



How to Start a Farmers Market

Velma Lakins
Agricultural Marketing Specialist

Marketing Services Program
Agricultural Marketing Service
U.S. Department of Agriculture

May 2, 2007

Definition and Benefits of a Farmers Market



Definition: A common facility or area where several farmers or growers gather on a regular, recurring basis to sell a variety of fresh fruits and vegetables and other locally-grown farm products directly to consumers.

Benefits for Small/Medium-Sized Farm Operators:

Direct access to consumers at farmers markets provides an important supplemental source of farm income for many growers.

Benefits for Consumers: Farmers markets allow consumers to have access to locally grown, farm-fresh produce and the opportunity to personally interact with the farmer who grows the produce.

Benefits for the Community: Many urban communities where fresh, nutritious foods are scarce gain easier access to food through farmers market operations.

Starting a Farmers Market



1. Characteristics of a Farmers Market
2. Create a Sponsoring Organization
3. Identify a Location
4. Market Signage
5. Identify a Market Manager
6. Identify and Recruit Farmers
7. Establish By-Laws
8. Adopt and Enforce Rules and Regulations
9. Food Safety for Prepared Foods
10. Vendor Stall Arrangements
11. Create a Budget
12. Determine Fee Structure



Characteristics of a Farmers Market



Examples of farmers market characteristics to consider:

- Pedestrian oriented
- Community oriented
- Variety of vendors
- Local flavor
- Ample vendors with plentiful supply
- Easy destination for customer to get to
- Simple parking



Create a Sponsoring Organization



Assemble a group of dedicated stakeholders to:

- Discuss objectives and goals of the planned farmers market facility
- Establish a governing body
- Develop by-laws and operating rules and regulations
- Create a mission statement
- Set goals

Create a Sponsoring Organization Mission Statement and Goal Setting



Mission statement should:

- Provide an impression of the direction the market is heading
- Be concise
- Market provides valuable products or needed services

Goal setting should describe:

- Expected achievements
- Items to be marketed
- Who will be involved
- Expected earnings

Goals can be prioritized using timeframes.

Short-term = 1-5 years

Intermediate = 5-10 years

Long-term = 10+ years

Identify a Location

Determining a Successful Market Location



Site Selection Criteria To Consider:

- Access to near-by major roadway
- Access for farmer's vehicles
- Location visible and identifiable
- Convenience – easy to find
- Clean and attractive location
- Reliable location
- Shade, natural or manmade
- Solid waste disposal
- Restrooms for the public

Identify a Location

Determining a Successful Market Location



Examples of good locations include:

- Shopping centers and malls
- Blocked off street connecting local businesses
- Outdoor spaces or parking lots affiliated with religious institutions
- State and Federal building parking lots (for weekend markets)
- Downtown “plaza” areas
- Public parks



Market Signage



Example for signage:

- Keep signage simple easy to read and understandable
- Provide only key information
- Keep it local and visible



Identify a Market Manager



A market manager is responsible for:

- Acting as main contact person for market
- Overseeing day-to-day market operations
- Collecting user fees
- Obtaining proper permits and insurance for market
- Enforcing rules and regulations
- Recruiting vendors
- Controlling vendor and product mix
- Handling complaints and disputes
- Working with market's board of directors
- Establishing strong community contacts

Identify and Recruit Farmers



Sources for finding farmers/participants:

- County extension agents
- Cooperative Extension departments at local land-grant universities
- Farmers market associations
- State Department of Agriculture
- Word of mouth

Establish By-laws



What is the purpose of By-laws?

- Describe and define responsibilities of directors and officers
- Define the purpose, locations, and hours of operation of the market
- Define membership, dues, and fees
- Describe election procedures
- Define amendment process

Adopt and Enforce Rules and Regulations



Questions/concerns that may arise regarding specific guidelines include:

- Should sales at the market be limited to fresh fruits and vegetables or should processed and dried goods, or farm related crafts, be allowed?
- How many participants can the market accommodate or is there ample space for all of those that desire to participate?
- Are licenses and permits required to sell certain commodities at the market, processed foods certifications for any value-added vegetable or fruit items?
- Will the geographic region that the market draws on for suppliers be restricted in any way (e.g., by number of participating counties)?
- If a market is located on city property, will the city allow hot food items or “closed alcoholic containers” to be sold on the market?

Food Safety for Prepared Foods



Prepared Food Safety:

- Check with local Health Department for required permits and rules
- Some market locations require permits to sell ready-to-eat foods
- Pre-package foods must be label with ingredients
- A fee may be associated with obtaining the permit
- Foods prepared in a home kitchen sometimes may not be sold at markets. Foods and beverages must be from an approved source.
- Foods must be stored and displayed at proper temperatures
- Equipment and utensils require proper sanitation
- Some market locations are requiring a hand washing sink

Vendor Stall Arrangements

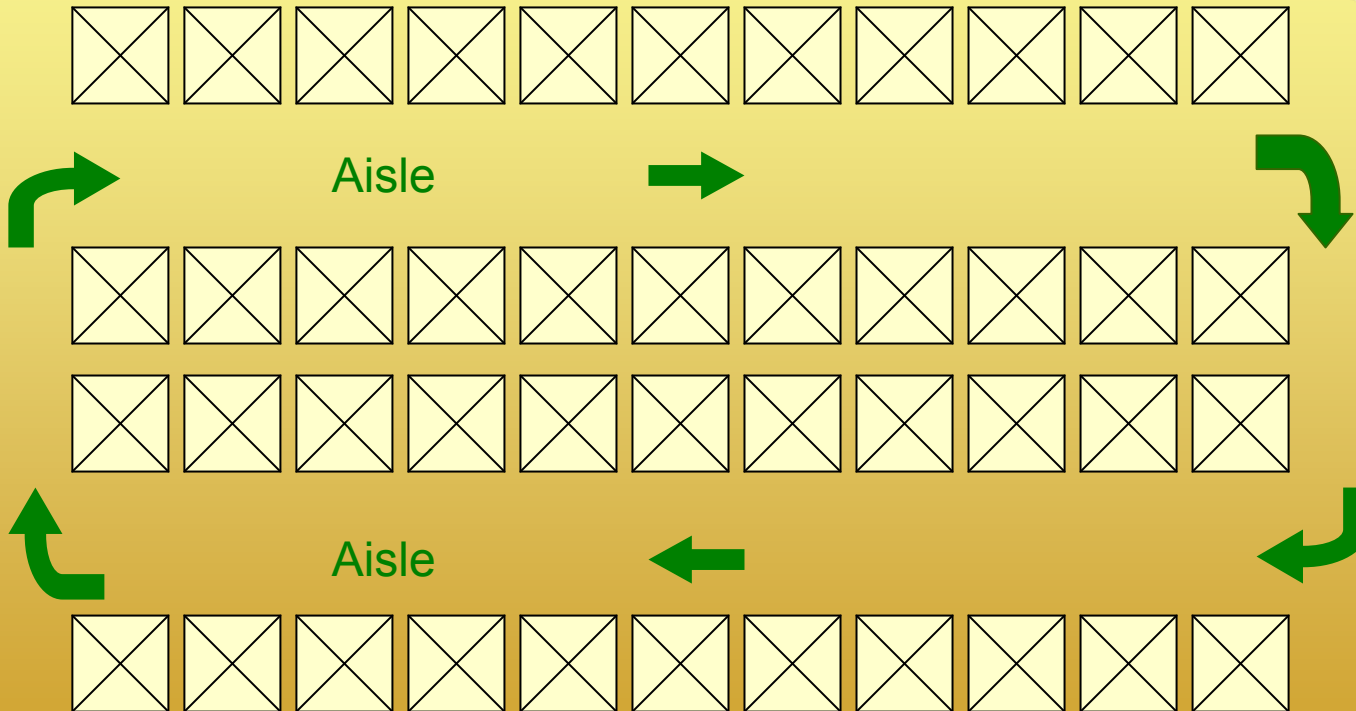


The Basics:

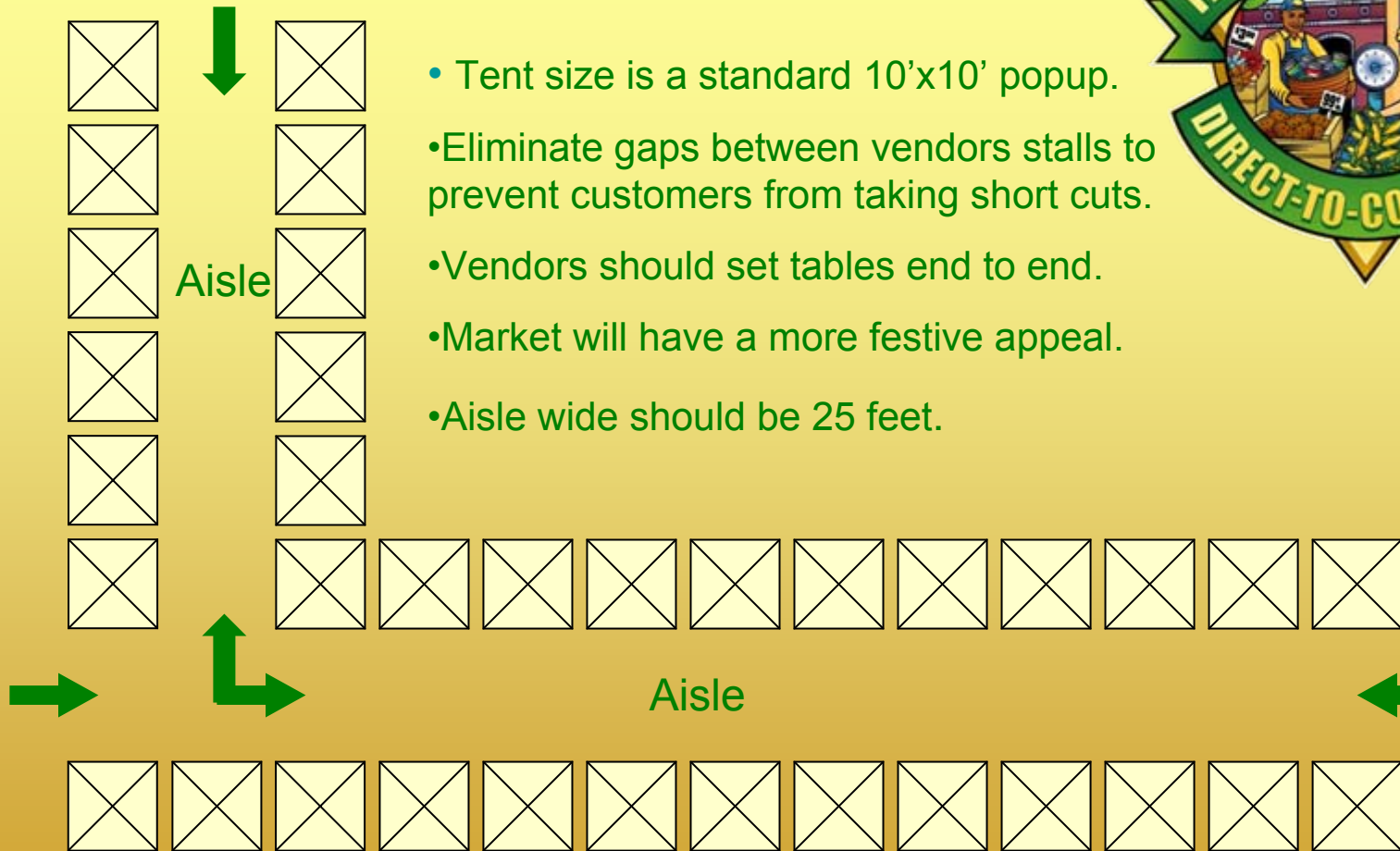
- Establish a basic size for a vendor's stall
- Tent size is a standard 10x10' popup
- Group the market layout in as compact manner as possible
- Avoid scattered pattern
- Minimize, where possible the amount of walking distance for customers from their autos
- Arrange stalls for an attractive visual effect
- Establish rules for vendors
- Identify who is allowed to sell at the market
- Establish vendor mix, farmers' good, value added products, prepared foods, flowers, etc

Vendor Stall Arrangements

Using this concept all vendors have equal exposure for displaying and selling products.



Vendor Stall Arrangements



- Tent size is a standard 10'x10' popup.
- Eliminate gaps between vendors stalls to prevent customers from taking short cuts.
- Vendors should set tables end to end.
- Market will have a more festive appeal.
- Aisle wide should be 25 feet.

Create a Budget



Annual Expenses Associated with Maintaining a Farmers Market include:

- Insurance
- Permits
- Advertising
- Salaries

Determine Fee Structure

- Fees collected from participating vendors are a primary source of income for farmers markets.
- Fees determine the market manager's salary, market advertising, and amount of maintenance and improvements to the market site.
- Fees should be based on profitability
- Fees may be based on a percentage of daily gross sales or on a seasonal/annual basis.



Determine Fee Structure

Stakeholders Can Contribute to Success



Stakeholders can also contribute to the establishment of a successful farmers market if they:

- “Do their homework” and thoroughly evaluate local market conditions
- Leverage available resources in the community
- Hire strong, capable management
- Set appropriate market standards
- Develop a realistic budget and fee structure
- Arrange for a reliable and steady supply of quality farm product
- Pay sufficient attention to market publicity and community relations

Summary



- Take care of your customers
- Be flexible about change in consumer demands
- Market image is essential
- Consistency of operation is vital
- Strive for improvement of your market operation
- Be creative and implement new ideas

