

Ed Skvarch, Commercial Horticulture  
UF IFAS St. Lucie County Extension  
[eask@ufl.edu](mailto:eask@ufl.edu)

## FARM BUSINESS START-UP CHECKLIST

According to the United States Department of Agriculture (USDA), more than 167,000 U.S. farms locally produced and sold food through direct marketing practices, resulting in \$8.7 billion in revenue in 2015. The survey also concluded that more than 80 percent of all direct market food sales occurred within 100 miles of the farm, and that most farms selling to consumers were less than 20 miles from their largest grossing marketplace. The value of Direct-to-Consumer Food marketing in the Southeastern United States was estimated at \$38.8 million, an increase of \$1.22 million from 2007. This no doubt is encouraging news for those who sell their produce directly to consumers and motivational to those who are looking to start up a direct sales farm operation.

To become a successful business owner there are a number of initial planning steps one should take! Why? According to data from the Bureau of Labor Statistics: about 20% of small businesses fail in their first year, and about 54% of small businesses fail within the first 4 years. One of the main reasons was attributed to inadequate business planning.

Business planning doesn't begin on the day you hang out your shingle, it begins way before. Below is a checklist of tasks that as a beginning farmer (business person) are important to do before you plant that first seed!

### Complete business plan

Production Plan

Marketing Plan

Financial Projections Analysis

### Planning the direct farm business

Mail order/Internet site

Farmer's market

Roadside stand

U-pick

Agri-Tourism

Delivery service to homes, restaurants, schools, or other institution

Community Supported Agriculture (CSA)

**Secure operating capital**

Commercial banks

Farm Credit System

Private Capital

**Check on zoning regulations or by-laws that may impact your farm**

City

State

County

Health

**Learn about land acquisition options that might be right for you**

Purchase

Lease

Rent

Other

**Select and establish your farm business entity**

Partnership

S Corp

Limited Liability Corp.

C Corp

**Register your business with your municipality and/or with your state. Obtain business certificate**

Local

State

**Obtain tax identification numbers for the farm business:**

Tax I.D

Employer's Tax

Sales Tax

**Acquire necessary permits, licenses and certifications.**

Local

Federal

State

### **Purchase necessary insurance**

Liability

Workers' Compensation

Property

Other

### **Establish credit**

Farm equipment supplier

Office materials supplier

Farm Production supplier

### **Open business accounts**

Savings

Credit /Debit card

Checking

### **Establish operating / policy manual**

Job descriptions for family members and employees

Operating procedures

Safety policy

Business policies

### **Establish bookkeeping system**

Accounting software

Develop your marketing plan

Accounting & record journals

Payroll service

## **HELPFUL WEB SITES**

### **Starting a Business in Florida**

[www.stateofflorida.com/corporations.aspx](http://www.stateofflorida.com/corporations.aspx)

### **Business Planning:**

[www.beginningfarmers.org/farm-business-](http://www.beginningfarmers.org/farm-business-)

<https://www.sba.gov/>

<https://www.sba.gov/writing-business-plan>

<http://floridasbdc.org/locations/>

**Business Operating Manual:**

[http://www.farmsreach.com/welcome/wp-content/uploads/2014/07/FarmCommons\\_SampleFarmManual.pdf](http://www.farmsreach.com/welcome/wp-content/uploads/2014/07/FarmCommons_SampleFarmManual.pdf)

**Marketing Your Farm:**

<https://smallfarms.cornell.edu/resources/marketing/>

<http://www.directfarmbusiness.org/business-types/>

[http://njaes.rutgers.edu/farm-management/ap-wk2/apwk2\\_komar\\_carleo\\_social\\_media.pdf](http://njaes.rutgers.edu/farm-management/ap-wk2/apwk2_komar_carleo_social_media.pdf)

**Selecting Your Farm Entity:**

<http://www.directfarmbusiness.org/business-types/>

**Financing Your Farm:**

<http://www.farmsreach.com/welcome/wp-content/uploads/2013/01/Financing-Your-Farm.pdf>

**Structuring Your Small Farm Business:**

[http://nationalaglawcenter.org/wp-content/uploads/assets/articles/FL\\_directfarm.pdf](http://nationalaglawcenter.org/wp-content/uploads/assets/articles/FL_directfarm.pdf)

**Financing Your Farm:**

<http://extension.psu.edu/business/start-farming/capital>

[www.fsa.usda.gov/microloans](http://www.fsa.usda.gov/microloans)

[http://www.fsa.usda.gov/Internet/FSA\\_File/microloans\\_facts\\_2014.pdf](http://www.fsa.usda.gov/Internet/FSA_File/microloans_facts_2014.pdf)

<http://www.farmsreach.com/welcome/wp-content/uploads/2013/01/Financing-Your-Farm.pdf>

<http://smallfarms.cornell.edu/resources/funding/loans-financing/>

**Finding Land:**

<http://www.beginningfarmers.org/finding-land-to-farm/>

<http://landforgood.org>

**UF/IFAS Small Farms Web Site:**

<http://smallfarms.ifas.ufl.edu/>

**Please contact us with any additional questions**

**772-462-1660**

**Ed Skvarch** [eask@ufl.edu](mailto:eask@ufl.edu)

An Equal Opportunity Institution