



Do-Nothin' Farms

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Executive Summary

Our Mission

Do-Nothin' Farms will produce organic, sustainable produce without the use of harmful chemicals, like pesticides. Through partnerships with local co-ops, small grocers, farmer's markets, schools, and food assistant programs, we will expand our reach in the community to ensure these organizations have access to fresh, ethical produce.

Company and Management

We consist of our five founders, Reese, Kai, Jocelyn, Lauren, and Ari. These managers are educated professionals who are all committed to the company and what it is trying to achieve. In addition to this, management plans to incorporate a democratically elected leadership structure with our centralized and federated cooperatives. This is to reinforce our organizational control structure. Dedicated farmers will be provided opportunities to get involved via this process. This will assist in providing a community feel to our farm.

Market

Our target market includes neighborhood communities, small grocers, farmer's markets, local consumers, and community assistance programs. We believe everyone has the right to fresh produce. While our company is focusing mostly on direct marketing to limit expenses, we are planning to partner with distributors to help our farm deliver our produce to our consumers in a timely fashion.

Competitive Advantages

The trend of consumers looking for organic produce and being more aware of what they put into their bodies helps assist our company's competitive advantage. Other ways we bolster this advantage is integrating a direct delivery distribution system and encouraging individuals to volunteer on the farm and get involved in the community.

Financial Projection

Do-Nothin' Farms expects to earn a fruitful amount of revenue by the end of year two. Initial costs (land, equipment etc.) will be high during the first year, but as years follow, will reduce significantly. As relationships with farming co-ops grow, so will revenue. Marketing costs are planned to not exceed sales by any more than 15%. And Lastly, Revenue projections after year 1, have expected growth of \$50,000.

Startup Finance Requirements

To get our farm up and running, our company predicts total startup costs amounting to 1 million dollars. Funding requirements include land acquisition, infrastructure, equipment, marketing outreach, and operational expenses. This company plans to seek assistance from government grants, agricultural foundations, loans from financial institutions, partnerships with local business, and campaigns held within the target community along with donations.

I. Business Proposal

Do-Nothin' Farms

Food is a necessity. It helps people grow, allows people to feel nourished, and most of all brings people together. Accessibility to quality fresh food finds itself at some moments hard to acquire. Whether it be due to financial woes, geographic distance, or perhaps you just don't have the time.

We want to help change this narrative. So, you don't have to go out somewhere to enjoy a Healthy farm-to-table dinner or wait on a certain day of the week to get all the right ingredients. We seek a business model that helps provide more accessible methods to distribute farm fresh ingredients from local sources, capitalizing upon unconventional methods that aren't just the grocery store or other chains. We source our foods from local farm cooperatives, helping them make profits and helping customers enjoy deliciously fresh ingredients.



To develop more market presence for Sustainable farming, we directly market products through.

- **Community Supported Agricultural (CSA)** programs.
- sell **directly to institutions** to eliminate intermediaries.
- other **Direct-to-Consumer sales**.

By supporting us, customers, and other stakeholders further the development of natural farming techniques. A philosophy that guides our farming operations, diversifies product variety, and contributes to the quality of land we work upon. Support makes room for opportunity to expand our operations into diverse geographical regions, so that we may reach even more communities in the US.

We seek to perpetuate the strengths of agricultural communities that support their neighbors. Along with sustaining the environments that our producers work and live upon.

II. Mission & Values

The Why

Industrial agricultural techniques are too harsh on our environment. It diminishes the quality of land we live on and increases the amount of unused waste and harmful material that finds its way back into our environment. This degradation contributes to a tragedy that afflicts biodiversity, water, soil, and the air we breathe.

Do-Nothin' Farms combats this tragedy through reviving a traditional practice, with the capabilities to revitalize the environment we co-habitat. This practice finds itself inspired by the works and philosophy of Masanobu Fukuoka. It rejects the immediate implementation of modern applications and focuses rather on the naturally occurring processes of the system. This avoidance of industrial inputs & harsh equipment allows us to look through a lens of cooperation with nature, as opposed to dominating it. However, this is not to say all Modern applications of farming are incorrect. We just believe in the pursuit of finding modern methods that reinforce our relationship with nature rather than breaking it apart.

Through removing, or at the least minimizing, harmful applications such as: Tilling, Fertilizing, Pesticides/Herbicides, Weeding, and Pruning, we make room for more ethical food. This is based on Fukuoka's Principles of Natural Farming. We want to think smarter, be more aware of what our impact is, and overall nourish the Quality of Life that our stakeholders live. We are not just a business, but also a philosophy to progress the human condition back to simple roots. We want to remove the mass-production style that everybody has been accustomed to in modernity.

A nation is only as strong as the food it sets on the table, and we want to support this narrative with the partners that join our co-op. Overall, this is an opportunity for people to find a career, continue a passion, or even just support through being a customer.

Our Values

Our Values consist of Sustainability (1), Community (2), and Integrity (3)

- **Sustainability (1)** --- Sustainability is at the core of our business, it is the entire premise of our guiding agricultural philosophy. Moreso, we as a business want to help producers in our cooperative structure be able to efficiently sustain a natural farm fulfilling our (5) guiding principles.
- **Community (2)** --- The work we do relies upon not just one person, but a multitude of people upon the farm, in the office, and in the entire supply chain. Thusly so, to be a smooth-flowing business requires all levels to work together. Knowing one another, communicating effectively, and understanding crucial needs are critical, and just the beginning, to developing a flourishing community in the workplace.
- **Integrity (3)** --- Cutting corners is not an option here. We require those who work for us to ensure that they are keeping up with standards & procedures and understand what other duties are required to help grow this business.

III. Industry Analysis

Competition

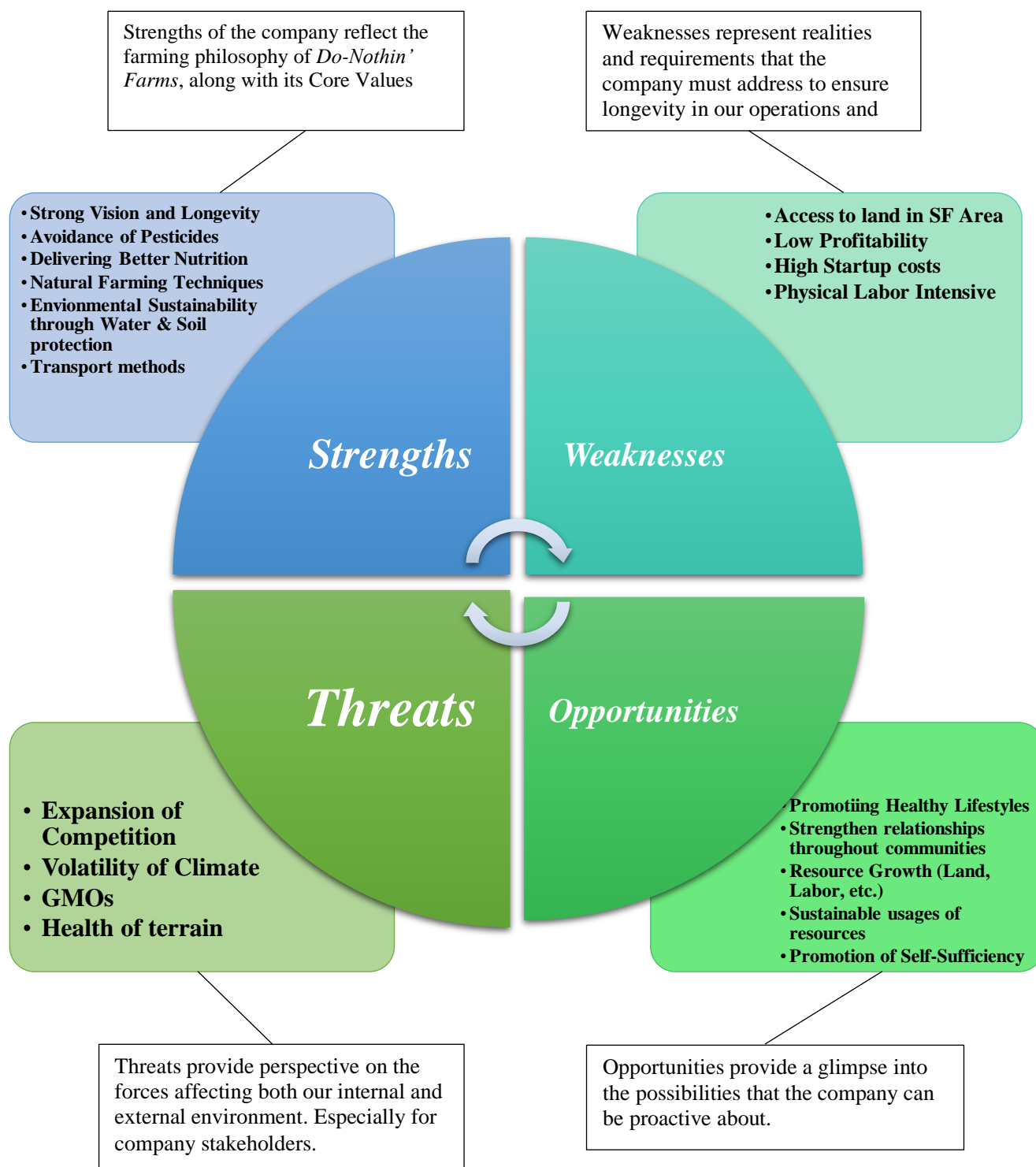
As a smaller-scale organization focused on targeting local consumers, our main competition will be other local companies in the San Francisco area and surrounding communities.

In California, hundreds of farms operate throughout the state, and many produce organic produce. When entering this market, it is clear our most significant competitor in the San Francisco area is *Alemaný Farms*. It is the largest and oldest urban farm in the San Francisco area; therefore, it has established its role and roots in the community. As the company expands and grows, the competition will increase, making organic, sustainable farms all over Northern California fall into our competition radar.

Regarding strategies, *Alemaný Farms* allows the community to volunteer and participate in workshops on the farm, educating them on how to be their food producers. This makes the farm seem more personable and helps build a relationship between the farm and the community. The farm is trying to influence the community to be a part of something beneficial to them and their knowledge. The biggest thing that sets them apart from the competition is that all the grown produce is given away for free to neighbors, volunteers, schools, etc. Their workshops and internships are funded solely by donations, and there is no participation cost.



Considering what other farms do and our most significant competitors' strategies, our company found ways to combat the competition and differentiate ourselves. To build ourselves a name in the farming industry, we are looking to partner with farming delivery companies with good values and similar ideas regarding organic production. We want to partner with a company that focuses on delivering our product; therefore, we don't have any additional costs for delivery or transportation. Our company plans to partner with various communities, schools, farmers' markets, co-ops, small local grocers, and food assistance programs. Expanding our accessibility to as many outlets as possible will help our program build a base, eventually progressing into widespread recognition throughout the community.



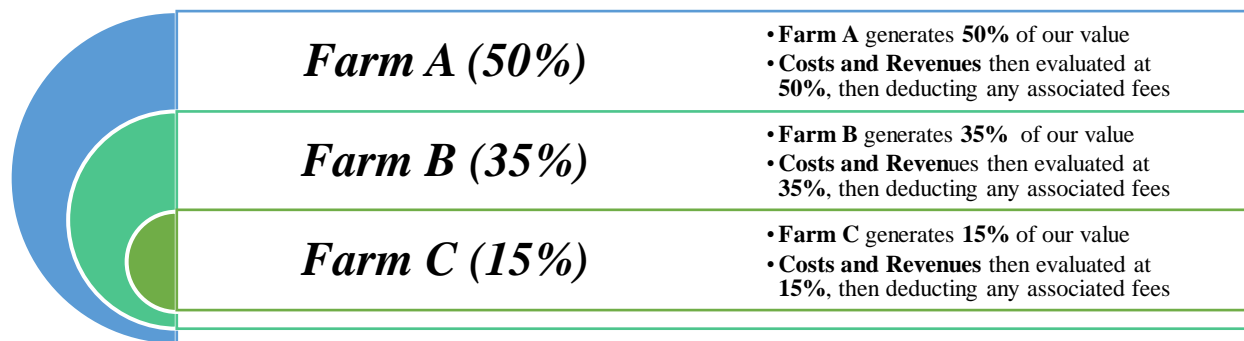
IV. Organizational Structure

The How

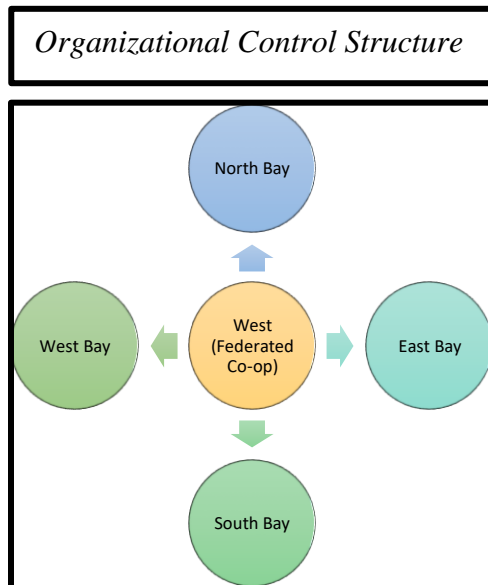
We seek out viable partners to help support this vision. Ownership is consistent with a **Cooperative**, holding that constituent members will vote upon Directors to help represent and run the business in a democratic fashion. Moreso, we strive for a cooperative that is developed within one of the main agricultural co-op types: **Marketing**. The Farmers in our cooperative, along with management that run the business, will work together in marketing products. In doing so, profits are distributed at an equitable rate relative to the yield provided and value created.

So, in terms of value generated, if Farm A produces 50%, Farm B produces 35%, and Farm C at 15% these proportions will be reflected in the Costs and Revenues.

To develop a stronger market presence for our producers, we want to pool together our yields. From this we may package and distribute accordingly whether it be to local business, restaurants, CSA Programs, or Food Pantry programs.



Our organizational form takes after a mixed structure, incorporating both Centralized and Federated cooperatives. Centralized co-ops consist of producers that address to a regional management, while a Federated co-op is the collective of these cooperatives. Think Co-op of a co-op. For instance, say we have a centralized co-op within the Western and Northern Bay Area and then decide to invest in expansion operations near the Southern and Eastern area. We may then create a federated co-op based around these Greater Bay Area regional growers.



V. Operations

Farming Operations

The following builds a foundation for running a successful farming operation, sustaining the company's philosophy via agricultural development, bolstering the way it markets products. This consists of materials and capital requirements helping run a farm effectively with a constituent labor force.

<i>Items</i>	<i>Details</i>
Tools	Light and durable, suited for worker's needs
Plot of land	Well-lit with access to water.
Planting Materials	Seeds, seedlings, cuttings, etc.
Compost	Homemade compost on the farm
Mulch	Grass clipping, shredded leaves, or other organic material.
Irrigation system	To wet and keep areas moist after planting
Spray paint, chalk, or signs	Labeling the different plants around the farm
Fencing	Differentiates subplots of land
Processing Facility	Allows for processing and storage of product until pick-up

Distribution system

For our distribution system, product is handpicked, undergoes inspection, and securely packaged. Once it has passed this processing phase, it is sent to a local distribution facility to be handed off to our delivery drivers by hand. To ensure quality and care are up to our standards, the driver receives the product they are delivering and delivers directly to the intended location.

Delivery Drivers	People who deliver the product to your door
Company vehicles	A delivery vehicle takes our product from the farm to the facilities and then to the different establishments that we are partnered with
Product Distribution Facility	A storage facility where our drivers pick up the products and goods from
Inspection Process	Inspection for all produce and goods before they get packaged and leave the farm to go to the product distribution facility.

VI. Finances

Initial Financial Requirements

This table outlines funding requirements needed to establish *Do-Nothin' Farms*. **Land Acquisition** refers to the cost of purchasing or leasing the land necessary for the farm's operations. **Infrastructure** includes the costs associated with building essential structures and facilities for the farm. **Equipment** covers the cost of acquiring various tools and machinery needed for farming activities. **Marketing and outreach** encompass the budget allocated for marketing and promotional activities raising awareness to, attract customers, and build brand recognition. **Operational Expenses** refers to ongoing costs associated with running the business. **Total Funding Required** displays the sum of all listed categories. This table provides a clear picture of the initial financial investment needed to establish us. It highlights the various areas where the funds will be directed and helps potential investors understand the scope of the financial requirements.

<i>Funding Requirements</i>	<i>Amount (\$)</i>
Land Acquisition	\$400,000
Infrastructure	\$200,000
Equipment	\$100,000
Marketing and Outreach	\$150,000
Operational Expenses	\$150,000
Total Funding Required	\$1,000,000

Cost Structure

Our largest expense is **Labor** which is composed of salaries, benefits, and payroll taxes for employees. Subsequently, Annual cost of **leasing or renting land** for cultivation is projected. Annual expenses regarding marketing and outreach activities covers advertising, promotions, public relations, and building brand awareness to reach potential customers. Cost of **transportation and distribution** to various channels includes vehicles, fuel, packaging, and delivery logistics. Lastly, annual cost of seeds, fertilizers, tools, equipment maintenance, and other miscellaneous supplies required for farming operations is estimated.

<i>Cost Structure</i>	<i>Amount (\$)</i>
Labor	\$300,000/year (after year 3)
Land Rent	\$100,000/year
Marketing and Outreach	\$50,000/year
Transportation and Distribution	\$40,000/year
Seeds and Other Supplies	\$30,000/year

Revenue Projection

This table projects revenue over a five-year period, showcasing income from three different sales channels. For our Growth Strategy, we anticipate significant revenue growth starting in year 3, particularly from sales to local business and restaurants. Regarding CSA programs, we project consistent revenue of \$200,000 annually from CSA programs starting in year 2. We plan to maintain an annual contribution of \$50,000 to food pantries. Overall, total projected revenue is expected to increase significantly from \$50,000 in year 1 to \$750,000 in subsequent years starting year 3.

<i>Year</i>	<i>Local Business and Restaurants</i>	<i>CSA Programs</i>	<i>Food Pantries</i>	<i>Total Revenue</i>
1	\$0	\$0	\$50,000	\$50,000
2	\$0	\$200,000	\$50,000	\$250,000
3	\$500,000	\$200,000	\$50,000	\$750,000
4	\$500,000	\$200,000	\$50,000	\$750,000
5	\$500,000	\$200,000	\$50,000	\$750,000

Profit/Loss Projection

This table combines information from the previous two tables to project our profitability. It displays total revenue expected each year, alongside total costs associated with running the farm. We expect to operate at a loss in the first two years due to startup costs, establishing infrastructure, and building their customer base. However, we project to profit starting in year 3, with consistent profits in subsequent years.

<i>Year</i>	<i>Total Revenue</i>	<i>Total Costs</i>	<i>Profit/Loss</i>
1	\$50,000	\$470,000	\$(420,000)
2	\$250,000	\$470,000	\$(220,000)
3	\$750,000	\$470,000	\$280,000
4	\$750,000	\$470,000	\$280,000
5	\$750,000	\$470,000	\$280,000

Financial Assumptions

This table provides justifications behind numbers presented in prior tables. It details assumptions regarding selling price, yield, number of units sold, and various cost components. By providing this information, we demonstrate the transparency behind our financial projections.

Category	Assumption	Justification
Revenue	Average selling price per unit of product: \$5/lb vegetables, \$30/CSA subscription	Market research, competitor pricing, production costs
Revenue	Expected yield per acre: 10,000 lbs vegetables, 200 CSA subscriptions	Historical data, agricultural reports, expected growing conditions
Revenue	Number of units sold/subscriptions acquired per year: 100,000 lbs vegetables, 2,000 CSA subscriptions	Marketing plan, target audience, estimated market share & demand
Cost	Number of employees & average salary: 10 employees @ \$30,000/year	Staffing needs, regional agricultural wages
Cost	Labor costs per unit of product: \$3/lb vegetables, \$15/CSA subscription	Labor requirements, employee salaries, expected output
Cost	Land rent or lease payments: \$500/acre/year	Market rates, farm size
Cost	Seed & other supply costs per unit of product: \$0.03/lb vegetables, \$5/CSA subscription	Historical data, supplier quotes, expected crop yields
Cost	Marketing & outreach budget allocation: \$50,000/year	Marketing plan, target audience, desired reach
Cost	Transportation & distribution costs per unit of product: \$0.10/lb vegetables, \$2/CSA subscription	Delivery methods, distances, estimated volume

VII. Marketing

Industry Outlook and Trends

The current state of [sustainable farming](#) is on the rise. Consumers are becoming more aware of their products, demanding organic produce, and consciously aware of their food choices. Organic farming practices, which exclude synthetic pesticides, fertilizers, and genetically modified organisms (GMOs), continue to gain popularity. Many consumers perceive organic products as healthier and more environmentally friendly.

Through community-supported agriculture ([CSA](#)), there is a rising trend towards supporting local farmers and purchasing food directly from producers through farmers' markets.

USDA states, “In the past decade, U.S. organic retail sales increased by 8 percent per year. In 2021, organic retail sales were estimated to be more than \$52 billion, about 5.5 percent of all retail food sales. U.S. farms and ranches sold nearly \$11 billion in organic products in 2021.”

According to the Organic Trade Association, “88 percent of organic sales occur through conventional and natural food supermarkets and chains. The remainder of sales occurs through farmers' markets, community-supported agriculture (CSAs), other direct-to-consumer sales, and internet sales.”



Opportunity

The opportunity we are taking is the current state of our agricultural industry. In California, [agribusiness](#) practices have harmed rural residents with harmful environmental side effects. With the use of conventional farming, small and medium farmers are consistently pushed out of business, not being able to sustain their farms, and the farmworkers suffer from abuse. The impacts of conventional farming have done enough damage to even pollute the air around the San Joaquin Valley. We strive to create a sustainable business where we can support farmers who are also developing a sustainable industry within farming. As said before, with the rising trend of sustainable agriculture, we get to use that opportunity to benefit us and enhance our business to create sustainable farming.

Target Market and Customers

Our main objective in business is sustainability. We want to ensure our customers and consumers are consuming products made in a healthy environment and ensuring social and economic equity. We want to target a community of neighborhood-friendly consumers and small businesses to distribute our sustainable products. Mainly, in communities considered lower-division housing, environmentally conscious individuals, and local food enthusiasts, we don't want to limit ourselves to whom we can reach with our products.

“Direct marketing can benefit farmers by allowing them to earn a greater portion of the consumer food dollar by eliminating intermediary brokers, buyers, and distributors. Examples of direct marketing include community-supported agriculture (CSA) ventures, farmers' markets and farm stands, and direct sales to businesses and institutions, such as restaurants, schools, or hospitals. Direct marketing can contribute toward sustainable agriculture and food systems by increasing farmer profitability, promoting the local economy, and providing consumers with higher quality and healthier products.”

