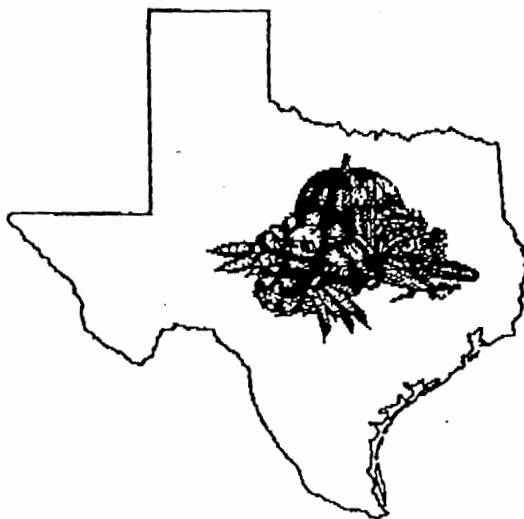


# **Handbook for Establishing and Operating Farmers' Markets**

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# A HANDBOOK FOR ESTABLISHING AND OPERATING FARMERS' MARKETS

## Introduction

Farmers' markets are becoming an increasingly popular way for farmers to directly market their produce to the consumer. By definition, farmers' markets are a collection of independent stands operated by farmers or growers. These markets typically offer consumers greater convenience, fresher product and more variety than other markets.

Farmers' markets are not a product of the 20th century. The Romans were the first to utilize farmers' markets. The use of farmers' markets in the Middle Ages helped lead to the development of cities and villages in Europe. By the 17th and 18th centuries, farmers' markets were an integral part of American towns. Boston is reported to have established the first farmers' market in 1663. Philadelphia established a farmers' market in 1710. In most towns and villages, the farmers' market could be found alongside the town hall meeting house and the local church.

Throughout the 18th and 19th centuries, urban farmers' markets grew and established sizeable permanent structures. Often they became commercial and social centers. The 1930s began a period of serious decline for farmers' markets that continued throughout the 1960s. Renewed interest in farmers' markets began in the 1970s and continues today.

Consumers find farmers' markets attractive for several reasons. First, they enjoy the fruits and vegetables that are normally fresher and of higher quality than those found in stores. The produce is fresh from the farm picked the day before or morning of the market. The market also allows consumers to enjoy slightly lower prices than those in grocery stores. Many consumers also enjoy meeting the farmers who produced the fruits and vegetables.

A recent study of market benefits to surrounding businesses was performed and drew these conclusions (5) :

1. Merchants overwhelmingly favor downtown farmers' markets.
2. Farmers' markets increase sales of surrounding businesses.
3. Merchants need to be involved in market planning.
4. Markets are good promotion for downtown areas.
5. There is potential for increased consumer education concerning produce.
6. Consumers have superiority in choice, price and quality of produce.
7. Farmers' markets have recreation potential.
8. Farmers' markets can effectively revitalize an area of a city.

Not only will the market have economic benefits for neighboring businesses, but it will benefit the community as a whole. For example, in some areas farmers' markets benefit the community by preserving neighborhoods and encouraging the retention of agricultural land near cities. In many urban areas farmers' markets also can lead to reviving the central

business districts. In summary, farmers' markets benefit farmers, consumers and the community as a whole.

## **Purpose**

The purpose of this handbook is to provide detailed guidelines on how to establish a farmers' market and advice on how to operate the market once it is established. The handbook is comprised of four sections. The first is a general step-by-step overview briefly outlining the six stages of farmers' market establishment and operation. The second section, "Interest and Feasibility," provides detailed considerations in determining the feasibility of the community farmers' market. The third section, "Organization and Implementation," identifies the various organizational structures and implementation procedures available to the market. The final section, "Operation and Evaluation," discusses the day-to-day details of operating the market and how to evaluate its progress.

## **Overview of Development Stages**

This section of the handbook is to serve as a general outline of the decision making stages involved in farmers' market establishment. Activities or concepts mentioned in this outline will be discussed in greater detail in the final three sections.

### **Stage 1: Interest**

Goals to achieve in Stage 1:

- Organize a market study committee.

This committee should ideally be made up of representatives from city and county government, business leaders, the chamber of commerce, farmers/growers, the Texas Agricultural Extension Service (TAEX), the Texas Department of Agriculture (TDA) and consumers.

- Define the purpose and type of market desired.

There are various reasons to form a farmers' market that should be identified and considered. The size of the market also should be analyzed.

- Locate and identify potential areas of assistance and funding.

The committee should explore the various local, state and federal funds available in grants and low interest loans. Various philanthropic associations, business groups and civic organizations are possible funding sources.

- Identify any group or groups that may oppose the market.

Individuals or groups may oppose the formation of a market for various reasons. Typical areas of opposition are competing businesses and businesses that will share the same parking and service facilities.

- Establish general organizational policies, including a schedule of meeting times and general rules.

The overall objective of Stage 1 is to develop a community consensus on the need or lack of need for the market.

## Stage 2: Feasibility

Goals to be achieved in Stage 2: The market study committee should begin detailed fact finding regarding market characteristics, organizational structure, marketing management, urban planning and financing. This general market research should:

- Identify the purposes of the market.

The committee should have addressed the various purposes for establishing a market in Stage 1. Now they should be able to designate a specific purpose.

- Identify potential sponsors for the market.

After compiling a list of various possibilities, overtures should be made to these groups to gauge their interest and the amount of support available. Possible sources include community groups, municipal or state governments, federal grants, low interest loans or community fund raising.

- Identify potential opposition to the market.

Potential opposition was to be identified in Stage 1. Now the intensity and causes of opposition should be studied to develop solutions to lower this opposition.

- Identify characteristics of the market.

The committee must begin to address several issues including how large the market will be, what type of vendors (commercial versus small scale growers) will be allowed to sell in the market, and whether non-grower vendors will be allowed.

- Identify the organizational structure and market management alternatives.

The committee should study the advantages and disadvantages of the various forms of business and what will fit the local market conditions. The structures can vary from nonprofit associations, farmers co-ops, municipal government control, community group control or informal growers' association. Secondly, the type of market management to administer the market on a day-to-day basis (market manager or master) needs to be determined.

- Urban planning.

Various government agencies should be contacted. The local zoning or planning commission should be contacted concerning possible sites and regulations. Health departments and licensing and taxing agencies also should be contacted. Building codes, sales tax, liability insurance and rules and regulations for the market itself should be investigated. Another important factor is to determine the projected economic impact on the surrounding community.

- Determine financing alternatives.

The amount of funding for the market should be ascertained and avenues of obtaining this funding should be pursued.

- Identify sources of potential technical assistance.

TAEX specialists, county Extension agents (CEAs), Texas Department of Agriculture marketing personnel, Texas Certified Farmers' Market Association representatives, the local Chamber of Commerce and planning commissions are possible sources of assistance.

- Identify alternatives for sites.

Possible locations include downtown (central business district), sites adjacent to the downtown area and sites in surrounding suburban areas. Aspects of site selection that need to be considered include:

- open site (small parking lot, park land, pedestrian mall, street)
- covered (tent, pavilion, shed) with open sides
- new enclosed building
- renovation of older building
- parking structure or surface space
- accessibility and visibility
- permanence
- space needs for vendors, storage, parking, maintenance, market manager

- neighborhood setting
- costs of alternatives
- local zoning regulations

- Identify publicity strategies and alternatives.

Newspapers and newsletters, radio and TV advertising, flyers and site vicinity signs are viable forms of obtaining publicity for the market.

The overall goal at this stage is for the market study committee to review and analyze the information collected. The final decision should then be made concerning the feasibility of the market.

### **Stage 3: Organization**

Goals to be achieved in Stage 3: Surveying potential marketers and customers, finalizing the type of organizational structure and assessing the market area of the intended farmer's market. In this section, Parts 1 and 2 contain issues that should be solicited from growers and customers, respectively.

#### *Part 1 - Grower/marketer Information*

- Level of interest in selling in proposed market.
- Growers who presently sell in other outlets.
  - operate roadside market
  - sell to roadside market
  - pick-your-own market
  - sell on wholesale market
- Number of acres of established producers and those planning to get into production.
- Variety of products in a position to sell (specific crops).
- Stall rental preference (annual, semiannual, monthly, daily) and time of year desired.
- Preferred days and hours of operation.
- Type of market facility desired (indoor, partially enclosed, open stall with roof protection or open lot).

- Ranking of facilities and services considered important (rest rooms, pay phone, lunch or snack counter, paved parking, accessible unloading space for marketers near selling area).
- Number of potential "grower" marketers versus "buying from others" marketers.
- Grower attitudes to allowing arts, crafts and other non-produce items for sale.

### *Part 2: Customer Information*

- Why do consumers attend certain markets? What specific products will customers make a special effort to buy in-season?
- Product mix desired by consumers.
- How did customer become aware of market?
- Where do customers currently buy produce?
- Preferred hours and days of shopping.
- Facilities and types of services considered important.
- Attitudes toward imported (non-local) produce.
- Type of market facility desired.

The committee should complete several things in stage 3. They should study and interpret information received from growers/marketers. A market site should be selected. Professional help in the areas of legal issues, accounting, management, planning, design and engineering, advertising and public relations should be retained. Specific assistance from TAEX specialists and other sources of information should be sought. Also, a permanent market steering committee should be established to replace the market study committee in making decisions and establishing and operating the market. This new committee should begin to establish policies, goals, priorities and standards for the market.

### **Stage 4: Implementation**

Goals to be achieved in Stage 4: Selection of organizational structure, site and funding sources; agreement on specific plans; and preparation for establishing the market. In this stage, the decisions from the earlier stages will be refined into a specific program of

planning and establishing the market. The group should narrow down to one or two choices for financing, organization, management, legal matters, market design, and publicity and advertising. Items to be resolved or identified include:

- Active support and participation of technical resource personnel, local government, the Chamber of Commerce, government agencies and others.
- Community awareness of the market.
- The organizational structure and its relationship to the sponsoring organization. This includes market management, rules and regulations in a draft form.
- Strategies for capital development and improvement as well as specific funding sources.
- The financial feasibility study should be ready.
- The committee should be aware of pertinent laws, health regulations, coding ordinances, licenses and liability insurance.
- Selection of an actual specific site.
- Consultants should be retained for site and structure design. Requirements for number of vendors, storage space and parking should be established for the building program.
- A specific public relations program, with a market logo, should be established.
- The committee should consider certification under the Texas Department of Agriculture guidelines and membership in the Texas Certified Farmers' Market Association.

#### **Stage 5: Operation**

Goals to be achieved in Stage 5: Now all of the previous research and study will take physical form in finance, organization, operational design, legal conformity and public relations. This stage should complete the following:

- Financing is put into action.
- The site is approved and the structure constructed.

Approval of site and building plans by local government should be followed by preparation of working drawings and specifications. Then bids are let and contracts awarded. With the issuance of permits and licenses, construction can begin.

- Market manager is hired, and the administration of all rules and regulations is begun.
- The public relations campaign should be in full operation.

At the end of Stage 5 the market will be in operation.

### **Stage 6: Continued Operation and Evaluation**

Goals to be achieved in Stage 6: In this stage the market has already opened and management is in control of finances, planning, legal matters, design and public relations. Now that the market is in operation, a new responsibility is that of appraisal and evaluation. The information that comes from this evaluation will help management to better understand who the marketers and customers are and identify their changing needs. Open communication channels will improve the market operation. This information is different for a first year market than for an established market.

#### *First year market information*

- Number of weeks that growers sold produce.
- Good and bad experiences of growers selling at the market.
- Types of products sold.
- Income data (if available).
  - Average gross weekly sales
  - Percent of gross sales from products derived from market sales
  - Percent of total yearly income derived from market sales
- Suggestions for changes and improvements.
- Grower plans for production next season. This includes the estimated amounts of specific fruits and vegetables to be available during the season, and the dates they are likely to be available.

- Community awareness of the new market. Prior to the second year of operation, learn the community's level of awareness of the market. This can provide feedback to measure the effectiveness of the promotional campaign. Questions that should be asked include:
  - Level of community patronage
  - Age, income, size of household
  - Why those aware of market didn't patronize
  - Factors that would encourage nonshoppers to patronize

### *Established Market Information*

- Profile of grower/marketers.
  - Years selling in the market
  - Distance marketers live from market
  - Number of stalls rented, basis of stall rental
- Classification of farmers/marketers.
  - Full-time farming
  - Part-time farming
  - Income from resale of farm products, crafts and other non-produce
  - Types of products sold
- Other outlets used during current year.
  - Roadside market
  - Pick-your-own
  - Another farmers' market
  - Marketing organization
  - Wholesale market
- Changes, if any, in the volume of products sold in the market in the last 3 years.
- Changes in gross dollar sales in the last 3 years.
- Plans for expansion in the next 5 years.
- Do you feel your selling is hurt by any of the following?
  - Physical facility and parking
  - Rules, regulations and policies
  - Traffic flow through the market
  - Amount of advertising and promotion of the market
  - Lack of customers at the market

**Denise Miranda**

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**From:** "Patti Worfe" <pworfe@angleton.tx.us>  
**To:** <tomriv@pecos.net>; "MS Mgrs" <Texas-ms-mgrs-l@thc.state.tx.us>  
**Sent:** Monday, December 09, 2002 8:49 AM  
**Subject:** RE: Downtown Farmers' Market

Tom -

Angleton has had a Farmer's Market the last two years in our downtown park. We did it every Saturday in June from 7:00 am until sell-out (which was normally around 10:00 am). We averaged 12-15 growers, one of which brought 300 pounds of squash and sold it all before 9:00 am. We usually had 300-400 people each week and it became as much of a "social gathering" as anything. Everyone loved it. We didn't see much of an increase in sales downtown but I felt it was because most of the stores weren't open during the market. However, I believe anything that gets people downtown is a plus - they may see something that they didn't realize was there and come back after they are open. I am trying to hand it off to our Master Gardeners group to continue because when it is just you, every Saturday morning comes around way too often! Good luck!

Patti Worfe  
Main Street Manager  
City of Angleton  
121 S. Velasco  
Angleton, Texas 77515  
(979) 849-4364

-----Original Message-----

From: Tom N. Rivera [mailto:tomriv@pecos.net]  
Sent: Wednesday, December 04, 2002 4:16 PM  
To: MS Mgrs  
Subject: Downtown Farmers' Market

Hi To All...

I ran across the following web site as I was looking for some ideas for a Downtown Farmers' Market. ([www.troymarket.org](http://www.troymarket.org)). I would appreciate any input from those of you that have a project such as this in place. Happy Holidays to ALL.

Tom N. Rivera  
Pecos Main Street





[Home](#) [About TWFM](#) [Calendar of Events](#) [Vendors](#) [Supporters](#) [Newsletters](#) [FAQ](#) [Links](#)

### **Troy Winter Farmers' Market**

#### **Market Hours:**

Saturdays  
10 a.m. to 2 p.m.

**Starting  
Nov. 30, 2002**

#### **Directions:**

Take "downtown exit" off Hwy. 7 heading into Troy. Drive along 6 Ave. until you reach Broadway. Make a right on Broadway. Drive two blocks. The Atrium is on your right. Watch for signs for the market!

#### **Special Thanks:**

Special thanks to City of Troy Mayor Mark Pattison and Senator Joe Bruno and all of our sponsors for their financial support of the market.

#### **Contact Info:**

518.785.7054  
[mlindstrom@siena.edu](mailto:mlindstrom@siena.edu)

After the close of a highly successful third season, the Troy Waterfront Farmers' Market is embarking on a **unique winter farmers' market**. With visitors numbering over 2,000 people on peak market days, farmers' market vendors and customers came together to organize and implement **a weekly winter market** as an extension of the popular market at the Troy Town Dock and Marina along the Hudson River.

**An average of 15-20 farmers, bakers, and artists** will sell a variety of unique local products including

- naturally-raised USDA certified meat products,
- fruits,
- winter vegetables,
- eggs,
- maple and honey,
- hand-made pottery and
- many other items.

"... Locally grown produce, baked goods, and crafts available in a friendly setting all year round, in addition to our historic neighborhoods, specialty shops, and great restaurants make Troy a great place to sight see, shop and eat," says

**Mayor Mark Pattison**  
City of Troy

**The Troy Winter Farmers' Market will take place every Saturday in The Atrium**, a glass-walled building at 3rd Street and Broadway in downtown Troy.

**The new farmers' market opens their season on November 30th, a week after the close of the open-air market.** Troy Mayor, Mark Pattison, is thrilled to see the market continue throughout the winter. "I'm excited that Troy is going to have a winter farmers' market. The combination of our great summer market with this new venture is just another reason to visit Troy. Locally grown produce, baked goods, and crafts available in a friendly setting all year round, in addition to our historic neighborhoods, specialty shops, and great restaurants make Troy a great place to sight see, shop and eat," says Mayor Pattison.

Its reputation for artisan bread, organic cheese, and other quality local farm goods was recognized by Metroland which has selected TWFM as the best Capital District farmers' market the last two years in a row. In addition the exceptional vendors, many market-goers view the market as a special place amongst a ubiquitous chain-store mall landscape devoid of community interaction. "Markets like this one are a simple way to step back in time and enjoy a break from our fast-paced lives. I'm thrilled to continue my Saturday morning routine," says farmers' market co-founder and vendor Amy Braig-Lindstrom, a Latham resident.

Nan Carroll, a regular farmers' market supporter, "is pleased the group will offer diverse products through the winter" and believes "it's a great boon for downtown Troy."

Free special events for kids and adults will add to the festive environment of this public market as the volunteer market organizers say the market will continue to attract musicians, local chefs, community organization tables, and a variety of entertainers.

**Meet and greet friends and neighbors, support your local economy, and join in the Capital District's first year-around farmers' market beginning November 30 at 10 a.m. at The Atrium at 3rd St. and Broadway in downtown Troy. For more information call 785-7054.**

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For more info, contact us at [mlindstrom@siena.edu](mailto:mlindstrom@siena.edu).  
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