

FY 2011 Middle Tennessee State University (MTSU)

\$85,120 to Middle Tennessee State University, Murfreesboro, TN, to develop a new EBT project to establish an EBT payment system at the Rutherford County Farmers Market (RCFM) and heavily promote this new initiative among EBT recipients in Rutherford County and contribute to the health and well-being of the local community and the economic well-being of local farmers by increasing sales of healthy, locally produced foods at the RCFM.

[Final Report](#)

Farmers Market Promotion Program
Final Performance Report
For the Period of September 1, 2011 – March 31, 2014

Date: *3/11/2014*
Recipient Name: *Middle Tennessee State University (MTSU)*
Project Title: *Rutherford County Farmers' Market New EBT Initiative*
Grant Number: *TN-342-2011-G-1420*
Project Location: *Murfreesboro, TN*
Amount Awarded: *\$85,120.27*
Contact: *Justin G. Gardner, 615-898-2418, justin.gardner@mtsu.edu*

Goals and Objectives:

- a. The two primary goals of the project are as follows:
 - i. Establish and EBT payment system at the Rutherford County Farmers' Market
 - ii. Contribute to the health and well-being of the local community and the economic well-being of local farmers by increasing sales of healthy, locally-produced foods at the Rutherford County Farmer's Market

Activities:

- 1) Purchased EBT terminals, market scrip and signage to be used on site.
- 2) Provided training for vendors. Two vendor training sessions were held on Tuesday, April 17th, 2012 and Monday, April 22nd, 2013. This training included general rules and regulations for the Rutherford County Farmers' Market, Training on food safety, EBT training and WIC training.
- 3) Advertised to targeted groups for the market and promotion of the availability of SNAP/EBT to eligible patrons and the availability of locally-produced, fresh food:
 - Advertising and promotion was extensive. In the first stage of advertising was focused on PR as a form of advertising. Promoting the market through local TV and Newspapers, including multiple press releases. As a part of this early PR campaign we held an open house and invited local politicians to the market. (See attached photo of Murfreesboro Mayor purchasing market scrip). Early in the grant project we called developed a new name for the project: Grow Healthy Rutherford.
 - 2012:
 - <http://www.murfreesboropost.com/major-changes-in-store-for-rutherford-county-farmers-market-cms-30029>
 - <http://www.murfreesboropost.com/markets-bring-goods-from-farm-to-table-cms-31050>
 - <http://www.wkrn.com/story/18801066/mtsu-teams-up-with-farmers-market-to-provide-produce-to-low-income-families>
 - <http://www.agriculture.utk.edu/archivednews/releases/2012/06-RCFMOpenHouse.html>
 - <http://news-from-mtsu.blogspot.com/2012/06/476-mtsu-helps-celebrate-grow-healthy.html>

- <http://pqasb.pqarchiver.com/dnj/doc/1012558973.html?FMT=ABS&FMTS=&type=current&date=May%2012,%202012&author=&pub=&edition=&startpage=&desc=>
 - <http://pqasb.pqarchiver.com/dnj/doc/1010814911.html?FMT=ABS&FMTS=&type=current&date=May%2001,%202012&author=&pub=&edition=&startpage=&desc=>
 - <http://pqasb.pqarchiver.com/dnj/doc/1020543623.html?FMT=ABS&FMTS=&type=current&date=Jun%2013,%202012&author=&pub=&edition=&startpage=&desc=>
 - 2013:
 - <http://www.murfreesboropost.com/farmers-markets-sprout-up-around-county-cms-35445>
 - In addition to the PR campaign posters were spread about town in areas where EBT use was most common. Such as the local housing authority's apartments and main office. We reached out to the local DHS office, promoting the program to their workers, placing posters at their location. In addition we purchased t-shirts to use as promotional items and gave them to DHS workers who wore them to work on a regular basis. The local director required workers to wear the t-shirts if they wished to dress in casual attire. This placed our logo in front of SNAP recipients as they signed up for SNAP benefits.
 - There are two local newspapers and there was much debate as to which paper has the most impact. So we used the t-shirts mentioned above to conduct a small test. A 4-day run was placed in each paper, the advertisements prompted the reader to bring the advertisement into the market for a free t-shirt. The Daily news Journal beat the Murfreesboro Post 6 to 1. All subsequent advertisements were placed in the Daily News Journal.
 - Daily News Journal Advertisements ran 4 days per week (Including Sundays) starting in June of 2012 until the market closed in December of 2012. Advertisements resumed in May of 2013 and continued until the market closed in December of 2013.
 - Starting in the 2013 market season we ran 8 radio spots per day on the local radio station (WGNS), and at the kick-off of the 2013 market WGNS did a live feed from the market during morning drive time. The live feed was very successful, with many patrons dropping by that day after hearing the live feed on the radio.
 - During the second year we pushed programming at the market in our marketing and PR. Specifically, we held a tomato themed event and during December invited Santa Clause to the market. Grant funds made these events possible and these events brought in significantly more business.
 - During the second year we purchased costumes and additional signage. We dressed in the costumes and spun signs at every opportunity. We also purchased a carnival cut-out. Patrons would take pictures with the cut-out and post to Facebook, tagging the market's location. These created a fun, exciting environment at the market.
 - One of our student workers/interns was an excellent artist. We used grant funds to purchase flipcharts that she decorated to promote events and classes at the market. See attached artwork.
- 4) EBT sales were recorded via the point of sale terminal. Vendors self-reported total sales. Student workers/interns monitored traffic flows by taking head counts for 15 minutes out of each hour.
- 5) Market scrip was sold to patrons, and student workers/interns collected market scrip from farmers at the end of the day. MTSU then reimbursed

Accomplishments:

- 1) One EBT terminal was purchased and installed for the 2012/2013 season at the Rutherford County Farmers' Market. This terminal also accepts credit and debit cards. Patrons receive market scrip, in the form of wooden tokens.

- 2) Two venter training sessions were held on Tuesday, April 17th, 2012 and Monday, April 22nd, 2013. This training included general rules and regulations for the Rutherford County Farmers' Market, Training on food safety, EBT training and WIC training. 65 vendors attended training in 2012, and 56 attended in 2013. In addition all vendors that did not attend training were provided with a short EBT training session before being allowed to set up at the market. Not counting repeat vendors a total of 103 were trained across the two years.
- 3) Advertising:
- a. There are two local newspapers and there was much debate as to which paper has the most impact. So we used the t-shirts mentioned above to conduct a small test. A 4-day run was placed in each paper, the advertisements prompted the reader to bring the advertisement into the market for a free t-shirt. The Daily news Journal beat the Murfreesboro Post 6 to 1. All subsequent advertisements were placed in the Daily News Journal.
 - b. Daily News Journal Advertisements ran 4 days per week (Including Sundays) starting in June of 2012 until the market closed in December of 2012. Advertisements resumed in May of 2013 and continued until the market closed in December of 2013.
 - c. Starting in the 2013 market season we ran 8 radio spots per day on the local radio station (WGNS), and at the kick-off of the 2013 market WGNS did a live feed from the market during morning drive time. The live feed was very successful, with many patrons dropping by that day after hearing the live feed on the radio.
 - d. We can verify that the live feed and the DNJ advertisements reached the target audience. However, market surveys showed that word-of-mouth was the most effective form of advertising. We responded to this by stepping up our marketing on Facebook and purchasing stickers, and other promotional items. Stickers were passed out at the market; larger ticket promotional items were given away as part of social media promotions. Many survey respondents found the market through Google. In the future
- 4) Gross market sales, EBT sales and Credit/Debit sales are provided in tables 1 through 3. Since EBT was not accepted at the market prior to the grant beginning 100% of the increase in EBT sales can be attribute to the FMPP grant. EBT sales were, on average, 22% of the market scrip sales. EBT sales, as a percentage of total sales, were 2.3% in 2012 and 2.8% in 2013. We estimate that total market volume was down relative to 2011. However, this is because the market implemented a strict no-reseller policy and the area experienced a drought that had a significant impact on the market.

Table 1: Gross Market Sales

		2012		2013
May	\$	30,677	\$	27,366
June	\$	70,944	\$	48,833
July	\$	68,112	\$	72,688
August	\$	48,741	\$	71,639
September	\$	22,579	\$	33,857
October	\$	22,016	\$	31,936
November	\$	12,845	\$	11,198
December	\$	7,627	\$	5,649

Table 2: EBT Sales

	2012		2013	
May	\$	461	\$	1,014
June	\$	1,311	\$	1,905
July	\$	1,359	\$	2,295
August	\$	1,143	\$	1,867
September	\$	891	\$	1,132
October	\$	834	\$	938
November	\$	367	\$	143
December	\$	15	\$	60

Credit/Debit Sales

	2012		2013	
May	\$	3,102	\$	5,063
June	\$	5,813	\$	6,985
July	\$	4,145	\$	9,580
August	\$	3,615	\$	8,625
September	\$	3,070	\$	5,345
October	\$	1,265	\$	3,820
November	\$	1,303	\$	1,250
December	\$	605	\$	815

Most vendors were excited about the scrip system. They found it to be easy to implement, requiring minimal paperwork (a W9 form). High-volume vendors and those selling big-ticket items (such as meat and honey) found the market scrip system very beneficial. A small fraction of farmers were reluctant to fill out a W9 form. We found that letting farmers observe and interact with each other assuaged most fears.

Beneficiaries:

- 1) The market area is located on a rural/urban fringe according to the US census (<http://quickfacts.census.gov/qfd/states/47/47149.html>) the per capital income of Rutherford County is approximately \$25,000 with a 13% poverty rate. 19% of the households are minority households.
- 2) During the 16 months that the market was open and operating with the assistance of the FMPP grant on average there were 18,581 households per month receiving snap benefits in Rutherford County, with an average monthly issuance of \$5.4 million. (Averages compiled from http://tn.gov/humanserv/adfam/fs_stats.html) The average household received \$290 per month. During that time the Rutherford County Farmers' Market has an average of 53.5 EBT transactions per month, with an average of \$983.37/month in total EBT sales. This works out to an average transaction size of \$18.38 per month. In a typical month .29% of the total EBT issuance was spent at the Rutherford County Farmers market. **We estimate that the typical snap customer spent 6% to 24% of their monthly issuance at the Rutherford County Farmers' Market**, depending on how frequently they visited the market. Prior to the FMPP grant no SNAP benefits were accepted at the market. Figures 1 and 2 show the Change in EBT transactions and sales from the first year of the grant (2012) to the second (2013). With the exception of

Figure 1

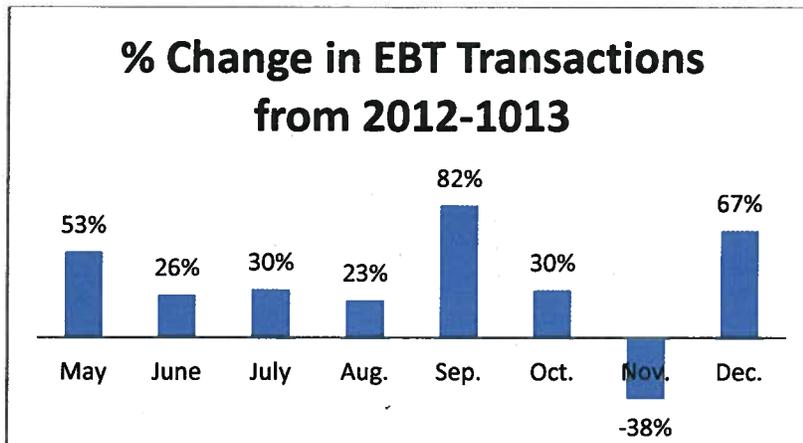
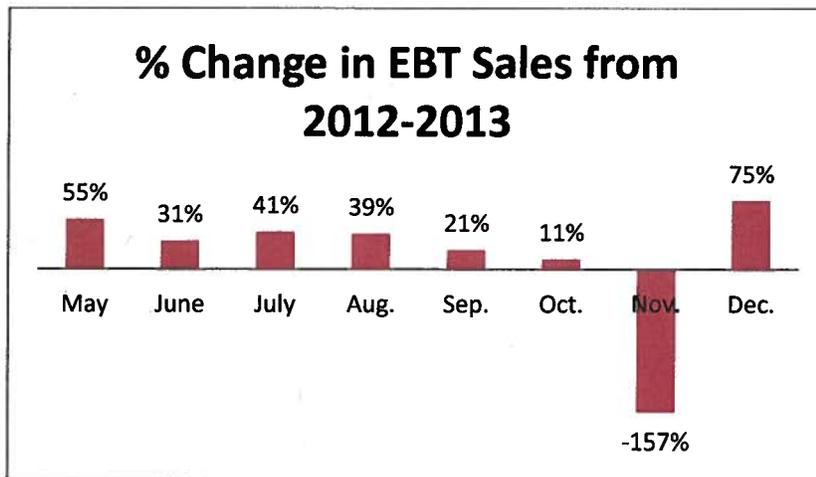


Figure 2



- 3) According to the USDA's Census of Agriculture, (http://www.agcensus.usda.gov/Publications/2007/Online_Highlights/County_Profiles/Tennessee/cp47149.pdf) the average farmer in Rutherford County has a net operating loss of approximately \$1,000 and 49% of the farms in the county have gross sales that are less than \$2,500. The typical vendor at the Rutherford County Farmers' market had approximately \$4,400 in sales. This market directly targets the farmers that are in dire need of the most benefits. Total Transactions (Credit, Debit, and EBT) represented 11% of sales in 2012 and 17% of sales in 2013, while EBT transactions represented 2.3% of sales in 2012 and 2.8% of sales in 2013. It is not feasible to estimate the percentage of total sales that would not have taken place without the ability to take credit and debit cards. However, all of the EBT sales represented new business and a direct benefit to farmers in Rutherford County and throughout middle Tennessee.
- 4) When surveyed, farmers estimated that the FMPP grant activity increased their individual sales by 10%.

Lessons Learned:

There were several important lessons learned from this project, these are listed in no particular order:

- A significant hurdle was encountered when attempting to file form FNS-252, SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM APPLICATION FOR STORES, with the Food and Nutrition Service of the USDA. We were given specific instructions from FNS to fill the form out as if we were a sole proprietorship even though it would

be more appropriate to complete the paperwork as a government owned store. FNS has insisted that the project manager or farmers' market manager sign this form affirming that said person is the owner of the store and authorizing FNS to share the project managers social security number with the IRS, thus generating the potential for a personal income tax liability for the project manager. This was not necessarily a problem with FNS, but rather the difficulty was in reconciling different viewpoints between the grant recipient and FNS. The grant recipient determined that the Farmers' Market would be accepting EBT payment after the grant period ended and that the market should sign for the form.

- We had a community partner lined up to provide transportation to and from the market and had received a budget revision so that we could contract out transportation services. That partner backed out before providing service. The situation now stands resolved, the local public transit authority created a route directly to the Farmers' Market. This was a major win for our program, as our goal was to demonstrate the viability of a route to the market. This route is now in place and will stand as a long-run positive impact of our program.
- EBT scrip was available in \$1.00 increments and \$0.25 increments. Both increments were the same color and some vendors did not take the time to read the market scrip. These vendors were short-changed. For the 2013 marketing year the \$0.25 scrip was marked using a dremel tool. Now the \$0.25 scrip will feel different in the vendors' hands and be more easily recognizable. If we could start over we would have used a different color for the \$.25 scrip.
- In the Fall of 2013 we began the process of transferring the administration of the scrip payment system (collecting credit card payments from patrons and reimbursing farmers for purchases made with market scrip) from the grant recipient to the farmers' market. In essence we had to repeat all of our previous work in order to hand-off this process. We also realized that the farmers' market would need to budget additional personnel to work the credit card terminal and oversee the administration of the scrip payment system, thus requiring additional resources from the farmers' market. We are happy to report that the market has been able to obtain these resources, thus guaranteeing the long-term viability of the grant operations. In hindsight it would have been better to use grant funds to purchase credit card terminals for the farmers, train the farmers on their use, and assist them with the paperwork to set up the terminals. This would have provided a larger net benefit directly to the farmers as they could use the terminals at other market locations (many farmers rotate through 3 or 4 different farmers' markets). It also would allow even more EBT recipients to purchase fresh produce directly from farmers, as they could visit more than one market. Setting up the farmers to take payment directly would have also made it easier to transition out of the grant.
- We were quite surprised to discover that some of our market scrip (primarily non-EBT) never found its way back. Patrons would purchase more scrip than needed, and then lose scrip before visiting the market again, or not visit the market again. It is possible that some of the outstanding scrip was lost by farmers. The clearing account ended with \$2,588 positive balance. We are treating this as cash to be held against an outstanding future liability, and we do not have a good way to estimate how much of this scrip will never be collected. We are not reporting this as program income. We had to order extra scrip in year two of the grant.
- Most of the difficulties listed above centered around the market scrip system. In light of these difficulties we could not in good faith recommend a future FMPP recipient implement a scrip system.
- Early in the project we decided to give this project a name (Grow Healthy Rutherford) and much of our promotional material was branded with this project name. We subsequently abandoned this name and focused our material on promoting the farmers' market, not our new initiative. We had to re-design some advertising components wasting time and resources. We should have started with the market as the main focus.

- We regret not purchasing advertisements through Google. Many survey respondents reported using the search engine to find the market.
- It was very helpful to work for a university that served as the grant recipient. The accounting and purchasing controls put in place were valuable for holding spending in check and preventing the accidental use of funds for non-approved uses. However, this same system was slow and cumbersome to work with. The approval process for purchasing advertising was complex and required additional internal approval. Due to this slow process we did not spend down 100% of the grant funding. I always planned advertising a month in advance. I should have planned two months in advance.
- In the original proposal we were going to conduct a direct mail campaign. On closer inspection this was not feasible and I had to request a budget revision. FMPP staff were always helpful, but I could have saved much time and effort for the FMPP staff and myself if the original budget had been less specific, the proposal narrative should have house the specifics.