

Becoming a Farmers Market Vendor

Participating in farmers markets offers opportunities for farmers, such as access to ready-made customer base, retail level profits, low start up costs making markets an easy entry into agriculture, instant feedback from customers, production and marketing knowledge from interaction with other farmers in the market, and contacts with local businesses and community leaders. But how does a farmer get started in farmers markets? What is required for participation? What should be considered when deciding to become a farmers market farmer?

General requirements of participation

- 1) Liability insurance. Most markets will require their farmers and vendors to carry a liability policy that names the market, its sponsors and/or property owners as additionally insured. Limits of coverage are most often \$1 million in both general and product liability with a \$2 million annual aggregate. Most farmers carry farm liability coverage and a rider on this policy may provide the coverage and certificate that is required. Others may need to resort to finding a source for market liability coverage. The Farmers Market Federation of NY can help with this through their liability insurance program.
- 2) If you are selling products other than fresh fruits and vegetables, you will need to be properly licensed for each product. For example, bedding plant sellers are required to be licensed through the State Department of Agriculture and Markets, whether you are the grower or a reseller. A sales tax certificate is also required. Meat producers and sellers must comply with food safety requirements by having meat processed by a licensed slaughterhouse and maintaining meat at proper temperatures. For a complete list of licenses, permits and certificates required for farmers market sales, visit the Federation website at http://www.nyfarmersmarket.com/pdf_files/vendorpermitreqmts.pdf.
- 3) Most farmers markets will require farmers and vendors to sign a market agreement and pay a fee for participation. The agreement is a contract between the vendor and the market and spells out the rights and responsibilities of each party, including farm inspections, market rules, space allotments, etc. Fees are set by each market and are generally due up front. Speak with your Market Manager for more detail.

Operational concerns

- 1) Farmers markets do not provide you with the materials you will need to sell your products. Consider that you will need to provide a tent or canopy to protect your products from the elements. Weights of some kind are also necessary to secure your tent during windy market days and prevent blow-overs that could injure you or others. Remember table weights (stones will do) for any literature you may have on your table. Please remember fresh water for yourself during the hot days in the market.

- 2) You will also need materials to effectively display your products. You'll need tables and table coverings, display baskets, signage (both for pricing and for your farm name) and bags. You will also need to have a change box or apron with an adequate amount of change for customer sales. Remember ATM's dispense \$20 bills and you will need to make change for all those twenties.
- 3) If you are selling a product that cannot be displayed, you will need to have display materials that will entice customers to your table. Try using pictures of your farm, pictures of the product in its end form; i.e. char broiled steaks on a plate. You may also want handouts that include product pictures, descriptions and pricing. *Tip: hand out coupons with every purchase for products that you do not bring to the market; buy the eggs and come buy the chicken at the farm and get \$1 off.*
- 4) Food safety is important to you and your customers. Many foods require temperature control. Be sure that you have the means to maintain hot foods hot and cold foods cold. Electricity is not available in many markets, so you will need to be energy self-sufficient. More info is available at http://www.health.state.ny.us/environmental/indoors/food_safety/

Finding the right market for you

It helps to do a little research before you join a farmers market.

- 1) When researching the market(s) you may want to attend, keep in mind that the more popular markets may have waiting lists. Opting for your second choice market will give you the experience you need while your name moves up the waiting list on your first choice options.
- 2) Do you have the personality to direct market your farm products? Direct marketing requires time and patience. You will need to present yourself in a positive light to your consumers, Customers need to see a positive, upbeat, smiling farmer behind the table.
- 3) Time commitment. It requires time away from the farm while you set up at the market, interact with customers and make sales, and then tear down. Also consider what markets are reasonable for your schedule; can you do more than one in a single day? Which is your best choice? What flexibility would you need from these markets to set up and break down in time?
- 4) Know who your target audience is before you join a market. Consider the demographics your product would appeal to and then you will know what type of community and market would work best for you.
- 5) Carefully consider your pricing strategy. You'll need to know your costs of production and what you will need to make a reasonable profit for your products. Remember family expenses are part of the equation, as well, including things like health insurance, college

tuition, and retirement planning. Knowing what you will need to charge for your products will also help you find the market that fits your needs.

- 6) Visit markets that you think might be a good fit. This could be any market in your region or markets that have the reputation of providing the customer base that you need. You can find a list of New York's farmers markets at www.nyfarmersmarket.com/ and click on the markets tab on the navigation bar. Use the search function to narrow the list down to those you are interested in – county, city, name, etc. Each listing will provide contact name and information, as well as market day, time and season.

Spend time in the market observing. Are there other farmers in the market with your product? If so, are they selling fast, indicating a need for more of the same product in the market? If not, then observe the customer base – what are their characteristics and does this match with your product? Also observe customer activity. Are there large crowds, are they shopping or just enjoying the outing? Are they carrying bags?

Talk to the farmers in the market. What do they have to say about the market? Many farmers will be willing to give you an honest opinion of the quality of the market and its management. Often they will tell you whether your product is needed or not and offer many suggestions and tips to help you be successful.

Talk to the market manager, especially if you find the market appealing. The manager will be the one to tell you, definitively, whether your product is needed in the market. The manager may help you to better understand the demographics of the customer base, as well, and whether your product or pricing strategy will work within this market. Some markets have requirements that are specific to that market. The manager will be able to tell you what those requirements are, whether you are eligible to participate and if there is room for you and what the costs of participation are.

Ask the manager about management issues. What does the market do to promote the market – advertising, special events, promotional activity, etc. Also ask what nutritional programs the market participates in, such as the WIC and Senior Farmers Market Nutrition Program, EBT for food stamps or any coupon programs. If they participate in any programs, ask if you are eligible for any and how you can enroll. Always have questions prepared to discuss at each market, the answers to the same questions will help determine the relative strength of that market.

After careful review of the market, getting your proper licensing and insurance, and preparing yourself for direct-to-consumer sales, you should find ultimate success at farmers markets. But keep in mind that it takes consumers a while to get to know you, trust you and become loyal customers. Once you have invested that kind of time, sales and profits will be yours.