



how to organize a **FARMERS' MARKET**



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Florida Department of Agriculture
and Consumer Services

CHARLES H. BRONSON, Commissioner

www.florida-agriculture.com

HOW TO START AND PROMOTE DIRECT COMMUNITY FARMERS' MARKETS IN FLORIDA

**REFERENCE BROCHURE WITH SUGGESTIONS FOR
THE SUCCESSFUL OPERATION OF YOUR MARKET**

Florida Department of Agriculture
and Consumer Services

Division of Marketing and Development

Bureau of State Farmers' Markets

CHARLES H. BRONSON, Commissioner of Agriculture

www.florida-agriculture.com



DEAR FRIENDS:

Local farmers' markets are a special part of American culture and are important components of many Florida communities. Thousands of Floridians and visitors sample some of the state's freshest fruits and vegetables every year by shopping at one of our many "community farmers' markets."

Each farmers' market is unique and showcases local agriculture, offering the area's freshest produce for sale directly to the public. Fruits, vegetables, nursery stock and other commodities are available on a seasonal basis, reminiscent of a bygone era when local markets were the lifeblood of commercial districts.

Although there are various types of farmers' markets, they all provide people of every age a place to come together to visit friends and neighbors and to shop in a friendly and relaxing atmosphere. In addition to being fun, farmers' markets are a great way to draw consumers into a revitalized area and to keep Florida families actively involved in agriculture.

The Florida Department of Agriculture and Consumer Services has developed this informative resource booklet to assist in the creation and support of community farmers' markets throughout the state.

Thank you for your interest and for supporting Florida agriculture.

Sincerely,

A handwritten signature in black ink that reads "Charles H. Bronson". The signature is written in a cursive, flowing style.

CHARLES H. BRONSON
COMMISSIONER OF AGRICULTURE

WHAT IS A FARMERS' MARKET?

Flourishing marketplaces can be found around the world, some of which are centuries old. They are reminders to us of former ways of doing business. In the United States, these “open-air” type markets began to decline after World War II with the emergence of supermarkets and convenience stores. However, in some cities these age-old markets can still be found.

A farmers' market is a direct marketing outlet, a place where farmers come together to sell produce directly to the consumer. Along with being a great place for business and trade, farmers' markets provide a relaxing atmosphere and an entertaining place to meet with friends and shop.

Most markets not only have fresh fruits and vegetables, but also include fish, poultry, dairy and meats. Many involve wholesale trade, allowing brokers to sell to each other. Some farmers' markets are designed exclusively for local growers. Others operate like flea markets, providing space for crafts people and a broad variety of vendors.

These markets provide farmers a profitable way of selling crops by cutting out the intermediary, and are often more accessible to low-income communities. They are a place for business and trade, giving vendors a better opportunity to get to know each other and learn the needs and wants of the people within their community.

Farmers' markets are many things to many people, but in essence, they enable the small family farmer to provide directly to the consumer, a better variety of fresh, high quality produce at prices that are equal to, or lower than that of supermarkets. For the farmer, these markets help improve the economic health of local agriculture by allowing growers to diversify their crops and keep their land in production. For communities, farmers' markets can be a means of helping bring tourists into the area. They also keep families active in agriculture. In short, these establishments are a win-win situation for consumers, farmers and communities. Most importantly, farmers' markets are fun!



GETTING STARTED

Why do you want to start a farmers' market? The primary purpose for forming a farmers' market should be to offer consumers a superior food retailing experience. You must be careful not to let secondary goals, such as giving farmers new places to sell their goods or the economic revitalization of a downtown area, drive your decision making. If you do, fundamental errors will result.

By determining why you would like to start a farmers' market, you can begin to formulate your market goals and plan a strategy to obtain it.

Identify other parties that may be interested in having a farmers' market in your community. Contact organizations such as Main Street, city councils and development groups and approach them about sponsoring your market.

Concentrate on research and organizational development. Be patient, as this phase may take several months to complete. The next step is to obtain and prepare your site, and recruit farmers and vendors. This also will take several months. Lastly, develop a plan to market and promote your farmers' market.

Now that you are ready to get started. The first step is to contact the people or organizations who may want to work with you. These organizations will differ from market to market but working as a group will make the initial structuring of your market easier and more effective.

The following organizations can be very helpful:

- Chambers of commerce
- Churches or church organizations
- Conservation commissions
- Community development corporations
- Farm Bureau: state and county offices
- Planning offices
- Garden clubs, horticultural societies

- Farmers' market organizations
- Cooperative Extension Services: county, state, or university offices
- Local community economic development office
- State government: Department of Agriculture, Bureau of State Farmers' Markets

We strongly recommend that you visit several nearby farmers' markets or contact their members for advice and guidance.

Now you are ready for the first meeting among all interested groups and individuals. Publicize your meeting well and hold it in an accessible and comfortable place, making sure to give plenty of notice when and where it will be held.

You will need to accomplish the following during your first meeting:

- Define your goals for the farmers' market.
- Plan what tasks need to be done and set deadlines.
- 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, which must be completed in a timely manner, are:

- Selecting the site for your market.
- Researching the wants and needs of the vendors and consumers in your area.

Your local library can provide you with invaluable research information about your community. Census data, trade association journals and marketing reports can be very helpful. However, the best and most accurate way to get detailed information is

to survey potential customers and vendors. You can do this by going door to door, by telephone or by mailing questionnaires. The most efficient method is to mail your survey. Include a self-addressed, stamped envelope and remember to ask unbiased questions that will give you enough information to decide if starting a farmers' market is feasible. Whether you decide to survey or to research secondary resources, you will want to find out people's needs.

CONSUMERS:

Who they are, where they live, and what kinds of products they will be buying.

COMPETITION:

How many supermarkets and grocery stores are in your area? Do they carry local produce? How much volume do they sell? Have any recently closed?

SUPPLY:

Can the local farmers and other vendors provide the variety and volume of produce to meet your consumer demands?

DEMAND:

Given the information about the consumers in your area, one can easily determine whether the market would be profitable to you and your community.

BASIC DECISIONS

Now it is time to select and secure a site. Input and opinions from your community service agencies (public works, health, police and fire departments) will be helpful in your decision-making process. Cooperation with these agencies is important because their support will be very useful as time goes on.

SITE SELECTION

There are two important aspects for choosing your site; first, it should be visible from a distance, and second, your market must be easily accessible. Enough space must be allowed for trucks to get in and out, as well as for parking and setting up displays. In addition, the pavement must be able to support large vehicles. Also, make sure your site is easily accessible to customers and emergency vehicles and meets all local, state and federal codes and regulations.



Other considerations are making sure the site is convenient to public transportation and easily accessible to farmers from highways. Public facilities (bathrooms, telephones, etc.) and utilities should be looked into at this time. There are also options to renting space for your market. Parking lots, vacant lots, town commons, old buildings, public squares, parks, or side streets offer excellent sites. Farmers' markets have also been successful operating on county fairground property as well as other landmark sites within the community.

It's a good idea to start with an inexpensive or free site while funds are low, then, once your farmers' market gets up and running, you can consider another location if you feel it necessary.

WHAT ARE YOU GOING TO SELL?

Individual markets make rules about what they allow to be sold based on the goals and needs of their farmers and consumers.

Make sure your rules are clear and consistent with your goals. For example, some farmers' markets have strict rules that only allow farmers to sell what they have grown. These are called "producer-only markets" and this provision is known to be one of the best marketing strategies to use. Other rules might include that produce must be picked within 24 hours of sale, or not allowing "value-added" or processed goods. Your goals and supply of fresh produce will determine what rules are appropriate for your farmers' market.

WHEN TO OPERATE

Use the results from your marketing research to help you decide the best times for your market to be open, and the days and hours of operation.

The products to be sold at your market will greatly affect this decision. Therefore, the needs of the farmers and the growing seasons of the crops they will be supplying must be carefully considered.

FARMERS' MARKET ORGANIZATION

BOARD OF DIRECTORS

The resources of the sponsoring organization will play a large role in determining your market's organizational structure. However, we recommend you start with a board of directors. The board of directors is usually made up of a chairman, vice chairman, treasurer, secretary, and several directors. The board should be composed of a diversified group of members representing the various participants in your market. Included in that group should be farmers, local business people, community officials, sponsors, and consumers. Individuals with legal knowledge, business marketing, and fund-raising experience also make great board members.

The board of directors governs the rules and regulations of the market, and is ultimately responsible for the success or failure of it.

BYLAWS

The bylaws are an established set of formal rules governing the internal affairs of the market. They describe and define the role and duties of the directors and officers; the purpose of the market; where it is located; the hours of operation; membership; dues; fees; election procedures; meetings; and the amendment process.

BUDGET

The board of directors governs the financial status of the organization. It must create a budget and plan for annual business operations. Expenses include rent, insurance, permits,

memberships in related organizations, promotions, security and staff salary. Detailed financial planning will greatly increase the chances of your market's success.

FEES

The board of directors also sets the fees. Fees should be based on profitability and reflect the true costs of operating the farmers' market. As a rule, fees tend to be higher in larger, affluent cities, and lower in small towns or low-income neighborhoods. If an association wants to encourage smaller farmers, it will set lower fees than a group wanting to attract large commercial farmers. Fees also determine whether a market manager may be hired, how much advertising will be done, and if the association can afford site improvements.

THE MARKET MANAGER

Finally, the board of directors is responsible for staffing the market. It is the board's job to write the job descriptions and decide what role the market manager will play. The market manager's main duty is overseeing the day-to-day operations of the market. He or she is responsible for the short-term planning and handles all complaints and disputes that may arise. Many markets appoint a farmer to collect fees and to supervise on market days. You may find, however, that a volunteer will not be as aggressive in the recruiting of farmers and the promotion of your market as would a paid market manager.

Again, the budget plan can greatly affect the success of your market by allowing you to hire someone with the proper experience and professional background.

Some of the usual duties of the market manager include redeeming food stamps, recruiting farmers, promoting the market, collecting fees, and obtaining the proper permits and insurance. Good community contacts, especially with the press, will be a plus. The market manager has the responsibility for advertising and representing the market to the community and must work closely with the board of directors to assure its success.

BRASS TACKS

Now that the questions of what, why, where, when and who are answered, you can ask, “how?”

Permits, insurance, incorporating and food stamps are a few of the key issues for any market. Keep in mind, there may be codes and regulations more specific to your area that will need to be addressed.

PERMITS

The need for permits will vary for each location. Check with your Chamber of Commerce, local planning office and other relevant community services to find out what permits will be needed.

Good community relations can result in special consideration when needing to obtain permits.



In Florida, farmers are allowed to sell homegrown fruits and vegetables without a license, but if you plan to buy and resell produce or sell processed items, you must obtain an occupational license from your local county tax collector's office. In addition, if you sell processed foods, it is required that you have an Annual Food Permit from the Division of Food Safety at (850) 488-3951. The Division of Food Safety also requires a Food Manager Certification for the sale of foods such as eggs, milk, cheese, meats, seafood, etc.

These are a few examples of the permits that you may need in order to sell at a farmers' market. If you have further questions or concerns, you may want to contact your local Board of Health or your County Code Enforcement offices.

LIABILITY

Whether you are required to have insurance to operate on the site you have chosen or not, reviewing basic liability policies is wise. Insurance companies see outdoor activities as "risky," therefore, it has become increasingly difficult to obtain coverage, though relatively few suits have been filed against farmers' markets.

Research the matter and find out who offers coverage, what can be covered, and if they have special requirements. Some companies require you to be incorporated to qualify for such coverage. Local government entities that sponsor farmers' markets can sometimes add them to their existing liability insurance policy.

INCORPORATION

Incorporating your farmers' market can be beneficial and may be a prerequisite in some cities to conduct business publicly. It also relieves the directors of the market from legal and financial liability for the market as individuals.

The Secretary of State's Office at (850) 245-6052 can provide you with basic information on types of corporate status, fees, laws and articles of incorporation. Consulting an attorney at this stage of the planning is a good idea.

Most farmers' markets are loose associations and may not need to incorporate. Often a strong marketing committee is adequate if it sets clear objectives and rules.

Before incorporating consider the following questions:

- 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 for each?
- If you operate on a for-profit basis, what will your minimum taxes be?
- What other costs are involved?

If your market is operating on a nonprofit basis, you may want to consider incorporating as a nonprofit organization. There are many benefits to doing this and it may be the most practical and economical solution for you. Either way, you do not have to incorporate to obtain tax-exempt status.

You may also want to consider incorporating as an agricultural cooperative. Cooperatives offer many advantages to growers including being managed by the farmers themselves. They can also provide education, services, storage, processing and marketing of farm products.

FOOD STAMPS

If your market is serving a low-income population, you may want to consider acquiring a retail redemption license in order to accept food stamps. Although there is some reimbursement time involved, accepting food stamps can draw more people to your market, increase sales, and be used in promotions.

Find out which local banks accept them and decide whether the market will apply for the license or if the farmers will be encouraged to do so on an individual basis. To apply for the license, contact the United States Department of Agriculture at (877) 823-4369.

GETTING DOWN TO BUSINESS

MARKET MANAGEMENT

The success of your market directly reflects how well the market manager does his or her job. The primary task of the market manager is to recruit farmers, promote the market, and manage the day-to-day operations.

RECRUITING FARMERS

Market research should help you identify potential vendors. If no farmers are in your immediate area, you must contact farmers outside your area several months before opening day. For best results, contact them when they order their seeds. To



obtain a list of farmers in the area, contact your state or county Cooperative Extension Service; Farm Bureau; or the Department of Agriculture's Bureau of State Farmers' Markets.

Offering customers a variety is important, so it is suggested that you have at least 10 farmers to make up the nucleus of your farmers' market. This will give consumers plenty to choose from and ensure that your market is competitive right from the start.

PRICING

The market manager should keep his vendors informed of any changes or shifts that may occur in the wholesale and local retail market price. The market manager can obtain a daily price report by calling the Florida Department of Agriculture's Florida AgLine at (888) 816-6854

It is a good idea that all prices are clearly displayed, and this rule should be enforced by the market manager.

SPACE ALLOCATION

Set your rules and policies, and determine exact space assignment before you open your market. Follow this strictly. The market manager is there to enforce these policies as well.

QUALITY, HOMEGROWN PRODUCTS

The market manager will need to monitor produce quality and whether all farmers at the market are selling their own crops. There are several reasons why this is so important for the success of your market. Consumers often buy at a farmers' market because they know where the produce is coming from. This factor leads us to the freshness of the product. Since it is harvested so close to the time it is sold, it is often more nutritious than produce sold in stores. Finally, the integrity of your market depends on the reputation of the growers as a whole to provide only the finest quality "fresh" and "local" foods available.

If reselling is allowed at your market, have vendors display signs showing the products' origin and grower. Also, be sure they have obtained all necessary permits.

PROMOTION AND ADVERTISING

Some ways to attract customers to your market are expensive, but often the best forms of advertising are free. A feature story in the local newspaper can be more effective than paid advertising. You may want to plan a gala grand opening and invite town officials and the media. Public service announcements on local television and radio stations are a good idea.

You cannot always count on free press coverage, but the local paper probably features a community calendar. Posters, fliers, balloons, and bumper stickers are also very effective forms of advertising.



The more expensive methods of advertising are banners and billboards. If you choose either of these, be sure to place them in more than one location with high traffic counts and good visibility. Find out about any zoning ordinances or insurance requirements that may have an impact on this decision.

Newspaper advertisement is also very effective when done consistently. Placing weekly ads can be expensive, so choose a paper that targets your consumer groups.



Communication research has shown that the more people hear or see a message, the more impact it will have on positively influencing one's decision to buy.

How to Sell at a Farmers' Market

A colorful, clean and generally appealing farmers' market is its own promotion.

Attitude is equally important. Know your produce. When customers ask questions about different varieties or how a crop is grown, make sure you can answer them. Having information containing recipes and various produce preparation methods on convenient "ready to hand-out" pamphlets, is a great idea. Also, pay special attention to children and the elderly. Generosity is an inexpensive commodity, but it can reap many benefits such as higher sales.

Displays are a very important aspect of your sales potential. Position displays a few feet off the ground and make sure they are bright and colorful. This will give your display more visibility and protect your produce against dirt and damage. Also, keep them full and fresh. You do not need elaborate equipment, but clean and sturdy displays are essential. Provide shelter for your produce to protect it from the sun and rain. Neatly lettered signs, identifying you and your farm, will help people remember you.

If you sell produce by the pound, you must use a certified scale. Be sure the scale is tested and sealed by calling the Bureau of Weights and Measures at (850) 488-9140.

Keep a steady presence at the market and customers will get to know you and your products. Remember to bring something to sell, from the beginning of the season to the end.

A Final Word

Just as it takes time to grow a crop and become an established farmer in a market, it takes time for a market to become known within the community. Be patient. With proper management, advertising, and farmers bringing a varied assortment of quality products; in time, your market will become a valued institution to your city. There are endless local and state resources available to guide and support you in your endeavor. Never be hesitant to ask for help when you need it. A few important things to remember when establishing your farmers' market are: Having an effective leader; keeping things positive, simple, and clearly communicated; and remembering to make sure the primary goal for forming your market is to offer consumers a superior food retailing experience. Keeping these three keys to success in mind, along with hard work and proper preparation, should bring enjoyable and rewarding results.

HAVE FUN AND GOOD LUCK!

For more information, contact the Bureau of State Farmers' Markets at (850) 487-4322.

www.florida-agriculture.com/farmmkt/



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