FREIGHT FARMS

IDENTIFYING CUSTOMERS

Thinking about starting a Freight Farms project in your city, town, or community? When people begin researching how to become a freight farmer, we get dozens of questions about running it as a business, where to find customers or how to do market research. Getting started shouldn't be a daunting task, so we're hoping to point you in the right direction if you're wondering: Who do I sell to? When should I start speaking with local businesses about potentially becoming a customer? Which businesses are best to sell to? Which crop is the best to grow? How much does each crop sell for? This is the first of a two-part series that identifies market opportunities for freight farmers.

Here are a three really important things to know right off the bat:

- 1. The thing is, the answers to these questions are so market specific that we can't provide you with the specifics for your particular area. There are far too many variables for Freight Farms to be able to provide you with accurate and realistic numbers for a business plan, other than sharing <u>data from our growers on yield, production, operating & business costs</u>.
- 2. We strongly urge you to get out in your community and speak with multiple types of businesses that could be very excited about your project and the increased access to hyper-local, delicious, chemical free, lettuces, greens, and herbs 365 days a year.
- 3. The sooner you start speaking with potential customers about your project, the sooner you'll have a good sense of what crops are in high demand, volume requirements, local produce prices, and more, which will help you build your business plan.

Before you start speaking with local businesses, we'd also like to stress that you read our post on (Local, Organic, Hyper-Local, Naturally Grown) to understand the quality of the produce that grows inside a Leafy Green Machine (LGM). This might be a wild guess, but most likely your community doesn't have an LGM already, which means that the people you approach about becoming a customer might not really understand the quality of and how fresh the produce you'd be supplying can be. It's important that you have a good understanding of the value you are bringing so that you're able to speak confidently about it to potential customers.

Ok, now let's talk about potential businesses and customers in your community. Below are 7 that we strongly recommend you research and speak with about your Freight Farms project!

1. Restaurants

Are there any farm-to-table restaurants in your region? The local food movement has been embraced by restaurants all over the world, and sourcing local ingredients is often a key part of the brand of top restaurants. Chefs are increasingly tailoring their menus around locally available items and using these ingredients to distinguish their dishes from the competition, and are willing to pay a premium for consistent supply of top quality lettuces, greens, and herbs. Or maybe there's a fast-casual restaurant/chain your area that promotes their use of locally sourced ingredients. Freight farmer Scott Deluca of Deluca Farms partnered up with fast growing burger chain, b.good, to grow the kale for some of their 27 locations throughout New England.

2. Grocery Stores

Do you know if any of the locally owned/regional grocers are focused on carrying and promoting local produce or products? Several regional chains and small business grocers across North America are focusing more and more on carrying locally sourced items and focusing their brand on local/natural/organic foods. Springdale, Arkansas freight farmers, Jerry Martin and Darryl Hill, partnered with regional grocery chain, Akin's Natural Foods, to supply them with hyper-local lettuce varieties.

3. Specialty Shops/Markets

Are there any specialty food shops/boutique neighborhood markets in your community? Many of these shops have built their brand around imported and local cheeses, meats, and beer & wine, and usually have a small produce section in the store. Their customers would be more focused on eating local and organic produce, and the wide variety of leafy greens, herbs, and lettuces harvested out of a Freight Farm would be a perfect fit.

4. Food Co-ops

Are co-ops common near you? Food co-ops are usually run by the community members and are more focused on operating more socially responsible. Co-ops can be more focused on carrying natural, local, and organic foods than large supermarket chains.

5. Public Markets/Farmers Markets

The growing trend of farmers markets has been great for small local farmers interested in selling directly to the end consumer. Does your city have a farmers market? If so, this can be a great place for you to rent a stand or partner with an existing vendor. If you're not familiar with farmers markets or public markets in your area, it's definitely worth doing some research to see if neighboring towns have one. Boston freight farmers, Shawn and Connie Cooney of <u>Corner Stalk</u>, are year-round vendors at <u>Boston Public Market</u> and have built a

great name for themselves in the local community.

6. CSA

Are their seasonal CSAs in your community? <u>Community Supported Agriculture (CSA)</u>, or farm share, is one of the easiest ways for the general public to prepay for a designated window of fresh fruits and veggies picked up weekly from local farmers. Partnering with an existing farmer or CSA program in your community can be a great way to spend less time distributing and selling, and spend more time growing in your Freight Farm! Like Crested Butte, Colorado freight farmer, <u>Tassinong Farms</u>, selling your own variety boxes of lettuces, greens, and herbs for weekly pickup can be a great opportunity as your small business farm grows and you become more established in the community.

7. Wholesalers

Produce wholesalers can be a great way to distribute an entire LGMs worth of lettuces, greens, or herbs every week. It's not as easy to partner with wholesalers in the beginning due to their longstanding partnerships with other distribution channels, however, as the demand for more local food increases they are looking for innovative ways to satisfy the needs of customers. The ability to provide year-round access to consistent, high-quality produce is very appealing to these types of businesses! Some wholesalers have even chosen to become freight farmers themselves, like <u>Detroit, MI based LaGrasso Bros. Produce</u>.

It's very important that you to get out in your community and speak with multiple types of businesses about your future small business farm. It's not uncommon for the person you're speaking with to get very excited about your future project and the increased access to hyper-local, chemical free, lettuces, greens, and herbs 365 days a year. We regularly hear from future freight farmers that potential customers say they'll 'buy whatever I can grow, they just want to see a sample first!'.

Like we said, despite all the different businesses and places to distribute your crop, it's important to research and understand the local food trends going on in your community. It's also important to understand that the most successful freight farmers didn't begin their small business growing the types of produce or selling to the businesses they do today, but got there by getting started and being flexible with market demands! A small business farm can be a very fluid business, one that allows you to start with a lettuce farm and specialize in more unique lettuces, greens, and/or herbs as new business partnerships develop and your community becomes more familiar with your farm.