

Fruit and Vegetable Marketing

**Tips for Beginners
in Vegetable Marketing**



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Tips for Beginners In Vegetable Marketing

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AS A FARMER, you need to decide what crop you can grow to receive the greatest returns. Vegetables generally are considered as high-income crops; however, the following points first should be studied carefully:

● *Can you grow one or more vegetables and meet heavy competition from other areas in market channels?*

Can the harvest period be so timed that other sections are not flooding the market with the same product? Does the area have the right soil, climate and water conditions to produce satisfactory yields of high-quality vegetables? This is needed if the products are placed on a competitive basis with products from other areas. The distance to consuming centers also is important because transportation and possibly refrigeration are relatively costly.

● *Is adequate seasonal labor available?*

Most vegetables require more labor than do field crops. Some vegetables, such as Irish potatoes or spinach can be harvested mechanically, but most of them require large numbers of laborers to harvest by hand.

● *Can you provide adequate volume to attract buyers?*

You may want to join a community group which can ship at least two cars per day at first and expand from that point. To insure volume, plant 1,500 to 2,000 acres. Crops such as watermelons, tomatoes, onions, Irish potatoes, cabbage and carrots vary in number of acres

required for volume shipments, if planted alone. For a mixed vegetable shipping operation, you will need 400 to 500 acres per crop; the total average should be at least 2,000 acres.

● *Will you sell your own products or hire someone to do the selling?*

Most new organizations need a person with selling experience as a manager to supervise the packing and selling operations. With some operations, both a packing shed foreman and an office salesman are advantageous. Managers can be paid on a salary and commission basis for the duration of the packing and selling periods. Employment of a manager on a 12 month's basis when the packing and shipping season lasts only 60 to 90 days may be impractical.

If you own your own packing shed and equipment, it may be advisable for you to let an established distributing firm buy your products direct or sell them on a commission basis. Commissions usually range from 5 to 10 percent of the gross sales.

● *What facilities for packing and grading are available?*

At the start you may find it more profitable to rent a temporary building and rent or buy used packing equipment. After you become established and your annual income is determined, permanent facilities may be advisable. You may want to contract buyers with their own packing equipment to buy the vegetables on a day-to-day basis.

● *Are you interested enough to continue in the business for 3 or more years, thus becoming established in market channels?*

Vegetable prices vary from year to year. The first year's operation might well be one of low prices.

● *Are you willing to learn the business and keep up with new trends?*

An organization composed of members who are willing to stay with the business when it would be easier to drop out has more chance of becoming established.

● *Will you discipline yourself to market only the highest quality products under their brand names and accept lower prices for lower grades?*

Your possibilities for succeeding in a new vegetable operation depend on several factors. 1. Make a study of the entire situation covering at least one growing season before you make any move toward entering vegetable production and marketing. 2. Test plantings will help you in determining the best crops to plant. 3. Compare the results of test plantings in other localities from which you would expect competition on the market.