

Building a Farmers' Market Business

Farmers' Market Federation of New York

Diane Eggert, Executive Director

2100 Park Street

Syracuse, NY 13208

315-475-1101

Project No. FNE00-334

Project Goals:

1. Increase the profitability of small family farms with transition training.
2. To allow people to enter into agriculture in a cost effective manner and with basic knowledge and skills needed to be successful.
3. To introduce more growers and producers to direct marketing and to increase participation in New York's farmers' markets.
4. To increase the opportunities for consumers to purchase local, nutritious, fresh fruits and vegetables, as well as other agricultural products from the producer.

Collaborators:

The South Central New York Ag Team from Cornell Cooperative Extension presented production and farm skills training at the Building a Farmers' Market Business Workshop that was offered on February 5 & 6, 2001. Also presenting at the workshop was Charles Schlough from Cornell University's Entrepreneurial Program, farmers' market managers and a panel of consumers. (A copy of the program for the workshop is enclosed.)

Project

The Building a Farmers' Market Business project was an attempt to show farmers and newcomers that agriculture can be a profitable business when using direct marketing channels as a means to market their products. This can be fresh fruits and vegetables, value-added jams and jellies, dairy products, meats or any other agricultural product that will appeal to a consumer.

We began the project by taking farmers and others interested in a series of farm tours during the 2000 growing season. We traveled around New York State to allow everyone an opportunity to visit farms that were making use of direct marketing, especially farmers' markets. The farms chosen for visits represented a diversity of agriculture; organic vegetables, organic fruits, value added products, livestock and a CSA. (A schedule of the farm tours is enclosed.)

Once the farm tours were complete, we put together a two-day workshop to educate transitioning farmers and new entrants to farming in production skills, business skills and marketing skills needed for farmers' markets. We covered vegetable and small fruit production, greenhouse production, fresh cut flowers, and herbs. We did not offer livestock marketing but this topic was offered at the same conference for those interested in raising livestock for direct marketing sales.

On the second day we covered selling at farmers' markets. We gave information on what a farmer can expect from selling at a farmers' market, from a discussion on what types of rules and regulations they will encounter at a farmers market to farmers' market customer demographics.

One market manager covered the basics for being prepared to sell at a farmers' market; tents or covering, cash box, bags, display supplies, signage, etc. Another farmers' market manager gave a slide show presentation on market displays, with a thorough discussion on the points of effective display as well as the effects they can experience from a poorly designed display. Customer service was also covered by market managers - what extras a farmer can provide to encourage repeat sales from customers. Pricing strategies for selling profitably at a farmers' market was covered by a Cornell University Extension Associate. Finally, a consumer panel presented what they look for from a farmers' market seller. They discussed what a farmer must do to get them to buy from them the first time, and what will bring them back again. They talked about why they like to shop at farmers' markets and what types of products are important to them.

Proceedings for this workshop were collected and put into a binder for each of the attendees to take home. Additional copies are housed at the Farmers' Market Federation of New York's home office in Syracuse, NY for anyone interested in a copy. A copy is enclosed in this package.

Results of Project

The farm tours during the summer were not very well attended, even though the tours were only 3 hours and on off-market days. Several farmers indicated that they were interested but could not justify the time away from their own farms. Others indicated that they were having such a hard time because of the cold, rainy spring and summer we were having that they just didn't want to be around others. Those that did attend the tours were interested in the details of the operation and asked several questions. The farm owners that hosted each of the tours were very open and discussed both good and bad points in their operation and answered each question thoroughly.

The Building a Farmers' Market Business Workshop that was held at the 2001 New York State Farmers' Direct Marketing Conference was very well attended. Over 120 people took part in the two-day workshop. Each seminar presenter was knowledgeable about their subject and presented the material in a way that everyone understood. Each speaker held a question and answer session at the end of their presentation to be sure each attendee got all the information from each topic that they wanted. Evaluations rated the workshop very highly. (A sample of the evaluation responses is attached.)

The Farmers' Market Federation of New York and the New York State Department of Agriculture & Markets held a series of six regional workshops during late February and early March. At each of these workshops, farmers' market representatives from each area were given the opportunity to give a ten-minute presentation about their market. The audience was filled with farmers who were interested in finding farmers' markets to sell their farm products direct to the public. Many of the farmers that attended the Building a Farmers' Market Workshop also attended these regional workshops. They were given the skills they needed to sell at farmers' markets through this project and then used the regional workshops to help find markets to participate in.

Future plans as a result of this project.

There is a definite need for new farmer training. The average age of farmers' participating at farmers' markets is increasing and there are too few people interested in replacing these market sellers as they retire. New farmer training, including marketing skills would help to encourage

more people to enter into farming and use direct marketing channels to sell their products. The higher profit margins they can receive by selling their products retail, rather than traditional wholesale markets will help to provide the level of income that may help to entice new entrants into farming.

The Farmers' Market Federation of New York will continue to offer workshops and seminars towards new farmers and new farmers' market sellers. It is important to the success of our state's markets to continue to bring new farmers to the markets to keep a steady and diverse supply of farm fresh agricultural products to the markets. Markets are a vital link in the local food supply and they must be protected against failure through the loss of farmers.

Outreach

For both the farm tours and the workshop, we sent out a press releases to New York State's newspapers, agricultural publications, Cornell Cooperative Extension's news service, each county Cornell Cooperative Extension office, all county Farm Service Agency offices and many of New York's agricultural organizations. Copies of these press releases are attached.

For the workshop we also sent programs to the Farmers' Market Federation's mailing list of over 900 farmers, the farmers listed in the NYS Department of Agriculture and Markets Guide to Farm Fresh Food and the mailing list for the NYS Farmers' Direct Marketing Association and the NYS Berry Growers Association. Approximately 3500 programs were distributed through direct mail, Cornell Cooperative Extension educators, or through meetings held with area farmers.



Diane V. Eggert, Executive Director

3/23/01
Date



**Farmers' Market
Federation
of New York**

2100 Park Street
Syracuse, NY 13208

Ph. 315-475-1101
Fax. 315-475-1101

e-mail:
diane99@dreamscape.com

Visit us on the web at:
www.NYFarmersMarket.com

**Paul Arnold
President**

**Diane Eggert
Executive Director**

*Our mission is to
offer services and
programs to support
and promote New
York's Farmers'
Markets.*

FOR IMMEDIATE RELEASE:

Building a Farmers' Market Business

Direct marketing of farm products has become increasingly important to New York State farmers. Traditional farm enterprises, i.e. grain farming, dairy and wholesale fruits and vegetables; are becoming more and more unprofitable as costs of inputs continue to spiral while prices received by the farmer are at all time low levels. Direct marketing farm products offers farmers an increase in the share of the consumer's food dollar they can receive. But, farmers wishing to take part in direct marketing enterprises may need to make changes to their current farming operation. They need to focus on a production technique or identify a niche that is in demand by consumers that they can fill.

Farmers wishing to test new farm enterprises and products, such as specialty crops and value-added farm products, find that farmers markets are an excellent vehicle for direct marketing their products to the consumer. They offer a ready-made customer base that even newcomers to a market can benefit from. Rents for space are low compared with other retailing outlets. And because displays, signage and other fixtures required to start direct marketing are not as sophisticated as in formal retailing outlets, start up costs are also significantly less at a farmers' market.

However, many farmers have not taken advantage of the important economic opportunities offered by farmers' markets. This can be due to a number of factors, including farmers' unfamiliarity with the market's potential for sales, their uncertainty about what products can be sold successfully, or their lack of knowledge of the direct marketing and merchandising practices needed to succeed at the markets. As a result, existing farms faced with economic uncertainty may be lost to agriculture when they could be revitalized and sustained through participation at farmers' markets.

The Farmers' Market Federation of New York is undertaking a new project aimed to eliminate the uncertainty that prevents farmers from taking advantage of the direct marketing opportunities of farmers' markets. Farmers wanting to transition their farming operation to include a direct marketing approach and those interested in starting out in farming will be encouraged to participate in this project. As a first step, farm tours have been organized across the state through July and August 2000. The tours will look at innovative production techniques, various niches and value added products. Program participants will learn about each farming operation; production methods, business issues and marketing techniques; and have the opportunity to ask questions and network with others with similar interests and issues. The program will culminate in a two-day workshop with classroom style training in marketing skills and production techniques.

The program goals are:

- To increase the profitability of small family farms with transition training;
- To allow people to enter into agriculture in a cost effective manner and with basic knowledge and skills needed to be successful;
- To introduce more growers and producers to direct marketing and to increase the farmer participation in New York's farmers' markets;
- To increase the opportunities for consumers to purchase local, nutritious, fresh fruits and vegetables, as well as other agricultural products, direct from the producer.

The summer tours will be held at each farm from 1pm to 3pm, unless otherwise noted. Everyone is welcome and there is no cost involved in participating, but pre-registration is requested so that we know how many people to expect. Reservations can be made by calling the Farmers' Market Federation office at 315-475-1101. Partial funding for this program has been provided by a grant from the USDA Agriculture Marketing Service.

The following is the schedule for the summer farm tours with a brief description of each farm:

"Building a Farmers' Market Business" Workshop

Farmers' market managers from across the state will present the topics, including getting started at a farmers' market, pricing for success, display techniques and customer service. A consumer panel will round out the day with a discussion of what a consumer looks for when they shop at a farmers' market. What should the market offer and what they look for in a farmers' product line, display and customer service. The sessions presented this day will be beneficial even to the most experienced farmers' market seller, yet basic enough for the beginner in farmers' market vending.

Farmers wanting to transition their farming operation to include a direct marketing approach and those interested in starting out in farming are encouraged to participate in this program. It will be held February 5 & 6, 2001 at the Owego Treadway Inn in Owego, NY. This will be in conjunction with the New York State Direct Marketing Conference. This conference features a large trade show of vendors who deal regularly with farmers involved with direct marketing. Seed companies, packaging suppliers, equipment dealers and many other vendors will be on hand for you to visit during breaks from sessions. You're also invited to attend an evening reception to be held in the trade show as a benefit of registration.

The "Building a Farmers' Market Business" workshop is partially funded by a grant from the USDA Agricultural Marketing Service. For more information and registration, visit the Federation website at www.nyfarmersmarket.com and click on conferences/workshops. Or call the Federation office at 315-475-1101.

Building a Farmers' Market Business Farm Tour Schedule

July 11 1pm to 3pm	Pleasant Valley Farm Paul & Sandy Arnold 118 South Valley Rd. Argyle, NY 12809	An organic fruits and vegetable farm. Paul and Sandy did not grow up on a farm and had to start their enterprise from scratch. They retail 100% of their produce at farmers' markets and direct marketing outlets.
July 18 1pm to 3pm	Earth's Harvest Farm Paul & Julie Koch 2835 State Highway 51 Morris, NY 13808	Paul & Julie Koch are grain growers who have learned that direct marketing their product has made their farm viable. They have developed their own value-added product for retail sales- Earth Harvest Farm's Organic Porridge Mix.
July 25 1pm to 3pm	We Grow With the Seasons Norbert Kohlmeyer 789 Rt. 376 Hopewell Junction, NY 12533	A greenhouse operation with bedding plants in the spring and fall hardy mums. Kohlmeyer's is transitioning from vegetable crops to an extended greenhouse season. He markets his products at NYC Greenmarkets and local farmers' markets.
July 31 1pm to 3pm	Doug Dietz 7240 California Hill Little Valley, NY 14755	Doug has adopted organic production methods to service the growing interest in organic produce. He retails his products at farmers' markets throughout southwestern New York.
August 1 1pm to 3pm	Sap Bush Hollow Adele & James Hayes HCR 1 Box 152 Warnerville, NY 12187	Starting out as sheep ranchers, Sap Hollow Bush has diversified into a variety of livestock. They now process and retail their own livestock - meat, eggs, wool. We'll see their grazing methods, processing equipment, and discuss their marketing techniques.
August 8 1pm to 3pm	Kingbird Farm Michael & Karma Glos 9398 W. Creek Rd. Berkshire, NY 13736	Karma has many small enterprises on her farm, including herbs - fresh and value added. She'll showcase each of her enterprises and how they fit into her farm and overall marketing scheme.
August 15 1pm to 3pm	Peacework Organic Farm Elizabeth Henderson & Greg Palmer 2218 Welcher Rd. Newark, NY 14513	This farm's original purpose was to raise organic produce for the wholesale market. By experimenting with Community Supported Agriculture (CSA), they now retail their produce almost exclusively through their CSA network of families.
August 20 10am to 1pm	Warwick Valley Farmers' Market Meet at the Warwick Community Center 11 Hamilton Ave. Warwick, NY	The Warwick Valley Farmers' Market has a variety of vendors selling a wide variety of products - fresh and value added. We'll meet beforehand at the Community Center to discuss marketing through farmers' markets and then walk through the market to view the action and talk with participating vendors.
August 22 1pm to 3pm	Breezy Hill Orchards Elizabeth Ryan 200 Center Rd. Staatsburg, NY 12580	Breezy Hill Orchards raises a variety of fruit. They retail at farmers' markets and at their own farm stand. But they have also entered into processing and have developed some of their own value-added products.

Building A Farmers' Market Business Workshop Evaluations

1. What days did you attend?
 - Small-Scale Production Workshop, Monday 2/5
 - Marketing Skills Workshop, Tuesday 2/6
 - Both day

2. What is your current farming operation? *homestead*

3. What changes will you make to your farming operation as a result of this workshop?
plan on enlarging gardening operation to attend Farmers' markets

4. What marketing channels will you use for your farm products in the 2001 season?
 - Farmers' market
 - Roadside stand
 - Pick-your-Own
 - CSA
 - Mail order/Internet
 - Other: _____

5. Did the workshop adequately provide the information you needed to try new production methods? Direct marketing of your farm products? *It gave me enough to want to start.*

6. What information or training was missing that you need to try new production methods or direct marketing channels?

7. Please rate the speakers on the following using a scale of 1 - 5, with 5 as the best rating:

Speaker	Able to hold your attention	Adequately covered the subject	Gave thorough answers to questions
Brian Caldwell	5	5	
Charles Schlough	5	5	
Walt Nelson			
Monika Roth			
Paul Arnold	5	5	
Wen-fei Uva	5	5	
Trina Pilonero			
Eric Gibson			
Miriam Haas			

Comments: *beyond the vast information you imparted, the networking was even better than I had hope for. Thank you!*

Thank You. Your answers will be used in planning future workshops.