



Engines of the New Farm Economy:

Assessing and Enhancing the Benefits of Farmers
Markets for Farms and Communities

USDA NIFA #2009-55618-05172

Marcia Ostrom, José García-Pabón, Jessica Goldberger, and Vicki McCracken



United States
Department of
Agriculture

National Institute
of Food and
Agriculture

Oral Presenters

Each session is moderated

Presentations limited to 15 minutes and 12 slides, including title and conclusions

The primary focus of the presentation should be on outcomes, but can include slides on justification for the study; methodology and results.

You can discuss potential outcomes of your project and how it will be measured and documented.

Show any outcomes of your projects to regional economic development

Each breakout session has about 30 minutes reserved for discussions.

Send slides to [Patricia McAleer](#) by October 14, 2011

Objectives

◆ *Document current capacity of WA farmers markets to improve farmer income, the environment, and communities*

◆ *Identify and address barriers to participation in farmers markets for women, immigrant, minority, and limited resource farmers*

◆ *Assess and improve organizational and management strategies and identify regulatory and policy barriers*

◆ *Build long-term capacity to address ongoing research and educational needs of farmers market organizations*

Why is there a need for this Study? Don't we already have farmers markets figured out?

Encounter a variety of assumptions

Among farmers market boosters:

1. Provide good markets for farmers
2. Provide a direct connection with a local farmer
3. Good for communities-economic, cultural, health and tourism benefits, builds community (every community wants one—*now*)
4. Have environmental benefits, associated with "local" food/lower food miles and more sustainable farmers

Assumptions among critics:

1. Inefficient way to supply food/marginal portion of the food supply
2. Not serious income for farmers (hobby farmers)
3. Cute or quaint/feel good activity

Or, finally, too expensive, exclusive, elitist

1. Don't really have the evidence to support many of these assumptions one way or the other. Basic information about sales, markets, vendors, shoppers, products – still elusive; why? Informal, cash-based, not standardized industry. Decentralized. Let alone precise data on the scope and nature of their economic, community and environmental impacts.
2. Lack practical decision making tools for: Defining "farmers market", Deciding how many markets an area can support? Do we have too many markets? How to navigate regulations? How to organize, professionalize and sustain markets? Who are future farm vendors and what do they need from these markets to succeed? Some markets short on vendors, but good markets are full/hard to get into? What about new farmers?
3. Are markets elitist or a useful means of addressing food deserts and food security? Do they provide important farm income and help the environment? What sorts of national, state and local policies do we need? And how do we get there?



Why do this research in Washington State? Just as nationally seeing rapid growth (150% in last decade or so); now ~ 170 markets; up from fewer than 50 markets in mid-90's. 170 in 2010. 150% growth over last decade. As map shows, are spread throughout the state—rural and urban areas.

Good market season and diverse products/growing conditions; conditions similar to many northern states

Strong consumer demand, especially in Puget Sound area; strong local food sentiment/international/slow food/chefs collaborative movements

Good mix of mature markets and experienced managers/partners. Variety of organizational forms.

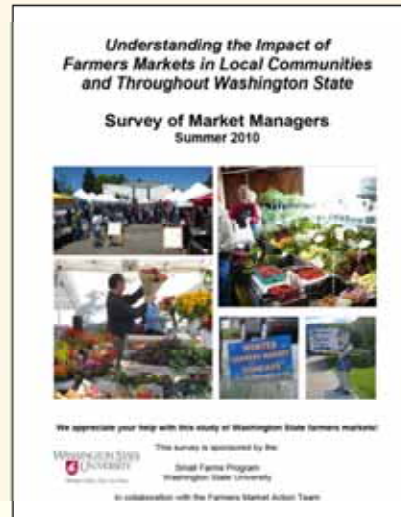
Long history (Pike Place in 1907)

One of the oldest state-wide farmers market associations; founded in 1978; therefore better records (albeit far from complete), 112 markets now.

Work here should provide important lessons and contribute to a strong national discourse.

Methods

- Participatory Research
- Collect Existing Data
- Rapid Market Assessments
- Market Manager Survey
- Case Study Communities
- Farm Vendor Survey
- Focus Groups



Farmers Market Action Team: ~ 25 people including managers, vendors, advocates, WSU; core group of 8-10; meet by conf call mostly

Market manager survey – more details below

- Mail/Web survey response rate is 58.6% (95 completes)
- Single Market telephone survey response rate is 63.2% (60 completes)
- Multiple Market telephone survey response rate is 70% (12 respondents completed the survey representing 33 markets)

Case study markets: Okanogan, Yakima, Bremerton, Broadway (Seattle). Market assessments, vendor analysis, community interviews.

Farm Vendor surveys based on lists from managers.

Focus groups: immigrant and women farmers

Manager Survey Details:

Created list of all markets in the state that met our criteria (and then included some of the markets with less than 5 farmers but created in spirit of farmers market – e.g. Horizon Project markets) Identified over 165 markets (excluding 8 that did not fit criteria); started with WSFMA list, Puget Sound Fresh, and Senior Nutrition Program lists and built from there. 159 markets open in 2009 (9 of these were not open in 2010); Used market location

Only comprehensive list in the state.

72 questions: background, market site, vendors, vendor sales and products, shoppers, market organization and management, market finances, personnel, and manager demographics Started with 2002 survey and built from there. Looked at USDA survey and borrowed some questions so that we could compare WA State to national trends.

Cultivated relationship with market managers

WSFMA important partner for contact list, outreach (Project Coordinator serving on board)

FMAT important partner for outreach, informing content/process.

Two part: hard copy/Internet followed by phone survey

First mailing August 13, 2010

Working with WSU survey lab

Market Manager Survey results are currently being analyzed to determine:

Total number of Washington farms employing farmers markets as a core business strategy;

Conditions and barriers to vendor and market success;

Best management practices to optimize farm sales;

Accurate sales data statewide and per market;

Role of professional market managers; and

How to optimize markets' organizational development, capacity and sustainability.

Successful strategies for serving low-income communities.

Farmers Market Action Team



Why participatory?

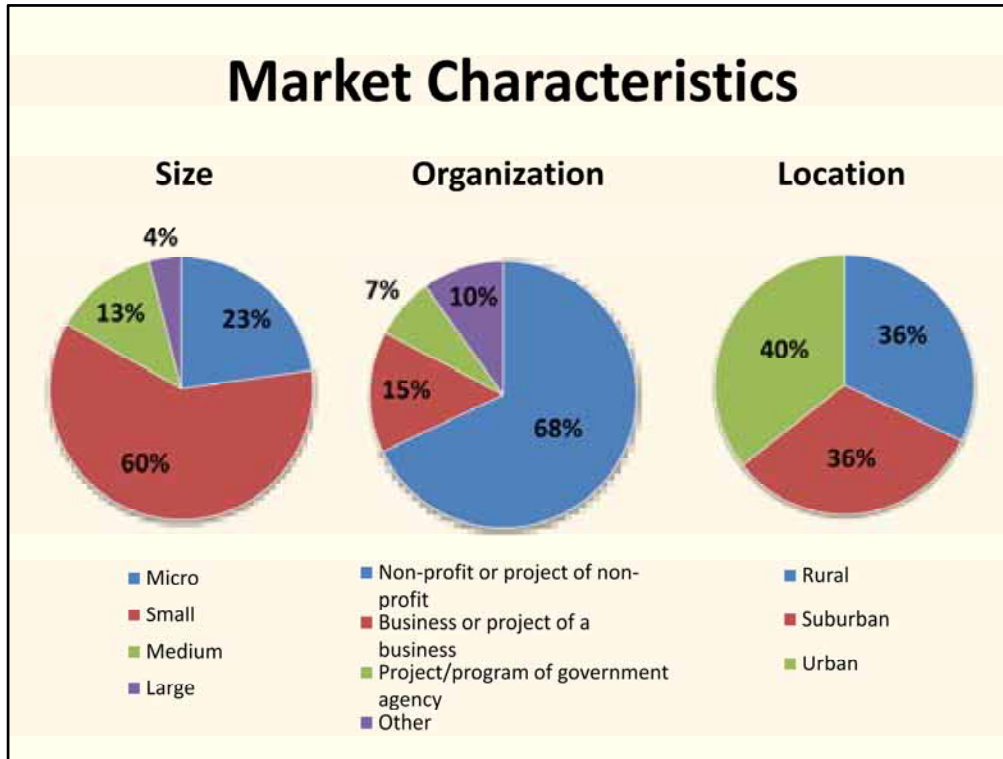
A state-wide “Farmers Market Action Team” grew out of requests by stakeholders of the WA Small Farms Advisory Board. It began meeting prior to the USDA grant to shape the proposal and the vision is that it is bigger, and hopefully longer lasting, than any one project. The Farmers Market Action Team is critical to guiding state-wide research needed to support farmers markets in Washington. Anyone willing to roll up their sleeves and help is welcome to join the team. Current members include representatives from the Washington State Farmers Market Association, WSDA Small Farm & Direct Marketing Program, Neighborhood Farmers Market Alliance, Cascade Harvest Coalition, King County Agriculture Program, WSU, farmers and many dedicated market managers.

Point is to design relevant research and build long-term capacity.

Rapid Market Assessment (Lev, Brewer, and Stephenson 2008)



Reference: Tools for Rapid Market Assessment, 2008, Lev, Brewer, and Stephenson.
Participatory Team: 3 components: customer counts, poster/dot surveys, and participant observation by the team, results in a report with recommendations for the manager and/or public
12 promised in this project: 12 completed. Geographically and demographically diverse locations.



MARKET SIZE:

Micro: 5-8 farmers (23) 23%
 Small: 9-30 farmers (61) 60%
 Medium: 31-55 farmers (13) 13%
 Large: 56-90 farmers (4) 4%
 N 101

MARKET LOCATION:

of WSFMA Market Locations, 2010

King County (33)
 Snohomish (10)
 Kitsap County (8)
 Pierce & Spokane Counties (7 each)

Overall, markets in all but 3 counties (2009).

Documenting FM Impacts

Market Sales

Reported 2010 Market Sales (gross/season) *		Reported 2010 Market Sales per Market Day *	
High	\$ 5,000,000	High	\$ 65,211
Low	\$ 7,939	Low	\$ 111
Median	\$ 176,158	Median	\$ 7,450
Average	\$ 370,607	Average	\$ 11,399

Total estimated sales 2010: ~ \$50 million

* Pike Place Market Sales Estimated

Five markets have annual sales over a million (Pike Place makes 6?)

Olympia Farmers Market 148 mkt days/year, \$5,000,000 (1974)

Pike Place, \$5,000,000 (estimate)

University District Farmers Market 52 Yes \$ 3,390,994 (1993)

Ballard Farmers Market 52 Yes \$ 3,367,511 (1991)

Bellingham Farmers Market 37, \$ 1,758,483 (1992)

West Seattle Farmers Market 52, \$1,280,725 (1999)

- 4 out of 5 are open year round
- all are run by strong organizations, 4 out of 5 have the founding market manager involved or on-site
- 3 out of 5 are in Seattle; all are on I-5 corridor
- Mature markets: Olympia opened in 1974, three in early 1990's and 1 in late 1990's

n = 102 or 91% of WSFMA markets

Sales issues:

1. Under/accurate reporting by vendors
2. Under/accurate reporting by markets
3. Non-WSFMA markets
4. Only gross
5. ~ 69% farmer sales
6. Not usually broken down by market day
7. Not broken down by # of vendors or vendor type

Total FM Sales by vendor type (WSFMA 2010)

Farm Sales: 69 %

Processor: 12 %

Reseller: 3 %

Prepared Foods: 9 %

Artisan: 7 %

Estimated Average Spending



Source: RMAs, 2009-2011

Note: technically this is spending per "shopping group"

Farmers Markets and Jobs

Seven urban markets in Seattle support 150 WA farms:

- 680 full time jobs
- 920 seasonal jobs
- 238 market-day jobs
- 6 full time and 8 seasonal jobs running the markets

Neighborhood Farmers Market Alliance Data, 2010

Thus, our project has demonstrated that markets can catalyze economic activity through farm sales at the market, farm-based job creation, and enhanced sales at nearby businesses.

Initial manager survey results are showing a strong correlation between management strategies, market and farm profitability, and the long-term sustainability of the market.

Potential outcomes: government officials and private business sponsors will become more interested in supporting markets as catalysts for environmentally sound economic growth.

Next steps:

Who's at the market and who's not?



Continue to analyze and share results.

In the project's final year we are completing our vendor survey and focus groups to better understand who the vendors are at our markets, how the markets are performing for their needs, and who is not getting access to the best markets. We are also analyzing our manager survey results to better understand best management practices.

We are also conducting ongoing outreach at the state farmers market conference, professional society meetings, the King County Agriculture Commission and through a manager toolkit. Will share results with government agencies.

Discussion and Conclusions. Be skeptical of existing data. Lack practical decision making tools for defining and identifying a "farmers market". In WA it will be important to consider how many markets an area can support? Do we have too many markets? How to navigate regulations? How to organize, professionalize and sustain markets? Who are future farm vendors and what do they need from these markets to succeed? Some markets short on vendors, but good markets are full/hard to get into? What about new and socially disadvantaged farmers?

Questions we are analyzing: are markets only for privileged consumers or a useful means of addressing food deserts and food security? Do they provide important farm income, sustain farms, and help the environment? To what extent are they contributing to economic development? Are all farmers getting equal access regardless of their size and demographic status? What sorts of national, state and local policies do we need to enhance market management and viability?

For More Information:



Marcia Ostrom
mrostrom@wsu.edu

Colleen Donovan
Colleen.Donovan@wsu.edu

WSU Small Farms Program
www.smallfarms.wsu.edu



United States
Department of
Agriculture

National Institute
of Food and
Agriculture

Thank you to USDA NIFA AFRI Program for supporting this research.