

# Greenhouse Business Planning and Management

## Indigenous Greenhouse Factsheets



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### Feasibility and business planning

Whether for a for-profit, break-even or social enterprise, feasibility and business planning should be undertaken prior to establishing a greenhouse. Planning in the initial stages of a project or business venture helps to identify how initial, ongoing and long-term costs will be covered. It is best practice to seek out some business guidance from working professionals in the greenhouse and agriculture industry. Be wary of outsourcing this work to consultants that have no practical experience in the field or knowledge of your particular location. Practical knowledge is essential in farming and greenhouse growing.

Seek out multiple perspectives and do lots of independent research. Local [Community Futures](#) and [Indigenous financial institutions](#) can assist by providing resources to help with setting up a new business and writing business plans.

Find more information on agrifood business management here: [Running an agrifood or farm business - Province of British Columbia](#).

## Business Structure

When establishing a greenhouse and greenhouse management plan, it is essential to determine if the operation is going to be a for-profit venture, a non-profit, or social enterprise. All these options may be viable and achieved with the proper planning and determination of the best fit for your circumstance and goals. For example, if the intention is to distribute the produce to the community free of cost, a non-profit structure would prove beneficial and could provide access to numerous potential funding streams.

### Business structure options

- Sole proprietorship
- Federal or provincial non-profit
- Partnership
- Co-operative
- Corporation (including shareholder structure)
- Band-owned enterprise or social enterprise model

### Other major planning considerations include:

1. Land zoning: on-reserve or off-reserve?
2. Will this be a band venture?
3. Sole proprietorship or corporation?
4. Federal or provincial non-profit?



**Figure 1.** Amisk staff and guest chef harvest winter veggies from an unheated greenhouse

## Business strategy framework

It is a good practice to develop a business strategy framework to guide decision-making and management over time. These frameworks are not static and can be updated periodically if needed. A business strategy framework should include:

- Vision Statement: What long-term impact or change does the greenhouse aim to achieve?
- Mission Statement: What is the greenhouse's core purpose and who does it serve?
- Goals & Objectives: What are the goals of the greenhouse? Aim to create SMART goals (Specific, Measurable, Achievable, Relevant, Time-bound).
- Action Plan: Key milestones, timelines, and responsibilities.

## Strategic planning

Continuous Improvement Plan: Incorporate regular reviews, feedback loops, and adaptive management.

Succession/Transition Plan: Outline leadership continuity, staff development, and ownership transfer strategies.

## Financial planning

- Start-up costs (capital, infrastructure, equipment)
- Projected income and expenses
- Cash flow forecast (monthly/seasonal)
- Debt structure and financing options
- Key performance indicators (KPIs) such as yield per square foot, cost per unit, and break-even analysis

## Enterprise budget

An [enterprise budget](#) projects the costs and returns of growing and selling a particular crop or livestock over a period of time. It is comprised of a simple listing of income and expenses, based on a set of assumptions. Some of the uses of an enterprise budget are itemizing costs and returns (income), listing inputs and production practices, evaluating the financial efficacy of the enterprise, estimating benefits and costs of fundamental changes in production practices (for example, investing in irrigation), providing a foundation for a total farm plan, and supporting applications for credit.

## Funding opportunities

Greenhouse projects can be costly to establish, and funding can be instrumental in making these projects feasible. One excellent place to start looking for funding opportunities is [the BC Ministry of Agriculture and Food Indigenous Pathfinder Service](#).

## Marketing strategy

Marketing can prove to be one of the greatest challenges for small-scale commercial greenhouse operations in remote communities. If there is reasonable access to large towns or cities, then direct marketing is a common strategy. Farmers markets, farm gate sales, or working to supply produce to restaurants and chefs are excellent ways to establish strong marketing relationships with local communities.

The following considerations should be made during the marketing planning phase and updated regularly:

### Promotion and pricing

- Promotional strategies: website, social media, flyers, community events
- Pricing models: cost-plus, value-based, seasonal pricing

An excellent guide to market readiness, along with other good information can be found here: [Market readiness - Province of British Columbia](#)

### Market Research

- Competitor analysis
- SWOT analysis (Strengths, Weaknesses, Opportunities, Threats)
- Target market size and demographics

- Risk assessment and mitigation strategies (e.g., crop failure, market saturation)

## **Community Supported Agriculture (CSA) approach and farm collectives**

An increasingly common approach for small-scale farmers to add to sales is the community supported agriculture (CSA) approach. In a CSA, customers prepay for a weekly box of assorted seasonal vegetables and farm products throughout the growing season. A similar strategy to CSA sales that is becoming more common is to create "farm collectives" where many small-scale producers work together to provide a greater diversity of products available to consumers on a specific pick-up day. Such groups often showcase farmers and their products on a website that allows customers to become familiar with who is growing their food. More remote growers might have to consider accessing wholesale markets and shipping bulk orders, this does require a certain scale and consistency of production. If you are establishing a greenhouse

operation with the goal of being a profitable enterprise, market research during the planning phase is essential.

## Regulation check

Depending on the location and total production of certain crops, a farm may fall under regulation of the BC Vegetable Marketing Commission ([BCVMC](#)). Be sure to check their website for up-to-date regulations potentially impacting your ability to market your crops off-reserve without following their regulatory framework.