can fill the order. We've been doing it for several years now and we've had to train several new buyers. They'll think we're in competition with each other, which we are, but it's hard to get people to understand that week-to-week and day-to-day, we don't really care if the neighbor gets the order instead of us. It's more important to us that that customer is coming to the valley to pick up two or 3 times a week, and that today we might not get the order but the neighbor does. Sometimes, we're so busy that we'd rather the neighbor get the order. Under the best case scenario, they give us each an order and then we compare notes and say, "Hey, I'll do that part, you do this part," and it all washes out.

The same farmer goes on to explain that,

We really do work together a lot. Instead of competition, I like to call it “co-opetition.” We’re just better served if we can keep trucks coming here to pick up, filling those orders and making sure there’s really nice produce so they want to keep coming back to us. That’s the key. It’s so much better than having an unhappy customer because any one farm is not big enough to provide constant uniformity. You get more if you have different crops. Instead of us having 8 plantings of tomatoes, we’ve got 4 and the neighbor has 4, and they all went in at slightly different times and we also have different irrigation schedules, and they’re all going to peak and valley at different times. So hopefully we counterpoint each other. We have another deal that’s set up by a broker where it gets us into the chains. They have 3 northern California growers and we try to provide a smooth season-long level of uniform production by multiple locations. None of us want to have farms all over the place.

In addition to the above, CSAs are increasingly engaging in a range of broader collaborations as a means of enhancing their viability. Steven McFadden (2004) claims that, “matrices of community farms with different capacities and specialties” are evolving in a network of “multi-farm, multi-product CSA operations.” In that regard, Jo Meller, of the Community Farm CSA newsletter claims that, “we are seeing a lot of producers joining with other producers. We see bakeries, orchards, vegetable farms, co-ops, whatever, linking to form networks of support.” (McFadden 2004) For example, taking advantage of local micro-climates, two northern California CSAs located only 20 miles apart have formed a collaboration in which they can provide members with hot and cool weather products, something neither farm would be able to do on its own.

Community Relations

The issue of community relations has at times been a thorny one for the CSA movement, which has been criticized for having a largely white and largely affluent membership base. The advance payment requirement is prohibitive for many low-income individuals, effectively excluding them from CSA membership. In response to these concerns, CSAs have developed a number of mechanisms for extending themselves to low-income community members.

As noted, some CSAs offer work-share opportunities for low-income members. In addition, many CSAs offer free or reduced-price shares for low-income community members and many donate surplus food to community organizations including food banks, senior meal programs, battered women shelters, homeless shelters and clinics serving terminally ill patients. CSAs also encourage members to purchase shares for the above-mentioned organizations or to provide scholarships for low-income community members. Some CSAs also invite groups such as Senior Gleaners to gather produce that has not been harvested.

While these efforts may only address the “tip of the iceberg,” they represent an important first step in the right direction. As a farmer in the Willamette Valley explains,

What we've found is that the people who sign up are from the upper end of the income scale. That bothers us, because we strongly believe that everyone has the right to eat good organic food. But we can't afford to just dish it out. It's a social dilemma that's in every part of society. And since we're in the food scene, that's ours too. So, we ask our members to make donations to Food for Lane County and we really try to reach out to the lower income members of our community. We're also part of the Senior Farmers' Market Nutrition Program, so if you're a senior in the lower income bracket you can get a coupon for \$10 a month for produce.

Conclusion

Community Supported Agriculture in the United States has made tremendous strides since the first CSA farms were formed in 1986. Having grown to approximately 1,700 farms, CSAs now serve several hundred thousand members in all 50 states. This movement has clearly tapped into a strong and growing desire among consumers for fresh, local and organic food. At the same time, CSA has responded to the desire of many farmers for a more direct relationship with those eating the food they grow.

CSA has evolved in a number of important ways since its inception in the U.S. Most importantly perhaps, is the fact that most CSAs are now farmer, rather than consumer-driven. Whereas many CSAs still maintain strong ties with core groups and their membership base, others have evolved more in the direction of "subscription farming," with a reduced level of community involvement in farm operations. Marketing outlets have also evolved, and instead of producing strictly for their members, CSAs now utilize a diverse set of marketing channels, including farmers' markets, retail and wholesale. In contrast with the original model of CSA, in which the entire harvest was distributed among its members, CSA is increasingly becoming one marketing strategy of many. CSAs are also increasingly partnering in a broad range of innovative relationships that allow them to offer a broader range of products than a single CSA could on its own.

CSA contributes to farm viability in a number of important ways. Direct marketing allows farmers to capture a significantly higher percent of consumer food dollars, while a guaranteed market offers a high degree of financial stability. Advance payments provide CSAs with an important source of interest-free capital, in many cases obviating the need for production loans. More importantly perhaps, the relationships that are cultivated between farmers and members can play an important role in contributing to the success and viability of the farm operation. In particular, CSAs are able to draw on their members for support during crises or emergencies, or to help out with extraordinary expenses such as the purchase of land or equipment.

The phrase that "CSA is not for everyone" holds true for both consumers and farmers alike. From the farmer's perspective, CSA entails an extremely diverse and complex production system encompassing hundreds – or even thousands – of varieties that must be staggered to ensure a diverse range of products throughout the season. In addition to agricultural production, however, operating a CSA farm requires a broad range of other skills, including marketing, administration, finances, customer relations and communications. As a farmer in Washington explains,

CSA is easy, in the sense that I could walk the streets with my brochures and at the end of a couple weeks probably have \$10,000 in my bank account. But then, can I produce? Can I deliver? Whether you execute it very well or not is a totally different question and that has to do with a lot of different components, such as whether you are a good marketer, whether you are good in business and whether you are a good farmer.

At the same time, CSA is not for all consumers. Members must be willing to make a number of sacrifices, including giving up control over what they receive each week as well as tolerating fluctuations in share size. Ultimately, whether CSA goes on to become a household word or remains in the realm of a small number of consumers remains to be seen. In her study of CSAs, Jan Perez (2003) highlights a number of challenges associated with the expansion of CSA beyond its current confines.

The data point to several challenges, particularly regarding long-term CSA viability. Addressing the issue of choice appears to be a persistent dilemma. Most people leave CSA due to lack of choice, yet the idea of “receiving what is available when it is available” is an integral part of the CSA concept. Therefore, turnover is likely to always be an issue, and thus finding new members will continually be required. Some people look at the small number of members currently participating in CSA and see a huge untapped market. However, there are also several indicators that point to obstacles to CSA growth. The limited demographics of people participating, the availability of organic food from other sources...a culture based on convenience and choice, and having to spend more time preparing food and eating what is seasonally available could limit the number of potential members available for both current and future CSAs.

Conversely, some observers believe that CSA is currently on the brink of a new wave of growth. As Steven McFadden (2004) claims,

After 18 years, CSA has proven itself. Now many of the forces that have brought it to its state of early maturity are conspiring for what might well be another big wave of development. [CSA] has the potential to establish thousands of cells of environmental vitality in cities, suburbs and countryside, and to extend basic, healthy linkages among the people who make up a community. As we know from its beginnings, CSA is not just a clever, new approach to marketing. Community farming is about the necessary renewal of agriculture through its healthy linkage with the human community that depends upon farming for survival.

CSA has clearly tapped into a strong and very real current among American consumers. It is likely that CSA will continue to grow and expand in the short, and possibly, medium-term. However, whether this movement continues to expand and ultimately spill over into mainstream society, or remains within the realm of a relatively small number of philosophically aligned and committed consumers, remains to be seen.

Recommendations

The findings in this report point to several recommendations that may contribute to the increased viability of Community Supported Agriculture in the U.S.

1. *Member recruitment.* With estimated turnover rates of 30 percent to 40 percent per year, CSAs must recruit new members on an on-going basis. While word-of-mouth will likely remain one of the most effective means for doing so, efforts should be made to better utilize other forms of effective outreach, particularly the media and community leaders. Given the important role of newspaper articles in promoting CSA, assistance to help CSA farms and organizations cultivate relationships with the media at the local, regional and national levels would be useful. In addition, a public education campaign should be undertaken to increase consumer awareness of CSA and provide consumers with information on how to find and join local CSAs.
2. *Member retention.* Efforts to improve retention rates should also be made by addressing reasons for member turnover, particularly lack of choice over share contents and overly large shares. Options for doing so include providing “yum-yuck” boxes at drop sites or customizing shares, to the extent feasible. Member surveys also represent an important way to improve customer service and increase member retention. However, such surveys are under-utilized by most CSAs, due to a lack of time and technical skills. Technical assistance should be provided to help CSAs develop that aspect of their operations, which is becoming increasingly simple and inexpensive with a broad range of user-friendly Internet survey tools.
3. *Outreach to low-income communities.* CSA should continue to explore ways to extend the benefits of fresh, local and organic produce to all community members, regardless of socioeconomic status. Options for doing so include increased availability of work-shares, offering scholarships or subsidies funded by sources including members, public sector agencies, philanthropic foundations, corporations, faith communities, etc. Policy mechanisms to facilitate the purchase of shares using food stamps or other food assistance programs should also be explored in greater depth. Since low-income communities may not be able to provide advance payments, access to low or zero interest loans may be necessary to increase access to production capital for CSA growers.
4. *Outreach to minority farmers.* Despite increasing numbers of minority farmers in the United States, CSA growers remain overwhelmingly of European descent. CSA should be further promoted among minority farmers, and technical assistance should be provided for those interested in starting their own farm. Technical assistance should also be provided to agricultural workers on current CSA farms interested in establishing their own farms, given their already extensive knowledge of CSA. Creating linkages between minority CSA farmers and their respective communities would have the additional benefit of increasing access to fresh and culturally appropriate food in underserved communities.

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Appendix: Participating CSA Farms

CALIFORNIA

Farm Fresh to You
Full Belly Farm
Good Humus Produce
Riverdog Farm
Winter Creek Gardens

OREGON

Denison Farms
Gathering Together Farm
Hey Bayles! Farm
Winter Green Farm

WASHINGTON

Jubilee Farm
Nature's Last Stand
Pike Place Market Basket CSA
Root Connection Farm