

Community supported agriculture with Sally Ruljancich Podcast Episode 15

Transcript:

Daniel: Daniel O'Brien here, welcome back to Green Grass Egg Farming. Today, I'm talking with Sally Ruljancich from Colin and Sally's Organic Lamb and Beef in Victoria, Australia. Welcome to the call today, Sally.

Sally: Thank you for having me. It's a delight.

Daniel: I am very excited because today we are going to talk about CSA, community supported agriculture. I know a little bit about them, of how they work, but not heaps, so I'm really going to ask the silly questions: how does it work or how does it start, and if no one's ever heard the words community supported agriculture, what is it?

Sally: I think it's best said that it's a system that connects the producers to the consumers by allowing the consumers to subscribe to an entire harvest or a year of a farm. This isn't a box scheme or simply selling direct or on an ad hoc basis as the consumers really supporting the farm for the duration of the harvest or year - rain, hail or shine.

Daniel: Okay, right.

Sally: I can talk a little bit about how it's defined by the international CSA advocacy group urgenci. I won't go into all the principles, you can go and read about it on the website. One of the key principles that you need to exhibit in a CSA is risk and reward. For example, our smallest CSA share at Colin and Sally's is one and a half lambs over the course of the year. So half a lamb, three times a year. The consumer pays a certain amount of money on the idea that we believe it's appropriate to grow out the lamb to X amount of kilos. So they know what they're paying for and they know what they believe we can grow. If we have a shocking year, that lamb weight per half carcass, maybe a little under. And that's them, risking that farming enterprise with us.

If they have a larger share, or if the lambs are larger that year, that's the reward and we don't charge extra for that. So we give a point to say that we believe that we're able to grow and harvest this amount and we will do so, and if it's more, that's the reward, and if it's less, that's the risk.

Daniel: Yeah, right. So, have you always sold your lamb and beef in this way?

Sally: No, we started in 2014, just selling direct. I put a lot on Facebook one day and there was a great response. So all of a sudden we had a business, and we nipped everything out from there. We leased more lambs and we now have three farms. And we were selling our Facebook

page to a sort of mailing list, doing drop-offs in Melbourne and around the South Gippsland. We were selling 20 lambs and a whole cow within 20 minutes of releasing it, so it went really well. We don't do farmers markets, and with lambs and beef and cattle, only leave the farm when that's been sold. We work on a whole carcass principle. Someone takes a whole or half lamb, bones included.

Daniel: Yeah, okay, so you were selling direct while putting up a post on Facebook or going out to your mailing list. So what was the transition and why did you go from that to CSA?

Sally: I really wanted to grow a stronger cohort of people who were interested in supporting us and also we had a lot of people who were missing out on the mailing list and weren't getting the amount of meat that they wanted from us regularly, and we really wanted to support them and they wanted to support us and get to know us better, and so this made sense.

Daniel: What was the transition and how did your customers respond to that? They're used to getting an email from you, you've got lamb and you got 'here's my order' coming on and they are like on their side 'hang on, I've got to take a risk'. As you said, if you get a really good year they also gain; how did they first respond to that?

Sally: Well, I guess, we started off for the months leading up to offering the share, on the first of January, the months preceding that, we did a lot of education on our Facebook site around CSAs and the reason why we were doing it and how this is so important to solidarity in the economy, and the people who signed up, they understood it. There are some people who didn't want to commit, they wanted to just buy the odd sausage here and there, and we do have a little bit of best time on a week and accommodate them occasionally but we really wanted to grow this principle of selling.

It brought more stability to our farm financially because CSA customers can pay for their yearly share either upfront if they would like to, but most pay either fortnightly or monthly, and so that brings cash flow into the business which allowed us to really do some things earlier in the year with that money on the farm.

Daniel: Yeah, so for someone, especially growing meat, in most cases you don't get paid until it's already gone to processing, gone to the butcher shop, or at the other end, as you said, you can have this massive cash gap. So, you're pre-selling them. In some ways it's good for the customer, they don't have to fork out all the money for half a lamb tomorrow.

Sally: Exactly right, that's exactly right. We had a lot of people come on board who hadn't previously, because they didn't have that \$300 or \$350 for that whole lamb. And this allowed them to really budget for their protein.

Daniel: Yeah, okay, so from a customer's point of view, they know how much they're paying each and every fortnight or month, and then for you, you get that money each fortnight or month

so you can then look through your monthly cash flows and know you've got income coming in and when the livestock goes off for processing, it's all sold, so you don't need to run around and look at the latest cattle prices, so to speak.

Sally: Yes, that's right, yeah, that's correct. We had great results with the take-up of CSA shares for Colin and Sally's. I released them on the morning of January 1st and they were all sold within 11 hours, and we have over 300 people on the waiting list with the 2018.

Daniel: Wow, okay.

Sally: Very excitedly, just this week, I put out a survey to our CSA cohorts to this year, and I'm so delighted to report that 90% of 2017's CSA share member families are staying onboard for 2018. Out of the 10% that are stepping away, 6% are doing so because they've reduced their family's meat intake, enough to not warrant taking on a share. So, I'm really, really thrilled with those low numbers of attrition. Well, for me to speak volumes, not just for our business but to the fact that it highlights there is a demand on this type of solidarity economy.

Daniel: Yeah, that's great to know that 90% are coming on, you got 6%.

Sally: Staying on. Yeah.

Daniel: Yeah, like staying on, 6% their circumstances have changed for meat intake and it's probably for the remaining 4%, they could just be moving house, like they're moving out of the area.

Sally: A couple of them have their survey and it was anonymous and some of them very clearly said that it didn't work for them, that whole animal-eating approach just didn't work. They didn't have enough ribs in a half lamb to feed 5 children. That kind of eating just doesn't work for them easily enough and I completely understand that. We do a lot of education around how to use cuts, particularly, you know, if someone Googles lamb shank recipes and most of the recipes are for four to six lamb shanks; well, you've got two coming from us so what'll you do with them? So different approaches to consuming meat, that's a really important element to impart a sort of education and information to the people eating a different way to this method.

Daniel: Yeah, okay. Do you roll them out annually? So, when someone commits, they're not just committing for two, three, four months, they're committing for a full season in your case?

Sally: That's right, a year. We've rolled it out for a year, that works for us. For say, a vegetable seller, in doing a CSA, it would probably work for a season. There's often downtimes for vegetable growers during winter so the season works best for those but for a CSA it's very important that it's not ad hoc, it is for a defined period of time and that time is defined by the farmer.

Daniel: Yeah, okay, and to set up a CSA, is there a legal contract or is there any legislation or regulation that you have to jump through?

Sally: No, not at all. It's a personal relationship that you're forming with your eaters.

Daniel: Yeah, that's fantastic.

Sally: It's like a fine direct, except it's more structured over a period of time.

Daniel: On a subscription plan, which sounds good, you've really got that consistency and they get to know you and such.

Sally: Yeah, during the year we had two people step away, one for financial reasons and the other one because they all of a sudden had three kids go vegetarian and we understand that; it's not great that someone steps away from the CSA near the beginning of the year but that's about people and relationships and you have to understand that people and circumstances can change dramatically and you'll try and incorporate that into your business.

Daniel: Yeah, okay. So some of the marketing, you said a lot of it is about education, like telling them what is a CSA and such, so new people that are coming on, you said you've got a waiting list, how did they hear about you? Is it through marketing, through referrals, through education? How did they come to engage with you and your business?

Sally: Word of mouth continues to be the most powerful marketing tool really, so people sitting down through a leg of lamb and saying, "Where did you get that leg of lamb?" and then they go on and explain that, "Well, actually, this is coming to us three times a year now and this is how" and jumping on the waiting list there. We have over 5000 people on our mailing list, so that's a lot of people to kind of grab, and that's how we communicate with people and via Facebook and people share that information, as you know, and word is getting out.

Daniel: Okay, so for most of your customers, would they have ever had interaction with a CSA before or, in a lot of cases, is this supposed to be the first time?

Sally: I think a lot of them are the first time. I got a few customers who are CSA members of a couple of other farmers in Victoria, from Jonai Farms, for instance; I got a few of theirs. They have Jonai Farms CSA share and they also come onboard for us. So they're across how that works and how it benefits both the farmer and the consumer. We've got a couple of overseas people who are delighted to hear that CSA is gaining strength in Australia, because back in usually America, they've seen how well it's worked and they're really happy that they're able to do it over here. But for most, the vast majority, it's something that they have to get their head around.

Daniel: It's so good to have such a good uptake, considering it's not a model that is as common, like it's getting more and more common with farmers doing direct market. Sometimes consumers are like "Oh, this is a new thing, I'm not sure, I don't want to be an early adopter." But, in your case they're jumping on to say, "No, first in, first serve. Let's jump in and get involved in this." That's great.

Sally: Can I just touch in on one of the other principles of the CSA, it's a really important one and that's about developing friendly relationships, it's such a lovely principle to uphold. One of the ways we do this at Colin and Sally's is that we invite all CSA members' families down to the farm on three occasions throughout the year to a farming and feasting weekend. It's usually during a time when we're rounding up sheep or ear tagging and we really could use the help and CSA come and stay and camp on the farm and we get lots of jobs done and then we have a huge shared meal. Watching families grow their connection to their food is deeply satisfying and I've got a better understanding of their farming practices, the limitations that we face as small-scale producers and the way that we respect the animals, and this deepens their relationship to their food and to us as a farming family, and they get to ask us questions that they can't ask us at the drop-off because it's such a busy afternoon.

And I think that's another one of the reasons why we do have a very low attrition rate for next year, it's because they're still connected to the produce.

Daniel: Yeah, right, and what percentage of your customers would turn out to one of those open days?

Sally: It's quite low, I'd say. Because we've got one coming up in December and we've got four families coming out. And that's four from 70, so that's low. I'd be astounded if we got 10 or 15 because I don't know where we'd hold them all. But, I think just the very idea that we've opened the farm, that it's an opportunity to stay with different families over three occasions and there's four to five families. That's connecting 15 families to their food, and a lot of these people have already come out to visit us at some point.

Daniel: Just having that relationship and connection, that's huge. Because I've said it many times before, like in the food industry, there's almost no transparency, no connection, like you're going to a supermarket, you pick up any piece of produce and all you know these days is it was either grown in Australia or it was imported and that's it. You don't know what state, what town, anything, so to go the absolute opposite, yeah, we found as well, people, they breathe a sigh of relief, like "Oh right, there's actually a human being behind this company and this brand and this produce and we can ask questions" and people love that.

Sally: They do, that's why Colin and myself and our two little boys, are committed. We're taking the meat ourselves to every drop-off and shaking the hand of everyone who takes a bag of meat from us; that's really important, and I think it's important to them as well.

Daniel: So how did the drop-offs work and how often are they?

Sally: First, the CSA drop-off is three times a year for each drop-off. So we'll do at least once a month, and we try and give the CSA cohort around about a months notice and they're told where we'll be, it's usually the same house, and they give an hour and a half window on a Saturday afternoon and they just rock up with their esky and take it out of our refrigerated van.

Daniel: So you'll have a pile of families turn out, all with eskies, and you'll have bags of meats and everyone picks them up, and the good thing about that, you're not actually handling any money, are you? Because that's already done.

Sally: No, absolutely not. This is preordered and prepaid. There's no vending licence required and there is strictly no vending on the day. So you can't pick up an extra pack of sausages, we have to be very careful that we're on the right part of the law and this is on the right side of the law.

Daniel: Yeah, excellent, so the logistics seem a lot more simple than other ways, we could say that.

Sally: Well, this is exactly what we've been doing for four years, this is just sort of to smaller cohort that we're taking more, we've always done the drop-off principle, we haven't sold in any other way. One of the exciting things that we've done over the past twelve to eighteen months is invite other farmers in on the drop-off so if they, the pork and eggs and chicken and duck and letting our peers say, and let our wider eating community know, throughout social media channels and our mailing list, that you can come and pick up from all of these other farmers and that's pre-ordered and prepaid and they pick up all at the same time. That creates a little multi-producer hub, that is great, that's so low risk to all of the other farmers because they're not bring any produce that they haven't sold.

Daniel: Yeah, that's very important, as I think both of us would know many farmers turned up to a farmers market with all of the produce they've picked up out of the garden the day before, hoping for a big day, only to take sometimes half or more of it home again and realising that it's only got another half-a-day shelf life, and no customers.

Sally: That's the very reason myself and Amelia Bright of Amber Creek Farm have started the Prom Coast Food Collective because seeing farmers turn up to farmers market having killed beef and harvested grains to not sell them is devastating to a small farm.

Daniel: So tell us a bit about that food collective on the Prom Coast.

Sally: Well, it's pretty much on the same principle as a Colin and Sally's drop-off. So, on the first of the month we open orders through the open food network and you can purchase over 300 products from over 20 small-scale producers and you order those and pay for them and then on

the third Sunday of every month, you pick them up from the Blue Tree Honey Farm in Dumbalk, South Gippsland. There's no vending on the day, you can shake the hands of all the producers that you've purchased from, you go around and pick up all of your produce and it's so much fun. It's so good. It's really supporting small-scale farmers who are selling amazing produce, who are not harvesting vegetables and sending off animals unless they have a home.

Daniel: Yes, that's so important. What were some of the challenges in setting up a CSA for you?

Sally: Getting my head around the admin really, which wasn't hard in the end. There's not a lot of downside, I can tell you, it's freed up a lot of my time from organising deposits from people that I don't know who have ordered or are ordering for the first time and tipping on top of money coming in monthly. That hasn't changed, easy as, there are a lot of resources on the agency website and I believe the Australian Food Sovereignty Alliance is a new website; we'll have some resources available for an Australian audience of CSA small farmers, which will be great.

Daniel: Yeah, fantastic. It sort of sounds like once you've got the initial framework setup, even if you've got two, three, four, ten people through it, you can scale it quite easily because they are all under the same system, they paid for an auto subscription, you just add one more to the mix.

Sally: Even if you're a farmer doing farmers markets and you open a CSA program, they can pick up from the farmers market. There are ways of starting slowly if you need to, it doesn't have to be all in, all out. You can dip your toe into CSA and grow it. But that sort of financial surety is huge for a farm.

Daniel: Yeah, fantastic. Well, we've covered quite a bit. If someone wanted to find out more about Colin and Sally's Organic Lamb and Beef, where is the best place? Facebook page, website or both?

Sally: Both, yeah. ColinandSallys.com.au or our Facebook page. It would be perfect. I've been talking to lots and lots of farmers over the last six months and helping them set up CSAs so hopefully we're going to see a lot of people launch in the coming month.

Daniel: Yeah, fantastic, well, thank you so much for your time today, Sally.

Sally: Thank you for having me, Daniel.

Daniel: You're very welcome. I'm sure our listeners, a lot of them are maybe looking at information for egg farming, a lot of them, they also have beef and lambs and other things, and the good thing about CSA is it's not something that can only work for beef or lamb, you can work for any produce on farms, so that's the most exciting thing about it.

Sally: That's right, absolutely.

Daniel: Thank you for your time.

Sally: Thank you.