



1/7/2021

The Grand Barn

Business Plan



Thaila Riden

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Executive Summary

Description of the project

People want food security and to know where their food comes from. Benefits such as supporting local, whole foods, healthy living, and improved mental health from gardening have been well established. Now with the pandemic putting a migration pressure of urban populations moving into rural areas, more gravitas has been added to increasing one's exposure to safe outdoor spaces, surrounded by greenery and fresh air. This resurgence in planting victory gardens or resilience gardens¹ promises a healthier environment and improved physical/mental wellbeing.

With the new proposed subdivision² for the northeastern edge of Vankleek Hill over time to bring in around 700 new residents to the village, space to garden and get away from crowds will be at a premium. Dense population centres like Montreal and Ottawa are only an hour away.

Our space³ can provide a safe environment to practice social distancing. We will have ample space between plots (4' minimum) for our members. Growing is a long-standing tradition, as evidenced by our community's Vankleek Hill Horticultural Society⁴.

Two main components of our business is the market garden (Alchemy Gardens = Business Identification Number: 300752896) where we will grow our own produce to sell curbside and via farmer's markets, as well as a garden club where we will rent plots to club members (The Grand Barn = Business Identification Number: 301476578). We shall keep these operations distinct to avoid brand confusion. When we started the Starter Company Plus program, there was only one name encompassing our garden business, called Alchemy Gardens. We later decided to split the market garden and plot rentals into two separate entities and this document focuses on the plot rental aspect (The Grand Barn).

For the 2020 growing season we set up a demonstration 20x20 plot for our first club member to grow food, which went well.

What are we?

We are a garden allotment club. Due to the pandemic, it will be a member's only space. Visits will have to be by appointment for the time being. Protocols, rules and waivers will be signed by members upon receipt of registration fees. Fees are yearly.

¹ <https://www.ctvnews.ca/lifestyle/canadians-are-digging-into-victory-gardens-for-2020-1.4941602?cache=zviomxnayn%3FclipId%3D89926>

² <https://thereview.ca/2020/06/03/residents-express-views-about-proposed-subdivision-in-vankleek-hill/>

³ <https://thereview.ca/2020/06/27/community-gardens-project-concept-spurred-by-pandemic/>

⁴ <http://www.vkhhorticultural.ca/>

The Business

Business Name	The Grand Barn
Business Address	3440 Barb Road, Vankleek Hill ON, K0B1R0
Phone Number	613-678-3453
Email	thaila@thegrandbarn.com garden@thegrandbarn.com
Website	https://www.thegrandbarn.com
Business Structure	Sole proprietorship, registered on Dec 30, 2020
Business Classification	Agricultural
Is it seasonal?	Yes, spring-fall
Products/services offered	Garden Plots, access to water, storage space for member's tools
Distribution	Our services will be available on location at 3440 Barb Road

Please give the details of your products launch and/or hiring of your services.:

We will start offering plots come spring 2021. We have already opened registration but have not yet started promoting.

Describe the current economic situation within your sector (i.e. experiencing growth, recession, expansion, etc.):

Community Gardens were declared an essential source of fresh food⁵ this past April. As such, it is a pandemic proof enterprise. The locavore movement is also growing even stronger due to the supply issues Covid-19 is exposing.

Explain why you believe your company will be successful:

Despite vaccines starting to roll out, the return to normal will not happen overnight. Gardening as part of the green economy transition to more sustainable lifestyles should help our business grow.

What is your company's mission statement? (objectives/goals)

We will help you plant the seeds for your green and healthy future.

Describe the main personnel members of your business. What is their role in the success of the company?

Thaila Riden is the main driver behind this business, putting his experience in customer service and gardening to work.

⁵ <https://www.cbc.ca/news/canada/london/ontario-community-gardens-essential-1.5545115>

Target Market and Marketing Plan

Target Market

Describe your current customers and where they are located.

Our current customers come from Hawkesbury and Vankleek Hill. They either don't have access to property, or own property that is not large enough to garden.

Describe your potential customers and/or market:

Our potential customer is someone living in or near Vankleek Hill who has a desire to spend more time outdoors and wants to know where their food comes from but lacks the space to garden at home.

Describe the area and geographical size of your business sector/market:

Rural Eastern Ontario, mostly the UCPR. Potentially as far as Ottawa or Montreal, in the 100km range.

How many customers live in this market sector?

Vankleek Hill has a total population of 1,996 residents, Hawkesbury 10,263 and L'Orignal with 1,450.

Describe your market's growth potential:

Vankleek Hill has recently proposed a new subdivision based on the expected growth of the area. Higher population combined with the economic uncertainty caused by the pandemic means more people will be interesting in gardening.

Describe your market research:

Online

Marketing Plan

Product

Describe the history of your sales per product/service:

This will be our first season. Last year was a pilot project

Describe the cost(s) for producing each product and/or providing each service:

Last year, the cost of producing a 20'x20' plot involved using a hand walked roto tiller for 3 hours, and 4 litres of gasoline. Labor was remunerated at the rate of \$14/ hour, for a cost of \$42. Gas was around \$4. Total cost \$46. Insurance costs up to \$1000 a season.

Describe your profits for producing each product and/or providing each service:

Initially the cost of tilling plots is greater than profits generated. However once a plot is tilled, in subsequent seasons the plot only needs soil amending. Those costs are borne by the member. The more plots prepared, the more the cost of insurance is offset. Profits are then realized.

Describe your sales goals per product/service provided:

We hope to gain 20 members each year.

Describe the characteristics which make your product(s)/service(s) better than those which your competitors offer (i.e.: personnel, single product, etc.):

We are located on prime, A1-quality, agriculturally zoned land. For 33 years no chemical fertilizers have been used, so we are poised to offer an organic and healthy soil. Our team lead Thaila grew up here, and has extensive experience in customer support as well as garden experience. We are an inclusive community in an area that has a great history of supporting its communities.

Price

Describe the retail prices for your product(s)/service(s):

Each plot is \$120 for 20' x 20' of tilled space to garden.

Describe the prices according to the quantity or the hourly rate? Please provide a detailed process résumé of the price establishment including the cost price and your profit margin:

The price is high compared to similar offerings in Ottawa (\$70 for 1000sqft), but cannot be lowered without impacting our financial viability.

Describe your discounts and credit policies:

None at this time.

Describe your guarantees and after-sales service policies:

We will guarantee access to a tilled plot, water and a place for our members to store their tools.

Promotion/Advertising

Describe how you plan to promote your product(s)/service(s):

Predominantly through social media and local newspapers. We predict that word-of-mouth will be the most effective, and plan on working with local businesses to gain a following.

Describe how you will encourage people to purchase your goods/services on your premises:

Outline the benefits of gardening on food security, physical and mental health, and the environment.

Describe how you will measure the success of your promotional and advertising plans:

We will be monitoring analytics from Facebook for post engagement. Success will be measured in the number of new memberships generated. We also plan to ask new members where they heard about us when they register.

Describe how you will attract new customers:

We will be candid about the service we offer. A chance to grow your own food, in a safe place.

Describe what you offer that no one else is offering. What makes your product(s)/service(s) unique?

Blue Ocean strategy. No other community gardens in the area.

Place/Location

Briefly describe your main place of business:

6.7 acre agriculturally zoned property, formerly a dairy farm, then a campground.

Facilities / offices:

Onsite there is a barn, part of it will be accessible to members for use. We plan on upgrading the water infrastructure in order to make it easy for members to access, and well as providing a station to wash produce.

Square footage of your premises:

The community garden is about one square acre.

Describe the advantages of this location:

This location is zoned for agricultural use, has healthy soil. It is situated between Ottawa, Cornwall and Montreal, and is approximately 1km from exit 17 on highway 417.

Describe your proximity to your market and suppliers:

Only an hour away from potential clients in Ottawa, Cornwall and Montreal. Closer clients would likely come from Vankleek Hill and Hawkesbury.

Describe the characteristics of this location:

Rural, lots of farmland in the area.

Do your business intentions include construction of a new building? If so, include the images and/or architectural plans:

No, we have plenty of outbuildings already. Down the line, a greenhouse may be beneficial, but is not in the works yet.

Competitive Analysis

Competitor's Name	Municipality	Date Established
Gloucester Allotment Garden Association	Ottawa	1981

Describe how large they are in comparison to your company:

They have 423 plots to our maximum of 60 plots. They have 2 locations (both located in Blackburn Hamlet) and have enough clients to create a waiting list.

Describe how they are similar to your company:

We both offer garden plots through our memberships.

Describe how they are different from your company:

They are a volunteer-run, urban allotment association, where we are rural and hope to pay ourselves for our work.

Describe their strengths. Explain why people purchase their products/services:

They offer 1000 sq. ft. plots for \$70, which is significantly less than we can. They are also located in a dense urban area, giving them close proximity to people living in apartments and small townhouses (i.e. no garden).

Describe their weaknesses and what/how you can do better:

They have a waiting list of 125 gardeners, and those signing up today may have to wait until 2023.

Describe the effect, both positive and negative, that your company will have on existing businesses in your community:

As a negative effect of having members of our community garden growing their own food, is that they are likely to buy less from local stores and producers.

What are your strengths and weaknesses in comparison to your competitors?

	Strength	Weakness
Price		X
Quality	X	
Customer Service/Sales	X	
Advertising/Promotion		X
Location		X

Explain why your customers will prefer your product(s)/service(s) rather than those of your competitors?

I have space, and no waiting list. I also plan on focusing on clientele that are closer than Ottawa, in hopes of creating a sense of community.

SWOT Analysis

Strengths

- We co-own (with Peter Riden, Thaila Riden's father) 6.7 acres of land zoned Agricultural, located very close to exit 17 of Highway 417.
- Thaila, our founder, has experience at an existing market garden and a passion for sustainable agriculture. He has spent the majority of his life maintaining and improving this property. Beyond that, he has worked in organic compliance and customer support.
- We bring a rural attraction to urban residents, at a time when getting out-of-doors is becoming much harder for many people.
- A rural garden club sounds redundant, but our goal is to create a sense of community and connection with the land among our clients. There is already a strong community-minded sentiment in Vankleek Hill, which we plan on embracing and supporting.
- We will be partnering with local businesses like Wylie's Property Maintenance to compost organic waste like clippings. This allows Wylie's to dispose of the waste in an eco-friendly way (a good selling point for their clients) and provides us with free composting materials.

Weaknesses

- Lack of administration skills or familiarity with running a business (plan to hire Caitlin Riden on a part time basis to handle office/web admin as well as bookkeeping).
- Niche market (Currently the amount of 20x20 plots we can offer is a maximum of 60 which may not be a bad cap for max number)
- Our garden experience is still conventional and not as extensive as we would like, and we need to research more sustainable methods like no-dig/no-till and to implement in practical terms.
- Distance from population centres is an issue. After the pandemic, will it make sense? (the garden club could be a launch pad for visitors and local agritourism, so having people stay in local accommodations could offset the commute issue, as well as helping the local economy).

Opportunities

- We have 6.7 acres of property, so there is room to expand. Possible expansion zones would be a new row of plots in the centre of the current planned area.
- There are not a lot of rural garden clubs in the area, this is an untapped market
- Potential partners could be Beau's Brewery for compostable materials, and we also plan to set up local drives for picking up leaf litter in the fall.
- Future potential for having member events such as garden parties, harvest meals, food preservation classes, etc.

Threats

- Pandemic could worsen. On the one hand, this is an overarching threat to everyone. On the other hand, it could be good for this particular business model. Fear of food insecurity will drive our revenue.
- Liability for reckless member or employee behaviour. Partly due to injury/pandemic exposure, but also less grave issues such as a member growing plants that others consider weeds, or other undesirable behaviour. Insurance and a robust “Code of Conduct” should help mitigate this issue.

Governmental Requirements and Laws

What are the governmental payments, licences and/or insurance required in the launching of your business and what steps have you taken to obtain them?

For liability insurance, we have spoken with our current insurance provider about estimates. The business and name are registered with the Province of Ontario. The municipality is aware of our plan and requires no further action unless we plan to build. In the future, if our revenue gets high enough, we could apply for a Farm Registration Number with one of the farm associations.

Does your product(s) and/or service(s) respect environmental protection regulations?

Yes. No chemicals such as herbicides, and pesticides are permitted in the garden. Organic and natural amendments as compost is allowed, and straw as mulch.

Do you hold a patent or a licence for your product(s) and/or service(s)?

No. None are necessary for our service.

Management Plan and Staff

Describe relevant knowledge/skills your management team brings to the company:

Our management team brings over 27 years of customer support, 5 years in compliance (specifically Organic Compliance), as well as over 2 years working for a local market garden.

Personal Information

Last Name	Thaila
First Name	Riden
Date of Birth	Feb 3, 1982
Address	3440 Barb Road, Vankleek Hill ON K0B1R0
Home Phone	613-306-3453
Own/Rent	Own
Length at Current Address	33 years
Role in the Company	Sole Proprietor
Highest Level of Education	University (Bachelor)
Professional Experience	5 years of Organic Compliance and QA Technician. 2 years of Internet Tech Support. 2 years of market garden grower.
Employment Type in this Company	Part-time
Have you owned a business?	No
Employment History	
Name of Employer	Beau's All Natural Brewing Company
Address	10 Terry Fox Drive, Vankleek Hill ON, K0B1R0
Phone Number	1-866-585-2337
Position	Organic Compliance Officer
Responsibilities	Maintaining the brewery's organic certifications
Term of Employment	2009-2017
Why did you leave?	Company decided to restructure

Describe your employees (part-time, full-time and their wages, positions, etc.):

Caitlin Riden, part-time bookkeeping and website admin, \$1000 per season. She is currently a student at Algonquin College for Computer Programming and has previously acted as Treasurer for the Vankleek Hill Business and Merchant Association.

Operations

Describe how you will offer and deliver your product(s) and/or service(s):

Offers will be made mostly through social media, as well as local papers. During the pandemic, clients will need to call ahead to visit their plot (in order to maintain social distancing) and bring their own tools. I will be on-site and available to answer any questions or address concerns.

Describe the production process:

Till plots, offer water access, be available for questions.

Describe the inventory which you will maintain on site and its value:

No inventory at the moment, although post-pandemic we hope to start a tool rental service for our members.

Describe your insurance requirements and their cost:

Liability Insurance has been estimated by our broker as being between \$700 and \$1000.

Describe how you will maintain the quality of your product(s) and/or service(s):

We will employ sustainable practices such as organic methods, and transition to no-till gardening. We will forbid synthetic chemical pesticides, herbicides and fertilizers.

Describe your operating hours of business and how many hours you will be working:

We plan to be open 10am-7pm on weekdays., and 9am to 4pm on weekends. While on paper it looks like a 7-day week, it will most likely vary depending on weather.

Budget Description and Financial Needs

Projected Cash Flow

Description	2021	2022	2023
Plot rentals	\$2400	\$4800	\$7200
Insurance	(\$1000)	(\$1000)	(\$1000)
Labour (120 hrs)	(\$1680)	(\$1680)	(\$1680)
Property tax (1/6.7 of total)	(\$600)	(\$600)	(\$600)
Electricity (1.5 hp well pump)	(\$250)	(\$250)	(\$250)
Tilling (20 plots at a time)	(\$200)	(\$200)	(\$200)
Admin/bookkeeping services	(\$1000)	(\$1000)	(\$1000)
Infrastructure maintenance	(\$500)	(\$100)	(\$100)
Business registration	(\$68)	\$0	\$0
Net profit/loss	(\$2898)	(\$30)	\$2370

Grant would be used towards paying for insurance and upgrading the water system.

Appendices

Relevant documents (photos published in The Review, business registration, site map, logo from the original TGB campground) are included in the TheGrandBarnBusinessPlan.zip file.