



# **The Great Basin Basket Company: A Community Supported Agriculture (CSA) Success Story in Nevada**

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## **Introduction**

Community Supported Agriculture (CSA) organizations are relatively new to the U.S and to Nevada, in particular. They were introduced to the U.S. in 1985 and based on models that were developed in Japan and Europe. The original CSA concept was developed by Japanese housewives responding to an increase of imported foods and the loss of local farmlands. In response to these issues, they formed partnerships with farmers in their communities to provide fresh, local fruits and vegetables.

The person generally credited with establishing the CSA concept in the U.S. is Robin Van En. Ms. Van En established the first CSA on her farm in Massachusetts and went on to directly facilitate the establishment of more than 200 more throughout the country. Individuals who participate in CSA organizations buy their food directly from a farmer or group of farmers. The consumer typically buys a “share” of the product to be grown for a predetermined amount of money that is paid to the farmer before the growing season starts. In turn, the consumer receives a “share” of the production on a weekly basis.

In the most common form of a CSA, the consumer or member receives a box or basket of mixed vegetables appropriate to the season. They may also receive fruits, nuts, flowers, herbs, etc. depending on the farms participating in the CSA. Some CSAs include the option of members buying shares of products such as eggs, milk, cheese and meat. The advantages of a CSA are many and include: 1) members gain knowledge of and provide input on how their food is being produced, 2) promoting diversity in agricultural production enterprises benefiting ecological process, 3) renewing the ties between consumers and the farmers who produce food, 4) receiving healthy and extremely fresh produce weekly, 5) the support of local, agriculture operations and the communities in which they exist and 6) providing an opportunity for small-scale farmers to enter the agriculture production industry.

The first CSAs in Nevada were formed in the early 2000's. They are mostly farmer driven in that the farmer is responsible for most management, marketing and distribution decisions. The consumer buys a “subscription” from the farmer, and shares the risk of production, but is not expected to share in the

actual production of the crop (irrigation, weeding, harvest, etc.).

### **Great Basin Basket Company History**

Crop production in Nevada has been dominated by the production and sale of forage crops with more than 90 percent of the land producing hay crops. Large-scale vegetable production is limited and the vegetables produced by these large operations are not normally sold directly to the end consumer. However, in northwestern Nevada there is a small but growing number of individuals farming small acreages, each producing a large variety of vegetables in relatively small amounts. Their primary marketing outlets are individual produce stands and farmers markets. In 2006, a small group of these vegetable growers recognized the need to begin a direct marketing system of their products to the end consumer residing in the urban areas. The few CSAs in operation in northwestern Nevada at the time were small, fully subscribed and unable to deliver to the larger urban areas such as Reno and Sparks.

The Great Basin Basket Company (GBBC) was formed in response to these market realities. The GBBC was created in 2006 by a group of northern Nevada farmers who wanted to increase their sales of direct-marketed specialty crops. They were assisted by several local food activists who insisted that there was a need for a large scale CSA that could serve the urban population of northern Nevada. The Great Basin Community Food Cooperative was also instrumental in helping farmers start the company.

The GBBC was modeled after successful California CSAs where small farms had combined resources to increase their capacity and sales opportunities. This model resulted in a CSA that was able to provide increased diversity and abundance in the crops provided to the customers. It also spread the risk of crop failure over several farmers insuring that some produce would always be available regardless of an individual farmer's success or failure.

The GBBC began by selling only vegetables but in subsequent years began to add other value added products. These products included jams, jellies, salsas, honey, bread and flowers. However, a majority of the value added product

line was dropped from the baskets after insurmountable problems occurred with the contracted manufacturer. A lack of positive customer response to these products was also noted as a reason for discontinuing these products.

Initially GBBC products were only available from June through October. However, the GBBC has grown to the point that it offers their customers produce options from late April through the end of November.

The customer base has increased steadily since the company was started in 2006. It has expanded from approximately 100 customers to the point where it now includes over 300 subscribers living in the Reno, Tahoe, Truckee, Carson City, Douglas County, Fallon and Fernley areas. In 2008 three of the original owners decided to establish the GBBC as a farmer-owned Nevada Limited Liability Company. It has since grown to become the largest CSA organization in the state of Nevada and has had significant impact on small farm agriculture in the state.

### **The GBBC as a Model for a Successful CSA Organization**

There are several reasons that the GBBC has been so successful. Other farmers interested in forming a CSA of their own may benefit from their business model.

A major tenet of the GBBC business model is to be responsive to the needs of the customer they service. Many individuals who participate in a CSA have a strong desire to purchase organic food. This is not as easy as might be thought. Farms wanting to transition from conventional crop production to organic production normally may take as long as three years and often input costs associated with fertility, pest and farm management increase. While those factors inhibit many farmers from switching, those farmers in the GBBC responded to their customer demands. The result of switching to organic food has generally increased prices for their produce. A second benefit has been the development of a loyal customer base willing to support agriculture politically, while conventional agriculture is often viewed as a negative factor in the environment by many urban residents.

A second important factor has been the fact that the Great Basin Basket Company has a history of paying the farmers who grow produce for them prices well above the wholesale market. In 2008, the company paid approximately 85 percent of the gross income from the basket sales to the cooperating farmers. In addition, the company partners provide free consulting services for both new and old farmer partners. This has resulted in a growing number of small farmers willing to invest in technology that allows them to extend the growing season (hoop houses), utilize resources more efficiently (drip irrigation) and produce a large variety of crops not available locally before. In turn, GBBC is able to provide a variety of fresh, high-quality produce to their customers for a long time each year.

A third important contributor to the success of the GBBC is its willingness to work closely with nontraditional organizations such as the Great Basin Community Food Co-op. This link has provided the company with a ready source of potential customers and a steady presence in the major urban areas in northern Nevada.

An effective and ongoing marketing program has been another essential part of GBBC success. Their marketing strategies are broadbased. The company partners participate in numerous events throughout northern Nevada such as Earth Day, Tune into Kids Day, Made in Nevada Market Place and the Nevada Women's Expo. They continually produce and distribute educational materials related to CSAs, and promote CSAs through organizations such as NevadaGrown and Western Nevada Specialty Crop Institute. They developed and maintain a website which includes a newsletter for all subscribers and those who visit the site. They also promote the company using local media that they cultivate at every opportunity.

The company philosophy truly matches the philosophy of most successful CSAs. They are focused on providing their customers locally produced, high-quality food grown organically, or with the minimum of chemical inputs. They are committed to paying their participating farmers a fair price for the crops they produce. The company strongly encourages their customers to get to know the farmers that grow their food and become more knowledgeable

about and support agricultural production in their region.

Communication with members and potential members is critical, and CSA employees must answer a steady barrage of phone calls and emails. GBBC has a dedicated, paid membership coordinator, something most CSAs should budget for. They also had to expand their accounting system. To do so they changed from a spreadsheet to a database system as the company grew.

Finally, GBBC is willing to constantly evaluate their products and business practices. It is willing and able to adapt to changes that occur with their customers and the economic environment in which they operate. This flexibility allows the company to adapt to market realities and adjust when necessary.

### **Continuing Challenges to a Successful CSA**

Because few farmers in Nevada are able to grow a large enough variety of vegetables to meet a CSA's customer demand, other local farmers/landowners must be recruited to supply the products needed. While many landowners in Nevada would like to become farmers, few have the knowledge and experience necessary to reliably produce the quality and amount of crops required to be a successful small farmer. Therefore, the turnover of contracted farmers has been high and recruitment of new farmers is an ongoing challenge that must be addressed.

Another major challenge to operating a successful CSA is related to obtaining, handling and distribution of the product. Great Basin Basket Company currently contracts with 10 farmers spread over northern Nevada. They must pack and deliver over 300 baskets weekly to their customers at seven locations in four cities. In 2010, they supplied over 30 types of vegetables and 19 different herbs to their customers. The challenge is to balance the amount and types of produce that will be included in each weekly basket, pack each basket with the same amount and types of crops, and deliver the baskets on time. This requires weekly coordination with the contracted farmers, obtaining large amounts of labor over short periods of time and an

adequate fleet of vehicles to accomplish the task.

CSAs are labor-intensive, whether they are large or small. Labor is required for such items as packing boxes, delivering product, meeting delivery schedules, accounting and bookkeeping to keep track of numerous members and payments, and publishing newsletters.

All of the foregoing factors mean that a farmer or group of farmers who wish to start a CSA must be fully committed to the task. They must be willing to change production, pest management techniques and marketing to meet market demands and interact regularly with nontraditional customers. These items can be challenging for traditional agricultural producers, but they can be overcome.

**Summary:** Great Basin Basket Company is a farmer-managed CSA that is responsible for recruiting contract farmers and subscribers. They control all management decisions and are responsible for all marketing production and distribution decisions. The company has grown rapidly and has been able to maintain its subscribers under challenging economic conditions.

The company has been successful for several reasons. They operate under a philosophy of providing high-quality, local foods that are produced organically or with a minimum of chemical inputs. They regularly meet or exceed customer demands for their products and services. They pay a fair price to the contract farmers for the products they purchase. They provide valuable consulting services and are available for problem solving for their farmer partners. They reach out to nontraditional customers, and aggressively market their product using several techniques. They adapt rapidly and respond to changes in the market, while staying true to their company philosophy. As with all CSAs, GBBC faces challenges related to obtaining a consistently high-quality product for their customers. Packing and distribution remain major challenges as does growing the number of subscribers under poor economic conditions.

#### Additional Resources Related to Community Supported Agriculture:

Henderson, E and R. Van En. 2007. *Sharing the Harvest: A Citizen's Guide to Community Supported Agriculture*. Chelsea Green Publishing Company. White River Junction, VT. 303 p.

Louhela, A. 2010. Annual Report of the Great Basin Basket Expansion Project. Nevada Department of Agriculture. Reno, Nevada. 5p.

Swanson, P. 2000. Community Supported Agriculture. NebGuide G1419. University of Nebraska Lincoln. 4 p.

Tegtmeir, E and M. Duffy. 2005. *Community Supported Agriculture (CSA) in the Midwest: A regional characterization*. Leopold Center, Iowa State University, Ames IA. 23 p.

University of California Cooperative Extension. 1995. *Making the Connection: a 1995 Handbook for Producers*. Placer County and Small Farm Center. University of California Davis. Auburn Calif. 198 p.