

# Farmstand Business Curriculum



**GROW** NYC



# **Farmstand Business Curriculum**

## **Unit 2: Introduction to Business**

### **Grades 9-12**

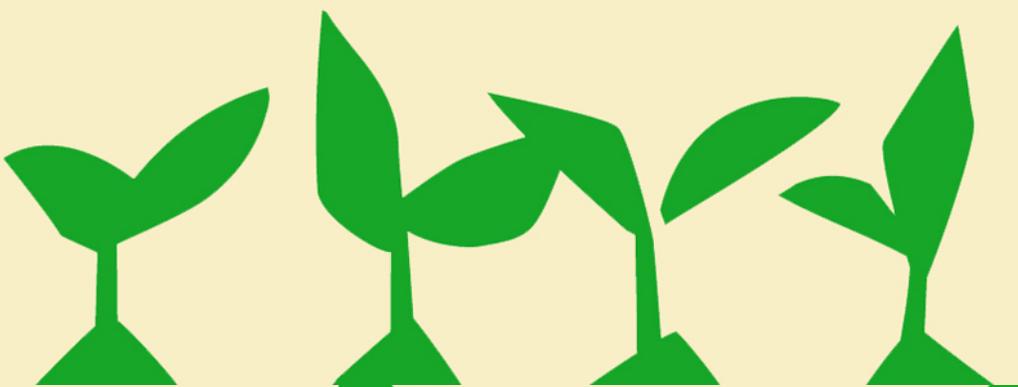
**Teaching students the basics of growing food, creating a business, and working as a team to serve their community with support from GrowNYC's existing youth engagement programs.**



**GROW**<sup>NYC</sup>

**UNIT 2:**

# **Introduction to Business**



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## Note to Facilitator on How to Use this Curriculum

Welcome to Unit 2: Introduction to Business, the second unit of GrowNYC's Farmstand Business Curriculum! We recommend you complete Unit 1: Getting to Know the Local Food System before moving on to this Unit. Your work from Unit 1 is used as a prerequisite for Unit 2 as students further develop their Farmstand Business project. You can also find this information in our Facilitator's Guide, along with additional resources.

As a reminder, the goal of this curriculum is to develop a real or hypothetical food access business where students feel they are authentically participating in our local food system. This curriculum will ask students to begin envisioning the business they wish to create, with critical thinking and action-oriented processes. The activities in this curriculum are related to the culminating food access business project and should be taken seriously as a part of real efforts to build a food access business as a group in your school community.

By now, you have chosen one of the two options to facilitate:

**Option 1:** Set up a real food access point with the intent of growing and/or distributing produce

**Option 2:** Set up a hypothetical food access point with no plan to grow nor distribute produce

*Note: If you've selected Option 1 and plan on growing and or distributing produce, we recommend glancing at the [School Farmstand Manual](#) before you begin this curriculum. If you have any questions, please reach out to [schoolgardens@grownyc.org](mailto:schoolgardens@grownyc.org).*

### REVIEW THE LESSON STRUCTURE

Each lesson is divided into five parts: warm-up, part one, part two, wrap-up and reflection, and activity extensions. We recommend completing them in this order, however, they are also created as standalone activities and can be adjusted to meet the needs of your students.

**Warm-up:** The goal of the warm-up is to spark students' interest while allowing them to think about their connection to the topic of the lesson.

**Part One:** The first major section of each lesson introduces students to the key theme. It includes background information that exposes students to key questions of the lesson.

**Part Two:** The second major section includes the activity of the lesson, which allows students to apply what they learn from part one to the food access business for their school community (real or hypothetical).

**Wrap-up & Reflection:** Key questions for summarizing the lesson's topic to be used as a guide for discussion or independent reflection.

**Activity Extensions:** Activity extensions can be found directly in the lesson plan. If you are looking for more resources, videos, and learning materials to support each lesson, those can be found in the Facilitator's Guide.

Timestamps for each section are identified throughout the lesson plan, however, there is room for flexibility if you want to adjust the amount of time you give each section. Some of the lessons have activities that have different time options, and some activities have optional extensions. These are noted directly in the lessons.

Here are a few recommendations for approaching each lesson based on your time needs:

#### **45 minute-period**

Each lesson can be completed in 45 minutes. If some lessons feel tight for you, we've structured the curriculum so you can wrap up after part one and assign part two as a take-home assignment or

complete another class period. If you're completing it this way, the discussion questions at the end of Part One may serve as a wrap-up and reflection. Additionally, you are always welcome to expand on activities that have different timed options or extensions.

**90 minute-period**

This will allow you to stretch each section of the lesson to meet the needs of your students. If this is the case, leave more room for reflection during the warm-up, spend more time on the discussion questions, and allow ample time for research and group work during the part one and part two activities. Some lessons have suggested extensions, which can be incorporated into your classroom period or offered as take-home assignments.

**NOTES:**

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## Who is GrowNYC?

At GrowNYC, we protect the environment, create green spaces, help people stay healthy, and give them opportunities to make a positive impact. Our mission is to improve New York City's quality of life through environmental programs that transform communities block by block and empower all New Yorkers to secure a clean and healthy environment for future generations.

GrowNYC was originally created in 1970 as the Council on the Environment of New York City (CENYC). Born out of the spirit of the first Earth Day, CENYC was initially a policy-based organization, writing comprehensive reports about quality-of-life issues like air quality, traffic, and noise. Our city has changed a lot since then and so have we. As the largest and most established environmental organization in NYC, we are proud to have played a pivotal role in helping New York City transform over the past five decades. Today 3 million New Yorkers each year participate in our programs. We envision a New York in which every New Yorker can flourish. Every garden. Every school. Every street. Every neighborhood. Every borough. We work in 4 main areas: conservation, green spaces, education, food access and agriculture.

### **Food Access and Agriculture:**

Our network of Greenmarket farmers markets, Farmstands, Fresh Food Box pick-ups and Wholesale ensures that all New Yorkers have access to the freshest, healthiest local food. We are bringing more green space to our city by building and rejuvenating community and school gardens.

GrowNYC Farmstands are part of a [network of food access retail sites operated by GrowNYC](#), along with Greenmarkets and Fresh Food Box sites. Through Farmstands, GrowNYC trains and employs young people to sell fresh, affordable food in neighborhoods across NYC. The food sold at Farmstands is grown by farmers in the Northeast and transparently sourced through GrowNYC Wholesale. This vital food access program offers important job opportunities for young New Yorkers, ensures healthy, fresh food access across the city, and provides vital revenue for family farms in the Northeast. GrowNYC Farmstands were formerly known as Youthmarkets.

### **Education:**

We foster future environmental stewards by providing 70,000 children each year with programs that provide meaningful interactions with the natural environment.

### **Conservation:**

We are providing outreach and education to increase participation in the city's Zero Waste Programs and help conserve natural resources. We blanket the five boroughs with resources like textile and food scrap collection, Stop 'N' Swaps, and free training to make waste reduction easy for all.

### **Green Spaces:**

We are transforming our regional food system and ensuring that all New Yorkers have access to the freshest, healthiest local food. We build and support community and school gardens through volunteer days, technical assistance, training, school garden grants and more.

## Lesson 9: Business Basics

### OBJECTIVE

In this lesson, students will explore business models and evaluate different operating procedures for their real or hypothetical food access business.

### VOCABULARY

Business, Customers, Expenses, Profit, Business Model, Wholesale, Restaurants, Farmers Markets, Pop-up Farmstands, Community Supported Agriculture, Labor, Livable Wage

### MATERIALS

- Lesson 9: Business Basics Slides
- Lesson 9 Background Information Section (printed for students)
- Something to write on
- Writing materials

### LESSON TASKS

#### Warm-up (5 min):

- Ask students to independently, or in groups, brainstorm ideas for the following questions:
  - What are different parts of a business?
  - What are examples of different food businesses?
  - What do you think would make a business successful or unsuccessful?
- Have a few students share out with the class

#### Part 1: Business Basics

#### Background (20 min):

- Using the Lesson 9: Business Basics slides, run through the background slides as a class, reading from the slide notes as you go and pausing for discussion questions.

Grade Level: 9-12

Time: 45 mins

#### Key Questions

- What is a business and what are the key factors involved in business?
- What is a business model?
- How does the labor of farming connect to the business of farming?

#### Students will...

- Understand what business is and how it applies to farming and food.
- Learn about different types of business models.
- Understand how labor and farming intersects with business.
- Begin to brainstorm business models for their farm business.

#### NYS Standards

##### *Career Development and Occupational Standards (CDOS)*

Standard 2: Integrated Learning Students will demonstrate how academic knowledge and skills are applied in the workplace and other settings

1. Integrated learning encourages students to use essential academic concepts, facts, and procedures in applications related to life skills and the world of work.

Standard 3a: Universal Foundation Skills Students will demonstrate mastery of the foundation skills and competencies essential for success in the workplace.

4. Positive interpersonal qualities lead to teamwork and cooperation in large and small groups in family, social, and work situations.

Standard 3b: Core Business/Information System

1. Basic Business Understanding

Standard 3b: Specialized Natural and Agricultural Sciences

1. Basic Agriculture Foundation Development

##### *Next Gen ELA/Literacy*

11-12.RST.2 Determine the key ideas or conclusions of a source; summarize complex concepts, processes, or information presented in a source by paraphrasing in precise and accurate terms.

## Part 2: Brainstorming our Farm Business

*Facilitate a brainstorming session with the whole group to begin envisioning the real or hypothetical food access business you will create with as a class.*

### Activity 1 (15 min): Build a Business Part One

- Begin with a group discussion using the following questions:
  - What food or produce do you want to sell?
  - How will your business generate revenue?
  - Who will your customers be?
  - What are your expenses?
  - How will you generate profit?
- Break into groups and ask each group to select a farm business model from the background reading section.
- Based on the discussion, have each group fit their vision for the food business into the business model they selected. How would your business work using this business model?
- Have each group come up with a proposal for the food business using the business model they selected. Why would this business model best serve the group vision for the food access business you wish to create together?
- After each group has presented their rationale, ask students to discuss which business model best fits the group vision all together. You do not have to select your final business model currently but ask students to continue thinking about this question as you go through the rest of the curriculum.

### Wrap-up & Reflection (5 min):

- What is most important to you when starting a business? Profit, protecting workers rights, protecting the environment, etc.?
- Which food business options feel most doable for your school and classroom communities?

## Background Information: Business Basics

### ***What is a business and what are the key factors involved in business?***

A **business** is any organization that sells a product to earn profit. A product is a good or service. A business earns revenue, also known as income. Revenue is the number of items sold multiplied by the cost per item.

**Customers** are the business' audience. When running a business, business owners must take into consideration their expenses. **Expenses** are the cost of running a business, including the cost of the labor, the cost of the materials needed to create the goods or services, and so on.

Once a business knows their revenue and expenses, they can also calculate their profit. Profit is what a business earns after paying for all its expenses. The calculation for profit is revenue minus expenses. In the early stages of a business, profit is often reinvested directly back into the business to cover expenses and grow the business over time. It is very important for businesses to track their expenses, their revenue, and their profit.

$$\text{Revenue} = (\text{number of items sold}) \times (\$ \text{ per item})$$

$$\text{Profit} = (\text{revenue}) - (\text{expenses})$$

### ***What is a business model?***

A **business model** is a plan for how you and your business will make money. It "identifies the products or services the business plans to sell, its identified target market, and any anticipated expenses".<sup>1</sup>

In this curriculum, we will focus primarily on farm or food access businesses. Students should be familiar with farm business models so they can participate as informed stakeholders in the local food business space. Examine different business models through the farm business context and identify the model that suits your group, community, and demographic needs.

<u>Food Business Type</u>	<u>Pros</u>	<u>Cons</u>
<p><b>Wholesale</b> is selling bulk goods to other businesses that will go on to retail the goods to consumers.</p>	<ul style="list-style-type: none"> <li>• Bulk ordering</li> <li>• Support from government and large producers</li> <li>• High demand</li> <li>• Profitable</li> </ul>	<ul style="list-style-type: none"> <li>• Seasonal production - you'll have different yields based on the weather</li> <li>• No flexibility - you must deliver what you promised</li> <li>• High insurance</li> <li>• Only growing one main crop</li> <li>• Must have a harvest schedule way ahead</li> <li>• Requires very careful planning</li> </ul>
<p><b>Restaurants</b> are places where people pay to eat meals that are cooked and sometimes served on the premises.</p>	<ul style="list-style-type: none"> <li>• Easy first sale</li> <li>• Small order size / frequent delivery</li> <li>• Good market intelligence</li> <li>• High profit margin</li> </ul>	<ul style="list-style-type: none"> <li>• Requires top quality</li> <li>• Requires personal attention</li> <li>• High turnover of buyers</li> </ul>
<p><b>Farmers markets</b> are marketplaces designed to sell food directly from farmers to consumers. Farmers' markets typically consist of booths, tables, or stands where farmers sell their goods. GrowNYC operates most farmers markets in NYC.</p>	<ul style="list-style-type: none"> <li>• Highest profit margin – full retail</li> <li>• High selling cost per unit sold</li> <li>• No standard pack or grade</li> <li>• Can sell a little or a lot</li> <li>• Good market intelligence</li> <li>• Direct contact and feedback from customers</li> <li>• Customers support ethical farming and willing to pay more for organic/naturally grown</li> <li>• Customers often take responsibility of word-of-mouth marketing</li> <li>• Emotionally gratifying, you see your product from seed to plate – and get to build a community in the process</li> </ul>	<ul style="list-style-type: none"> <li>• You may not like to sell face to face</li> <li>• Market schedule is grueling</li> <li>• Might have to pay additional staff</li> <li>• Must adhere to market rules</li> <li>• Would have to rent/pay for market space</li> </ul>
<p><b>Pop-up Farmstand</b> is a temporary use of public space, used where farmers sell their goods directly to consumers, usually</p>	<ul style="list-style-type: none"> <li>• High profit margin – full retail</li> <li>• Lowest overhead expense</li> <li>• Very high profit per unit after breaking even</li> <li>• Staffing expenses</li> </ul>	<ul style="list-style-type: none"> <li>• High regulatory risk exposure</li> <li>• No transport cost</li> <li>• Location is critical</li> </ul>

<p>organized by the farmer, as opposed to a third-party market group.</p>	<ul style="list-style-type: none"> <li>• Steady cash flow</li> </ul>	<ul style="list-style-type: none"> <li>• Requires constant management skills</li> <li>• High levels of farm maintenance</li> </ul>
<p><b>Community Supported Agriculture (CSA)</b> is an arrangement between a consumer and farm business where farmers provide consumers with goods, usually once a week, or consistently over a recurring period throughout the growing season. Consumers usually pay the cost of all the goods for the entire duration of the CSA upfront, which helps farmers pay initial farm costs each season. Typically, the contents of the CSA are determined by the farmer based on what they have available.</p>	<ul style="list-style-type: none"> <li>• Reduces the need for raising large operating capital</li> <li>• You are selling your story more than you are selling produce</li> <li>• High margin – full retail</li> <li>• Can farm more ecologically</li> <li>• No standard pack or grade</li> <li>• Light post-harvest requirements</li> <li>• Emotionally gratifying, you see your product from seed to plate – and get to build a community in the process</li> <li>• Best risk management because you have consistent buyers</li> </ul>	<ul style="list-style-type: none"> <li>• Requires very heavy and skilled marketing management</li> <li>• Requires advanced growing skills</li> <li>• Production risk transferred to CSA community</li> <li>• Requires very careful planning</li> </ul>

**How does the labor of farming connect to the business of farming?**

Labor means work, in this case, the work that goes into running a farm. This work is usually done by farm staff and owners. Farming needs hardworking people willing to do physical and mental work. Farming includes manual labor and exposure to weather elements, but it is also uniquely rewarding. The job of farming includes moving heavy objects, being outside for long periods – sometimes at extreme temperatures – and getting your hands dirty. Farmers also do data entry, record keeping, manage expenses, marketing, customer relations, public engagement, education, and more. There are lots of other responsibilities, including fixing machinery, amending the soil, weeding, fencing, site management, trash removal, crop planning, seed saving and ordering, creating small fires for ecological benefits and protection, planning, and executing community events. Farm owners must be able to take on these responsibilities or manage others who take them on, in addition to overseeing the business side of farming. They must also ensure that enough revenue is generated by the farm to cover all farm expenses.

Farming is one of the most important jobs in the world because it provides us with the food we need to live. However, food is undervalued, and farm labor is often underpaid. For most farm businesses, employee wages are the biggest expense. Today, most farm labor in the United States is performed by immigrant workers who are often paid below minimum wage and work in bad working and living conditions. According to a 2021 survey, “Immigrant farm workers make up an estimated 73% of agriculture workers in the United States today”<sup>2</sup>.

Low wages for farm workers is an economic and racial justice issue. Farming is necessary, but BIPOC and immigrant farm workers rarely make enough money to live comfortably. However, there are many points in history where farm workers have demanded change to their unfair treatment. An example is the Filipino farm worker revolution of the 1960s.

Food, labor, and immigrant justice organizers advocate for higher wages for farmers and workers. Legal protections in place include the Fair Labor Standards Act of 1938. These legal frameworks can be used to advocate for better working conditions; however, it can be difficult to use these laws to protect undocumented people. Everyone deserves fair pay, a livable wage, and to be granted legal protections, no matter their immigration status.

**Livable wage** is different than the legal minimum wage. Livable wage “refers to a theoretical income level that allows individuals or families to afford adequate shelter, food, and other necessities. The goal of a living wage is to allow employees to earn enough income for a satisfactory standard of living and prevent them from falling into poverty...living wages are often substantially higher than the legal minimum wage.”<sup>3</sup>

For farm owners, paying farm laborers a livable wage should always be considered worth the loss in profit because it means their farmers can have a good quality of life. Quality of life is directly impacted by income because income grants us the ability to cover the costs of meeting our needs. Ideally, a goal of a business owner should be to provide their staff with a “livable wage”, which can decrease the business profit but increase the lives of others and the planet.

Farms take a lot of work to operate. Some farms try to save money on labor by using machines to do some of the work that humans normally do. This decreases the amount of money the farm spends on wages. However, the machinery is often expensive and can cause damage to the environment. One example of this is soil tilling, which lets CO<sub>2</sub> – a greenhouse gas - into the atmosphere. Farmers often go into debt buying machinery for their farms.

## Lesson 10: Farm Business Finance

### OBJECTIVE

In this lesson, students will explore options for organizational structures and generating start-up capital to fund their food access business.

### VOCABULARY

Limited Liability Company, Liable, Non-Profit/ 501(c)3, Farm Collectives, Farming Cooperative, Worker-Owned Cooperative farms, Fixed costs, Soft Costs, Start-up Costs, Start-up Capital, Crowdfunding, Donation-based Crowdfunding, Loan-based Crowdfunding, Investment-based Crowdfunding, Grant Funding, Sliding Scale Model

### MATERIALS

- Lesson 10: Farm Business Finance Slides
- Lesson 10 Background Information Section (printed for students)
- Something to write on
- Writing materials

### LESSON TASKS

#### Warm-up (5min):

- Ask students to reflect on the following question:
  - What do you think may be a profitable food business or idea?

*Consider recent food trends or things that you've noticed in social media!*

#### Part 1: Farm Business Finance (20 min)

Background (20 min):

- Using the Lesson 10: Farm Business Finance slides, run through the background slides as a class, reading from the slide notes as you go and pausing for discussion questions.

Grade Level: 9-12

Time: 45 mins

#### Key Questions

- What organizational structures are used by farm businesses?
- How do farm owners pay for the initial costs of starting a farm?
- How do farmers determine the price of the food they sell?
- How do farmers prepare inventory?

#### Students will...

- Understand what organizational structures are used by farm business.
- Learn about different cost models for starting a business.
- Understand how to price food.
- Brainstorm business models and finance options for their farm business.

#### NYS Standards

##### *Career Development and Occupational Standards (CDOS)*

Standard 2: Integrated Learning Students will demonstrate how academic knowledge and skills are applied in the workplace and other settings

1. Integrated learning encourages students to use essential academic concepts, facts, and procedures in applications related to life skills and the world of work.

Standard 3a: Universal Foundation Skills Students will demonstrate mastery of the foundation skills and competencies essential for success in the workplace.

2. Thinking skills lead to problem solving, experimenting, and focused observation and allow the application of knowledge to new and unfamiliar situations.
4. Positive interpersonal qualities lead to teamwork and cooperation in large and small groups in family, social, and work situations.

Standard 3b: Specialized Natural and Agricultural Sciences

4. Agriculture Business Systems

##### *Next Gen ELA/Literacy*

11-12.RST.2 Determine the key ideas or conclusions of a source; summarize complex concepts, processes, or information presented in a source by paraphrasing in precise and accurate terms.

## Part 2: Structuring our Farm Business (15 min)

*Have students use their brainstorm from the previous lesson to evaluate what organizational structure would work best for their business.*

### Activity 1 (15 min): Build a Business Part Two

- Re-introduce these questions:
  - How will you generate profit?
  - How does your business meet the market needs?
  - Who is your customer or target audience?
  - What is your goal income and what are your expenses?
- Have students break into 5 groups to determine the best organizational structure for their food access business. Give each group a copy of the background reading section to reference.
  - LLC
  - Non-Profit
  - Farm Collectives
  - Farm Cooperative
  - Worker-owned Cooperatives
- Once they've created a rationale for their organizational structure, have students determine how they will generate their initial start-up capital for this project using the background information section of this lesson. Options include:
  - Crowdfunding
  - Donation-based crowdfunding
  - Loan-based crowdfunding
  - Grant funding
  - Other
- Have students present their findings and explain why their organizational structure would be successful based on the information given and their previous work.
- Facilitate a group discussion on how the organizational structure and start-up capital plans fit into the business model discussion from the previous lesson.

### Wrap-up & Reflection (5min):

- What do you think could be barriers to getting funds for starting a farm?
- Think about and come up with a collective goal on how your farm business can increase food access in your school community regarding food prices.

## Background Information: Farm Business Finance

### **What organizational structures are used by farm businesses?**

For farm businesses in the United States, the two main options for a business structure are to form an LLC or a 501(c)3.

An **LLC (limited liability company)** “is a business structure in the U.S. that protects its owners from personal responsibility for its debts or liabilities.”<sup>4</sup> Many Farms operate as an LLC to separate the business owners from the business itself. Also, the farm becomes its own legal entity - the farm itself is seen as the owner of equipment, land, and a bank account. This means there is some protection for the owners in the event of a lawsuit.

For example, if a farm’s product makes someone sick, the farmers or farm workers would not be liable, but rather the LLC would. To be liable means to be held responsible in the court of law. An LLC helps protect business owners’ personal assets like house or car. If someone sued an LLC, they cannot bankrupt the individual business owner, however, they can bankrupt your business. An example of an LLC farm is Brooklyn Grange Farm.

A **Non-Profit** (Not for Profit), also known as a **501(c)3**, is an organization that is structured to perform a social good or work towards a mission. They are considered not-for-profit because they do not pay out profits to their owners. There are no owners. Non-profits are run by a group of people (the board) that directs the organization towards its mission and hires a director to oversee the day-to-day operations. One benefit of this model is that non-profits do not pay federal or state income tax. One example of a non-profit in the food industry is GrowNYC, another example is Corbin Hill Food Project.

**Farm collectives** are a group of entities (farms, food businesses, etc.) that work together to achieve a common objective. They are not necessarily focused on economic benefit, but are often born in the spirit of mutual aid, meaning that their members come together to find ways to support one another. There is no legal structure tied to this term. An example of a food worker collective is the Food Issues Group (FIG).

**Farming Cooperatives** are groups of farms that come together – or cooperate – to do certain tasks. These include purchasing expensive farming equipment, marketing goods, etc. They often occur in farming sectors that need expensive equipment, such as grain or dairy farmers. For example, several smaller grain farmers in a region may form a cooperative to build a mill, and each own a “piece” of the mill and create a schedule for a way to share it. This can also work for other shared tasks, like sharing trucks to take their goods to stores, or packaging facilities to package their products. An example of a farming cooperative is Good Food Farmers Network.

**Worker-owned cooperative farms** are a business structure of farms owned by the farm workers. The farmers pool their time and financial resources into a farm and share the profits amongst themselves. Each member of a cooperative farm usually has a vote in business decisions, but they can be structured in many ways. They are often able to pay better wages than on a traditional farm. This leads to a more equitable distribution of profit. Technically speaking, they are often created with an LLC, but use cooperative principles in the LLC’s bylaws. An example of a worker-owned cooperative farm is Rock Steady Farm.

An example of a worker-owned cooperative food project is Brooklyn Supported Agriculture’s Brooklyn Packers. Brooklyn Packers’ organizational structure: “As anti-capitalists under capitalism, we organize to build, and be a part of, a solidarity economy. To this end, we guarantee worker-

owners the same salary and equal company voting rights; we buy from small, sustainable food businesses in our local economy, with a preference for women / LGBTQIA+ / POC-owned farms; and we facilitate community access to our products by only charging for our labor (i.e., we never markup food).”<sup>5</sup>

### ***How do farm owners pay for the initial costs of starting a farm?***

**Fixed Costs** are set expenses the business has committed to that are not tied to production volume. For instance, paying for rent is a fixed cost because you’ll always have this expense regardless of whether you make money or not.

**Soft Costs** are any costs that are not considered direct construction costs or fixed costs. These costs typically are associated with non-tangible items, such as design, fees, taxes, and insurance. Soft costs can be a significant part of a project’s budget.

To run a farm business that generates revenue, farm business owners must be thoughtful about their expenses/costs, pricing, accounting strategies, and sales strategies.

**Startup costs** are the money a business needs to spend before it begins operating – the physical space, materials, infrastructure. **Startup capital** is the money gathered to pay these costs. New businesses need startup capital because they have yet to earn money through the business. Startup costs can be high, especially for farms. For this reason, there are systems of support that farmers can access to get startup capital. A common strategy for acquiring startup capital is crowdfunding.

Crowdfunding is the practice of funding a project or venture by raising small amounts of money from many people, typically via the internet. If you are on social media, you have likely seen crowdfunding take place. It is very effective over social media because it gives people the ability to reach large numbers of people while incorporating visual elements to tell a story. Effective utilization of social media can yield powerful results, especially for marginalized communities. Crowdfunding legitimizes your project, so it is important to have a strong plan for your business before requesting funding support. Early crowdfunding sometimes promises donors something in return, like naming something after someone who donates a certain amount or an early version of the product.

Donation-based crowdfunding asks people to support a project without getting their money back. These individual donations are usually smaller than loans or investments, but usually reach a larger audience of donors. GoFundMe is an example of a donation-based crowdfunding website.

Loan-based crowdfunding is a type of crowdfunding where the people that invested in the project get their money back over time as the business begins earning profit, usually with interest. Kiva is an example of a crowdfunding platform that uses this model.

Investment-based crowdfunding is when people invest in a project in exchange for a percentage of ownership over the business, also referred to as a share. This means investors see the value of their shares rise and fall, but you don’t need to pay back their investment. Crowd Street is an example of an investment based crowdfunding platform.

Grant funding is when you obtain access to funds that you don’t have to repay. Those funds are usually allocated to non-profit organizations or community groups doing specific projects. Usually groups need 501(c)3 status to be able to qualify for grant funding. Grant funding requires administrative support, documentation, tracking of spending, etc. Funders are usually prioritizing groups and organizations that already have access to some form of funding and organizational structure.

### ***How do farmers determine the price of the food they sell?***

Food pricing is complicated because people need to eat, and food is a human right. Large industrial agriculture businesses make food that is cheaper to the consumer, but the costs are offset to other areas of the business. For example, broccoli may cost \$1.50 at the supermarket chain and \$4 at the farmer's market. The \$1.50 broccoli was likely produced with underpaid labor and at higher cost to the environment. The industrial food sector is responsible for over 25% of global greenhouse gas emissions.<sup>6</sup>

Some industrial farms, especially those growing commodity items like corn, wheat, or dairy, often receive big government subsidies which make it harder for small-scale, more sustainable farms to compete with.

Farmers' markets and farmstands are places where farmers can set their own prices that reflect the true cost of food. Conscious consumers are often eager to support smaller farms and pay higher prices. However, these higher price points aren't accessible to everyone, which can exclude low-income people from affording healthy, sustainable, and nutritious food. It is important for farmers to consider food access and offer alternatives for low resource communities. This can be challenging for farms with smaller budgets. It can be very difficult for small scale farmers to compete with corporate industrial agriculture companies.

We want to build pathways for farmers and farmworkers to be adequately compensated for their labor and time. The actual cost of producing a head of broccoli, if you paid workers a living wage along the supply chain, would be much greater than any of us are used to seeing. Farmers should take note of all the labor hours it takes to produce their product and charge a reasonable amount to be adequately compensated for their hard work! Often, farmers will work up steadily to an amount that feels manageable for themselves. But on the flip side, passing all those costs to the consumer would also be inequitable, as we want to ensure that everyone has access to local nourishing foods. Some farms will use **sliding scale models** where those with more class privileges or higher income may pay more to help subsidize the cost of someone who has a lower income. It's not your fault that food is exceptionally undervalued in this capitalist world. It's also time to dream up a new one!

There are many other factors that affect the cost of food, including the length of the growing season, farm or harvest size, weather conditions for the growing season, and overhead costs.

### ***How do farmers prepare inventory?***

When growing food as a business, it's important to predict to some degree how much food you're going to get from your harvest. Factor that information in with how much you think you'll be able to sell, and how much you need to sell to maintain and sustain your business, then you're able to plan for what and when to grow.

You will be able to make a crop plan by looking at your crop's date to maturity. Date to maturity is written on the back of a seed packet, and it means the approximate number of days from when they are planted to when they will be ready to harvest. For example, broccoli's date to maturity is 59 days. If you have an order for broccoli heads on August 1st, you'll want to plant your broccoli at least 59 days before that order so that it will be ready in time! This is assuming everything goes smoothly. Unfortunately, in farming, nothing ever goes smoothly, and it's all about how you respond to challenges. After you have spent a few years working on your farm, you will have a better idea of the amount of food your land will be able to produce, and when your crops will be ready to harvest. Things such as amount of water, amount of sunlight, and the nutrients in the soil will all factor into how big, how fast, and how nourishing the crops you grow are.

Farmers create crop plans in the winter to plan what parts of the farm will be growing which crops when and for how long. From there, they can predict a rough estimate of what kinds of crops and how much of each they will have at a given point. Thereby being able to estimate when they will be ready to sell their harvest to their community. Of course, extreme weather events, pest and bug pressure, and even personal mishaps may delay or quickly destroy a perfectly laid plan.

## Lesson 11: Filling Gaps in Your Community

### OBJECTIVE

In this lesson, students will begin engaging directly with their community to learn the key gaps that exist in their local food system. Students will design and disseminate a community needs assessment that will be used to shape their food access business.

### VOCABULARY

Target Audience, Demographics, Customer Base, Market Research, Marketing, Personas, Competitors, Community Relations, Social Capital

### MATERIALS

- Lesson 11: Filling Gaps in Your Community Slides
- Lesson 11 Background Information Section (printed for students)
- Something to write on
- Writing materials

### Note to Facilitator:

This lesson offers an extension for Activity 1 that can be completed in a longer class period or as a take-home assignment.

### LESSON TASKS

#### Warm-up (5 min):

- Using the images on the warm-up slide have students consider the following questions:
  - What are the differences between the types of Nike shoes in the photos?
  - Why would you buy one versus the other?

#### Part 1: Filling the Gaps in Your Community (20 min)

Background (20 min):

- Using the Lesson 11: Filling the Gaps in Your Community slides,

Grade Level: 9-12

Time: 45 mins

#### Key Questions

- What is a target audience?
- How do businesses use customer demographics to shape their work?
- What are community relations?

#### Students will...

- Understand what a target audience is and how to define it.
- Understand how marketing influences customers.
- Understand how demographics shape marketing and business.
- Design a community needs assessment to help shape their farm business.

### NYS Standards

#### Career Development and Occupational Standards (CDOS)

Standard 2: Integrated Learning Students will demonstrate how academic knowledge and skills are applied in the workplace and other settings

1. Integrated learning encourages students to use essential academic concepts, facts, and procedures in applications related to life skills and the world of work.

Standard 3a: Universal Foundation Skills Students will demonstrate mastery of the foundation skills and competencies essential for success in the workplace.

4. Positive interpersonal qualities lead to teamwork and cooperation in large and small groups in family, social, and work situations.
6. Information management focuses on the ability to access and use information obtained from other people, community resources, and computer networks.

#### Standard 3b: Core Business/Information System

2. Business-Related Technology

#### Next Gen ELA/Literacy

11-12.RST.2 Determine the key ideas or conclusions of a source; summarize complex concepts, processes, or information presented in a source by paraphrasing in precise and accurate terms.

run through the background slides as a class, reading from the slide notes as you go and pausing for discussion questions.

### Part 2: Serving our Community (15 min)

#### Activity 1 (15 min): Community Needs Assessment

- Begin by revisiting your Unit 1: Lesson 2 Activity 2, Feeding the Gap activity worksheet.
  - Review your classrooms ideas for feeding the gap in your community with a food access point.
- Next, you will create a community needs assessment survey that will be distributed to community members to determine the gaps that exist around food access in your community.
- Students should begin designing their survey by brainstorming questions this main question: **What services are missing in our community food system?**
- Have students break up into groups to come up with their own questions for community members and local stakeholders. One example of a question is, “How would you rate your level of access to food in your community?”
- Share out your ideas with the class and if time permits you can begin the activity extension.

#### Wrap-up & Reflection (5min):

- What are some ways to have good community relations between a business and its surrounding community?
- Why is having strong community relations important?

### ACTIVITY EXTENSION

#### L11 Activity 1 Extension:

- Once they finish coming up with their questions, have students create their survey in Google Forms or hand write them and make copies.
  - Ask students to evaluate what metrics and information will be captured with this survey. Use these questions as a guide.
    - Who will your survey reach? How will your survey reach a wide audience?
    - What languages does your community speak? Does the survey need to be translated to reach a larger audience?
    - What are some of the best ways to capture information?
    - How will you measure the results of your survey? How many people do you want to reach?
- Have students come up with a plan to send out their survey. When the survey is being sent to community members, be sure to give a clear deadline for when you need the survey filled out.
- Once you've gathered responses from community members and can identify the gaps that exist based on the survey findings, discuss the following questions:
  - Do you think the food business model and organizational structure you chose for your food access business matches the community needs based on the results of your survey?
  - How do you think local food stakeholders can fill some of the gaps identified in the survey?
  - Who can help you fill these gaps? Are there any community members, organizations, or groups that exist that would be willing to collaborate?

Background Information: Filling Gaps in Your Community

**What is a target audience?**

A **target audience** is a group of customers most likely to buy your product. Often, your target audience depend on factors like location, age, income, and more. Think about and inquire within your community about what goods or services your community would find useful. One way to do this is to create and distribute a survey to find out if your community needs are aligned with what products or services you're offering.

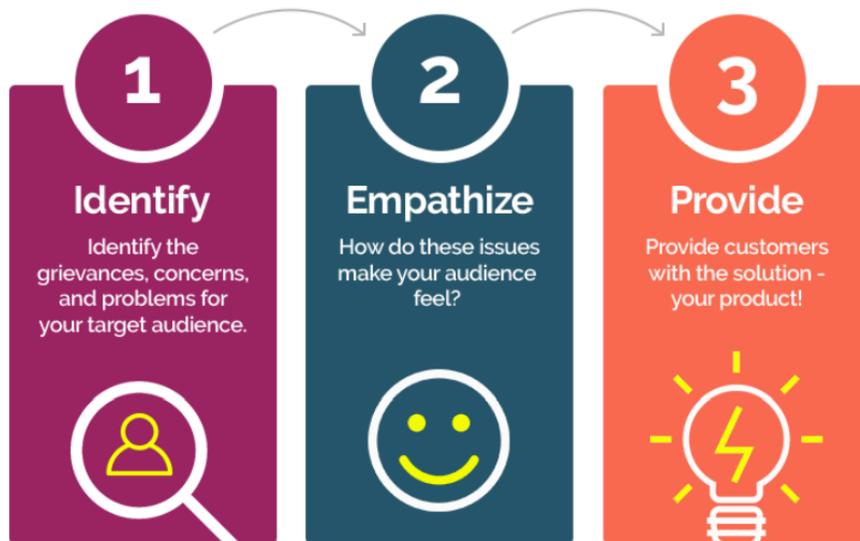


Figure 1: Identifying your target audience

**How do businesses use customer demographics to shape their work?**

**Demographics** tell the larger story behind who's in the community and why, and how you can use that information to influence your business. Demographic information examples include age, race, ethnicity, gender, marital status, income, education, and employment. The U.S. Census Bureau allows you to search by ZIP code, city, county, and/or state to find an area's income levels, ethnicities, ages, and other social characteristics.

<u>Steps To Take</u>	<u>Questions To Consider</u>
<p><b>Use Google Analytics and The Census to Explore Demographics</b></p> <p><b>Demographics</b> are statistical data showing the population and particular groups within it.</p>	<ul style="list-style-type: none"> <li>• Who is in your community?</li> <li>• What are some of the cultural and language barriers you may face?</li> <li>• What's the class structure of the community?</li> <li>• How did this factor into your pricing, product/services list, and location?</li> </ul>

<p><b>Analyze Your Customer Base and Carry Out Client Interviews</b></p> <p><b>Customer Base</b> is the group of customers who repeatedly purchase the goods or services of a business. These customers are a main source of revenue for a company.</p>	<ul style="list-style-type: none"> <li>• What kind of products or services are needed in the community?</li> <li>• How would this business support the local community?</li> <li>• What feedback do you have for me?</li> <li>• How can I make this idea stronger?</li> <li>• Who are some community members that would support this idea?</li> <li>• Who are community members that are doing similar projects?</li> </ul>
<p><b>Conduct Market Research and Identify Industry Trends</b></p> <p><b>Market Research</b> is a process of collecting, analyzing, and interpreting information. The information could be about a target market, consumers, competitors, or the industry.</p>	<ul style="list-style-type: none"> <li>• What's trending now?</li> <li>• What was trending before?</li> <li>• How can you use that data to evaluate the current market?</li> <li>• What are some market and trend predictions you have?</li> <li>• How do those predictions support or go against your idea?</li> </ul>
<p><b>Marketing Analysis</b></p> <p><b>Marketing</b> is the action or business of promoting and selling products or services, including market research and advertising.</p>	<ul style="list-style-type: none"> <li>• Who is your target audience?</li> <li>• What are some of the things that they enjoy?</li> <li>• How does your business fit into their lifestyle?</li> <li>• What are the demographics of your target customer?</li> </ul>
<p><b>Create Personas</b></p> <p><b>Personas</b> are the aspect of someone's character that is presented to or perceived by others.</p>	<ul style="list-style-type: none"> <li>• What type of person are you looking for?</li> <li>• How would you describe your customer?</li> </ul>
<p><b>Define Who Your Target Audience Is &amp; Isn't</b></p> <p><b>Target Audience</b> is a particular group at which a product, service, film, book, advertising campaign, etc., is aimed.</p>	<ul style="list-style-type: none"> <li>• Who is your customer?</li> <li>• Who's going to be excited about your product or services?</li> <li>• Who are you helping?</li> <li>• Who isn't your customer?</li> <li>• Who isn't going to like your product or services?</li> <li>• Whose toes are you stepping on?</li> </ul>
<p><b>Analyze Competitors</b></p> <p><b>Competitors</b> are where two or more parties strive for a common goal. Competition can be between entities such as individuals, economic and social groups, etc.</p>	<ul style="list-style-type: none"> <li>• Who's already doing it?</li> <li>• What can you learn from their successes and failures?</li> <li>• If this is an innovative project, what are some projects that are similar?</li> <li>• Who can you collaborate with?</li> </ul>

<p><b>Continuously Revise Based on Results</b>          Allow your idea the flexibility to change once you have more information.</p>	<ul style="list-style-type: none"> <li>• What new things can you implement?</li> <li>• What drawbacks did you discover?</li> <li>• How does this new information influence your original plan?</li> </ul>
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***What are community relations?***

**Community relations** evaluates public attitudes and interests; identifies the mission of an organization; and executes a program of action to earn public understanding and acceptance. Community relations is one of the most undervalued resources that businesses can use. Having a positive and transparent relationship with your community can fuel your business and offset any major issues. Community relations also means providing transparency about any expectations the community may have or need from you.

**Social capital** is defined as a set of shared values that allow individuals to effectively work together. It involves having relationships based on trust, respect, kindness, and reciprocity. One of the first steps in community building is creating a profile of who’s currently in your area; schools, hospitals, churches, non-profit organizations, green spaces, gardens, farmers markets etc. This profile will allow you to reach out to the respective groups and get direct feedback about how your project would fit into the community. One of the difficulties of community building is successfully managing relationships with various groups and navigating through difficult conversations. While your business may provide a service to the community, you should expect some pushback from community members for various reasons.

## Lesson 12: Facing the Public

### OBJECTIVE

In this lesson, students will learn about the value of marketing to reach their target audience and explore strategies for implementing a marketing campaign for their food access business.

### VOCABULARY

Market, Marketing, Advertising, Public Relations, Social Media, Content Marketing, Email Marketing, Search Engine Marketing, Pricing, Direct Response Marketing, Product, Price, Place, Promotion, Marketing Strategies, Counter marketing, Niche

### MATERIALS

- Lesson 12: Facing the Public Slides
- Lesson 12 Background Information Section (printed for students)
- Something to write on
- Writing materials

#### Note to Facilitator:

This lesson offers an extension for Activity 1 that can be completed in a longer class period or as a take-home assignment.

### LESSON TASKS

#### Warm-up (5min):

- Using the image on the slide, see if students can guess all the logos from the image.

#### Part 1: Facing the Public (20 min)

Background (20 min):

- Using the Lesson 12: Facing the Public slides, run through the background slides as a class, reading from the slide notes as you go and pausing for discussion questions.

#### Part 2: Telling your Farm Story (15 min)

Activity 1 (15 min): Telling your Fam Story

Grade Level: 9-12

Time: 45 mins

#### Key Questions

- What is marketing?
- What are some marketing strategies used by businesses?
- How do farm owners apply marketing strategies?
- What is storytelling in the context of a business?

#### Students will...

- Understand how marketing impacts us daily.
- Learn about different marketing strategies.
- Learn about counter marketing.
- Apply marketing strategies and storytelling to their farm business plan.

#### NYS Standards

*Career Development and Occupational Standards (CDOS)*

Standard 2: Integrated Learning Students will demonstrate how academic knowledge and skills are applied in the workplace and other settings

1. Integrated learning encourages students to use essential academic concepts, facts, and procedures in applications related to life skills and the world of work.

Standard 3a: Universal Foundation Skills Students will demonstrate mastery of the foundation skills and competencies essential for success in the workplace

4. Positive interpersonal qualities lead to teamwork and cooperation in large and small groups in family, social, and work situations.

Standard 3b: Core Business/Information System

1. Basic Business Understanding
3. Information Management/Communication

*Next Gen ELA/Literacy*

11-12.RST.2 Determine the key ideas or conclusions of a source; summarize complex concepts, processes, or information presented in a source by paraphrasing in precise and accurate terms.

- As a whole group, brainstorm how you want to market your business. Who is your audience and how will you reach them? Are you interested in creating content for social media and/or a website for your food business?
- Break out into groups to begin crafting your farm story using the questions below:
  - Tell us about you, your group, and the place you farm!
  - What you grow, how much you sell it for, and when you will have goods to sell
  - What makes your product special and why should people buy it?
  - How can buyers contact you?
- Share out ideas with the class and make note of what people come up with.

**Wrap-up & Reflection (5 min):**

- Why is marketing important?
- What are positive and negative ways that marketing can be used?
- What is most important to you when marketing your food business?

**ACTIVITY EXTENSION**

**L12 Activity 1 Extension:**

- Develop marketing campaign materials using digital tools like [Canva](#). Some examples of marketing materials are:
  - Flyers
  - Posters
  - Banners
  - Stickers
  - Business Cards
  - Social Media Posts
  - Presentations
- Once the group has developed a few pieces of marketing materials, find a few members of your school community, outside of this class, to test the materials on. Ask them to share their initial thoughts and reactions to the materials, and based on their feedback, create a second draft that students can share with the public.

## Background Information: Facing the Public

### ***What is marketing?***

Once a business understands the product they are selling, has created their business model, and determined the role they wish to play in their community, business owners must decide how they want the public to engage with their business.

This is where marketing comes in! Marketing is happening around us all the time. On billboards, in YouTube ads, products sneakily placed in movies and TV shows, fake social media posts, and even the layout of a grocery store or farmer's market. You are being marketed to whether you know it or not. Whenever someone tries to convince you to do something, marketing is happening.

Without marketing, your target audience might not know that your business exists or understand the products you are selling. **Marketing** explains how your product can solve your customer's problem by presenting the benefits of your product in creative ways.

Many things fall under the marketing umbrella, including:

- **Advertising:** Communicating with potential customers about goods to convince them that your goods are worth exchanging for their money.
- **Public relations (PR):** The maintenance of a favorable public image by a company, organization, or a person.
- **Social media:** Web platforms like Instagram, Facebook, Twitter, TikTok, Snapchat, LinkedIn, etc.
- **Content marketing:** A type of marketing that involves creating and sharing online material (such as videos, blogs, and social media posts) that do not specifically promote a brand but is used to build interest in its products or services.
- **Email marketing:** A form of commercial messaging that sends information about a business and their goods to potential customers via email.
- **Search engine marketing:** Using a digital marketing strategy to increase website visibility in search engine results.
- **Pricing:** Determining the cost of the goods you are selling.
- **Direct response marketing:** A call to action that attempts to get potential customers engaging with your business.

Although each area of work handles a specific aspect of marketing, they all work towards the major goal of communicating value to your customers.

A simple way to break down this down is the Four Ps of Marketing:

- **Product:** The details around the good or service is being sold
- **Price:** What the consumer pays for the product
- **Place:** Where the product is sold and where the product is marketed
- **Promotion:** How you're going to spread the word about your product and increase sales of your product (advertising)

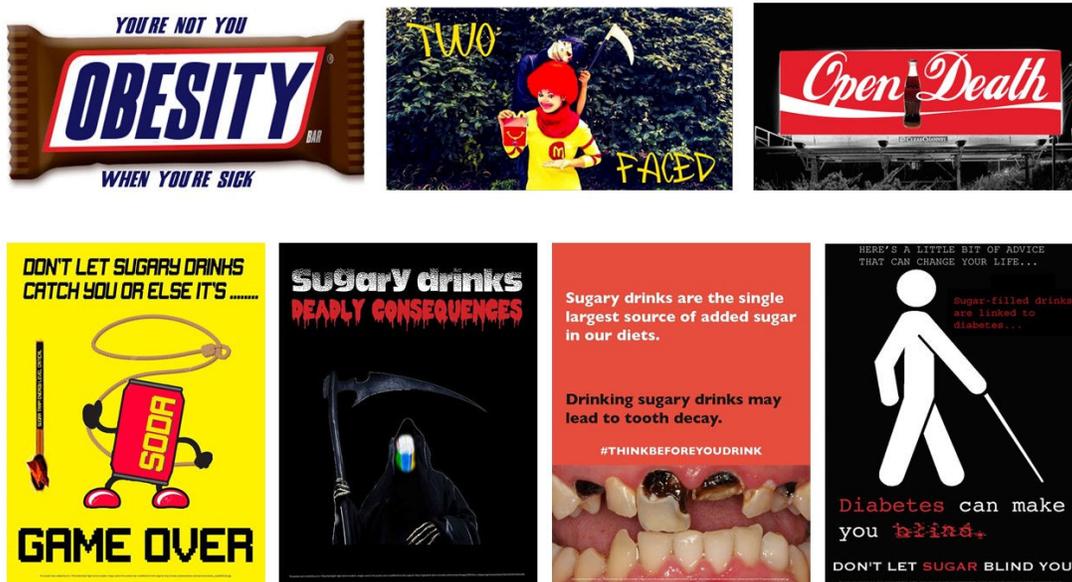
### ***What are some marketing strategies used by businesses?***

**Marketing strategies** include marketing in person, mail, on the Internet, word-of-mouth and more. Successful word-of-mouth marketing is hands-on and makes certain that your customers enjoy their experience. Online marketing can be more hands-off and offers an easy and inexpensive means of promoting your goods and services. For example, new farmers are marketing through larger-volume markets, like food retailers, restaurants, and institutions that feature foods grown by local farmers.

This allows them to connect with their customers without having to meet customers directly or reach out to them individually.

Another form of marketing that you can implement is **counter-marketing**. Food counter-marketing is defined as going against the targeted marketing of unhealthy products. Counter marketing urges the public not to be deceived by junk and unhealthy food marketers who relentlessly market unhealthy products or falsely market food as healthy. Counter marketing has been an instrumental tool for youth and students to help influence their peers to create healthier habits and make better choices. This marketing technique also helps to visualize the effects that unhealthy foods can have and can offer alternatives.

Examples created by students:



### How do farm owners apply marketing strategies?

Explore UC Davis' Golden Rules for Farming Marketing below:

#### Know what you are selling

- It is more than just the product, instead offer a bundle of valuable things that are appreciated by your target customers.

#### Know who you are selling to

- Each group of customers has a different set of characteristics and needs that you must adapt your sales approach to meet.

#### Know your own story

- Your story is unique to your business, it adds value to your product
- Your story must show in everything your customers sees and you do
- You need to be able to tell it in the time it takes to ride an elevator to the top of a building with a potential investor in your business
- Your story is your position

#### Don't make assumptions

- Don't guess about the viability of your business idea or the behavior of your customers. Find some way to prove that what you think is true really is.

**Be customer oriented not product oriented**

- Think “My customer wants lettuce – how can I get it to her the way she likes it? NOT “I grow lettuce – how can I find someone to buy it?”

**Sell feature and benefits**

- Say, “this red lettuce contains more vitamins to keep you healthy” not just “I have red lettuce to sell”
- Each feature has a benefit that your customer values. Connect each thing to make a sale.

**Be a price maker not a price taker, don't sell commodities**

- If you're selling something that can't be distinguished from another farmer's product, you can't control the price at all. Focus on niche items that separate you from other businesses. A Niche is a specialized segment of the market that highlights a particular kind of product or service.

**Diversify carefully in all directions to manage risk**

- Growing many crops, for many kinds of customers will reduce your risk of loss. But your management job can become overwhelming, and your quality, reliability, and service will slip.
- You must strike a balance between diversity to manage risk and time management to maintain quality.

**Start as small as possible and learn the market**

- Find out the smallest way you can enter the market in order to minimize your risk. Then once you learn how it works you can grow.”

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