Case Study - Strategy Consulting
Capitalizing on Opportunities for Expansion

THE CLIENT
Located in Horsham, PA, Pennypack Farm and Education Center (PFEC) is a non-profit, community supported agriculture farm (CSA) that began growing organic vegetables and berries in 2003 on leased land in Eastern Montgomery County. Following 9 years of notable growth, PFEC had an opportunity to lease additional land in 2012. This offered a way to expand operations and accommodate a large waiting list of people interested in the farm’s CSA. At the same time, the new land introduced potential challenges that PFEC aimed to address before expanding operations.

THE PROJECT
To help with this project, Pennypack Farm and Education Center engaged Fox MC to develop a business expansion plan for the farm. The plan capitalized on opportunities available through the land expansion while recommending strategies to mitigate potential challenges.

RECOMMENDATIONS
The Fox MC team found that expansion was critical for PFEC’s future sustainability. To help with the expansion, the team developed a three year ramp-up plan at a new site and included a five-year financial plan. Through research and evaluation, the team projected that PFEC would need to raise $885K to expand to the second site. By allocating these costs over three years, PFEC had an opportunity to grow by adding new CSA members, while controlling its variable costs. This phased ramp-up kept year-to-year capital expense requirements manageable for the farm while minimizing risk for PFEC.

RESULTS
Since the project’s conclusion, Pennypack Farm and Education Center has expanded to a second site consisting of 44 acres. PFEC added additional CSA shares that generated new revenue for the farm, increased their educational programming, and expanded their on farm events.