

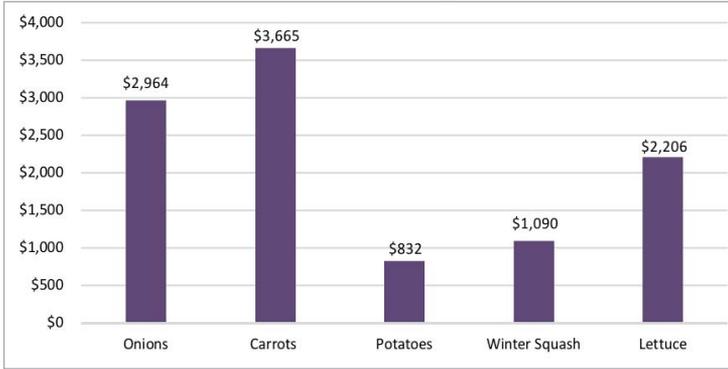
Cost of Production Project:

CROP PROFITABILITY COMPARISONS

Over the course of the 2016 season, 30 organic vegetable farms in Vermont, New Hampshire, and Massachusetts tracked and analyzed their costs of production. The data was aggregated and five crops were examined in-depth. This factsheet presents the production and profitability numbers that are most useful to compare across those five crops.

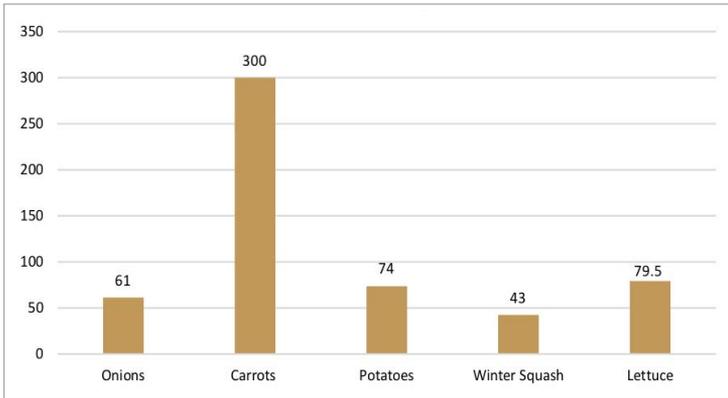


Cultivation Costs/Acre



The profitability of crops requiring significant cultivation will be most affected by a farm's access to equipment and the acreage of that crop planted.

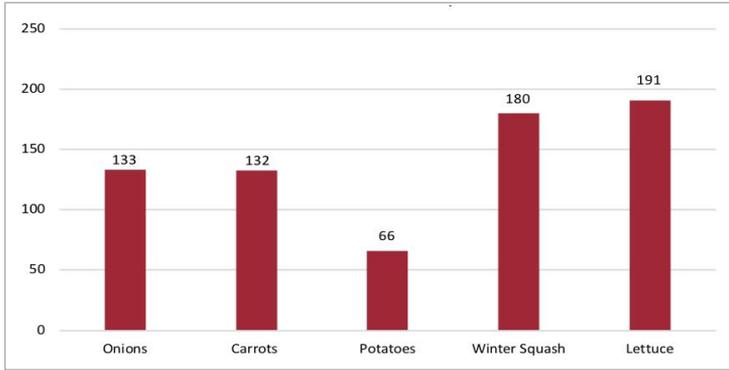
Harvest Hours/Acre



The profitability of crops requiring significant harvest labor will be most affected by a farm's access to labor and equipment.

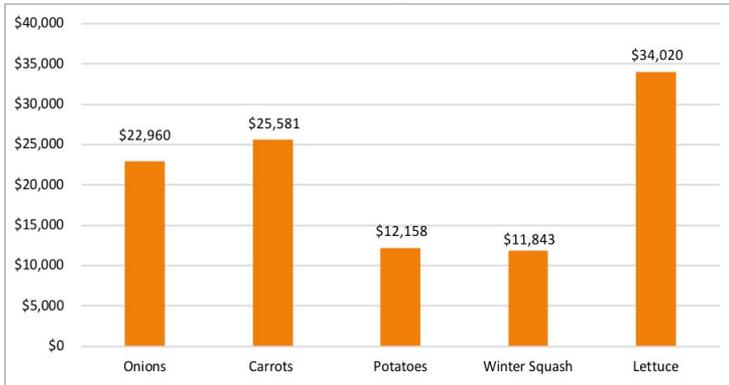


Wash & Pack Hours/Acre



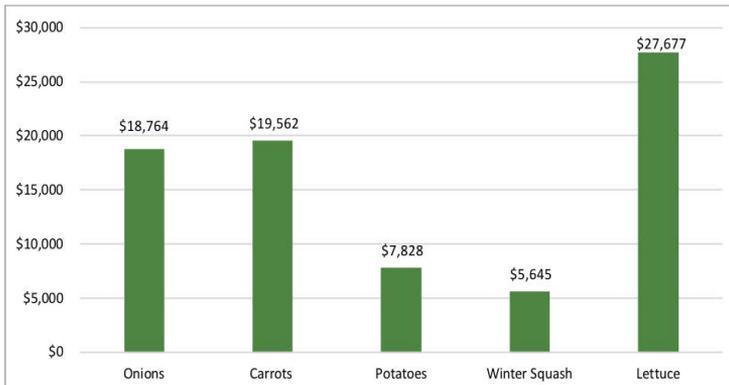
The profitability of crops requiring significant wash and pack labor will be most affected by a farm's access to labor and equipment.

Gross Profit/Acre



Gross profit is defined as total sales minus production expenses, not including overhead and marketing expenses.

Net Profit/Acre



Net profit is defined as total sales minus all expenses, including overhead and marketing expenses.

What three main factors affect crop profitability?

- ✦ Yield
- ✦ Price of that yield
- ✦ Production expenses

What else determines if a crop is a good fit for a farm?

- ✦ Demand/Market opportunities
- ✦ Labor requirements
- ✦ Equipment requirements
- ✦ Cash flow considerations
- ✦ Land rich or land limited situation
- ✦ Personal preferences



It is important to remember these numbers are guides. NOFA recommends each farm calculate their own cost of production since profitability varies greatly between farms.

This project is a collaboration of:



This project was designed to help farmers strategically increase the profitability of their farm businesses. To learn more, download our cost of production workbook, or request technical assistance in calculating your own crop-specific cost of production, visit www.nofavt.org or contact Jen Miller, (802) 434-4122, jen@nofavt.org.

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