

GRAY DOG'S FARM

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Do You Have Your Own Farm? Would You Like To?

Are food security, food quality, sustainability and price important to you?

***This is an invitation to help create and be part of a Cooperative:
Gray Dogs Farm Cooperative CSA***

On your own farm would you raise grass fed animals? Use non-GMO feed? Treat your animals humanely? Grow things Organically?

A Cooperative CSA offers you an opportunity to “own a portion of your own farm” and have input into the way your food is produced. Just as with a CSA you purchase a yearly share containing a variety of meats and cuts (and vegetable shares are a possibility), buy different cuts when you need and want, and get monthly delivery or pickup. With a COOPERATIVE you buy a share and actually own an interest in the farm, belong to a community, and have a voice in deciding what happens to the farm’s surplus or profit. And if food security is an issue for you, you know you have your own farm.



HISTORY

We, (the Hackersons), grew Gray Dog’s Farm from a mom-and-pop operation into a viable grass-fed meat CSA. We started small with fifty broiler (meat) chickens, fifty laying hens for eggs and eight sheep. We grew, hired a full-time manager and created a grass-fed meat CSA, a Pioneer Valley presence with a good reputation. We supported a vision of sustainability and community

involvement. We worked off farm jobs, earning money for new pasture, new infrastructure, and for the slow times. We also supplied extra helping hands when needed for haying, filling CSA bags, or working the Farmers Market, a labor of love.

As can happen, a series of small difficulties slowed things down and brought us to a stop. The loss of a full-time manager and the difficulty of finding a new one threw the work on Ross and a part-time person. Ross, wanting to eventually retire, cut everything back, maintaining only a small flock of sheep. This led to *The Problem*.

THE PROBLEM

The farm ~ land, infrastructure and equipment still exist. The need for food security and local sustainable farms still exists, and good farmers needing a farm still exist. The uncertainties of farming and the need for working capital still exist. This one, the need for consistent upfront working capital, is a real difficulty since Ross wants to retire from his town job. And this led to *The Idea ~ Possible Solution*.



IDEA ~ POSSIBLE SOLUTION

Create a consumer Farm Cooperative CSA. A Cooperative is a special form of corporation in which members hold shares. The members of the Co-Op are the members of the CSA and receive its benefits. Through their Co-Op membership they share in the Farm's ownership and direction, and support and decide how to use the farm surplus. The Coop owns/leases the land, infrastructure, equipment and animals; hires the farmer, and creates policy. The Coop members – through their subscriptions – insure the viability of the farm. In doing so they get the farm products they want, grown the way they want, at prices that work for them. There is a break-even point that requires a specific number of families. Members help enroll more members – a community. The farm can supply more than the members need/want and the surplus can be used as the members choose: to pay themselves, to donate to the community or however they wish. So the idea is to create a Co-op farm.

WHAT NOW: We create a steering committee of interested persons. The Steering Committee does a feasibility and business plan and creates a mini-perspective, with vision, on paper and enrolls the needed number of families.

We have put together a budget based on costs and the farm's past operating budget. Our next step is to put together a steering committee, decide whether we want to go forward and start talking to possible members. The Cooperative Development Institute ^ is ready to help with the process and even introduce us to farms that have successfully used this model.

ANNUAL BUDGET CALCULATIONS

(based on 2014 taxes & current feed prices)

Auto/Truck	4000
Freezer Space	700
Freight	1100
Gas/Diesel	3200
Insurance	1500
IT, etc. marketing	1700
Legal	1400
Machine Work (Infrastructure)	5000
Maintenance	2500
Marketing, ads	1700
Mortgage	12,000
Seeds/plants, etc.	2500
STUFF (Stuff Happens)	7000
Supplies	2600
Taxes	3200
Utilities	2500
Veterinary, etc.	1100
Sub Total -->>	\$53,700

ANIMAL DEPENDENT VARIABLE COSTS

Feed (hay, chicken grain, pig feed)
and Animal Harvest **130,000**

LABOR

Farmer (payroll, with taxes) 54,000
Hourly labor 20,000

TOTAL COST ESTIMATE \$257,700



SHARE SIZES, TYPES, COSTS DRAWING FROM GRAY DOG'S FARM HISTORY

<u>SHARE SIZES*</u>	<u>CONTENT</u>	Monthly <u>PORK</u>	Monthly <u>BEEF</u>	Monthly <u>COST**</u>	Annual <u>COST**</u>
EXTRA	20 Chickens	15 lbs	15 lbs	\$280	\$3,360
FULL	20 chickens	12 lbs	12 lbs	\$230	\$2,760
HALF	10 Chickens	6 lbs	6 lbs	\$115	\$1,380
MINI	6 Chickens	4 lbs	4 lbs	\$75	\$900
CHICKEN	Chicken only	<-- amount & cost to be determined -->			
RED MEAT	Red meat only	<-- amount & cost to be determined -->			

*Based on the Farm's previous Share sales a distribution of 10% EXTRAs (8 shares), 40% FULLs (38 shares), 40% HALFs (75 shares), and 10% MINIs (30 shares) could be expected. ***This would reflect a community of 260 to 300 Adults (families, couples and singles).*** CHICKEN Only and RED MEAT Only shares were a small and unpredictable number.

**Prices are calculated on meat at \$8 per pound and Chickens at \$22 each. With



meat this allows for approximately a 7.5% "profit." Chicken cost is calculated at \$19 per bird production cost and sales at \$22 each, a less than 1% "profit." Free range, Non-GMO fed chickens are notorious for not making any money, by the way. Free range eggs can also be raised at approximately \$7 a dozen break even price.

TIMELINE for CO-OP/FARM DEVELOPMENT in 2016/2017

Stage 1 CO-OP: (Now thru 2 + months) Exploration: Organize Steering Committee; Market Research; Define Possibility and Opportunity. Create a clear plan and budget for each stage of development. Ongoing recruitment of interested members/customers and list products needed.

FARM: (Ongoing) Define what's possible for this year. Look for Farmer; Continue to build out infrastructure (fence, grass and pasture, barn, more fence; care for animals, contact growers for buying in products until farm is up and running. Grass fed Beef, Lamb, available in Fall in wholes, halves, sixteenths for beef. Animal harvest is in the Fall

Stage 2 CO-OP: (hopefully by Sept. 1) Business Planning: Figure out how to make business ideas a reality; continue to presell memberships and orient them; Set up a Founding board; Incorporate Coop and adopt bylaws. End: A legally incorporated Cooperative with seated board.

FARM: (ongoing) as above, developing livestock base to meet customer needs; haying, Chickens are probably not a possibility this year.

Stage 3 CO-OP: Coop launch: Get business set up and ready to open (finish defining shares, distribution times and places; Set up and hire staff (farmer, part time help); End with Staff, products and services ready to offer; customers signed up (members)

FARM: as above, prepare for Winter, infrastructure completion for winter; harvest animals, distribution.

Stage 4 CO-OP: In Business: provide products and services; Ends with viable business up and running.

FARM: depends on season!

The Cooperative Development Institute is available to assist us in putting the Co-op together: ^ on the internet the Institute is:
<http://www.cdi.coop/wp-content/uploads/2015/03/start-up-packet-2015-web.pdf>

Vegetable Shares and Eggs: We have land to develop for growing veggies. It would take a year to develop and fresh veggie shares could be added. Eggs too are a possibility and could be added to shares.



IS CREATING AND OPERATING A COOPERATIVE CSA POSSIBLE? REALISTIC?

Can a farm Coop CSA generate the money necessary? Is it possible -- and realistic? **YES! \$260,000** (rounded upward, as always) in total costs would require 100 families paying \$2600 per year. This would be a monthly cost of around \$220 for a family to get grass fed meat. Not unreasonable. Actually this cost would be spread across different share types/amounts and hopefully many more families. The **FULL** share in the share chart (twenty chickens a year and 24 pounds of pork/beef combo per month) reflects that “family” share and is approximately \$56 a week.

WHAT’S NECESSARY?

The primary need in the Cooperative Farm arrangement is that members actively enroll other members. Marketing and sales drive the success of any business. As a “Cooperative business” the Farm Coop CSA depends on its’ owner-members to participate in marketing and sales on an ongoing basis. Sharing a good thing becomes part of what members do!



IF YOU ARE INTERESTED and would participate as a member, and especially a member of the steering committee, and for more information please contact **Ross Hackerson (413) 210-3739** or at **graydogsfarm@comcast.net**

