GETTING DOWN TO BUSINESS: How to make your community food project economically viable

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www.growingcommunities.org
FACTORS

• Situations are always different
• It makes sense to avoid re-inventing the wheel
• What you know can only ever really part of the picture
• That the global situation is serious and we need to inject a level of urgency!
Economic Viability

• Our urban food growing is **not** economically viable

• But our food trading system overall **is**

• Our own food growing is able to be viable within that overall system.
GROWING COMMUNITIES
www.growingcommunities.org/start-ups
<table>
<thead>
<tr>
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<th>2006/7</th>
<th>2007/8</th>
<th>2008/9</th>
<th>2009/10</th>
<th>2010/11</th>
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<tr>
<td>Income from sales of own grown food</td>
<td>5400</td>
<td>7250</td>
<td>8400</td>
<td>9950</td>
<td>7000</td>
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<td>Direct costs</td>
<td>14200</td>
<td>16700</td>
<td>18250</td>
<td>15200</td>
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<tr>
<td>salaries</td>
<td>12500</td>
<td>14400</td>
<td>14800</td>
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<td>other</td>
<td>1700</td>
<td>2300</td>
<td>3450</td>
<td>3000</td>
<td>2700</td>
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<td>% economic viability</td>
<td>38%</td>
<td>43%</td>
<td>46%</td>
<td>65%</td>
<td>37%</td>
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<td>If growers paid LLW ie £7.60, not £11.30</td>
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<td></td>
<td></td>
<td>8205.31</td>
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<td>If growers paid min agricultural salary £5.81</td>
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<td></td>
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<td>6272.743</td>
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HOW WE GOT HERE

- Started back in 1993: one farm in Buckinghamshire. All the work was done voluntarily.
- 1996, launched Growing Communities. Started buying in produce from organic wholesaler. Began to pay for some of the work.
- In 1999 we moved into our first office.
- By 2000 started to supply fruit and to make direct links with farms in Norfolk. First tranche of external funding.
- By 2002 the first certified organic Hackney produce came on line.
- 2003 - second tranche of funding. Launched our farmers market. Began to employ packers. 7 part-time staff in total.
- In 2007 - community orchard, Good Food Swap.
- In 2008 launched our urban apprentice scheme.
- 2009, first micro-site in production.
- This year we launched our Start-up Programme. Employ 22 part-time members of staff.
What we have learned

• If you are selling food it’s good idea to be able to supply people all year round.
• Box Schemes are a really useful way to sell fresh fruit and veg.
• Growing some of our own food is important to us.
• We have clarified why we want to grow some of our own food.
• Productive growing is for us, key.
• Even when focussing on production, making the growing financially viable is pretty tricky!
• You need to think carefully about what will happen to the produce you grow and where it will be sold.
• And you need to think carefully about what to grow.
• Diversifying to increase income can be a distraction and culturally not suited to your organisation.
• The customer doesn’t always have to be right and the right to ‘choose’ whatever you want whenever you want it is worth challenging.
• External funding – it can be a poisoned chalice!
• Community-led trade is good thing!
We need to act!
Growing Communities’ Key Principles

- The food traded should be:
  - Farmed and produced ecologically
  - As local as practicable
  - Seasonal
  - Mainly plant based
  - Mainly fresh and minimally processed
  - From appropriately scaled operations (which gravitate to the small rather than to the large scale)

- And the system as a whole needs to:
  - Support fair trade
  - Involve environmentally friendly and low-carbon resource use
  - Promote knowledge
  - Strive to be economically viable and independent
  - Foster community
  - Be transparent and promote trust throughout the food chain
What we need to do to make the systems that feed our cities more sustainable and resilient

Produce food in a way that:

• Does not depend on fossil fuels, artificial fertilisers and pesticides.
• Uses renewable energy plus more animal and people power.
• Backs this up with the appropriate technologies and machines.
• Restores the birds and the bees, the soil microflora and fauna.
What we need to do as a society

**Adjust our diets** to reflect how much of what kinds of foods we can best produce.

**Shorten supply chains** and dramatically increase production based on human-scale, mixed farms located in and around urban areas.

**Build appropriately scaled trading relationships** – starting from the local and working out to global.

**Re-connect people with food and farming** – involving them in the consumption, production, trading and celebration of sustainable food.
Through community-led trade we can:

- Create a practical way for our community to tackle the issues of climate change and resource depletion,
- Support small sustainable farmers and help them to thrive.
- Generate income with which to create jobs for our community and to become financially viable
- Increase/stimulate sustainable food production in and around urban areas
- Build community
- Provide our community with affordable, great food
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