

## Financial Benefits of Local Farmers Networks

There are many ways that farmers can work together to realize cost savings for everyone involved. Here are a few examples that we've collected from farmers with experience.

### Bulk Orders

By combining orders of inputs and supplies, farms can often save on shipping and get a better per unit cost.

Eg. Quincy Farm in NY needed some new harvest bins (also called totes or lugs). Instead of placing an individual order for 120 bins they organized a bulk order with 15 farms for 1,200 harvest bins. By combining the orders, it reduced the price per bin by 35%. That turned out to be an average of \$512 in savings for each farm!

	<u>Cost per Bin</u>	<u>Total Cost</u>
Individual rate	\$18.40	\$22,080
Bulk rate	\$12.00	\$14,400
<b>Cost Savings</b>	<b>\$6.40</b>	<b>\$7,680</b>

The farmer organizing the order estimates he spent ~10 hours contacting suppliers, collecting orders, and organizing the delivered bins for pick up. It was his first time organizing a bulk order, and he feels confident that he'll be able to streamline the process the next time. He may also claim a slightly larger percentage of the discount next year.

### Sharing Equipment

Splitting the cost of new equipment can lessen the burden of the upfront investment for each farm, allowing small farms to purchase tools to improve efficiency and save time.

Eg. Three farms in NY's Hudson Valley teamed up to buy a Potato Harvester together. Doing so saved each farm over \$3,000 dollars on the initial investment, and allowed them to purchase a higher quality model than any of the farmers could've afforded on their own.

### Emergency Supplies

Sometimes a piece of equipment breaks or it turns out you have less of a supply than you thought, and the things that need doing won't wait. If you have an established network to rely on, it's likely that another farmer has some extra supplies that you can use in the moment, and then replace at a later time. It's hard to put a dollar value on getting what you need, when you need it!

Eg. During one season, Hugenot Street Farm (NY) ran out of row cover for their brassica crops. They ordered more rolls, but they took 7 days to arrive, by which time they would've lost their crop to ferocious flea beetles. Luckily, the farmers were able to get several rolls from others in their network in the meantime, and save the crop.

### Getting Past Minimum Order Requirements

Several inputs, like some organic pesticides or soil amendments, are only available in amounts that are several times greater than many small farms can use. Splitting an order among many producers gives each access to supplies that wouldn't have been unavailable otherwise.