## Connecting Beginning Farmers to New Markets: Start-up Advice & Resources for Gaining Access to Farmers Markets

Leanne DuBois, VA Department of Agriculture and Consumer Services, Virginia Grown Program
Ellen Stewart, Blacksburg Farmers Market
Meredith Ledlie, Virginia Cooperative Extension, Family Nutrition Program

Virginia Beginning Farmer and Rancher Webinar Series
December 11, 2013















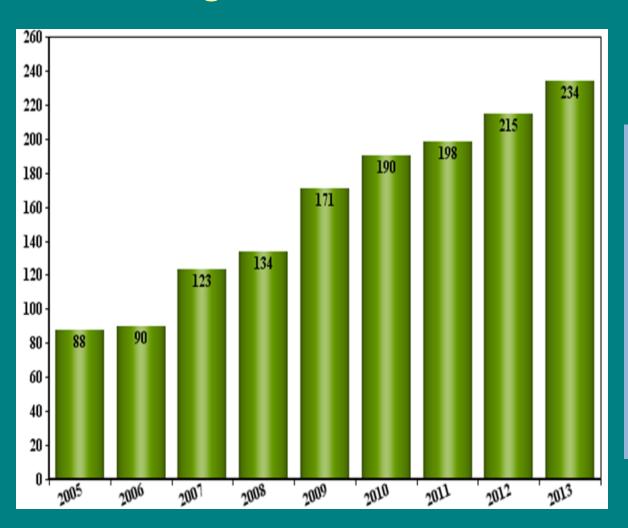
## Start Up Advice & Resources for Gaining Access to Farmers Markets

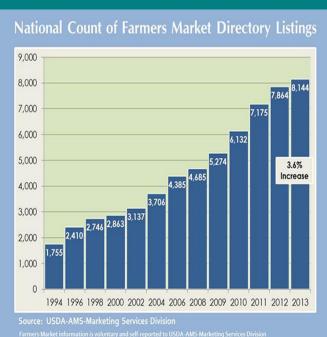




**Leanne DuBois Marketing and Development Division** 

## Virginia Farmers Market Growth





### **More Communities Warm Up to Winter Markets**

The number of winter markets listed in USDA's National Farmers Market Directory has increased 52 percent, from 1,225 in 2011 to 1,864 in 2012. Winter markets now account for roughly 24 percent of the 7,865 farmers markets listed in the USDA national directory.

#### The 2012 top 10 states for winter farmers markets are:

- 1. California with 284
- 2. New York with 196
- 3. Florida with 105
- 4. Maryland with 70
- 5. Texas with 63\*
- 6. North Carolina with 62
- 7. Massachusetts with 59
- 8. Pennsylvania with 58
- 9. Georgia with 55
- 10. Virginia with 53







#### VIRGINIA DEPARTMENT OF AGRICULTURE AND CONSUMER SERVICES



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#### It's Fall and Many Virginia Grown Products Are Still Available

Few things say fall in Virginia quite as well as a fresh-picked apple or late vegetables such as winter squash, broccoli or other cool season crops. Many Farmers' Markets across the Commonwealth are still open and offer these fresh, locally-grown products. You're also sure to find locally grown pumpkins, gourds, mums and a variety of other fall décor ideas to dress up your home, school or business. While you're out and about, be sure to look for Virginia agritourism farms where you'll find corn mazes, hayrides and other family fun activities on the farm.

#### **News and Events**

#### What Are You Looking For?

- All
- Agritourism
- Farmers Markets
- Farms Specialty Products

Name / Description / Product Product Name / Description Where? (Omit the word "County") City or Zipcode

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#### Your Map to Virginia Grown



#### Most Requested

- · What's in Season Now
- Farmers' Market Resources
- Recipes
- Food Festivals
- Farm-to-School Program
- Food Safety For Consumers
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### **FARMERS MARKET RESOURCES**



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- · What's in Season Now
- Farmers' Market Resources
- Recipes
- Food Festivals
- · Fun Facts and Resources
- Media Center
- Add or Update Your Listing

#### VIRGINIA FARMERS' MARKET RESOURCES

Market Managers

Farmers and Vendors

Community Involvement

Virginia has enjoyed a tremendous growth in farmers' markets over the past several years, growing from 88 markets in 2004 to nearly 200 presently. Today you can find a farmers' market in rural and urban communities throughout the Commonwealth, providing economic opportunities and inspiring entrepreneurial endeavors. Often market vendors manage small acreages of diverse crops, from fruits, vegetables and herbs to chickens, eggs and honey. Farmers' markets are at the heart of a community, a gathering spot for friends, an information hub to teach and learn new skills, form partnerships and expand knowledge about food and agriculture.

#### The Basics

Find a listing of Virginia Farmers' Market

#### Business Management

Building a Sustainable Business – A Guide to Developing a Business Plan for Farms and Rural Businesses

#### Food Safety

Farmers' Markets and Food Safety

Going to Market: Guide to Selling Goods at Farmers' Markets

#### Insurance

Managing Legal Liability Series for Direct Marketing ~ Publications by Virginia Cooperative Extension. (Whitus, L., Richardson, J. & Walker, M.) Managing Liability, Legal Liability in Agritourism and Direct Marketing Operations

Insurance Factsheet

How much Liability Insurance Coverage Should I Have

Conducting the Liability Assessment

Questions to Ask when Comparing Insurance Coverage

Virginia Attorneys: Members of the American Agricultural Law Association

Workers' Compensation & Vendor Liability for Farmers' Market Owners and Operators

Sources of Insurance

#### Marketing

Virginia Grown Marketing Materials and Logos

#### Beef and Meats

How to Direct Market Your Beef

#### Seafood

Getting Started with the Water Harvest Program – A guidebook for selling seafood direct to consumers at Farmers Market and other direct marketing outlets

#### MARKET MANAGERS

Market Managers

Farmers and Vendors

Community Involvement

Farmers' Market Week 2014 ~ Sunday, August 3 - Saturday, August 9

#### Resources and Tools to Assist Farmers' Market Managers

Farmers' market managers are dedicated to strengthening farmers' markets in Virginia by fostering appreciation for agriculture, creating vibrant community center and allowing independently owned family businesses to thrive. Market managers wear several hats including educators, financial managers, human resource specialists, marketing coordinators and event organizers. At the core of each market r is a shared passion to serve farmers, consumers and their community.

#### Management Skills

Virginia Farmers' Market Managers Workshop Resources

Here you will learn about

- · Current Food Safety and Process Food Regulations in Virginia · Jams, Jellies, Pickles, Honey and current Food Regulations
- Food Processor Start Up Packet
- · Dairy and Meat Regulations, Pet Food, Egg and Seafood Regulations
- Weights and Measures, Taxes, Insurance and EBT/SNAP Program Resources
- Creative Marketing Strategies

Foundations for a Successful Farmers' Market

Establishing and Operating a Community Farmers' Market

Farmers' Markets Rules, Regulations and Opportunities ~ National Ag Law Center

#### By-Laws and Organization Structure

· Samples:

By-Laws of Loudon Valley Homegrown Farmers Market Association

Sample Vendor Application Form and Policy and Procedures - Williamsburg Farmers Market

#### Non Profit Status

Obtaining 501(c)(3) exemption status from the Internal Revenue Service (IRS) may be one of the most effective ways to open doors farmers' market

The Trials and Tribulations of Form 1023

#### Food Safety

A Food Safety Guide for Farmers Markets

Virginia.gov

Agencies | Governor

Search Virginia.Gov





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#### Agriculture and Consumer Services

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#### 2013 PRESS RELEASES

Click here to e-mail this page to a friend.

May 9 2013

#### OFFICIAL START OF THE FARMERS' MARKET SEASON

~ Spend \$10 a Week on Virginia Grown products for a chance to win a Virginia Grown/Virginia's Finest Gift Basket Valued at \$250 ~

It's official; the 2013 farmers' market season has begun and Matt Lohr. Commissioner of the Virginia Department of Agriculture and Consumer Services (VDACS), is encouraging all Virginians to add a springtime boost to their local economy by patronizing a local farmers' market. Virginia residents now have the opportunity to buy fresh, locally-grown produce at seasonal farmers' markets, many of which opened around the first of May. Virginia also boasts many year-round markets, and for them, it's always market season.

This year, VDACS is offering a punch card for consumers who spend at least \$10 per visit at a Virginia farmers' market. The program is in partnership with the Virginia Food System Councils \$10 a week pledge campaign to grow the local economy. Research by Virginia Cooperative Extension has shown that if each household in Virginia spent just \$10 a week on locally grown agricultural products, consumers would invest an additional \$1.65 billion back into the local economy each year.

The punch cards will be available at the markets listed on VirginiaGrown.com. When consumers collect 14 punches and return the card to the market manager, they have a chance to win a Virginia Grown/Virginia's Finest gift basket worth \$250. The basket will contain items such as fresh fruits and vegetables, beverages and specialty products that include peanuts, chocolates, crackers and bread, honey, cookies, cheese or cheese spreads, herbs, perhaps even cut flowers or plants. Everything in it will be grown, raised or produced in Virginia.

Shopping for fresh fruits and vegetables instills healthy eating habits for adults and children, and consumers often will find items at a farmers' market not available in traditional grocery stores. These include exotic and vintage varieties of tomatoes



#### VIRGINIA DEPARTMENT OF AGRICULTURE AND CONSUMER SERVICES

## **NEWSRELEASE**

OFFICE OF COMMUNICATIONS, P.O. BOX 1163, RICHMOND, VA 23218, www.vdacs.virginia.gov

FOR RELEASE: July 25, 2013

CONTACT: Elaine J. Lidholm, 804.786.7686

#### CELEBRATE VIRGINIA FARMERS' MARKET WEEK AUGUST 4 – 10, 2013

~ Markets have grown by more than 160 percent since 2006 ~

Farmers' markets in Virginia continue to grow in popularity, from 88 markets in 2006 to more than 230 markets this year. How many other segments of the economy have seen growth of more than 160 percent in just seven years?



#### CERTIFICATE of RECOGNITION

By virtue of the authority vested by the Constitution in the Governor of the Commonwealth of Virginia, there is hereby officially recognized:

#### FARMERS' MARKET WEEK

WHEREAS, the popularity of Virginia's farmers' markets has grown by more than 160 percent in seven years, from 88 markets in 2006 to nearly 230 in 2013; and

WHEREAS, farmers' markets play a vital role in giving farms direct access to consumers and consumers direct access to farmers; and

WHEREAS, farmers' markets provide the public with a convenient, fresh, competitively-priced source for high quality fruits, vegetables, eggs, honey, herbs, flowers, organic items, cheeses, baked goods, meats, homemade preserves and more; and

WHEREAS, farmers' markets are an important component of a comprehensive local economic development strategy that fosters community engagement, supports local farmers, promotes health and wellness and provides access points for healthy food in neighborhoods; and

WHEREAS, the economic impacts of Farmers' Markets include direct benefits to farmers and business owners, but also indirect benefits to the community in stimulating downtown revitalization, enhancing parks and waterfronts and preserving farmland through economic viability; and

WHEREAS, farmers' markets are good for the economy, good for consumers' health and good for the community;

NOW, THEREFORE, I, Robert F. McDonnell, do hereby recognize August 4-10, 2013 as FARMERS' MARKET WEEK in our COMMONWEALTH OF VIRGINIA, and I call this observance to the attention of all our citizens.



Janet Vestal Selly

## Statewide Promotion Programs

### Customer Loyalty Program









### **VDACS Marketing Resources**



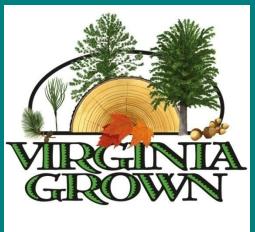






The Virginia Grown program is a VDACS marketing tool promoting fresh, local products to consumers





#### VIRGINIA GROWN POINT OF SALE MATERIAL

#### Virginia Grown Point-of-Sale Material

The following items are available from the Virginia Department of Agriculture and Consumer Services, (VDACS) Division of Marketing. To order, complete from below and mail, fax or e-mail to Virginia Grown, VDACS, 1,02 Governor Street, Suite 322, Richmond, VA 23219.

FAX: 804-371-7786 or email to yagoown@ydacs.virginia.gov.

	Quantity	Description Size
	(Picqu, of 25)	Virginia Grown Price Cards デス 気火で 実身を padce
2009/000		Virginia Grown Poster - White gloss coated. $\xi g_{\rm c}/g_{\rm c} g_{\rm c} g_{\rm c} (14^{\circ} \times 15^{\circ})$
	(Piczy, of soc)	. Дерга, Дуерћ, Go - Virginia Geows Ruck Cards. Includes produce availability chart on back. Directs consumers to the VirginiaCrown.com succhable dambase
ARAKA A		Virginia Grown Banner – Composite Banner, includer Mear, Poultry and Eggs. Good, Sp. Springs, Maddays, (Umit a) (Note: All banners are 4' x 3' vinyl for indoor or outdoor use)
		Virginia Grown Banner - Produce Only - 4' x 3' vinyl (Limit a)
ABBANA		Virginia Grown Banner – Nursery/Hordculture – $4' \times 3'$ vinyl (Limit 1)
		Vinginia Grown Tote Eags -Every tote bags with color logo and green sides. \$\overline{\text{Uppg_15}, \overline{\text{Uppg_15}, \text{Up
Name:		Farm/Market Name:
Street Address (no P.O. Box):		
City Scase: Zip: Phone:		
Email: Are you listed on www.virginiagrown.com website? NoYes		
Every effort is taken to process and deliver your trems in a timely manner.  If you have any questions about your order, please contact the Marketing Department at (Soc) 225-2663.  VDACS promotes the economic growth and development of Virginia agriculture.  The Virginia Grown program promotes fresh, Virginia products to consumers.		
Thanks for supporting Virginia Grown!		

See Office Cont Resided



Fresh From The Farm. Fresh To You.

# Learning How to Sell at a Farmers Market: A Market Managers' Perspective

## Ellen Stewart Blacksburg Farmers Market





## What are the Benefits of selling at a farmers market?

- low overhead
- established customer base
- personal connection with consumers
- shared marketing opportunities
- networking with other growers
- resource support
- can lead to other sales opportunities



## Choosing a Market

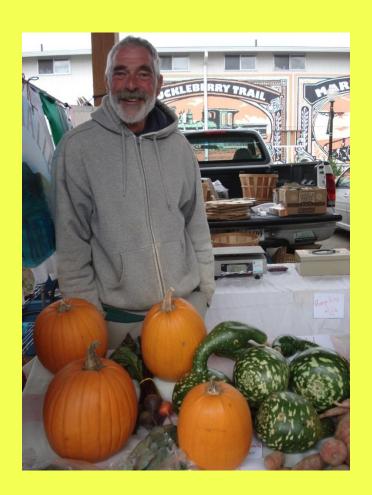


- travel distance
- days, hours, seasons
- fee structure
- diversity of product
- location
- customer base
- governance & regulations

## People to talk to...

- Market Manager
- current vendors

customers



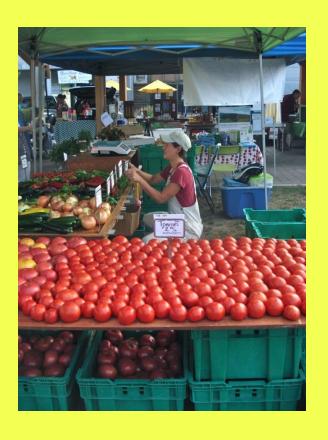
## Deciding on your product

- Do you have the resources?
- Have a business plan
- Market demand: Find a niche!
- Understand community needs and preferences



## Are you ready?

- volume of product
- growing schedule
- certifications
- time commitment
- staffing needs
- supplemental income plan



## **Application**

- Check websites for application package or contact the market manager
- Read regulation thoroughly
- Check deadlines
- Assemble any required certifications
- ASK QUESTIONS!!



## Planning Your Display

- Signage check with manager to see if there are specific requirements
- Equipment needs vary from market to market
- Walk through the market what catches your eye?
- Food safety VDACS regulations
- Accessibility



## Connecting With your New Market

- Other vendors
- Market manager
- Customers
- Governing body
- Committees
- Broader community



## Online Resources

Search for farmers markets in your area at:

http://search.ams.usda.gov/farmersmarkets/

Resources re: selling at farmers markets:

farmersmarketcoalition.org

## Accepting SNAP: Good for you, good for your neighbors

Meredith Ledlie, Virginia Cooperative Extension









### What is SNAP?

- SNAP (Supplemental Nutrition Assistance Program) is the new name for food stamps.
- SNAP benefits are distributed to families based on income and family size
- In Virginia about 11% of the population participate in SNAP
- Nationwide 1 out of every 5 children benefit from SNAP







### What is EBT?

- It is common to hear the terms EBT and SNAP used interchangeably in relation to farmer's markets
- EBT, or Electronic Benefit Transfer, is the name of the system used to get people their benefits
- SNAP money is now distributed to families via an EBT card, which can be used like a debit card
- Markets that accept SNAP use an EBT machine to run the cards through, like a credit card machine at the grocery store.







#### How an EBT card is used at the market:



- Customers go to the market manager's information table.
- ✓ The manager will swipe the EBT card for the amount requested.

  Customers will receive \$1 wooden tokens. These tokens act like cash in the market. Some markets use paper receipts instead.



- ✓ Tokens are used to buy fruit, vegetables, meat, eggs, herbs, baked goods and more! No change can be given. No hot food allowed. Can be combined with cash.
- ✓ Tokens are collected from vendors at the end of the day by the manager. Vendor's receive reimbursement from the market, usually within a week.
- ✓ Farmers can also have their own EBT machine, this system requires no tokens/receipts as you swipe the card directly at time of payment







## The effect of accepting SNAP on a farmer's market/vendor

- Approved foods include baked goods, dairy, meat, fruit, vegetables, herbs, seeds for food bearing plants, jelly
- 2013 CDC report: Farmers' market managers generally reported favorable attitudes toward SNAP/EBT. Because their markets accepted EBT, 58% agreed that "more vendors want to operate stands or stalls in this market"; 70% agreed that "new customers shop at this market more often"; and 95% agreed that "more repeat customers come to this market."









## The effect of accepting SNAP on a farmer's market/vendor

- Long story short, SNAP is revenue stream with growing potential as more markets across the state accept EBT cards.
- Between fiscal year 2008 and 2009, for example, the total value of SNAP redemptions at farmers markets and farm stands nearly doubled, from over \$2 million to over \$4 million.
- Although the recent growth in SNAP redemptions at farmers markets has been impressive, it is important to recognize that the amount of SNAP benefits redeemed at farmers markets and farm stands in FY 2009 (\$4.33 million) still only represents less than one-hundredth of 1 percent of the total (\$50 billion). Therefore, there remains much room for growth in the ability of farmers markets to increase their share of the SNAP redemption pool by adopting EBT technology at their facilities.
- EBT technology also allows markets that normally accept only cash to accept bank-issued debit and credit cards.







## **SNAP** challenges

- The program must be marketed to pull in the targeted customers. (Partner with local organizations, use templates on VDACS website)
- The program does have paperwork associated with it, and requires a person to run the EBT machine during market hours.
- Lag time of about one week to get check for the SNAP sales (this is not an issue for vendors who have their own machine)







### Steps to apply



 You must first apply for an FNS number. Once you have that number, you can apply to the Virginia Department of Social Services for an EBT machine.

#### **Process for submitting an FNS application:**

- ✓ Complete the FNS SNAP application and provide supporting documents to FNS. Follow the links on the FNS Farmers Market Web site to find the FNS contact information for your State. (www.fns.usda.gov/cga/Contacts/FieldOffices/default.htm)
- Determine which scrip system will be used at the market: paper scrip, tokens, or receipts.
   FNS will gather this information when the application is submitted.
- ✓ Agree to comply with the FNS guidelines by signing and submitting the application. Applications to become an FNS SNAP retailer can take up to 45 days to process. Applications may be approved faster if all required documents are filled out completely.







### Steps to apply



- Once you have your FNS number, the Virginia
   Department of Social Services is offering free EBT
   machines to markets that do not currently have the
   capability to accept SNAP.
- Currently VDSS is also paying the monthly fees of the EBT machines for markets (for SNAP sales only, not credit/debit sales)
- Vendors that sell approved foods at markets that do not accept EBT are also able to apply to VDSS for a free EBT machine of their own!







## What's the next step?

Contact Meredith Ledlie Johnson, Community Nutrition Coordinator, Virginia Cooperative Extension, if you have any questions, suggestions or concerns. Thank you!

meredithledlie@vt.edu

540-231-1704









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Thank you! Questions?













