

So, You Want to Start a Farmers' Market...

Consumers today are expressing renewed interest in buying food directly from the farmer or grower. At one time, farmers' markets flourished. Over the years, with improved transportation, improved storage facilities, and modern mass merchandising, local farmers' markets slowly disappeared. Times change. The increasing price of gasoline and other transportation costs, partnered with the consumers' new awareness of the importance of fresh vegetables and fruit in the diet are creating new opportunities for marketing local produce through farmers' markets. You don't realize just what you are missing until you can finally purchase local strawberries. These bright red small gems are sold in the age old balsam quarts they have for generations. The taste is one of sweetness and the earthy flavor from which they were picked. Then you truly know why people buy local from farmers' markets.

The Market Itself

A market can be held at a fairground, a shopping center parking lot, or a vacant lot in a busy district of town. There is no standard or limits for a market. One rule is to make sure your area for the market allows plenty of room for the farmers and others to set up, and has easy access parking for customers. The market needs to be somewhere it can draw customers from all economic backgrounds, be accessible and prosperous enough to attract farmers.

Establishing a Farmers' Market

The community is crying out for fresh local produce and the local Chamber of Commerce, or similar entity is thinking of establishing a farmers market. There are many elements to consider. Organizers can improve the viability of their proposed market by doing things right from the start including determining product mix, recruiting farmers, doing a feasibility study on need and placement, exploring sponsorship, checking out locations and market facilities. By spending significant time and money on this level of planning, you will have a successful self-sustaining market earlier than expected, and will improve the market's long-term chances for success. This process is not easy but a long journey to become a successful market.

Starting Out

A major advantage of the farmers' market is that it provides an effective marketing system for the producer or farmer. The producers are often part-time, retired, or hobby gardeners looking to supplement their incomes. The farmers market allows an opportunity for a "mix" of vendors operating side by side in the market. Consumers benefit by receiving fresh, high quality products and the opportunity to directly interact with the producer. Many people look forward to market day and the interactions at the farmers market. There is an advantage to the community when customers are brought to

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the business district, taxes and fees add to the local business income, and a feeling of community activity results. Chamber of Commerce and economic development officers recognize the enhancement to the community that such business activity provides.

Some of the issues that may arise:

1. The location for the market is often in a public parking area, which may interfere with other businesses in the area.
2. Some existing businesses may resent the competition.
3. Leadership to start and continue a market may be lacking.
4. Varying opinions among participants may interfere with continued operation of the market.

Markets are successful when there is cooperation, involvement and communication among three essential groups: the community, the producers or farmers and the customers.

Vendors or Sellers

For a market to be successful you need to have some vendors or sellers. In general, the more vendors that participate, the more appeal the market has and the more customers will come to the market. It is important for vendors to realize that others are not necessarily their competition, but are necessary for the market to be successful. When establishing a market, there needs to be an initial list or organizational meeting of the vendors to discuss operation of the market. Some markets can be successful with three to five vendors, but most vendors believe that ten or more make for a more successful market. A rule of thumb that some markets have followed is that one vendor can be supported by 800 residents, so a community of 2,000 could support a farmers market with about three vendors. However, a successful farmers market will attract customers from a larger trade area so it is difficult to predict how many vendors could be supported in any given area. Initial publicity should attempt to identify all possible vendors that may want to participate. A press release in area papers will determine level of interest from customers, vendors, and if the market will be around for the entire growing season.

Location and Facilities

A market location that is visible, accessible, with room for expansion should be considered. Space that is leased or rented will require a fee charged to the vendors. For that reason, most markets begin in "free" space such as a vacant lot, a public parking area, a town square, a church or a community center, or a vacant private parking area. Community officials can allow the use of public areas and can determine any local ordinances that may prevent market operation. The possibility of using privately owned

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land could be explored with the owner. Insurance or zoning regulations may prevent use of such space for a market.

Market customers appreciate easy access to, and adequate space for, nearby parking. This should include a safe entry with good visibility of the parking area. The size of the market and the number of vendors will determine the size of the parking area. The parking area should be distinguished from the selling area and cars restricted from the area where the vendors are located. Temporary barricades or traffic cones can be used to separate these areas.

Vendor space in the market will dictate how much display area the vendors have. Many vendors will put their vehicles in the space and sell off the back. Other vendors will display merchandise in their space for more visual appeal. If your market area spaces are not able to hold mini-vans or trucks, you may want to have all vendors keep their vehicles off the market for continuity.

The decision on where individual vendors are located in the selling area can be determined by the market manager, or committee, on the basis of presenting an attractive mix of products throughout the market. Many markets ask for entire season commitments from vendors. The vendors that commit for the entire season at the market are usually called Permanent or Yearly Vendors and are usually give a particular space for the entire season. Some markets operate on a first-come basis to get a market space for the day. This land grab idea is not the best. Assigning spaces on a permanent basis first, and then filling in with those that come in with specialty crops help the market customers find the vendors they purchase from all the time, thus building customer loyalty. Also, yearly vendors who have permanent spaces will come in early and set up before the others, eliminating some of the traffic problems associated with setting up for market day. Along these same lines is the issue of a stall limit. It is human nature to take as many stalls as possible to make a great display; that displaces others, so management and the advisory committee need to include in the rules and regulations how many stalls each vendor can use. While the market is just starting, it may prove a good thing to let vendors have and pay for as many as they want to make the market look full. However, when you have only a specific number of stalls and vendors, you need to address this issue before everyone sets up on market day. Check with other markets to see what their policy entails.

Most markets do not provide any equipment for selling products. The vendors are expected to provide their own tables, racks, and shelter covers, bags, baskets and trash containers. Some markets provide a cart for transporting heavy items that can be shared by all. Many markets address trash and garbage in their rules and regulations. Most markets ask vendors to take their own trash home, and to keep their area at the market clean of debris. If they give out samples they are asked to put out a trash container to collect refuse. Other items such as water and electricity need to be addressed. Greenhouse vendors selling bedding plants, perennials and greenhouse stock will need to be informed about access to water to care for their plants when at the market. It is

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essential that you find portable toilets and sinks for your market and discuss their location with those that own your market space.

Operating a Farmers Market

Details of market operations should be prepared well in advance of the start of the market and made available to any potential vendors so the rules and regulations are well understood before the opening of the market. It is usually best if these can be summarized in written form. A local advisory group or organization of vendors should review the rules of operation and make modifications as necessary. The following topics should be addressed in the rules of market operation.

Management and Leadership

It is a good policy to have a manager to oversee operations. Some have an advisory committee and the chairperson looks after the market. It is best to hire someone who is not a vendor or related to a vendor at the market. This will prevent conflict of interest. This new manager should be given direction by the governing board or committee and be well versed in the rules and regulations of the market. The manager will be the arbitrator for problems and disputes that will come up during the season. Vendors should all have a chance to meet the new manager and be able to ask questions about procedures, and rules and regulations at an informal meeting before the market season starts. Communication is very important to all at the market. Management should consider a monthly newsletter for customers and one for vendors. A publication such as this can address problems and concerns and management's decision about such items in a generalized way so that specific parties would not be singled out. Also, such publications can let vendors know of advertising, special events, or community events that might influence an upcoming market day.

Hours of Operation

Hours of operation should be agreeable to vendors, local businesses and customers. Look over what your vendors will be bringing to the market and start your market when a good supply of produce can be assured. Also, plan a duration for the market. Most roadside stands start in July and go through Halloween. Your market may have a few greenhouses with flowers and plants and wish to start in early May. Some farmers may grow a large amount of late fall produce, and you may have an orchard or two at the market so you may decide to close after Christmas. Most markets operate on Saturday mornings, but other weekdays can be used. Check on surrounding markets to see what their market day consists of to eliminate conflict in times. Some newer markets have been successful with a weekday evening when businesses may be open. It is best to start on a once per week basis and expand days of operation later.

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Products

Generally, products will consist of fresh fruits and vegetables. There may be eggs, honey, cut flower bouquets, plants, baked goods, arts and crafts, and maybe even a few bought items. Some markets limit sales to only homegrown items, and no shipped in produce is allowed. This means no bananas, oranges or pineapples, or other items that are not in season in Ohio. Some markets allow vendors to buy from others since most farmers do not grow everything. Check with your local health department on their rules for selling eggs, honey, maple syrup, and baked goods. Do the vendors need licenses, special temporary permits, or refrigeration? Do the health department come down for inspection? It is important to find out all this information before the vendors start selling. The manager also will know the rules and be able to arbitrate between local health departments and vendors in areas of concern. If only homegrown local produce is allowed, all vendors must be told. Management must decide on consequences if they do bring non-Ohio items on the market. Check with local authorities on "cottage industry" items such as jams, jellies, and dilled products. Know the rules, and it will be easier for you to enforce them, or where to go to get licenses to sell those at the market. You may also want to check rules in regards to a vendor who may want to sell coffee, iced tea, or bottled drinks, and ready to eat foods. The appeal of the market is greatest when the displays are full of local produce.

Containers, weights and measures

Most farmers will bring their own boxes, bags and bins with them. Some farmers bring a hanging scale for items that need to be weighed. But many sell by the basket, quart or pint. The state of Ohio monitors scales. You see the stickers on the scales in the grocery stores; likewise those using a hanging scale at the market are also under Weights and Measures rules. You might want to do your own testing and certifying by taking a standard one pound bag of beans around to all hanging scales and make sure the vendor scale is calibrated for that amount. You could use stickers on the scales to show they have been checked. Otherwise, you might suggest to your vendors that they sell by the quart, basket, bag or piece, and forego the scales all together.

Stall fees

There is always a cost of doing business. Even a market has the expenses of a manager, insurance, marketing and advertising, notices, mailings, bookkeeping and rent. Most managers and committees will be able to not only come up with a comprehensive stall fee, but be able to figure a yearly budget that stays within the income from the stalls. Fees should always be reasonable and reflect what amenities the farmers receive for their stall fee. Some markets offer lower rates for small space vendors. Some markets have a flat rate for a yearly vendor and also a daily rate for those farmers that come once in a while. Rates can be adjusted yearly as the market budget demands.

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Clean-up

Most farmers that come to the market have a certain amount of refuse: outer leaves, less than prime produce, packing material, rinds, cores and skins from samples, and just plain trash from sandwiches, coffee cups, and paper. Customers expect the sales areas to be neat and clean, and as a market manager, you will expect that, too. Make your rules and regulations specific about keeping trash in a basket, away from their displays, and make sure they know that they must take their trash home with them. This is always a tough one, because as a market manager, a certain number of trashcans will be on the market to collect trays, coffee cups, wrappers, peach pits and other trash. This will be very enticing to many a vendor who would rather fill your can than take home more trash. You might see if there is a water source near by for those that would like to wash down their produce in the heat, or water plants. If nothing is close, maybe there is someone with a tank that could supply water for a fee. Another part of clean up is the issue of smoking. Cigarette smoking puts off some customers. Many a customer has bought from another stand because they saw a farmer smoke and then handle their produce. You might want to suggest to your farmers to have a bottle of hand sanitizer close by, so if they smoke at their stand, they can clean their hands before handling produce. Just an idea that might work well for everyone and helps to insure a safe product.

Sales Tax

No sales tax is collected on produce. Since the market is not a retail entity, it will not have to pay sales taxes. However, vendors in the market that have vendors licenses know that they must pay taxes, and can adjust their prices accordingly.

Insurance

Injuries may occur at a farmers market. Before opening, check with the landowner about what type of insurance should be carried for accidents. This will vary by size and location, but can be figured in the stall fees. Likewise the manager and the advisory committee may require all farmers and vendors to have product liability insurance on their own. This insurance would be helpful if a customer were to get sick from a product purchased.

Local issues

Before starting up your farmers market, check with the landowner as to what specifics go with renting the space. Can you set up portable restrooms, put up signs about the market, and use their water source? Can you bring in a band for entertainment? Can your vendors sell ready to eat food? Clothing? Arts and crafts, or anything else that might be a conflict with shopping center vendors? Can the farmers market strip your area for the vendors and parking? Does the city have specific issues about how far you can be from the street? Does the city have specific times you can set up and close for the day? What about maintenance and repairs? Plan ahead and it will save headaches later.

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Advertising and Promotion

For a market to be successful, an effort must be made to inform customers and potential vendors that a market is or will be in operation. Local news editors, area reporters, radio or TV stations, community development and civic groups, and other local leaders should be informed and involved in promoting the benefits of a farmers market to the community. Local merchants may assist in advertising when they see that a farmers market can bring additional customers into the business area. This type of free publicity can be invaluable in stimulating interest in the market.

Additional advertising can be effective in reminding customers of products available each week. Newspaper and radio ads, posters, and flyers can be used through the year. All vendors should remember that customers are potential advertisers, so remind customers to “come back” and “tell your friends” or “see you next week” and even “thanks again for your business” are effective forms of advertising.

Some markets have special feature days. Some have cooking demonstrations weekly with in season produce. Some markets hand out information about harvest dates, storage of products and even recipes. All this printed material helps the customer remember the market during the week. It also shows the farmers and other vendors that the market is working to bring customers to the market, and helping to get them to return again.

Farmers markets offer unique opportunities to foster community involvement and economic development. The market offers a place where a farmer or producer can sell what they grow thus help sustain family farms. The market also offers customers a place to gather, to interact with one another from a variety of backgrounds, and purchase fresh local produce and other goods that will help sustain their families. Whether big or small, a farmers market helps everyone selling or buying, and it helps the community. With the right amount of planning, a farmers market will be around for many years to come.