

Maple Business Benchmark

Program Overview

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What:

This project collects, analyzes and publishes economic information to support the maple sector. Sugarmakers and sap producers work directly with finance specialists to document and analyze their own financial performance. Financial information from all participants is combined to calculate relevant financial benchmarks and averages that describe the VT Maple industry. This information will be erased of any identifying information and then incorporated in publications that can be shared with a broader audience. At the same time, participating producers will have the opportunity to compare their own standardized information to the industry benchmarks in order to compare how they relate to other producers.

Why:

There has been a growing demand for maple-related business education and maple-related loan inquiries. There is a growing body of information describing maple production technology and operations like tapping practices, tubing, vacuum technology and reverse osmosis. Meanwhile, there is limited public information on the detailed finances of maple production. This comes at a time when the nature of the maple business model is also changing. Advances in sap collection and processing technology support operations with a higher number of taps and also a large initial investment. This creates a need for business plans and feasibility analysis that many farm business advisers are not trained for. There is also concern about the uncertainty of sap yields and market prices that will impact the ability to cover costs and loan repayment. There is a need for a comprehensive analysis of maple finances at the firm level as well as at the macro – sector level. A benchmarking project can support improved management at the individual level and also support overall sector analysis to evaluate risk and identify opportunities moving forward.

Target Participants: (goal of 20-25 producers)

Sugarmakers with approximately 2,500 taps or more

Sap-only producers with approximately 2,500 taps or more

Target Audience for Publications:

Existing producers wanting to evaluate their business performance and planning (*participating producers will receive customized reports)

Agricultural lenders seeking to approve credit on maple-related loans

Prospective maple producers working on business plans

Farm business advisers and educators working with maple producers

