



Farmers' markets are key to success

Heard any good news about farming lately? Try this: Farmers' markets are booming! If you're a grower, now is the time to get involved in a market near you. Farmers' markets provide a low-cost place where you can sell directly to consumers, eliminating the middlemen and capturing the full retail dollar for your food. If you're just getting started in farming, think of the farmers' market as a business incubator. If you're an experienced farmer who has been selling wholesale, get ready to make some real money.

Farmers' markets have increased dramatically in number, up 63% from 1994 to 2000. They now number 2,863 nationwide. USDA estimated that \$1 billion worth of products was sold at farmers' markets in 1999.

But farmers' markets are much more than just a place to sell food. They have become important community institutions. They are a venue for socializing, where urban residents meet farmers and their neighbors. They have figured in the revitalization of downtown districts, bringing people into areas that were once vacant on Saturday mornings. In many cities, farmers' markets are situated in low-income neighborhoods where there are no supermarkets, so they provide an important source of food security to the people who live in those neighborhoods. They serve an educational function, too, helping people learn to eat better.

Personal success

The success of farmers' markets in general is great news for you as a farmer. It means you're entering a well-established and well-regarded marketing system with great potential for growth. But even at the most successful farmers' markets, success for you individually is more likely if you meet certain criteria. Throughout this booklet, you'll find ideas for making your marketing efforts a success. Here are some of the aspects of farmers' markets that are of chief importance:

- At the base of all your efforts is quality. You must offer the highest-quality products. Food must be fresh, delicious and handled with care. Flowers must be vibrant and long-lived. Everything you sell must be clean and packaged properly. Make no mistake about this - you won't succeed if you don't have good food and flowers. Every other marketing strategy depends entirely on your quality.

- Pricing must be appropriate. You must be a student of prices, keeping track of what your customers are paying for the items you sell. What would they pay at the supermarket or the florist? What would they pay elsewhere at your farmers' market? You must know the value of your products and set fair prices - enough for you to be profitable while being competitive.

- Merchandising is important, too. There are dozens of tricks of the trade that will inspire confidence in your products. You need to display your produce in a neat, well-organized and eye-catching manner. You'll read dozens of good ideas for achieving these goals in the article on page 3.

- Sampling can be an important sales tool, but you need to know what's allowed at your market. Some markets have very strict rules about sampling, all geared toward preventing food-borne illness. Whether your market has rules or not, customers will be more likely to try your samples if you practice good hygiene, such as using disposable gloves, covering your samples (watch discount stores for screened "umbrellas" intended to cover food at picnics), and distributing samples in such a way that customers' hands don't come in contact with the food.

- The personality of the grower is one of the most important elements to success. Gregarious farmers - those who like to meet new people and talk about their food and farms - will always do better than the quiet types. Friendliness, courtesy and respect for the customers will win you a loyal following. People come to farmers' markets seeking social interactions, and the more you can help them accomplish that, the better you will do. ☺

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Letter from Wild Onion Farm

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Welcome to this special issue of *Growing for Market*. Most of the articles in this booklet have been collected from previously published issues of *Growing for Market*, the monthly newsletter for direct-market farmers. I put them together for a couple of reasons: First, I want new farmers' market growers to know what a terrific resource *Growing for Market* can be for your business. Every article is written by farmers with experience in growing and selling produce and flowers. Not many magazines can make that claim, but *Growing for Market* has truly become a growers' network where many people contribute their hard-won expertise.

The second reason I created this special issue was to help new farmers' market sellers with the tough questions that face those just getting started: How do you win customers? How much should you charge? What products will be most profitable? How viable is this business? I hope the articles here will inform and inspire you and make your first attempts at farmers' markets successful.

Everyone benefits when you succeed. Consumers have a new source of wholesome food. Your neighbors have a viable farm, preserving open space and giving them something interesting to watch and discuss. The farmers' market gets bigger, and therefore more attractive, when new growers become regulars. All the vendors experience increased sales from the greater number of customers the market attracts. The community as a whole can boast of the great farmers' market it supports.

Everyone benefits - that should be your attitude as you start selling at farmers' markets. Don't think of the other vendors as competitors. You're all allies in the effort to expand the market and increase sales for everyone. You may meet a few snarly farmers, but pay them no mind. The smart farmers at your market know that more vendors mean more customers, and they will be welcoming. You'll find yourself accepted quickly if you sell good quality and set fair prices.

But please, don't try to win new customers by undercutting other farmers. No one wins when you set your prices too low. You hurt yourself because you won't be profitable if you are selling for less than everyone else; nobody is getting rich in farming, but the experienced farmers at your market at least are making some or all of their livelihood from farming. You can be sure that they have a very good idea of what it costs to produce an item, and what the market will pay for it. Watch those experienced farmers for guidance in how high you can set your prices, not how low. Remember, it's hard to raise prices once you've set them low. Don't let yourself fall into the cheap food quagmire. Not only will you not make enough money, you also will hurt the market itself by letting customers think it's a place for cheap food. And you certainly won't make any friends at the market by trying to underprice others.

Good luck to you as you start your direct marketing career. I hope you'll find this special report useful, and decide to read *Growing for Market* every month. There's a subscription form on page 15, or you can order on the web at www.growingformarket.com.

Lynn Byczynski
Editor and Publisher

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Secrets of great displays

These techniques will make your market stand a standout

© Linda Chapman
Harvest Moon Farm
Spencer, Indiana

Back when farmers' markets were just becoming community fixtures some 15 years ago, setting up attractive and functional displays wasn't as much a priority as just plain "selling-out." Setting up a table and plunking your stuff on top of it was about as sophisticated as vendors got. Now, farmers' markets have become major weekly events and the competition to attract the public's eye has become more intense. There are a lot more of us vendors out there trying to make a living from what we love. We still aim to sell out, but we aim to do it in style.

I've been selling cut flowers and herbs for 12 years; currently, my husband and I market our products at three farmers' markets a week, two wholesalers a week, and we do about 15 special events and weddings a season. We cultivate a little under 2 acres. These 2 acres are planted intensively and successively throughout the year so we can stretch our flowers as far as possible over a 26-week market season.

I'd like to offer my observations and experiences with setting up functional and attractive displays at farmers' markets. Having attended about 400 farmers' markets as a vendor over the past 12 years, I've had a chance to hone my awareness of what seems to work and what doesn't. I've seen plenty of both.

How do we attract business? The obvious bottom line answer is, quality products. Assuming you've got that covered and are endeavoring to improve your quality every year, we move on from there to the next important component - how you display the beautiful quality of your produce, herbs, and flowers.



A great market display uses several techniques to attract the eye. This photo of the author's spring display illustrates the use of multiple levels, produce tilted toward the customer, and price signs on her flowers and herbs.

Structures

First, how well does your display work for you? I'm talking here about functionality. Versatile structures such as crates, tables, boards, bushel baskets and shelving units are key in how your display works. They should be compact and lightweight for transport to market without taking up too much space in your vehicle. The value of versatility comes in when your structures offer you options for displaying your products in different ways. Our display in the spring differs from our summer set-up and then our fall set-up. All, more or less, use the same building components.

The need for shade is essential. If you are lucky, trees at your market can offer this throughout the market. Or, perhaps your community has invested money- as our Bloomington, Indiana, community did - in an open-air shelter. Barring these great options, you are going to have to provide your own shade.

Initially we did have quite a bit of tree shade, so an awning that extended off the end of our truck was all we needed. When I started bringing greater quantities of flowers, my ingenious husband constructed a wonderful 8x16 foot long portable canopy. This was back before the manufacturers came up with nifty EZ-up canopies. This structure was rolled up to the center top ridge and inserted on a long wooden rack above our truck. Once at market, we would pop the lower legs in, unroll and fasten down the canopy, unlatch the apparatus from the truck and drive the truck out from under it. It took all of five minutes and gave us adequate rain and sun protection throughout a six-hour market.

Now, commercially made umbrellas and canopies are easy to find and purchase. I love the easy-up canopy that I purchased from Target. It offers an 8x8 square of shade and is

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very compact for transporting, much more so than an umbrella and its stand, which offer less shaded area.

Depth of space

I have found that the more shallow you can keep your display, the better sales will be. At one of my markets this is hard to do. To display large quantities of flowers we have to use the depth of the space with only a narrow opening aisle. I'm unhappy about this configuration and am still brainstorming how to give it a more open feeling. My other markets are much easier spaces to deal with. Keeping products parallel to the customer's path helps them feel more comfortable approaching your stand without stepping out of their comfort zone. They are hesitant to enter tunnels or narrow aisles - unconsciously it makes them feel like they have prematurely committed to a purchase.

This ties into accessibility of the product to the customers. People like to touch something before they buy it. This can be a hassle if they are disrespectful handlers, but, generally, people are careful.

Signs

Good signs are essential. Good signs include the name of the product, perhaps a quantity and, by all means, a price. People, even less shy ones, don't like to ask prices. They may like what they see, but will walk on by because they can't evaluate the product's worth based on a price.

Exceptional signs also include some educational aspect about the product - care of the particular fresh flowers, expected longevity and possibly cultivation tips for plant sales. Make sure signs are located on or right next to their particular products. Chalkboards and lists of prices are fine, but the disadvantage is the customers have to coordinate the products they see to the list. This can be confusing. Confuse them, and they'll likely walk away.

Set up your stand so the "people

flow" works. Invariably we have ourselves, friends and our kids hanging out, vying for space. If your people space is too congested, people will feel claustrophobic. We always try to have social space behind the stand, keeping the product area open for customers. We wear money aprons so we can freely move and exchange money and change. This also alleviates the stress of keeping an eye on a money box. We tried that for a few years and discovered keeping money on our bodies made it easier to chat with customers while assisting them. It saves you extra steps too.

A good display has products that offer a varied mix of products at different price ranges. The more price ranges, the more people with different incomes you'll attract. Elaborating on this, try to be consistent about what area at your stand you keep these differently priced items. Some customers are in a hurry and want to make their choices quickly. Keep different priced items visually separate from each other so the eye takes in a sense of organization about what it sees quickly. If someone picks up an \$8 bouquet, thinking it's a \$4 bouquet, they're likely to be disappointed in your product before they walk away, whether they buy it or not. When this has happened to me, I consider it my fault and take a step back from my stand to objectively try to see how this confusion happened.

Your demeanor

Educating buyers about what they are purchasing is a very value-added strategy in attracting people to your stand. Talk. Talk a lot. Exhaust yourself talking. Tell people about the varieties of flowers they're buying, tell them how to care for their flowers, point out how you use preservatives in your harvesting practices. Pass out hand-outs about post-harvest care or upcoming farm events or product offerings. Display pictures of your farm. Offer recipes. Listen. Listen to discern consumer needs that aren't offered at the market but might be

possible for you to offer in the future. All this helps you connect to your customers and makes their market experience more fun.

Remember that you are part of your display. Some days that's a scary thought. You might be a great grower, but if you're not also a good-to-great vendor, you're going to lose business. We had a vendor at one of our markets who was one of the snarliest fellows alive. One day he had some flowers I just had to have. As I bought them, he sarcastically asked, "Why would you want any more flowers?" I almost felt ashamed and never looked his way again. He's not there anymore. I suspect I know why.

Good manners, a sense of humor, warmth, personal appearance and enthusiasm for what you're marketing matter a lot. I want people to consider our flowers top-of-the-line, first-class products. I think this fact is emphasized by projecting the same qualities in my own personal presentation. I dress nicely for market. It's a nice switch from how I look out in the field, believe me.

Good will also enhances your success. Often we keep an extra bucket of flowers to pass out to small kids at market as freebies. We enjoy making them smile and it does have the additional advantage of keeping their sweet little hands off our saleable items. We also give away flowers occasionally when the situation warrants it - birthdays, anniversaries, condolences. For multiple purchases, we're glad to help people carry their stuff to their cars, offer them bags to consolidate their purchases, or loan out buckets to help them keep flowers hydrated. On more than one occasion, we've even made small loans to customers who ran out of money. Good will is contagious and the more evident it is in the market place, the more people will want to come back.

These elements - versatility, shade, displays parallel to the customers' aisle, good signs, people flow,

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accessibility to products, price ranges, good manners, good will and a willingness to educate your customers fulfill the functional aspects of a good display.

Beautiful displays

The other major element in a good presentation at market is the aesthetics or attractiveness of your display. Some of these elements blend into the functional aspects. The whole thing is a gestalt.

Multi-leveling, or displaying at several levels, works well in a functional and an aesthetic sense. If your space is small or narrow, going up from street level to eye level gets your product in sight and hopefully delights the eye. Multi-leveling also creates an effect of abundance and interest. Shelving units that help to create 3-5 levels are useful for achieving this purpose. If possible, tilting the product towards the public is good. Leveling also helps you keep various products more organized and separate visually from each other. Once again, customers buy more when they are not confused and can make decisions.

Aim for an organized stand. Help the customer's eye take in all you're offering and how it's priced at a glance. A good marketer keeps organizing his or her stand throughout the market, removing empty buckets and containers, re-adjusting signs and products as they sell.

The fact, and maybe later, the illusion of abundance is paramount to attracting customers. They like lots of choices. Since we're all dealing in perishables, it's maybe not cost-effective to bring in more than you can possibly sell. This is true for us. Invariably it takes an hour to sell the last five bouquets when we sold on average 25 earlier in the morning. It's a funny phenomenon.

Containers

This is one of the most important aspects of how a stand looks - probably because there are so many.

Don't just grab whatever seems handy to the cause. There are lots of attractive and functional options out there.

When I first started selling flowers, I used frosting buckets from a local deli. They were functional, but I should have at least removed the frosting labels. Now I use recycled buckets from a local business. These are all blue, a nice background color and they're all the same. I think consistency in appearance is primary. Too many different containers distract from what you want people focusing on - the flowers.

Needless to say, clean buckets are mandatory for projecting a professional image. They should be clean inside for obvious reasons, but the outside of the buckets are what the customers see.

Table coverings: We like lace. It's lightweight, forgiving visually of stains, and I think it's noticed and appreciated as being classy.

We are primarily arranged bouquet vendors. We've found that setting three identical bouquets together in one bucket makes a much stronger statement than three different bouquets in a bucket. We try to make each bucket have a mood - blues, pinks and purples; red, yellows and orange; red, greens and whites. Oftentimes this compels the customer to buy all three for a large arrangement of like colors, textures and flowers.

Packaging flowers is very important to customers. In this day and age, when everybody is multi-tasking, your customers might not be going home for a while. Work out a system where the flowers are directly being hydrated. We wrap paper towels around the stems and dip them in water. Add a baggie with a rubber band and that should do the trick.

Attach a packet of preservative to the bouquet. Previous to this year I thought we could save costs and not do this. Recently, I re-examined this stupid premise and began using preservative in all our buckets and

well as handing out packets to customers. This really emphasizes your commitment to the longevity of the flowers and the customer's satisfaction. It's been a wonderful lesson for me - try it if you're not already.

Sleeves for your flowers are helpful for protecting the flowers and help the customers see what is considered a bunch if they are grouped together in a bucket. If your markets tend to be windy, sleeves help protect the flowers from the wind.

The mood

Finally, have fun. We generally really enjoy our marketing days. They're social networking party days for us. Deryl, my husband, plays music informally at market and often attracts other wandering musicians and singers. We sell flowers and sing! We introduce people to each other, meet new ones and hear about unrelated opportunities for our kids and ourselves. Never mind that we spend the rest of the day after market hallucinating from the social as well as physical fatigue - We feel it's usually worth it. Markets have made our family life so rich, far beyond the tangibles. I'm not saying I'd do it for free, but some members of my family probably would.

I hope I've helped give you a few ideas or pointers toward making your display and promotions work well for you and attract customers. The options are unlimited and manufacturers are recognizing the needs of a growing number of vendors at farmers' markets. There are more and more choices out there. I wish you all well with your marketing experiences. 🍷

Linda Chapman grows flowers, herbs and vegetables at her farm in central Indiana.

Don't sell yourself short - keep your prices up!

Setting prices is one of the most critical tasks for farmers' market vendors. Many factors have to go into the calculations if you're going to maximize your sales and profits.

The single most important thing to remember about farmers' markets is that your produce should not be cheap. The whole point of farmer's markets is to allow farmers to capture the full retail price, because you just can't make a living selling wholesale when you're farming on a small scale. Experienced farmers know this, market managers know this and most consumers know it, too. So plan on getting the highest possible price for your products.

What's the highest possible price? Well, certainly, you should get at least the price that grocery stores are charging. That's the starting point. But there are several reasons why your prices might be higher than grocery stores:

- First, produce is often a "loss leader" for supermarkets. Produce managers buy big quantities of an item and sell it for barely above cost as a way of enticing shoppers into the store. Don't try to compete with these deeply discounted prices. You'll go broke.
- Freshness gives you an edge over supermarkets and you should be able to charge accordingly. Potatoes, for example, may be selling for 10 cents a pound in the supermarket. But those potatoes may have been in storage for months, and their flavor will be far inferior to your freshly dug spuds. In fact, the two aren't even the same item. Freshness equates to better flavor in virtually all kinds of produce. Consumers know it and are willing to pay more for it.
- Quality should be *higher* at farmers' market than at supermarkets. Green beans that were mechanically harvested and have been sitting in a box for a week will be noticeably limper and duller than your fresh-picked beans. Lettuce varieties that withstand a thousand miles of shipping will be tougher than your crisp greens. Charge more for higher quality.
- Specialty items just aren't available at many supermarkets, so you're going

to have to make up your own prices. Heirloom tomato varieties, ripe and flavorful, are worth considerably more than the pale, hard tomatoes sold in stores. Purple potatoes, fennel bulbs, arugula, specialty melons - those kinds of exotic items command a higher price than some vaguely comparable supermarket item.

How do you know what is a fair price? It helps to know your costs of production. If you keep good records of your inputs and overhead, you can figure out how much you need to charge to make a profit. But you also have to take into consideration what other vendors are charging. Some markets have price guidelines that prohibit vendors from charging too little. Find out from your market manager if your market has any pricing rules. If not, survey the market regularly to find out what other vendors are charging. Find someone who attracts a lot of customers, who has high-quality produce and a good display, and use that farmer's prices as guidance.

Don't undercut

The biggest complaint farmers have about selling at farmers' market is that new growers or hobby growers will often come into market and sell their produce way too cheaply. Please don't be guilty of this. You'd be hurting other farmers, the market's image, and ultimately yourself.

There's a certain dynamic that occurs around market prices. At the base of this dynamic is the fact that people don't buy more food than they need. If someone wants a watermelon, they're going to buy one watermelon. They're not going to buy three watermelons just because the price is cheap. So low prices will not affect the market's overall sales. One vendor's low prices may shift the volume within the market, so that the low-price vendor picks up more customers. But a farmer can't keep artificially low prices indefinitely and stay in business. You have to make a profit. When you raise your prices later, you're going to alienate your new customers who

think of you as the cheap place to buy. In the meantime, you may have hurt farmers who depend on the market for their livelihood. And you will have cheapened the tone of the market overall. Customers will start expecting bargains, rather than quality, and the entire market suffers.

Many farmers have found that they sell out despite having the highest prices at the market. You know the old expression, "You get what you pay for." People believe that. If your prices are lower than everyone else's, many people are going to assume there's something wrong with your produce. Conversely, if your produce is of high quality and you charge more for it, customers will think you've got something special, and they'll want to buy it.

Most customers will respect you for charging a good price for your food; it shows you have pride in your produce. But occasionally you will have someone gripe about your prices. The best response is a polite one: "This is what I have to charge if I'm going to stay in business." Most people can understand that; some will get huffy and walk away, but who wants that kind of customer coming back every week anyway?

If you're in a state that charges sales tax on food, get a calculator and add the tax to the customer's bill. Many growers don't charge sales tax because they think it's too much trouble to add those percentages. But the farmer still has to pay the state at the end of the year. Charging sales tax is like giving yourself a raise of 5% (or whatever your sales tax rate is). And customers won't notice; they're used to paying the sales tax.

It is far better to go to a new market with high-quality produce, charge what everyone else is charging, and build business slowly and honestly. You will win the respect of both farmers and customers. You can hold your head up at the end of the day. And over time, you'll build a base of loyal customers who come to you because of the quality of your produce, and your marketing venture will be a success. 🍷

How much should farmers' market cost? Growers around U.S. discuss fees, earnings

Recently we asked *Growing for Market* readers to let us know how much they are paying to sell at farmers' markets, and how much they can earn at those markets. We received calls from all over the United States, and we called a few of the bigger markets ourselves, to find out how much markets charge and how fees are established.

The fees ranged from a few dollars on a daily basis in a small town to several thousand dollars for a year-round space in New York City. Similarly, the revenue farmers reported ranged from \$100 a day to more than \$3,000 a day.

The setting of fees is a sometimes complicated business that depends on the community where the market is located and the ambitions of the people running the market. Market managers cited three chief issues that are considered when market fees are established. In most cases the market fee has to cover the budget for administration of the market. Those costs can range from minimal, when the market is an informal affair with volunteers doing oversight and inspections, to significant, when a market hires a full-time director, purchases advertising, prints recipes, sponsors cooking demonstrations and festivals, and so on. The market fee also needs to be set high enough to make the market a venue for serious growers only, and discourage the backyard gardeners who might want to drop in occasionally and dump extra produce at low prices. At the same time, the market fee has to be low enough to encourage farmers to participate, particularly when a market is just getting started and revenue potential is uncertain.

Ann Yonkers, who has started two farmers' markets in the Washington, D.C., area, studied the fee structure at markets all over the country before fees were established at the new market in Dupont Circle: a \$50 annual fee, which includes membership in the American Farmland Trust, a sponsor of the market, plus 6 percent of sales at each market.

"The percentage system is a fair system, because we have really small producers, people who have an acre, and some large producers," she said. "This way, if you don't make much money, you don't pay much money."

Among the 20 vendors at the market, which is held from 9 a.m. to 1 p.m. Sundays, sales range from a few hundred dollars per day to as much as \$3,500 per day in peak season, with many growers earning \$1,000 per day.

Another Sunday morning market in the D.C. area is in suburban Takoma Park, Maryland. It's reputed to be one of the most profitable markets in the East, and the waiting list to sell there is long. The fee is \$12 per day.

The Davis, California, market charges 6 percent of gross to members, 8 percent to non-members. Membership costs \$30 the first year and \$15 a year thereafter. Charlottesville, Virginia, also charges 6 percent of gross.

At the New York City Greenmarkets, daily fees range from \$42 to \$68, depending on the popularity of the market. Union Square Greenmarket, held on Saturdays, is the most expensive - and most popular, with as many as 100,000 people visiting in a day.

The fee is reduced when paid in advance; for example, the Union Square fee goes down to \$57 a day when paid

quarterly and \$2,760 a year or \$53 a day when paid in full in advance.

Sue McEvoy of Washington, New Jersey, wrote to *Growing for Market* that her northern New Jersey markets charge \$225 a year to inspect growers to ensure that they are growing what they sell. In addition, each market location costs between \$50 and \$85 per year, plus \$20 a week. That adds up to \$710 a year for a 20-week season.

An inspection fee of \$10 a year is charged of all growers selling at the 300 California Certified Farmers' Markets. Lynn Bagley, director of the Marin County Farmers' Market Association, says that farmers supported the inspection fee, which took effect last year. In the past, she said, there wasn't enough checking to verify that people were selling only what they grow.

No other growers who called GFM reported inspection fees for their markets. In most cases, inspections are done only if the market is a producer-only market and a vendor has been accused of buying produce and reselling it. In some cases, inspections are done by a team of other market members, or they may be included in the administrative budget and covered by the membership fee.

Lisa Kenyon, manager of the Newport, Rhode Island, market, comments that the New Jersey fees seem outrageous. Her market charges \$20 registration plus \$12 to \$15 a day.

Wayne Hansen, who sells in Danielson and Putnam, Connecticut, says the markets there charge \$15 a year membership plus \$36 a year to sell at two markets, plus \$4 a day. He makes \$200 to \$300 a day.

Valerie Biesman pays \$35 per day at the market in Kansas City, Missouri, or \$225 in advance for a full year.

Tina VanDeWater pays \$75 a year plus \$3 per market to sell at the markets in Orleans, Massachusetts, on Cape Cod. Her revenue ranges from \$250 to \$550 a day selling produce and flowers.

Judith Caporiccio reports that the market in Pasco, Washington, charges \$100 a year plus \$16 a day for Saturdays and \$11 a day for Wednesdays. She says she can make \$500-600 at a Saturday market, and \$200-300 on Wednesdays.

Merilee Barnett, who sells flowers and plants at the Rye, Colorado, market, pays \$15 a day for the space and no other fees. The most she's made is \$1,100 a day, and average sales are \$500-600 a day.

In Harrisburg, Pennsylvania, Bob Kilgore says the market charges \$125 as a one-time membership fee, then \$125 a year in dues plus \$35 a week for the markets on Tuesdays and Fridays. Growers must sign up for a minimum of three months. Friday is the best market, bringing Bob \$500 to \$700 a day.

Clearly, some markets are a better deal for growers than others. But even when market fees are at the high end of the scale, farmers' markets are one of the best bargains around, and they are doing the job they set out to do: Allowing farmers to claim retail prices for their food, providing them the means of earning a livelihood on the farm. ☺

Selling herbs at farmers' markets: Keep them fresh, educate buyers

By Sandie Shores

Selling fresh-cut herbs at a busy farmer's market can be very lucrative indeed. The demand for fresh herbs is high and continues to grow. Not only have American cooks become aware of the value of using fresh, as opposed to dried, herbs but virtually every ethnic group uses at least one fresh herb in their cuisine. And while the consumer may settle for fresh herbs from the supermarket in the off season, given the choice, most prefer to buy directly from the grower. This is where you can profit!

Many growers sell the easy-to-grow annual herbs such as basil, cilantro, parsley and dill. However, with the addition of a few of the less common and perennial herbs you can significantly increase your profits. Herbs such as arugula, chives, oregano, sorrel, sage, French tarragon and thyme will sell at your market when the customers discover that you offer them. If you learn how to manipulate the growth patterns of the various herbs so that you can maintain a continuous supply you will be money ahead. For instance, you can grow cilantro during the hot summer months by choosing the right microclimate in your fields and making succession plantings every week.

It is also in your best interest to learn what ethnic groups are in your area, what herbs they use in their cuisine and how to cater to their needs. For instance, in Rochester, Minnesota, (home of the Mayo Clinic and IBM) our population and long-term visitors consist of many broad and diverse cultures from around the world. Many growers at our busy Rochester Downtown Farmer's Market have done their homework and grow herbs and produce specifically to supply the needs of the

many and diverse cultures. The result of this is, of course, increased profits.

Herbs, as with most produce, can be difficult to keep fresh when the temperatures are high and they are in direct sunlight. But learning how to keep your herbs fresh can make the difference between selling your herbs and taking them home to dry. Fresh cut herbs are quite perishable and similar to other produce after harvest. They will eventually deteriorate and lose quality. Soaking a whole herb bunch in cold water for 10 minutes can revive herbs that are only slightly wilted. Wilted herbs make a fine addition to the compost pile!

Start with healthy plants

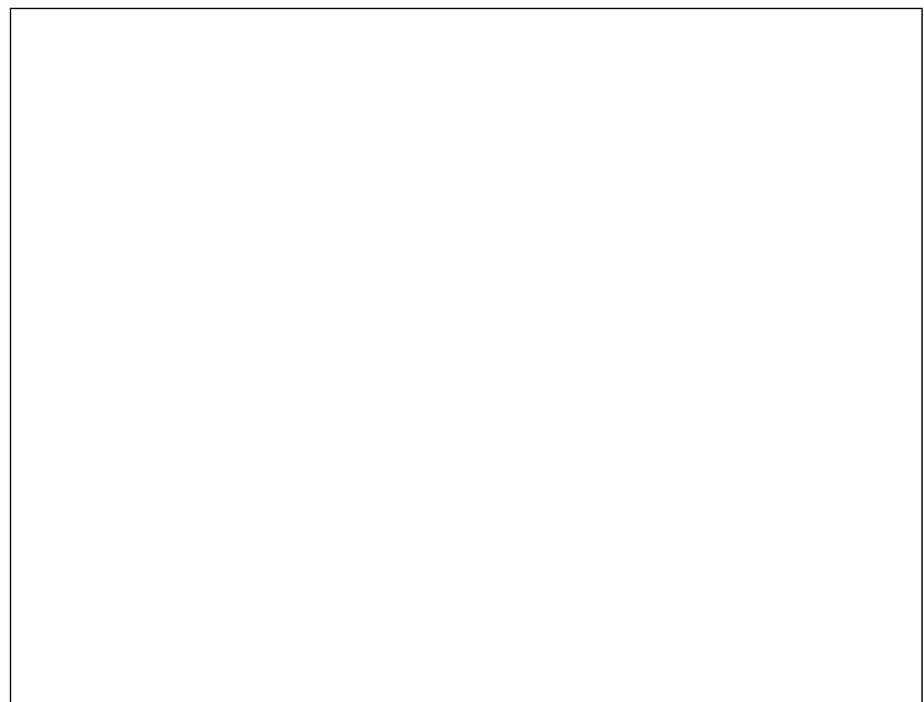
Bringing a quality fresh-cut herb to the market has as much to do with growing a healthy plant as it does with the care given to it during harvesting and beyond. A healthy, disease- and insect-free plant will remain fresher and more appealing longer after

harvest than one that is moisture and nutrient stressed.

Proper handling and storage conditions during and after the harvest will also help delay the decaying process. Care should be used in the harvesting process to prevent damage to the herbs. Bruised or torn leaves promote quick deterioration after harvest and are a statement to the consumer of poor quality standards.

The two most important steps you can take to preserve the freshness and quality of herbs after harvesting are to lower the temperature quickly and prevent moisture loss from the herbs by packaging them as soon as possible. Generally, it is best to not wash herbs but sometimes this can't be avoided. You don't want to sell muddy herbs or those with insects on them. The bunched herbs can be very gently swished in cold water and the excess moisture allowed to evaporate before packaging.

continued on the next page



The author's display at farmers' market includes a Recipe of the Week card with samples, plus potted herbs and fresh herb bunches kept inside a cooler.

Herbs...

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Herbs should be picked the evening before the market and cooled quickly. The exception to this cooling rule is basil. Basil should be held between 45 and 60 degrees as it can turn brown quite quickly at temperatures below that.

Harvest herbs that are perfect and have no cosmetic damage from insects. Herbs that are flowering should not be offered for sale, unless a customer requests it for use as garnish material, as flowering herbs have less of the desired foliage and they also tend to be bitter.

The ideal is to keep the herbs in a cooler and sell from a display of each herb you offer. However, we all know that customers like to see an abundance of fresh herbs and produce if they are to make purchases. Our displays should look full and inviting.

Display ideas

In years past I have displayed the herb bunches propped up in a small amount of water, much like fresh flowers. My partner, Catherine Osborn (Wildside Herbs and Wildflowers) has developed an easier method of keeping herbs standing upright in water. She places a 10X20 inch flat upside-down in a standard sized cooler. The cooler is filled with water to the level of the flat. If the weather is very hot, ice cubes may be added to the water. The cooler is then filled with bunched herbs with their stem ends between the holes in the flat causing them to stand upright. This keeps them fresh and presents a beautiful display. The cooler is set on small stools in front of the main display table so it is nearly at the level of the table. More herbs are kept in coolers to replace the ones sold from the display. The herbs in the display are misted with water frequently using a spray bottle as added insurance to prevent moisture loss from the foliage. Providing shade is, of course, a major part of keeping the herbs fresh.

Recipes help sell

Many customers are anxious to learn about using fresh-cut herbs and it is our job to teach them and increase our sales at the same time. To this end, I came up with the idea of the "recipe of the week". Each week we offer a new original recipe using fresh herbs and produce in season. We try to use some of the unusual herbs, such as lemon balm and marjoram, in an effort to introduce them to the customer and educate them as to their use. This is also a way to sell herbs that we have in abundance at the time. We give away the neatly printed recipe and sell the fresh-cut herbs used in the recipe as well as the individual plants. The recipe fresh-cut herbs are conveniently bunched together and contain more than enough to make the recipe. We use the same bright sign each week with the new recipe pasted on it. This is surrounded with the herb bunches (also sitting in water) and plants and it makes an eye-catching display. We have many customers returning for the recipes and more new people eventually become regular customers each week.

When developing our recipes we try to consider that many consumers are looking for convenience foods and easy-to-make new ideas. We base our recipes on the convenience concept as well as the season. We try not to ask the customers to bake when the temperatures are soaring! We offer free samples of the recipe each week but you should check with your own market manager to see if this is legal at your market. Giving away the free samples has increased our business quite a bit but this idea has come back to haunt me! Besides all the work involved in getting ready for market day (you all know what I mean!) we now have to prepare the samples in a large volume too! We take turns developing the recipe and making the samples so this does remove some of the pressure of having to do it all each

week. Many of you may not have this luxury.

When a customer buys more than one kind of herb we ask if these herbs will be used in the same recipe. If not, they are packaged in separate poly bags. Most herbs have strong flavors and/or aromas and if these are allowed to commingle it can add an unwanted taste or aroma to food. The customers appreciate this small gesture of concern and good will. They are most willing to share their recipes with us, which creates friends as well as customers. Many times the customers will take the herb bunches from the display themselves. As an added bit of hygiene we pull the poly bag over our hand, the herb bunch is grabbed with the covered hand and the bag is pulled over the bunch and given back to the customer. The customers have often told us how they appreciate the care and concern given to each and every bunch of herbs.

I love growing and selling the fragrant, useful herbs AND making a profit with them. I bet you will too! So, grow herbs-you will not only make the world a better place, but you will also be making a profit. 🍀

Sandie Shores operated Herb's Herbs for 10 years in southern Minnesota. She is the author of Growing and Selling Fresh-Cut Herbs.

Sandie now sells organic herbs and produce at the Rochester (MN) Downtown Farmer's Market and at Full Circle, a cooperative that supplies whole foods stores in the Twin Cities. Visit her website at www.freshcutherbs.com.

Bouquets sell well at farmers' markets; here's advice on how to make them quickly

By Frank and Pamela Arnosky

Here at the Arnosky farm, we are in the bouquet business. Pamela has made tens of thousands of them, and we are often asked how she does it. So we thought this month we would describe the process for those who want to get into mass bouquet production.

Our mixed bouquets, called Texas Garden Bouquets™, became important to our business in the second spring of operation. We first started selling straight "consumer bunches" at the new Central Market in Austin, and it appeared we could probably sell only limited amounts of the straight stuff. Pamela groaned at the prospect of making mixed bouquets, but then called the manager and offered to deliver an initial 35 bouquets. The manager said, "I thought you'd never ask." The second delivery was around 125 bouquets, then 175, then 250, 350, twice a week. For Mother's Day Week we have made over 1,000 bouquets. We have been limited only by what we can physically produce. The demand is relentless. We always ask ourselves if this is really worth it. Other small farmers have gotten out of the bouquet business...too much work...not enough payback...are we charging enough... So, if you do this thing, don't say we didn't warn you!

We plant to maintain diverse flowers specifically for bouquets. During the summertime, we hire a crew to help plant and pick, but as the season wanes, the guest workers go home, the local employees decide they have had enough, and the husband, wife, and four kids bring in the last couple of months' harvest.

In order to assemble bouquets quickly later, how the flowers are picked is important. First, start with very clean buckets - we wash ours in dish soap and bleach. Just about everything is picked into a hydrating solution. We use OVB, a product from Pokon & Chrysal. You can use Floralife's equivalent. Just follow directions on the labels. We mix the OVB in the field, using water the same temperature as it comes from the well, about 65 degrees. Our picking buckets

are 2 1/2 gallon seamless nursery buckets, dark green or black, and sitting in the bright sunshine, they heat up quickly. The gallon of water in them gets quite hot. No one has ever taken a thermometer to see how hot. Some people go to greater lengths to put flowers into hot water. But it is mechanically difficult to get hot water to the field. The hydrating solution has the same effect.

We pick all of every crop twice a week, on Mondays and Thursdays, since we have a market for every stem we can pick. This simplifies picking - not having old flowers to look through speeds things up. The grading of flowers takes place in the field, so that we don't have to scrutinize each flower so closely when assembling. The stage of the flowers' development is crucial, but some people just don't seem to be able to see when a zinnia is old. So certain pickers pick certain crops. We pick as rapidly as possible. You grab hold of one to cut, and as your cutting arm reaches out, your eyes select the next flower to cut. You develop a rhythm. The various flowers have to be of a minimum length in the bouquets, so it is best to pick every stem of a variety the same length. Regardless of the height of the plant, when we reach down to cut, the measurement against the length of our arm is automatic. Pamela likes to work with a minimum of 18" for most things. Spikier flowers are picked even longer. We use Felco's #2 shears for cutting, the sharper the better. Pamela developed an elbow ache using dull cutters on woody-stemmed basil. Some people use knuckle knives, and swear by them. You have to find whatever works best for you.

Stripping leaves

As we pick, the question is to strip or not to strip the foliage. Most varieties are stripped in the field, but with thin-stemmed flowers such as daisies we just leave the stems on because typically three stems will go into a bouquet, and those can be picked up together and stripped as a unit while the bouquets are assembled. We can get 1,000 stems from a bed of daisies per cutting, so not stripping those individual stems really saves

time. We have had to make these decisions for our pickers. Otherwise, they will plod along, perhaps assuming that the boss knows best, so they don't have to think. Some plants like sunflowers and echinacea will wilt if you don't strip part of the leaves off. Cinnamon basil wilts unless picked before 10 a.m. around here, but is often picked as a total plant, and is not stripped until it is processed later. The water totally destroys the leaves under the water, but they get stripped off anyway, so we don't worry about it.

Someone ferries flowers to the buckets for all of the pickers. As the individual buckets are filled, they are placed in the shade, usually the old van that we take into the field. Then at the shed, the varieties are off-loaded in some kind of order that will make it easier to find them as they are needed for bouquets.

Since we sell our flowers at specialty supermarkets, we have to use sleeves. We prefer the crisp, clear sleeves (made of a material called bi-oriented polypropylene). Our stuff is never boxed or stuck into a cooler, and sells quickly at the store, so molding inside the sleeve has never been an issue. Labeling the sleeves with the farm name and price usually falls to one of the kids, last thing in the afternoon.

Before Pamela starts assembling bouquets, the shipping buckets are prepared with water and floral preservative. We use a metered stick when filling the buckets with water for two reasons: the ratio of preservative to water is important, and so is the height of water in the bucket--too high and water gets inside the sleeves and rots the stems.

Which flowers?

We're often asked how we decide which flowers to put together into a bouquet. Our first rule of thumb is that a bouquet should not have too many kinds of flowers in it. Pamela has talked with several other growers who have said that 12 or so is the maximum variety they would use in a bouquet of 20 stems. This time of year, our bouquets are 15 stems, and have seven varieties of flowers.

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Spring and summer flowers are entirely different around here. Once things heat up, the beautiful early flowers die off, and we have fewer varieties to mix into bouquets. A sunflower, a gladiola, a tuberose, or some other big flower is the “focal” flower, the one that is the focus of the bouquet. The sunflowers are grown close together, and so are appropriately sized to not overpower the bouquet. We grew smaller glads this year, too, to use in bouquets. Showier, pricier flowers can be balanced by using “fillers.” Fillers are typically the leafy, smaller flowered things like solidago, solidaster, gypsophila. Longer-stemmed basil works well, too, picked as the flower is blooming, providing lots of green and fragrance, too. The other things we use in bouquets this time of year are simply the things that will grow here. Pamela doesn’t think that she could even make a bouquet that would have a lily and a zinnia in the same bouquet. Celosias and centaurea just don’t look “right” together down here.

In the packing shed

Now it’s time to assemble the bouquets in the packing shed. We will have picked all day long, finishing by five o’clock. While the packing shed is not air conditioned, it has good air flow, since there is generally a good breeze here all year round. Pamela arranges the groups of flowers on the table in the order of assembling. None of this walking about, picking out one of these and one of those from buckets scattered around the shed. The basic layout is in a squared-C shape and is a few inches higher than a standard kitchen table. She works clockwise, starting with the “focal flower”. Those are usually left in the bucket, since only one is pulled out at a time. The rest of the bouquet is built around this one. When the ambient temperatures are still high, only a handful of flowers should be laid out on the table at a time; as things cool down, Pamela pulls out a bucketful at a time.

The focal flower goes first, then something spiky, like pampas plume celosia and *Salvia leucantha*, usually three stems of those. Then a “filler” like a tall stem of leafy basil or a spray of solidago, two or three marigolds, a stem of ageratum, two to three zinnias, and two to three stems of tall gomphrena.

As Pamela lays the flowers in her left hand, she turns the bouquet, sometimes opening it slightly to nestle showier flowers among the leafier stems. Anything that has had leaves left on below the water line is stripped as she assembles the bouquets. The spiky things are taller than everything else, and they ride above them like flags. The zinnias and other flowers with soft petals ride at the top of the bulk of the flowers so they don’t get crushed in the sleeve. Sometimes the shortest things can be added last in the line so they are on the outside of the bouquet, and are seen. You have to be careful about what is down low, since some flowers will crush and rot. Bouquets are much more interesting if the flowers are in several planes. A picking bucket full of flowers will yield about 7 bouquets on average, so 60 buckets would yield 420 bouquets.

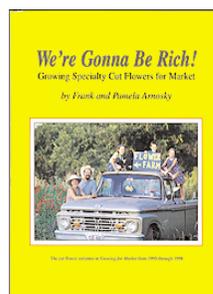
Sometimes, there are limited amounts of some kinds of flowers, so Pam might make 150 bouquets, say, with *Salvia leucantha*, and then replace that with tuberoses for the rest of the bouquets. Having variety within the display at market is a good thing. Anything white makes things sparkle. A wavy purple thing beckons for attention.

Cut stems evenly

Last thing in the assembly line, the stems are recut, evenly, so as you assemble the bouquet, you must be aware of where you lay stems in your hand. The stems **MUST** be recut because they have been out of water for a time. And once that bouquet gets to the store, drinking water all the way, you cannot control who is going to refill the buckets, and when. Evenly cut stems will all be in the water, and are more professional looking as well. We band each bouquet with a #32 rubber band, wrapped twice. Then, they are dropped into sleeves, and put into water. Some folks do an extra step of “Quickdip,” a Floralife product, to rehydrate the stems.

When we do bouquets, we also hopefully have enough stuff to straight bunch some of each thing that is also in the bouquet. Then you satisfy those shoppers who have been buying your flowers every week, and might like to try something different.

The bouquet making was Pamela’s domain, but recently, Frank suddenly jumped into the arena and whipped out a hundred bouquets in record time. How did he do that? There isn’t really anything sacred about the bouquet making. They are the culmination of hot grueling days, picking, picking, picking. They are made on long nights and early mornings. Just get the job done. Get the truck loaded and off to market. From the first year of figuring out the mechanics of stem length, stripping, and the layout on the bouquet table, the main impetus has been to improve the speed at which they are made. It requires energy to keep going, and some upbeat latin music. Although Pamela makes a basic formula for the bouquets after each picking, no two bouquets are really exactly the same. We’re tens of thousands of bouquets into this thing, and are still at it. For now. 🌻



Frank and Pamela Arnosky growcut flowers year-round on their farm near Blanco, Texas. They have 10 acres of field production and eight greenhouses for winter production.

*The Arnoskys' book, **We're Gonna Be Rich: Growing Specialty Cut Flowers for Market**, is a collection of their flower columns from 1995 through 1998. Written in their breezy, conversational style, it is a delight to read and an essential reference for cut flower growers. It is packed with cutting-edge information about varieties, production practices, harvesting requirements and marketing ideas. **\$24.95***

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More than a business: Farmer feels blessed by farmers' market friendships

By Ward Sinclair

Reprinted with permission from "Truckpatch," a collection of Ward Sinclair's columns in The Washington Post.

As the chill deepens and the outside work slows, the farmer turns to his ledger books, which are deceiving; they confirm that his financial rewards are small, but fail to reveal that he has acquired immense wealth.

Looking back over the year, the farmer realizes that he has become part of a family that somehow seems to count on him, that supports and encourages him and justifies the workaday drudgery, which in the truckpatch means much time on hands and knees.

In the formal sense, the farmer is not a man of religion. But the year has revealed new insights and so at this time of giving thanks, the farmer bows in considerable awe to the combination of forces of man and nature that have led him to his new wealth.

This has been a year of revelation, for the farmer has learned the folly of counting bottom lines in dollars and cents. How can he place a value on nature's teaching, which has helped and hindered his best efforts to husband soil and plants? How to price the proliferation of earthworms that have brought health to his soil? Or the invasion of protective barn swallows and ladybugs and praying mantises? Or the seductive aroma of fresh-turned soil?

Joy is derived from the observation of these processes, from the participation that helps speed them, and for this thanks are given.

All of this counts as part of the wealth and profit, just as does the acquisition of family. The people of this family, most of whose full names are not known to the farmer, are the customers who come to his markets to buy his produce and to share the intimacies of family and friendship.

Thanks are given to these people, especially the children, who seem to somehow know intuitively that life springs from the soil and that good things come to those who protect and nurture it.

A freckle-faced second-grader named Flannery, unhappily dependent on her mother for a ride to the market, comes early to help the farmer place signs around his stand. She has confided to her mother that perhaps if she does a good job the farmer will invite her to work on the farm next year. He will.

A toddler named Kelsey comes regularly in her father's arms. She cannot pronounce the farmer's name but she knows he will always place a ripe strawberry or some other delectable in her chubby hand. A shy 4-year-old named Victoria, who once drew a portrait of the farmer, averted her eyes all summer long and then suddenly embraced the farmer's kneecaps.

Jane and Amy, grade-school sisters, show without fail each Sunday. Their eyes light up in front of the vegetables, bespeaking a special appreciation. They brought pleasure to the farmer by arriving one day to work on the farm. The lettuce they helped cover with protective netting in the fall grew to marketable size, thanks to their effort.

The adults are just as supportive. A lady named Lani would arrive in the hot months with bottled ice water for the farmer. A man named Russell brought brownies, his wife Marci brought cake. A man named Phil brought news clippings, knowing that the farmer was out of touch. Judy brought brochures on gardening. A woman named Donna, a stranger to the farmer, dropped by to introduce Richard, her boyfriend.

An infrequent shopper at the stand came with antique seeds he wanted to share. A lady named Jill brought beer from Cincinnati and carrot seeds from France. Women whose names were unknown to the farmer brought recipes. A Redskins fan, a retired chap, routinely invited the farmer to stop by and watch football on his TV.

Others who did not bring gifts brought their care and best wishes. Each week the farmer would be peppered with questions about the bugs and the weather and sales. They worried aloud if the farmer would make it, offered their support, and showed that the distance between city and country is not as far as some policymakers would have us believe.

How does the farmer thank his family? How can the farmer respond to the more intimate details of life shared by these people who come for his vegetables and his berries?

One man, a regular shopper, began asking the farmer to pick out the best tomatoes and set them aside for him. "I hate to tell you," he finally said one day, "but I've just learned that I'm going blind and I can't see what you have on the stand."

Another elderly man, wobbly on half-crutches, always paid from a billfold wrapped in a plastic bag. "I've done this since I dropped the billfold in a puddle of rain...couldn't get down to pick it up," he explained. Last seen, he was ebullient, about to go into a hospital to get new plastic knees, offering to come work on the farm next year.

Yet another part of the farmer's intangible wealth is the family of fellow vendors he has joined. They all compete, most of them grouse and gossip about each other's habits, but they care for each other. They support one another with barter and discounts and tips on growing their specialties. The farmer has learned from each of them and he thanks them.

He is indebted to a farmer named Francis, a shy man from Friendly, Md., who has taught him the meaning of gentle. He thanks Chip and Susan of Purcellville, Va., who supported the farmer by sharing their knowledge with grace. He thanks Sharon, who astonishingly refuses to bring her rutabagas to market so as not to offend the farmer who first introduced her to them. The farmer is grateful for the lessons taught by Tony and Becky, determined young Pennsylvania growers whose grit brought them back from the edge of failure.

This is the farmer's new family, his new wealth and in many ways the inspiration that allows him to ignore the aching elbows and tired arms and bruised knees that are the bane of the truckpatch. He is in awe of these riches and he is thankful. Amen.

November 15, 1989

How much insurance do you really need?

One of the business matters that farmers must think about, like it or not, is insurance. There's not much enjoyment to be had in visualizing the possible disasters that could befall the farm, and nobody gets excited about spending money on insurance, but few would deny that insurance is a necessary evil for direct market farms.

But working your way through the insurance maze is not easy. You need insurance, but what kind? How much? And how much should it cost?

There's no simple answer that will work for every farm, because every farm is different in the amount of risk it faces and the amount of assets it has to protect. But it helps to know what's available before deciding whether you've got the right stuff, and enough of it. If your business has grown or your marketing has changed since you bought your insurance, now might be a good time to reconsider whether your insurance has you covered.

The most important thing to know about talking to an insurance agent is that you have to be completely honest about every aspect of your business and make the agent understand exactly what it is you do. Neil Hamilton, director of the Agricultural Law Center at Drake University and author of *The Legal Guide for Direct Farm Marketing*, advises growers not to understate any aspect of your operation in the hope of saving money on the premium.

"If you don't disclose the full nature of your business there is a greater likelihood that the insurance you buy will be inadequate," Hamilton says. "Then, if something happens and you ask the insurer to cover you (which is why you bought insurance in the first place) you may find out your policy does not cover the situation. Then you are in the worst possible situation - you have paid good money for an insurance policy which was not what you needed and now you have a problem for which you are uninsured."

How serious a risk?

Some farmers don't buy insurance because they don't expect to get sued. Their operations may be small, they may not have people out to the farm, or they may feel they know their customers and don't worry about them suing. That's the optimistic view, and

there are two things you need to know before you decide to adopt it.

The most important thing to consider is that someone who is injured on your farm or by your products may be forced to sue you by his or her own insurance company. They may like you, even love you, but they have signed an insurance contract that allows their company to seek repayment from you if they get injured on your farm. This is known as "subrogation."

"It is important to understand for this reason you cannot depend on the fact you deal with your friends, to assume they won't sue you if something goes wrong. In most cases they will not be making this decision, the insurance company will, and the insurance company is not interested in friendships," Hamilton writes.

That's probably enough to scare you into calling an insurance agent, but if you're a gambler, you might also want to know the frequency of lawsuits against direct marketers. Charlie Touchette, director of the North American Farmers Direct Marketing Association, studied direct marketing insurance for several years while creating a policy specifically for direct marketers, and he says there's just no industry data on direct marketing claims.

"The whole thing of direct marketing is relatively new - even 20 years is new when you're talking about insurance statistics," he said.

Touchette looked at the claims history in the cut-your-own Christmas tree business - surely one of the most potentially dangerous direct marketing ventures - and found "they were far less significant and fewer of them than the insurance companies imagined," he said. The NAFDMA also surveyed its members for anecdotal information about insurance claims and found only a handful. The biggest was "a badly twisted ankle at a pick-your-own apple orchard that turned into a \$40,000 settlement," Touchette said.

He has also managed the liability insurance coverage for the farmers markets in Massachusetts and in 12 years, with 50 to 70 markets covered each year, there have been only three successful claims. All three involved wind accidents - signs or canopies blowing over and hitting customers;

all three customers went to the hospital; and the claims were settled for \$12,000, \$26,000 and \$32,000.

In other words, the statistical risk of an accident is probably small, but accidents do happen and farmers and markets do get sued.

Farm liability policy

If you've decided you'd better have insurance, the first policy to consider is your liability policy. Many growers, when they first sell produce, assume that their homeowner's insurance will cover them both on the farm and at a farmers' market. That may or may not be true. Your homeowner's policy will cover an accident on the farm to a guest or visitor, but once that guest is paying you for your products, the relationship changes. For example, if you let a friend pick a bouquet on your farm, injuries would be covered by your homeowner's policy. If you charge that friend \$20 to pick flowers, it might not be covered. Some companies won't quibble about small commercial transactions, but if you're making more than a few hundred dollars in farm sales, you'd better check to find out whether that business is covered. In some cases, you can just add excess liability coverage, called an umbrella policy, for your business activities. If you're currently buying only a homeowner's policy, read it carefully for mention of commercial activity, particularly the exclusions, and have a talk with your agent.

Once you start farming in earnest, you need a farm liability policy, which will cover all activities related to farming in addition to the usual liabilities of owning property. Whether your direct marketing activities are included in the company's definition of farming activities will vary, particularly if you're buying from a company that does most of its business with traditional farmers. Again, read the exclusions to find out if roadside markets, off-farm farmers' markets and pick-your-own operations are covered. Generally, PYOs will require additional coverage because the exposure, or potential for someone to be injured, is greater when there are more people visiting the farm.

Farm liability policies may contain

continued on the back cover

What's ahead for farmers' markets?

Keep your eye on these trends

Farmers' markets have seen many changes in the past two decades, as they have resurfaced as an integral part of life in many American communities. And they will continue to change, reflecting changes in society at large. As direct-market farmers, we have to stay attuned to the trends that could affect the way we do business.

Tony Manetta, director of New York City's Greenmarkets, is an expert on the changing face of farmers' markets. For nearly 20 years, Tony has been involved with Greenmarkets, which now number 38 markets in 29 locations. He talks to hundreds of farmers and consumers every week, and stays in touch with other market managers around the country. Tony might not describe himself as a prognosticator of change, but he is certainly a keen observer of it. Tony described four major trends that already are affecting farmers markets in New York, and may ultimately spread to the communities where you are selling your produce.

Aesthetics

Farmers' markets in the not-so-long-ago past were a fairly raucous affair where farmers sold off the backs of their trucks or out of the boxes they had packed into in the field. The smell of diesel fuel mingled with the smells of fresh produce. Signs, if there were any, were scrawled with ink pens on brown paper bags or pieces of cardboard. The farmers were often cranky and gruff.

That's been changing for years, of course, as farmers have paid more attention to displays, signs, and pleasant personal interactions with customers. That's all for the good, in Tony's opinion, but the push for cosmetic improvements seems to be continuing beyond what's reasonable. He sees consumers and government officials pushing for farmers' markets that are as clean, orderly and attractive as a gourmet shop.

"The aesthetic requirements of the market are starting to increase," Tony said. "We're hearing from neighborhood groups and city agencies that they want nicer canopies and displays. They want it to look 'good'. Many of the parks are being upgraded in appearance. Unfortunately, farmers no longer fit what these new public spaces are supposed to look like.

"We had a hint of this 10 years ago, when the city bought matching tarps for the growers at the World Trade Center market. And sales increased. People responded positively. People wanted a certain minimum standard to the way a stall looks.

"Now we're starting to get that type of request from the Department of Parks. Trucks are not aesthetically appealing, so they want farmers to offload and move their trucks somewhere else. You're not going to sell any volume unless the farmer has a place to keep produce cool. If you want a farmers' market, you have to accept the idea of trucks."

Tony says farmers have been asked to put tarps over the back of their trucks to hide them from customers. One farmer was recently fined for having messy boxes around his stall.

The message to take away from this is that farmers can't afford to have sloppy market stands. Consumers expect a certain level of hygiene to feel comfortable buying food. And if farmers don't clean up their act themselves, supervising government agencies might force higher standards than is reasonable.

Decline of large-volume farmers

New York and New Jersey have traditionally been vegetable producing states, and the New York Greenmarkets have become a good outlet for vegetable growers who in years past sold only on the wholesale market. In fact, Greenmarket is probably responsible for the financial survival of many of those vegetable farmers who needed to get retail prices for their produce. But that generation of larger-scale vegetable farmers is aging, and there aren't many big farmers coming along behind them, Tony says.

"The most disturbing trend to me is that the 'old order' farmers are retiring," he said. "One fourth of the family farmers in Greenmarket have a son or daughter willing to take over. What we do have are a lot of boutique farms, the 10 acres and under farms. But the price at which they can afford to sell their product is way above what most people expect to pay. If the balance switches too heavily in favor of the small boutique farmers, I think the customer base is going to change radically.

"If there's anything I'm concerned about on the horizon, it's that we really need people willing to farm a substantial acreage and bring in product at a price that is not exorbitant."

To further that goal, he has been trying to match up immigrants from farming backgrounds with farmers nearing retirement age. It's a strategy that you'll be hearing more about in the future, because several government and non-profit agencies have adopted it as a possible solution to the problem of declining farm numbers.

Competition from supermarkets

Perhaps the biggest change in the produce business in the past decade is that local farmers no longer have a monopoly on unusual and organic produce. Everything we grow is readily available now at the supermarket - mesclun, fresh herbs, Asian specialties, hot peppers, and so on. Many supermarkets have ethnic and organic sections. And the commercialization of what were previously "niche" items has brought down prices.

At the same time, farmers have gotten more savvy about how much they should be charging for their produce, and have raised farmers' market prices to be the same as supermarket prices, if not more. A few items that don't ship or hold well are still the sole province of the local farmer, who should emphasize the special nature of the product as much as possible. Tony describes a Greenmarket farmer who displays his heirloom tomatoes beneath a plastic dome,

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Trends...

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the type used on salad bars, as though they are museum quality. He gets \$3.50 a pound for them, and sells out.

"There is a perception that there are no longer any deals at the market," Tony said. "People know that prices are competitive with the supermarket. That means the quality at farmers' market **always** has to be better."

Changing eating habits

Despite all the attention paid to the health benefits of fresh fruits and vegetables, people aren't eating as much raw food as they once did. Smaller portions, ready-to-eat portions and value-added products are important to today's shopper. That's particularly true at weekday markets in cities, where consumers might have to carry their purchases back to work, or home on the bus or subway. Saturday markets are the only ones where bulk food purchases are common. Anything growers can do to accommodate those changing eating habits - growing smaller watermelons, for example - will make it easier for shoppers to buy.

The big question in Tony's mind, as he ponders the future of farmers' markets, is one we all should think about: "How can we make these markets go from amenities to infrastructure?"

That's a question we all should keep in mind as we try to make our farmers' markets solid, stable and profitable for small farmers.♥

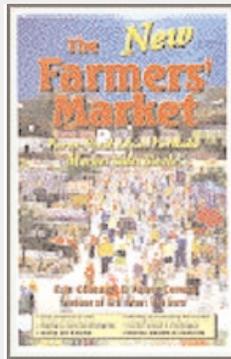
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Insurance...

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two types of coverage: personal liability and medical payments to others. At the GFM editors' farm, for example, our insurance company would pay up to \$1,000 to any person who was injured on our farm if we had not been negligent. If the injured person decided to sue us, alleging negligence, we would be covered up to \$500,000 and the insurance company would handle the defense.

How much coverage?

This brings up the point of how much coverage you need to purchase. The old insurance maxim is "Cover your assets." In theory, if someone was injured seriously because of your negligence (in the eyes of the court), the damage award could take everything you own and even attach your future earnings. In the Northeast and on the West Coast, where the price of real estate is high, and on farms with a lot of buildings and equipment, many direct marketers insure for \$1 million. Farmers of more modest means might decide to go with \$100,000 or \$300,000 coverage.

The difference between \$300,000 coverage and \$500,000 coverage is relatively small - \$25 a year on the premium, in our case. It would cost more to increase the medical payment for non-negligence accidents from \$1,000 to \$5,000 than it would to increase liability coverage to a half-million because the risk of a small injury is greater than the risk of a big, lawsuit-producing one.

My insurance agent tells me it's unlikely that a court would force a farmer to sell the farm, but cash assets would be an easy target for the opposing attorney. And there have been cases where defendants' homes, while not taken away from them, have been put in a trust that reverts to the injured person upon the death of the owner.

Covering employees

Your employees should be covered for injuries one of two ways: either through your state's workers' compensation program, or through your liability insurance. Here's the situation on whether you need to buy workers' comp insurance, according to Neil Hamilton's new book:

- Agricultural workers must have workers' comp in 12 states: Arizona, California, Colorado, Connecticut, Hawaii, Idaho, Massachusetts, Montana, New Hampshire, New Jersey, Ohio and Oregon.

- Employers can choose to buy workers' comp, but don't have to, for agricultural workers in 13 states: Alabama, Arkansas, Indiana, Kansas, Kentucky, Mississippi, Nebraska, Nevada, New Mexico, North Dakota, Rhode Island, South Carolina and Tennessee.

If your state isn't on one of the two lists above, call your state labor office to find out what the current situation is for seasonal farm workers.

Hamilton advises farmers that they should view workers' compensation insurance as a benefit both to their employees and themselves. Obviously, the employee benefits because in the case of an injury there is a standard recourse to compensation. The employer benefits because if the farm does have workers' comp, an injured employee is limited to workers' comp as the sole source of recovery. That means the employee can't sue you seeking greater damages or huge punitive damage claims.

However, workers comp insurance is expensive compared to the cost of adding employees to your farm liability policy. Our insurance agent estimated that we would pay \$400-500 a year to participate in the workers' compensation program in Kansas. Adding four employees to our liability policy costs an extra \$80 a year.

The negative side to covering employees through the liability policy is that if the employee were injured, he or she would have to sue and your insurance company might decide to defend the suit. You would, under your contract, be obliged to help with the defense. If you care about your employees, you would want to see them compensated for injuries, not forced to face you in court to fight about it.

Products liability

Your general farm liability policy may or may not cover an incident in which your farm products made someone sick. Check to find out. If you're selling fresh produce only, you're probably covered. If you're doing any value-added products, you may need to purchase separate products liability coverage. ♡

Neil Hamilton's book, Legal Guide for Direct Farm Marketing, is available from GFM for \$20. See ordering information on the previous page.

Growing for Market

a journal of news and ideas for market gardeners

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