



Philosophical Ponderings of a Farmer

The Awkward Size **(c) 2019**

As I am beginning to plan for next season, I have been reminded of a topic that I used to think a lot more about, when I was working on other people's farms. Over the years, to gain experience, I tried out a few different operations, at a few different scales (although none over 30 acres), and would often find myself reviewing the pros and cons of size at the end of each season. I eventually came to the conclusion that there is an in-between awkward size for small farms.

Typically, farms operating at under 5 acres are easily able to market all their products directly to the consumer (farmers market, CSA, farm stand). And those operating at over 15 acres can easily market their products to wholesale accounts (groceries, restaurants, and middle-men). Of course, there is a lot of flexibility (some small farms sell exclusively to restaurants or artisan markets while many larger farms sell both direct to consumer and wholesale). But I think the interesting consideration here is about the farms in the middle, those that are approximately 5 to 15 acres.

This awkward size can be explained in terms of price point and scale. The smallest farms have a low volume of products that they can sell for premium prices and their expenses are usually less (they have fewer employees and less equipment). Whereas the larger small farms can accept a lower price in the wholesale market in order to move a MUCH larger quantity of produce, giving them the resources to hire more help and purchase equipment. But here on the Peninsula, the 5 to 15ers are often too large to sell all of their products direct to consumer, but too small to sell wholesale effectively. (I say "effectively" because we are lucky to have some "wholesale" buyers who are willing to work with these in-betweeners.) But overall, when they offer their products to wholesalers at a higher price than the larger farms, it often doesn't work out well for anyone involved.

Another interesting topic to consider is diversity. While still extremely important, it is interesting to note that a more diversified farm makes it harder to grow any single type of item at a large enough scale to be able to accept a lower price. So those operations over 15 acres that sell meat, veggies, and berries, for example, still find themselves slipping into that awkward size in each sector of their production. They find themselves hiring employees (typically the single highest expense for a farm) and purchasing equipment, but still have a hard time moving all their products. This doesn't bode well for the bottom line.

I don't know exactly what this all means, but on a personal front, I don't have to worry about Hopscotch getting anywhere close to the awkward size yet, so I guess it is a consideration for another day.