

Lessons Learned from On-Farm Value-Added Processing

Tim Wilcox & Caroline Pam
Kitchen Garden Farm, Sunderland MA



Our Farm

- Located in Pioneer Valley, MA
- Started 2006 with 1 acre
- Now growing on 70 acres, 50-60 acres crops (5-10 acres dedicated to value-added crops)
- Wholesale Organic Vegetables
- Value-added products
- Food Hub online ordering (since COVID) Sunderland Farm Collaborative



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Our Product Line

- Sriracha: Original, Habanero, & Ghost Pepper
- Salsa: Tomatillo & Roasted Chili
- Passata (tomato puree)
- Giardiniera (mixed pickled veg)
- Dried Whole Chilies (10 types)
- Chili Powders (smoked paprika, chili flakes, chipotle powder)
- Dried Herbs (oregano, thyme, sage, & rosemary)



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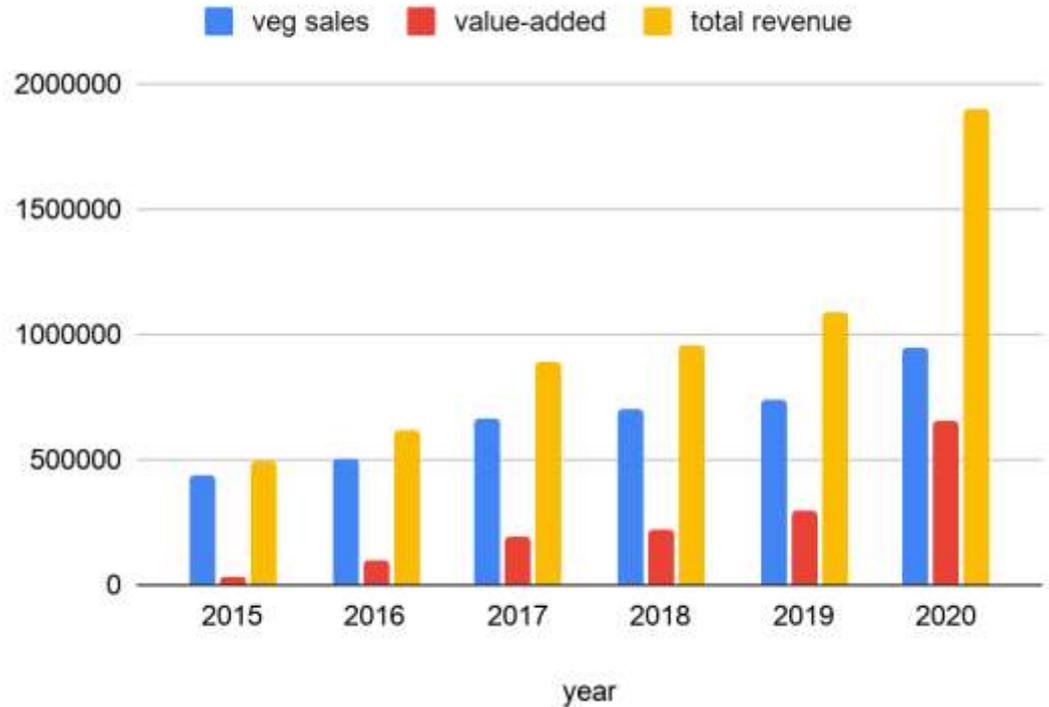
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Our Farm Business

- Value-added products as a share of the business have increased even as vegetable sales have increased
- Value-added products have allowed us to tap into a vast market of specialty food retailers
- Our goal has been to grow the company without adding additional cropped acreage

veg sales, value-added and total revenue



Market Opportunity

- Not a lot of other farms competing in this space
- Products nonperishable, can be easily shipped nationwide
- Compared to Farmers Markets and CSA, the market is vast and untapped
- Our products are sold in all 50 states, with California being one of our biggest markets
- More profitable, theoretically scalable



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Biggest Challenges

- Requires running a second business
- Requires warehouse, cold storage, and production infrastructure*
- Requires up-front working capital for labor, packaging, etc, with delayed payback
- Requires additional seasonal labor
- Regulatory compliance
- Risk to crops
- Limited time during harvest season

*There are many different grants to support building infrastructure



On-Farm Processing

- We use many different preservation methods to preserve crops as ingredients for our products
- Each of our products has a preservation step before bottling to make efficient use of harvest season time
- Bottling is done year-round, but preferably not at the same time as harvest and preservation



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Growing for Processing

- Has significant advantages over growing for wholesale or markets, or even CSA
- Grow a lot of one thing, harvest it all at once
- Makes everything from seed through harvest more efficient
- 1 person can pick about 1,000 lbs of tomatoes in 5 hours
- Straight run produce comes into kitchen, 100% used, no waste
- Don't make the mistake of trying to make products out of 2nd quality only



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Financial Considerations

- Start up costs
- Working Capital
- FSA Loans
- Grants
- USDA VAPG Grants



Regulatory Considerations

- Organic Certification
- Schedule Process
- Critical Factors (temp. & pH)
- Wholesale License
- FDA Inspections

