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USA: Leading organic CSA farm goes bankrupt

by Dr John Paull



A leading US organic farm has gone bankrupt with debts of US\$10 million (€7.5 m.) and assets of perhaps less than US\$1 million (€0.75 m.). Grant Family Farms have farmed organically since 1974.

They were the first certified organic farm in the state of Colorado. Described as *“the nation’s largest Community-Supported Agriculture program”* by the *Denver Post*, the CSA side of the business, started in 2007 and with over 5300 members, contributed 25% of the farm income. The two thousand acre (809 hectares) farm still boasts on its website: *“We grow over 150 varieties of vegetables and 34 varieties of Heirloom Beans and Corn”*.

The company put their woes down to external factors: *“Ineligibility for crop insurance coupled with millions of dollars in damage from hail storms and drought - not to mention a massive spinach recall - has left the farm in a financial situation that it’s been unable to overcome. As a result, on Dec. 28, Grant Family Farms declared Chapter 7 bankruptcy”*.

That filing requires the enterprise to close forthwith and to liquidate its assets. Fifty employees were laid off in December 2012. The farm reportedly sold 6,000 hens, killed 5,000, and in January 2013 adopted out over 1000 hens to locals with a suggested “adoption fee” of US\$6 (€3.75) per hen. Owner Andrew Grant said he could not afford to feed the hens and he reportedly told the local newspaper, the *Coloradoan*: *“We dug a hole and we killed them and turned them into compost”*.

The enterprise has declared a list of 220 creditors. The finances of the farm have been shaky for some time. They filed for Chapter 11 bankruptcy in 2006, and again in 2007. Some trucks and tractors were reportedly repossessed in 2012. The position of Grant Family Farms now appears terminal.

Website: www.grantfarms.com

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