**Is Wholesale Worth It?**

Wholesale can be a great market option for farmers who want to move a lot of product quickly. However, it does come with some costs: lower prices, more business management, and specific infrastructure - so is wholesale worth it?

**Wholesale Finances vs. Direct Sales**

Finances for wholesale markets are very different from direct sales. Consider the following if you’re thinking of adding a larger market - wholesale finances require:

* more formal business paperwork than doing direct sales
* **a set understanding of how much your product costs -** not just collecting cash based on sales but knowing how much cash you will be collecting beforehand

Because formal contracts can be involved in wholesale, the last thing you want is to sell your produce for less than it costs, so you need to know how much it costs to grow your crops.

**Five Steps to Consider Your Costs:**

**1:** How many hours you work a week on your farm?

* Pay yourself a wage or you’ll never be able to grow the business
* That may not be possible at first but keep track of those numbers **by crop** for when you are ready

**2:** How much money do you spend on labor and inputs?

**3:** Do the math - how much money do you make overall?

* Don’t forget – that includes balancing inputs, profits, labor, and your time (driving to and standing at market included)

**4:** how much do you make per crop?

**5:** how much do you make per market?

**Wholesale: The Good and the Less Good**

**(-)** Prices are lower

**(-)** Requires specific infrastructure

**(-)** Requires financial and legal planning

**(-)** More regulations in terms of food safety

**(+)**Regulations require you to do things you should already do to know if you’re making money

**(+)** Your food gets to more people

**(+)** Lets you focus more on production instead of marketing

**(+)** More consistent profits if you do it right

**(+/-)**Less time at markets = less $ spent paying someone to stay at market