

Idaho Farmers Market Manual

A comprehensive guide to market establishment, management, and promotion.



Market Development Division
Idaho State Department of Agriculture
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Table of Contents

Introduction	3
Getting Started	4
Permits, Licenses, and Regulations	13
Market Management	25
Vendor Best Practices	39
Farmers Market Resources	43
Appendix	
A - Example Articles of Incorporation	46
B - Example Market Rules	54
C - Example Vendor Application/Contract	58

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Introduction

People in communities throughout Idaho have expressed interest in forming farmers markets. While almost fifty markets are presently operating in Idaho, many more are yet to be formed. This handbook is intended to be a resource for individuals and groups who wish to establish Farmers markets and those *already* managing markets in Idaho. Although not exhaustive in nature, this resource provides useful information on the many factors necessary for the creation and operation of a successful Farmers market.

The recent influx of farmers markets has taken many by surprise. For others, this is a tradition that has been in place for centuries. Many consumers are tiring of the sterility of narrow supermarket aisles and opting to shop at bustling open-air markets alive with a mix of farmers and shoppers. In most areas, the farmers market has become as much a social event as a point of sale. The nostalgia of buying agricultural products directly from the producer attracts many customers. Other customers are drawn by the search for superior quality or unique produce, or the opportunity to talk to the person who grew the product they are about to buy. Even festivities such as small concerts and amusing themes can be used to help routine produce shopping blossom into a Farmers market ripe with activity.

There is also an ever increasing awareness of the benefit of buying locally produced goods. Consumers understand local produce is not only fresher and tastier, but that purchasing it can have positive effects on the environment and the local economy. Agriculture is a vital part of many Idaho communities, large and small. Farmers market patrons support family farms and the preservation of farmland which is not just a part of Idaho's heritage, but a vital part of it's future as well.

Farmers markets affect the local economy in many ways. Money spent at the market, whether it goes to a farmer, specialty food producer, or crafter, is then re-circulated within the community. Markets are also great business incubators - a place for

people to try out new ideas or products.

Downtown markets can draw customers to other businesses in the area and be a part of a larger downtown revitalization - something needed in many rural Idaho communities.

The purpose of this handbook is to help organizers establish their own farmers market. It is designed to guide you through the creation of a Farmers market and provides supplemental information on various management issues. The sequence of events included in this handbook, however, may differ somewhat from your market. Therein lies the uniqueness of your planned market. For one-on-one assistance with your market, contact the Idaho State Department of Agriculture:

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Market Development Division
2270 Old Penitentiary Road
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Getting Started

- Evaluating the Need 5**
- Making Contacts 5**
- Preliminary Meetings 7**
- Market Government Structures 11**
- Final Preparations 12**

Getting Started

Every farmers market begins differently. Location, population, economic base, organizers, weather patterns, and other factors will influence the way a market comes together. A metropolitan city with goals of downtown development will have a different set of priorities, problems, and resources than a smaller, rural community. Because of the many possible environments for a Farmers market, it is up to the reader to determine what organizational structure will best serve your particular situation. However, the organization of most farmers markets begins with an individual. As the farmers market evolves, small groups or committees are formed which take over various organizational functions. Occasionally, established non-profit organizations, a local business, or city government organize and operate Farmers markets. Regardless of these variations, certain activities usually take place during the development of a farmers market.

Evaluating the Need

A farmers market will never be successful without the interest, support, and efforts of the community. As the organizer, you must "test the waters". Is there a *need* for a farmers market in your area? Why do you want to have a farmers market? You must be able to clearly articulate the answers to these questions. You will also need to evaluate if there is a sufficient farmer and customer base in your community to support a market.

Make sure you have a distinct idea of your goals and can clearly communicate them. What is your vision for the market? Is it to support local growers, downtown revitalization, community health, food security, economic development, or any combination of the above? It would be a good idea to visit other markets in communities similar to yours and talk to market manager and vendors to learn what has and hasn't worked for them. This will help you establish a clear vision and realistic goals for your market.

Making Contacts

Once you have clearly defined your purpose, prepare a short summary of your intentions so that you can leave them with each person you contact. Make certain that your name, phone number, and email are on the handout. As you set out to measure support for a farmers market, don't neglect to contact the various groups and organizations in your community.

Agricultural Organizations:

- Idaho State Department of Agriculture
- University of Idaho, College of Agricultural and Life Sciences
- University of Idaho Extension
- County Farm Bureau
- Future Farmers of America Chapters
- Local Grange Associations
- School or University Agriculture Departments
- Community Garden Clubs
- Regional Resource Conservation and Development Councils
- Non-Profit Farm Organizations

Consumer/Civic/Religious Organizations:

- Food Banks
- Consumer Cooperatives
- Food Buying Clubs
- County Nutrition Programs
- Church Groups (most have a newsletter)
- Service Organizations (Elks, Rotary, etc.)
- Chamber of Commerce
- Downtown Development/Merchant Associations

Media Organizations:

- **Newspapers** - find out who reports on community and agricultural events and ask if they would like to be kept informed of the market's progress.
- **Radio** - try to get free public service announcements or short "community interest"

bulletins.

- **Television** - save these contacts for events such as a big meeting or opening day.

When you have developed a list of people and groups to be contacted, you are ready to hit the streets. Be sure to take along a pen, your handout and plenty of paper for recording the contacts you have made. Never leave a good contact without obtaining his or her name, phone number, address, and email. The information you gather should then be compiled into a mailing list. This information will allow you to quickly mobilize a strong support base, as well as provide a list for future market newsletters. If at all possible, establish email as your primary means of communication as this will save much time and money. You may still want to use paper mailings for your large event announcements, but email is best for most communication.

Officials: Contacting officials may be a step you take after at least one preliminary meeting so that you have a clearer idea of what you'll be doing, but they like to be in the loop and can be great champions for your cause. City and state officials may be concerned with a few things not yet discussed.

Depending upon the scope of the products that are sold at your market, the city will issue a business license or permit for the market and a county health official will want to ensure proper health standards for your location. Also, talk to the planning and zoning departments and the city Fire Marshal. Occasionally, a city code will not address a specific function of your market and you will need to abide by an official's ruling.

It is especially important that you set up an appointment and meet with these officials in person instead of by phone. Don't be discouraged as many farmers markets experience a problem or two at this stage. Just be ready to give an answer to every question an official is likely to ask. You

should also have these answers printed on a "leave-behind" handout. This means you need to do your homework before you start. Be sure to invite these officials to your next meeting. Include the meeting information on your handout. A few suggestions for those to invite would be the City Mayor and the City Manager, members of Planning and Zoning, the City Council members, the County Environmental Health Officer, County Commissioners, the County Extension Educator and the Chamber of Commerce Director.

Making Grower Contacts: You should have enough feedback after several weeks of general inquiries to know whether or not to proceed. Assuming the response has been favorable, it is time to begin making contact with the producers who will be supplying the market. Find out which farmers are interested, what crops they will grow, and when the crops will be ready for market. If you have decided to allow specialty processed foods and crafters into your market, begin contacting them as well to gauge their interest. The role of non-farmer vendors at your market will be discussed in another section. Do not forget to record each potential vendor's contact information for a separate mailing list. Keeping them separate will save you time when only the vendors need to be contacted.

The most difficult part of establishing a farmers market may be locating the farmers and gardeners. While the best contact is person to person, you may have to rely partly on a few well-placed posters, radio announcements, and word of mouth. It is also a good idea to contact the editor of the local newspaper about doing a story on the possibility of starting a farmers market in the community.

However, rely on these methods only to get producers in touch with you. Making contact in person is an absolute must. Without it, you will not be able to develop a pool of committed growers. Getting growers to buy into the vision of the market is a must for success.

Getting Started

The best candidates for growers are usually small-scale farmers and large-scale gardeners, but neither will participate unless they have an incentive. Share with them the following advantages of selling at a farmers market:

- Higher returns
- Growers set their own prices
- Cash sales, immediate payments
- Maximize utilization of family labor
- Opportunity to meet the consumers
- Additional outlet for their produce
- Good educational experience for the younger generations
- Market research to identify demand for specialty products
- IT'S JUST PLAIN FUN!

During the meeting, be alert for growers with leadership ability or organizational skills. Make every effort to build an internal structure that will be able to survive conflict or the loss of a key sponsor or organizer. Identifying leaders early will allow you time to prepare them to take charge when the need arises.



Preliminary Meetings

The First Meeting: The first meeting for a potential farmers market is unique in that it will serve as the basis for all subsequent activity. It is important to start promptly and be organized as you are setting precedent for following market meetings. Properly facilitating the meeting to allow ample time for discussion will help you gauge the level of buy-in of the group, as well as potential leaders for committees. Keep the conversation moving towards concrete outcomes and avoid getting bogged down in details that are irrelevant at this early stage.

Pick a neutral meeting location that is easily accessible and preferably free. Some options may be a the county extension office, local school, library, community center, Chamber of Commerce, or at a supportive business or non-profit.

Send out an invitation or letter a month prior to the first meeting. This invitation should share the purpose of the meeting, describe some of the key benefits that the market will bring to the community, and of course, date, time, and location. Follow-up emails and phone calls with your key contacts will help assure their participation.

In most cases, the audience will not only support the concept but will make the transition from *talking* about the market to *working* on it. Although a significant amount of work has gone into organization prior to the first meeting, this is most often the turning point that will mark the birth of the market and relieve you of much of the work.

Before you look over the suggested meeting agenda on the next page, keep several things in mind. When talking to your audience, move from general to specific. Start with ideas rather than details. Do a good job of explaining the benefits to both the producer and the consumer. Use plenty of visual aids such as graphs, slides, signs, drawings and/or handouts.

Getting Started

After presenting your case, you need to ask two key questions:

- Does the audience like the concept?
- Do they want to start a market in their community?

If you receive a “yes” to both these questions, begin to move forward with the planning immediately to keep up the excitement and momentum of the group.

At this first meeting choose the location of subsequent meetings based on proximity to the growers, not proximity to the market site. Once the market is operating, you can hold short meetings at the end of the market day if needed.

While not absolutely necessary, it would be a good idea to organize one or two meetings with the growers soon after the first meeting. The objective of these meetings should be to continue to establish a vision for your particular market and to develop a planting strategy to ensure produce

availability for opening day. It is important to know what each grower will have and when it will be available. If you put this information in table form, you will be able to spot the gaps more easily and make subsequent adjustments to grower’s planting schedules.

If several interested growers are concerned that they cannot grow enough produce to participate, **DON'T LEAVE THEM OUT!** Instead, discuss the desirability of a consignment booth. Consignment booths at other farmers markets have had success. The booth is typically run by the market or an association of growers, which charges the consignor about 10 - 15% of his or her total sales. This set-up requires quite of a bit of effort and cooperation from all parties involved. The grower simply brings his/her produce to the booth prior to opening, with the prices already marked. Sales of a particular grower's produce are recorded separately and at the end of the day, the market takes its commission and pays out the rest.

Sample Agenda

I. Introduction of Speakers/Distinguished Guests

- Organizer
- Speakers
- Other market organizers/sponsors
- Guests

II. General Explanation of the Market

- What it is
- Advantages to producers
- Advantages to consumers
- Slide show or presentation by established farmers market

III. After You Get the Go-Ahead

- Stress that careful planning and preparation are necessary
- Establish committees for grower recruitment, market location selection, advertising, finances, and rules and regulations
- Begin to discuss what produce will be available and what will need to be grown
- Form a rules committee composed of both growers and organizers
- Discuss feasibility of creating a market association

IV. Set the Next Meeting Date

- Preferably in one or two weeks so that interest is not lost
- Expect preliminary reports from the committees

Getting Started

A steering committee needs to be formed at this juncture. In order for opening day to run smoothly, a committee composed of growers and organizers should develop guidelines for the market. Make sure that all participants are given the opportunity to be involved. This committee, or subcommittees, should tackle issues such as market analysis, site selection, financial needs, and the vendor mix. All this must be held consistent with the goals and vision of the market.

The Second Meeting: Begin with introductions and a brief review for the benefit of those who did not attend the first meeting. Be sure you don't leave out any officials in the introductions. Explain the purpose of the meeting, why the officials are there, the progress you have made and the progress you hope to make at this meeting. If you are still seeing new faces, it may be necessary to briefly go over the farmers market concept. Just remember that most of the people have probably heard it at least once.

Some of the officials will want to make a presentation to the group or make a few comments. Be sure you allow for this and even encourage it by supplying them with a farmers market fact sheet or other background materials in advance. After all officials have had the opportunity to speak, call a short break and inform the officials they are free to leave but are welcome to stay and participate in the rest of the meeting. Don't forget to send these people thank you notes!

Your working committees have had a week or two to investigate their assigned areas and should be ready to share their findings. This is a good time for brainstorming, narrowing choices, identifying problems and making decisions. Make sure that everything is discussed in an orderly manner and appoint committee heads when appropriate. Make sure someone is designated to take minutes of the meeting. These will be useful in addressing issues as you move forward so questions don't go unanswered.

The financial analysis committee should project all likely expenses which may include:

- Site rental
- Insurance and licenses
- Computer equipment and office rental
- Garbage collection
- Signage and marketing materials
- Advertising and special events
- Printing supplies
- Website creation and maintenance
- Postage
- Staff wages and benefits

Don't be alarmed if it seems that you end up with more questions being raised than answers given. Many of the answers have already been found by other farmers market groups and they will be happy to share their experience with you. Contact the Market Development Division of the Idaho State Department of Agriculture for referrals.

A few weeks will have passed since your first meeting. Most growers will be more sure of the date their crops will be ready. Come up with a target opening day to propose at the third general meeting. Also have a time for the growers to share what they will be growing so you can be sure to have all the main crops supplied at your market. For example, you don't want multiple farmers growing large amounts of peas and corn and no one growing tomatoes and beans. Make sure there is balance in varieties of products as well as seasonality of products.

Take plenty of time to go over the **proposed** market rules one by one. Make sure that the growers understand what a rule means and the rationale behind it. After discussion, approve the rules or amend them as necessary. Make sure to remind the growers that the rules can be revised as the market evolves and circumstances change. Emphasize that it is best to have rules in advance to ensure that the market runs smoothly, and to avoid unnecessary situations in the future. See *an example of market rules contained in in Appendix B.*

Getting Started

At a recent meeting you discussed the possibility of forming a market association. The growers should have had enough time to consider the pros and cons. The market will need an organizational structure that will last beyond the initial formation activities. The market will also need an internally generated source of funds for operations and promotional expenses, unless managers would rather continually search for grants. Membership dues from an association would help offset some of the fixed costs, such as insurance. Try to reach a decision. If the decision is made to form an association, assign a committee to draft articles of incorporation and bylaws. Keep your bylaws as simple as possible to allow for easy changes down the road. *Sample articles of incorporation and bylaws are included in Appendix A.*

The Third Meeting: Begin this meeting by giving a report on what happened and what was decided at the previous meetings. Don't be overly optimistic when deciding the opening date. Take the average of the growers' earliest estimates and then add a few weeks. Opening the market with little or no produce could jeopardize future turnout.

The working committee in charge of site location should have enough information to select a site now. Their efforts should be directed toward securing the site and making whatever preparations are necessary.

The Advertising Committee now has the opening date and location to include in their material. Decide on what advertising strategy and media will be used. Decide on any opening ceremonies and whether you will want television coverage (highly recommended).

You also need the committee in charge of finances to present a proposed budget and bring possible funding sources up for discussion. If the market location has to be rented or leased, have that committee work with the Finance Committee.

The committee that has been working on

association bylaws and Articles of Incorporation should be ready to present a draft to the group for approval. Approve the bylaws and articles and prepare to file them with the Secretary of State's office, as is explained in *Appendix A.*

Sample Third Agenda

New Smiles City Farmers Market!

ORGANIZATIONAL MEETING

Wednesday April 12, 2001

7:30 p.m.

High School Auditorium

The agenda will include these and other topics:

- Possible Name for the Market
- Location of the Market
- Opening Date
- Membership Details
- Market Rules and Regulations
- Liability Insurance
- Market Manager(s)
- Fund Raising
- Health Department Regulations
- Committee Reports

Contact U.B. Gardening at 234-4321 if you have any questions about this meeting.



Getting Started

Market Government Structures

Markets can have a formal or informal structure of management. Markets can be formally incorporated as a non-profit or as a business, be managed by an outside entity as an owner, or have no official structure. Most established markets have a board of directors, formal by-laws, market rules, and a paid manager (part-time for smaller markets). The board oversees the market development and creates the market rules, enforcing the bylaws, hiring the market manager, and managing the budget.

Informal: Having a market where anyone can come and set up a booth with no (or minimal) fees may be the simplest way to manage a market; however, this may cause difficulties as the market grows. There are fewer rules, less budgetary needs, and less time required, making this a suitable structure for a small market, with little funding or community partners. The downside is that there is lack of quality control, liability protection, tax status, or income for market improvement or promotion. Markets with an informal structure may eventually wish to form a formal organization in order to build and develop the market.

Third Party: In some cases a local business or city agency may choose to start a farmers market and therefore be the governing body. Having a third party manager may relieve markets of the responsibility for site location, liability, and even market promotion—depending on the sponsor. On the downside, vendors may not have as much say over how the market is managed.

Market Management Organization: Incorporation will offer several advantages. It may limit the liability of the individual members while at the same time securing the advantages of continuity, free transferability of interest and centralized management. The drafter of the articles of incorporation should keep in mind that the financial benefits and advantages should accrue to the

members because of their patronage and not because of their investment. Consulting an attorney is recommended to ensure that the articles of incorporation and the bylaws are accurately drafted to ensure the full protections offered to corporations, and also to ensure that the non-profit status of the market will not be challenged.

Articles of Incorporation and a set of by-laws should be approved by the group and filed with the Office of the Secretary of State in Boise along with a \$30 filing fee for a non-profit cooperative corporation. The Office of the Secretary of State has free incorporation handbooks that guide interested parties through the process, as well as forms that can be filled out and then filed with the state. In addition, their website at www.idsos.state.id.us also has application information.

There are several different types of non-profit status available under Section 501(c) of the Internal Revenue Service code. The types potentially applicable to farmers markets (and employed by various farmers markets around the United States) include:

- 501(c)(3): Qualifying entities include public charities and private foundations. These organizations are exempt from federal income tax, and contributions made to the organization are tax deductible.
- 501(c)(4): Qualifying entities include civic leagues and social welfare organizations. These organizations must not be organized for profit, and are operated exclusively to promote social welfare. The “social welfare” is definite as “the common good and general welfare of the people of the community.”
- 501(c)(5): Qualifying entities include agricultural and horticultural organizations.
- 501(c)(6): Qualifying entities include business leagues or trade associations.

Obtaining 501(c) status through the Internal Revenue Service can be beneficial for your organization. The purpose of the association must fit a specific criteria to be a 501(c) organization,

and there is an associated filing fee. Because there are specific criteria which must be met and because the documentation, limitations, and other requirements can be complicated, it is recommended that you consult with an attorney. An attorney can help you determine which 501(c) entity is most applicable to your organization, and can ensure that your organization follows the legal requirements. For more information on forming a non-profit organization go to www.idahononprofits.org.

Duties of the Market Manager: A manager can have many different roles at the market. It is important to clearly specify the expectations you have for your manager. In some cases, the manager is only responsible for the coordination of the onsite operations of the market, and in other cases the manager also oversees paperwork and behind-the-scenes duties.

Possible duties may include:

- Enforcing market rules and vendor paperwork requirements
- Maintaining order and cleanliness
- Collecting vendor fees
- Facilitating orderly setup and parking by vendors on market day
- Ensuring vendor compliance with state and local regulations
- Handling consumer complaints
- Resolving disputes among vendors
- Promoting the market
- Tracking vendor contact information and daily sales
- Working with vendors to ensure adequate supply of diverse products

Studies show that having a good market manager is a key factor to having a successful market.

Final Preparations

Your final preparations will consist of rechecking what you've done, reminding your growers of opening day "musts" and launching a publicity campaign. Call your growers and inform them of

your progress. Remind them of the importance of looking good on opening day. This means having lots of growers with lots of top-quality produce available. Start them thinking seriously about the best ways to display and price their products.

It is best to have a pre-season vendor meeting including presentations from the local Health District, Idaho Tax Commission, ISDA Farmers Market Representative, and other interested parties. This can help to get everyone on the same page and prepared for a successful season. Draw a map of the market arrangement and be sure you don't have a group of vendors with the same or similar products next to one another. Mix up the commodities as best you can.

Two weeks before the market opens, deliver a press release to all local newspapers, radio stations, and TV stations. Hang posters and place fliers everywhere. Any supporting organization with a newsletter should run an article. If you want, arrange a press conference and include an interview with a participating farmer.

Three days before the market opens, call all the TV stations to remind them of the market opening. Ask if they would like to send a camera crew to cover the opening ceremonies or market activity. Having a locally-known personality on hand for the opening will help you get TV coverage.

On opening day get down to the market site early enough to hang some colorful signs and banners. Adding to the festive atmosphere with balloons and flags is always a good idea and draws attention to the market (more about marketing will be covered in subsequent sections). Direct growers to their assigned spots as they drive in. Don't allow early customers to interfere with growers as they set up their displays. Set up an information booth or table and have someone there at all times. Be watching for the media and if they arrive, show them around, answer questions and make introductions.

Permits, Licenses, and Regulations

Sales Tax Requirements	14
Liability Insurance	15
Health Department Rules	16
Safe Food Handling	18
Selling Produce by Weight	19
Selling Organic Products.....	20
Nursery Licenses	20
Animal Feed Products	21
Commercial Fertilizers	21
Seeds Licensing	22
Plant Related Quarantines	23
Soil and Plant Amendments	24
Selling Dairy Product	24
Selling Eggs	24
Selling Meats	24

Permits, Licenses, and Regulations

At this point, make sure that you have all necessary permits for the market and all vendors have all the necessary licenses.

Do not wait until the last minute to obtain all of the necessary permits, certificates and licenses. Some of them will require cash outlays such as your liability insurance, so advanced planning is imperative. Allow at least a two-week safety margin. The officials who attended your second meeting should have informed you about license and permit requirements. A few of the more important ones are the business license, liability insurance, Health Department approval and any lease agreement.

Sales Tax Requirements

Since many of your growers may not have had experience with selling directly to the end user or consumer, you will want to inform them of the tax requirements outlined below. Keep in mind that the local tax field office has the final say on tax matters pertaining to your farmers market. Call the tax office nearest you and get their advice before you open your market.

The whole issue of collecting sales tax and obtaining seller permits and tax identification numbers will tend to make some growers shy away from direct marketing. However, when someone takes the time to explain how simple the process is, the fears should go away.

The tax code states that farmers who ordinarily sell their grain, livestock and other horticultural products for resale or processing are not subject to tax. However, when they sell to ultimate consumers or users, they must obtain a seller's permit and report sales tax on their taxable sales. It also states that an agent or broker selling the produce on the growers' behalf is responsible for the proper collection and remittance of sales tax. This would be applicable if the market decided to have a consignment booth. Sellers can either obtain a regular sales tax permit (also called a

Sales and Use Tax permit) or a temporary sales tax permit. Sellers should keep a copy of their permit on hand as they make sales.

Regular Permit: There is no fee for obtaining a regular seller's permit, but there are mandatory filing requirements on a monthly, quarterly, annual, or seasonal basis. The application begins with the Idaho Business Registration form, Form IBR-1. You can request a copy by phone or download a copy at the Tax Commission's website, www.tax.idhaho.gov. It can even be filled out online. Just look for the "Apply for Business Permits" button near the top of the Idaho Tax Commission's home page. The IBR-1 takes a few weeks to process. After the application has been approved, a tax number and permit will be sent by mail.

Temporary Permit: There are several types of temporary sales tax permits. They are designed to give infrequent sellers a simple way to remit sales taxes which they are required to collect from consumers. Only three temporary permits can be obtained each year.

The most commonly used temporary permit is the ST-124. It is used at every promoter sponsored event; that's where two or more sellers gather to sell their goods. If your market has two or more sellers, you will need these forms. The forms are free and can be easily requested from the Tax Commission.

Promoters/Organizers are required to obtain ST-124's and to give one to each participant. The farmers market promoter/organizer must have the vendors fill in their contact information and make a declaration of whether they need the temporary permit or not. The form automatically becomes a temporary tax permit for those who need it. Then the promoter collects the top copies and mails them back to the Tax Commission. The promoter of the market can take a \$1 tax credit for each temporary permit issued, so keep track of the number of forms with the YES boxes checked. By

Permits, Licenses, and Regulations

using the ST-124 forms, you can avoid paying penalties and can't be held responsible for vendor's sales taxes.

You might see other temporary permits at the market, but that doesn't remove the promoters requirements of giving out the ST-124's. Sellers with an existing permit should market the NO box on the ST-124 and list their permit number in the space provided. Keep in mind that sales tax is paid by the consumers and that sellers merely remit the tax to the State.

If you have any questions, don't hesitate to call or visit the Idaho State Tax Commission nearest you.

State Tax Commission (www.tax.idaho.gov)

Field Offices

Boise

800 Park Blvd., Plaza IV, Boise, ID 83722
(208) 334-7660
(800) 972-7660

Idaho Falls

150 Shoup Ave., Suite 16, Idaho Falls, ID 83402
(208) 525-7116 ext. 124

Pocatello

611 Wilson Ave., Suite 5, Pocatello, ID 83201
(208) 236-6244 ext. 234

Coeur d'Alene

1910 NW Blvd., Suite 100, Coeur d'Alene, ID 83814
(208) 769-1500 ext. 230

Lewiston

1118 "F" Street, P.O. Box 1014, Lewiston, ID 83501
(208) 799-3491 ext. 24

Twin Falls

440 Falls Ave., Twin Falls, ID 83301
(208) 736-3040 ext. 112

Liability Insurance

Liability insurance can be one of the most expensive start-up costs for farmers markets. It is important that you make every effort to get the best deal for your insurance dollar. When you talk to insurance agents, be aware of these three important points:

1. Most insurance companies may not have a clear idea of what a farmers market is. As a result, they may attempt to charge you a higher premium or choose not to insure the market at all.
2. The system used by many markets (obtaining a full-year policy and then canceling it at the end of the market season) is very uneconomical for the insurance carrier, since this requires redoing all the paper work at the beginning of each year.
3. The more information that the market organizers can supply to the insurance agent, the better the chance of being insured at the lowest possible cost.

The first problem could be solved by having a summary sheet or a brochure which describes and explains your farmers market. Be sure to include the market controls - everything from the market manager's duties to applicable federal and state laws.

Leave a written statement with the agent which answers the following questions:

1. What is the exact location of the market?
2. What are the parking conditions?
3. Is there regular cleanup and maintenance?
4. Are booths permanent or temporary?
5. What becomes of the site when the market is not in operation?
6. Is the site covered by another policy?
7. What is the condition of all products offered at the market?
8. What is the estimated revenue for all sales?
9. What is the stall fee per vendor?

Check into obtaining a year-round policy instead of

Permits, Licenses, and Regulations

canceling at the end of each season as some markets do. A good agent will be able to explain why it is more cost effective to pay more for a full year policy. Some types of coverage allow for a policy to revert to an inactive status during the winter months and then be reactivated when that market opens. Ask your insurance agent about this.

Health Department Rules

As the popularity of farmers markets grows throughout the United States, so does the need for increased food safety. With the danger of food-borne illnesses and the potential for litigation, farmers market vendors should pay close attention to Health Department rules as well as common sense caution. The rules for selling food products to the public are explained in the Idaho Food Code and its updates, which are available online at www.foodsafety.idaho.gov or from your local district health departments (see contact information at the end of this section). Your market manager should work with the Health Department staff to develop a statement of understanding that will allow you to provide safe food and beverages to the public.

This section will attempt to clarify the existing health rules for agricultural markets and the products that can be sold by vendors at those markets and which vendors will need to be licensed through the health department. It is strongly recommended that all agricultural and food vendors and all market managers talk with their local health department regardless of the products they are selling. This will allow them to have a better understanding of the food safety rules and be assured they are operating within the law, even if a health permit is not required.

An agricultural market is defined as any fixed or mobile retail food establishment engaged in the sale of raw or fresh fruits, vegetables and nuts in the shell, but may include as a minor portion of the operation the sale of factory-sealed,

non-potentially hazardous foods. If the vendor is only selling the above items, there will likely be no need for a health permit.

Potentially Hazardous Foods: The sale of potentially hazardous foods, which include cut melon, raw seed sprouts, cut salad greens, garlic in oil mixtures, cooked plant food, and raw or cooked meat would make the market a regulated food establishment in need of licensing. Therefore, the market or individual vendors would need to obtain a license. Vendors whose food types require licensing must have their actual farmers market stand, equipment and services inspected by an Idaho Health District Environmental Health Officer. If the foods are being prepared or processed off-site, that location must also be a licensed and inspected facility.

Product Sampling: Vendors may cut and provide samples of products, with the exception of potentially hazardous foods. Samples of melons, and/or tomatoes, may be provided if a temporary food permit (license) is purchased. Melons and tomatoes may be cut for display purposes and cannot be provided to consumers in any form after cutting. The production of food for sampling is still subject to legal control, Idaho statute does not distinguish between selling food and providing samples.

Samples need to be protected from undue handling, so ensure they are stored or displayed out of reach. Make sure customers don't touch the other samples. The use of toothpicks, tongs, or sample cups is the best way to ensure no cross contamination. Keep sample quantities to a minimum and toss out food not eaten after four hours.

Processed Foods: If your vendors would like to sell specialty or processed foods, these products must be produced in a licensed commercial kitchen. No commercial food processing is allowed in a home kitchen. Food processors are considered "food establishments" under the Idaho

Permits, Licenses, and Regulations

Food Code. Therefore, food processors will be governed by Idaho Food Code. Individual vendors will be required to obtain a license.

What Is A Processed Food?

The criteria are as follows:

1. The character of the food must have been altered in some manner, such as foods that have been peeled, skinned, cut, mashed, creamed, liquefied, pureed, squeezed, blanched, dried (except if dried in the field), fermented, brined, salted, cured, canned, milled, pulped, smoked, bleached, ground, aged, shelled, shucked, baked, irradiated, blended, cooked, broiled, pasteurized, frozen, etc.
2. An additional ingredient has been added to the food. Foods which are fabricated from two or more ingredients and require labeling would

satisfy this criteria.

3. Foods that have been packaged in bottles, jars, boxes, cans, tanks, cartons, bags, or securely wrapped from the time of processing until the consumer receives it. *Exception to this criteria:* Raw fruits, vegetables or nuts in the shell that have been packaged in the field or packing shed, in retail packages, or in bulk containers for distribution.
4. There is a unique quality or characteristic about the food. For example, water is not changed in character, but it is packaged and regulated. Also, because of the hazardous nature of wild mushrooms, the collection of these foods for wholesale or retail sales is specifically regulated.

For more information on commercial food processing, please contact your local District

For more information contact your local District Health Department listed below:

Idaho Department of Health and Welfare

Food Protection Program
450 W. State Street
Boise, ID 83720
Tel: (208) 334-5938
Fax: (208) 332-7307
www.healthandwelfare.idaho.gov

Southwest District Health Department

13307 Miami
Caldwell, ID 8607
Tel: (208) 455-5400
Fax: (208) 455-5405
www.publichealthidaho.com

Southeastern District Health Department

1901 Alvin Ricken Drive
Pocatello, ID 83201
Tel: (208) 239-5270
Fax: (208) 234-7169
www.sdhdidaho.org

Panhandle District Health Department

8500 N. Atlas Road
Coeur d'Alene, ID 83835
Tel: (208) 415-5200
www.phd1.idaho.gov

Central District Health Department

707 N. Armstrong Place
Boise, ID 83704
Tel: (208) 327-7499
Fax: (208) 327-8553
www.cdhd.idaho.gov

District 7 Health Department

254 "E" Street
Idaho Falls, ID 83402-3597
Tel: (208) 523-5382
Fax: (208) 528-0857
www.idaho.gov/phd7

North Central District Health Department

215 10th Street
Lewiston, ID 83501
Tel: (208) 799-0353
Fax: (208) 799-0349
www.idahopublichealth.com

South Central District Health Department

1020 Washington Street, North
Twin Falls, ID 83301-3156
Tel: (208) 734-5900
Fax: (208) 734-9502
www.phd5.idaho.gov

Permits, Licenses, and Regulations

Health Department office, the Idaho State Department of Agriculture or the University of Idaho Food and Technology Center (www.ag.uidaho.edu/ftc). The Idaho State Department of Agriculture has published a useful manual *Starting a Specialty Food Business* that may be obtained free of charge by calling (208) 332-8530.

Processed Food Exceptions: “Limited sales (not on a regular basis) of non-potentially hazardous food made in a home kitchen may be allowed for certain non-regulated food operations, such as agricultural markets and bake sales, where the consumer would reasonably assume the food is not from an approved source; and such home kitchen prepared foods allowed shall be limited to breads, cookies, cakes, fruit pies, jams, jellies, candy, and honey. For any other food you feel may fall under this category, please contact your local health department for a determination of possible status as a potentially hazardous food.”

Specifically prohibited from sales are foods which are home canned or hermetically sealed. The exception being jams and jellies which are often hermetically sealed, but not done so as a requirement for safety.

The *Idaho Food Safety and Sanitation Manual* is now on the Internet and is very user friendly. Go to www.foodsafety.idaho.gov.

Safe Food Handling

Food Safety on the Farm

There are an endless number of opportunities for food to be contaminated with bacteria, viruses, or parasites between the farm and final consumer. To request a copy of “Food Safety Begins on the Farm” contact the Cornell Good Agricultural Practices Program at www.GAP.cornell.edu or (607) 254-5383.

Soil: Farmers need to understand how to properly

apply manures and fertilizers to the soils to avoid contaminating food. Fecal contamination from domestic and wild animals also needs to be eliminated as much as possible.

Water: Irrigation water needs to be monitored and tested for contaminants. Whenever possible use chlorinated water for washing and cooling produce.

Hands: All workers need to be educated about bacteria contamination. Provide hand washing facilities to all employees handling the produce.

Surfaces: Before and after harvesting and packing, clean all bins and work surfaces with a sanitizing solution. Ideal surfaces are smooth so they can be thoroughly cleaned. If using wooden tables, cover with plastic sheeting.

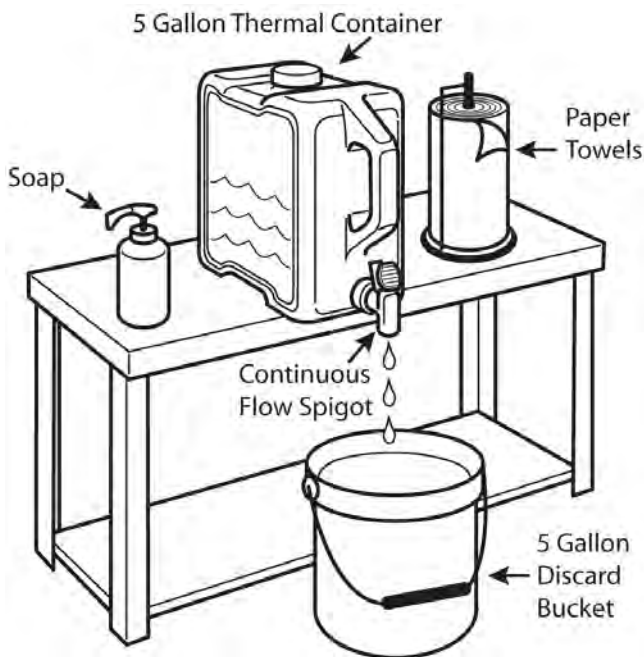
Transportation and Storage: Transport food in suitable containers. Containers and vehicles should be cleaned on a regular basis. For agricultural products, cardboard boxes with paper liners are sufficient, but plastic sealable containers are better for bakery products and meats. Some products must be transported and stored in insulated coolers or refrigerated containers to stay below a specific temperature to prevent bacteria growth.

Food Safety at the Market

Hand Washing: Vendors that require licenses will need to have a hand washing station in or near their booth. All markets should have at least one available for their vendors even if not required by the health department.

The proper hand washing station requires a 5 gallon container of warm water (100°F) which has a continuous flow spigot (this allows hands to be vigorously rubbed together during washing), a catch bucket (do not allow water to flow onto the ground or down storm drains), soap, and drying towels. (See the diagram on the next page.)

Permits, Licenses, and Regulations



Preparation: While at the market, vendors should wash and dry their hands from time to time, regardless of the product they are selling. If using utensils, have the ability to wash and sanitize them.

Basic Hygiene:

- Keep yourself clean and wear protective clothing such as an apron.
- Always wash hands thoroughly before handling food, after using the toilet, after handling raw food or waste, and after every break.
- If you have a skin, nose, or throat problem, or an infected wound, do not handle unwrapped food.
- If you have an upset stomach, do not handle food for at least 48 hours after you are free of symptoms.
- Ensure that cuts, spots or sores are covered with a brightly colored waterproof covering.
- Do not smoke, eat, or drink where open food is handled.
- Clean as you go - keep all equipment and surfaces clean and disinfected.
- Avoid unnecessary handling of food.

Weights and Measures Regulations

The Idaho State Department of Agriculture's Bureau of Weights and Measures laws and regulations apply to all sales involving weight or measuring devices. Farmers markets are not exempt from these regulations because they don't sell the volume of a grocery store or only sell a few months of the year. These laws and regulations were established to ensure that "Equity Prevails" in the marketplace and consumers are given enough information to compare prices. As a vendor, complying with the laws and regulations protects you from perceptions of short-changing or misrepresenting your product.

Selling Commodities by Weight:

1. You must post the price per pound of the commodities at the point of sale.
2. Commodities sold by weight at the point of sale must be weighed on a **Legal for Trade class III** or better scale. (Scales that are POSTAL, DIET, BATHROOM SCALES or NOT LEGAL FOR TRADE SCALES are not acceptable). Some older commercial scales may be used with approval of the state Weights & Measures official. If you have questions about the acceptability of your scale, please contact the local inspector or the Weights and Measures office at (208-332-8690).
3. Scales must be licensed annually by the Idaho Bureau of Weights and Measures. License applications may be obtained by contacting your local Weights and Measures official or contacting the main Weights and Measures office. If your scale has been tested and approved previously, you will receive your license application by mail in January.
4. Scales must be tested and approved by an Idaho Weights and Measures official or placed in service by an approved service company before use.
5. All meat, seafood and poultry must be sold by weight excluding items made for immediate consumption on the premises.

Selling Pre-Packaged Commodities:

Pre-packaged commodities are commodities of a

Permits, Licenses, and Regulations

standard size that are packaged before the point of sale. **You may use non-licensed, non-approved scales to prepackage.**

Pre packaged commodities are required to have a label with the following information:

1. Identity of the commodity and name of the manufacturer.
2. The net quantity of the contents in terms of weight, measure or count.
Example: Net Wt. 8oz or Net Contents 1 dozen.

Method of Sale for Fresh Fruits & Vegetables
Fresh Fruit and Vegetables may be sold in the following units:

- **By weight:** All fresh fruit and vegetables, except for avocados and corn on the cob which must be sold by the count.
- **By count:** Apples, artichokes, avocados, cantaloupes, celery, coconuts, corn on the cob, cucumber, eggplant, garlic, grapefruit, lemons, lettuce, limes, mangos, melons, nectarines, oranges, papaya, peaches, pears, peppers, persimmons, pineapples, pomegranates, pumpkins, tangerines, and tomatoes may be prepackaged by count.
- **By measure:** All berries, cherries, cranberries, currants, mushrooms, and cherry tomatoes.
- **Dry measure, in units not less than 1 peck:** Apples, beans, peaches, pears, plums, and tomatoes.
- **Bunch:** Asparagus, beets, broccoli, carrots, cauliflower, escarole, onions (spring or green), parsley, spinach, turnips.
- **Note:** Commodities sold by measure must be sold in containers standardized by the Berry Basket and Box Code.

More information can be found on our website <http://www.agri.idaho.gov/Categories/WeightsMeasures/indexWeightsMeasures.php> or by calling 208-332-8690.

Selling Organic Products

The organic certification program is designed to enhance consumer confidence regarding the term "organic" when it is used in the marketing and labeling of food products. The statute provides a

definition of the term "organic," and the rules that establish production standards.

The Idaho-certified organic food product is one that has been produced in compliance with the USDA National Organic Program (NOP) rules and regulations. It is a product marketed using the term "organic" in its labeling or advertising and is processed, packaged, transported and stored to retain maximum nutritional value, without the use of sewage sludge, genetically modified organisms, or irradiation. If a product is marketed as "organic," it must be registered by the Idaho State Department of Agriculture or certified organic by an accredited certifying agent in compliance with the NOP rules and regulations. If a producer's organic sales are less than \$5000 they must **register** with ISDA in order to call their produce "organic." If a producer's organic sales are more than \$5000 they must be **certified** organic and can call their produce "Certified Organic" and use the USDA seal. Vendors that are registered organic will have a letter from ISDA, certified organic vendors should have a certificate. If vendors are using the word organic to promote their produce, market management should make sure they have the appropriate documentation.

The Idaho State Department of Agriculture has many resources available to assist organic growers. If you would like additional information regarding the sale or production of organic Products, contact the ISDA's Organic Certification Program at (208) 332-8673 or go online to www.agri.idaho.gov. All applications and regulations are posted on the website.

Nursery Licenses

Farmers markets are a popular venue for nursery/ florist growers to sell their products. A farmers market has a choice in nursery licensing. Each individual vendor who sells more than \$500 worth of nursery and florist stock, such as bulbs, rhizomes, cut flowers, vegetables, trees and bedding plants annually must purchase a

Permits, Licenses, and Regulations

license. In this case, the nursery license should be displayed in the booth during operations.

The market association can purchase a license on behalf of the entire market to cover all vendors selling plant material. In this case, the license should be available from the market administrator during market hours should an inspector request it. If the entire market sells less than \$500 in nursery items the entire season, a Statement of Exemption is necessary. To obtain this statement, contact your area investigator or ISDA.

The Department of Agriculture has the responsibility and authority to inspect the nursery or florist stock of growers and vendors, and to randomly visit each farmers market during the farmers market season.

It is important to note that nursery licenses are site specific. A nursery who has an established place of business may conduct business from a temporary location, provided the location is not utilized for more than six weeks in any calendar year. Additional retail locations may require a separate license.

Example: Nursery A is licensed at 123 Nursery Boulevard and 654 Floral Court. They decide to open a farmer's market booth at the Whole City Farmer's Market, open every Saturday for April, May and June. Three licenses are required. One for each of the permanent locations, and one for the farmer's market which is open for more than six weeks during the year.

The nursery license runs on the calendar year, and must be renewed by February 1 of each year. The application and \$100 fee can be mailed to the Department of Agriculture, Plant Industries Division, P.O. Box 790, Boise, ID, 83701.

A \$25 late fee is assessed on renewal applications received after the February 1 deadline. The application is available online (www.agri.idaho.gov) or you can call (208) 332-8620 to request one.

Animal Feed Products

Each commercial feed product, including pet treats and pet food, are required to be registered annually with the Idaho State Department of Agriculture by the product manufacturer prior to sale in the state of Idaho.

Each separately identifiable product is required to be registered. Idaho does not require registration based on package size, so only one registration fee is due for each product, even if that product is offered for sale in multiple package sizes. The registration fee is \$40. Registrations expire on September 30 of each year. Products not renewed by November 1 are subject to a late registration penalty of \$10 per product. Products found offered for sale prior to registration are subject to a penalty of \$25 per product.

All feed labels should include the following information: product name and brand, quantity statement (weight or count), guaranteed analysis for nutrient content, ingredient list, name and address of the manufacturer, directions for use, and cautionary statements as appropriate. (See example below.)

Please contact the Idaho State Department of Agriculture at (208) 332-8620 for more information regarding animal feeds.

Better Bones® Dog Treats	
Guaranteed Analysis	Ingredients:
Protein (min.).....5%	Wheat flour,
Fat (min.).....1%	eggs, chicken
Fiber (max).....2%	broth (chicken
Moisture (max).....10%	broth, garlic, salt)
Feed treat intermittently or as an occasional snack.	
Contains 20 treats	

Commercial Fertilizers

Fertilizers are commonly recognized as substances containing one or more recognized plant nutrients and are intended to promote plant

Permits, Licenses, and Regulations

growth. Individual fertilizer products require registration prior to sale in Idaho. The registration period is per calendar year and expires on December 31. Renewal of registrations should take place before January 31 to avoid a \$10 penalty. The fee for registration is \$25.

Fertilizer labels are required to be affixed to each container and should contain the following information: product name and brand, the fertilizer grade (i.e. 10-10-10 format), net weight, guaranteed analysis, derivation statement, name and address of the registrant or manufacturer and directions for use. (See example below.)

GREEN UP® LAWN FERTILIZER	
20-10-10	
Guaranteed Analysis:	Net Weight: 25 lbs.
Total Nitrogen (N).....	20%
Ammoniacal Nitrogen.....	9%
Urea Nitrogen.....	11%
Available Phosphate.....	10%
Soluble Potash.....	10%
Sulfur (S).....	10%
Use at a rate of: 2 lbs. per 1000 square feet.	
Plant Food Derived From:	The Green Group
Muriate of Potash,	PO Box 256
Ammonium Phosphate Sulfate,	Boise, Idaho 83701

For additional information regarding products and/or registrations, please contact the Idaho State Department of Agriculture at (208) 332-8620.

Seed Licensing

According to the Idaho Pure Seed Law, there are three types of seed licenses that apply to Idaho based seed vendors. The types and cost associated with each of these licenses is:

- Condition and Clean Seeds-\$100
- Label Seed-\$50
- Sell Seed
 1. \$500-\$1000 annually-\$50
 2. \$1000 or more-\$100

An out-of-state seed dealer who does not own a plant, warehouse or place of business within the state of Idaho is subject to a license fee is \$350, which includes all three types of licenses. However, any seed dealer selling less than \$500

worth of seed or only product in packages of less than eight (8) ounces is exempt from licensing.

Example: If Savvy Seeder Inc., who is located in Idaho, decided to purchase seeds from a bulk supplier and repackage the product into one pound retail packages. During the year, the company sold \$1500 in seed products. The required licensing would include a license to label seed (\$50), a license to clean and condition, due to repackaging of seed (\$100) plus a license to sell seed (\$100). The total license fee would be \$250.

Before seed is offered for sale it must be appropriately labeled, and the label attached to the seed package. A general guideline is listed below, however, this is not an all inclusive list.

- Name of the kind or kind and variety of each seed component in excess of 5% of the whole
- Percentage by weight of each pure seed-if more than one type or kind of pure seed is present, the words "mixture" or "blend" must appear. Hybrids should be labeled as such. Blend means seed consisting of more than one variety of a kind of seed (i.e. Kentucky Bluegrass and Rough Bluegrass blended together) Mixture means seed consisting of more than one kind (i.e. Bluegrass, Fescue, Ryegrass mixed together)
- Lot number or lot identification information
- Origin by state or country
- Percentage by weight of all other crop seeds
- Percentage by weight of inert matter
- Percentage by weight of all weed seeds
- Name and rate of occurrence of any noxious weed seeds
- Germination percentage
- Hard seed percentage, if present
- Calendar month and year of germination and/or purity testing
- Name and address of labeler or seller
- Vegetable seed packets require: name of kind, lot identification, and the year for which the seed was packed, net seed weight and the name and address of labeler or seller.
(See example on the next page.)

Permits, Licenses, and Regulations

Veg-Eat-Ables®		
Firecracker Leaf Lettuce Mix		
Lot: 135792010		
Test Date: January 2010		
Net Weight: 0.5 ounces		
Contains:	Purity	Germ
Black Seeded Simpson.....	30%	85%
Oakleaf.....	25%	85%
Red Flag.....	25%	90%
Purple Passion.....	20%	88%
Veg-Eat-Ables, Inc.		

For a complete copy of the Idaho Pure Seed Law, please contact the Idaho State Seed Lab at (208) 332-8630 or it may be downloaded from the ISDA website www.agri.idaho.gov.

Plant Related Quarantines

As with most quarantines, the intent of these rules is to prevent the spread of insects, fungi, bacteria and viruses, who's introduction into Idaho would dramatically affect Idaho's agricultural industry. There are four major quarantines that may be of concern to people involved in importing, propagating, growing and selling plant material.

1. Onion White Rot Quarantine: Allium species including garlic, onion, shallot, chive, leek and ornamentals in the form of bulbs or seedlings for planting purposes are regulated. Only plantlets and bulbs originating from seed started in Ada, Bingham, Blaine, Boise, Bonneville, Canyon, Cassia, Elmore, Gem, Gooding, Jefferson, Jerome, Lincoln, Madison, Minidoka, Owyhee, Payette, Power, Twin Falls, and Washington counties in Idaho, as well as Malheur county, Oregon are permissible.

2. Seed Potatoes: Potatoes intended for planting in Idaho are required to originate from certified stock. Seed potatoes for sale must bear a certified seed tag and conform with the Idaho rules of certification. Product imported into Idaho must be from a seed potato certification program and be accompanied by a plant health certificate and a certificate of inspection.

3. Grape Planting Stock: Grape plants and plant parts are permitted into Idaho provided that the following conditions are met:

Each shipment of a regulated article from a regulated area must be accompanied by a certificate issued by the state or country of origin's plant protection organization, stating that the grape planting stock to be imported has been certified in accordance with the regulations of an official grapevine certification program of the state or country of origin's plant protection organization, that includes annual inspections at all certification levels and testing at the foundation level for regulated pests and:

- I. The grapevines, rootstock and/or softwood cuttings were grown in and shipped from an area known to be free from regulated pests; or,
- II. For small shipments (five hundred (500) or less) of un-rooted softwood cuttings, were individually inspected by an authorized inspector and were found to be free from regulated pests; or
- III. The grapevines, rootstock or softwood cuttings were grown under a sterile soil-less media and treated with a soil or systemic insecticide and a hot water dip treatment, as outlined in Section 155 of this rule, proven to be effective against vine mealybug and any other pests that may be present on the roots; and,
- IV. The grapevines, rootstock, and/or softwood cuttings were subject to one (1) of the two (2) treatments outlined in Section 155 of Idaho rule IDAPA 02.06.20 which include specific detail for 1) Hot Water Treatment; or 2) Methyl Bromide Fumigation, or such additional methods as may be determined to be effective and are approved by the ISDA and were stored in a manner after treatment that would prevent re-infestation.

Shipments of grape planting stock must also be plainly marked with the contents on the outside of the package or container, and shipment

Permits, Licenses, and Regulations

notification must be sent to ISDA prior to importing the grape stock into Idaho. The notification must include the nature of the grape planting stock (such as live plants, hardwood cuttings, softwood cuttings, rootstocks, or other similar categories), the quantity in each shipment, the expected date of arrival, the name of the intended receiver and the destination. Notification shall also include an official certificate issued by the plant protection organization of the state of origin certifying that the grapevines meet the requirements of this chapter and the certificate must accompany the grape planting stock into the state. All treatments and inspections must have been witnessed or performed by an official of the state of origin's plant protection organization.

4. Noxious Weeds: A complete list of Idaho's Noxious Weed List as well as lists of other Invasive Species is available at ISDA's website. (www.agri.idaho.gov) Considering that there are many pathways in which these invasive species may travel, please familiarize yourself with these lists to determine which may affect you and your business operation.

Soil and Plant Amendments

Soil and plant amendments are a broad range of products intended to improve soil or plant characteristics. Some of these characteristics include: water retention, biological activity, soil stabilization, improve germination and plant yield or quality. Soil and plant amendments might include, water retention crystals, bloom setter, clay buster, and soil microorganism products.

Registrations are required annually and expire on December 31. Applications for renewal should be postmarked prior to February 1 to avoid a \$10 late fee. The registration fee is \$100 for each product. The product label should include: brand name, net weight or volume, content or guaranteed analysis, purpose of the product, directions for application, name and mailing address of the registrant.

Detailed information regarding Soil and Plant Amendments is available from the ISDA office by calling (208) 332-8620 or online at www.agri.idaho.gov.

Selling Dairy Products

All dairy products must be produced and processed from a Idaho State Department of Agriculture (ISDA) permitted facility and meet applicable milk quality standards. The sale of raw milk and raw milk products for human consumption in Idaho is legal if it is produced and processed through a permitted facility. Raw milk for human consumption cannot be sold across state boundaries or to food preparation establishments such as restaurants. For more information contact the ISDA Dairy Bureau at (208) 332-8550.

Selling Eggs

Ungraded eggs may be sold at the farmers market without a permit if the producer has less than 300 birds and the eggs are in a container with the producers name, address, and words "UNGRADED EGGS". Ungraded eggs cannot be sold to food preparation establishments such as restaurants. The eggs must be cleaned and refrigerated. For more information contact the ISDA Animal Health Lab (208) 332-8570.

Selling Meats

Beef, lamb, and pork must be slaughtered and processed in a USDA inspected facility. There are number of these located around the state.

Poultry can be slaughtered and processed in a facility licensed by the local Health District if the poultry will not be sold out of state, is in accordance with Idaho Food Code Requirements, and includes "exempt from USDA inspection per PL492" on the label.

Market Management

- Rules 26**
- Market Location Considerations..... 28**
- Vendor Fee Options 29**
- Publicizing the Market 30**
- Record Keeping 34**
- Budgeting 35**
- Market Evaluation 36**
- Rapid Market Assessment 37**
- Annual Report 38**
- Accepting EBT at the Market 38**



Market Management

Rules

Even though writing the rules for the market may not be the most pleasant task, it is one of the most important. Rules are imperative to maintain a properly functioning market, as well as to maintain integrity and peace within the market.

Rules should be written by the market's advisory board, easy to understand, available to all participating parties, equitably enforced, protect the market, work to the advantage of producers selling at the market, and protect the credibility of the market.

Hours of Operation and Important Dates: Be sure the rules include projected dates for the first and last market day of the season, as well as the due date for annual fees. Along with the daily hours of operation of the market, there should be instructions regarding when vendors are allowed to setup, sell, and tear down. Specify any specific instructions for vendors arriving late or leaving early. If you are charging a daily fee, state how and when they are required to make the payment to the manager.

Who Can Sell: Is this a grower or producer only market? Will reselling be allowed? Do local producers have priority? Are there geographic restrictions for vendors? These are all questions you must answer in your rules. Many markets require farmers to sell only the produce they grow, or maybe allow a small percentage of reselling. Crafters also need to have MADE the products they are selling. These kinds of rules help maintain the integrity of your market.

Many markets will make exceptions in the area of reselling or geographic restrictions if they are selling a product no one currently vending at the market has, especially if it adds value to the market. For example, an Idaho market that has a rule that vendors must live within a 100 mile radius of the market may allow a strawberry vendor to come in from Oregon if no one at the market is selling strawberries at that time. The strawberries

are very popular and draw people to the market. Attendance goes up and EVERYONE's sales increase. It's because of this that many markets have a "non-compete" clause in their rules.

This would apply to reselling as well. Maybe the market has a rule that a vendor can only sell what they grow themselves. In some areas, it may be impossible to grow certain crops. If this is the case, they may allow one of it's vendors to bring in peaches, for example, from another part of the state to resell at the market. This should be managed closely on a case-by-case basis. If markets do allow reselling, it is normally on a very limited basis. Some markets may allow up to 20% of a vendor's sales for a season to be resale items, other markets may allow two booths of resale products per market day.

Markets may require that the crafters go through a jury process before being admitted into the market. Crafters and artisans will present their products to the board on a set date (pre-season). The board will evaluate the quality and authenticity of the items that are going to be sold at the market and will decide whether or not to let that individual sell at the market.

What Can be Sold: Most markets have a mix of produce, food, and craft vendors at their market. Finding the right balance is something most markets struggle with. If crafts can be sold and how many craft vendors can be allowed should be clarified in the rules. When making this decision, you may want to consider that people buy and consume food every week, but may only buy craft once in a while. Crafts do however add diversity and consistency to the market. Many markets limit the number of crafters to a certain percentage (20-30%).

Rules should establish the market manager's right to monitor the quality and authenticity of the products being sold. Without quality products, the market has very little to offer. Ready-to-eat foods can also draw an entirely new crowd to the market,

Market Management

increase overall sales, and add increased diversity to the market.

Market Fee Structure: The fee structure of the market needs to be clearly expressed in the rules with time lines for payment and any exceptions for non-profits or one-time vendors. More about fee structures will be discussed in a following section.

Stall Assignments: Specify how stall assignments will be made. Is it first come first serve, are they decided by the market at the beginning of the season, are they different or the same every week, are they based on product or seniority, etc.? It's important for vendors to know what to expect when it comes to their location, so be as consistent as possible. In most cases, giving the market manager a lot of authority in this area is important to help market day run smoothly, especially for walk-on vendors.

Product Pricing: Price fixing is never a good idea, but pricing wars can be detrimental to vendor profitability and everyone's happiness. It is best for all vendors to set a fair price in line with other vendors of similar products at the market and stick with that price through out the day. Clarify in your rules that there will be no "dumping" at the market. If a vendor has a lot of product they need to move one week, suggest options other than drastically dropping the price at the market. Dropping the prices at the end of the day also needs to be prohibited. Customers will come to expect this and not buy the product at full price, waiting around until the end of the day for a deal. Contact a local food bank or shelter to come to the market at the end of the day to pick up any remaining produce that the vendors don't sell.

Required Vendor Performance: What is expected of your vendors? Are they required to attend any meetings before or during the season? Are they required to volunteer any time to the market? Are they required to stay the duration of the market even if they sell out? These are just a few of the things you should clarify. It's also good

to talk about vendor behavior toward customers and other vendors. Create guidelines specifying that vendors wear shirt and shoes, don't smoke or use vulgar language, and treat each other with respect, for example.

You may also want to address the issue of vendors bringing pets to the market and the behavior of any young children at the market. Also create a protocol for dealing with any disputes that arise with other vendors or with customers. Include language that will limit the gossiping and spreading derogatory information about another vendor or the market. This may require creating a venue where thoughts can be shared openly among vendors, but spreading negative feelings to the public or the media could easily damage the entire market and should be addressed. Again, it's good to give the market manager plenty of authority, as in many cases it will come down to a judgment call.

Market Safety: Vendors can take many steps to make the farmers market a safer place. The number one cause of safety issues at markets is improperly secured canopies and umbrellas. All canopies and umbrellas must be sufficiently secured to the ground from the moment it is erected until the time it is taken down. This will require weights, approximately 25 lbs. per leg of a canopy and 50 lbs. per umbrella. These weights should be securely attached to the legs of the canopy and be designed and positioned in a way that will not create a tripping hazard.

Rules should also restrict any other vendor behavior that could cause hazards to customers, such as running electrical cords across walkways or creating slipping hazards by dumping ice or water on the ground.

Required Paperwork: Specify what paper work and licensing is required to be provided by the vendors before participating at the market.

Market Management

Rule Enforcement and Penalties: Rules are no good unless they are enforced fairly and consistently. Specify when action will be taken. Many markets give a verbal warning, a written warning, a fine, and then the vendor may be dismissed from the market. This may vary with the offense. Be clear about the penalties for each of the rules and how they will be enforced. In many cases the market manager will be the final judge. Be sure to give the manager enough power to maintain the integrity of the market through enforcing rules.

If the rules specify that the seller must be the grower of the product, make it clear that the market reserves the right to visit any vendor's operation to verify the production of the items being sold at the market.

Communication: Consider a weekly or monthly newsletter for vendors, reminding them of rules, updating them on any issues the market has been facing, and filling them in on upcoming events. This will keep them all on the same page and give the management a great venue for communicating about any pressing issues or events.

Contracts/Application: Vendors need to sign a contract agreeing to abide by the rules. Included in this contract should be a hold harmless clause. This states that vendors agree not to hold the market responsible for injuries or accidents that might happen to them while they are at the market, or injury caused to one of their customers from an item they sold. Even with the market having its own liability insurance to protect against site-wide costs, such as customer injury, it is still important for vendors to have their own liability insurance for their own operations.

Market Location Considerations

The degree of success your market will have depends partly on how well you select your location. One common reason consumers don't shop at farmers markets is the perceived lack of

convenience. This issue can largely be addressed with proper site selection.

The site should be selected by a committee since there are many things to be considered and a substantial amount of leg work is involved. The committee should ask the following questions of each of the possible sites:

1. Is there adequate space for the number of vendors anticipated?
2. Does this site have adequate parking for the vendors?
3. Will there be ample customer parking next to the market?
4. Do sufficient numbers of people live, work, shop, or play in the area?
5. Is this site rent free or will there be a fee? If so, can you afford it?
6. Are there zoning restrictions which would preclude a market?
7. Is the site easy to find and highly visible?
8. Are restrooms available and nearby?
9. Is water or electricity available to both vendors and customers?
10. Does the site have any shade during proposed market hours?
11. Is the atmosphere conducive to the image you want for the market?
12. Will the footing be restrictive for the elderly or handicapped or create a tripping hazard?

Once these questions have been answered for all of your site possibilities, a simple comparison should show which is the best site. But don't forget that market sponsors are often very important and will partly determine your location. For instance, if the downtown merchants' association would like to sponsor the market, they will want you to be generating foot traffic in front of their downtown businesses. A blocked-off street may be the better choice. Just make sure you are consistent with the purpose of the market.

Considerations for Market Layout: The layout and design of the market are also very important

Market Management

to the market's success and should be considered along with site selection.

A key consideration for market layout is booth size. A typical canopy used at farmers markets is 10'x10'. If the booths are facing each other, 15-20 feet is recommended for the center aisle. It's important to ensure plenty of access for parents with strollers and people using wheelchairs or scooters.

Will there be room behind each booth for vehicles to park? Many farm trucks can be 20 feet long. Many vendors will bring their products to the market in a truck or van. If vendors cannot park behind their booth for the duration of the market, is there a way for them to easily load and unload their products and supplies without doing it all by hand from a distant parking lot?

It's good to do a sketch of the market with 10'x10' booths to get a good idea of how many booths can fit and visualize traffic flow through the market. When allotting booths, remember to save a slot for a market manager's booth.

Market layout plays a large role in the atmosphere of the market. Your site will largely dictate your basic design, but the market needs to have a bustling and festive atmosphere. An empty lot might work well for a circular or box-style layout where the traffic would flow in a circular fashion around the inside of the market. As the number of vendors increases, you may add a row or additional inner circle of vendors facing outwards towards the other vendors. If you are in the center of a street, the booths should be along the outside of the street facing in towards each other. For downtown revitalization efforts, consider having booths along one side of the street facing inward towards store fronts. If the market is smaller at the beginning or end of the season, move the booths closer together so there are no empty slots.

It's important to have defined entrances into the market - you want your customers to know that

they have arrived. You can use signage, decorations, or even a map of the market with vendors names. It's ideal to have a large flagship produce booth at your entrance to impress your customers as they arrive at the market. Consider spacing vendors with similar products so they are not directly across from or next to one another.

If your market has ready-to-eat food and entertainment (both are a great addition) it is good to put them not only next to each other in a central area of the market, but to also provide some seating in the vicinity. This will allow your patrons who purchase something to eat, to be able to sit and enjoy the entertainment while they eat it. The longer they are at the market, the more they will purchase. This also will add to the festive atmosphere.

If most of the parking for the market is located across the street from the market, special action must be taken. A crosswalk should be clearly marked. Adding flags or signs to warn traffic is also recommended.

If the market is in a closed off street, use large, unavoidable, and highly visible barriers to block all vehicle traffic. Be sure to block alleys and any possible way that a stray vehicle could enter the market. If there are not funds to purchase a barricade, a vendor vehicle with a sign or banner would do the trick as long as it meets the requirements of the local authorities.

Vendor Fee Options

Stall fee arrangements should be one of the most important considerations in organizing your market. Your decision will influence the number and type of vendors at the market. The following are some examples of stall fee arrangements which are presently in use either individually or in combination.

Annual Membership Fee: Many markets charge vendors a fee at the beginning of the season.

Market Management

Paying up-front will encourage vendors to continue their participation at a minimal fee, while ensuring that the market is funded. This is often combined with a percentage daily fee charged each market day.

Annual dues provide a market with start-up capital at the beginning of the season when it is needed most. Markets may choose to allow vendors to not pay this fee by giving them the option of paying a higher percentage of their daily sales or higher flat fee per market, or both.

Daily Flat Fee: With a daily flat fee, vendors pay one set amount for each market day. This is a good structure for markets with minimal management. Fees can be collected as growers enter the market. Many markets started with this method but changed because it discourages the small-scale vendor. A \$5 or \$10 stall fee is too much to pay if they will only sell \$25 worth of products. Large-scale growers pay the same fee but it is a much smaller percentage of their sales. Markets have the option of charging a different fee for different types of vendors to encourage attendance of one type over the other. For example, if the market had too many craft vendors and wanted more produce, they could charge the produce vendors a lower fee.

Percentage Daily Sales: A fixed percentage of gross income is perhaps the most equitable stall fee option since it is directly related to benefits received. This method does require calculations and depends on the honesty of the vendors. The fees are collected as the vendors leave the market.

Participating/Nonparticipating: If a grower chooses to put his or her time into helping the market by working on publicity, acting as voluntary market manager, bringing new growers into the market, etc., he or she could receive a reduced stall fee.

Publicizing Your Market

Since the success of your farmers market depends to a large extent on the number of people participating, publicity will be extremely important. No matter what method you use, the message must be both informative and motivational. If you are able to effectively publicize both the organization and the activities of your market, then the logistical planning of your market will be much easier to perform.

Identifying Your Customer: When you are promoting anything, it is important to know your target audience. Most people that shop at a farmers market highly value the quality of their food, their health, their family, the environment, and the community. They typically come to the market for fresh local produce, the fun atmosphere, ready to eat food, music, family activities, and arts and crafts. When making their purchasing decisions, the number one thing they are looking for is quality produce; secondly, natural and organic products; and thirdly, knowing the farmer. Price is NOT the top decision-making factor at farmers markets.

Consumers also want something that is convenient, meaning it's easy to get to and there is plenty of parking. It needs to be reliable, open rain or shine, held in the same place, held at the same time, and include consistent products. They also want something that makes them feel good and allows them to have a good time.

You must know exactly what you are promoting. What are the benefits of a farmers market?

Potential Benefits of Farmers Markets:

- Produce travels a smaller distance to reach the consumer. Therefore, the consumer gets a fresher product, and less fuel is used to transport the item.
- The community will have increased access to fresh fruits and vegetables, resulting in increased consumption and increased health.
- As the shopper goes to the market, they may make purchases from other local businesses in

Market Management

the area which multiplies the benefit the market has on the local economy.

- When money is paid to local producers, they spend most of that money back into the community. When imported food is purchased, the bulk of the money leaves the community almost immediately.
- Helping local farmers be profitable protects farmers and farmland from urban sprawl. This helps ensure food security for the community along with economic security.

Contact the Idaho State Department of Agriculture at (208) 332-8530 and request your market be included in the "Idaho Farmers Market Guide." This publication is produced each spring and is sent to Idaho travel centers, chambers of commerce and University of Idaho County Extension Offices. It contains information on all of the farmers markets in the state, their locations, dates, hours of operation, and market contacts.

The next step will be to develop a media mailing list. Include all local newspapers, radio, television, and organizational newsletters.

The best form of publicity depends on the message you are sending and the audience you are trying to reach. An effective piece of publicity takes forethought and planning. Free publicity in the form of public service announcements on radio, television, and in newspapers is usually the most effective. These types of messages are read out of interest for the information they convey. Many people tend to block out or ignore advertisements.

Press Releases: The basic vehicle for getting your message to the media is a press release. Here are a few of the basics for preparing a press release:

1. Don't be wordy. Keep your message concise and to the point.
2. The lead sentence should contain the main point of the story. Without being awkward, it will answer as much of who, what, when, why and how as possible.
3. The body of the release builds on the central

facts, supporting and expanding on them.

4. The release should be typed, double spaced, and have at least a one-inch margin on all sides.
5. At the top of the page type the name, address and telephone number of your organization's contact person.
6. At the top, type FOR IMMEDIATE
7. RELEASE or specify a release date.
8. If you need more than one page, type the word MORE on the bottom of the first page.
9. Centered below the last line of the story, type the page number as #- (i.e. -2-).
10. Ensure that everyone has a copy at last one week before you wish your press release to appear (these can be sent electronically or hard copy).
11. Follow up the mailing with phone calls asking if they can use the story or need additional information.

Your first press release should accomplish several things. It should inform the public that a market is forming, it should solicit growers, and it should invite interested persons to your first meeting. Remember to try to be motivational when you write.

Establish a good relationship with reporters as soon as possible. They can be invaluable in getting the message out. Reporters usually look for stories with broad appeal, and farmers markets offer potential benefits for everyone. Don't be pushy with a reporter, just be helpful in providing interesting information.

If you are providing a service other than simply promoting your own interests you will have a much better chance of getting free media coverage. For example, offer to write a weekly article about new products that are available and include a recipe. Consider writing a weekly or monthly article for the business section featuring one of your vendors.

Be creative with your targeted publications. Consider venues other than the mainstream

Market Management

newspapers such as newsletters of non-profit organizations, churches, schools, neighborhood associations, hospitals, food banks, extension offices, etc. You may need to tailor your article to meet their specific audience, but their endorsement of your market will give you even greater credibility in the eyes of the readers. This kind of free coverage must be sought out.

Public Service Announcements: Public Service Announcements (PSAs) are free radio and television spots for community activities. Radio Stations are required to play a certain number of PSA's and their creation can be fairly inexpensive.

Circulars/Fliers/Posters: Since printed circulars and posters cost money to produce and distribute, volunteer labor and donations are very helpful. Another way to save costs is through holding a design contest. You can encourage the local art community or even schools to participate. This in and of itself would be good promotion. If your organization has the resources, circulars are a

very effective way to publicize your market. They serve as a more permanent announcement that can be kept for future reference.

Keep your circular or poster direct and simple. Only include that information which is necessary for conveying your message. A cluttered or rambling poster will detract from the main point and discourage people from reading further or from reading it at all. Location, time, dates, parking information and the sponsor's name, telephone number, email, and possibly web address, should be included.

Email Lists: The market can work to collect the emails of customers, media, community partners, etc., and send periodic emails. These emails could include information about products available and upcoming events (a day or two before the market). This is a good way to keep the market fresh in people's minds. There could even be a sign up sheet at the manger's booth for people who wish to be added as a "friend of the market".

FOR IMMEDIATE RELEASE

April 27, 2009

Contact person: Lacey Menasco, (208) 332-8530

2009 Farmers Market Season Kicks Off

Spring is here, the growing season is upon us, and Idaho farmers markets will soon be offering fresh locally-grown fruits, vegetables, herbs, honey, farm fresh eggs and fresh cut flowers to consumers.

Farmers markets are rapidly gaining popularity in the Treasure Valley and across Idaho as consumer interest in organic and locally grown produce continues to rise. "Consumers want to know the conditions under which their produce is grown. Farmers markets provide an excellent opportunity for the buyer and the producer to meet, exchange information, and in many instances, establish a relationship," said Lacey Menasco, Trade Specialist at the Idaho State Department of Agriculture.

This year Idaho boasts over 50 markets across the state, from Bonners Ferry to Soda Springs. Depending on the growing season in each area, the markets will be open in May or June and run through September to October. Consumers will be able to find products in Idaho farmers markets ranging from certified organic produce to gourmet specialty foods to fresh herbs and flowers, and even homemade crafts.

Every year the Idaho State Department of Agriculture produces a guide to the farmers markets across the state. The guide provides the dates, times, and locations of the markets, as well as the point of contact for the market. For a free copy of the guide or to include your market in the publication, contact Lacey Menasco at the Market Development Division at (208) 332-8535 or send an e-mail to lmenasco@agri.state.id.us.

Market Management

Develop An Attractive Logo: While it may not be critical for smaller markets to have a logo, an attractive emblem offers endless opportunities for building market recognition and consumer awareness both on and offsite. A logo can be put on virtually anything and go anywhere. An appealing logo promotes a professional and cohesive image for the market. Place it on signs, letterhead, T-shirts, caps, aprons, market bags, buttons, price signage, market cookbooks, library bookmarks and flyers.

Through a grant from the National Endowment for the Arts, the Idaho Commission on the Arts has trained arts leaders from across the state in consulting and workshop techniques. There may be an artist next door to help your farmers market develop a readily identifiable logo! For more information, call the Community Development Director at (800) 278-3863 or (208) 334-2119.

Market Website: Although some young markets may not have the ability to immediately develop a website, this should be high on their list of priorities. Consumers are being taught to go to the web for information on a regular basis. If there is not a member of your market planning team that has the skills and willingness to develop and maintain a market website, look to other community partners who will let you post market information on their already existing site. Also consider other networking sites such as Facebook and Twitter to promote the market.

When developing your webpage be sure to include the date, time, location of your market, and contact information. This should be the very minimum. Other items you might consider including are dates of special events, the ability to sign up for weekly newsletters, recipes, a list of your vendors and links to their websites, a link to Idaho Preferred[®], a list of any sponsors, information about parking, and other logistical information such as the use of credit/debt or EBT cards at the market.

Another key component of the website is a

produce availability calendar (available through ISDA). Many consumers are not aware of the timing of different products and this is your chance to educate them. This will also help to manage expectations so you have a happy customer.

The website should also have information for vendors or potential vendors. This would include market rules and by-laws, vendor application/contract, and educational information (links to other farmers market's growers resources).

Be sure the website is current at all times. An outdated website is an immediate turn off to many consumers. If it cannot be updated on a regular basis, be sure that the information you post is not time sensitive and will be good and accurate for the entire season.

Community Relations: Have the manager or board members attend public meetings such as city or county council meetings. If there is a time for public comment, they should stand and share about the market and how it benefits the community. Everyone should be prepared with a 30 second "elevator speech" about the value of the market. This can even be used on call-in radio shows. The market needs to be promoted year round. Attend any local trade shows, health fairs, or other events where you can spread the word about the market.

Commercial Advertising: There may be times when paid advertising is deemed necessary. You can decide between a classified ad or a commercial "display ad," both of which the newspaper will design for you. While this medium may be more expensive than others, its benefits can be long lasting. Like a circular or poster, an ad can be kept and referred back to, giving it a longer life.

Commercial advertising is often the most beneficial and cost effective during the first year of the market. While free community sponsored publicity will help to announce the opening of the

Market Management

market, commercial advertising will serve as a reminder to the public that the market is an on-going event that will last throughout the summer.

Some rural or agricultural papers have a "direct marketing" column in the classified section. Farmers will sometimes place an ad jointly and divide the cost. Larger-scale growers can benefit from this method by taking bulk phone orders for pick up at the farmers market.

Ads should make an effort to publicize popular seasonal produce such as fruits, melons, berries, tomatoes and sweet corn. These items will tend to draw bigger crowds and all vendors will benefit. You should also use announcements of market events to indirectly introduce people to the regular operation of the farmers market.

Ideas For Attracting Customers: Beyond the basic consumer expectations that you will meet, interesting and fun promotional ideas can be used to increase sales and customer count. Even better, a good market will stimulate word of mouth advertising. The following ideas are just the beginning:

- I. **Create An Attractive Atmosphere:** Many things can be done to create a festive atmosphere at your market. You could decorate the entrance with flowers, vegetable displays, scarecrows, or balloons. Similar decorations inside a market add a festive element which will create a sense of cohesion. Another idea is to hire local musicians to perform during market hours. Many will play if they can leave their hat open for contributions, others will simply volunteer for the exposure.
- II. **Organize Theme Events and Festivals:** Make it fun to come to the market. Using the themes of fresh and locally grown foods can create numerous events to stimulate interest in the market. Events that are part of a market's promotion create reasons for people to come and explore possibilities. Before the season begins, organize a schedule of special events

that will highlight the season and create special reasons for people to come. Events could include:

- **Contests** - Contests stimulate excitement and interest. Consider contests that focus on local produce. How about a watermelon seed spitting contest, an apple salad recipe contest or even a cucumber eating contest?
- **Scarecrow Making** - Kids love to stuff their old clothes with hay!
- **Container-mania!** - Feature bedding plants, pots and experts on potting. Invite a master gardener to come and give a class.
- **Pumpkin Carving!** - Everyone loves to create an original piece of pumpkin art.
- **Christmas in July** - A great way to find and sell Christmas crafts and foods.
- **Cooking Demonstrations** - Invite local chefs to come to the market and cook with local ingredients.
- **Customer Appreciation Day** - Plan this event on the last day of the market, with events and sales to benefit the patrons who have helped to make the market season a success.
- **Celebrate Cultural Diversity** - Invite cultural groups to come and share through dancing or teaching a traditional art or skill.

Record Keeping

The future of every market will be brighter with proper record keeping. The market board should start with keeping copies of all permits, licenses, correspondence, legal paperwork, expense reports, and meeting minutes.

The market should keep information for each vendor for ease of communication to ensure compliance with all regulations. These records should include: name, address, phone number, email, website, fee structure agreed upon, attendance record, product information, insurance verification, sales tax permit, any other required

Market Management

licenses, and a signed contract.

Tracking particular measures for the markets and the vendors will go along way toward helping managers gauge success and make adjustments for coming seasons. This will need to be done on a daily/weekly basis by the market manager.

At a minimum, daily market records should include:

- Stall fees collected
- Number of vendors
- Daily market sales totals (per vendor)
- Weather conditions
- External special events
- Market layout
- Inadequate supplies of certain products
- All other income and expenses by amount, and type

Other helpful information:

- Customer foot traffic counts
- Vendor sales by category
- Availability of seasonal products

Tracking vendor sales is one of the most beneficial and most controversial reporting issues of farmers markets. These figures give market managers the ability to see how different seasonal crops affect market sales and evaluate how well vendors in different categories are doing. They can use this information to adjust their vendor mix, stall fees, or even to plan events around popular items. It can be helpful to have the vendors include their particular product offering when they report their weekly sales.

Vendor sales data is also a great marketing tool. Showing the financial significance of your market to the community can give you greater leverage with policy makers, local businesses, and other community partners. Establishing a track record like this will also help in the recruiting of new vendors to the market.

The other market data can be used in an endless

number of management decisions. Studying the flow of foot traffic throughout the season, or even different times of the market day, can help determine customer trends and behavior that vendors can capitalize on. If a particular outside event or holiday weekend always reduces customer count or sales, the manager can advise vendors to bring less product that week. They could also consider partnering with the other event to benefit from their crowd drawing abilities.

Vendors need to keep some of their own records as well.

Vendors Should Record:

- Total sales
- Fee payments
- Stall location
- Available products

The market will grow and improve as each individual vendor improves their marketing skills. Encourage your vendors to keep records and work on anticipating sales swings and seasonal flows. Your vendors are a great asset in evaluating market trends and will be able to help you in coming up with creative ways to increase a slow time of day or season, improve market layout, and work with community partners.

Budgeting

Knowing the total expenses that the market will incur over the course of the season is necessary information. You must know this to be able to move forward with advertising, setting a salary for the market manager, planning events, purchasing assets for the market, and most all other market functions.

Some costs that might be incurred by the market are:

- Rental or lease of site
- Licenses and permits
- Site improvements (resurfacing, storage, restrooms, signage, etc.)

Market Management

- Administrative expenses (meeting facilities, phone, printing, postage, travel)
- Advertising (design, printing, distribution, materials, website)
- Market manager's salary
- Liability insurance
- Equipment and supplies (market tent, first aid kit, fire extinguisher)

Along with knowing the expenses, it's important to know the income of the market. The market should be planned to support itself. The main source of income for a market is its vendor fees.

As a non-profit, it may be possible to get many products and services donated or at a discounted rate. Look for donations or discounts in these areas:

- Labor and materials for site improvements
- Distributing flyers
- Office supplies
- Utility or printing expenses
- Prizes for promotional activities
- Sponsors for events

Market Evaluation

It is a good idea to sit down with the market board or other interested individuals and evaluate the market, revisiting its initial goals, and casting a new vision for the future of the market. This is good to do a minimum of once a year. One approach would be to do a SWOT analysis: evaluating the market's strengths, weaknesses, opportunities, and threats. This is simple and yields good actionable information. Another approach would be to evaluate the market one piece at a time. There are number of areas that deserve a close look.

Fee Structures: Are the vendor fees sufficient to support the budgetary needs of the market? Do they allow for adequate vendor participation while still demonstrating enough commitment from the vendors at the market? These are key questions that must be answered. As the market grows and develops, it is likely that the fee structure will need to be adjusted.

Budget: Is the market able to run smoothly and reach its goals in the area of its finances? If the market is facing obstacles that could be solved with the proper investment of financial resources, the budget needs to be reworked.

Staffing: Is there adequate staffing to ensure a well run market day, as well as proper management of behind the scenes duties (bookkeeping, promotion etc.)? The market may need to enlist more volunteers or consider increasing the hours of its paid staff.

Market Layout: Does the market feel full and festive but not over crowded? If not, it may be time to look at a new layout for your market. Evaluate the flow of foot traffic through your market, taking into consideration the entrance to the market and the location of the most popular vendors. Don't be afraid to mix things up and see how it affects the atmosphere of the market.

Location: Is the current location allowing the market to meet its goals? Is there enough space, power, restrooms, water, etc.? Are there other locations that would be better or can the current location be more effectively utilized? Consider that a change in location is a large obstacle to overcome and it can take a couple of years to get the market back up to speed.

Parking: Is there adequate customer parking? Have there been any complaints about the parking situation? While the customer is most important, also evaluate vendor parking. Is there any way to more efficiently use the current parking or increase the availability?

Safety: Have the management, the vendors, or the customers noticed or commented on any potentially hazardous situations? Consider the footing, vehicle traffic, cords, canopies, and even hygiene. Safety needs to be a top priority and evaluated on a regular basis.

Attendance: How well was the market attended?

Market Management

How does this compare with previous years?
What can be done to increase market attendance?

Vendor Mix: What products are the biggest sellers at the market and how many vendors are selling those items? Are there adequate vendors throughout the entire market season? Is there room to increase the number of vendors? How can you help increase vendor sales?

Manager's Duties: Can the market make better use of their manager? Are there other functions that the manager should be doing on market day or in the off-season? Can the manager's salary be increased? How well does the manager interact and communicate with the board and the vendors?

The Board: Are there changes that need to be made in the board? You may need to change or add members and their role. Are there new committees that need to be created or new issues that need to be addressed?

Rapid Market Assessment

Rapid Market Assessment (RMA) is a simple and effective tool for learning more about your market. RMA was developed at Oregon Sate University. For a complete guide to Rapid Market Assessment go to www.oregonfarmersmarkets.org/create/marketresearch.html.

There are three components to the RMA process:

1. A customer foot traffic count
2. A fun, easy, and interactive method of collecting customer feedback to some specific questions
3. A debriefing period to receive feedback and discuss observations.

The RMA process requires a number of volunteers. On a busy market day, it is difficult for a market to come up with enough individuals from their own staff and vendors. The ideal way to staff the RMA process is to bring in market managers and board members from neighboring markets. Their expertise will provide you with valuable

insight and they will benefit from the experience as well. Another option for volunteers would be a local 4-H or FFA group.

Customer Count: This is easier than it sounds. Place individuals to count adults entering the market at all entrances. Counting should take place for 10 minutes during every hour (ex: for the 9:00 hour, count from 9:25-9:35) and then multiplied by six. This information will allow vendors to estimate potential sales as well as allow the market to document it's role in the community to city leaders.

Dot Surveys: Identify the information needed to improve your market and carefully construct up to four questions that will help you gather this information. Use one flip chart for each question. Write the question across the top with columns below for each potential answer. The flip charts should be erected in a central location of the market and staffed by volunteers. Volunteers should invite market patrons to "do the dots" and hand out small circle stickers (four stickers for four questions). Instruct the customers to answer the questions by placing one dot on each of the flip charts. Charts should be changed every hour, or the color of the dot can change to see how customers' preferences change throughout the day. At the end of the day, total all dots per answer and divide as a percentage of the total (the total number of answers per question may not be the same).

Qualitative Analysis: At the end of the market a debriefing session allows for sharing observations from the day. Have the RMA staff take notes throughout the day on specific aspects of the market.

1. Physical characteristics: access, traffic flow, liability issues, organization
2. Vendors and Products: vendor mix, product quality, signage, displays, customer service.
3. Market Atmosphere: the "feel" of the market, educational opportunities, shopper demographics, interactions.

Market Management

Annual Report

Creating a report at the end of every season will help the market track changes and growth in different aspects of the market. Be sure the report isn't just statistics, but tells the story of the market - how it sustains family farms, improves access to healthy foods, expands entrepreneurship, and builds community.

The report should include:

- Number of vendors involved
- Number of shoppers
- Gross market sales
- Other key numbers (new vendors, first time shoppers, charitable giving, etc.)
- Percentage change in any of the above numbers that show growth in the market
- Vendor testimonials
- Customer comments
- Photographs of the market

This report should be presented and shared with a number of groups. Be sure the board, vendors, market sponsors, and local government officials receive a written copy of this report. Presenting the report to vendors can help them feel a sense of ownership, build excitement, and allows for feedback. Such a presentation can also help to build support from local government and community partners. This is a great opportunity to communicate the market's impact on the community.

Accepting EBT at the Market

Across the nation, paper food stamps are being replaced by a system called Electronic Benefits Transfer, or EBT. This is facilitated through the use of a card similar to a debit or credit card, that tracks an individual's account balance.

How Does EBT Work at the Market?

A customer at the market will typically use a staffed centralized point (market manager's booth) to purchase even dollar amounts of scrip with their EBT card. Most often this is represented by to-

kens specific to that market. The customer can then use the tokens at vendors within the market to purchase staple food items they intend to use for feeding themselves and their families at home.

Steps the Market Needs to Take

1. The market must have consensus of their vendors that they will accept EBT cards
2. The market must apply to the USDA to be a registered food stamp vendor
3. The market must include with the application a plan of how they intend to manage the acceptance of EBT cards and reconciliation of payments
4. The market needs to notify the State of Idaho's EBT manager when they have mailed their application and plan to the USDA
5. The market must have a bank account to handle the reconciliation of payments made by the state for EBT purchases at the market
6. When the application is approved by USDA, the State's EBT contractor will contact the person listed in the USDA application and ask for a contract to be signed, along with banking information for payment reconciliation
7. When the contract is received from the farmers market, the State's EBT contractor will furnish point of sale equipment, training on how to use the furnished equipment and will troubleshoot any installation and usage problems
8. The market should then train their staff who will use the point of service terminal and the vendors who will accept the tokens

State of Idaho EBT Manager

Alyce Porter (208) 334-5820

Promoting Access to Farmers Markets

Markets may be able to apply for grants through the USDA for promotion of their market and the ability to accept EBT cards. The USDA, the state, and the State's EBT contractor all have limited promotional materials available to all retailers who accept EBT cards and food stamps. Promoting the market's ability to accept EBT cards should be a priority for the market once they are set up.

Vendor Best Practices

Products	40
Sampling	40
Packaging	40
Product Display	41
Booth Design	41
Telling Your Story	41
The Vendor	42

Vendor Best Practices

Good vendors make a good market, and excellent vendors make an excellent market. It is important for all markets to educate and train their vendors in the art of selling at farmers markets.

Customers will evaluate every vendor based on four basic attributes; their products, their booth, their story, and the individual themselves.

Products: To attract customers based on products, vendors must know their customer's desires. Are they looking for unique specialty or ethnic items, or are they looking for bulk products to can or preserve? How price sensitive are they? Are they purchasing produce to feed their family for the week, or are they vacationers only purchasing for the weekend?

Manage the seasonality of your products as much as possible. Plant some crops in succession to have them available the longest amount of time possible. Consumers want to find the same thing at the market every week - this will create repeat purchases. It is also important to manage the customers' expectations of product availability by putting a chart up in the booth or having a small brochure available specifying when items will be available throughout the season. On the same note, if they are expecting to find an item at the market that is in season, be sure you can meet that expectation.

Consumers want clean food. If you are selling produce, be sure to wash it thoroughly and freshen it with a spray bottle throughout the day. It may be appropriate in extreme heat to have the products sitting on ice.

Be able to clearly communicate why your produce is better than typical produce at the grocery store. These reasons could include: superior quality, freshness (picked last night or this morning), different varieties, key attributes, locally grown, better for environment, supports local economy, and safe for the family.

Sampling: Offering samples is especially important if you are trying to introduce new products to your consumers. Samples draw customers to your booth and makes your booth look busier. It is a way to encourage people to try something new and increase their purchases. Consider even creating a recipe with a unique product using more than one product that you sell. When sampling, be sure to follow health department guidelines.



Packaging: Produce can be sold many different ways, including by the pound, by the piece, or in prepackaged amounts. All are good methods, but you must select which method works for you, your customers, and the product. Prepackaging is a good option because it reduces possible bacteria contamination from the public touching the product as they select and bag their own purchases

Selling by the piece is good for light weight items and by the pound is better for heavier items. This reduces the consumer's perception of the cost of the product.

Selling in pre-selected amounts or by the piece can save time on the day of the market as you won't have to weigh items with each transaction, but requires more time prior to the market. This can also add security to the customer because they know the exact dollar amount of the items, versus guessing the weight of what they are buying. However, most people are used to buying

Vendor Best Practices

produce by the pound and may not be comfortable with the change. If you sell by the pound, you must have a certified scale.

Consider other creative packaging techniques with multiple products. For example, put everything someone would need to make fresh salsa all in one bag with a recipe attached. This is convenient for them and they may not have bought as many items without this added step. Preparing and sampling some salsa at the same time may boost sales even more.

For processed items, consider creative packaging. Most people want products they buy at the farmers market to have a country or homemade look to them. Also consider gift packaging. You can get more money per transaction by bundling items into a gift basket, for example.

Product Display: Make sure the display makes your products easy to see without needing to stand directly above them. Try putting containers at 30 or 40 degree angles to increase the visibility of the product. If you begin to run out of a particular item and it no longer fills the container it was in, move it to a smaller container.

Make sure the display is organized in a logical manner with like products together, making it easy for customers to find what they want. Using highly visible price tags is also a good idea. No one wants to have to ask the price of the product. Put price tags on or near the product and use tags that are consistent in look and feel. Be sure to specify if the price is by the pound or by the piece.

There are different philosophies when it comes to how much product to display at once. Some vendors say, "stack it high and watch them buy." One vendor would stack mountains of green beans in clam shells on the table, and they would sell very quickly. Other vendors don't want to look like a grocery store display and only put out small amounts of products at a time in little baskets, and every time they sell a few, they would just refill the

basket. Each vendor must determine what works for them and the customers at that specific market.

Booth Design: Each vendor wants their booth to stand out from others. Be creative with your display and signage. Simple things like a brightly colored sign will help people remember and locate you from week to week. Be creative! For example, if you sell lavender products, consider a purple canopy.

The booth needs to be inviting. Use a canopy or umbrella to make shade, use fun colors, and have a non-committal design. Place the table towards the front of the canopy with room for the seller behind it. The sellers' attitudes and actions also play a huge role in drawing people to the booth.

Keep the booth organized at all times. Use one theme for displaying your products (i.e. all baskets or crates, red and white checkered fabrics, etc.), this will help your booth look tidy. Put empty boxes back in your vehicle or tuck them away under your table (be sure your table cloth is long enough to hide them). If you are sampling, have garbage cans out for the toothpicks or sample cups.



Telling Your Story: Signage at your booth is your opportunity to tell the story of your operation. Knowing the producer and the story behind the food is one of the key decision making factors for

Vendor Best Practices

consumers at farmers markets. You must identify what makes your operation unique, it might be your farm history, production practices, environmental impact, your community involvement, or something else. Consider creating a small brochure telling your story that shoppers can take home with them. Adding a recipe to the brochure will increase the likelihood that consumers will take it and look at it. Be sure to use lots of pictures of your farm and family.

The Vendor: Vendors need to have knowledge of the products they are selling; giving the consumers security in the food they are purchasing. It's ideal to have the grower themselves selling, or at least an employee or family member who is directly involved with the growing of the crops. They need to be able to communicate about the production practices, the superior quality of the produce, and how the produce should be prepared. Recipes are also good for sharing ideas for using the products.

While still looking authentic, vendors should have a nice clean appearance. If they are dirty, consumers will think their food is dirty too. If there are multiple sellers in your booth, consider a uniform of sorts (matching shirts, ball caps, or aprons). A unified appearance helps your booth look attractive and is another way that you can distinguish yourselves from other vendors. Name tags help customers identify you and give a personal touch.

Vendors should be standing at their booth (not sitting), and should be alert to the customers' needs. While at the market, the customer is the number one priority. Vendors should not be eating or smoking while attending to customers at the booth. At all costs, avoid making the customer feel like a bother. If the seller has small children at the market, it may be advisable to bring an assistant to help attend to the kids so customer service doesn't suffer. Children are a nice touch at a farmers market, especially if they are involved in the growing of the crops.

Customer service is another quality that sets farmers markets apart from other retail outlets. Use eye contact and a smile to acknowledge the presence of every customer that approaches your booth. When possible, engage in conversation, asking about their taste and preferences, learn their children's names, and remember the information they share. Although misbehaving children or pets can be a problem for vendors, you can easily lose a customer for good if you are rude to their children or their animals. Show them that they are important to you. If you have a particularly faithful customer, let them know that you appreciate them.

Always be positive! Don't be critical of other vendors or the market management. Explain the quality of your products without tearing down anyone else's. If you don't have a product someone is looking for, be willing to refer them to someone else at the market.



Farmers Market Resources

National, Regional and State Resources

Idaho State Department of Agriculture

The Market Development Division at the Idaho State Department of Agriculture offers informational workshops, pamphlets, funding resources, and an aggressive in-state agricultural marketing plan through Idaho Preferred®.

www.agri.idaho.gov

www.idahopreferred.com

P.O. Box 790, Boise, ID 83701

(208) 332-8530

United States Department of Agriculture

www.ams.usda.gov/farmersmarkets/

(202) 720-8317

CSREES Small Farms Program

www.csrees.usda.gov/smallfarms.cfm

(202) 401-4385

North American Farmers Direct Marketing Association

www.nafdma.com

nafdma@map.com

62 White Loaf Road

Southampton, MA 01073,

(888) 884-9270

USDA Rural Development

www.rurdev.usda.gov/id

9173 West Barnes, Ste. A1

Boise, ID 83709

(208) 378-5603.

Rural Roots

www.ruralroots.org

P.O. Box 8925

Moscow, ID 83843

(208) 883-3462

Useful Publications

Starting a Specialty Foods Business in Idaho

Available from the Idaho State Department of Agriculture (208) 332-8530

Protecting Your Farm or Ranch

A Guide for Direct Farm Direct Marketing in Idaho

www.ruralroots.org

(208) 883-3462

P.O. Box 8925

Moscow, ID 83843

Farmers Market Resource Guide

Available at www.ams.usda.gov/farmersmarkets/consortium.resourceguide.htm

Food Safety Begins on the Farm

Cornell University

www.vegetables.cornell.edu/issues/foodsafety.html

134 A Plant Science Bldg.

Ithaca, NY 14853-5904

(607) 255-4568

Growing for Market

A journal of news and ideas for market gardeners.

Available from Fairplain Publications

P.O. Box 365

Auburn, KS 66402.

Marketing Your Produce Directly to Customers

University of Idaho

875 Perimeter Drive

Moscow, ID 83844-2240

phone: (208) 885-2332

fax: (208) 885-4648

Farmers Market Resources

University of Idaho Extension

University of Idaho Extension provides reliable, research based education and information through a statewide network of faculty and staff in 42 counties and 12 research and extension centers.

Extension focuses on practical education on contemporary topics that matter most to Idaho citizens, including small and large scale sustainable agriculture, home horticulture, natural resources, health and nutrition, food safety, personal financial management, youth development, and community development.

The Extension Educators below have expertise in Small Acreage Farming and Ranching and Direct Marketing. For a complete listing of all county Extension offices, visit www.extension.uidaho.edu.

Canyon County Extension Office
Ariel Agenbroad
ariel@uidaho.edu
(208) 459-6003

Lewis County Extension Office
Kenneth Hart
khart@uidaho.edu
(208) 937-2311

Elmore Country Extension Office
Mir-Mohammad Savedbagheri
mirs@uidaho.edu
(208) 587-2136

Nez Perce Reservation Extension Office
Valdasue Steele
vsteel@uidaho.edu
(208) 621-3514

Franklin County Extension Office
Stuart Parkinson
Stuartp@uidaho.edu
(208) 852-1079

Northern District Office
Cinda Williams
cindaw@uidaho.edu
(208) 885-4003

Fremont County Extension Office
Lance Ellis
ellis@uidaho.edu
(208) 624-3102

Twin Falls County Extension Office
Tony McCammon
tonym@uidaho.edu
(208) 734-9590

Gem County Extension Office
Rikki Ruiz
rikkiw@uidaho.edu
(208) 365-6363

Washington County Extension Office
Montessa Young
montessay@uidaho.edu
(208) 414-0415

Lemhi County Extension Office
Shannon Williams
shannonw@uidaho.edu
(208) 756-2815

University of Idaho Food and Technology Center
Jim Toomey
1908 E. Chicago St
Caldwell, ID
(208)795-5331
www.ag.uidaho.edu/ftc
jtoomey@uidaho.edu

Farmers Market Resources

Funding Sources

The Idaho State Department of Agriculture administers the **Agricultural Development Loan** to offer financing and assistance to individuals and organizations in Idaho whose agricultural projects or efforts will provide for rural economic development in Idaho and who cannot obtain credit from conventional sources. Contact ISDA at (208) 332-8530 for more information.

USDA's Rural Development Office also has grant and loan resources to assist producers and organizations in rural areas. Contact their Idaho office at (208) 378-5600 for more information.

The Rural Information Center at the National Agriculture Library, Beltsville, Maryland publishes several guides that are very useful in linking individuals and funding sources.

www.nal.usda.gov/ric
(800) 633-7701

Michael Fields Agricultural Institute

www.michaelfieldsagainst.org
(262) 642-3303

The Sustainable Agriculture Research and Education Program (SARE)

www.sare.org
(435)797-2257

National Sustainable Agriculture Information Service

www.attra.org
(800) 411-3222

Farmers Market Promotion Program (FMPP)

FMPP was created through a recent amendment of the Farmer-to-Consumer Direct Marketing Act of 1976. The grants, authorized by the FMPP, are targeted to help improve and expand domestic farmers markets, roadside stands, community-supported agriculture programs, agri-tourism activities, and other direct producer-to-consumer market opportunities. Entities eligible to apply include agricultural cooperatives, producer networks, producer associations, local governments, nonprofit corporations, public benefit corporations, economic development corporations, regional farmers market authorities and Tribal governments. More information can be found at: www.ams.usda.gov/fmpp

Marketing Opportunities

Idaho Preferred® is a program to identify and promote food and agricultural products grown, raised, or processed in the Gem State. Administered by the Idaho State Department of Agriculture, the program showcases the quality, diversity, and availability of Idaho food and agricultural products and is working to assist Idaho consumers in their efforts to find local products. Farmers Markets can take advantage of marketing opportunities offered by the Idaho Preferred program in several ways. A Market can be a member of Idaho Preferred and use the Idaho Preferred logo and signage to promote their market. The market is then listed on the Idaho Preferred website and promoted via events, facebook posts and blogs. Individual vendors within the farmers market can also be members of Idaho Preferred if their products qualify. As a member, the vendor can use Idaho preferred stickers, signage and logo at their booth and on their qualifying products. They can also take advantage of Idaho Preferred social marketing efforts, training opportunities and many consumer events. To qualify, fresh products must be 100% grown in Idaho and processed products must include at least 20% content by weight that has been grown in Idaho. For additional program rules go to www.idahopreferred.com.

Appendix A

Sample

ARTICLES OF INCORPORATION _____ FARMERS MARKET ASSOCIATION

The undersigned, all of whom are engaged in the production of agricultural products, or other products deemed appropriate by the market, do hereby voluntarily associate ourselves together to form a nonprofit cooperative association, without capital stock, under the provisions of Idaho Code 22-2601 to 22-2628, and for such purposes do hereby adopt the following articles of incorporation, to wit:

Article I, NAME

The name of the Association shall be _____ Farmers Market.

Article II, DURATION

The term of existence of the Association shall be perpetual after the filing of these articles of incorporation in the office of the secretary of State of the State of Idaho.

Article III, PURPOSES

The purposes for which the Association is organized are to engage in any activity in connection with the marketing or selling of the agricultural (add other product types applicable to your market) products of its members. The Association intends to:

- A. Provide a location for agricultural producers (and others) to sell their products.
- B. Help improve the local agricultural economy while providing a needed service for the community.
- C. Promote the sale of agricultural products grown in the state of Idaho.
- D. Use any profits, above and beyond what is needed to ensure the existence of the market, for grants or other types of assistance to nonprofit organizations engaged in the field of agriculture. Such organizations may be working to solve the problems of the family farmer and the rural community.

Article IV, DISSOLUTION OF CORPORATION

Upon the dissolution of the Association, the Board of Directors shall, after paying all of the liabilities of the Association, dispose of all the assets for one or more exempt purposes within the meaning of section 501(c)(3) of the Internal Revenue Code, or shall be distributed to a state or local government, for a public purpose.

Article V, POWERS AND LIMITATIONS

The Association shall have the following powers:

- A. To act as the agent or representative of any member or members in any of the activities mentioned in Article III hereof.
- B. To buy, lease, hold and exercise all privileges of ownership, over such real or personal property as may be necessary or convenient for the conduct and operation of the business of the Association, or incidental thereto.
- C. To draw, make, accept, endorse, guarantee, and issue promissory notes, bills of exchange, drafts, warrants, certificates, and all kinds of obligations and negotiable or transferable instruments for any purpose that is deemed to further the objects for which this Association is formed and to give a lien on any of its property as security therefore.
- D. To cooperate with other similar Associations in creating central, regional, or national Cooperative agencies, for any of the purposes for which this Association is formed, and to become a member or stockholder of such agencies as now are or hereinafter may be in existence.
- E. To have and exercise, in addition to the foregoing, all powers, privileges, and rights conferred on ordinary Corporations and Cooperative Marketing Associations by the laws of this State and all powers and rights incidental or conducive to carrying out the purposes for which the Association is formed, except such as are inconsistent with the express provisions of the act under which this Association is incorporated, and to do any such thing anywhere; and the enumeration of the foregoing powers shall not be held to limit or restrict in any manner the general powers which may by law be possessed by this Association, all of which are hereby expressly claimed.

The Association shall be subject to the following limitations:

- A. This Association shall not market the products of non-members in an amount the value of which exceeds the value of the products marketed for members.
- B. It shall not purchase supplies and equipment for persons who are neither members nor producers of agricultural products.
- C. This Association is not organized for a pecuniary profit. It shall not have any power to issue certificates of stock or declare dividends and no part of its net earnings shall accrue to the benefit of any member, director or individual. The balance, if any, of all money received by the corporation from its operators after the payment in full of all debts and obligations of the Association of whatever kind or nature shall be used and distributed exclusively for purposes set forth in Section D above. Nothing shall prohibit the Association from retaining net earnings for the purpose of ensuring the market's existence for future years and this decision shall be at the Board of Director's discretion.

Appendix A

D. The Association shall not devote a substantial part of its assets to influencing legislation and shall not participate in a political campaign for or against any candidate for political office.

Article VI, REGISTERED AGENT

The name and address of the initial registered agent of the Association in the State of Idaho is _____, at _____, in the City or Town of _____, _____ County.

Article VII, PRINCIPAL PLACE OF BUSINESS

The place where the principal business of the Association will be transacted is the City or Town of _____, County of _____, State of Idaho.

Article VIII, BOARD OF DIRECTORS

The number of directors constituting the Board of Directors is _____, and the term of office of each of such directors is one year or until his or her successor is elected and has qualified. The names and addresses of those directors who are to serve as Incorporating Directors until the first annual meeting of the members of the Association or until their successors are elected and qualified are:

Name	Address
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

Sample

BY-LAWS

_____ FARMERS MARKET ASSOCIATION

Article I, NAME

The name of this Association shall be the _____ Farmers Market.

Article II, INCORPORATION

This Association is an Idaho non-profit organization evidenced by Certificate of Incorporation issued _____, 200__ by the Office of the Secretary of State of Idaho.

Article III, OFFICES

1. Principal office of the Association will be the place of business for the open market held at _____.
2. Registered agent and mailing address will be _____.

Article IV, PURPOSES

The purpose for which the Association is organized is to engage in any activity in connection with the marketing or selling of the agricultural (add other product types) products of its members. The Association intends to:

- A. Provide a location for agricultural producers (and others) to sell their products.
- B. Help improve the local agricultural economy while providing a needed service for the community.
- C. Promote the sale of agricultural products grown in the state of Idaho.

Article V, MEMBERSHIP

1. *Admission:* Members shall be admitted to the Association upon the Association's receipt of a written application form and membership dues in such amounts as the Board of Directors may determine.
2. *Classification:* The Association shall have three classes of members – participating, non-participating and temporary.
 - A. *Participating:* A participating member must serve on the Board of Directors or on an adjunct committee. Annual dues are to be set by a majority vote of the members present at the annual meeting.

Appendix A

- B. **Non-Participating:** Non-participating members are not required to serve on the Board of Directors nor on an adjunct committee. Dues are to be set by a majority vote of the members present at the annual meeting.
 - C. **Temporary:** Temporary members are not required to serve on the Board of Directors nor on an adjunct committee. A daily fee is to be set by a majority vote of the members present at the annual meeting.
3. **Resignation:** Any member may resign, but such resignation shall not relieve the resigning member of the obligation to pay any dues, assessments or other charges theretofore accrued and unpaid, and the Association shall not be liable to return or refund any dues, assessments or other charges in the event of a resignation.
 4. **Transfer of Membership:** Membership in this Association shall not be transferable nor assignable.
 5. **Termination of Membership:** The Board of Directors, by affirmative vote of two-thirds of all Board members, may suspend or expel a member for cause after an appropriate hearing, and may, by a majority vote of those present at any regularly constituted meeting, terminate the membership of any member who shall be in default in the payment of dues.
 6. **Membership Rights:** Participating members shall have two votes each, non-participating members shall have one vote each, and temporary members shall have no voting privileges.

Article VI, MEETINGS

1. **Annual Meeting:** An annual meeting of all three classes of members shall be held each year at a time and place designated by the Board of Directors for the purpose of presenting the annual report and other matters that may require general membership attendance. Notice of the annual meeting shall be given to every member at least seven days in advance of such meeting.
2. **Special Meeting:** The Board of Directors may call a special meeting that would require general membership attendance. Notice of any special meeting shall be given to every member at least seven days in advance of such meeting.
3. **Board of Directors' Meeting:** The Board of Directors shall meet from time to time as is necessary. Only board members and chairpersons of adjunct committees need be notified.
4. **Place of Meeting:** The Board of Directors may designate any place within the State of Idaho as the place for any annual, special or Board of Directors' meeting.
5. **Quorum:** At any annual meeting or special meeting, one-tenth of the participating and non-participating members shall constitute a quorum. At any meeting of the Board of Directors, a majority of the Board of Directors in office shall constitute a quorum.

Article VII, BOARD OF DIRECTORS

1. *General Powers:* The business and affairs of the Association shall be managed by its Board of Directors.
2. *Number and Tenure:* The number of Directors of the Association shall be no less than _____. Directors shall be elected at each annual meeting by participating and non-participating members by majority vote. Each Director shall hold office until the next annual meeting of members.
3. *Vacancies:* If any vacancy occurs on the Board of Directors, other than from the expiration of a term of office, the Board of Directors may fill the vacancy for the unexpired term at any Board meeting.
4. *Compensation:* The Board of Directors shall serve without compensation.
5. *Attendance at Board Meetings:* Directors shall attend all Board meetings unless extenuating circumstances occur.
6. *Manner of Acting:* The act of the majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors.
7. *Standard of Care:* A director shall perform his or her duties as a director, including his or her duties as a member of any committee of the board upon which he or she may serve, in a manner he or she reasonably believes to be in the best interests of the Association, and with such care as an ordinary prudent person in a like position should use under similar circumstances. A person who so performs his or her duties shall not have any liability by reason of being or having been a director of the Association.

Article VIII, OFFICERS

1. *Officers:* The officers of the Association shall be a President, Vice President, Secretary, and Treasurer. The Board of Directors may appoint committees and committee chairpersons as they consider necessary. The officers shall serve without compensation.
2. *Election and Term of Office:* The officers of the Association shall be elected by the Board of Directors annually at the first meeting of the Board held after each annual meeting of the general membership.
3. *Vacancies:* A vacancy in any office, however occurring, may be filled by the Board of Directors for the remaining portion of the term.
4. *President:* The President shall call and preside at all meetings of the Association. The President shall also act as official representative of the Association and have general charge of its affairs.
5. *Vice President:* The Vice President shall, at the request of the President, or in the event of his/her disability or absence, perform any and all duties of the President. The Vice President shall also have primary responsibility for the development and management of a program allowing members to sell prepared foods at the market.
6. *Secretary:* The Secretary shall keep the minutes of the meetings, give notice of all meetings as

Appendix A

prescribed by these Bylaws, perform all duties incidental to the office and help the President perform his/her functions.

7. *Treasurer:* The Treasurer shall be the principal financial officer of the Association and shall collect, receive, deposit, invest and disburse the funds of the Association. The Treasurer shall maintain accounting books and a checking account, rendering a statement of accounts at each board meeting, filing required reports with Office of the Secretary of State of Idaho, and performing all duties incidental to the office and help the president perform his/her functions.

Article IX, COMMITTEES

There shall be appointed various committees, members and a chairperson for each committee by the Board of Directors. The Board of Directors shall delegate duties to the respective committees.

1. *Committees:* The committees shall consist of:
 - A. Promotion and Advertising
 - B. Rules and Regulations
 - C. Grower Recruitment
 - D. Fund Raising
2. *Membership:* Each committee shall consist of a chairperson who is a member of the Board of Directors. Committee members shall consist of all participating members.
3. *Meetings:* Each committee is responsible for holding meetings at such regular intervals to assure the proper completion of the committee's duties.
4. *Chairperson:* The chairperson or his or her delegate shall give a report at every board meeting regarding the progress, accomplishments and goals of the respective committee.

Article X, INDEMNIFICATION

The Association shall indemnify, to the extent permitted by law, any person who is or was a director, officer, agent, fiduciary or employee of the Association against any claim, liability or expense arising against or incurred by such person as a result of actions reasonably taken by him or her in the direction of the Association. The Association shall further have the authority to the full extent permitted by law to indemnify its directors, officers, agents, fiduciaries and employees against any claim, liability or expense arising against or incurred by them in all other circumstances and to maintain insurance for such persons to the full extent permitted by law.

Article XI, AMENDMENTS

These bylaws may be altered, amended or repealed at any meeting of the Board of Directors at which a quorum is present by a majority vote of those present.

Article XII, FISCAL YEAR

The fiscal year of the Association shall be as determined by the Board of Directors.

Article XIII, CONFLICTS

In the event of any irreconcilable conflict between these bylaws and either the Association's Articles of Incorporation or applicable law, the latter shall control.

Article XIV, DEFINITIONS

Except as otherwise provided in these bylaws, all terms used in these bylaws shall have the same definition as in the statutes governing Idaho non-profit corporations.

Appendix B

Sample

City Farmers Market Association

The City Farmers Market Association is a community based organization developed to support local agricultural producers and is also a member of Idaho Preferred®. The Association is managed by a Board of Directors who set policies for the market in accordance with the market's mission statement and goals.

The City Farmers Market will be held every Saturday, May through October, in downtown City at the intersection of Front Street and 1st Avenue.

Mission Statement

To promote and support local farmers and artisans and build a more sustainable community

Market Goals

- To give local growers and producers of farm-related products alternative marketing opportunities.
- To promote the sale of locally grown, raised, produced, or gathered farm products and to provide consumers and local farmers an opportunity to interact directly with one another.
- To add to the variety, quality and freshness of produce available in the county, a wide range of fresh local produce including specialized items and organic and natural options.
- To provide opportunities for local farms, food producers and artisans to test and refine their products and marketing skills. Small rural businesses are growing up in parallel with the market.
- To enhance the quality of life in the local area by providing a community activity which fosters social gathering and interaction.

City Farmers Market Policies and Guidelines

Membership

Vendor privileges are limited to the following:

- Farmers and producers who live within 100 miles of the market - producers from outside this area may request special consideration of the market committee.
- Producers/growers: those who cultivate and/or raise their own vegetables, flowers, fruits, herbs, plants, small animals, and animal products for public sale
- Harvesters/gatherers: those who gather/pick wild growing fruits, plants or other material for public sale
- Crafters/Artisans: those who create hand crafted products primarily from raw materials. Crafters/artisans shall not exceed 50% of total market membership. The Market Manager reserves the right to refuse any craft item that is deemed inappropriate (a craft jury will be help by the Board of Directors prior the start of each market season).
- Food producer/processor – those who make value-added or ready to eat products from agricultural or food materials in accordance with all Idaho Health District regulations.

Farmer/producers will be given the priority at the market if space is limited. Crafter must not account for more than 50% of total number of vendors.

No brokers may sell at the City Farmers Market (brokering is buying items and then reselling them at the market).

Produce may not be advertised as “organic” unless it is certified or registered organic. Current organic certification must be displayed and a copy must be given to the market Association.

Products **not** grown or gathered by the vendor, or products grown or gathered by the prospective vendor **outside** of the 100 miles radius may be sold only with permission of the Board of Directors. The admittance of this product/vendor into the market will be heavily dependent on the availability of comparable product at the market at that time.

There will be no discrimination according to race, color, creed, sex, religions, sexual orientation, age, or nationality.

Membership Fees

Vendors must apply for space by submitting a vendor application at the Spring Vendor Meeting or by printing it off the website and mailing it the market manager. The annual membership fee is to be paid at the Spring Vendor Meeting or by the first market attended. Memberships are not transferable or refundable (some exceptions may be approved by the market Board depending on individual circumstances).

Fee Structure:

- Annual Membership Fee
 - 10x10 space - \$35.00 per year
 - 10x20 space - \$70.00 *If you wish to park your truck, van, trailer or other full sized vehicle behind your booth, you must pay for two spaces. 10x20 is the largest allowable space*
- 5% of weekly sales at the market. Each vendor will be given a Weekly Stall Slip on which to report their total sales. All fees are due and payable before leaving the market each day. Fees are to be figured after the closing of the market for the day, not before 1:00pm.

Temporary Vendors

Temporary vendors must apply for space by submitting a vendor application in person at the market or printing an application from the website and either mailing it to the market manager or bringing it the morning of the market. All temporary vendors are held responsible to know and abide by all market regulations.

Temporary vendor fees:

- \$5.00 weekly fee
- 10% weekly sales

After three weeks of selling as a temporary vendor, the weekly fee may be applied towards the vendor's annual membership fees should they choose to become a member of the market association.

Insurance and Licensing

The City Farmers Market Association will provide on-site liability insurance and an on-site nursery license. However, individual product liability is the responsibility of each vendor. Vendors are responsible for meeting all government regulations, obeying state, county, and local laws, etc.

Sales tax:

The State of Idaho expects all vendors to pay sales tax, therefore, accurate reporting of sales tax is up to each individual vendor. Sales tax permits are available through contacting the Idaho Tax Commission.

Prepared Food Regulations:

All vendors who prepare food for sale at the market must comply with the Health District regulations. It is in the best interest as a vendor, as well as in the interest of the market, that all vendors follow food safety standards intended to protect the patrons of the market. All vendors will be provided with a copy of the regulations. Violation of food regulations are grounds for suspension of your privilege to sell these items

Appendix B

at the market.

Nursery License:

Any vendor selling more than \$500 of nursery products (plants, starts, cut flowers) must obtain a Nursery License from the Idaho State Department of Agriculture.

Scale Certification:

All scales must be certified by the Idaho Bureau of Weights and Measures. If you wish to sell produce in bagged quantities you should also contact this bureau for specific requirements and labeling guidelines.

Pricing

Pricing is the sole responsibility of the individual vendor. However, the market encourages vendors to price their items for sale at a price that reflects the cost of materials, labor, marketing expenses, and a profit.

Vendors are expected to bring quality produce to the market. In addition, vendors are not allowed to give produce or other items away for free or at below-cost pricing to undercut the sales of other vendors.

Guidelines for Vendors

The Board of Directors has set forth the following guidelines for vendor ethics:

- All vendors will respect their fellow vendor and will treat one another kindly. No foul language or offensive remarks will be allowed.
- All vendors will represent themselves in a professional manner when interacting with customers
- All vendors will maintain a clean, attractive display in their booth.
- All vendors will respect the rights of our customers to come to the market and find a welcoming environment where they can feel safe and secure to enjoy the family friendly atmosphere
- Vendors will be present during market times. They may substitute a family member or on-farm employee occasionally if the need arises.
- Vendors will not set up before 6:30 am and cannot tear down until 1:00pm/
- No vehicles will be allowed in the market from 8:00am – 1:00pm.
- Spaces are assigned at the discretion of the Market Manager, and may be based on factors such as seniority, regular attendance, high sales, time of arrival, and product mix.
- Limited electricity is available. Vendors must apply for use through the Market Manager
- New and temporary vendors must check in with the market manager before setting up.
- Vendors must notify the Market Manager 24 hrs. prior to the market day if they will not be attending.
- Vendors will provide their own shade, tables, chairs, change, bags, and signage (all canopies and umbrellas must be weighted with a minimum of 25 lbs. per leg).
- All trash created by the vendor must be removed by them and not placed in city dumpsters.
- Members shall be willing to serve on various committees as needed and take an active role in assisting the market to grow and thrive.

Managing Vendor Issues

- **First Offense:** The vendor will be notified verbally by the Market Manager and/or one board member of the rule violation. The vendor will be given the opportunity to correct the violation at that time if possible. If the vendor refuses to correct the violation they will be asked to leave the market immediately, but will be allowed to return once they comply with the market regulations.
- **Second Offense:** The vendor will be asked to leave the market and special board meeting will be held immediately following that market day to determine if the vendor will be terminated for the season.

- Third Offense: The vendor will be terminated for the remainder for the market season, but may re-apply for membership the following season.

All infractions will be notated in the vendors file and kept for future reference. The Board of Directors reserves the right to terminate membership immediately upon the first violation if the offense warrants such action. No portion of any membership fees, or weekly fees paid will be refunded to any vendor if membership is terminated due to violations.

Miscellaneous

- No vendor's animals allowed in the market areas except Service Animals.
- Children of vendors under the age of 10 must be under control of their parents or guardian at all times.
- No soliciting by charitable or activist groups in any area of the market.
- No smoking by vendors permitted on the market area.
- The Market Manager may refuse to allow any vendor or nonprofit organization to set up or sell at the market.
- The manager is the first and final authority at the market.

Appendix C

Sample

City Farmers Market Vendor Application

Vendor Name: _____

Company Name: _____

Name of family members or employees who will be working in your booth: _____

Email Address: _____

Physical Address: _____

Mailing Address (if different from above): _____

Items to sell at the market (list all in detail): _____

Indicate Dates of Market Participation (Please circle)

May	June	July	August	September	October
2	6	4	1	5	3
9	13	11	8	12	10
16	20	18	15	19	17
23	27	25	22	26	24
30			29		31

Sales Tax Number (required) _____

What size of booth would you like (10x10 - \$35, 10x20 - \$70) _____

Do you need Electricity? Yes/No

Do you need your vehicle at your booth? Yes/No

I have read and understand the City Farmers Markets Policies and Guidelines and Agree to abide by them.

Vendor Signature _____ Date _____

I also agree to indemnify and hold harmless the City Farmers Market Association, its representatives and agents from and against all liability, claims, demands, losses, damages, levies, and causes of action or suits on any nature whatsoever, arising out of or related to my activities at the market.

Vendor Signature _____ Date _____

Submit your application with the annual fee no later than April 15th to:

Market Manager
P.O. XXX
City, Idaho 55555

Contact the Market Manager at (208)555-5555 with any questions.