

SEED ECONOMICS: HOW TO MAKE GROWING AND SELLING SEED MORE PROFITABLE

Daniel Brisebois
Tourne-Sol co-operative farm
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@fermetournesol (  )
daniel@fermetournesol.qc.ca
www.fermetournesol.qc.ca

Calculate Profit In Space

yield (lbs/100 bedft) x price (\$/lbs) = \$/100bedft

Brassica Rapa

13 lbs/100 bedft x \$40/lb = \$520/100 bedft (\$45k/acre)

13 lbs/100 bedft x \$795/lb = \$10 335/100 bedft (\$900k/acre)

Selling Seeds At Wholesale Prices

Crop	Bedft	Price (\$/lb)	Lbs/100 bedft	Lbs/acre	(\$/100 bedft)	\$/acre
Amaranth	100	\$75	3	261	\$225	\$19,602
Brassicas (Rapa, Juncea, Arugula)	100	\$40	13	1133	\$520	\$45,302
Beans & Peas	100	\$10	18	1568	\$180	\$15,682
Corn	100	\$12	35	3049	\$420	\$36,590
Squash (Summer & Winter)	100	\$50	11	958	\$550	\$47,916
Cucumbers	100	\$50	2.5	218	\$125	\$10,890
Tomato	100	\$350	2.5	218	\$875	\$76,230
Pepper	100	\$350	1.5	131	\$525	\$45,738
TOTAL	800				\$3,420	\$37,244

Calculate Profit In Space

$$\text{yield (lbs/100 bedft)} \times \text{price (\$/lbs)} = \text{\$/100bedft}$$

Beans

$$18 \text{ lbs/100 bedft} \times \$10/\text{lb} = \$180/100 \text{ bedft } (\$16\text{k/acre})$$

$$18 \text{ lbs/100 bedft} \times \$15/\text{lb} = \$270/100 \text{ bedft } (\$23\text{k/acre})$$

$$27 \text{ lbs/100 bedft} \times \$10/\text{lb} = \$270/100 \text{ bedft } (\$23\text{k/acre})$$

$$27 \text{ lbs/100 bedft} \times \$15/\text{lb} = \$405/100 \text{ bedft } (\$35\text{k/acre})$$

$$27 \text{ lbs/100 bedft} \times \$5/\text{lb} = \$135/100 \text{ bedft } (\$11\text{k/acre})$$

Selling Seeds At Direct Market Prices

Crop	Lbs/100 bedft	oz/pkt	g/pkt	Qty Pkts	\$/pkt	Value	\$/acres
Amaranth	3	0.14	4.0	336	\$3	\$1,008	\$87,817
Brassicas (Rapa, Juncea, Arugula)	13	0.14	4.0	1456	\$3	\$4,368	\$380,540
Beans & Peas	27	0.89	25.0	484	\$3	\$1,452	\$126,456
Corn	35	0.89	25.0	627	\$3	\$1,882	\$163,925
Squash (Summer & Winter)	11	0.11	3.0	1643	\$3	\$4,928	\$429,327
Cucumbers	2.5	0.04	1.0	1120	\$3	\$3,360	\$292,723
Tomato	2.5	0.01	0.2	5600	\$3	\$16,800	\$1,463,616
Pepper	1.5	0.01	0.4	1680	\$3	\$5,040	\$439,085
TOTAL	95.5			12946		\$38,837	\$422,936

Seed Packet Costs

labour @\$12.50/hr

Expense	Note	Cost for 1 packet	Cost for 13000pkts
Seed Cost	Production costs in bulk enterprise	\$0.28	\$3,645
Seed Packing	50pkts/hr	\$0.33	\$4,300
Packet Cost		\$0.07	\$900
TOTAL		\$0.68	\$8,845

Seed Marketing Costs

labour @\$12.50/hr

Expense	Note	Cost for 1 packet	Cost for 13000pkts
Order fulfilment	300 orders x 20 min/order	\$0.10	\$1,250
Postage		\$0.07	\$900
Events	6 events x 10 hours + \$100/fees each	\$0.10	\$1,350
Events Travel	6x3hrs 6x180milesx\$0.45/mile	\$0.05	\$711
Events Meals		\$0.01	\$90
Seed Racks	10 racks @ \$50/rk	\$0.04	\$500
Seed Rack Customer Service	40hrs	\$0.04	\$500
TOTAL		\$0.41	\$5,301

Seed Overhead Costs

labour @\$12.50/hr

Expense	Note	Cost for 1 packet	Cost for 13000pkts
Certification	40hrs + \$750fee	\$0.10	\$1,250
Germination Tests	15 min/lot x 80 lots	\$0.02	\$250
Design	50hrs	\$0.05	\$625
Business development	50hrs	\$0.05	\$625
Website	80hrs + \$500fees	\$0.12	\$1,500
Seed Room	Shelving, containers, rent	\$0.05	\$700
Office Expenses	Banks fees, supplies	\$0.04	\$500
Admin Time	50hrs of Taxes and stuff	\$0.09	\$1,125
Production Infrastructure	Covered by bulk seed enterprise?	\$0.00	\$0
TOTAL		\$0.51	\$6,575

Expenses

labour @\$12.50/hr

Expense	Cost for 1 packet	Cost for 13000pkts
Seed Packet	\$0.68	\$8,845
Marketing	\$0.41	\$5,301
Overhead	\$0.51	\$6,575
TOTAL	\$1.59	\$20,721.00

Seed production is accounted at \$3645

Labour Costs

Wage	Cost for 1 packet	Cost for 13000pkts
\$12.50/hr	\$1.59	\$20,721
\$15/hr	\$1.74	\$22,641
\$20/hr	\$2.04	\$26,481

768 labour hrs (doesn't include production)

about 20 weeks x 40 hrs

Income

Income	packets	\$/pkt	\$ Amount
Seed Orders	7000	\$3	\$21,000
Seed Racks	3000	\$2	\$6,000
Unsold Seed	3000	\$0	\$0
Total Income	13000		\$27,000

Budget

	\$12.50/hr	\$15/hr	\$20/hr
Income	\$27,000	\$27,000	\$27,000
Labour cost	\$9,600	\$11,520	\$15,360
Materials cost	\$11,121	\$11,121	\$11,121
Profit/Loss	\$6,279	\$4,359	\$519

768 labour hrs (doesn't include production)

about 20 weeks x 40 hrs