



# STARTING A CSA IN WASHINGTON STATE: AN OVERVIEW OF CONSIDERATIONS

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# Starting a CSA in Washington State: An Overview of Considerations

As consumer demand for fresh, local fruits and vegetables grows, more Washington State farms are looking into the community-supported agriculture (CSA) model for increasing farm sales. There are multiple considerations when developing a CSA system, as it may require new ways of thinking about crop planning and labor needs, as well as an understanding of the market, development of shareholder relationships, and additional recordkeeping.

## Crop Planning and Labor Needs

CSAs offer several advantages to both consumers and farmers. CSAs ask consumers to pay one fee before the growing season to receive a weekly share of the produce grown over the course of the growing season, saving time at the grocery store while giving them quality fruits and vegetables and direct knowledge of the farm and growing practices.

The advantages to the farmer are equally beneficial. Consumers pay in advance, allowing farmers to plan for how much food must be produced and what types are needed. Because money is received up-front, risk is reduced because funds are available to cover initial costs.

Scott and Dixie Edwards are expanding their farm, Watershed Garden Works, in Longview, Washington, to include a CSA. Scott and Dixie have been selling native plants for fifteen years from their farm, and just started their second season as a CSA in 2016. They have found that the seasonal income from selling native plants is complemented well by the CSA income received earlier in the year, providing necessary monthly cash flow for overall farm operations.

Another advantage to a CSA is that most produce will be sold. Extra plantings can accommodate unforeseen losses in crops, and if not needed in the CSA, extra produce can be sold at a farmers market or offered to CSA clientele for an additional cost. “Prior to the CSA, there were times when a large share of produce didn’t sell at the farmers market, so we donated it to the local food bank or fed it to the chickens. Having a CSA greatly reduced produce waste, since we planned in advance how much of each crop was needed every month to meet customer needs,” explains Scott.

As farmers consider a CSA, the first step is to look at their own land and facilities. Considerations in production for a CSA are land base, tools needed, labor requirements, and licensing.

## Land Base

The amount of land needed for a CSA will vary with the soil quality and type of crops planted. Soil quality often determines the amount of produce that can be grown. It’s advisable to get a soil test well ahead of the growing season and make necessary amendments to help ensure a highly productive growing season. The local county Extension office is a good resource for information on soil testing, including interpreting results from the test and making recommendations on amendments. A good resource for more information on soil nutrients and amendments is WSU Extension Publication EM050E, [Soil Testing: A Guide for Farms with Diverse Vegetable Crops](#).

Shares come in a wide variety of quantities and price points. Knowing what to charge for each share depends greatly on what products are being offered for the season, how long the season will last, and how much is in each box (Chase 2007). While CSA shares are most heavily comprised of vegetables, they can also include flowers, fruit, honey and proteins, such as eggs or meat. Value-added products can be added, such as jams or pies, when produce is lacking. Some CSAs also offer produce from other local farmers. “Adding produce not raised on the farm, such as honey, helped meet customer needs, but we strive to keep it to only two or three items throughout the season,” explains Dixie.

Some farms offer half shares at a reduced price for smaller households. The Edwards appreciated the flexibility that came with offering customers half shares and allowing them to stop delivery of food during vacations.

Some crops that grow particularly well in western Washington and are well suited for CSA operations are:

## Vegetables

- Lettuce and other salad greens
- Kale, chard, and other leafy greens
- Bok choy and other Asian greens
- Cabbage
- Carrots
- Garlic
- Potatoes
- Beans
- Cauliflower
- Onions

- Peas
- Leeks
- Beets
- Radishes
- Broccoli
- Celery
- Squash
- Peppers
- Tomatoes
- Cucumbers
- Asparagus

**Fruit**

- Strawberries
- Raspberries
- Blackberries
- Apples
- Pears
- Cherries
- Blueberries

Offering a good assortment of vegetables and fruits is appreciated by customers, but it’s wise for the first time farmer to consider offering a limited number of products that are known to grow well on the farm to start, and expand diversity of offerings over time.

**Tools & Facilities**

Season extension is a necessity for most farms with a CSA operation in Washington State. Greenhouses or high tunnels offer the opportunity to extend the growing season and grow a greater variety of crops that CSA customers appreciate. The USDA has offered funding for high tunnels through the Natural Resource Conservation Service (NRCS) as part of the Environmental Quality Incentives Program (EQUIP) High Tunnel System Initiative. More information on EQUIP and the High Tunnel Systems Initiative is available through your [local NRCS office](#).

While basic tools for planting and harvest may be all that are required, considerations for machinery may be needed as an operation expands to compensate for growing labor requirements. If kept small, tools can be limited to what the average gardener would use, such as a rototiller and basic watering system. As the CSA grows, many farms find value in stronger watering systems, such as t-tape (Figures 1 and 2), and small tractors for cultivation and spreading mulch or manure.



Figure 1. An extensive t-tape watering system is used in this hoop house.



Figure 2. T-tape in action watering new seedlings.

Facilities are a primary importance to consider for packing the produce prior to distribution. A covered space, like a pole barn, is needed to collect, clean, and distribute produce into share boxes. Refrigeration is needed to keep produce cool and preserve quality until delivered to shareholders, especially in hot weather (Figure 3). Many farmers have made a wall of older refrigerators into a workable low-cost option to start, and then graduate into larger walk-in coolers over time. Several farmers have utilized new technologies to create their own walk-in coolers using a household air conditioner and insulated storage space (Boucher 2015).



Figure 3. Stacking containers in a commercial refrigerator keep produce cool and sorted for easy placement into CSA bags.

In Washington State, basic washing or trimming of produce doesn't require a Food Processors license as long as the produce is kept in its natural state. Farmers are advised to consult with the Washington Department of Agriculture (WSDA) and review their Small Farm and Direct Marketing Handbook (Green Book) on requirements for processing beyond these basics (WSDA 2015b). Washing and trimming produce requires reliable power and water sources, as well as a system for holding wastewater. Washing produce requires a large table with a washable surface and food-grade hoses with soft spray nozzles to rinse dirt away while preserving quality.

CSA containers to hold food, such as boxes, will need to be easily cleaned and sized suitably for the storage space available. Boxes should have the farm logo and contact information on the box or attached so that shareholders can easily contact the farm or refer the CSA to friends. CSA containers vary widely by farm: some use recyclable paper sacks each week, while others prefer durable plastic or wooden baskets or boxes. Regardless of type, it's advisable to think through options that are well suited to labor and storage needs. Weight and stackability are important, as the containers are handled multiple times over the growing season.

## Labor

The use of labor can include a variety of regulations and restrictions. If labor outside the farm family is used, then the farmer will need to become familiar with labor laws. The [State Department of Labor and Industries website](#) has a special section for agriculture that provides information on:

- Wages
- Hours a worker can work
- Use of teenagers as labor
- Farm safety
- What happens if someone gets hurt

The [WSDA Small Farm and Direct Marketing Handbook](#) also has a section devoted to labor considerations for the farm, and gives specific details on Washington State labor laws and requirements for farms, including interns, apprentices, and volunteers.

Some may consider having customers work to reduce the cost of their share; however, according to L&I rules, volunteers are not allowed in a "for-profit" business. They are still considered employees, and farmers must still follow all state employee guidelines for people seeking to trade, barter, or volunteer on their farm (WSDA 2015a). Training volunteers often requires large amounts of time, and their availability and knowledge can vary. Those lacking farm knowledge can often put themselves in danger due to lack of understanding of basic farm procedures.

Hiring part-time and full-time personnel will allow the farmer to more effectively train them with more control over their actions. Additionally, when working with interns or apprentices, it's advisable to make sure everyone understands at the beginning of the working relationship any expectations by the farmer and the intern or apprentice. The farmer might consider taking time with the intern or apprentice to get expectations down in writing to refer back to down the road should misunderstandings arise.

## Additional Regulations

The farm will be required to get a business license if it doesn't have one already. In Washington State, the [Department of Revenue](#) provides instructions and forms needed to get a business license.

There may be a specialty license required for some farm products, such as eggs. According to the WSDA, on-farm sales do not require special seals or labels, but clean containers must

be used and eggs must be stored at 45°F or below. CSA farms with pick-up sites off farm are required to have an Egg Handler/Dealer License. The WSDA Green Book provides necessary information on the Egg Handler license and other licenses needed for particular farm products.

There may also be additional licensing requirements at the city and county level, such as a local business license. Be aware of regulations on noise levels, fencing or types of animals that can be housed on the farm. County health departments may have additional requirements, such as getting a food handlers card.

Another good resource for understanding local licensing and regulations are SCORE chapters and Small Business Development Centers (SBDC). SCORE is a network of volunteer business mentors who help beginning businesses get off the ground, free of charge. SBDC advisors will work with beginning businesses on business plans and other considerations necessary for giving your CSA a strong start. Some considerations to review as part of your business plan with SCORE mentors or SBDC advisors include:

- Description of the farm business for potential lenders or customers
- Business organization and management
- Protection for the business and its owners
- Marketing plan
- Financial plan
- Exit strategy

This will allow the farmer to have a stronger business outlook and understand what is needed for it to succeed. The business plan is also a helpful tool for showing progress to lenders, as farm loans for operations or equipment may be needed as the farm grows. The Edwards worked with their local [Washington Small Business Development Center](#) prior to starting a CSA to develop a marketing and business plan. They believe that organization and planning prior to starting the business was one of the main reasons their CSA will be successful. The rest is hard work and attention to customer needs.

## Understanding the Market

While the benefits of operating a CSA may be enticing to the farmer, it's important to understand the potential market for the CSA before significant time and financial investments are made. "If we build it, they will come" is not likely to apply in the CSA model, as it requires interests and considerations from customers beyond the average shopper.

Results from a Utah State University study (Curtis 2011) show that CSA consumers tend to have distinct characteristics that

set them apart from even farmers market consumers. CSA consumers tend to have a higher level of education, are often vegetarians, eat more home-cooked meals, and spend more money on their food. They care more about their health and diet, and want to support local farmers. CSA consumers tend to be more discriminating consumers; ranking taste, quality, freshness, and local origin as high priorities in their purchasing. Results also showed that farmers market consumers may not necessarily become CSA consumers. Farmers market consumers also valued taste, quality, and freshness, but ranked variety and product appearance as higher priorities and are therefore likely to appreciate the farmers market experience over the CSA. Farmers market customers also valued the social interactions the market provides.

Respondents in the Utah State University study who were CSA consumers most often joined a CSA after hearing through word-of-mouth about the opportunity, with the internet and websites being a close second. Another study (Kolodinsky and Pelch 1997) found that those who heard of the CSA through word-of-mouth were 35% more likely to join a CSA than those who heard by other means.

This research fits with experiences shared by many farms, including Stockhouse's Farm on Puget Island in Washington State. Rob and Diane Stockhouse started their CSA ten years ago, and found good response through their existing social and business circles, like the local Chamber of Commerce. Their Chamber of Commerce distributes advertising on their CSA to their email distribution lists, enticing local members. Rob and Diane share information about the CSA as the season approaches at Chamber of Commerce meetings. Other farms find a good start by attracting members for their CSAs in their local social circles (Ostrom 1999), such as co-workers, churches, or civic groups.

Farmers need to look specifically in the community they're selling in and what customers will pay. What a customer will pay in urban markets versus rural markets will vary. Rob and Diane found that what worked for other CSAs in larger areas didn't work as well in their rural area. Many neighbors were already growing their own gardens, and Rob and Diane saw the need to expand to neighboring towns or cities to grow their CSA membership.

Rob and Diane also recommend online CSA and farm directories. Customers can easily find farm offerings and information there, and the directories can also help with market research. Some key questions to consider when researching other farms are:

- What variety of produce are nearby farms offering in their CSA shares?
- What quantity is being offered in their shares?

- What are other farms using to set them apart? What are their strengths and weaknesses?
- What are their price points?

Other farmers are a wealth of information, and most CSA farmers are glad to share information with other farms. Networking opportunities, such as Extension farm conferences or farm groups with similar interests, like area Tilth or CSA networks, can be a big help in making new connections with other farms. Farmers markets can also provide these networking opportunities, especially over the course of the season, and can provide important information like what varieties of vegetables are being grown and when. Beginning CSA farmers can also join email distribution lists for other farms to learn about their operations and offerings. Finally, taking time to visit other farms is well worth the time for many beginning CSA farmers. “There’s no substitute for walking in someone else’s garden and seeing how they do it,” says Diane.

## Shareholder Relationships

Recruiting and involving CSA members over the long term with the farm has proven to be a critical factor in the success of many CSA farms. CSA shareholder involvement with the farm can take many forms. Research shows that while the traditional CSA model incorporates on-farm, active participation by the member, most members are content with more passive involvement via regular email or social media communications and occasional on-farm activities (Ostrom 1999).

Stockhouse’s Farm distributes weekly emails outlining that week’s CSA share contents and their recipes using that produce. Recipes have been tried and enjoyed in Diane’s kitchen, and are trusted among their CSA members as good bets in their menu planning. So much so, that Diane created a cookbook including members’ favorite recipes she sells at the farmers market.

Recipes are also important because CSAs introduce members to a much broader variety of vegetables as the season goes than what they may traditionally choose at the grocery store. Helping members understand how to make good meals with unknown foods may help keep them as members the next season.

Many farms incorporate pick-up of shares on the farm. This makes it more convenient for the farmer, and also helps build the shareholder’s relationship to the farm and helps them see operations throughout the growing season. When expanding to neighboring communities, it’s important to have good drop off and pick up sites in addition to farm pick up. These locations need to be an area safe for the produce and accessible and

friendly for the shareholder. Options include churches, food co-ops, and farmers markets. Stockhouse’s Farm uses large, sturdy coolers at their pick up sites, with the shares in paper bags inside the coolers. For their CSA, if the customer doesn’t pick up their produce, the site gets the share. The shareholder has one day to pick up their produce.

Understanding and meeting shareholder expectations is critical to the development of long-term shareholders. Research shows that top attributes CSA shareholders look for are taste, freshness, locally grown, quality, and value (Curtis 2011).

- **Taste and Freshness.** These are key attributes that set apart CSAs from other markets. CSA farms are careful to harvest as close to distribution times as possible, and have good cold storage ready in the meantime to preserve freshness and flavor. Good weekly recipes also play an important role with the share, helping consumers make the best tasting menus possible with their produce.
- **Locally grown.** CSA consumers care about supporting their local farmers. With that, they are likely to be interested in the farm and the farmer, and the stories behind the produce they’re enjoying in their shares. These stories can be shared with short anecdotes in weekly emails with their recipes, or as a short handout with their shares. Farm stories and photos are also appreciated on farm websites or social media.
- **Quality.** CSA consumers expect good quality, and are making an investment in their farmer to deliver that quality when they purchase their share. “I feel like these people trusted me with their grocery money, and I need to deliver,” explains Diane. This means that it’s important for the CSA farm to learn what they grow well, and how that will fit with the market and consumer preferences. If the soil and climate conditions aren’t well suited to grow a top quality popular variety, it is a better bet to grow another variety that the farmer knows will do well in their conditions. CSA consumers tend to value quality over variety.
- **Value.** Think about what the bag is worth, based on farmers market prices, making sure to give the customer their money’s worth. Time plantings so a good variety of things come ready each week. “Envision the menus across the week,” explains Diane. Think about a variety of meals, i.e. leafy greens one meal, root vegetables another, etc. They should be getting as much or more than what they’d pay for at the farmers market. Rob and Diane recommend planting more than what will be needed for the CSA, so that the shares will be prepared despite variations in the season, and then have a market ready for the extras, like a farmers market or restaurants. Farmers markets can also

be good drop off points, and then customers can use the CSA as a starting point and fill in around that week's share with other items at the market. It's also a good idea to think about items that can be readily used if another crop wasn't ready as planned for that week's share, like artichokes or rhubarb.

## Recordkeeping

“The most important part of starting a CSA is to be organized,” explain Scott and Dixie at their Watershed Garden Works farm. They feel their success as a farm and beginning CSA come from keeping track of what is being sold and how much, listening to clientele and understanding customer needs, being flexible to meet those needs, as well as developing a strong produce delivery system. Strong recordkeeping helps with each of these important components to the CSA operation.

Keeping track of CSA preferences and production year to year can help build CSA shareholder relationships and numbers of shares sold year to year. A CSA farm with good recordkeeping can track varieties and timing of produce in shares and adjust accordingly to improve on quantity or quality year to year. “We have nine years of spreadsheets,” says Diane at Stockhouse's Farm. “By the tenth year, I felt like I had a handle on it.” The spreadsheets help with planting schedules (Figure 4). “Think about the variety of produce you want to offer that week, then count back on the growth time needed, space needed, and where in the garden it will be.”



Figure 4. Rob and Diane Stockhouse carefully time their plantings to provide a variety of produce for their CSA shareholders each week.

There are multiple means for recordkeeping, and many farmers find success with spreadsheets tailored to their farm needs, or CSA-specific software increasingly available. A survey completed by the University of Kentucky (Woods et al. 2009) showed that 70% of those starting a CSA used computer software to track production. Spreadsheet templates are available for download online for CSA crop planning, as well as reviews and summaries of available CSA software. The National Center of Appropriate Technology is one resource for this information, including a [publication](#) with descriptions of several CSA and farm management software options. Penn State Extension is another source, with their publication [Crop Planning for CSAs](#), including several links to spreadsheets available for download for crop planning and recordkeeping.

These records can also help determine where losses are occurring. Stockhouse's Farm used to grow flowers as part of the CSA, but learned in their market, most people have large yards or neighbors with large yards where they are growing flowers, so there wasn't much interest in flowers. “Whereas if our market was in the city, with people in apartments and no yards, flowers would probably be more appreciated,” Diane explains.

Despite good recordkeeping, it can be hard for a CSA farmer to find out what's not working for shareholders, as some shareholders are unlikely to share their dislikes directly with the farmer. Some farms have tried online surveys to learn more about their shareholders' preferences, or solicit feedback on social media on favorite varieties or recipes. This can garner more buzz around the farm, and get more traffic on the farm's website or social media pages.

## Conclusion

Altogether, these considerations presented here on crop planning and labor needs, understanding the market, shareholder relationships, and recordkeeping, help a beginning CSA farmer navigate the initial steps to setting up a CSA. Despite the many considerations and planning, the CSA model can help farmers grow profitable on-farm sales and rewarding customer relationships.

## Additional Resources

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