Kunia Country Farms
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About Us

• We began operations in 2010
• Purpose: To help Hawaii become Food Independent in a sustainable manner
• Currently:
  – 100,000+ gallons of water – refilled by rain
  – 16,000+ sf of grow bed – soon to be 30,000 sf
  – 325,000+ heads of lettuce grown annually plus salad mixes
CAN YOU MAKE MONEY?
The short answer is YES

• ONLY IF.... You have good answers for these questions.

  – Who will buy what you grow?
  – Can you grow/sell enough units to cover your costs?

  – There are other questions but these are the big two!
  – FIND YOUR NICHE!!!
Example of Costs

• LABOR:
  – 1 worker @ $10/hr = $20,800 / yr
  – Taxes and Benefits make it $28,000

• UTILITIES:
  – Running a large refrigerator 4 days a week
  – $900 / month or $11,000 / yr

• LOTS OF OTHERS
  – Capital/Loan Payback
  – Seeds, Fish Food and Supplies
Revenue

• Lettuce Example
  – Per 4’ x 4’ Raft or 16 square feet of grow area
  – Each raft holds 36 plants
  – Plants spend 5 weeks on raft (varies by season)
    • 10 cycles in a year
  – Lettuce weighs ½ lb and sells for $2 / lb.

  – In the perfect world, each raft produces
  – 36 plants @ ½ lb = 18 lbs x $2 = $36
  – 10 cycles x $36 = $360 per raft per year
Putting it Together

- Labor = $28,000 expense
- Raft = $360 revenue
- To cover ONLY labor, we need
  - 78 rafts or 1,248 sf of grow space
  - 14,000 lbs of sold lettuce @ $2
    - 270 lbs per week

CAN YOU SELL 270 lbs of LETTUCE EACH WEEK?
CAN YOU HARVEST 270 lbs of LETTUCE WITH 1 PERSON?
Decision Point

• Stay small – more than a hobby but less than a business
  – Farmers Markets, small restaurants, CSAs
  – Low labor (you) and low energy (coolers)

• Be Big!
  – Must be competitive with mainland plus shipping
  – Lots of initial capital
  – Grow slowly and methodically – big mistakes cost big money
  – The key is SCALE!
Value Add

• First product: Bulk Head Lettuce
• Second product: Chopped Salad Mix
  – High Labor but Efficient Plant Use
• Third product: Living Lettuce Salad Tray
• Fourth product: Bagged Head Lettuce
• Fifth product: Kunia Lettuce Trio Salad Bags
• More to come soon....

• Each product increased revenue per trough or decreased our labor needs.
Quick Snapshot Metrics

- Revenue per raft (or per trough)
- Labor to plant (how many rafts in an hour)
- Labor to harvest (how many rafts in an hour)
- (Revenue – Plant and Harvest Labor) per raft

- RECORD THESE WEEKLY TO CREATE A BENCHMARK

- ADJUST PLANTING TO REFLECT ECONOMICS OF EACH PRODUCT LINE
Challenges

• Food Safety Rules and Certifications are critical
  – Agencies are still learning the science of aquaponics
• Large Buyers Demand Consistency
  – Not a lot of room for mistakes – learn early
• Acid Rain
• Pests
• Diversifying Too Early
Be Resourceful

• Save Power
  – Waterfalls reduce the need for a blower
  – Time pickup close to harvest to minimize cooler

• Save Capital
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