

# Selling at Farmers Markets in Washington State

October 2016, Colleen Donovan and Karen Kinney

## Benefits of selling at farmers markets<sup>1</sup>

- Many shoppers "love" farmers markets and come ready to buy from "their farm."
- Farmers can set their own prices and get full retail value for their products.
- Market entry is relatively easy even if you have small volumes and non-standard sizes.
- The personal relationships with customers facilitate consistent sales, product education and feedback, and promoting your CSA, farm stand, or other market channels.
- There is a strong sense of community and shared purpose.

# Challenges of selling at farmers markets<sup>1</sup>

- As with any sales, farmers markets require excellent customer service skills, enjoying people, an eye for presentation, and physical endurance.
- Picking a farmers market that needs your products, volume, and price points at the right time of year is critical.
- Farmers markets are labor intensive; harvesting, packing, prepping, traveling, selling and unloading for every market.
- There are no guaranteed sales; bad weather or competing events may keep customers away.
- It may be difficult to access space in well established markets.

# Do you have the traits of a successful farmers market seller?2

Do you and any of your family and/or employees who will represent your farm at the farmers market enjoy selling and interacting with the public, being patient, and answering stranger's questions over and over?
 Are they team-players who fit in with the market personality and follow the farmers market's rules (even if you don't agree with them), respect other vendors, shoppers, and the market manager? Farmers markets operate as a "cooperative store" and each vendor must abide by decisions made for the good of the whole market. Vendors may be required to go to markets before (and after) their production is hitting its peak. Are you committed?
 Does your business have all the required licenses, permits, and insurance for selling directly to the public?
 Are you and/or your farm good at knowing when to harvest, post-harvest handling, and making sure products look their best at market?
 Can you promote your farm and products at farmers markets? Do you have a farm brand or logo, visually compelling, clear and clean labels and signage, booth displays, and a website for customers?

<sup>&</sup>lt;sup>1</sup> Source: WSDA's *Handbook for Small and Direct Marketing Farms*: "Selling to Individuals: Buying Clubs to U-Pick" (# 10), 7<sup>th</sup> Edition, 2014.

<sup>&</sup>lt;sup>2</sup> Source: MacNear and Keller, 2012, New Farmer's Guide: Cultivating Success at Farmers Markets, pp. 5-6.

# What products do you want to sell at farmers markets?

This may seem obvious, but it helps to start with an inventory of:

- 1. Everything you plan to grow or raise and want to direct market, including niche harvests and value-added products;
- 2. For each product, how much or what volumes you think will be available;
- 3. When will each product (including seasonal varieties) be available;
- 4. What markets or customers you currently have; and
- 5. What are your price points for each product.

With this information in hand you can talk with the farmers market managers about what you have (and want to sell) and what they need. There might be established vendors with the same products. Or there might be a hole in the product mix or calendar that the market needs.

## What is your optimal number of farmers markets?

To figure out the optimal number of farmers markets for your business, consider

- The availability of each of your major products over the course of a season;
- Potential sales versus the expenses;
- If you have reliable and excellent sales staff available; and
- How being at farmers markets will impact your other market channels.

# How do I find farmers markets in Washington?

The Washington State Farmers Market Association (WSFMA) publishes an annual directory of farmers markets that are members of the WSFMA. It is available on the WSFMA website (<a href="www.wafarmersmarkets.org">www.wafarmersmarkets.org</a>) or you can find hard copies at farmers markets or from the WSFMA. The Washington State Department of Health's Farmers Market Nutrition Program posts a list of farmers markets each year also. Look for "authorized farmers markets" for Eastern and Western WA (<a href="www.doh.wa.gov/YouandYourFamily/WIC/FarmersMarket">www.doh.wa.gov/YouandYourFamily/WIC/FarmersMarket</a>).

#### Initial research on farmers markets:

Where is the market located?
When is the market open? What day(s) of the week and months of the year.
What is the name of the "market manager"?
Does the market have a nice, updated website?
Are the market policies or rules and application available online?
Is the market a member of the Washington State Farmers Market Association?

# How do I apply to get into a farmers market?

Once you have decided which farmers market you are interested in, you will need to apply to be part of the market. Usually, farmers markets have a set of policies or rules. You should read these first.

Farmers markets also have an application. Usually applications are available on the market's website. You will need to complete the application and return it to the market manager. Typically, the applications ask for your business licenses, permits and licenses to sell your product, insurance information, and a description of your farm and growing practices. The farmers market will also want to know what products you plan to bring to the market and when you plan to bring them. Be sure to communicate with the manager when any of your farm plans change.

# When do I apply to sell at a farmers market?

Contact the farmers market as soon as you know you may want to sell there. Farmers markets require old and new vendors to apply or reapply each year to be part of their market. Markets typically start their application process early in the year, sometimes even in January or February. If you wait until you're ready to go to market, the farmers markets may be full.

#### How do farmers markets decide who can sell at their market?

The job of the market manager is to create an overall vendor and "product mix" that attracts shoppers and enables every vendor to do well. All farmers markets seek out high quality products and reliable vendors who create attractive displays, contributing to the overall success of the farmers market. Sometimes markets allow farms into their farmers market but only allow them to sell certain, agreed upon products.

# What should I tell the market manager?

If there is anything unique about your products, be sure to tell the manager. This may be the variety you grow, special flavor features, seasonality (especially early or late season), storage potential, health aspects, culinary potential, etc. Production practices and claims can also be important, especially if your products are certified organic or sustainably produced in some way. Your "farm story" also matters to markets and customers. Are you "local" to the area? Does your family have a long legacy of agriculture in WA? Or are you an enterprising "new" farmer?

## What do the "market managers" do?

Farmers Market Managers are in charge of organizing the farmers market and working with vendors. Many market managers work seasonally and have second jobs, so please be patient if they do not respond right away. And follow up. They often work with a volunteer board of directors made of up of vendors, community members, and other supporters.

#### What do I need to ask the market manager?

How many vendors do they have and how many sell similar products? Do they need the product you are
selling? Be sure to let the manager know if your product is produced in a special way (e.g., organic), uses
locally sourced ingredients, or has other compelling features.
How many shoppers do they expect each week?
Do they have any data on past sales? What are typical sales per market for vendors with similar products?
Who runs the market? Are there paid staff or is it mostly volunteers? Is there a board of directors?
How many other markets does the manager or the market organization run?
Can you get a copy of the market policies and/or rules?
Is the market sufficiently funded? Does the market do any extra fundraising or rely mostly on vendor fees?
How does the market promote itself? Is it attracting more customers every year?
What kind of infrastructure is available for customers and vendors: shelter, restrooms, parking, loading,
electricity?
Does the market have a way for shoppers to use their credit or debit cards? Is it part of the Farmers
Market Nutrition Program (FMNP) for WIC and Seniors and accept SNAP EBT?
How are the vendor stall fees calculated? Markets may have flat rates, percentages of sales, or a
combination. In addition, vendors are sometimes required to pay a membership fee to the farmers market.
How are stall spaces assigned? How big is a usual stall space? Are vehicles on site?
Is the culture and management of the market a good fit with your personality/philosophy?

# What are licenses and/or permits do I need to sell at farmers markets?

In addition to standard business licenses and any city business licenses, you may need a specialty license from the Washington State Business Licensing Service, including one for weights and measures if you price products based on weights; egg handlers/dealer; or nursery retailer. In some cases, especially for meats, dairy and processed products, you may need a license or other permits from the WSDA in order to direct market your product. Please see the WSDA's "2014 Handbook for Small and Direct Marketing Farms" for product specific regulations.

The health department or district for the county where the market is located may also require permits, depending on what product you plan to sell and/or sample. You can find the health department's contact information online at: <a href="http://www.doh.wa.gov/AboutUs/PublicHealthSystem/LocalHealthJurisdictions">http://www.doh.wa.gov/AboutUs/PublicHealthSystem/LocalHealthJurisdictions</a>. Note that the amount and way that each health department or district charges farmers for permits to sell at farmers markets varies by county. Research as much as you can long before opening day.

# Am I allowed to sell something that I did not grow or produce myself on my farm?

If you plan to sell something that you did not grow or produce on your farm, you are "reselling" or "supplementing." The first step is to ask the market manager and review the policies to verify if the farmers market allows resellers. If the farmers market is a member of the WSFMA, then all resellers must abide by the "Roots Guidelines" including:

- Resellers are expected to be the only stop between the grower and the consumer. The product they buy
  must not come from shippers, warehouses, jobbers or wholesale distributors.
- They must not sell any produce not grown in Washington State or the border counties listed in Appendix A (For example: oranges or bananas).
- All resellers must label their products in such a way that shoppers can easily see where the product is from (e.g., farm name and location).

#### What are the "Roots Guidelines"?

The "Roots Guidelines" establish the rules that all members of the WSFMA agree to follow. This includes definitions of the five types of farmers market vendors allowed: farmer and farmer processor; food processor; prepared food; artisan/crafter; and resellers. You can find a copy online at <a href="https://www.wafarmersmarkets.org">www.wafarmersmarkets.org</a> (search in Market Management).

#### **Recommended Resources**

The ATTRA website, <u>www.attra.ncat.org</u>, is loaded with downloadable materials for farmers, including: <u>Tips for Selling at Farmers Markets</u> and the <u>Farmers' Market: Marketing and Business Guide</u>

"New Farmer's Guide: Cultivating Success at Farmers Markets" from the Davis Farmers Market. <a href="http://www.davisfarmersmarket.org/">http://www.davisfarmersmarket.org/</a> (look for the New Farmer's Guide).

"Sell More: Farmers Market Vendor Booth Guide" from the WSU Small Farms Program. <a href="http://smallfarms.wsu.edu/marketing/">http://smallfarms.wsu.edu/marketing/</a>

"Selling at a Farmers Market: A Plain Language Guide from the New Entry Sustainable Farming Project" <a href="http://nesfp.org/sites/default/files/resources/farmersmarket">http://nesfp.org/sites/default/files/resources/farmersmarket</a> - small.pdf

The Washington State Department of Agriculture's "Handbook for Small and Direct Marketing Farms: Regulations and Strategies for Farm and Food Businesses in Washington State," 7th Edition, updated in 2014.

The Washington farmers market conference is held each winter and has workshops designed specifically for farm vendors. For more information, please visit <a href="https://www.wafarmersmarkets.org/conference">www.wafarmersmarkets.org/conference</a>.