

Diversifying the Farmer Market Model

Michael Fields Agricultural Institute of East Troy, WI received \$75,000 to study innovative direct marketing models in the Midwest; build a Market Toolkit based on the study findings; and promote *Local Dirt*, a Web site that allows customers to place orders online with participating farmers/vendors at all farmers markets in the United States. Funds were used to study successful innovative markets in Northern California; develop a short course to train Wisconsin market managers; and publish Market and Promotion Tools for Farmers Market Managers.

Final Report

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Farmers Market 2.0 – Next-generation Market Models for Farmers & Market Managers

Michael Fields Agricultural Institute, Spring 2010

<http://www.michaelfields.org/wp-content/uploads/2010/12/farmers-market-2.0.pdf>

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A photograph of a farmers market stall. In the foreground, a wooden crate is filled with green cucumbers and a long, light green zucchini. To the left, several wooden baskets are filled with pumpkins and gourds. In the background, there are more baskets of produce, including tomatoes and leafy greens, and a large black pot filled with colorful flowers. The stall is set up on a paved surface, and the overall scene is bright and colorful.

FARMERS MARKET 2.0

NEXT-GENERATION MARKET MODELS
FOR FARMERS & MARKET MANAGERS

SPRING 2010



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Introduction

According to the USDA, farmers markets have seen a remarkable 84% increase over the last decade. This growth is fueled by consumers' increasing desire for locally grown foods, concern for the environment, and an increased need for stronger community connections. Farmers markets offer an opportunity for growers and eaters to connect, to create a greater sense of community, and to foster a better appreciation for farmers' growing practices. However, for all the benefits farmers markets offer, they also require a significant effort to put on, which often places a strain on farmers and farmers' market managers.

Part of that strain is time. Farmers markets are often located in areas and held at times of day that are convenient for shoppers, but not necessarily farmers. It's not uncommon for market vendors to rise at 2AM and to drive five hours to the market. Combine the drive time with booth set up and tear down, plus time spent selling at the market, and you have a long, hard day of work.

Market sales are also highly volatile. Inclement weather, changing seasons, and community events are unavoidable, and can heavily impact market sales. Due to the volatility and limited volume, many farmers seek other sales outlets in addition to the farmers market to achieve greater stability.

The direct connection between farmers and consumers is one of the strongest benefits of the farmers market but can also be one of its greatest challenges. Direct interaction gives farmers a low-cost way to test products and pricing, and a way to get direct feedback from customers, be it positive or negative. Depending on the personalities of the customers and the people skills of the farmer, this direct connection may prove difficult for the farmer.

However great the challenges, farmers markets do provide a strong profit potential for farmers. Selling direct eliminates the "middle man," resulting in greater revenue for the farmer. Zachary Lyons, director of the Washington State Farmers Market Association, reports that growers selling at a farmers market can expect to keep nearly 90% of the retail dollar versus about 10% when selling wholesale. Selling direct also provides an immediate source of income, helping short-term cash flow.

Markets offer both benefits and challenges for the consumer as well. Farmers markets provide shoppers with a sense of community and a greater knowledge about who grows their food and how it was produced. However, access to these markets can sometimes prove challenging. Farmers markets operate in a select number of locations and within limited hours, are typically open only seasonally, and often have significant crowds during peak times.

Farmers Market 2.0 was developed to show how many of the benefits of farmers markets— selling locally, giving farmers a fair price, and preserving the farmer-consumer community— can be maintained while gaining some of the efficiencies offered by other sales methods. The markets outlined in this report were selected based on recommendations from farmers’ market managers and local food leaders throughout the country based on the markets’ ability to save farmers time and provide marketing assistance. In addition, each of these markets meets a market need by helping improve consumer access to local food. See Table.

Less tangible, but perhaps most important, are the relationships developed between the farms, organizations, and eaters. In all of these models, the farmers and the organization are working together to meet a common goal. They respect each other’s mission and are committed to the success of the collaborative effort. Leadership is also critical in each case. It is clear that all of the project managers featured in this case are extremely committed to making the project work for both their organization and for their partner farms. These champions are entrepreneurial, driven, and passionate about building sustainable food partnerships through their work.

Each case provides market background, consumer target, grower opportunity, and tips for starting similar markets in other communities. In the spirit of capturing innovative new ideas, many of these markets are in their infancy. While it is hoped that these market ideas inspire new farmers market developments, it will be important to track and learn from the growth and challenges found within these innovative approaches.

TABLE 1

Simplified Steps from Pre-Planting to Sale	Traditional Farmers Market	Community Food Bank	Detroit Eastern Market	Gorge Grown Food Network	Kalona Organics	Oklahoma Food Cooperative	Oregon Health & Science University	Rural Resources
Farmer Support								
Helps Anticipate Demand: Determine what & how much to sell					X	X	X	X
Planting or Birthing Assistance								
Production (Planting/Raising) Assistance								
Helps Estimate Demand: Determine what & how much to harvest			X		X	X	X	X
Harvesting support								
Marketing Assistance: Determine how to price; where & how to sell		X	X	X	X	X	X	X
Eliminates farmer time spent at market booth		X	X	X	X	X	X	X
Customer Relationships								
Provides direct consumer to farmer connection	X							
Community Connections: Customers know where their food was grown/raised		X	X	X	X	X	X	X
Increases consumer access and/or product variety		X	X	X	X	X	X	X



Community Food Bank - Community Foods Consignment Program

About Community Food Bank

The Community Food Bank, located in Tucson, Arizona, is a non-profit organization dedicated to anticipating and meeting the needs of the hungry in southern Arizona. Established in 1976, the organization is staffed by 78 employees and hundreds of community volunteers, and provides enough food for 48,000 meals every day. In 2008 alone, they distributed more than 22.5 million pounds of food. To support its mission, the Community Food Bank has a number of food assistance programs, including: food boxes, a kids nutrition and snack program, a demonstration garden and home gardening assistance, a low-cost grocery store, farmers markets, and the Community Foods Consignment program.

Community Foods Consignment Program

The Community Foods Consignment Program began in 2005 as a way to give farmers and gardeners another option for selling their produce. Many small growers in the area did not have enough produce or enough time to be at the market each week. A consignment program offered a way for growers to sell their products without having to be physically present for the sale.

Though not all are regular contributors, sixty-eight local growers are enrolled in the Consignment Program. Anyone can participate in the program, from the backyard gardener with five chili peppers to sell to small farmers with five acres of produce. Everyone must fill out a Consignment agreement form detailing what they grow and their growing practices. All produce must be grown in Arizona and cannot be resale.

Produce is brought to one of two Community Food Bank farmers markets about an hour before the market opens. The produce is weighed and prices are negotiated using the Community Food Bank's price list. Farmers are paid the following week. The Community Food Bank takes 10% of profits to cover costs. In 2008, they sold 131,000 pounds of food and had \$24,000 in sales through the Consignment program.

Farmer Opportunity

The Consignment Program offers an efficient and profitable marketing opportunity for Tucson area growers.

"It's really easy for growers to participate and they are happy to be supporting the Community Food Bank in the process," says Sarah Rickard, Community Food Bank's Farmers Market Manager.

Most of the Consignment growers are small with operations less than five acres. Some are growing nothing more than several pots on a back porch. While the Community Food Bank does not require organic practices, growers are encouraged to refrain from the use of chemical pesticides, herbicides, and synthetic fertilizers. All of the food must

have been grown in Arizona. There are no limits on the types of produce or quantities that can be sold through Consignment.

In setting prices, the needs of the growers and the customers are carefully weighed. Most prices are set using a price list based on the retail cost of organic produce in the local supermarkets. The Community Food Bank tries to make sure the food is affordable to its low-income population while ensuring fair prices for farmers.

Rickard says the Consignment table usually does quite well at the market because all of the food looks great and is attractively presented. “Most of the food comes from people growing on such a small scale that they have taken the time to grow really high quality food,” she says.

Consignment growers can also set up their own table at the farmers market if they have the time. As incentive to do so, the Community Food Bank offers them three months of rent-free space at the market and a table.

Growers Don and Cris Breckenfeld began selling through the Consignment Program in 2008. Despite farming a portion of their 1.5 acres in southwest Tucson for 30 years, the Breckenfelds had never grown food for anyone but themselves prior to selling through Consignment. A huge surplus of beets led them to experiment with Consignment and they were impressed with the results.

“We really had no idea who would come and buy all our beets,” says Cris Breckenfeld. “We kind of lurked around the market watching and saw that they were selling like crazy, though. That was the beginning of us selling Consignment.”

The Breckenfelds began bringing anything they had extra from the garden to sell. Encouraged by the Community Food Bank to set up a table at the market, the Breckenfelds took a chance and began coming to the Thursday farmers market themselves in January 2009. Now they sell their vegetables through a mix of Consignment and farmers markets, depending on how much produce and time they have each week.

“It’s so easy and efficient to sell through Consignment,” says Breckenfeld, though she does enjoy the social aspect of being at the market herself.

She also encourages other growers any chance she gets to bring their surplus food to sell Consignment. She believes that it’s better to sell what you grow at reasonable and fair price than to give it away to people who don’t necessarily want it. Because they are not farming for a living but rather as a hobby, Consignment provides a little extra money rather than a major profit stream.

“It’s nice to know that the food you spend so much time growing is going to someone who values it,” she says. “The people who sell for you at Consignment are minor deities making everything so attractive on the table so it mostly sells out.”

While Consignment has been working well, Rickard would like to see it grow into more of a cooperative model with growers assisting with market logistics. The Community

Food Bank has been actively encouraging more farmers to become more directly involved in the organization by volunteering their time.

Market Opportunity

Community Food Bank programs serve a primarily low-income population. Its two farmers markets and one farm stand accept food stamps and Arizona Farmers Market Nutrition Program vouchers. The two markets, the Community Food Bank Farmers Market and the Santa Cruz River Farmers Market, are both located in low-income areas.

Working with growers at these markets gave the Community Food Bank the idea of starting a Consignment Program. Many growers either had a surplus of produce that was not quite enough to sell at the farmers market, or simply did not have enough time to sit at the market. The Consignment Program began in 2005 and is managed by one nearly full-time volunteer.

Between 80 and 100 people shop the Tuesday farmers market at the Community Food Bank, and 250 shop the Santa Cruz. Consignment week. Any to the farmer or bank if the farmer back.



Nearly all the food is sold each surplus is returned donated to the food does not want it

The Community administers a program that families grow offers workshops

Food Bank also home garden helps low-income their food at home, on food, gardening

and nutrition, and runs a gleaning program that harvests fruits and vegetables from area homes, schools, and farms for distribution at the food bank.

Financial Sustainability

The Consignment Program receives no direct financial support. While it is not a huge moneymaker for the organization, it offers strong profits for the growers. The Community Food Bank has allotted portions of grants to support the purchase of labels, scales, and other supplies, but it is otherwise completely volunteer run and self-sustaining on the 10% commission taken each week.

Consignment Program vs. Traditional Farmers Market Opportunities

- Saves farmers' time by eliminating the time spent standing behind the market table and provides them with one consistent delivery location
- Eliminates the need for farmers to market their product themselves
- Decreases the risk for new or hobby farmers who are not farming full time
- Gives consumers a wide variety of products at one booth

Obstacles

- Farmers do not have direct connection to their customers
- Consignment manager controls the pricing
- A percentage of each sale goes to the Consignment program
- Unsold product gets donated or returned to the farmer

Seeding Success

Determine your selling location. The Community Food Bank sets up the Consignment table at its regular farmers markets where growers drop off their food each week. By selling at existing markets, the Consignment Program benefits from the existing customer base for the market, reducing overall marketing efforts. While this location does position them close to other potential competitors, The Community Food Bank works with the other vendors to try to offer products that the existing vendors do not offer.

Aggregate product to meet consumer demand. Due to the small size and time constraints of the Consignment growers, none of the producers could sustain a market booth alone. By selling products from multiple growers, the Consignment Program can fill the market table and offer a wider variety of products.

Market Champion

Sara Rickard, Farmers Market Manager
Community Food Bank
www.communityfoodbank.org



Detroit Eastern Market - Fresh Food Share



About Detroit Eastern Market

Built in 1891, Detroit Eastern Market is the oldest, continuously running public market in the country. Covering over five-square city blocks and home to over 200 farmers and food businesses, the market is the “pantry to the city.” Offering products ranging from fruits, vegetables, and flowers, to meats, fish and processed specialty foods, the market draws 1.5 million visitors annually.

In 2009, to give people living in impoverished areas of the city access to healthy local foods, the market staff launched three new initiatives. The first is eight farm stands staffed by the Detroit Eastern Market that sell products from smaller, Detroit Eastern Market vendors at four business parking lots in Detroit. Also serving the city’s working community is a mobile concession stand offering fresh produce sourced from Detroit Eastern Market vendors. Finally, the market offers a weekly food box delivery program called Fresh Food Share.

Fresh Food Share



Living in a city with no grocery stores, Detroit’s over 800,000 residents are hungry for fresh food. Over the last fifty years, Detroit’s population and, along with them, its grocery stores, have shifted to the suburbs. With very few fresh food retailers, city residents have to look hard to find fruits and vegetables and are often left with convenience stores as the only option.

To make it easier for Detroiters to find and consume fresh fruits and vegetables, the Detroit Eastern Market began the Fresh Food Share program in June 2009. With a new, entrepreneurial-minded market manager, growing interest in local foods, strong community support, and a need to jump start Detroit’s economic recovery, Detroit Eastern Market and its Fresh Food Share program are poised to be the inspiration and hub for Detroit’s local food system.

The Fresh Food Share is a Community Supported Agriculture (CSA)-style program where customers order a 25-pound box of produce one month in advance for \$17. The boxes are delivered weekly to one of eight Eastside locations, each serving ten or more families. The weekly box includes an array of products including popular vegetables such as tomatoes, carrots, garlic, and beans, as well as less common items like kale and leeks. The wide variety of products is due, in part, to broad producer involvement. Several Detroit Eastern Market growers and sixty Detroit urban gardeners provide products for the program.

Having such a large number of producer participants requires dedicated support from a number of organizations. Integral to the program’s strength is the non-profit partnership between The Greening of Detroit, Gleaners Community Food Bank of Detroit, and Detroit Eastern Market; together called the Green Ribbon Collective. The Greening of Detroit facilitates food share purchases from community gardens and develops and distributes the Food Share newsletter, including weekly recipes. Detroit Eastern Market staff identifies, prices, and procures the other 90% of the food from wholesale market

vendors ranging in size from those filling a pick-up truck to growers delivering semi loads of fresh food each day. The Gleaners then use their food pantry experience to help manage the food collection and distribution logistics, including the coordination of volunteers to pack the share boxes.

In its first year, Fresh Food Share boxes were delivered to over 100 families, representing about 2,500 pounds of produce and nearly \$2,000 in sales each week. Although Eastern Market is located within Detroit city limits, it is still too far away for some Eastside residents to travel. Plans for program expansion include the addition of new delivery sites throughout Detroit and its suburbs.

Farmer Opportunity

The Fresh Food Share program serves two very different grower communities: the Detroit Eastern Market wholesale growers and 60 Detroit urban gardeners. The majority of the Food Share products are sourced from large, Michigan-based wholesale growers at the Detroit Eastern Market. Most of these wholesalers conduct the majority of their business with the abundant independent grocery retailers throughout Southeast Michigan that regularly shop the market. The Fresh Food Share currently comprises only a small percentage of these growers' business, but the benefits of participation go beyond dollars. Representing less than one percent of his farm's sales, Rob Ruhlig of Ruhlig Farms believes the Fresh Food Share is important for the community and for the market.

"I spend a lot of time there," Ruhlig says, "so the viability of the market is important to me. When the Detroit Eastern Market staff presented this idea, of course I wanted to help."

A second-generation produce grower, Ruhlig has helped expand his family farm from 40 to 1,200 acres, growing more than 40 vegetable varieties plus nursery plants. While the majority of his produce is sold to grocers through the Detroit Eastern Market wholesale program, Ruhlig enjoys the benefits of working with Fresh Food Share as he receives feedback about his products from share members while providing an important service to the community. The Detroit Eastern Market offers what Ruhlig describes as fair market wholesale prices. This ensures the sustainability of the farmers and the program.



The second arm of the food box supply, nearly 10%, comes from the Greening of Detroit urban gardening cooperative. The Greening of Detroit works with over 800 urban gardeners, 60 of which supply product to the Fresh Food Share box. In order to ensure comparable quality among all of the urban gardeners, the Greening of Detroit helped the growers establish strict group standards on production, packaging, and handling.

The Fresh Food Share box helps create a market for urban garden products. Working on plots averaging only 1/4 acre in size, no one farmer could wholly supply the Fresh Food Box Share program. Ashley Atkinson, Greening of Detroit's Urban Garden Manager, describes the range of farmers participating in the program as "budding hobby gardeners to retired auto workers, to young 20-to-30- somethings who want to make farming a profession, to those looking to change their profession in the middle of their lives." Whatever the stage of life, the Fresh Food Share helps bring these farmers anywhere from \$5-\$500 per week and access to a market that they would otherwise not have access.



Market Opportunity

Access to fresh food is a problem in Detroit. Over the last fifty years, nearly half of Detroit's population has shifted to the suburbs, bringing the grocery stores with them. Getting to those stores is difficult for city residents as public transportation options are few in this auto industry hub. Poor perceptions of Detroit's market opportunity and the challenges of hiring and retaining local workers have deterred all grocery chains from opening a store within Detroit's city limits, leaving citizens few food buying options.

Convenience stores are the only source of food for the majority of Detroit residents. According to Dan Carmody, Executive Director of Detroit Eastern Market, nearly 60% of all fresh food purchased by Detroiters comes from convenience stores. Detroit Eastern Market's Fresh Food Share gives Detroiters access to the fresh food that would otherwise be inaccessible. The Fresh Food Share is distributed on the near east side where there is a mix of those in need and those of affluence.

"This area offers a good pilot program as the program can support those in need while generating revenue from those who can afford to pay," Carmody explains.

Providing neighborhood drop offs makes it easier for people with limited transportation or physical mobility issues. Food Share recipients are delighted to have fresh food delivered to their community doorstep.

Financial Sustainability

The Community Foundation for Southeast Michigan provided initial funding for the program through a three-year grant. To achieve long-term financial sustainability, the organization hopes to increase the number of weekly delivery boxes to generate greater operational efficiencies resulting in reduced costs. In addition, the team will work to explore product offerings and potential new markets that might warrant a higher per box price.

Fresh Food Share vs. Traditional Farmers Market Opportunities

- Urban gardener product is preordered from the farmer allowing for appropriate harvesting amounts
- Gives farmers access to a customer base they would not have been able to supply alone
- Saves time as farmers deliver product to Detroit Eastern Market and do not need to stand at a booth all day
- Food is delivered to community drop offs each week

Obstacles

- Prices are set by Detroit Eastern Market
- No direct access to customers so farms are reliant upon Fresh Food Share's program managers to share their story and sell their products

Seeding Success

Build strong partnerships. It is often the case that organizations have differing strengths. In an effort to decrease costs, widen the program impact, and use existing community strengths, consider working with partner organizations. The Fresh Food Share program relies heavily on the partnership between three organizations: Detroit Eastern Market for overall project management and product purchasing from Eastern Market vendors; The Greening of Detroit for urban gardener supply, coaching and consumer communications; and The Gleaners of Detroit for packing and logistics.

Consider urban and community gardens. While it requires a higher degree of coordination, connecting with urban and community gardens can help provide both products and revenue for local growers. With 30% of Detroit property laying vacant, open land for urban farming is plentiful. Working with the 60 urban gardeners through the Greening of Detroit offers a wide product variety and provides a unique, steady market opportunity for growers.

Use an existing market as the core product supply. Utilizing a market that is already in existence provides an additional sales channel for market vendors. It also provides a way for a program to start small and help the producers grow as the program grows.

Market Champion

Dan Carmody, Executive Director
Detroit Eastern Market
www.detroiteasternmarket.com

Gorge Grown Food Network - Mobile Farmers Market

About Gorge Grown Food Network

Gorge Grown Food Network (GGFN), located in Hood River, Oregon, about 60 miles east of Portland, is a organization dedicated to producers to consumers Columbia Gorge region. out of discussions that of the film *The True Cost* Earth Center. Out of launched in 2006 to production, improve food relationships between farmers, producers, and consumers.



non-profit, citizen-driven connecting farmers and in the two-state, five-county, The organization developed began in 2005 after a showing of *Food* at the Columbia Gorge these talks, the network was encourage local food security, and develop

GGFN has one full-time staff person and one part-time staff person, plus several regional “community food leader” teams, dozens of volunteers, and a Board of Directors made up of farmers and community members from across the region. They operate a farmers market in Hood River and a Mobile Farmers Market that serves four small, rural communities, in addition to other projects addressing food and farm issues in the region. These projects include a free consumer guide to buying and eating local food called “Who’s Your Farmer?”, beginning Farm-to-School and Farm-to-Food Bank efforts, and a five-county Community Food Assessment process (partially funded through a USDA Community Food Projects Planning Grant) to identify food and farm issues, assets, and needs in the region.

Mobile Farmers Market



GGFN’s Mobile Farmers Market began delivering fresh blueberries, cherries, carrots, tomatoes and other locally-grown food to four small rural communities in Washington and Oregon in July 2008. The Mobile Market is a traveling farmers market akin to a traditional produce peddler’s truck that delivers local produce to communities that don’t have farmers markets and, with one exception, don’t have grocery stores either. The program helps growers, many

quite small (anywhere from a half acre to five acres), find markets for their products. It also helps consumers, most in towns too small to support a market, access local food in an area where less than 2% of food eaten is locally grown.

Each week, eight-to-twelve farmers deliver farm fresh food to a designated drop-off site in Hood River on Friday evening or Saturday morning. Many of these same farmers also sell at other local markets. Gorge Grown purchases the food for approximately 75% of retail price, allowing a 25% profit to cover overhead costs. Some food, particularly from large fruit growers, is purchased at a negotiated price between retail and wholesale. GGFN purchases between \$500 and \$800 worth of produce a week.

The Mobile Market travels in a 1995 Ford diesel delivery truck purchased with grant funds from the Oregon Investment Board, matching funds from the Washington State Investment Board, and donations. The truck makes four scheduled stops each Saturday and Sunday in Stevenson, WA, Mosier, OR, Maupin, OR and Dufur, OR, communities that range in size from 400 to 1,200 people. Local farmers and backyard gardeners are encouraged to set up stands alongside the GGFN truck each week. The Mobile Market grosses around \$1,100 in sales each week from both cash and foods stamps.

“Selling alongside our truck is nice bit of stability for people who are interested in selling what they grow but haven’t yet taken the plunge into full-time farming,” says Sarah Hackney, GGFN executive director. Stability that GGFN hopes will translate into vibrant, self-sustaining local markets that will make the Mobile Market unnecessary, allowing GGFN to move on to new communities in need.

Farmer Opportunity

Besides serving eaters in small communities, the Mobile Market also offers an efficient and profitable market opportunity for farmers in the Columbia Gorge. Because they were already running the farmers market in Hood River, GGFN had established connections with farmers in the region to draw on when starting the Mobile Market.

GGFN purchases from up to 20 local farmers during the Mobile Market season. Anyone can sell to the Mobile Market. Many of the farms are small with operations less than five acres, while others are huge fruit farms that sell commercially. The farmers are a mix of conventional and organic. The relationship with the growers is an evolving one, says Sarah Hackney, as GGFN tends to prioritize those growers who reliably deliver food each week and who are flexible to the changing needs of the Mobile Market. The amount of food purchased each week is based on previous sales.

Because the Mobile Market encourages local farmers and backyard gardeners to set up alongside them, GGFN strives to offer produce that is different than what the locals have to offer. “We’re there to complement and support not steal business from them,” says Hackney. This means that the Mobile Market sells more fruit and certified organic crops than conventionally grown, common garden vegetables such as summer squash, since vegetables are easier for the beginning small farmer and backyard gardener to grow. GGFN tries to offer the widest selection of produce possible for the customers, which guides purchasing decisions each week.

GGFN purchases products for the Mobile Market from the farmers at a percentage (usually 75%) of retail price. Transfer of the product is complete upon delivery so farmers receive payment immediately. For large fruit growers, the amount of product sold on the Mobile Market is relatively small, but selling to the Mobile Market provides another outlet for their product as well as an up-front cash payment. Getting paid in cash without having to spend time sitting at a farmers market stall is a big incentive for growers of all sizes.

Produce is labeled with its location of origin and farm name, in addition to any certification labeling (organic, Food Alliance, etc).

Ben Zimmerman of Small i Farm in White Salmon, Washington, has sold to the Mobile Market since it began. Since 2007, Zimmerman has been growing vegetables on a half-acre organic farm plus some flowers and trees, all while holding down a full-time job. As a beginning farmer still learning to grow products and with little time to sit for hours at a traditional farmers market, Zimmerman appreciates the simplicity and consistency of the mobile market.

“It’s nice to hand over your products and know it will sell without having to take time away from my farm,” says Zimmerman.

For Zimmerman, the Mobile Market is one of many revenue streams for his farm, an investment to ensure that it is around for years to come. He concedes that the money to be made from Mobile Market on a given day is sometimes not worth the time harvesting and driving to the drop-off spot, but he counts other intangible benefits to his participation.

“The Mobile Market gives everyone access to food, which is a social justice aspect that I particularly like,” says Zimmerman. “The people in these communities are so excited to be included, so happy to have access to local food.”

Customers can also pre-order some food items. GGFN has been encouraging customers to stock up on in-season items to preserve for later.

The Mobile Market has surpassed GGFN’s expectations in both consumer purchases and farmer participation. Unsold produce is sold to local chefs and donated to the local Meals on Wheels program. The long-term hope is that visits from the Mobile Market will evolve into the creation of viable farmers markets in more communities within the Gorge region. Gorge Grown is cultivating this possibility by expanding off-season efforts in each community to connect with beginning growers, train new volunteers, and seek out more local support for each market site. Not all communities (especially those under 1,000 residents) may be equipped to manage a full-size farmers market, but there are many opportunities for smaller ‘micro markets’ like the Mobile Market to sustain themselves, in addition to opportunities to build local farmers’ capacity to sell to local convenience stores and through other direct channels such as CSAs (Community Supported Agriculture).

Market Opportunity

The idea for the Mobile Market Program came from a series of community and stakeholder meetings on the problem of distributing and accessing local food in a large geographic area (five counties in two states, Washington and Oregon) with small rural populations. Portland is too far away for many of these small farmers and producers to travel to each week. Many of the towns in the Columbia Gorge region are too small to support a farmers market on their own — only Hood River and The Dalles have a population greater than 4,000 people in a region of over 70,000 — and people in outlying communities were unlikely to travel to Hood River or The Dalles for their markets; Dufur, for example, is about 36 miles away from Hood River and Maupin is 60 miles away.

Besides not having a farmers market, the people in three of the four towns served by the Mobile Market do not have a local full-service grocery store or place to buy fresh produce; instead, they have small convenience stores stocked with limited pantry items. In answer to these problems, GGFN created the Mobile Market in 2008. The Mobile Market brings fresh local food to these towns while providing a sales outlet for farmers, many of them small, in the Columbia Gorge region.

To get started, the organization canvassed community members and leaders in the region to gauge interest and support. The towns were selected based on demonstrated lack of access to fresh produce, interest in having the Mobile Market visit—community support is vital to the Mobile Market—and the availability of a location to set up the market. Gorge Grown supplies its own insurance and works closely with the community to publicize the market through news releases, newspapers, posters, and word of mouth. Local community volunteers help with setup and breakdown when possible, as well as with less traditional publicity such as encouraging neighbors with produce to sell to come to the market.

After significant planning, the Mobile Market now operates markets in four communities in Washington and Oregon on Saturdays and Sundays, two each day, from July through early September. Between 150 and 200 people, everyone from tourists to low-income families, purchase food from one of the Mobile Market stops each weekend. The Mobile Market can take food stamps but not WIC or Senior Farmers Market Nutrition coupons, which can only be used at farmer-owned businesses. This is a challenge as there are few outlets for people to use these coupons in their local community. Gorge Grown is investigating pursuing a state waiver so that access to a place to spend these coupons can be granted in these communities.

Financial Sustainability

The GGFN Mobile Market is almost self-sustaining. Revenues cover most operating expenses and grant funding covered first-year startup costs (truck purchase, etc) and some additional staffing. Funders gave around \$7,000 to get the Mobile Market up and running its first year; the money went primarily to the purchase of a truck. At first, volunteers ran the Mobile Market but it was not sustainable to have volunteers working such long, hard days. In 2008, GGFN was awarded a \$5,000 Harry Chapin Self-Reliance Award from World Hunger Year, money that has gone to support the hiring of paid employees.

At this time, the project requires a small amount (\$5,000 or less) of outside funding annually to sustain operations; all other operating costs are covered by project revenue. GGFN is working to improve and streamline the work of managing this project so that it can be managed with minimal staff expense and potentially be aided by AmeriCorps members seeking hands-on learning opportunities in food systems work.

Mobile Market vs. Traditional Farmers Market Opportunities

- Product is purchased from the farmer when product is dropped off, passing all sales risk on to GGFN
- Saves time as farmers deliver product and do not need to stand at a booth all day
- GGFN markets and distributes the mobile market and participating farms at low cost to farmers
- Provides a market for farmers interested in selling food but not ready to take on full-time farming and direct marketing
- Farmers do not need to identify channels for unsold product
- GGFN holds market insurance allowing farmers to avoid this expense

Obstacles

- Farmers are paid prices approximately 25% below retail where they would otherwise receive full retail price if they sold product themselves
- No direct access to customers so farms are reliant upon GGFN to share their story and sell their products

Seeding Success

Build Community Support. Community support is essential to success. Survey communities for those that seem most interested and enthusiastic about the Mobile Market. Will they help with promotion? Are there local small farmers and backyard gardeners who could sell at the market, too? GGFN works to shift ownership of the market to the community, fostering pride and ownership in the town.

Establish clear rules. Similar to many traditional farmers markets, consider establishing rules on where product can be sourced. Should all of the product be grown on the selling farmers farm? Establish rules for product quality and how issues will be addressed if product is not delivered in the manner agreed upon.

Market Champion

Sarah Hackney, Executive Director
Gorge Grown Food Network
www.gorgegrown.com

Healthy Market Baskets - Making Fresh Food Sustainable for Eaters and Growers

Low-income neighborhoods and lack of access to fresh produce often go hand-in-hand. Yet despite the desire to have farmers markets in these areas, it can be difficult for farmers to make enough money to pay for their time and transportation costs to these markets each week. To solve this problem, Sustainable Economic Enterprises of Los Angeles (SEE-LA) developed the Healthy Market Basket Program to supplement their farmers' income.



Sustainable Economic Enterprises of Los Angeles

SEE-LA's Healthy Market Basket Program (HMBP), launched in 2004, delivers farm-fresh produce from one of its farmers markets directly to workplaces through their worksite wellness programs. Looking for a way to increase the revenue for farmers selling at the small market held on Wednesdays, SEE-LA hit on the idea of pooling the farmers' produce to offer market baskets to companies and institutions. Like a market-based version of Community Supported Agriculture, SEE-LA purchases food from four to six farmers each week for delivery to between 30 and 50 customers.

To meet different needs, market baskets are available in two sizes, each containing 13 to 15 different items. The largest size provides all of the fruits and vegetables recommended by the USDA for one person for one week and costs \$20. A slightly smaller Fresh Market Basket contains a smaller amount of the same produce for \$15. Customers can sign-up for a four-week period of deliveries through an online ordering system.

The Healthy Market Basket program helps to ensure that local food remains accessible to low-income neighborhoods in L.A., while providing farmers greater revenues, making it more financially viable for them to keep coming to the market. Farmers can also build customer awareness as each box contains a newsletter with recipes and descriptions of the farmers contributing to that week's box. The program allows farmers to reach more people with no more time than that currently expended selling at the market.

SEE-LA works with the farmers to set prices for market basket goods. Most farmers sell at a discount because SEE-LA usually buys produce in bulk. Farmers sell between \$100 and \$200 worth of produce to the Market Basket program each week.

By offering this service to farmers, SEE-LA ensures that fresh food remains accessible to all people, no matter their income level, while also ensuring the economic stability and viability of farmers in southern California. Visit www.see-la.org to learn more.



Kalona Organics

- Group Buying Club

About Kalona Organics

Nestled in the heart of rural Iowa is Kalona Organics, the wheels and voice behind over thirty small-scale Midwestern family farms. Established in 2005 in Kalona, Iowa, Kalona Organics markets organic products, ranging from milk, cheese, yogurt, eggs, and produce, to individuals and businesses in Iowa and throughout the country. The company grew out of founder Bill Evans' efforts to help launch Farmers All-Natural Creamery, a cooperative of Amish and Mennonite dairy farmers in the area. Kalona works in partnership with their farmers to develop fair market prices. They identify individual and business customers and help deliver and market these products, all for a fee.

With the mission of helping "good people bring good products to your table," Kalona works to help small-scale farmers make a viable living while striving to keep products available locally and at fair, stable prices. In an effort to achieve both goals, Kalona Organics sells product through a variety of channels from local grocery stores, individual families, and established distributors of natural and organic products, to their newly launched Group Buying Club.

Group Buying Club

Finding Iowa products at places other than seasonal farmers markets can be a challenge. Knowing this, Kalona launched its Group Buying Club to help link rural Iowa and Wisconsin farm products to city and rural eaters. The group buying program launched in 2009 as a pilot at two locations: a rural Iowa church and Metro High School, an alternative high school.

Extending the Group Buying Club to Kalona's existing school partner, Metro High School was a natural fit. Located about 50 miles north of Kalona, the Cedar Rapids-based alternative high school serves nearly 600 children, many of whom live in poverty. Kalona originally began delivering its surplus dairy and produce to Metro High School to help support the school's lunch program and to provide organic milk for students to take home to their families.

Having already experienced the high quality of Kalona's products, school staff and neighborhood families were eager to bring more of Kalona's products into their homes. Kalona launched a group-buying program through the school to meet this need.

While the logistics of the program are still in the pilot phase, it is clear that the current program's success is fueled by the drive and passion of John Cilek, the program's manager. Cilek is truly a jack-of-all-trades, managing everything from farmer contacts, to customer orders, to pricing and delivery.

Every week, Cilek works directly with a handful of dairy, egg, and produce farmers to determine what products they will have available. The farm name, quantities, and prices

are then posted to an online ordering system on www.localdirt.com (See Local Dirt). Members of the Group Buying Club log onto the website to place their order one week in advance to be picked up and paid for at the school.

The individual buying club product orders are consolidated by Kalona and then placed with each of the farmers. Every other week, Cilek arranges to meet the farmers at their farm or at a central location to pick up their products for the buying club. Products are then packed in coolers for delivery to the school.

Despite the start-up logistical challenges, both Cilek and the customers find the program rewarding. “The good thing about this being so homespun is that the customers really appreciate the service,” explains John. Bringing products from rural Iowa directly to Cedar Rapids families is a unique, high-service offering.

The Group Buying Club currently serves about 20 families with products from six farms representing about \$700 in weekly sales. With the majority of its products sold through other distribution channels, Kalona plans to grow the program slowly, aiming to reach 20 sites over the next two years.

Farmer Opportunity

In all aspects of its business, Kalona’s primary concern is ensuring fair and stable prices for their partner farms. This philosophy holds true in its Group Buying Club, too. Kalona provides the marketing, distribution, collections, and order management for the group-buying program, leaving farmers to, as Kalona’s website says, “focus on their craft”.



Since the Group Buying Club is in its infancy, the program offers a small yet time efficient, profitable sales outlet for the program’s farmers. “While sales are only coming in at a trickle, it offers almost pure profit,” explains Derek Roller of Echollective, a nearly 10-acre CSA farm. Since starting in May 2009, the program has brought weekly orders of about five CSA-style produce boxes totaling \$50-\$100 in sales to Echollective. While it doesn’t seem like much, for this small farm, “it’s a big deal,” says Roller.

Working with Kalona’s Group Buying Club has offered both increased profits and a way to extend Echollective’s selling season. Like the other buying club farmers, Echollective sells through a number of sales outlets, including the local co-op grocery store, the farmers market, and its CSA program. When the farmers market, co-op sales, and CSA program end for the season, the Group Buying Club offers an easy-to-manage, profitable sales outlet for what could be considered Echollective’s season-end surplus.

Having Kalona market the products and manage the sales has been extremely helpful to Echollective, as has starting the program small. “The process has been quite simple because the numbers are small. It’s like when you’re already cooking for five [people] then it’s not that much harder to cook for ten,” states Roller, explaining that this offers an easy way to slowly extend sales beyond his current operations. In the winter months, Echollective and Kalona plan to meet to work out plans for expansion, a discussion that Roller eagerly anticipates.

Market Opportunity

Kalona's buying group brings Iowa grown and raised foods to communities that otherwise would not have easy access. John Cilek and the Kalona team identified this unmet market need when Metro High School staff and parents expressed an interest in getting Kalona products into their homes.

According to the American Farmland Trust, Iowa has nearly 150 farmers markets, the fifth most numerous in the nation. While awareness of and interest in local foods is high, finding local products in places other than seasonal farmers markets is often a challenge.

The Group Buying Club helps customers find locally produced products year 'round and delivers products directly to their community. "The challenge is how to create a program that is easy, convenient and makes people feel good about the (food buying) choices they are making," says Cilek. By developing an online ordering system, delivering the product to the school, and marketing the individual farms, Kalona's buying group does just that.

Offering an online ordering system makes it easy for customers to see what local products are available each week. Unlike at a traditional farmers market, customers can secure their order and pricing in advance. Unlike at grocery stores, the group-buying program offers an "almost direct" connection to the farms. Because the program manager has formed close partnerships with each of his farm suppliers, he is able to tell the farm's story. Customers understand the care and work that went into creating their food and appreciate the high customer service provided with the onsite delivery.

Financial Sustainability

The Group Buying Club was homegrown and shares resources with Kalona's existing distribution business. Other sales channels within the company currently cover the majority of the program costs. Kalona hopes to achieve financial sustainability for the program by generating distribution efficiencies that will come with a greater number of buyers and larger orders at each site. The company is also considering an added processing fee to each customer order to help cover order management costs.

Group Buying Club vs. Traditional Farmers Market Opportunities

- Kalona markets the products on behalf of the farm, reducing marketing time and cost
- Product ordering, delivery and payments are all managed by Kalona, saving farmers time and reducing risk
- Kalona's web ordering through Local Dirt helps market farms for free and provides online presence
- Products are delivered weekly to the school, saving customers time and providing access to products they otherwise wouldn't have

Obstacles

- No direct contact with customers; reliant upon Kalona to market the farm and products
- Volumes are currently very small
- Significant work for sales manager for relatively low volume

Seeding Success

Develop partner relationships with farms. Integral to the success of the group-buying program, as well as all aspects of the company, is the partnership between the company and each of the farms. Having strong knowledge about each of the farm suppliers fosters a level of trust and establishes goals that are mutually beneficial. This partnership offers support through the entire supply chain all the way to the eaters, building a strong sense of ownership and community among all members.

Market Champion

John Cilek, Sales Manager
Kalona Organics
www.KalonaOrganics.com

Local Dirt - Farmers and Buyers Come Together Online



In addition to supporting buyer groups like Kalona Organics, Local Dirt offers a host of customized online marketing and ordering options for anyone looking to find, buy, and sell local food. Through the site, farmers can find online tools to help them sell to distributors, grocers, co-ops, restaurants, or direct to customers online.

One of the key ways that Local Dirt connects farmers and buyers is through its online farmers' market ordering system. By posting a market profile on Local Dirt, market managers essentially have a free, customized website for their market and farmers. The farmers market preorder system provides an efficient, cost-effective marketing and management tool for market managers.

Unlike most farmers' market websites, Local Dirt also offers the opportunity for online ordering in advance of the next farmers market. Farms can list an inventory of what they will be selling at the upcoming market. Savvy market shoppers can go directly to the farm profile on the Local Dirt website to order product directly from the farm to be picked up at the next farmers market. Order sheets and inventories are tracked and available online to help with order management for the farmers.

Having a market preorder option helps farmers plan for larger customer orders, locks in sales ahead of the market day, and strengthens the customer relationship between farmer and eater. This online tool also eliminates the need for farmers to launch and maintain their own website, providing for greater online exposure.

If forecasting sales for the market is a struggle, Local Dirt also offers a program for selling surplus or continually available product. Similar to eBay's structure, farmers can

post their products online and solicit bids. This is particularly helpful for highly perishable products that have already been harvested. The program allows farmers to generate some income from product that might otherwise have gone to compost.

By offering cost effective, often free, online exposure and simple online order forms, Local Dirt makes buying and selling local products easy, convenient, and beneficial for both buyers and sellers. Serving farmers and buyers in all 50 states, the Local Dirt website provides an online hub for local food commerce nationwide. Visit www.LocalDirt.com to sign up.

Oklahoma Food Cooperative



About The Oklahoma Food Cooperative

The Oklahoma Food Cooperative, based in Oklahoma City, is a member-owned organization dedicated to selling local, Oklahoma-grown and processed foods and non-food items for the mutual benefit of its producer and consumer members. The Cooperative seeks to educate its members and the general public on cooperative principles, local food, environmental stewardship, social justice, and economic sustainability through a collective buying and market preorder program.

Cooperative Buying

Launched in November 2003, the Oklahoma Food Cooperative provides an online ordering system for producers to sell their local products and for consumers to find and purchase them. Each month, customer members order from a list of foods grown in Oklahoma offered by the cooperative's producer members. The products and producers are screened according to the Cooperative's established product parameters. One week after the order is placed, the food and other products are delivered to one of forty locations throughout the state.

Both customers and producers are considered members of the Cooperative, paying a one-time membership fee of \$51.75. The membership fee covers the expenses involved in running the service, including warehouse space, equipment, promotion, and applicable licenses. The Cooperative has about 2,600 members currently, 140 of them farmers. Only members of the Cooperative may buy or sell through the online marketplace and only Oklahoma residents are eligible for membership. All members receive a user name and password for the Cooperative's web interface, giving them access to the members only pages of the website.

The Cooperative acts as the agent of its producer members, never the owner of the products. The Cooperative posts products on its website, publicizes the products its producer members have for sale, processes orders and payments, and arranges for delivery. Around 3,000 items are available for sale each month, 80% of them food items.

Producers set their own prices and receive the full retail price of their products, minus a 10% shipping and handling fee for products collected by the Cooperative. Producers are

responsible for entering a description of their product, production practices, and location into the database.

All customer orders include a shipping and handling charge of 10%. For an additional \$20, members in Oklahoma City, Edmond, Moore, Norman, and Tulsa can have their order delivered directly to their home. The Oklahoma Food Cooperative handled \$500,000 in local food sales last year.

“Our members love the Co-op and have a sense of ownership in making it work because each and every one of them are essential to making this work,” says Robert Waldrop, president and general manager of the Oklahoma Food Cooperative.

Farmer Opportunity

The Oklahoma Food Cooperative provides an efficient and cost-effective marketing option for state growers. Anyone growing or making products in Oklahoma is welcome to join and sell through the Cooperative as long as they adhere to a few guidelines. All products must come from Oklahoma. No genetically modified foods or products and no meat, poultry, or egg products from Confined Animal Feeding Operations may be sold through the Cooperative. Animals may not be treated with bovine growth hormone or fed routine antibiotics. Farmers can farm however they wish, but must declare their production practices. All processed products must include a list of ingredients.

The Cooperative’s Compliance and Standards Committee reviews all products from new producer members to ensure they meet the organization’s guidelines. Producers must submit a statement regarding the origin of the products, production practices and any chemicals used, and ingredients. There are no limits on what producers can sell so there may be multiple farmers offering the same products such as grass-fed beef or eggs.

Each producer is given his or her own page in the online Customer Handbook, on the website, and in the Cooperative’s price and product lists. Because the Cooperative seeks to do more than just sell food, producers must introduce themselves and tell the story of their farming operations, practices, and products. This makes each producer, in effect, his or her own brand, as customers buy from each farm individually.

“We don’t sell mystery food,” says Waldrop. “This food has the face of its producer behind every product.”

Producers set their own prices and receive the full retail price they set for their products, save for the 10% shipping and handling fee collected by the Cooperative. Ordering begins on the first day of the month and closes on the second Thursday. At the close of the order week, the Cooperative notifies producers of their orders. Producers must deliver their products to the Cooperative warehouse by noon on delivery day (currently the third Thursday of the month). Each order must be labeled with the customer delivery route, member name, producer name, product name, and storage method.

Nearly all of the producer members live within 160 miles of Oklahoma City; around 80% are within 100 miles.

John and Kris Gosney of John’s Farm and Cattle Tracks farm in Fairfield, Oklahoma, began selling through the Cooperative in 2003. The largest producer of organic wheat in

Oklahoma and farming for forty years, the Gosneys sell wheat berries, wheat flour, and organic beef that they raise on their 3,500 acres. The Cooperative offered them a venue to direct market their products and build a customer base. They now sell about \$4,000 worth of product through the Cooperative each month.

“Belonging to the Cooperative gives us a lot of exposure. We can reach a larger audience and still tell people who we are and what we are about,” says Kris Gosney.

The Cooperative is only one stream of revenue for the Gosneys. They also sell at farmers markets, at their home, and in retail stores. Gosney heartily recommends participation in the Cooperative, primarily for the ease of use and marketing opportunities.

The Cooperative does not limit the number of producers who can sell a particular product. Waldrop would like to expand the range of products offered, though he acknowledges he is working against Oklahoma’s predominantly livestock farming culture. The state is not known for its diversity of vegetables, home to four times as many cows as people, so it is no surprise that meat is a top seller.

Market Opportunity

Regular contact with small, struggling farmers combined with a commitment to social justice led community members to begin thinking of ways to recreate the local food system in Oklahoma City. Local residents wanted fresh, local food and farmers and other producers needed a way to market their products directly to the public. The Oklahoma Food Cooperative began in November 2003 as a way to connect local producers and consumers.

At first, the Cooperative wanted to open a retail store. But without the resources to do so, the organizing committee decided to take a step back from creating a physical store to opening a virtual store. The virtual store would operate on the “antique mall” concept: individuals put their goods in a particular cube to sell to consumers and the owners of the mall get a commission on the sale.

“Every farmer I know loves to grow and produce food but not many like to have to sell it themselves,” says Waldrop. “The Cooperative gets the food out there without the outlay of the farmers time and makes it easy for people like me to find the local food they want.”

Taking its first orders in 2003, the Oklahoma Food Cooperative had about 60 members and grossed about \$3,500. Membership has since grown to 2,600 and monthly sales average \$61,000 to \$65,000. Most of the Cooperative’s customers live within 110 miles of Oklahoma City and encompass people from the richest and poorest ZIP codes in the state.

Waldrop admits that he was concerned at first about whether the region’s ethnically, politically, and religiously diverse people could really come together and make this work. Members of the organizing committee included ministers, farmers, an herbalist, retired military, an architect, a student, and an attorney. Fortunately, he found that everyone put their desire for fresh food above all else.

Each month, around 100 volunteers help the Cooperative's six part-time employees sort and deliver products to the 40 delivery sites. Volunteers can earn \$7.25 an hour in credit toward Cooperative purchases for their work. The Cooperative borrowed storage space for its first four years before finding affordable warehouse space in an old meat packing plant.

Delivery sites change and move with interest and support from the local community. The sites just have to cover expenses (primarily the cost of mileage from the sorting warehouse) through customer purchases and the 10% shipping and handling charge to stay open. Churches, businesses, farmers markets, and homes are some of the places currently serving as delivery sites.

Financial Sustainability

The Oklahoma Food Cooperative is completely self-financed through membership fees and commissions on sales. Monthly operating expenses are about \$2,500. The Cooperative did receive a grant recently to purchase additional supplies and has received in-kind donations in the past, but has otherwise calibrated its fees to cover all expenses.

Cooperative Buying vs. Traditional Farmers Market

Opportunities

- Helps farmers forecast demand before harvest or slaughter
- Decreases farmer time spent at the table or marketing by other means

Obstacles

- Producers do not have direct contact with customers
- Ordering occurs only monthly
- Others handle product before it is received by customers, creating potential product distress issues

Seeding Success

Establish a budget. Estimate how much setting up a cooperative will cost. Consider staffing needs, packing location, regulation compliance, transportation and delivery needs, marketing costs, website maintenance, and coordination of ordering. The Oklahoma Food Cooperative matched its membership costs to the cost of running the organization.

Retain and grow membership. Producers and customers are equal members in the Oklahoma Food Cooperative. Everyone pays the same amount to join and has the same rights. Consider how you will attract customers and keep the ones you have. The Oklahoma Food Cooperative stages tastings several times a year so customers and farmers can meet and become familiar with products and each other.

Market Champion

Robert Waldrop, Cooperative President and General Manager
Oklahoma Food Cooperative
www.oklahomafood.coop

Oregon Health & Science University – Market Basket Program

About Oregon Health & Science University

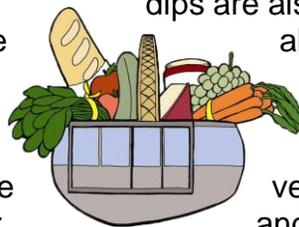


Oregon Health & Science University (OHSU), located in Portland, Oregon, is the state's only teaching hospital and research center and is dedicated to improving the health and well being of all Oregonians. To that end, OHSU has developed a strong community and environmental focus that includes purchasing food directly from local producers and operating a weekly farmers market for employees, students, patients, and community members. Staff members run the market and local food purchasing as part of their job, with additional volunteer assistance provided by OHSU employees. For those unable to attend the farmers market, OHSU offers a pre-order Market Basket Program.

Market Basket Program

The OHSU farmers market began offering baskets of fruit, vegetables, meat, cheese, breads, and other products from market vendors in 2008. The Market Basket operates in conjunction with the regular Tuesday farmers market, which itself began in 2007 as a project of the OHSU Food and Nutrition Department. The Market Basket ensures better sales for vendors at the market and gives all employees access to fresh, healthy food whether or not they can attend the farmers market.

Each week, customers place orders online for a vegetable basket and/or fruit basket using a debit or credit card. A weekly email newsletter previews the contents of the basket and provides a link to the order page. The vegetable basket costs \$12 and four-to-five different vegetables. The fruit basket is \$8 for two-to-three types of fruit. Add-ons of breads, meats, cheeses, and dips are also available for between \$5 and \$7 for those customers who have already ordered a fruit or vegetable basket. Orders are placed on a weekly basis, though customers can sign up and receive a discount for full-season orders.



All of the produce comes from the farmers market. Market manager Eecole Copen tries to rotate purchases from all of the vendors at the market. Though the vendors are not required to be organic, Copen gives preference to organic growers and producers. OHSU purchases most food at retail price, though the vendors do give discounts on occasion.

Baskets are available for pick-up from 4-7PM on Tuesday evenings, May through October. Recipes are included in the newsletter to help customers use the contents of the Market Basket.

Farmer Opportunity

Besides making fresh food available to more people, the OHSU Market Basket program helps to increase revenue for farmers at the market. It also expands their customer base with no additional effort, as OHSU staff transport food from the market to the basket pick-up site.

OHSU works with around ten different producers each week. Any of the farmers market vendors can participate in the Market Basket program, although weekly purchasing decisions are made by Copen and her staff to provide the most variety to consumers. Most of the farmers are small, ten acres or less, though a few are large fruit farms or grass-fed livestock farms. The farmers are not required to be organic to sell at the market, though, OHSU prefers to purchase organic or sustainably raised food for the Market Basket Program.

In addition to Market Baskets, OHSU also purchases local food from the farmers market for its campus cafeterias and patient food service. In 2007, OHSU purchased 4,000 pounds of organic chicken, 2,000 pounds of squash, and half a million half-pints of milk from local producers. These institutional purchases from the market provide an additional revenue stream for OHSU farmers.

Elizabeth Miller began selling vegetables at the OHSU farmers market in 2008. Her farm, Minto Island Growers, is a 40-acre organic vegetable and fruit, native plant, and sustainable forestry operation located in Salem, Oregon. The Market Basket program is a major incentive for Miller to keep coming to the market.

“We were doing okay with just the stand at the farmers market but the Market Basket as well as food service purchases really make it worthwhile,” says Miller. “It’s revenue we can rely on.”

Miller sells \$60 to \$120 worth of food to OHSU each week, in addition to the money made at the market itself. Copen gives the farmers some idea of what she’ll be buying two to three weeks in advance so the farmers can plan accordingly. Final orders are sent to farmers on the Friday before the Tuesday market. Miller cites Copen’s enthusiasm and support as key to the program’s success.

“It’s nice to come to a market where you feel like the market manager is working for you,” says Miller. “That really helps make this program a success.”

Market Opportunity

When the OHSU Food and Nutrition Department proposed the creation of a farmers market on campus in 2007, they were met with overwhelming enthusiasm. With more than 9,000 employees, OHSU has a large and captive audience for local food. To get started, the market received a \$10,000 grant from the USDA. Running the market became part of Copen’s job at OHSU. Soon, between 1,400 and 1,600 customers were shopping the weekly Tuesday farmers market, held from 11:30AM to 3:30PM.

Despite the market’s success, many staff members could not make it to the market during its daytime hours. So in 2008, OHSU launched its Market Basket program (originally known as the After-Hours Pick-Up) so that more employees could support local farmers and bring home fresh food, even if they couldn’t make it to the market each week.

Participation in the program averages around 15 customers per week, although, Copen is planning a more aggressive promotional campaign for the 2010 season. Delays in getting the online ordering system installed led to a smaller number of participants in

2009. Copen hired an outside developer to build the online ordering system and linked it to the OHSU website.

“Making the food as easy to order, buy and pick-up is essential to the program, which is why we wanted our ordering to be online,” says Copen.

Customers pick up their market basket from a building located near the main entry and exit points to the OHSU campus at a preset time each week. They also receive an email newsletter with recipes and information about the producers contributing to that week’s delivery. Volunteer employees help to staff the farmers market, assist with the Market Basket program, and help with the newsletter. Copen also hired someone to work five hours a week to collect invoices and make deliveries.

Copen hopes to expand the Market Basket program in 2010 to serve more customers. She’s also looking to start a separate Market Basket program at the base of the OHSU tram where a number of new condominium and apartment complexes are under construction.

Financial Sustainability

The OHSU Market Basket program is currently self-sustaining, in part, due to the support provided by OHSU and its staff. Market Basket costs cover expenses and some profits are made off the sale of the reusable bags that most customers use to pick-up their weekly baskets.

Market Basket Program vs. Traditional Farmers Market Opportunities

- Product is purchased at retail price from the farmer at the market
- Saves farmer time as product is picked up at the stand and delivered by OHSU staff
- Expands customer base without additional time
- Provides additional revenue while doing no more than standing at the regular booth

Obstacles

- No direct access to customers so farmers are reliant on OHSU to share their story
- OHSU determines what products are needed and from whom they will buy

Seeding Success

Build Community Support. Survey farmers market customers for those most interested and enthusiastic about a Market Basket program. Find out how many people would shop the market but can’t because of other obligations. OHSU surveyed employees to gauge interest in its Market Basket program.

Build Relationships. Establishing relationships with farmers is essential to success. Farmers need to feel that they are getting a fair deal from the financial arrangement and that the market is working to create opportunities for them. OHSU has developed strong

relationships with its farmers and tries to work with all of them to create new revenue opportunities.

Determine ordering and delivery system. OHSU uses an online ordering system that makes it easy for consumers to place orders and for staff to track orders. Consumers pick up their Market Basket from a convenient delivery site located at their workplace.

Market Champion

Eecole Copen, Farmers Market Manager
Oregon Health & Science University
www.ohsu.edu/farmersmarket

Side Bar:

Farmers Market Associations – Pooling Market Resources for Broader Impact

When the Alameda County Redevelopment Agency in California sought to boost business development in unincorporated areas of the county, one place they turned for help was the Pacific Coast Farmers Market Association (PCFMA). The PCFMA helped them set up a farmers market in San Lorenzo that now draws about 1,300 customers every weekend.

Starting and running a farmers market can be rewarding but also a challenging and time consuming experience. Farmers market associations can help ease the burden. The Pacific Coast Farmers Market Association is a non-profit organization that operates and promotes farmers markets in the San Francisco Bay Area. As the largest farmers market association in California, they operate more than 50 promotions in 35 communities with a staff comprised of market managers, marketing and promotions experts, administrators, and chefs.

The association takes the reigns in setting up a farmers market if a city or particular group expresses interest. They locate a site, speak to the local fire and police departments, secure the necessary permits, and help promote the market; site fees are usually subsidized by the market sponsor. The PCFMA markets all of their farmers markets as well as individual markets throughout the area, including scheduling special events and children's activities.

Farmers interested in selling at the market contact the PCFMA directly. Farmers must apply and pay an application fee. Once accepted, farmers are charged a stall fee to operate, but the farmers keep all of the profits from the markets. All of the foods found in their markets are California grown and are brought to the market by the farmers who planted, nurtured, and harvested the crop.

To support its markets, the PCFMA has a full-time marketing and education department that seeks to educate the community about healthy eating and sustainable agriculture. Cookin' the Market, for example, brings live cooking demonstrations to the markets to show consumers how to prepare produce from the market at home. PCFMA also offers a number of educational and cooking blogs for consumers on their website.

Associations like the PCFMA help to centralize farmers market operations, saving local farmers and organizers time. They also make it easy to build on the success and branding power of the preexisting markets in the association. An association can save farmers time, too, by offering one point of entry to dozens of markets in the area.

Rural Resources - Mobile Market Program

About Rural Resources

Rural Resources, a non-profit organization located in Northeast Tennessee, is dedicated to preserving agricultural land and rural heritage and to developing a locally sustainable food system. To support this mission, the organization implements a host of initiatives to promote access to healthy local foods, including: a Community Supported Agriculture-style vegetable basket delivery program, community garden plots, children's cooking schools, and the Mobile Market.

Mobile Market Program

Central to the organization's efforts is the Rural Resources Mobile Market Program, which was launched in 2005 with a USDA Farmers Market Promotion Grant. The Mobile Market is literally a farmers market on wheels, delivering fresh produce, hormone-free meats, eggs, jams, and honey to underserved populations throughout Greeneville County. The program links urban dwellers with small-scale farmers through a mobile delivery program.

Every week, some of the 25 local farm suppliers deliver farm fresh food to Rural Resources' headquarters. Rural Resources loads the produce onto a retired mini school bus that has been painted red and white and decorated to look like a mobile barn. The barn bus makes its bi-weekly route from the Rural Resources office to low-income housing and senior facilities during the 23-week peak-growing season. Community members can choose to purchase whatever is available from the bus on delivery day or to buy in advance at reduced prices to ensure product is available.

"The customers love it," explains Rhonda Hensley, program director. "We play the Green Acres theme song as we're driving through the neighborhood and people come running out to buy from it. It's like kids running out to catch the ice cream truck."

Accepting cash and food stamps, the Rural Resources Mobile Market conducts about \$12,000 in sales each year. The majority of sales are paid for in cash with about 10% coming from food stamps. Demand for product is greatest the first two weeks of every month, likely impacted by the timing of food stamp distribution. While a variety of products are offered weekly, demand is strongest for those products most commonly used in the region, such as corn, tomatoes, green beans, and okra.

Farmer Opportunity

The Mobile Market Program offers an efficient and profitable market opportunity for Greeneville County farmers. The program's director, Rhonda Hensley, provides the bridge between eaters and farmers, linking people with limited fresh food access to farmers in need of profitable markets.

Hensley built relationships and trust with each of her 25 local farmers. She did this by working with each farmer individually throughout the year and then as a broader group at the end of each year. Most of the farmers work less than five acres and could be described as hobby farms. Many are fairly well established, having been in business for five or more years. Most of the farmers grow produce, but in an effort to offer wider product variety, Hensley also purchases hormone-free meats, honey, jams, eggs, and organic produce. While the farm size and product offerings may vary, “They [the farmers] all have great pride in what they grow,” shares Hensley. These farmers are dedicated to their work and enjoy being part of the broader mission of the Mobile Market Program.

Hensley carefully balances the needs of her farmers with her customers’ needs. The market is run like a business in that Hensley purchases the product from the farmers at a fair wholesale price. Transfer of the product to Rural Resources is complete as soon as it is delivered to the Rural Resources office.

Purchasing the product from the farmer at the drop-off site passes the risk from farmers to Rural Resources. In an effort to reduce this risk, Hensley works with farmers weekly to discuss what products they have and how much she would like to buy based on her anticipated customer demand. Perhaps even more importantly, Hensley holds an annual meeting in the off-season to talk collectively with all of the farmers. At this meeting, the organization reviews the program impact, prior year sales, and plans for the upcoming year. The farmers collaborate with one another to determine who will grow which products to meet demand. Having this upfront collaboration results in better planning, less waste, and greater profit for the farmers, and increased variety and better sales for Rural Resources.

Rural Resources is committed to the success of their farmers. At the annual meeting, in addition to determining the types and amounts of products to be grown, the farmers receive mentor training and opportunities for farmer networking. Various farmer training workshops are also offered as needs are identified. Most recently, the organization hosted a two-part workshop to educate farmers on season extension techniques through the use of hoop houses.

Hensley identified her farmers through word-of-mouth and networking at local farmers markets. It was at the Greeneville Farmers Market where she met Robyn Carson of Carson Creek Organics. Since 2006, Carson has operated her five-acre organic farm less than five miles from the Rural Resources Headquarters. As with many new farmers, learning to grow products and understand where to market them proved challenging. “In our first year of growing, we had tremendous excess. I started selling my excess at the local farmers market, which is where I met Rhonda and got involved with the Mobile Market Program,” says Carson.

The Mobile Market has been a profitable and essential market for Carson Creek Organics. Carson sells over half of her produce to the Mobile Market each year. While Carson enjoys talking with customers and farmers at the farmers market, she says “the Mobile Market is convenient, saves time and is profitable since Rural Resources pays nearly the same price that I would get at the Farmers Market.” Carson misses telling customers about her products but knows that her products are marketed well by Rural

Resources. The products on the Mobile Market are often labeled with the farm name and Hensley is able to inform customers about each farm, their food, and growing practices.

Market Opportunity

The concept for the Mobile Market Program came when Rural Resources' Executive Director, Sally Causey, visited one of Greeneville's public housing units and noticed abandoned grocery carts along the sidewalk. It was clear that these residents did not have access to a local store or market to buy fresh produce. With limited funds, no transportation of their own, and no public transportation options, these community members were forced to ask friends and neighbors for a ride or walk significant distances, often with small children, to and from the distant grocery store. The Mobile Market was created as a way to deliver fresh local food to these community members and to provide another sales outlet for Greeneville County farmers.

To get the Mobile Market started, the organization canvassed the county to locate people with limited access to fresh food and transportation. Based on Rural Resources' existing work building community gardens at these facilities, public housing and senior living communities were quickly identified as concentrated populations with strong need. Rural Resources staff worked closely with these communities to identify delivery dates, understand customer needs, and to help market the program within the community.

After significant planning and modifications over the last three years, the Mobile Market now runs bi-weekly deliveries May through October to nine sites reaching nearly 1,000 people. In addition to delivering food, Rural Resources also helps educate buyers on gardening and food preparation. The organization received a three-year USDA Community Food Project Grant to implement a "Soil to Table" community food project that compliments that Mobile Market program. The "Soil to Table" project offers an after-school gardening and cooking program; a chef, farm and business-leadership training program for teens; and a Mobile Kitchen to teach community members how to prepare foods purchased through the Mobile Farmers Market.

Financial Sustainability

The Mobile Market Program receives funding from federal grants, local organizations, and individual contributions to operate. In addition, the program shares resources such as the walk-in cooler, the barn bus, and program administration with Rural Resources' Mobile Farmers Market Vegetable Basket, helping to defray some program costs.

Mobile Market Program vs. Traditional Farmers Market Opportunities

- Product is preordered from the farmer allowing for appropriate harvesting amounts
- Product is purchased from the farmer at the Rural Resources office passing sales risk on to Rural Resources
- Farmers and Rural Resources agree on price and quantity prior to delivery resulting in steady cash flow and no post harvest product risk
- Anticipated demand is established prior to the growing season allowing for more

- efficient production planning
- Cooperation among growers through the annual meeting results in better production planning, reduced competition, less waste and possible increased profits
- Saves time as farmers deliver product to the Rural Resources office and do not need to stand at a booth all day
- Product is delivered directly to customers who would otherwise have no access

Obstacles

- Prices are slightly lower than retail sales at a traditional farmers market
- No direct access to customers so farms are reliant upon Rural Resources to share their story and sell their products
- No flexibility in pricing as this is set by Rural Resources

Seeding Success

Manage Product Inventory. Understanding customer preferences and variances in monthly demand is an important first step in managing product inventory. Every week, nearly one-third of all Rural Resources' product goes unsold. This over purchase is necessary to ensure that there is enough product and diversity of product at every Mobile Market stop. Local churches purchase unsold products for use in food pantries and soup kitchens. To help reduce product waste, consider offering a pre-order or CSA option. Rural Resources receives about 30% of its sales through pre-ordered purchasing.

To ensure proper product storage to improve product quality, a cooler for storing produce prior to delivery is essential. Farmers bring pre-washed, sale ready product that is stored in Rural Resources 8' x 16' cooler. Cost to purchase the used cooler was about \$2,000 with an additional \$1,000 for installation.

Appropriately size the delivery system. Rural Resources found that many schools have older buses that they wish to retire but have few outlets to sell them. This was a cost effective way to meet the Mobile Market's transportation needs. Costs to launch the barn bus were negligible as the mini bus was donated by the local County school system and volunteers sanded and painted it. Rural Resources invested time and less than \$1,000 to install the air conditioning and generator units.

Market Champion

Rhonda Hensley, Mobile Market Manager
Rural Resources
www.ruralresources.net

Resources for Getting Started

As with any new enterprise, it is helpful to start with a business plan. Writing a business plan allows you to evaluate your market opportunity, understand your start-up costs, and refine your business focus. While developing a business plan, farmers or market managers may find the following resources helpful.

Business Planning

1. Agricultural Innovation & Commercialization Center

A business-planning guide that offers a template that you can complete online. It asks simple questions that once complete helps compile into a business plan.

www.agecon.purdue.edu/planner

2. Business Resource Finder/ Sample Plans

Provides resources and software to help create your own business plan. Offers free sample business plans searchable by industry.

www.bizplans.com

3. Entrepreneur Magazine Business Plan Assistance

Provides general information on how to get started, including an outline and details about each business plan element.

www.entrepreneur.com/businessplan/index.html

4. Small Business Development Center Net

Information clearinghouse with a host of business planning tools, including sample plans specific to agriculture.

www.sbdcnet.org, Select Business Plans

5. SCORE

SCORE provides counselors for America's small businesses. Offers business-planning tools specifically for non-profits.

www.score.org/template_gallery.html

Food Safety Resources

1. Farmers Market Coalition – Resource Library for Food Safety & Handling

Provides numerous resources for general food safety guidelines, food handling, and good agricultural practices. Specific farmers' market resources are available such as the Food Safety Regulations for Farmers Markets guide from Purdue University Extension and Food Safety for Farmers Market Vendors by University of Nebraska Extension.

www.farmersmarketcoalition.org/resources/resource-library

2. FDA Guide to State Retail & Food Service Codes by State

Provides a link to food safety, food code and sanitation requirements for each state.

www.fda.gov/Food/FoodSafety/RetailFoodProtection/

[FederalStateCooperativePrograms](#), Select State and Food Service Codes & Regulations by State

3. Hazard Analysis and Critical Control Points (HACCP) Tools

Offers a variety of plans and tools for establishing and monitoring HACCP food safety protocols.

www.nfsmi.org, Select Research, Search HACCP

4. USDA's Checklist for Good Agricultural Practices (GAP) & Good Handling Practices (GHP)

This program is intended to help users minimize the risk of contamination of fresh fruits, vegetables, nuts, and miscellaneous commodities by microbial pathogens.

www.ams.usda.gov, Search GAP/GHP Audit Checklist

5. Wallace Center's Good Food Network – Food Safety FAQs

This site provides a list of Food Safety “Frequently Asked Questions” targeted to those working to develop sustainable, local food systems. Topics include Good Agricultural Practices, USDA Food Safety Inspection Services, pending food safety legislation, and a summary of common food safety issues.

www.ngfn.org/resources/food-safety

Farmers Market Policies

1. Farmers Market Coalition – Resource Library for Boards, Mission & Governance

Provides over a dozen examples for mission statements, by laws and other legal documents. <http://www.farmersmarketcoalition.org/resources/resource-library>

2. Understanding Farmers Market Rules, Farmers' Legal Action Group

Helps farmers understand their responsibilities and rights as vendors at a farmers market. The article begins by looking at some of the commonly used rules and highlights some of the relevant federal, state, and local laws, which might apply. www.ams.usda.gov, Search Understanding Farmers Market Rules

Funding

1. Building Sustainable Places Guide

Developed by Michael Fields Agricultural Institute on behalf of the Appropriate Technology Transfer for Rural Areas (ATTRA), this guide is written for anyone seeking help from federal programs to foster innovative enterprises in agriculture and forestry in the United States.

www.attra.ncat.org/guide

2. Farmers Market Consortium Resource Guide

An extensive list of public and private funding resources may be found in the USDA Agricultural Marketing Service Resource Guide.

www.ams.usda.gov, Search Farmers Market Consortium Resource Guide

3. USDA Farmers Market Promotion Program

The Farmers Market Promotion Program (FMPP) provides grants to help eligible entities improve and expand domestic farmers markets, roadside stands, Community Supported Agriculture programs, and other direct producer-to-consumer market opportunities.

www.ams.usda.gov, Search Farmers Market Promotion Program.

4. USDA - Know Your Farmer Know Your Food

This link provides a comprehensive list of federal government grants, loans, and support aimed at “reinventing local food systems.”

www.usda.gov, Search Know Your Farmer Know Your Food

Survey Tools

1. Survey Monkey

Free survey tool with templates.

www.surveymonkey.com

2. Zoomerang

Free online survey tool with advanced survey features.

www.zoomerang.com

3. Survey Gizmo

Free trial survey tool with an unlimited number of questions allowed.

www.surveygizmo.com

Locating Farmers Markets

1. USDA AMS Farmers Market List

Searchable list of farmers markets throughout the U.S.

<http://apps.ams.usda.gov/FarmersMarkets/>

2. Local Dirt

National online marketplace connecting food buyers with local farms, farmers markets, and food processors. Free registration for farmers market and individual users.

www.localdirt.com

3. Local Harvest

National website and map searchable by state, zip code, and product type as well as by sales method.

<http://www.localharvest.org/>