



# Profitability through Diversification on Greentree Naturals Farm

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The Northwest Direct farm case studies were developed to provide in-depth information about the direct and semi-direct marketing opportunities that exist for farmers within their regional food system and how these opportunities are captured by a diverse set of successful producers in Idaho, Oregon and Washington. Direct marketing strategies employed by the farmers featured in this series include farmers' markets, community supported agriculture (CSAs), u-pick, farm stand and on-farm sales. Semi-direct marketing strategies include sales to restaurants, caterers, retailers (grocery stores, butchers, etc.) and processors, arranged and completed by the farmer him/herself without the use of brokers or wholesalers.

In 2002 and 2003, members of the case study research team performed in-depth on-farm interviews with each of the 12 farm families in this study. Interviews were transcribed, financial information was collected, reviewed and interpreted and outlines for the case study content were developed. Professionals were hired to write the case studies. Each case study went through a series of reviews by the case study farmers, university faculty and research team members with final permission for publishing and distribution given by the farmers themselves.

The nature of profitable small acreage farming demands flexibility and the willingness to change. These case studies, therefore, reflect a "snapshot in time" of each farm. Readers should be aware that these farms have undoubtedly evolved since the initial interviews. They should also be aware that the unique nature of each farm necessitates an individualized treatment of the analysis of farm profitability and the criteria by which that is measured. The case studies contain financial information to the extent that farmers were willing to share, and reflect our intention to educate the reader, while at the same time protecting the farmers' need for confidentiality.

It is our intent that the case studies will be of use to:

- Current farmers who want access to a greater share of the revenue that comes from the foods they grow and raise and are interested in exploring one or more marketing options.
- New farmers who are designing their production and marketing systems, who are interested in employing one or more marketing strategies, and are establishing a business plan for their farm.
- Educators and other agricultural professionals who work with producers and others interested in direct and semi-direct marketing.
- Policy-makers who are interested in enhancing the financial stability of family farms in the region through innovative policy and government funding.

A total of 12 case studies were produced by Rural Roots, Inc. and the University of Idaho as part of the Northwest Direct project. A list of the other case studies in the series is included at the end of this document. These case studies are one component of a larger USDA Initiative for Future Agriculture and Food Systems project called *Northwest Direct: Improving Markets for Small Farms*. For more information on this project and its outcomes, visit the project website at <http://www.nwdirect.wsu.edu/>.



Colette DePhelps, NW Direct Case Study Research Team Leader



**Diane Green,  
Thom Sadoski  
Greentree Naturals  
Sandpoint Idaho**

**Marketing Strategies  
Employed**  
Farmers' Market  
Restaurant Sales  
Community Supported  
Agriculture

**Products Grown/Raised**  
Certified Organic  
Vegetables and Herbs  
Cut Flowers  
Poultry  
Eggs

**Value Added Products**  
Bouquets  
Garlic Braids  
Salad Mix  
Stir Fry Mix  
Herbal Vinegars  
Pesto

**Other Farm Related Income**  
Publications  
Teaching/Workshops  
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MARKETING  
FARMER CASE STUDY**

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# Profitability through Diversification on Greentree Naturals Farm

## *Farm Overview and History*

“Sell the best and compost the rest,” Diane Green advises farmers in her on-farm workshops, speaking engagements and publications. Green and her husband, Thom Sadoski, owners of Greentree Naturals, have created a small acreage farm and business venture through the strategies of diversified production and marketing, with an emphasis on sustainability and quality. Green states on her website, “We are proud of what we do. We hold a passion for this land and the whole process of nurturing our gardens. This is the stewardship of the land that we hope to encourage others to accept.”

Greentree Naturals sells flowers, value added products, and certified organic vegetables and herbs through restaurant sales, Farmers' Markets, and CSAs. They sell eggs and poultry as well. Diane Green also teaches classes as part of university and county extension courses, does consultation work, offers on-farm tours and classes, speaks at workshops and conferences, serves on boards and councils, and

publishes works on farming and marketing. The energetic couple believes that diversification is the key to success. On their website, Green is quoted, “My grandmother told me to never put all your eggs in one basket. This holds true for all aspects of marketing. For the small acreage farmer to succeed, we need to be diversified!”

Greentree Naturals is located 12 miles northeast of Sandpoint, Idaho at an elevation of 2200 feet on 12.25 acres of timbered property. The land is located on a southern slope with sandy-loam soils and old growth timber. The top of the property overlooks the Pack River valley and Lake Pend Oreille basin. Green and Sadoski moved onto the property in 1988, and purchased it in 1992. Over the years, they have expanded the market garden to 2.5 acres, out of approximately five acres of arable land, and grow at least 100 varieties of vegetables, herbs, and flowers for sale to restaurants, and through Farmers' Markets and CSA shares.



The Circle Garden at Greentree Naturals Farm

*“My grandmother told me to never put all your eggs in one basket.”*

Diane Green was raised in Oklahoma. She left home at 16, made her way to California, married her first husband, and traveled the country in a modified school bus in the early '70s. “We were hippies!” she explains. Raised with a strong work ethic and an interest in the out-of-doors, Green studied and held various jobs in the Pacific Northwest, eventually attaining an Associates Degree in Horticulture from Spokane Community College in 1974. After she and her first husband divorced, she was hired by the U.S. Forest Service to do woodlands reclamation work and field inventories, becoming one of the first women to pursue backwoods field work with the U.S. Forest Service. She was eventually made contract inspector, and held this position for 17 years. Typically, these positions were held by men, and Green says of her experience in the field, “It made me tough! It made me strong! It made me fearless! And I’m thankful for that.” During this time, Green traveled extensively on her weeks off, since her contract was for 200 days of work per year. She transferred to Sandpoint in 1986 and began to look for land of her own, having grown tired of the road. She found her spot in 1988, while renting a place just down the lane. She and Thom Sadoski, whom she met in 1987, married in the garden of Greentree Naturals in 1989.

Thom Sadoski grew up in Michigan. He was raised on the family homestead that

had been farmed for generations. Sadoski spent his childhood working the land, then left to pursue a BS in Biology from Oregon State University. He joined an Oregon tree planting crew, and worked on reforestation projects for 23 years. During this time, he planted over a million trees. He met Diane while working on a U.S. Forest Service reforestation contract. In the beginning of their life together on the farm, they were primarily interested in growing their own food, and harvested their first crop in 1989. Green enjoyed making crafts for sale at farmers’ markets, and was interested in flowers and native plants, but, she says, “Thom, being a third-generation farmer, was real into the produce side of it, and has kind of pushed us that way. And that’s been great....” Together, they started Greentree Naturals. They produced their first crop for sale in 1990. The farm became Certified Organic in 1992.

The climate around Greentree is influenced by its close proximity to Lake Pend Oreille, the elevation, and the latitude. The spring is generally cool and rainy. They have a 100-120 day growing season, with a last frost around Memorial Day, and a risk of first frost as early as August. But with crop protection, the farm’s growing season extends into late September or October. Green and Sadoski record soil and rain temperatures to monitor risk to crops. In July and August, temperatures can reach 100°.



Green interacts with a customer at the Sandpoint Farmers’ Market

## Marketing Strategies

On the Greentree Naturals website, Diane Green expands upon her philosophy of diversity. She says, “Diversity is a natural thing to consider when planning an organic garden, and diversity is equally important in planning for sales of your crop, no matter what that crop is. To be a truly sustainable small acreage farm, this means that you have to make money at what you grow. And to do this, you have to be able to sell what you grow and receive a premium for it whenever possible.”

### Farmers’ Markets

Greentree Naturals began direct marketing through the Sandpoint Farmers’ Market in the late ‘80s. Green sold crafts and dried flowers there in the beginning, then began to bring in excess produce from the farm. She says that the first year she went “now and then,” the second year she was “pretty steady,” and by the third year she was full time, and was president of the market association. In 2001, Green began attending the Hope Farmers’ Market on Fridays, at the invitation of her clientele. These customers valued her products, and there were no other organic producers there at the time.

Green uses relationship marketing at the Farmers’ Markets. She says that she believes in building community. At the market, Green talks to her customers, provides a unique product, and does small things to show her appreciation for her loyal clientele, including giving away small bouquets of flowers to people purchasing her produce. (See Sidebar, *Diane Green’s Tips for Selling at Farmers’ Markets*) She says about 75% of her market customers are regulars, and 25% are tourists. She makes a special effort to attract the tourists by having an eye-catching display, and by using extra care in packaging. This means packaging in smaller quantities, displaying her logo on all products, making prices readily apparent, and declaring “Made in Sandpoint, Idaho” on value-added products.

Green also advertises her other enterprises through the Farmers’ Markets. She says, “I’m the Brochure Queen!” Green started printing her attractive brochures in 1997. She has a brochure for her CSA program, her flower subscription service, her land evaluation service, on-farm workshops, and one to encourage people to support local farmers. These brochures give customers something to walk away with which displays the Greentree name and logo, contains contact information, and entices consumers into the lifestyle of eating locally, sustainably, and well.

Imitation is the highest form of flattery. Green states that she often sees vendors imitating her booth layout, presentation and products at the Farmers’ Markets. This competition keeps her creative. She says, “I was the first one that was doing flowers in olive oil cans...that was really my trademark....And within a couple of years...other people (were) doing it....Pretty soon, the displays are starting to look like mine, or the products are starting to look like mine. I was the only one that did a stir-fry special for years and all of a sudden I’m starting to see other people with stir-fry specials.... That’s the competitive nature of the market and I think that’s really healthy. It’s forced me to stay creative and ahead of the game.” She says she walks around at market to see what others are doing not in order to imitate, but in order to innovate- to remain creative and unique.

### Diane Green’s Tips for Selling at Farmers’ Markets.

- ▶ Professional display and appearance. This reflects on the farm and the farmer. You don’t want to turn a potential customer away from your booth and products because your display isn’t neat and clean.
- ▶ Put prices on every item. If items are pre-packed or bundled, put price tags on every item. Don’t simply write the prices on a board or a piece of paper. It should be easy for the consumer to find the price of any item.
- ▶ Remember to put the name of your farm on everything that you hand out. Turn everything that you sell into a promotional piece for your farm and operation.
- ▶ Always give customers a little something extra. Do everything that you can to make the customers experience a positive one. People love to receive extras with their purchases. It doesn’t have to be anything expensive or fantastic. The simplest thing, like an extra apple or a bunch of carrots, will go a long way towards turning that customer into ‘Your Customer.’
- ▶ “Sell the Best, Compost the Rest.” Remember to always put your best foot forward. The easiest way to do that is to stress the importance of high quality in everything that you sell.



### **Restaurant Sales**

Green and Sadoski began marketing to restaurants in 1992. They have learned over time that what they grow and when they sow should be determined by market demand. By using relationship marketing in their restaurant accounts, Green and Sadoski find out what chefs have on their menus and what niche the farm might fill. They also keep in mind the needs of the restaurant managers in terms of consistent quality and reliable service. Green says, "I am the only...local producer that calls...(and) delivers the same time, the same day of the week, every week. I'm very consistent with that."

Green markets produce and herbs to local restaurants. When possible, she makes sure that the farm name is on the menu. Her method for marketing to restaurants is available in her clear, concise publication *Selling Produce to Restaurants: A Marketing Guide for Small Acreage Growers*. Green's approach to establishing a relationship with a restaurant includes sending out an introductory letter, giving out free samples, surveying restaurants about their produce needs before planting, and providing consistent customer

service.

Her reputation for quality and consistency earns her the restaurateur's loyalty. But the economy in Sandpoint can be unstable for restaurants and other businesses, so Green and Sadoski have had to adapt their reliance on restaurant income accordingly. One year, three of the restaurants with whom they contracted went out of business, and Green said that she was alarmed. In order to look into other marketing avenues, she took a class through SCORE, a small business counseling organization, and decided that diversification of markets was essential to her success.

### **Community Supported Agriculture**

After taking the SCORE class, Green attended a CSA conference in California in 1994. Greentree Naturals started their CSA in 1995 with three customers. The CSA program took off when Green's regular customers found it difficult to make it to the farmers' market before she sold out of goods each week. Green told them, "You don't have to come rushing down here. If you subscribe, you get the choice of everything

*"I've always done direct marketing, and if it looks like one (avenue) isn't going to work, then I'll expand to something else. The restaurants expanded to caterers and the caterers expanded to weddings and flowers for weddings."*

**Figure 1: Greentree Naturals Operational and Production Calendar, 2002**

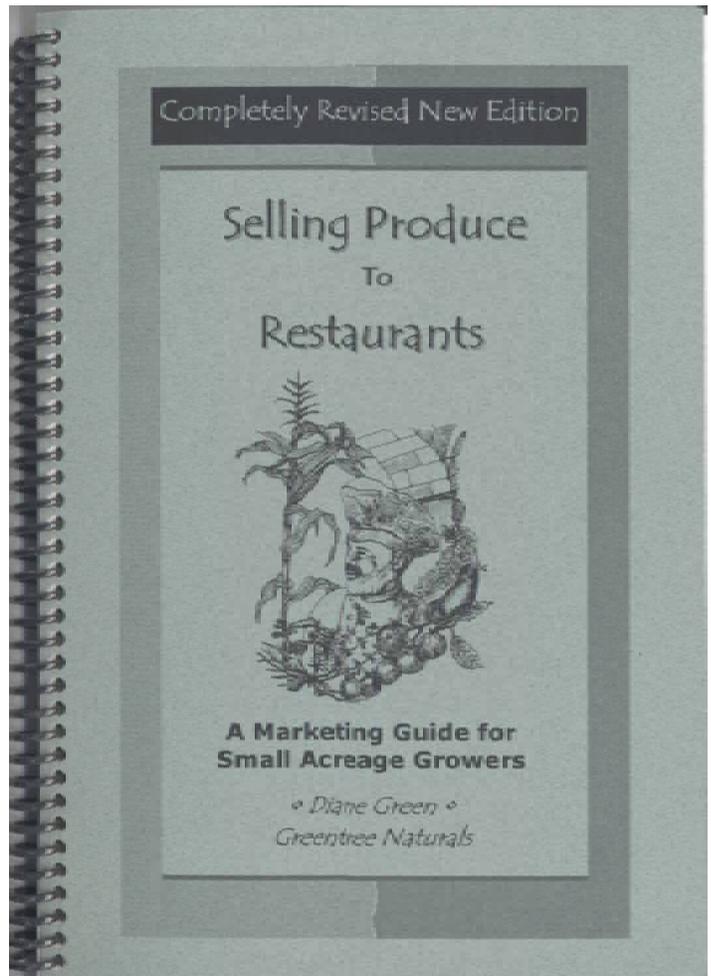
Production Phase	Phase Dates	Number of Weeks	Hours per Week	Total Hours	Duties Associated with Production Phase
Planning for seeding	March - April	8	5	40	Seed inventory, create planting calendar/ seeding schedule
Seed/ transplant	March - May	13	15	195	Seeding, filling seed trays and pots with soil, transplanting
Roto-till and fertilize	April -May	8	30	240	Prepare fields for planting; add manure, till cover crop
Put up hoop houses	April	4	10	40	Hoop House Construction
Lay out irrigation	April - May	8	8	64	This is a one time endeavor
Map / transplant	May	4	30	120	Transplanting is ongoing from April through May
On-farm workshops	May - Sept	22	3	66	Every other Monday
Apprentice classes	May - Sept	22	9	198	Field study discussion on garden topics
Harvest	May - Oct	26	24	624	Harvesting and prepping crops for sale
Sales and deliveries	May - Nov	30	15	450	Farmers' markets and telephone sales / deliveries
Planning farm events	June - Sept	17	2	34	Laying out ongoing events etc. ongoing weekly
Bookkeeping	Jan - Dec	52	5	260	Weekly invoices etc.
<b>Average Hours per Week Annually</b>			45	2331	

and you can sleep in on Saturdays!” By 2004, Green and Sadoski had grown the program to 12 subscribers, many of whom have been with them for years. Green also offers a separate flower subscription service. CSA customers reserve their share in April, with a \$25 deposit for those who pay by the month. In 2003, Green charged \$19 per week, plus a \$2 delivery fee. Most of her customers pay in advance, and most have their shares delivered to their homes on Wednesdays. Two of her 2003 customers picked up their shares at the farm. When asked if she intended to expand the CSA program to more subscribers, Green said that the labor and supply costs are greater for the CSA venture than for farmers’ market or restaurant sales, and therefore would probably not be expanded. But the advantage to the CSA program is the money paid in advance, and the guaranteed sale of a fixed volume of product. CSA customers get the “first pick” of the produce, meaning that Green selects the products for the CSAs, then sells to restaurants, and takes the remaining vegetables, herbs, and flowers to the farmers’ markets.

Green advertises her CSA program through brochures, newsletters, and on her website. She uses relationship marketing with her customers, saying that her delivery route on Wednesdays includes visiting time. Especially with customers who are in ill health, or housebound, Green takes the extra time to chat, explaining “I think it’s pretty important to be open and willing to listen when doing delivery.”

### ***Marketing by Demand***

In addition to farmers’ markets, restaurants and CSAs, Greentree Naturals provides garnish and flowers to a local caterer. Green and Sadoski also have a thriving mail-order garlic service. Green ships garlic braids to New York, Florida, Alaska and California. Advertising for this venture is primarily word of mouth, as people give their garlic braids as gifts, and those recipients contact her to order more. As demand has grown, Green and Sadoski stay open to new marketing venues. Green says, “I’ve always done direct-marketing, and if it looks like one (avenue) isn’t going to work, then I’ll expand to something else. The restaurants expanded to caterers and the caterers expanded to weddings and flowers for weddings.” Demand for their products has been so great that Greentree Naturals has participated in a growers’ collective with other farmers to provide local products to restaurants, CSAs and Farmers’ Markets. They used surveys to determine demand and then divided the list of requested items among the growers. At the time of the interview, the collective had dispersed, but Green would like to start it again. She says, “Demand continues to exceed what we’ve been able to produce.” Being in demand means that Green and Sadoski can be mindful of their choices in not only how they serve their customers, but also whom they serve. Green



### ***Green’s publication, *Selling Produce to Restaurants****

explains that she occasionally encounters customers with whom she is not a good fit, and that she has said to these customers, “You know, I think someone else can better serve your needs.’ (This) really taught me that I’ve come into what I’m doing for a lot of different reasons, and I don’t feel obliged to endure some situations just for the money- because I’m not in this just for the money....And I left it as nicely as I could.”

Green’s skill at marketing is one of the reasons the farm products are in such demand. She and Sadoski have created a trademarked business logo, and have an internet domain name. They send out press releases to advertise on-farm workshops, and submit articles to the newspapers promoting their local farmers’ markets. Green likes to keep her name out there. When asked where the Greentree Naturals name came from, she laughed. “Greentree” was her “hippie name” back in the 70’s. Therefore, she and Thom chose Greentree as the farm name, and then came up with “Naturals” to describe the broad variety of growing things in their repertoire, as well as their dedication to sustainable growing methods.



## Effects of Marketing Strategies on Production Techniques

While Diane Green is the primary marketer in the family, providing a well-known “face” to the Greentree Naturals name, she and Thom Sadoski share the work of planning, sowing, maintaining and harvesting their garden spaces, as well as some of the educational and business aspects. Sadoski has frequently worked off-farm for additional income, but in the years when they are both working on-farm, an enormous amount of work gets done. Green says, “There’s nobody that weeds or works the land like Thom.” They share the work of planning the garden. Sadoski is particularly good at the mathematics of predicting production area to volume produced. Green is good at selecting crops that meet the demand of the market for unique, high-quality produce. They often include an apprentice in the work of garden plan-

### Garden Workshop on Greentree Naturals Farm

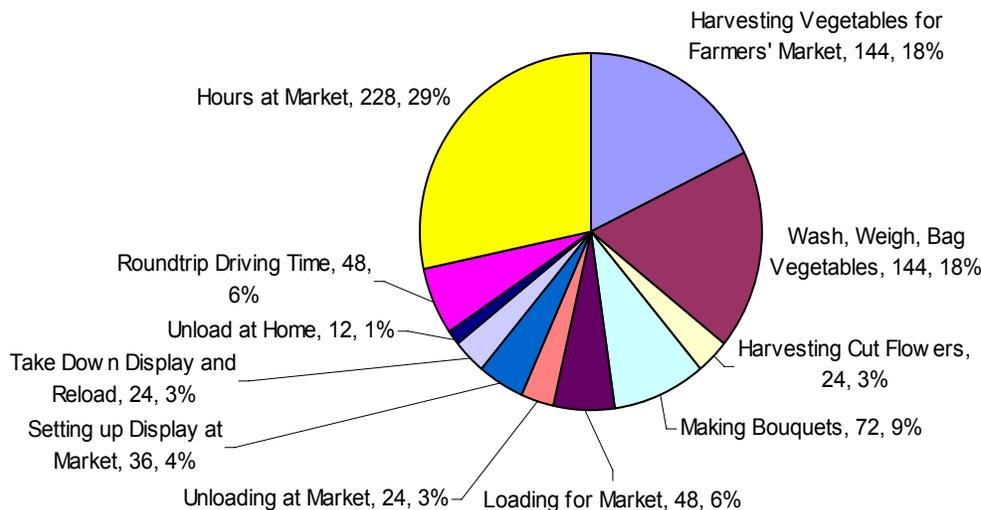
ning, so that their student might learn what needs to be considered in planning production. Green and Sadoski also share the planning and labor of season extension techniques, cover cropping and rotation. Green is in charge of the business plan, though everything is discussed with Sadoski. And while Green presides over the farmers’ market booth, Sadoski helps with the prep and packing for the market.

Green and Sadoski offer a unique product line. The produce they grow is organically produced, and includes a wide variety of specialty produce and herbs that are not found in other places. Their vegetable list includes several varieties of beans, broccoli, carrots, cauliflower, cucumbers, eggplant, kale, lettuce, onions, peas, peppers, pumpkins, radishes, shallots, squash, tomatoes, and herbs, as well as edible flowers. Green also grows specialty cut flowers. She keeps an eye on flower design trends on the East Coast to keep her designs fresh and contemporary in the Pacific Northwest.

Production for most of Greentree Naturals’ crops begins in the germination chamber, a small greenhouse that con-

**Figure 2: Hours Spent Annually on Farmers' Market Related Tasks, 2002**

Chart shows Task, Annual Hours, and Percentage of Annual Hours for each task



**Figure 3: Topics Covered During On-Farm Apprenticeship at Greentree Naturals**

- Season extension
- Planning the garden
- Preparing the soil for planting
- Direct seeding & transplanting
- Companion planting
- Intercropping & crop rotation
- Planning for succession planting
- Fertilizing organically to increasing yields and natural pest control
- Assessing soil health
- Organic amendments
- Making compost
- Manures
- Organic matter & foliar feeding
- Natural weed control
- Mulch management
- Organic mulches
- Pest management
- Assessing pro-active control practices
- Identification
- Natural pest formulas
- Catch-cropping and plant-pest relationships for natural pest control
- Harvesting the bounty: techniques for optimum yields for vegetables, herbs, cut flowers and post harvest handling
- Seed Saving
- Selection
- Hand pollination
- Cleaning and seed storage
- Selling at Farmers Markets
- Preparing for CSA and Restaurant Sales
- Garlic braiding
- Flower arranging,
- Raising chickens, goats
- Having fun while you are working hard.

nects directly to Green and Sadoski's house. As an added benefit, the greenhouse also provides an alternate source of heat for the main living area when the door is left open. When outdoor temperatures are warm enough, the germinated plants are transplanted into the garden. They have a cold frame for hardening off delicate plants, and six hoop houses for season extension. The hoop houses are used for both heat loving and shade loving plants. The farmers buy the hoop house materials in bulk, and resell it to customers, providing additional income. They also offer hoop house building workshops as part of their educational outreach.

The production calendar at Greentree Naturals runs from March to December, and Green estimates that in 2002 they spent an average of 45 hours per week annually on farm-related work. Figure 1 shows the 2002 production calendar for the farm. Out of the twelve production phases, harvest consumed the largest number of hours, comprising 24 hours per week for 26 weeks. A substantial amount of time was also spent on sales and deliveries in 2002. Much of this time was spent on tasks related to selling at Farmers' Markets. Please see Figure 2 for an hourly breakdown of Farmers' Market tasks.

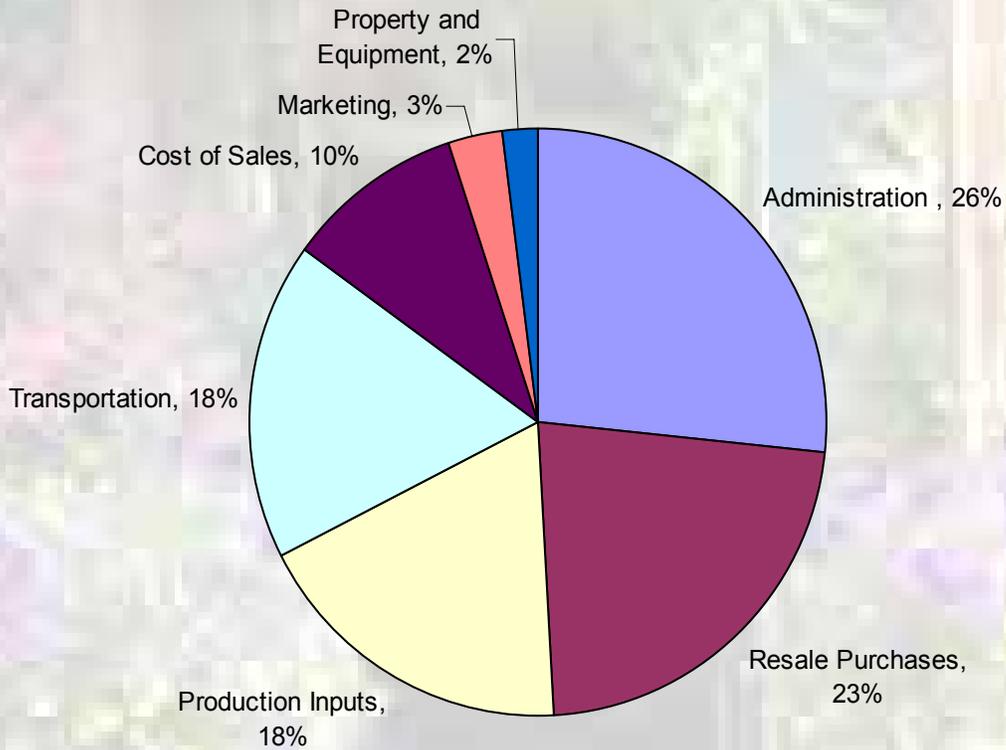
The farmers keep a rototiller, a weed trimmer, and a 1949 Ford 8N tractor for production. They own a "Greentree Naturals" delivery van. They have a large produce refrigerator, as well as a seed germination chamber. They own a variety of office equipment for the purpose of record-keeping and the publication of brochures and other materials.

Organic certification came to North Idaho in 1992. Green says that she was not really interested when she first heard of the idea, since she had never used chemicals in her gardening. But she met with state representative who explained the motives for certification, and, she says, "I went from being against it, to certainly being for it." She adds, "The bottom line is, we're doing it for the consumers. It's a real pain in the butt to deal with all of the paperwork and spend the dollars...but...it gives a way for the farmer to offer some kind of guarantee to the consumer." Green says that her reputation at this point is good enough, that she could be certified or uncertified and it probably wouldn't matter. Restaurants in Sandpoint may or may not list the producers on their menus, and whether or not food is organic. But organic production is what Green and Sadoski believe in. Green states, "It's respecting nature. I have a great respect for nature. There's no other way that I would ever do it."

Besides organically produced herbs and vegetables, and in addition to flowers, Green and Sadoski raised approximately 30 layers, and approximately 100 meat birds in 2003. The eggs and chicken are for personal use and for some sales. They use the manure for fertilizer. The farmers also keep goats for the manure, saying, "Goat poop is really good for the garden." Besides generating fertilizer, the goats are pets, mainly, and offer entertainment for the farm visitors.

Green and Sadoski do most of their farm labor themselves, with the help of a few volunteers and interns. They

**Figure 4: Breakdown of Expenses by Category, 2002**

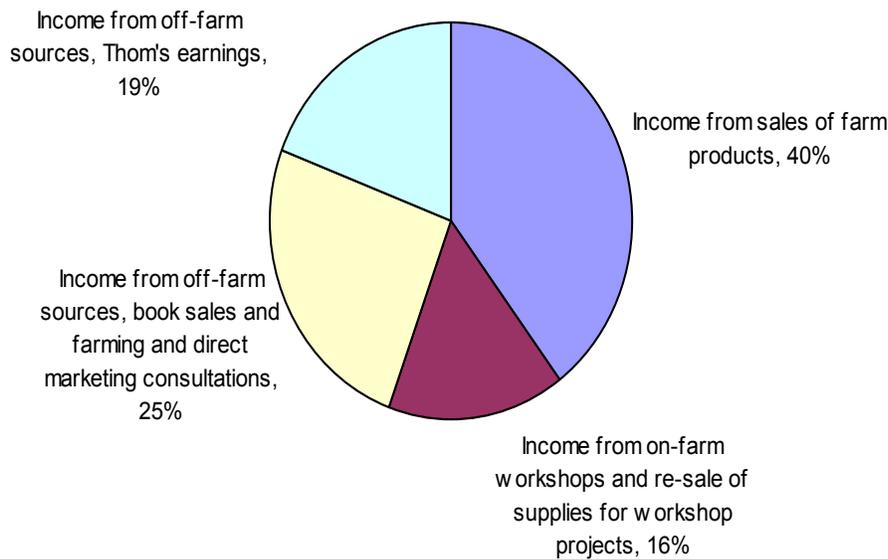


**Figure 5: Line Item Expenses by Category, 2002**

<p><b><u>Administration</u></b>                      Office General                      Office Equipment                      Office Internet                      Business Insurance                      Subscription to <i>Growing for Market</i>                      Telephone Business Line                      Telephone Long Distance                      Business Banking Fees                      State of ID sales tax</p>	<p><b><u>Marketing</u></b>                      Materials for FM Displays                      Advertising                      Advertising Yellow Pages</p>	<p><b><u>Cost of Sales</u></b>                      Value Added Materials                      Shipping &amp; Freight                      Postage &amp; Shipping                      Copies of Brochures                      Book Reprinting Costs                      Organic Certification Fees                      Farmers' Market Membership</p>	<p><b><u>Transportation</u></b>                      Mileage 7,451 @ \$.375 per mi.                      Van Insurance                      Van AAA                      Van Maintenance &amp; Repair                      Van Registration</p>
<p><b><u>Resale Purchases</u></b>                      Soil Amendments for Resale                      Hoop house materials for resale                      Produce from other producers for Resale (CSA's)                      Chickens for Resale</p>	<p><b><u>Production Inputs</u></b>                      Farm &amp; Garden Supplies                      Plants                      Seeds                      Greenhouse Supplies                      Hoop House Materials                      Animal Feed (chickens &amp; goats)</p>	<p><b><u>Property and Equipment</u><sup>1</sup></b>                      Fencing                      Repairs                      Equipment (Weed Trimmer)                      Equipment Repair (tiller)</p>	

<sup>1</sup>Does not include expenses associated with depreciation of property and equipment, or property taxes.

**Figure 6: Sources of Income: Farming, On-Farm Workshops, and Off-Farm Work, 2002**



have never had paid employees. It is debated in farming circles about the value of hiring people on farm, especially for tasks for which most farmers are not well-suited, such as book-keeping and advertising. But after a financial analysis, Green and Sadoski decided that they could not afford to hire someone to do this work, even with the extra time in the field afforded by the elimination of office tasks.

### ***Educational Outreach***

Greentree Naturals started offering apprenticeships in 1995, and between 1995 and 2003 they had seven apprentices. Generally apprentices work three days per week in exchange for room and board in camp trailers on the property, plus a weekly CSA bag. They also receive lunch and dinner on work days. One day per week is spent in the classroom. On their days off, apprentices can go out and earn additional income off-farm. There are neighboring farms and orchards who offer such work, plus businesses in town. Apprentices are offered the opportunity to learn about production methods, as well as marketing techniques, by accompanying Green on her routes. Mainly, though, Green says they are interested in the field work. Please see

Figure 3 for topics covered during an apprenticeship at Greentree Naturals.

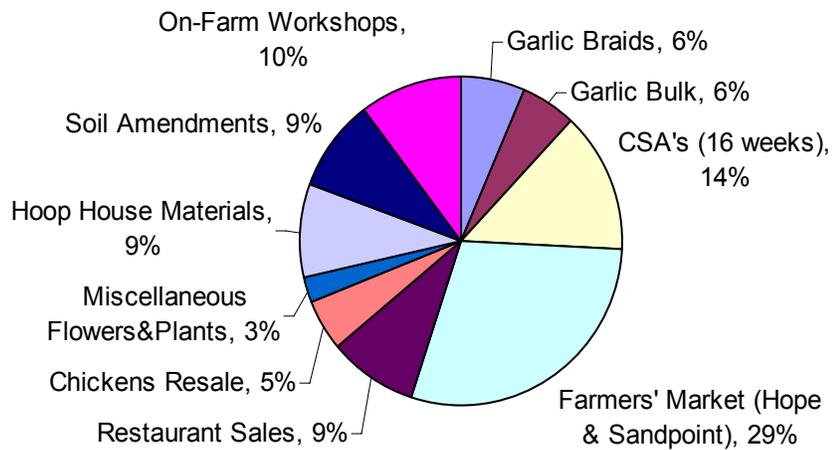
In addition to apprenticeships, Green offers on-farm workshops in organic gardening and hoop house building. She is an advisor for the local Master Gardeners' community garden. She teaches classes offered by county extension offices, as well as through the Cultivating Success Program- an agricultural education program sponsored by Rural Roots, the University of Idaho, and Washington State University. She also speaks at conferences, and offers consultation services. Green says that although the educational outreach does not generate a lot of income for the farm, "I've found that teaching is just absolutely a passion of mine and people in the community want it. They want to come here... (and) be a part of this. And I feel that it's a really important thing to pursue."

### ***Profitability***

Diane Green and Thom Sadoski do not farm solely for the income, but they are wise entrepreneurs with a diversified and sustainable business plan. Their income from Greentree Naturals has been modest, necessitating Sadoski's off-farm employment during some years. But they have

*"I've found that teaching is just absolutely a passion of mine and people in the community want it."*

**Figure 7: Sources of Income, 2002**



managed to take advantage of several sales venues, increasing their income from farm related work over time.

In 2002, 26% of their farm-related expenses pertained to the administration of the farm. These expenses included office equipment, taxes, and insurance. Resale purchases, such as soil amendments, hoop house supplies, and poultry for resale comprised 23% of the farmers' expenses. See Figures 4 and 5 for expenses related to farm enterprises. These data do not include household expenses such as mortgage payments, utility bills, or food. Green and Sadoski grow 50%-75% of their food, and are able to trade for some. They also give food in trade for on-farm labor on occasion to reduce out of pocket expenses. According to the US Department of Labor's Consumer Expenditure Survey, two adults spend an average of \$3,128 per year on food prepared at home. Based on this figure, Green and Sadoski save approximately \$1,500-\$2,400 worth of grocery expenses each year.

In 2002, Thom Sadoski worked at other local farms to bring in income. Diane Green also earned money from off-farm sources, such as book sales, speaking engagements and consultations. These off-farm venues provided 44% of their income that year. Forty percent of their income came from the sale of farm products through Farmers' Markets, restaurant sales, mail order, and CSAs (see Figure 6). For all on-farm enterprises, Farmers' Market sales comprised the highest percentage of 2002 income, followed by CSA sales, and restaurant sales (see Figure 7.) Green and Sadoski charge the same amount for items, whether they are sold through CSAs, Farmers' Markets or restaurants. They do not do wholesale pricing. The time spent on packaging individual CSA shares, and delivering the shares, makes the CSA enterprise less profitable than selling at Farmers' Markets. While the Farmers' Markets themselves require a significant amount of labor, Green finds that setting up at two locations per week, and packaging for market customers, is more efficient and profitable than packaging and delivering CSA shares. In addition, the Farmers' Markets provide an advertising opportunity not afforded by the other venues.

Green and Sadoski would like to earn more of their income from on-farm enterprises. Expansion of their growing area, as well as increased sales of value-added products, has provided the potential for increasing their on-farm income over the years. Greentree Naturals offers vinegars, dehydrated garlic, and pesto as part of their line of value-added products.

### ***Philosophy, Goals, and Advice to New Farmers***

Green and Sadoski gain a lot from farming that is outside of the financial arena. "The relationships with our customers are really an important part of what we do," Green says. She and Sadoski also love having a place to call home after so many years traveling. And, they add, they rarely get sick and rarely go to the doctor, thanks to their healthful lifestyle.

Green says that if they won the lottery, they would continue doing what they're doing today.

Green advises new farmers to start small. She says that they need to start small, love what they do, and pursue their enterprise with a passion. She says enterprises that are successful succeed "because those people love what they're doing." On a practical note she adds that farmers should keep good records of what they plant, how much, and how well it worked. This statement is indicative of Green's philosophy: lofty ideals, grounded in practicality.

Green and Sadoski's financial goals include paying off the farm mortgage, and earning enough from on-farm enterprises to eliminate the need for Sadoski's off-farm work. They would like to increase their production acreage to include garden space across the road from them. They would like to start an orchard, and raise more animals, including a few pigs and cows.

"Retirement would be nice," says Green. But they intend to work as long as they can. "We've been working on a business plan for a lot of years. It's an ever-changing story because the more we know, the more we grow." One of their long-term goals is to build a farm school. Green explains, "I think about a farm school for a number of reasons, one being that I love to teach, another being that I have serious concerns about the future of farming. I feel that small acreage farming is going to be what's going to be feeding us in the future. I think that it's really important that I do whatever I can to help cultivate that and bring that into reality as much as possible." Green would like to use her own expertise, plus bring in experts in other areas, to teach students about all aspects of farming. She hopes to show that sustainable small acreage farming is "a viable means of living off the land."

In the meantime Green spreads her passion for sustainable farming through her involvement in the community. She serves on the board of directors for Rural Roots, Inc., and the Idaho Organic Foods Advisory Council, and is a representative for small acreage farmers on the University of Idaho College of Agriculture and Life Sciences, Plant, Soil, and Entomological Sciences Advisory Board. She continues with her educational outreach through many avenues, including consultations, speaking engagements and developing training manuals and agricultural curricula.

Green and Sadoski hope to continue to raise consciousness about living and eating sustainably. They hope to generate awareness of, and support for local food systems. They hope that small acreage farming can provide a comfortable living for them, and for others interested in pursuing it. But, really, Green just loves to farm. She says, more than anything, "I don't know if there's anything more magical and beautiful than planting a seed and watching it grow."



The view at Greentree Naturals Farm

Northwest Direct is a four-year research project involving the five partners listed below. Our goal is to increase profitability of small farms in the Pacific Northwest through research and extension. We have documented locally based food systems, developed case studies of direct marketing farmers, fostered expansion of farmers markets, and addressed regulatory and infrastructure barriers to direct sales. Northwest Direct is coordinated by Washington State University's Small Farms Program. More information is available at [www.nwdirect.wsu.edu](http://www.nwdirect.wsu.edu).



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Profitability through Diversification:  
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