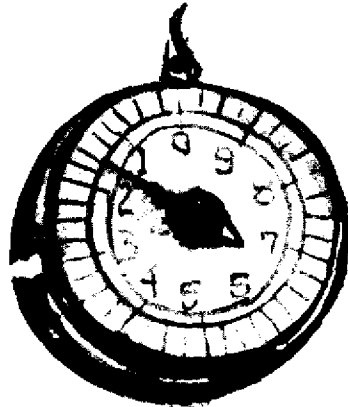


# How To Organize and Run A Successful Farmers' Market



**By Julia Freedgood**

# **How To Organize and Run**



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**March 1987**



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## **Preface**

This manual has been prepared for people who are thinking about starting a farmers' market in their community, and for people who are already managing markets. Because each market is as unique as each community, the manual identifies the types of questions you need to address at the various stages of market development. You must find your own solutions, but the text suggests ways for you to deal with questions and problems as they arise.

Planning the development of a farmers' market has two main parts: imaginative and systematic. Recognizing the need for flexibility and sensitivity to your own marketing environment, the manual does not provide you with a formula which must be adhered to every time in every place. Instead it is offered as a guide to stimulate your own creative process and help you consider ways to: meet farmer and consumer needs, anticipate and mediate conflicts, increase participation, and plan for diversity and growth. I hope it is useful to you in the many areas of farmers' market development, and that your market becomes a lively and profitable enterprise in your community!

Julia Freedgood

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## Part One

# How To Organize a Farmers' Market

## What Is a Farmers' Market?



Public markets are almost as old as history. Across the world, you will find flourishing marketplaces which are centuries old and vestiges of former ways of doing business. In the United States, these markets began to decline after World War II with the advent of the supermarket and convenience shopping. However, some cities still have their old markets, like the Pike's Place Market in Seattle, Washington, or the Soulard Market in St. Louis, Missouri.

In the 1970s and 1980s, cities and towns began to reestablish farmers' markets nationwide. A farmers' market is a place where farmers come together to sell produce directly to consumers, usually off the back of their trucks. Many markets include fish, meat, and dairy products, as well as fresh fruits and vegetables. Some include wholesale trade, allowing produce brokers to sell, while others are exclusively for local growers. There are markets which provide space for craftspeople, and some that operate like a flea market. In the United States, several well-established farmers' markets are fully or partially enclosed, but most are outside. Thus they are often called Open Air Markets.

Farmers' Markets, new or old, serve many functions. They are a place for business and trade while at the same time they foster social gathering and community activity. Their festive atmosphere provides a relaxing and even entertaining place to shop and meet with friends. Farmers' Markets are a direct marketing outlet. By cutting out middlemen, they offer farmers a more profitable way to sell their crops. They also give farmers and people in towns and cities a special way to get to know each other and learn about each others' needs.

Farmers' Markets provide a pleasant alternative to crowded supermarket shopping. Many of them are located so that they are more accessible than supermarkets to low-income communities. They provide urban consumers with high quality produce which, because of its freshness, is often more nutritious than produce sold at stores. Finally, farmers' markets can help bring activity into public spaces, often being used by city planners as a way to revitalize downtown areas, or to preserve the historic heritage of old buildings, public squares and parks.

In other words, farmers' markets are many things to many people. They help family farmers, preserve agriculture, provide high-quality fresh produce to consumers in towns and cities, and increase activity in downtown areas. Most important, they are fun!



If you are thinking about starting a farmers' market in your community, it helps to know why. You may take this for granted, but being able to express it will help you state your goals and *form a strategy which will work*. This is especially important if you are a group.

Are you a farmer who would like to expand your marketing opportunities? Are you a community group which feels a farmers' market would bring activity into your downtown area? Are you an urban consumer who would like more access to fresh, local produce?

Once you have thought about why you would like to start a farmers' market, you can *formulate your goals*. For example, do you want to provide more fresh produce to low-income people, or increase farm income by selling specialty vegetables at retail prices? Do you want to promote local agriculture or encourage community interaction? You may have several goals, and some may compete with each other. If they differ greatly it helps to list them in order of importance.

Once you have defined your own goals, *find out who else is interested in having a farmers' market in your community, too*. Can you find an organization to sponsor the market? If so, they may provide you with valuable resources like secretarial support or a Xerox machine. At this stage you only need a general sense that there is a need for the market. Soon you will have to answer the following questions in greater detail.

- *Is there a demand for a farmers' market?*
- *Who would be interested in shopping at it?*
- *Are there farmers in your area who need new outlets for their products?*
- *If so, what types of things would they like to sell?*
- *Are there people or organizations in your community who would like to help you start a farmers' market?*
- *What are your potential sources of funding?*

To answer these and many other questions which will arise, start planning the market well in advance of the *growing season*. Leave yourself several months for research and organizational development, and several more to secure a site, recruit farmers and promote your opening.

The next step is to contact the people who may want to work with you. Working with a group makes the planning and initial leg-work easier and more effective. Farmers, local businesses, banks, and special community groups are often important components of an organizing committee. Find people who really want to help. They will differ from market to market, and you will have to decide whom to involve and at what stage in the planning process. The following organizations can be very helpful:

- The Chamber of Commerce
- Conservation Commissions
- Grower Associations
- Planning Offices
- Neighborhood Centers
- Farmers' Markets organization in your state or region
- Cooperative Extension Service: county, state, or university offices
- State Government: Department of Agriculture, Division of Markets, Community or Economic Development Office
- Churches or Church Organizations
- Community Development Corporations
- Farm Bureau: state and county offices
- Garden Clubs, Horticultural Societies
- Senior Citizen Organizations

If there are any farmers' markets nearby, visit them or contact their members for advice and guidance. If not, it may be helpful to find out about farmers' markets further away and contact their organizers.

Now you are ready to call a meeting of all the interested people and groups. *Publicize it well; word of mouth is not enough!* Give plenty of notice of when and where the meeting will be held and hold it in an accessible and comfortable place. *Be prepared* and have someone take notes. The things you will need to accomplish in the first meeting are:

- Define the group's goals for the farmers' market
- Plan what tasks need to be done and by when
- Delegate tasks and set up a committee structure to make sure they get done
- Set a date for your next meeting and plan for later ones



## Site and Market Research

Two of the most important tasks to delegate at the first meeting are site and market research. These include identifying a good location, who your clientele will be, what their tastes are, and when they like to shop. Once you know about their preferences, you will have to make sure that you can find farmers with the necessary mix of products to accommodate demand.

You can find out about the people living in your community by looking at census data in the library. To find out about produce sales, read trade association

journals, marketing reports, or business census data. Contact your department of agriculture or county extension office for details on local sales and availability of produce.

## Surveys

The best way to get accurate, detailed information is to survey. You can survey by going door to door or store to store, or by using the telephone or mailing questionnaires. You will get a higher response rate with personal contact, but it is more time consuming. If you mail surveys, more people will respond. If you give them a deadline include self-addressed, stamped envelopes (SASEs) for them to return. Design your questions so that they are unbiased and give you enough information to determine the feasibility of starting a market. See if you can get help from Cooperative Extension or another agency if you decide to pursue this route.

Whether you decide to survey or to research secondary sources, you will want to find out about peoples' needs, consumers' ability to pay and producers' to supply, and whether or not you can reach both groups. *Find out:*

### **Demand: What is the demand for local produce in your community?**

- Is there a farmers' market nearby? If so, how many farmers are selling there?
- How many people shop there? What sorts of things are available for sale?
- How many days a week is it open? What are the average daily revenues?
- Is it profitable for the farmers? Is it popular with consumers?
- If not, has there ever been a farmers' market in your area?
- If so, why is it no longer operating? Will similar reasons affect a new market?
- Are there other direct marketing outlets for local produce?
- What is their volume of sales?

### **And:**

- Who will your consumers be? What are their nationalities/ethnicities?
- What are their income levels? What are their age groups (families, elderly, students)?
- What would they like to buy at a farmers' market?
- When do they like to shop? What days? What times?
- How frequently would they use a farmers' market?

### **Competition:**

- How many supermarkets and grocery stores are nearby?
- Have any grocery stores recently closed in the area? If so, why?
- Do any local stores carry local produce? If so, how close by?
- How much volume do they do? What is their reaction to a proposed farmers' market?

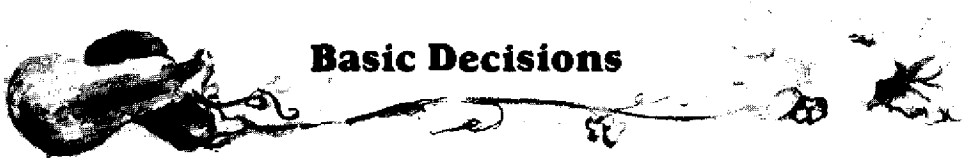
### **Supply:**

- Are local farmers already selling in farmers' markets?
- If so, are they pleased with the experience?
- If not, would they be willing to try a farmers' market?
- Are they looking for more direct marketing outlets?
- How much money do they want to make each day? What crops do they grow?
- How far would they be willing to travel? When are their products available?

Based on this information, begin to consider where to locate. Where will you accommodate the highest level of demand and be accessible to both consumers and



farmers coming in with trucks? Is your ideal location likely to be available? Check the zoning bylaws for your community to see if any ordinances apply to open-air markets.



## Basic Decisions

Once you have completed your market research and found support for your potential farmers' market, it is time to start making decisions. You must secure a site, choose days and times to operate, and draw up guidelines on what to offer for sale. Approach your community service agencies: public works, health, police, and fire departments. When you talk to them, go out of your way to be polite. Let them know your plans. Find out their opinions. Their support will be very useful as time goes on.

Choosing a location is very important. After you have determined the zoning laws and where it is legal for you to operate, there are several things to consider about site selection. They are listed here as "Top Priorities" and "Other Considerations." Of course, you may have more.

### Site Selection

#### Top priorities:

- **Visibility.** Can people see the farmers' market from a distance?
- **Customer accessibility.** Is the market easy for customers to get to, and to get in and out of?
- **Parking.** Is there plenty of parking nearby?
- **Farmer and truck accessibility.** Is there enough space for trucks to get in and out, turn around and park, and for farmers to set up their displays? Can the pavement support trucks?
- **Blend with community infrastructure.** Will local traffic patterns accommodate the flow of traffic in and out of the farmers' market? Are police and fire routes clear?

Is the site accessible to handicapped people? Will the market blend in with the community?

#### Other considerations:

- **Centralized location.** Is there activity or potential for activity around the market site?
- **Public transportation.** Are there bus or train stops near?
- **Highway access.** Is it easy for farmers to get to?
- **Bathrooms and telephones.** Are there public facilities?
- **Running water.** Is water available to wash and cool produce?
- **Shade/shelter.** Is there any protection from the weather?
- **Cost.** Is it expensive to use the space?
- **Ownership.** Who owns the space?

Often you can find a location where you do not have to pay rent. For open air markets, the town common, public squares, parking lots, vacant lots, or side streets

are often excellent sites. Since visibility and accessibility are top priorities in choosing a location, weigh the advantages of a free site with perhaps a better one which might cost something. For example, parking lots work well. Churches and schools sometimes make their lots available free of charge on Saturdays, but may be out of the way. On the other hand, many municipal lots are in central locations but have meters. They may require the market to pay for the time it is in operation. Having good relations with town or city authorities may help in having such fees waived. If not, paying moderate rates for a well-located public lot may be worth the exposure it will provide.

## **What to Offer for Sale**

Individual farmers' markets make rules about what is allowed to be sold based on their philosophies, goals, and the needs of their farmers and consumers. Strict markets may only allow farmers to sell their own crops, or only accept produce picked within 24 hours of sale. Others permit cooperative sales arrangements between farmers. Most farmers' markets allow the sale of farm-processed goods, such as cider, honey, or preserves. In some, farmers sell homemade goods from products not grown on the farm. For example, one vendor in New York City's Greenmarket sells lentil soup. There are public markets which allow wholesale brokers to set up stalls, thereby allowing the sale of imported produce, and there are markets which offer space to local arts and crafts.

All told, it is your decision. Think about it carefully so that you will serve the farmers, the market and the community as a whole. Make sure your rules are clear and consistent with your goals. Then follow them.

## **When to Operate**

The results of your market research should help you decide which days of the week you want to operate and at what times. If there are few farmers' markets in your area, Saturdays are usually popular for shopping and community activities. If farmers are already busy selling on Saturdays, choosing a day in the middle of the week may be better.

Your market research will also help you decide what time of day to operate. The location you choose may have an impact on when you plan to open and close. For example, if you are in a business district, open in the afternoon so people can stop and shop on their way home from work. If you are in a residential neighborhood with a large elderly population, open in the morning. Also keep in mind the needs of the farmers supplying the market. How far do they have to drive to get there? Will they be picking produce in the morning or the night before? When is highway traffic heavy?

Before you decide how many months you want to operate, think about what products will be offered for sale, when they will be available and for how long. Find out the length of the growing season in your region. In New England where the season is short, it is wise to wait until July to open a new farmers' market. Then there is plenty of produce available so you will be able to offer an appealing mix of fruits, vegetables, flowers and any other products you think would fit in. When your market is well established, open earlier in the season. If you are starting a farmers' market in a state with a warm climate, there will be greater variety early, then open in the spring. In time, you can educate your customers to the seasonal limits of local production wherever you are. Just be careful not to disappoint them on opening day!

## Part Two

# How To Run a Farmers' Market

## Farmers' Market Organization



### Bylaws

Bylaws spell out a formal process of how an organization will be run. They state the purpose of the association, where it is located, when the business operates, and who the officers and directors are. Bylaws also describe the basis for decision making, covering issues such as:

- Membership
- Meetings, elections and amendments
- Dues and liquidation
- How fees will be determined
- The role and duties of officers and directors

### Board of Directors

Typically, the Board of Directors is composed of a President, Vice President, Treasurer, Secretary, and several directors. They are the organization's leadership: setting policy, making rules, governing finances, and hiring or firing staff. Usually both the President and Treasurer have signatory power on checks.

An effective Board of Directors for a farmers' market may be composed of many types of people. In general, try to elect a diversified group to represent the various interests involved. Include farmers, local business people, community officials, sponsors, and consumers. Having people with legal knowledge and solid business, marketing, or fund-raising experience can be very useful.

Three important duties of the Board of Directors are forming a budget, setting fees and hiring a Market Master. They are covered here briefly.

### Budget

The Board of Directors governs the financial status of the organization. It must come up with a budget and a plan for annual business operation. The budget should include all likely expenses: rent for the site, insurance, permits, membership in any related organizations, promotion, security and staff salary. Find your break-even point and abide by it. Detailed financial planning will increase your chances for success. Include monthly cash flow projections to give you a realistic picture of how much

revenue you will need to cover costs. Plan for the next three years so you can account for growth.

## Fees

The Board of Directors also sets the fees. This is not as simple as it may seem. Fees should be based on profitability and reflect the true costs of operating the farmers' market. As a rule, they tend to be higher in affluent suburbs or city business districts, and lower in small towns or low-income neighborhoods. Sometimes markets charge different fees for different-sized farms or trucks. Some markets charge an annual rate to cover specific costs like security or promotion, as well as daily selling fees. If there are other farmers' markets in your area, find out what they charge.

Higher or lower fees have different effects. If the market association wants to encourage small part-time farmers and gardeners, it will set lower fees than a group that wants to attract large commercial farmers. Fees also determine whether or not a market manager may be hired, how much advertising will be done, and if the association can afford to pay to improve or even use a site.

If you can obtain outside funding you may reduce the fees you charge. With or without sponsorship, do not be shy about setting reasonable fees. You must cover your costs, and what you invest in the market will have a direct impact on its profitability. Farmers will benefit more if they pay \$10/day for a well-managed and well-promoted market where they can gross \$1000, than if they pay \$1/day in a poorly run market where they only gross \$100. You may have to convince them, but farmers understand the bottom line and appreciate good management and promotion. Show them it is worth it to pay higher fees because the fees will be used to bring them higher profits.

## The Market Master

The Board of Directors decides about employing staff. Many markets appoint a farmer to collect fees and supervise on market day. However, a volunteer is unlikely to be aggressive about recruiting more farmers or promoting to consumers. Have your board consider hiring someone with outreach and organizational skills.

A Market Master usually is in charge of day-to-day operations and short-term planning. If you can raise the money, hire someone experienced and professional, even on a part-time basis. At the least, look for someone who is committed to the idea of a farmers' market. The Market Master will have many responsibilities and it will help if they have community contacts, especially with the press. Finally, look for a Market Master who will be sensitive to the needs of the growers and to the community the farmers' market serves.

The Board of Directors will write the job description and decide what role they want the Market Master to play. Some of the usual duties include:

- Redeem food stamps
- Recruit farmers
- Promote the market
- Collect fees
- Obtain permits and insurance
- Go to necessary public meetings and hearings
- Attract feature stories in the local press
- Carry out the directives of the Board of Directors

Additionally, if cars need to be cleared out of the parking lot, the Market Master calls the tow truck. If there are disputes on market day, the Market Master settles the conflict. If there are complaints about too little variety of produce, high prices, or

price fixing, the Market Master is responsible for answering them. Once you have written the appropriate job description for your farmers' market, look for someone who can fulfill it.

Market Masters can make a big difference in assuring the success of a farmers' market. They cannot replace the role of the Board of Directors, though. The two must work together to provide cohesive leadership to the market as a whole.



Now that you have answered the questions of what, why, where, when and who, you can ask about how. To begin with, find out about permits, insurance, incorporation and food stamps. This section will touch on those issues and point you toward other sources of information which will be more specific to your town or city.

## **Permits**

The need for permits will vary from place to place. Check with your Chamber of Commerce, planning office, and other relevant community services to find out what permits you need. You may have to attend a public hearing to get a special permit for outdoor sales. You may also need unofficial permits. Here good community relations can result in special favors. A supportive fire department may permit you to block a hydrant for a few hours on market day, or the police may waive parking regulations.

In most states, farmers are allowed to sell home grown fruits and vegetables without a license. Purchasing products for resale often requires a Hawkers license. Processed foods usually require a special permit from the Health Department. Meat must be federally inspected and stamped to be sold. If you have questions about the regulations, contact your local Board of Health.

To use scales, they must be tested and sealed. Contact the Bureau of Standards to find out who will test the scales, how often inspections are made, and what the fees are. If a scale is tested in one town, but is also used in other towns, it must only be tested and sealed once.

## **Liability**

Find out whether you are required to have insurance to operate on the site you have chosen. Even if not, in these days of runaway claims it is wise to review basic liability policies. Who will be liable if an umbrella falls off its stand and hits somebody, or a banner collapses on a passing car? Will your market be able to pay the damages?

Few suits have been filed against farmers' markets, but it is increasingly difficult to obtain insurance coverage. Outdoor, public activities are seen by insurance companies as being risky. Research the matter to find out who will cover you, what they will cover, if they have any special requirements, and how much it will cost. Some companies require you to incorporate to receive coverage.

## **Incorporation**

Insurance coverage is not the only reason to incorporate. Incorporating also relieves the directors of the farmers' market from legal and financial liability for the market as a whole. Some cities require incorporation to conduct business publicly.

Before you decide on incorporating, contact your Secretary of State's office. Have them send you basic information on types of corporate status, fees, taxes, laws, Articles of Incorporation and Bylaws. You may want to consult a lawyer. If you are worried about the cost of legal fees, see if you can find a supportive attorney who would be willing to donate a few hours of time to help you. Because paper work and waiting are involved, leave plenty of time to file the appropriate papers before your market opens.

Most farmers' markets are loose associations and may not need to incorporate. Often a strong marketing committee is a perfectly adequate governing body, as long as it follows a predetermined decision-making process, and sets down clear objectives and rules. If you have doubts, remember it is better to incorporate before an issue of liability comes up than after! In considering the issue of incorporation, there are questions to be answered:

- What type of association do you want to form?
- Will incorporating make a difference?
- Do you have legal or insurance reasons for incorporating?
- Do you want for profit, nonprofit or cooperative status?
- How much will it cost to file for each type of status?
- If you operate on a for profit basis, what will your minimum taxes be?
- What other costs are involved?

States levy a minimum tax on for-profit corporations even if no profits are made. Tax exempt status is cheaper to obtain and register for than profit status and most nonprofits are eligible to receive tax-deductible donations. Many farmers' markets operate on a nonprofit basis anyway since they are set up to serve consumers, farmers, and communities rather than themselves. Therefore, filing for nonprofit status may be more practical and economical for you.

Nonprofit organizations are usually set up for religious, educational or community purposes. However, you do not have to incorporate to obtain tax-exempt status. Read the materials from your Secretary of State's office carefully so you know how to file.

If a group of farmers is planning to be the primary legal entity involved in managing the market, you may want to consider incorporating as an agricultural cooperative. Farmer cooperatives offer many advantages to growers, but must be controlled by farmers. Marketing cooperatives can be set up on a profit or nonprofit basis. They may offer farmers education, services, storage, processing and of course, marketing of farm products.

**For more information about agricultural cooperatives, write to:**

United States Department of Agriculture  
Agricultural Cooperative Service  
Washington, D.C. 20250

## **Food Stamps**

Food stamps are used by low-income people to buy food. Without much effort, you can acquire a retail redemption license to accept food stamps. Although there is some wait time involved with reimbursement, accepting food stamps can draw more people into your market, increase sales, and be useful in promotions. Especially if your market is serving a low-income population, consider applying for the license.

There are regulations involved with food stamp transactions. Some of the most important ones are:

- Food stamps may only be used to buy food or seeds with which to grow food. They cannot be used to buy flowers.
- Food stamps are used like cash. Food bought with coupons must be sold at the same price as if payment were in cash.
- The food stamp user cannot exchange stamps for dollars, although change of less than a dollar may be given in cents.
- Food stamp coupons are held in books. The books must have the same serial numbers that appear on the coupons.

If you choose to redeem food stamps, find out which local banks accept them. Decide whether the market will apply for the license, or whether farmers will be encouraged to do so on an individual basis. If the farmers' market applies, you will have to demonstrate that you are a legitimate organization which will uphold the food stamp regulations. If you have incorporated, this will be very easy to do. If not, emphasize the purpose of a farmers' market and that it is a viable commercial entity.

To apply for the retail redemption license, contact your nearest United States Department of Agriculture, Food and Nutrition Service (USDA, FNS). Ask for a retailer's application form to authorize your participation in the program. You will receive an informational brochure with the application. Be sure to read the pamphlet carefully.

## **Market Management**



There are many aspects of market management which will have to be attended to. Your Board of Directors may hire staff, distribute tasks among themselves and

find volunteers to accomplish them. To keep things simple, let us assume that you have decided to hire a Market Master.

The primary things for the Market Master to attend to are: recruiting farmers, promotion and advertising, and day-to-day operation. Daily operation includes pricing, space allocation, and if your market is purely a retail market for fresh, local farm products, that only those are sold. Since disputes are likely to arise, set up an independent appeals committee before the market opens. This committee could be composed of vendors, directors, and the Market Master.

## **Recruiting Farmers**

To have a farmers' market you have to have farmers. If no farmers are already in your midst, notify them several months before opening day. Farmers plan their markets when they order seeds. For best results, contact them then.

Your market research should have helped you identify potential vendors. Get in touch with them and find out if they will come. If you are having trouble locating farmers, contact your state or county Cooperative Extension Service, Farm Bureau, or Department of Agriculture. These agencies usually have newsletters. Ask them to put in a "call for farmers." Other grower associations in your state should also be willing to help you identify appropriate farmers to contact. If you have a farmers' market organization, work with them.

Getting in touch with agricultural groups and advertising through newsletters are effective ways to encourage growers to participate in your market. However, the best way is personal contact with the farmers themselves. Find out names of likely vendors and call them up. If there are other farmers' markets, talk to the farmers there. If not, visit local roadside stands or Pick-Your-Own operations and talk with them at home. Perhaps they would like to try a new direct market. Word of mouth is the best publicity; start a chain reaction!

Consumers like markets which offer variety; they like to have plenty to choose from. Therefore, try to set it up so that you have a core nucleus of at least three farmers who can supply adequate diversity from the outset, as well as other farmers with smaller supplies. Try to make sure your market is competitive from the start. This will prevent territorial problems in years to come.

## **Pricing**

There are two main issues to consider with pricing: making sure it is adequate for farmers to make a profit, and making sure it is fair. Fairness is something the Market Master can monitor. Profitability is more difficult. Even if farmers think they are covering costs, make sure they evaluate all their expenses and price accordingly.

Some farmers use the four-time multiple rule to arrive at their prices. Using this formula,  $\frac{1}{4}$  of the price covers production costs;  $\frac{1}{4}$  packaging and transportation;  $\frac{1}{4}$  selling and advertising, including hiring extra help on market day, giving away free samples, and waste; and the final  $\frac{1}{4}$  is profit. Because of the laws of the competitive market, farmers may not be able to apply this rule to *each product* they sell. For example, if there is a glut of sweet corn, the price will naturally fall. However, farmers should follow this rule in principle, using value-adding techniques and creative marketing so the formula applies to the *load* they bring to market, if not each product sold.

Pricing is often a sticky area and there is no easy solution to it. The Market



Master should make sure the growers are informed of weekly wholesale market prices and local retail prices. Some state departments of agriculture publish weekly price reports. With this information, farmers have a fair sense of what the market will bear. One way to avoid problems over pricing is to make a rule that all prices must be clearly displayed. The Market Master should enforce this rule. Customers prefer to know how much things cost, and farmers will be less suspicious of each other if prices are posted.

Let the appeals committee review cases as disputes arise. The Market Master will find it easier to enforce rules if the committee is active.

## **Space Allocation**

Another potentially troublesome area is space allocation. Set policies and rules determining who gets which space when before the market opens. You may allocate on a first come, first served basis, drawing straws, or on a seasonal, monthly, or daily fee basis. Whatever rules you make, adhere to them strictly. If problems still arise, let the appeals committee handle them.

## **Quality, Home Grown Products**

One more area where disputes can arise is over quality and whether or not all farmers at the market are selling their own crops. In most farmers' markets the rule is that farmers may only sell their own and sometimes their neighbors' products. The issue is most troublesome if farmers are buying fruits and vegetables from a wholesale market terminal and presenting them as locally grown.

Why is this a problem? In the first place, shoppers at farmers' markets like to know where their food is coming from. They trust their contact with the farmers. Because of the personal interaction, the producer is more accountable to the consumer. Many people shop at farmers' markets because the produce is picked so close to the time it is sold. Thus, it is fresher, tastes better, last longer and may be more nutritious than produce sold at stores. To preserve the integrity of the market and the reputation of the other growers selling, it is important that all the farmers follow the rules. Furthermore, since licenses are usually required to resell purchased products, neglecting to obtain the proper permits is breaking the law.

How does a Market Master recognize a problem? Usually other farmers will complain. Certainly a knowledgeable Market Master has an advantage over someone unfamiliar with production agriculture. Keep a close watch on when crops are available locally. If a farmer brings in tomatoes three weeks before they are ripe on the vine, find out if they have been grown in a greenhouse. If so, you might ask to have that information posted on a sign. If not, the tomatoes were probably purchased from out of state.

What can you do about it? In the first place, make sure your rules are very specific about what is allowed. If cooperative arrangements are permissible, have the growers sign a formal agreement indicating the nature of their relationship. If a farmer is suspected of breaking the rules, bring the dispute to the appeals committee. You may want to institute a system where the farmer is first given a warning. If the problem persists, after three warnings the farmer is no longer allowed to sell. If reselling is allowed in your market, have the vendor display a sign indicating that products have

been purchased, from where and from whom. Also, be sure that any necessary permits have been obtained. Truth in advertising must be the rule.

## **Promotion and Advertising**

There are many ways to attract people to your market. Some of them are free, others are expensive. You will have to gauge your budget for publicity based on the parameters of your total budget. Although promotion is very important, it can be done effectively at a fairly low cost. It is especially helpful to have access to reduced rate Xeroxing or to have a volunteer with graphics skills help you out.

Often the best advertising is free advertising. A feature story in your local newspaper will be far more effective than ads. Television coverage attracts a lot of attention. However, you must seek this type of publicity out. You will only get news coverage if there is a news story. Think of creative ways to interest the press. You might want to plan a gala Grand Opening celebration and invite the mayor. If you invite the media, make sure there will be plenty of activity when they come. If you are not certain you will have a large turn out of farmers and shoppers on your first market day, plan such an event for the second or third market. Finally, you may want to try Public Service Announcements on local television or radio stations. PSAs are free and can reach large audiences.

Since you cannot count on free press coverage, there are other inexpensive ways to promote your market. For example, if your local newspaper has a community calendar, put a notice in of opening day. Posters, fliers, balloons and bumper stickers are also effective.

There are more expensive techniques which you may want to invest in. Bright, colorful banners call attention to the marketplace. People often notice a farmers' market for the first time when they see a banner. Many markets use more than one so they can be displayed at several key visual locations to draw consumers in. Sandwich boards also work. You may want to use a combination of both, depending upon your budget, access routes to the site, and where you are allowed to put up banners and signs. Find out about zoning ordinances and if you need insurance to hang a banner.

Newspaper ads are frequently used to publicize markets. If you choose to advertise this way, remember it is most effective when done consistently. Placing weekly ads may be expensive, so choose a paper with circulation to your target consumer groups.

Communications research has shown that the more times people hear or see a message, the more effective it will be. Find the least cost methods to reinforce the idea that your farmers' market is the community place to be! Well-designed and cheerful posters and banners conjure up the image of your market in an unforgettable way. Consistent newspaper ads remind people that the market is happening and when. Feature stories and press coverage of special newsworthy events reach large audiences. Finally, offering coupons or two-for-one specials, or sponsoring promotional activities like apple dunking or pumpkin carving contests may also draw new crowds into your market.

In all of this, what is most important is to think ahead, draw up a budget, plan a publicity campaign which is varied in approach but consistently attended to, and foster contacts among the media, community organizations, local businesses and the whole array of potentially supportive people who can help you get the word out. And remember, you do not need Madison Avenue to get your message across!

## How to Sell at a Farmers' Market



An attractive farmers' market is its own promotion. If the displays are well laid out and colorful, the farmers dressed and clean, and the scene is generally appealing, the market plays a role in advertising itself.

So, too, the farmers must sell themselves. Although working in the fields is not a clean business, a farmer can look like a farmer and still maintain a neat appearance. Wear shirts and shoes and wash up before going to market.

Attitude is an important part of appearance and has a significant impact on sales. Enjoy your customers and be cheerful and courteous. Know your produce. When customers ask you questions about *different varieties, or how a crop was grown*, be able to answer them. Pay special attention to children and the elderly. Try giving away free samples or leftover produce at the end of the day. Generosity will not cost you much and encourages people to buy from you.

Displays are a very important part of appealing to customers. Raise them off the ground! Raising displays will make your produce more visible and protect it from street dirt and stray dogs. Arrange displays so they are bright and colorful, maybe using a lively cloth or plants and flowers to catch the eye of a passing shopper. Only sell clean produce in neat containers which will not splinter. And finally, only sell high quality products, remove any that are damaged, and keep displays full, fresh, and attractive.

You do not need elaborate equipment to sell at a farmers' market, but some things come in handy. A display stand will be very useful, even if you are selling off the back of your truck. A fold-up card table, raised wooden boxes or plywood over saw horses would all be fine. Provide shelter for your produce to protect it from both sun and rain. Beach umbrellas or canopies add distinction to your display, but any moveable structure about seven feet high will do. Have a neatly lettered sign identifying you and your farm so people will remember you. Post your prices and other important information legibly. Bring along cardboard and waterproof magic markers for making signs.

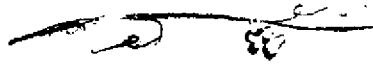
If you sell produce by the pound, you will need a certified scale to weigh with. Local inspectors will come around, so be sure the scale is tested and sealed. Selling by the count is often faster than weighing, so a scale is not necessary. If you do not use one, be prepared to explain your pricing to customers.

Finally, bring a cash box and keep it out of sight. Vendors may want to wear aprons with pockets for storing change. Start the day with about \$25 in small bills and coins.

As time goes on, your customers will get to know your display. You should go to the market frequently enough for them to get to know you, too. If you hire people

to sell for you, send the same ones to market each time and be sure they are informed, quality conscious and friendly. Pay your labor fairly; there are minimum wage laws.

Finally, keep a steady presence at the farmers' market. Always bring something to sell, from the beginning of the season to the end. If you need to, add value or find a new way to extend your product's season. Supermarkets never give up shelf space and neither should you. Remember, it takes time to develop a market which will work for you. Have confidence in your products, be inventive and allow several visits to the market to establish your reputation.



## Farmers' Market Rules Checklist

The rules for a farmers' market reflect the needs of each market. This checklist outlines the basic categories of rules commonly in place at farmers' markets. As you make your own, think about whether you need to determine criteria for the following:

- Who may sell in the market?
- What products may be sold?
- Hours and days of operation.
- Assignment of space.
- Fees and basis for fees.
- Duties of the Market Master.
- Quality control.
- Price fixing, and pricing generally.
- Health and safety for vendors and customers.
- Use of equipment, displays, and scales.
- Use of signs and promotion.
- Loitering and disorderly conduct on the premises.
- Parking.

## Sample Seller Registration Form

Often using seller registration forms helps a market operate more efficiently. These forms can be quite simple:

Vehicle(s) Number(s): \_\_\_\_\_ Fee Charged: \$ \_\_\_\_\_

Assigned Stall Number: \_\_\_\_\_ Other Charges: \$ \_\_\_\_\_

Name of Vendor: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_ Phone: \_\_\_\_\_

## **Final Word**

Just as it takes time for a farmer to get established in a farmers' market, it takes time for a market to become known in a community. Be patient. If you manage your market, advertise well, and your farmers bring in a varied assortment of quality products, in time you will become a valued institution in your city or town. Do not forget to use the many resources available to you and to ask for help when you need it. You will work hard in the beginning, but it should be enjoyable and you will be well rewarded! Have fun. And Good Luck!



